

THE ROLE OF PERFORMANCE APPRAISALS AND FEEDBACK IN EMPLOYEE DISMISSAL FOR UNSATISFACTORY PERFORMANCE

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Abstract: *The use of performance appraisal and feedback are other important aspects of industrial relations, especially where there are concerns about employee performance, and where dismissals have been affected in such a case. In this paper, I dissect the systematically formal purpose of appraisals and feedback where it is concerned with appraising, documenting, and managing performance complaints. They point out how objective feedback can ensure that violations are consistent with the organizational policies and avoid the facets that may lead to lawsuits, enhance the accountability of the organization. The best practice in appraisal is as significant in minimizing the chances of disagreements while it strengthens affiliation and compliance with the law besides promoting development through the training. This research therefore shows through literature review and case study how appraisals and feedback are fundamental tools in strategic human resource management. This research also has important implications for HR practitioners interested in equal employment opportunity policy compliance and efficient and legally sound dismissals.*

Keywords: *Performance appraisal, Feedback, Employee unsatisfactory performance*

Introduction

The modern world is characterized by a significantly stepped-up pace of doing business that continues to intensify the pressure on organizations to keep up with the new standards of organizational productivity, responsibility, and workforce utilization. Therefore, performance appraisals and feedback are critical methods of human resource management because they provide employees with structured ways of evaluating the worth of the employee to the company in relation to key objectives (Quader, 2024). These tools play a big role in identifying talents, analysing opportunities for development and training of the employees to achieve their potential. However, appraisals and feedback form a basis of some of the difficult decisions like removal from employment due to poor performance. These mechanisms are of particular interest for the following reason: The purpose of this paper is to explore the part played by these mechanisms in directing and rationalizing such dismissal decisions (Thomas et al., 2024).

Around the world, the practice of using performance appraisals, feedback has become obligatory for efficient managers across the various industries such as healthcare, finance, and technology. The structured evaluation systems have shown to deliver high value in the sectors, where employee performance is directly linked to operation's results. Research indicates that the effective organizational appraisal processes have resulted to increased productivity gains of up to 15% while 65-90 % of the employees' productivity is reported to increase when they are recognised and appreciated for their work (Antranik Keurkunan, 2018). As well as being motivational and providing incentives these systems are of paramount value when dealing with the problems of low performers or non-compliers and offer employees ways and means of coming up to standard.

Nevertheless, there are some issues awaiting solution about the use of the appraisal and feedback systems. It also exists in many forms, depending on cultural, legal or organisational characteristics of the market in which they are applied. For example, in North America and Europe that can boast of well-developed systems of performance appraisal dismissing based on performance is not the exception. In contrast, such countries as Asia and Latin America have certain difficulties owing to the labor legislation legislation, different values in terms of employment dismissal, and uneven approaches towards appraisals (Jayadev & Sumitha, 2024). In addition, thestellarness of bias and subjectivity in grade performance assessments, for instance recency bias or bias towards certain employees may jeopardise fairness, causing unhappiness among workers and, in certain instances, legal concerns.

In Malaysia specifically, the intents of having structured performance appraisal system are compounded by the provisions of the Employment Act of 1955 (Hassan et al., 2023). Employers can dismiss their employees for poor performance under the provisions of this legislation but this they can only do so under circumstances that are well documented and evaluated fairly. Section 14 of the Act lays stress on non-contractual dismissal paying predominance to appropriate and reasonable aspects of dismissal for rights of employees. To Malaysian organizations, integrating comprehensive appraisal and feedback procedures not only meet legal regulations but also reduces organizational vulnerability in unfair dismissal and increases organization accountability.

The purpose of this paper however is to look at practical uses and legal permissibility of performance appraisals, feedback mechanisms and dismissal decisions. When discussing the global examples and issues in the case, emphasis is going to be made on the paramount

importance of equity, openness and neutrality in the development of the performance management systems. Last of all, the study wishes to demonstrate how these tools enable organisations to achieve organisational efficiency alongside employment guarantee (Faozen & Riza Octavy Sandy, 2024).

Role Of Performance Appraisals In The Decision To Dismiss An Employee For Unsatisfactory Performance

A performance evaluation is a critical method of evaluating employees' work output and realigning organizational goals and objectives. They serve a dual purpose: developing the existing human capital and establish an organizational structure for decision making that addresses issues such as poor performers' termination (Fauzi & Rahaim, 2023). When there is alleged poor performance, appraisals provide the means for rating employees in a company in a structured basis must rely on facts as opposed to feelings. Appraisals are also important in that they help shape two organizational results: greater accountability and the promotion of legal compliance through a clear record of fair and uniform treatment of employees (Cappelli & Conyon, 2018).

