

PERFORMANCE APPRAISAL: A CRITICAL LOOK AT EMPLOYEE EXPERIENCES – A FIELD RESEARCH

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ABSTRACT

Performance appraisal methods are widely considered essential for good organizational management, whether through traditional annual appraisals or through more dynamic, real-time appraisal systems. However, despite substantial progress, there are still significant gaps, such as underestimating the context in which performance appraisal is carried out and a lack of understanding about how organizational culture and social factors affect appraisal decisions. The general objective of this study was to investigate the contribution of employee perceptions to the improvement of the organization's performance evaluation system. The research brings to academia a critical view of performance management practice, assessing how companies may, in some cases, not achieve the intended results. Initially, a narrative literature review was used in order to present current information on the subject and emphasize the gaps in the studies. The study included the participation of 130 employees of companies located in Rio de Janeiro. Based on the responses, it was concluded that organizations need to reconsider the fundamental value of regular employee performance reviews. The results suggest the need to bridge the gap between theory and practice, encouraging greater collaboration between researchers and practitioners to better understand behavior in organizations.

Keywords: Performance Evaluation. Employee Evaluation. Feedback Processes. Career Development and Organizational Culture.

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INTRODUCTION

The performance evaluation process for Alainati *et al.* (2024) is an essential practice in organizations, being one of the main management instruments to evaluate the performance of team members, provide constructive feedback, and promote the development of skills and understanding of each employee. For the authors, regardless of the model or format chosen by the organization, the effectiveness of performance appraisal depends on understanding the experiences and perceptions of employees, who are the main actors in this process. It is already essential for workers to realize that the organization has considered the lessons learned through its experiences when evaluating results based on predefined goals and when setting new objectives for the future. Regardless of the progress made or any outstanding challenges, it is crucial that the process is completed effectively, informing employees of their contribution at work, identifying areas for improvement.

According to Aguinis (2023) and Murphy (2020), performance appraisal is a continuous process of identifying, measuring, and improving the performance of individuals and work groups, while aligning their efforts with the organization's strategic objectives, it is a dynamic and integrated approach to performance management. The authors emphasize the ongoing nature of performance management, rather than seeing it as a one-time annual event; a continuous and integrated process that not only focuses on performance evaluation, but also on developing and aligning with the organization's strategic needs, ensuring that both workers and their teams contribute to the organization's long-term success.

Standardization is a characteristic of effective and fair performance management systems, as highlighted by Aguinis (2023). However, Cho and Payne (2016) warn that this standardization needs to be sensitive to cultural and legal differences around the world to be truly effective. The authors point out that globalization and the COVID-19 pandemic have created the dilemma of standardization versus adaptation, as some employees work in face-to-face teams, while others work remotely, with limited or no interactions with coworkers.

Organizations, whether traditional or not, according to Kluger & De Nisi (1996); Selvarajan and Peggy (2008) and Mo (2023) express dissatisfaction with performance appraisal systems. For the authors, even using the most "current" method, it is necessary to identify potentials and define development goals and skills relevant to emerging

challenges. For Lay (2022), this ensures that employees are better prepared to meet evolving expectations, while remaining engaged and motivated. However, for Boachie-Mensah and Seidu (2012), even within a single organization, perceptions of the evaluation system vary between different hierarchical levels.

According to Schaufenbuel (2016) and Kumar and Bhanu (2019), this is because, although the purpose and terminology of performance appraisals have evolved, the processes have not kept up with this pace. For the authors, annual evaluations in dynamic work environments remain inefficient, so they recommend switching to systems that prioritize continuous feedback, employee development, and alignment with organizational objectives. Emphasis is placed on promoting transparency, collaboration, and adaptability in performance management practices.

With regard to workers, Malik and Sagheer (2022) and Hamidi (2023) in their studies underscore the critical role of fairness and transparency in performance appraisal systems and call for improved appraisal practices, with specific recommendations such as appraiser training and systematic feedback. Malik and Sagheer focus on the detrimental effects of biases and policies, while Hamidi highlights the potential of effective evaluations to increase organizational satisfaction and behavior.

The performance appraisal system is enhanced by both employee engagement and perceived clarity of goals; however, according to Dangol (2021), despite significant advances, substantial gaps persist that limit its effectiveness. These limitations include underestimating the context in which performance appraisals are conducted and a lack of understanding about how organizational culture and psychological factors influence appraisal decisions.

