

BIMCS



**BIMCS Institute of Management
&
Computer Sciences**

MBA - THESIS

**DESIGN OF A 360-DEGREE PERFORMANCE
APPRAISAL – LMK RESOURCES**

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Executive Summary

Effective performance appraisal systems contain two basic systems operating in conjunction; an evaluation system and a feedback system. The main aim of the evaluation system is to identify the performance gap (if any). This gap is the shortfall that occurs when performance does not meet the standard set by the organization as acceptable

The main aim of the feedback system is to inform the employee about the quality of his or her performance. One of the best ways to appreciate the purposes of performance appraisal is to look at it from the different viewpoints of the main stakeholders; the employee and the organization.

In this thesis a detailed study of LAND MARK RESOURCES (LMK Resources) was carried out and it was seen that the present appraisal system failed to provide the necessary linkage between employees performance and the organization's objectives. Moreover the rating system was check full with the rating errors such as contrast effect, first impression errors, halo-horns effect, similar to me effect, central tendency, recency effect and stereotyping.

A new appraisal system for LMK Resources was proposed which incorporated a new technique for measuring performance based on 360-degree feedback. While the traditional appraisal is exclusively one way (supervisor measures appraisee) the 360 degree appraisal takes feedback from the appraisee, supervisors, peers, subordinates and even the clients.

The 360 degree performance appraisal have the advantages over the traditional appraisal namely, improved feedback from more sources, team development, personal and organizational performance development, managing employee career development, reducing the risk of discrimination, improved customer service and employee training need assessment.