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### Performance Appraisal and Performance Appraisal Methods

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#### Abstract

##### Keywords:

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*This research aims to discuss performance appraisal and performance appraisal methods. The method used is library research, data collection by searching for sources and reconstructing from various sources such as books, journals, and existing research. The result is that performance appraisal is the process of evaluating employees in completing the tasks assigned by the organization. The performance appraisal method is a way to assist management in carrying out the employee performance appraisal process.*

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#### Introduction

Performance in the company is very important, one of which is employee performance. Employee performance can affect the results obtained by employees while working. In the company, employee performance is needed in realizing organizational goals. Employee achievement at work can be seen from their performance appraisal. Human Activity Recognition has been researched for the past few years (Victoria, et al., 2022).

Performance is the result of a process that refers to and is measured over a period of time based on predetermined conditions or agreements. As an innovation, fintech makes it easier for customers to make transactions, for example e-money (Purnomo et al., 2021) According to Sutrisno (2016) performance is the result of employee work

seen from the aspects of quality, quantity, work time, and cooperation to achieve the goals set by the organization. Focus on technologies that enable MCS to be implemented in smart cities, such as task management, data collection, incentive systems, monitoring, and cost-saving tools. (Wildan et al., 2023).

According to Mangkunegara (2017) performance is the quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given to him.

According to Fahmi (2017) performance is the result of a process that refers to and is measured over a certain period of time based on predetermined provisions or agreements. Competence is the ability to apply knowledge, skills, behavior and personality to carry out individual and organizational tasks in order to achieve superior work performance (Hidayat et al., 2022).

Performance appraisal is a process or activity carried out by individuals or groups within a company to evaluate and communicate how employees do work by comparing the results of their work with a set of standards that have been made in a certain period which is used as a basis for considering an activity. Previous research found that CSR can increase company value (tarjo et al., 2022). As a financial institution that has an intermediary function, the role of banks is very important in the economic activities of a country, where banks become institutions that distribute funds and as a place for financial transactions, this makes banks unchanged like the pulse in the human body which is very much needed to support the smooth running of a country's economy. (Ryandono et al., 2022). Companies must ensure quality for sustainability (Wildan, 2020). The current sources of competitive advantage are innovation and creativity (Safrizal, 2023).

Performance appraisals are used to inform employees of the extent of their performance and the rewards they will receive. Optimasi jaringan rantai pasok dapat dilakukan dengan tujuan meminimalkan biaya distribusi komoditas tani (Marita et al., 2021). Performance appraisals also aim to evaluate and provide feedback to employees that will develop employees and also the effectiveness of the organization.

## **RESEARCH METHODS**

The research method used in this paper is a type of literature study method, namely a method of collecting data by understanding and studying theories from various literatures related to the research. When consumers purchase a product or brand, they will get a brand experience (Wantara et al., 2023). Online shopping refers to the transaction process that occurs between a seller and a buyer on a website. (Wantara & Suryato, 2023). There are four stages of literature study in research, namely preparing the necessary equipment, preparing a working bibliography, organizing time and reading or recording research material (According to Zed, 2004).

The data collection uses a way of searching for sources and constructing from various sources such as books, journals and research that has been done. Library materials obtained from various references are analyzed critically and must be in-depth in order to support propositions and ideas..

## **RESULT**

### **Definition of Performance Appraisal**

According to Dessler (2015), performance appraisal is evaluating an employee's current or past performance relative to his or her performance standards.

According to Sastrohadiwiryo (2002), performance appraisal is an activity carried out by appraisal management to assess labor performance by comparing performance against job descriptions within a certain period, usually at the end of each year.

According to Mathis and Jacson (2006), performance appraisal is the

process of evaluating how well employees do their jobs when compared to a set of standards, and then communicating that information to employees.

According to Byras and Rue (2006), performance appraisal is the process of evaluating and communicating how employees do their jobs and developing development plans to the employees themselves.

According to Irianto (2001), performance appraisal is an ongoing process to report work performance and abilities in a more comprehensive period of time, which can be used to form the basis for consideration of an action..

There are three types of criteria that are often used in the employee performance appraisal process, namely:

1. Individual work results. If work results are the preferred aspect of work in the position, then individual work results can be used as assessment criteria.
2. Behavior. In many positions, it is difficult to define specific outputs that can be used as assessment criteria. In these positions, management can use behavior as an assessment criterion. This is because behavior is a determining factor in the effectiveness of employee work. The behavior assessed is not always behavior that is directly related to productivity. The important thing is that the behavior helps the effectiveness of the organization's work.
3. Traits. Traits are individual characteristics that often appear and describe individual behavior. Traits are the weakest assessment criteria because of the three criteria, traits are the furthest away from an individual's actual performance. Good or desirable traits are criteria that are not related to job performance. In social interactions these traits tend to be noticed by others, including by immediate supervisors.