From a legal standpoint, appraisals provide the basic concept at the core of justifiable termination decisions where labor laws are particularly rigid. For instance, in Malaysia, the Employment Acts and Rules gives provision in section 14 of the Employment Act 1955 that requires employer to justify dismissal arising from poor performance based on poor performance records of the employee. According to him, performance appraisals help with compliance with such legal necessities through documenting performance standards, development feedback sessions and efforts to facilitate advancement. When organizations do not document underperformance through performance appraisals, then it becomes difficult for the organization administration to justify dismissal, since under such a scenario the employee is likely to argue wrongful dismissal. Hence, while compliance is an obvious advantage of appraisal, it also protects the image of an organisation by making dismissal decisions as reasonable (Rubin & Edwards, 2020).

At an organizational level they have far reaching consequences for enhancing equity and uniformity in handling of workforce. Its major advantage is that by using understandable and quantifiable parameters such as number and frequency of publications, organizations eliminate subjectivity and the potential for favoritism for some departments. However, there are many practical issues involved when striving to be cure and objective. The usual mistakes include the so-called recency effect, when the manager concentrates on the results rather than the appraisal period, and halo and horn effects, when the positive or negative attribute contributes to the overall assessment (Lin & Kellough, 2019). First, these biases do not only affect the credibility of the appraisal outcomes, but also lessen the confidence of the employees on the system. Instances such as these mean that organisations need to conduct periodic training for managers on how to avoid cases of making subjective evaluations merely based on self-appraisal techniques, but rather learn how to adhere strictly to the appraisal criteria (Eaganathan et al., 2023).

Many will describe the use of 'fairness' and 'structured process' as vital in appraisals without understanding the reality of its usage. Equality in appraisals, for example, goes beyond the equality of experience; it also includes the posting of clear expectations; regular feedback; and opportunities for advancement. It is much more than a set of steps within the process, as documented methods for employee development, progress by use of goals and objectives,

and linkages between appraisals and organisational goals and objectives are considered (Kostoviyat & Rogov, 2023). For instance, regarding the targeted training, an organisation in the retail trade will utilise the criterion of the structured appraisals to outline employees with low sales performance. In essence, by using this data, organizations can provide training, staff development sessions or learning tutor plans for employees Before taking any steps towards dismissal. Based on this case, by integration of appraisal systems and the goals of an organizations, accountability is achieved, and the problem of high turnover rates is also solved (s et al., 2024).

While appraisals are often described as "quantitative means for evaluation," this characterization can be misleading without adequate explanation. Quantitative metrics, such as sales figures or customer satisfaction scores, are valuable for benchmarking performance, but they must be complemented by qualitative assessments to capture the full scope of an employee's contributions. For instance, in creative or interpersonal roles, qualitative feedback on collaboration skills or innovative thinking is equally important for a comprehensive evaluation. Organizations that rely solely on quantitative metrics risk overlooking these critical aspects, leading to flawed dismissal decisions. A balanced approach that integrates both quantitative and qualitative data ensures that appraisals accurately reflect employee performance and provide a fair basis for termination decisions (Kostoviyat & Rogov, 2023).

Cases demonstrate how appraisals affect organizational and legal results for and against an employee. Based on the examples reported in different sectors one case was observed in the healthcare sector where a nurse was terminated after making several mistakes in the administration of drugs (Iqbal et al., 2019). The organization collected evidence of poor performance of the employee through appraisals, trained her, and developed a PIP for her. When her performance remained unsatisfactory, the termination of the employment contract was also justified and rationalized by the documentation archived in the detailed performance appraisals that eliminate legal claims the employee might have in place. Likewise, in a technology firm a software developer repeatedly missed deadlines to deliver a project despite proactively being coached. This structured appraisal, coupled with other records from the organization showing attempts to rectify those gaps, goes a long way to provide legal backing for the termination as well as organizational rationalization (Eaganathan et al., 2023).

In conclusion, performance appraisals as tools of managing employees' performance and giving direction on dismissals can therefore not be underestimated. In this sense, a set of appraisals ensures compliance with legal requirements while meeting organizational requirements and helping organizations achieve efficient and fair handling of employees. Hence for organisations to fully benefit, biases must be considered, measures such as qualitative and quantitative should be adopted, and the different appraisal processes correlate with the organisation's strategic plans. Therefore, if implemented meticulously and most of all; refined, appraisals can be a foundation for fair and justified termination exercises.