Dangol concludes in his study that performance appraisals are not just appraisal tools, but strategic mechanisms to increase employee engagement and productivity. In view of the gaps exposed, the problem question that guides this study is: How do workers perceive and are affected by the practices of current performance appraisal systems?

The general objective of this study is to investigate the perception of workers about the performance evaluation systems in which they participate, regardless of the organizational context. As specific objectives: to identify the main factors that affect employee satisfaction with performance evaluation systems; analyze the relationship between the clarity of individual goals and employee engagement in the performance

appraisal process and evaluate the effectiveness of feedback provided to employees on the appraisal criteria.

To explore these questions in more detail, this study will analyze the results of a questionnaire answered by 130 employees of companies in Rio de Janeiro. The study will examine the impact of current performance appraisal practices in three critical areas: productivity, job satisfaction, and teamwork.

The study is structured as follows: Introduction, Theoretical Foundation, Research Method, Analysis of Results, Conclusions. By understanding employee perspectives, this study aims to provide insights into how performance appraisals influence human resource management and the organization's bottom line.

THEORETICAL FOUNDATION

Performance appraisal has evolved over time, adapting to organizational and technological changes. Understanding the fundamental aspects, such as concepts, historical context, commonly used methods, and key obstacles, is essential for implementing effective and fair evaluation systems.

The theoretical framework of this study focuses on these points and highlights the need to overcome biases and subjectivities to ensure the validity and reliability of the results. The approach includes the analysis of traditional and contemporary concepts and methods, as well as the identification of challenges that may compromise the fairness and accuracy of assessments.

CONCEPTS AND DEFINITIONS

According to Levy and Williams (2004), identifying, measuring, and defining the organizational context in which performance appraisals take place is essential to ensure effective appraisals. This structure has guided performance evaluation studies from 1990 to the beginning of the twenty-first century. Glen (1990) points out that the performance appraisal process involves not only the evaluation of the results of work activities, but also the decision on the performance classification and the corresponding financial reward.

Understanding the historical context and evolution of performance appraisals is critical to taking a comprehensive view of current practices, learning from the past, and driving future improvements in performance appraisal systems. This aspect will be addressed below.

HISTORICAL CONTEXT AND EVOLUTION OF PERFORMANCE APPRAISALS

The study by Bayon (2013) reveals that in the 1940s, the volume of literature on performance appraisal included more than 600 books, studies, and pamphlets on merit appraisal and grading systems. Grint (1993) and Haque (2014) point out that the first evidence of evaluation systems dates back to Robert Owen's New Lanark Textile Mills in Scotland, in 1800, a piece of wood was placed in front of each employee's machine, and each day it was marked with a different color, reflecting the supervisor's opinion about the employee's performance the day before. This method of subjective appraisal is still one of the main criticisms faced by current performance appraisal systems.

The origins of performance appraisal frameworks, according to Bayon (2013), derive from early management theories, including the "scientific" and "classical" approaches, followed by the "human relations" school of management. According to the author, the scientific management approach, which emerged as a response to the Industrial Revolution, played a key role in the formation of these structures.

The history of performance appraisals also dates back to the First World War, as noted by Kumar, Harish, and Gowd (2016), when W.D. Scott developed an early system that was not widely adopted. In the 1950s, companies used personality-based systems to measure performance, focusing on personality traits. Over the next decade, the emphasis shifted to self-assessment and evaluation of future achievements, with a greater focus on goals and objectives. The authors cite that in the 1970s, the subjective nature of assessments began to incorporate psychometrics and rating scales to improve objectivity. Over the next two decades, the focus shifted to employee motivation and engagement, using metrics such as teamwork and emotional management. More recently, 360-degree feedback systems have stood out for promoting more egalitarian and flexible work environments, allowing employees to participate more in their peer evaluations.

As can be seen, the objective of the first evaluation systems was to improve and motivate performance, encourage competition and reward good work. However, with the advent of technology and changes in the market, valuation systems are now utilized for broader and more diverse purposes.

COMMONLY USED VALUATION FRAMEWORKS

According to Dangol (2021), world-class organizations conduct performance evaluations throughout the year, continuously monitoring the employee, considering their

experience, level of motivation, growth, and development. Evaluations are reviewed based on various factors to provide a clear and comprehensive view of employee performance. Dangol highlights the importance of fair and effective performance appraisal practices to foster a motivated workforce.

