

i) Performance Appraisal ⇒ It is a regular review of an employee job performance & overall contribution to a company which also known as annual review or evaluation. Performance appraisal evaluates an employee skills, achievements & growth or lack.

ii) Methods of Performance Appraisal ⇒ MBO ⇒ It is a process in which manager identifies the desired objectives to be achieved & gives each individual a major area of responsibility.

⇒ Critical Incident Method ⇒ In this method manager evaluates an employee on the basis of certain events known as critical incidents.

⇒ 360° Degree Feedback ⇒ The feedback is taken by the questionnaire designed for this purpose. This method is very useful for the startups.

⇒ Forced choice Method ⇒ In this method evaluator rates an employee based on the group of statements. These statements are combination of both negative & positive statements.