



## Human Resource Development: Overview of the Performance Evaluation and Performance Appraisal Viewpoints

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### Abstract

*This article discusses Human Resource Development by reviewing Performance Evaluation and Performance Appraisals. Every organization must prepare a program that contains activities that can improve the capabilities and professionalism of HR so that the organization can survive and develop in accordance with the organizational environment. The appraisal process starts from setting employee performance standards. A manager must determine what achievements, skills or outputs will be evaluated. These performance standards should be included in the job analysis and job description. After the performance standards have been set, the next thing to do is communicate to each employee, so that the employees know what is expected by the company. Performance appraisals are used to tell employees how far they are performing and the rewards they will get. Performance appraisal also aims to evaluate and provide feedback to employees that will develop employees and also the effectiveness of the organization. Poor performance shows the need for training as well as good performance can reflect the great potential that must be developed.*

## Introduction

Human resources are a very central factor in organizations, whatever their form and purpose, organizations are created based on various visions for the benefit of humans. The importance of human resources in an organization demands that every organization get qualified and productive employees to run the organization.

In this era of intense global competition, human resources are considered as one of the most important factors playing a major role in maintaining organizational sustainability, credibility and creating public trust. Emphasis on human resources as valuable capital in organizations reflects more emphasis on intangible than real resources. As stated by (Becker, 1964) that investment in human resources aims to benefit the organization both in the long or short term. Through the skills and abilities that employees have, they will be motivated to continue learning to build a superior business environment. Human resources are used significantly as a driver of other resources and have a strategic position that contributes to the realization of a company's organizational performance with a competitive advantage (Wright et al., 2005).

Human resource development is closely related to the quantity and quality of knowledge held. This situation becomes very important because it is from knowledge that humans have a basis for action, and it is from this knowledge that humans can improve their quality of life (Pfeffer & Sutton, 2000; Swanson et al., 2001; Benson et al., 2002). Human resource development has a direct relationship with organizational profitability. Therefore, every

organization is advised to optimize employee performance in making optimal contributions, among others, by conducting training and development programs. It is also related to organizational productivity and can increase the effectiveness and efficiency of work.

### **Human Resource Development**

The most valuable wealth in an organization is Human Resources (HR). HR is a very valuable investment for an organization that needs to be maintained. Every organization must prepare a program that contains activities that can improve the capabilities and professionalism of HR so that the organization can survive and develop in accordance with the organizational environment. To achieve maximum productivity, organizations must ensure the selection of the right workforce with jobs and conditions that allow them to work optimally (Grawitch et al., 2006; Taiwo, 2010).

HR development is all activities carried out by organizations in facilitating employees to have the knowledge, expertise and / or attitude needed to handle current or future work. The activities referred to are not only educational and training aspects, but also career and organizational development aspects. In other words, PSDM is closely related to efforts to increase the knowledge, abilities and / or attitudes of organizational members as well as providing career paths that are supported by organizational flexibility in achieving organizational goals.

Increasing work productivity, a well-designed development program will help increase the productivity, quality and quantity of employee work. This is due to the increase in technical skills, human skills, and managerial skills of the employees concerned (Geroy et al., 2000; Darvas & Palmer, 2014). The efficiency of the organization's resources will be maintained if the development program is implemented as needed. In other words, waste can be reduced, because production costs are small and in the end the competitiveness of the organization can increase. With a good development program, the level of damage to goods / production and machines can be minimized because employees will be increasingly skilled in carrying out their duties. Increasing the skills/proficiency of employees in carrying out tasks, the level of accidents can be minimized. Service is one of the selling points of an organization or company. Therefore, one of the goals of developing human resources is to improve the ability of employees to provide services to consumers.

Employee morale is expected to be better, because by giving employees the opportunity to participate in employee development programs, the knowledge and skills are expected to be in accordance with their work, so that the enthusiasm of employees to complete work will increase.