Table 1: Evaluation methods and their characteristics

Evaluation method	Features	Authors
Manager/Supervisor	Are more likely to promote the generation and deployment of creative ideas in the workplace.	Curzi <i>et al.</i> (2019); Ali, Mahmood & Mehreen (2019)
Self-Assessment (Self-Oriented)	Distinction between the development and evaluation aspects of the method requires care in implementation to ensure effectiveness and reliability.	Campbell e Lee (1988); Somers e Birnbaum (1991)
Peer Review	Uses the anonymity of evaluators (peers) to influence the accuracy and effectiveness of evaluations	Bamberger <i>et al.</i> (2005)
Feedback 360°	Collecting structured feedback from supervisors, colleagues, subordinates, and customers or vendors. Focused on professional development and performance improvement. In comparing self-assessment with feedback from others, possible areas for improvement emerge.	Kandpal, Baroda & Sharma (2018). Kopsidas (2021)
Management by objectives (MBO)	From predefined, specific, measurable, achievable, relevant and time-bound (SMART) objectives, it uses the role of continuous feedback in promoting employee performance and satisfaction. The method aligns individual performance with strategic objectives.	Islamia, Mulollia & Mustafa (2018) e Hasibul <i>et al.</i> (2020)
Behavior-anchored rating scales (BARS)	The method identifies critical behaviors, anchoring them to classification points, validated on scales. The method reduces subjectivity and increases the objectivity of evaluations in structured interview scenarios.	Kell <i>et al.</i> (2017) Hadi <i>et al.</i> (2022)
Critical Incident	Uses as a basis the incidents recorded by each employee	Serrat (2017); Flanagan (1954); Bott e Tourish (2016)
Narrative essay evaluation	A non-quantitative and open method, in which supervisors detail the employee's strengths and weaknesses. It is based on facts with specific examples and evidence. Evaluation reveals not only the employee's skills, but also the evaluator's biases and observations.	Aggarwal and Thakur (2013); Majid (2016)
Ranking	A method that ranks employees in relation to each other based on specific criteria. Provides a clear view of performance differences among employees. It also features some	Gaikwad e Ramrao (2023); Maghsoodi <i>et al.</i> (2018)
Forced turn	The method evaluates employees based on positive or negative phrases, where these describe the performance of those evaluated.	Chiavenato (1998) and Kadam (2020)
Checklist	Composed of a double-entry matrix, where the evaluation factors are arranged in the rows and include skills, behaviors, or performance characteristics of the employee. The evaluator	Lunenburg (2012); Jafari, Bourouni & Amiri (2009)

Evaluation method	Features	Authors
	marks in the columns the employee performance concepts for each factor listed.	

Source: Elaborated by the author

Studies on the results of performance evaluation, according to Schleicher *et al.* (2018), reveal that performance ratings are not only determined by the employee's performance, but also by the performance history, the purpose of the evaluation, and the evaluator's individual factors. The obstacles to effective performance appraisal will be discussed in the next point.

MAIN OBSTACLES TO EFFECTIVE PERFORMANCE EVALUATION

According to Curtis, Harvey & Ravden (2005) and DeNisi & Murphy (2017), employee performance can be influenced by a variety of factors, including organizational culture, leadership, team dynamics, and external pressures. This variability makes accurately assessing and comparing employee performance more challenging. In addition, bias, subjectivity, and varying patterns among evaluators, as pointed out by Curtis, Harvey & Ravden (2005), Cheng, Hui, and Cascio (2017), and Eren (2022), can produce inconsistent evaluations generating employees' perception of evaluation feedback as generic, biased, or disconnected from daily activities, undermining the credibility of the evaluation process. In addition, the lack of regular frequency in feedback may not address the immediate needs or concerns of the assessed.

For Gaikwad and Ramrao (2023) and Maghsoodi *et al.* (2018), when performance appraisals promote a culture of competition rather than collaboration, as is the case with the rating method, the negative impact on overall productivity and employee morale can be quickly felt, compromising organizational strategies and objectives aimed at innovation, customer service, and team performance.

Kromrei (2015) mentions that unbiased performance evaluations of supervisors are desired by all human resources departments, but despite the care taken in advance, the results are often considered unreliable. This can be due to feedback disconnected from daily work, distorted perceptions of feedback by employees, or biases such as consistency between evaluators and core bias.

