

## CHAPTER 9

### PERFORMANCE APPRAISAL OF HOSPITALITY EMPLOYEES

Performance refers to the degree of accomplishment of task that makeup an individuals' job. In the hospitality industry the performance of an employee has to be evaluated from time to time. When properly conducted performance appraisals not only let the employee know how well he is performing but should also influence the employees future level of effort, activities, results and task direction. Performance appraisal evaluates not only the performance of a worker but also his potential for development.

Performance appraisal is a method of evaluating the behavior of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. It is a systematic and objective way of evaluating both work related behavior and potential of employees. It is a process that involves determining and communicating to an employee how he is performing the job and ideally establishing a plan of improvement. Performance appraisal emphasizes individual development. In hospitality it is used to evaluate the performance of all the human resources working at all levels of the organization - unskilled, the technical, professional and managerial staff.

There are two main purposes of performance appraisal.

#### I. ADMINISTRATIVE PURPOSE:

1. Promotion and placement of employees.
2. Transfer and demotion / promotion.
3. Wage and salary payments.
4. Training and manpower development programs
5. Personal research.
6. Favourable impact on employees.

#### II. SELF DEVELOPMENT:

1. Employees work hard to show improvement.
2. Counseling is provided to those that require improvement.
3. An incentive to employees who have fared well.

**METHODS OF PERFORMANCE APPRAISAL:** There are several methods and techniques of appraisal for measuring the performance of an employee. The methods and scales differ for obvious reasons; they differ in the sources of traits or qualities to be appraised. In the hospitality industry the methods used try to explain how management can establish standards of performance and devise ways and means to measure and evaluate the performance of employees.

There are two methods of Performance Appraisal. The traditional methods lay emphasis on rating of the individual's personality traits, such as initiative, dependability, drive, responsibility, creativity, integrity leadership potential, intelligence, judgment, organizing ability etc. Modern methods place more emphasis on the evaluation of work results like job achievements. This tends to be more objective and worthwhile,

especially for counseling and development purposes. Every method used suffers from certain drawbacks and merits.

#### PROCEDURE / STEPS OF PERFORMANCE APPARISAL:

- 1) Establish performance standards with employees.
- 2) Mutually set measureable goals.
- 3) Measure actual performance.
- 4) Compare actual performance with standards.
- 5) Discuss the appraisal with the employee.
- 6) If necessary initiate corrective action.

The modern trend is to associate the employee with the appraisal process for their benefit and self-improvement; this is usually the practice in almost all hospitality sectors. Here each employee is given an opportunity to learn his weakness and also gets guidance for self-development. Performance appraisal interviews should be arranged soon after the performance appraisal, failing which the appraisal might serve only as an administrative purpose.

There are three types of performance appraisal interviews:

1. Tell and sell interview
2. Tell and listen interview
3. Problem solving interview

Performance appraisal should be designed by the HRD Department to meet the requirements of the organisation as well as the individual. If standards are set then the appraisals should be compared with the set standards. Choosing the right appraisal tool is very important. The benefits and procedures of the performance appraisals are many be it a small or large organisation. If carried out in the right spirit and for the right purposes it has many advantages. At the same time there are a few limitations.

Even though performance appraisal is a positive and constructive technique, and is useful to both the employee and employer in many ways, it is said to have various limitations. The modern trend is to associate the employee with the appraisal process for their benefit and self-improvement; this is usually the practice in almost all hospitality sectors. Here each employee is given an opportunity to learn his weakness and also gets guidance for self-development.