Increasing career opportunities because generally promotions are based on the abilities and skills of employees, then the opportunities for employees who have taken part in the development program to advance their careers will be more open because their skills and abilities will be better. Increasing conceptual abilities, development is also aimed at improving the conceptual abilities of an employee. With increased abilities, it is hoped that decision making on an issue will be easier and more accurate.

Improving leadership, Human relations is one aspect of concern in Schuler's development program. (1989) with the increasing ability of human relations, it is expected that the relationship either upward, downward, or sideways will be easier to implement.

It is hoped that the increase in remuneration and the work performance of employees who have participated in the development program will be better. Along with the increase in employee work performance, the remuneration for their performance will be even better.

Increasing service to consumers, by increasing the ability of employees, both conceptual and technical, the efforts to provide services to consumers will run better as well. Thus, it is expected that consumer satisfaction as a user of goods / services will be fulfilled.

### **Performance Evaluation Process**

The appraisal process starts from setting employee performance standards. A manager must determine what achievements, skills or outputs will be evaluated. These performance standards should be included in the job analysis and job description (Levy & Williams, 2004; Caruth & Humphreys, 2008). After the performance standards have been set, the next thing to do is communicate to each employee, so that the employees know what the company expects from them. The absence of communication can complicate the process, so communication must be two-way. This means that management must get feedback from employees regarding the performance standards that have been set for the employee concerned.

The third stage of performance evaluation is to measure actual performance or actual performance based on information available from various sources. Such as observations, statistical reports, oral reports or written reports. Measurement of performance must be carried out objectively based on facts and findings, not to include feelings in this performance measurement. Compare actual performance with existing, or predetermined standards. This comparison will reveal whether or not there is a deviation between actual performance and performance standards. The fifth step is to communicate and discuss the results of the assessment to the employees concerned. This step is one of the most challenging tasks, because a manager must present an accurate assessment so that the employee can accept the results of the assessment. The discussion about this assessment allows each employee to find out his strengths and weaknesses and their impact on their performance in the future.

The final step in the assessment process is to take corrective or corrective action as needed. If there is a deviation between the performance standard and the employee's actual performance and it has been well communicated between the two parties, then both the company and the employee must take action to improve their performance.

### **Performance Appraisal Aspects**

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 consideration of an activity. Performance appraisal is the process of evaluating performance, formulating development plans, and communicating the results of the process to the employees themselves (Mani, 2002; Grote, 2002). Performance appraisal is the result of a systematic assessment and is based on a group of activity performance indicators in the form of input, output, outcome, benefit and impact indicators. Performance appraisals are used to tell employees how far they are performing and the rewards they will get. Performance appraisal also aims to evaluate and provide feedback to employees that will develop employees and also the effectiveness of the organization. Improved work performance. Job performance feedback allows employees, managers, and the personnel department to correct their activities to improve performance. Compensation adjustments; Performance evaluation helps decision makers determine wage increases, bonus payments, and other forms of compensation. Placement decisions. Promotions, transfers and demotions are usually based on past or anticipated performance. Promotion is often a form of appreciation for past performance.

Training and development needs. Poor performance indicates a need for training as well as good performance, perhaps reflecting potential that must be developed. Career planning and development. Achievement feedback guides career decisions about which particular career path to research. Staffing process deviations. Good or poor performance reflects the strengths or weaknesses of the personnel department staffing procedures. Informational inaccuracies. Poor job potential may indicate errors in job analysis information, human resource plans or personnel management information system components.

## Conclusion

HR development is all activities carried out by organizations in facilitating employees to have the knowledge, expertise, and / or attitudes needed in handling current or future work and the objectives of HR development are increasing work productivity, achieving efficiency, minimizing damage, Reducing accidents, improving service, maintaining employee morale, increasing career opportunities, increasing conceptual abilities, improving leadership, increasing remuneration, improving service to consumers. Performance evaluation is the process of reviewing how effectively employees fulfill their job responsibilities and contributing to business objectives. 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. which has been made in a certain period which is used as a basis for consideration of an activity.

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