RESEARCH METHOD

This section describes the study design, data collection, and analytical methods used to investigate the impact of performance appraisals on productivity, job satisfaction, and teamwork among employees of companies in the State of Rio de Janeiro. The methodology aims to ensure the reliability and validity of the results, providing a solid basis for interpreting the findings and drawing conclusions.

Initially, a narrative review of the literature was carried out, according to Polit and Beck (2010), which consists of presenting current information on the subject to identify gaps in the body of studies and stimulate new research. Documents published between 2019 and 2024 were searched, using the Web of Science, Science Direct, and Research Rabbit databases. The keywords used in the search were: "performance appraisal", "performance management", "performance evaluation" and "performance evaluation methods".

The study has an exploratory and qualitative nature, according to Gil (2008), which aims to explore and understand little-known phenomena, without the intention of explaining or predicting specific results. The field research methodology was applied, according to Vergara (2016), highlighting the importance of collecting data directly in the environment where the phenomena occur.

Data collection was carried out through a structured questionnaire applied electronically. Each participant answered individually and voluntarily through Google forms, minimizing possible biases that could interfere with the results.

The sample was non-probabilistic by convenience, according to Campos and Saidel (2022), who emphasize convenience and ease of access to participants as selection criteria. 130 professionals from companies were invited between August 12, 2024 and September 10, 2024. The data treatment involved qualitative analysis techniques, according to Gil (2008), who emphasizes the importance of interpreting and categorizing the participants' responses to capture information about their experiences, challenges and potential opportunities related to the performance evaluation process, its periodicity, its feedback and its use in the career plan.

The objective of the article is to explore the perceptions and experiences of employees about the performance evaluation systems in which they participate, regardless of the organizational context. As Gil (2008) points out, the choice of variables must be consistent with the objective of the research. By excluding the size of the company, the

focus remains on the subjective experience of the individual, without distractions related to organizational factors.

According to Richardson (1999), the perception of possible identification of the respondent can result in more cautious or generic answers, impairing the authenticity of the data collected, so questions about the size of the company where they worked were not included, as it could lead respondents to feel that their identity or organizational context would be deduced, especially in regions or sectors where few companies meet certain characteristics, as is the case of the State of Rio de Janeiro.

The inclusion of sensitive or identifiable questions may inhibit participants' willingness to answer truthfully. Malhotra (2019) points out that the formulation of questionnaires should minimize elements that may generate discomfort, especially in surveys that depend on personal opinions.

The questionnaires evaluated the experience and knowledge of the respondents. According to Lakatos and Marconi (2003), it is generally sufficient to measure 5 or 10% of the sample. Mertens (2015) highlights the need for a minimum of 51 participants for research that involves comparisons. Adequate samples are essential to avoid bias and satisfactorily understand the populations investigated. After collection, the results were analyzed using pie graphs and frequency tables with proportions. The analysis generated the discussions presented to achieve the objectives.

SAMPLE SELECTION

The target population of this study is composed of 130 workers from various sectors of companies located in Rio de Janeiro. This sample was selected to ensure a broad representation of the different organizational contexts, including national and multinational companies of varying sizes and cultures.

The respondents were selected among professionals representing employees from different companies and different conceptions about evaluation models, performance management and feedback. The questionnaire was distributed electronically via e-mail, ensuring that there was no external interference in the response process. Follow-up reminders were sent to maximize response rate. Participants were guaranteed anonymity and confidentiality of their answers, encouraging honest and sincere feedback.

ETHICAL CONSIDERATIONS

All participants were properly informed about the purpose of the study, their rights as participants, and the voluntary nature of their involvement. Informed consent was obtained prior to data collection. Strict measures have been adopted to ensure the confidentiality of the data collected. Personal identifiers were presented in aggregate form. The data were stored in a secure place, with access restricted to the study team. Digital data was encrypted and any material removed from the dataset to ensure anonymity, and the physical results were stored in a secure environment.

LIMITATIONS OF THE METHOD

Although the sample size of 130 participants is sufficient for a meaningful analysis, the results of this study may not be generalizable to all companies or regions outside of Rio de Janeiro. Additionally, the use of questionnaires as a method of data collection can introduce memory bias, which can affect the accuracy of the answers given. These limitations should be considered when interpreting the results and when applying the conclusions in other contexts.