Feedback In The Decision To Dismiss An Employee For Unsatisfactory Performance

This paper aims to assess feedback as one of the key components of performance management since it can help those employees to monitor their behaviors and contributions. In another way, it contributes to making them learn their assets as well as the areas that may be lacking. The aspect of feedback serves both to prevent cases of poor performance and gives employees a chance to work on their shortcomings before dismissal becomes inevitable (Illarionova,

2024). Quite the contrary, feedback is more a flexible tool, which is not necessarily given within clearly defined performance appraisal times, but which can be given at any time during the year if needed. Desirable feedback is specific, actionable and timely for enabling adjustments to be made where necessary to conformance with organizational requirements. If, however, poor performance is chronically maintained, feedback turns into a core part of the process because it proves that the organization attempted to assist the worker to improve, which would be the legal basis for dismissal in case the results are not satisfactory (Walker, 2024).

An area of feedback which may be considered to be determinative involves the extent to which it can be used to manage employee conduct and performance consequences. Positive criticism, when given properly, also ensures people change their behaviors and ensure they correct their behaviors to fit the organizational requirements (Ebegbetale, Enwezor & Showemimo, 2023). However, as it contains, feedback is more effective, but this may depend on the way it is delivered. Therefrom, managers have always avoided giving good and constructive feedback on the employee's performance figuring that would create or foster a bad working relationship if an employee was to hear bad things about him from a source other than their superior. This they do quite often, which results in such comments as 'well done', that do not get to the root of performance problems. Also, employees may develop negative attitudes towards quick feedback as the organization's negative comments or evaluations about their work. Such reactions continue to shape people's attitude negatively and to reintroduce doubt and resistance in change processes hence negating the feedback and adequacy (Weiss et al., 2023). These are some of the dilemmas that organizational bear focusing on training managers to ensure that they provide feedback in an effective way to reduce the challenge as follows.

The review also helps to protect against procedural injustice and possibly under developing legally sufficient dismissal decisions. Lack of detailed or ambiguous feedback undermines the organizational possibility to prove that an employee was properly informed on the subject of his/her performances and provided with chances to better (Cranfield, 2024). On the other hand, properly documented performance feedback meetings provide definitive documentation of the organization's effort in supporting the concerned employee, which becomes crucial in claims and legal cases. For example, the records such as the discussion about the feedback problems, the employee's reply, and the agreed of action contribute to the fact that the organization is fully committed to the rights and fair treatment of the employees. Such records guarantee that the dismissal procedure operates under the legal requirements deliberately avoiding various organizational wrongfulness termination Truman & Truman (Christopher Idemudia Ebegbetale, Osifeso, & Adeyemi, 2023).

It is also more fluid than evaluations that include appraisals that are conducted periodically and with numerical ratings or even comprehensive appraisals. Through this, disruptions can be corrected immediately, and the learning environment encourages an error- reduction approach. For instance, peer feedback avails outside the manager's view hence avails critical viewpoints offering employees perception on how they influence the dynamics of the team. Feedback has another advantage of formative in contrast to appraisals and that is why it is more effective in terms of bringing improvements. In dismissal scenarios, however, descriptively accurate, documented feedback cannot be over-emphasized as it resolves the legal requirement that the employee was adequately warned about his or her performance deficit before s/he was dismissed. In the absence of such documentation the dismissal may

well appear unjust, unfair and place the organization at risk of reputational as well as possible legal action (Walker, 2024).

When addressing underperformance through feedback a manager must first specify the facts or behaviors that are below the expected standard. Constructive criticism is provided in writing, behind the back, and involves pointing out a mistake or weakness and suggesting how it can be corrected. Managers agree on clear and quantifiable performance indicators as well as agreeable time frames that define when those performance levels must be attained. Every feedback session should be recorded with notes from the specifics of the conversation, the employee offensiveness, and the concrete working plan. In this case, if performance fails to improve, feedback process can follow up with issuance of warning or Placement on Performance Improvement Plan (PIP). If these measures are unfruitful, the documented feedback is used as a basis for dismissal, and the organization shows that there was adequate chance for the employee improvement (Adin, 2021).

