

April 2024



What bell did the last 'Bell Curve' ring for you?

Satisfaction? Disappointment? Concern? Threat?

The wait is over! It is time now to reflect on your past year's performance and start afresh a new appraisal race all over again! Are you game?

Taken as a whole, the reactions of executives after annual appraisal are influenced by a combination of factors, including individual as well as team performance besides the transparency and fairness of the appraisal evolution process. Executives may experience a range of emotions, from satisfaction and relief to disappointment and concern, as they assess the outcome of the preceding appraisal and plan for the future year. The common corridor grapevine in the month of April is, why some of your colleagues earned more incentive and increment besides getting promotion. As per Vilfredo Pareto principle top 20 percent of the money earners takes 80 percent of the business profit. Consequently, remaining 20 percent of the inducement money is being distributed amongst the remaining 80 percent of the bottom earners. The distribution of performance ratings in India often follows a bell curve or similar distribution, where a majority of employees receive average ratings, fewer employees receive ratings at the extremes (high performers or underperformers). Then the question remains WHY? Are the top earners better, smarter or more capable and productive than you? Let us explore.

The origin of the appraisal process can be traced back to the early 20th century, with the emergence of scientific management principles and the need for systematic methods to evaluate employee performance. In the 1920s and 1930s, the Hawthorne studies conducted at the Western Electric Company's Hawthorne Works in Chicago highlighted the importance of social and psychological factors in employee productivity and performance. These studies emphasized the role of feedback, communication, and interpersonal relationships in influencing employee behaviors, which influenced the evolution of performance appraisal practices. However, performance appraisal reviews, like any other human judgment process, are susceptible to various biases. Some common biases that can affect the appraisal review process are Halo Effect, Leniency or Strictness Bias, Recency Bias, Central Tendency Bias, Confirmation Bias, Similar-to-Me Bias, First Impression Bias, Attribution Bias etc. Awareness of these biases is critical for the employees to fare well in the performance appraisal process.

At Achievers Circle we do train executives to recognize and mitigate these biases in their appraisers to ensure that their performance evaluations are based on accurate and objective assessments. Also, at Achievers Circle we outline specific individualized steps for employees to address performance deficiencies and improve their performances over a defined period.

Please do join us to experience the enhanced effectiveness of appraisal review management process and improve your performance rating.