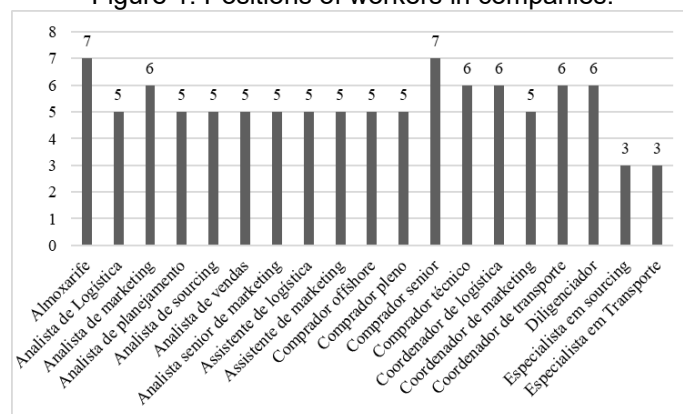
RESULTS

In this section, we will explore how the data collected from the questionnaires aligns with the theoretical underpinnings and practical applications of key performance appraisal methods. Analysis of employee feedback, obtained through structured questionnaires, revealed valuable findings about the perception of fairness, efficiency, and the results of these evaluations. By comparing employee feedback with the characteristics of the performance appraisal methods described in Exhibit 1, it was possible to identify areas of alignment or disparity. This comparison not only highlights the strengths and weaknesses of current practices but also provides a deeper understanding of how appraisal systems influence organizational performance and employee morale. Employee perceptions reflect the complexity of balancing objectivity and subjectivity in the appraisal process, underscoring the importance of adjusting these systems to better meet the needs of both workers and the organization.

CHARACTERISTICS OF THE PERFORMANCE APPRAISAL SYSTEMS USED ON EMPLOYEES

The discussion of the characteristics includes the answers to the open questions (comments and opinions) and the closed questions.

Figure 1: Positions of workers in companies.



Source: Prepared by the authors

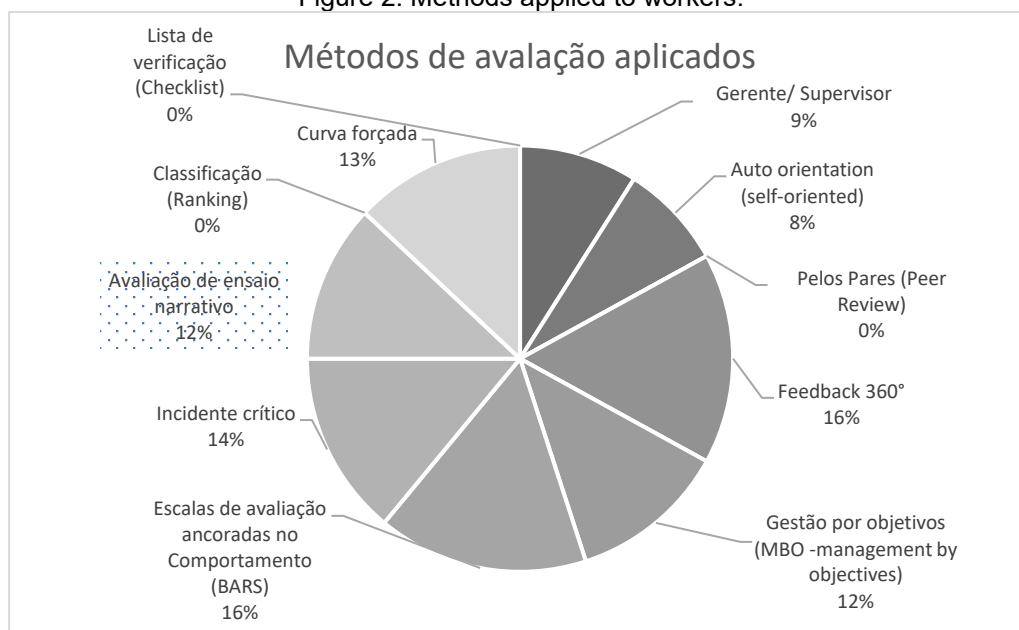
It is observed that the positions of the participants in the questions that seek to understand the reactions of employees to the annual evaluations are diverse, covering several functions in different areas of logistics, marketing and purchasing. Storekeepers, logistics assistants, and expeditors, generally perform routine and short-term tasks, being valued for operational efficiency and accuracy and, according to Chiavenato (2020), are evaluated based on technical skills, productivity, quality at work, and adherence to standards and procedures. Their responses focus on how annual assessments impact immediate job performance and recognition of practical skills. Milkovich, Newman, and Gerhart (2020) indicate that these employees want objective feedback linked to daily performance with evaluations that enable technical training and growth opportunities for more complex functions.