#### **Performance Appraisal Method**

The 360-Degree Feedback employee performance appraisal method uses feedback from the circle of influence around the employee, which includes managers, coworkers, consumers/customers, and direct reports. This method is more comprehensive, providing an assessment from several perspectives.

This performance appraisal involves five components:

Self appraisal. Employees review their performance and identify their own strengths and weaknesses, and use a structured form to avoid bias.

1. Manager review. Managers conduct traditional appraisals of employees and evaluate teams.
2. Peer review. Teammates assess an employee's ability to work together, take initiative, and contribute to the team. However, friendships and animosity can influence the assessment to be unobjective.
3. Subordinates Appraising Manager (SAM). Here, subordinate appraising managers evaluate employees based on direct reports.
4. Customer/client review. This appraisal is based on reviews from customers or clients who interact with the employee on a regular basis.

In addition to providing complete feedback from many sides, the advantage of this method is that it increases employee awareness of the importance of their performance to stakeholders.

One of the software that is widely used by companies in performance appraisal is Mekari Talenta. Mekari Talenta is one of the software for companies when they want to manage their employees' database comprehensively.

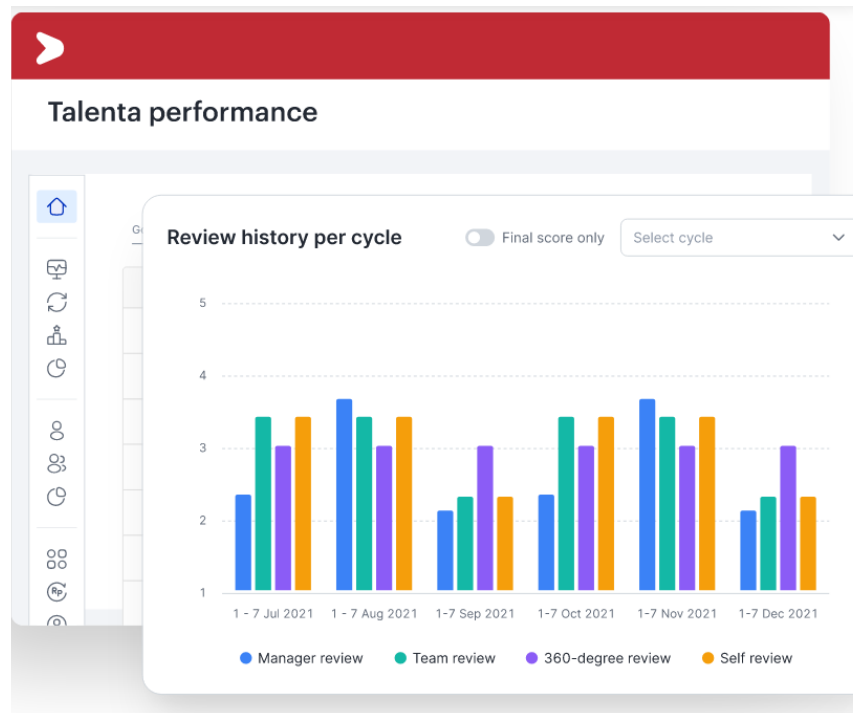


Figure 1. 1 Performance Assessment of Mekari Talenta

From figure 1.1, there are four methods of performance appraisal using talent software, namely manager review, team review, 360-degree review, and self review.

This performance appraisal involves four components:

1. Self review. Employees look back at their performance and identify their own strengths and weaknesses, and use a structured form to avoid bias.
2. Manager review. Managers conduct traditional appraisals of employees and evaluate teams.
3. Team review. Teammates assess an employee's ability to work together, take initiative, and contribute to the team. However, friendships and animosity can influence unobjective assessments.
4. 360-Degree review uses feedback from the circle of influence around the employee, which includes managers, coworkers, customers, and direct reports.

## CONCLUSION

Based on the results above, performance appraisal is the process of evaluating employees in completing the tasks assigned by the organization. In performance appraisal there are three criteria to be assessed. The performance appraisal method helps management in carrying out the employee performance appraisal process. One of the performance appraisal software that is widely used by companies or organizations is Mekari Talenta.

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