In recent years practical cases only emphasize the importance of feedback in the process of dismissal. In a technology firm where growth is appraised, a software developer continually fails to meet project deadlines although he receives feedback and assistance regularly. The manager made sure to record all the feedback sessions, together with specific areas for development and suggestions for how to work on them. When the performance did not change the organization dismissed the developer, citing the performance review feedback to discourage the developer from taking the organization to court. In the same way, in a telecommunications company, a customer service representative for instance, continued to perform poorly when assessed for quality against set standards of communication and problem solving had received specific help in enhancing her performance. The feedback sessions also provided adequate documentation in ensuring the organization explained how it tried to support the employee before firing him. These examples show how and when feedback management and documentation mean that dismissal decisions will be fair and legal (Shah, 2023).

In conclusion, appraisal plays an important role in working through performance concerns as well as encouraging fairness in dismissal. As a way of correcting wrongdoing and motivating employees to do better while the organizations show underperformers that they care for them feedback is facilitated by being timely, clear, and constructive. However, it does order by the quality of delivery and documentation. To increase the procedural justice and enhance the legal rightfulness of decisions regarding dismissals, organizations need to equip their managers with knowledge how to deliver feedback that is useful and helpful and, also, keep records that are formal and formalized.

Conclusion & Recommendation

It must be noted that performance appraisals and feedback are effective instruments for monitoring and improving organizational employees' performance and promoting organizational accountability. They give the benchmarks for evaluating and mentoring performance, and where required, managing poor performers. But they can be problematic for supporting dismissal decisions because of biases, inconsistencies and controversy. These problems cause organisational injustice and perceptions of inequity, open organisations to increased legal vulnerability, and negatively affect organisational morale. To overcome these challenges, then the appraisals must be as objective, standardized and ought to be recognized widely. Although dismissals may be sometimes necessary, a more appropriate approach to

performance management complemented by appraisals and feedback can also assist the organizations offer a chance to the employees to grow, correct their mistakes and contribute positively towards discouraging the probable instances of termination (Onyeaku, 2023).

To get optimal repeats and feedback, organizations need to follow a standardized process that ensures that the requirements of equity, responsiveness and candor are met. It is also important to train managers frequently because they bring their personal biases when appraising performance, thus; there should be consistency. Every time performance management systems are applied, rather than performance appraisals that are often carried out at the end of the year, it becomes easy for managers to contain problems as they continue to happen, and the decision-making process becomes more effective. Similarly, where rating criteria are transparent and communicated of course as well as the resultant action that results from high and low performers' performances, there is fairness and clarity in the performance appraisal process.

Based on the findings it can be concluded that structured appraisals and feedback must remain an integral part of the organizations' performance management systems due to a few legal and organizational implications. Any of these tools must be backed by proper documentation, and compliance with the legal provisions to enhance protection of the organization, as well as its employees. The following way shaking up performance management will encourage organizations to actualize a reasonable and fair culture of performance:

In conclusion, structured performance appraisals and feedback are not simply tools for reducing underperformance, but legal and effective tools in a fair, productive and, in general, legally correct workplace. Employers should acknowledge its role in managing these tools so that they could not only be for employee development but also for the organization's success. Coalescing to these principles will only allow organizations to face the precarious situations in the workplace, accordingly, being able to assert the ethical tactics necessary as well as develop the right manpower force necessary for lasting success.

To use feedback constructively and effectively in managing underperformance, organizations should adopt best practices that focus on clarity, support, and consistency. One approach is to create an environment that supports constant feedback as a normal process of growth, not the process that is activated only in case of inefficiency. The best criticism must be timely, clear, and solution-oriented; the criticism should guide workers on how they should need to change and what they must do to adapt. Superiors should be taught ways to give constructive criticism in a friendly and motivating tone, not with the idea of reprimanding employees. It also makes sense to give feedback more often than once a year and not just wait for the underperformance to occur and bring as many obstacles to success as possible or help an employee improve his performance right away.

Additionally, documenting feedback sessions is essential for a fair and defensible process if termination becomes necessary. Every feedback session, whether informal or formal, should be recorded with details about the issues discussed, the employee's response, and any improvement steps agreed upon. This record gives a detailed history of the organization's efforts to assist the employee in improving, which can help the organisation defend itself legally if a termination is challenged. Furthermore, having a structured improvement plan, such as a performance improvement plan (PIP), provides individuals with an equal opportunity to rectify difficulties within a set timeline. Organisations may create a supportive

environment that stimulates performance improvement and assures fair treatment for employees by focussing on constructive feedback and a well-documented procedure, resulting in a healthier, more productive workplace.

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