On the other hand, those in administrative tasks, such as logistics, marketing, and sales analysts, according to Robbins and Judge (2019), seek an assessment that emphasizes managerial skills, decision-making, communication, and problem-solving; Therefore, they need to align their actions with organizational goals and collaborate in strategic processes. As discussed by Mintzberg (1980), these employees aspire to feedbacks on how evaluations align with long-term career goals and skills development, more concerned with how their creative and strategic efforts are evaluated in a system

typically focused on quantitative results aimed at developing managerial competencies and leadership.

For Chiavenato (2020), buyers are focused on meeting deadlines, favorable negotiations, and alignment with the organization's financial and strategic goals, with less emphasis on leadership skills; Therefore, they seek evaluations based on quantitative metrics, such as savings achieved in negotiations, volume of purchases made, and efficiency in acquisitions. Next, specialists who, according to Robbins and Judge (2019) have technical expertise, innovation, and the ability to solve complex problems, seek to be evaluated by the depth of knowledge in their area and the practical application of technical skills. They expect their evaluations to be based both on technical results and on contribution to projects and problem-solving, whose feedback tends to include peer evaluations, given the collaborative nature of the work. Finally, coordinators whose tasks are strategically aligned with organizational objectives, through their systemic view of operations. Mintzberg (2015) highlights that their role is an intermediary between operation and strategic management, which makes their evaluation broader and they expect evaluations based on the recognition of teamwork and how performance evaluations influence their career progression within the company.

Figure 2: Methods applied to workers:

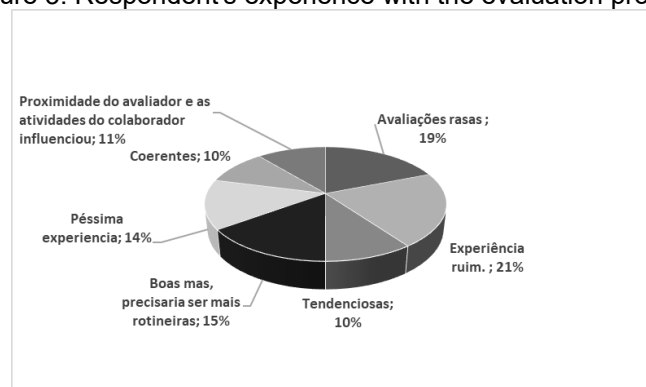


Source: Prepared by the authors

The percentages presented reflect the distribution of the different performance evaluation methods applied to workers, highlighting the preference and application of

certain practices over others. 360° feedback (16%) and Behavior-Anchored Rating Scales (BARS) (16%) were the most representative methods in the sample. This suggests that organizations have adopted approaches that seek to capture different dimensions of performance, either through multiple sources of feedback (360° Feedback) or by evaluating specific behaviors (BARS). However, as discussed earlier, the effectiveness of these methods depends on their practical application, including continuous feedback and clarity in the process. Critical Incident (14%) and Forced Curve (13%) also presented relevant percentages. The critical incident method, focused on specific behaviors over time, can be useful, but it has been criticized for relying on isolated events. The forced curve, although widely used in some organizations, is perceived as unfair by many workers due to the need to categorize employees into predefined percentages. Management by Objectives (MBO) (12%) and Narrative Essay Evaluation (12%) indicate an interest in methods that combine clear goal setting with a more qualitative and contextual analysis of performance. These methods, when well executed, can align organizational objectives with individual development. Manager/Supervisor (9%) and Self-Assessment (8%) had lower percentages, which suggests that organizations may be reducing the focus on centralized or individual assessments, favoring more integrated and comprehensive methods. Peer Review, Ranking and Checklist (0%) were not mentioned as applied methods, indicating a total absence or the perception that these methods are less effective or inappropriate in the context of the organizations analyzed.

Figure 3: Respondent's experience with the evaluation process.



Source: Prepared by the authors

Regarding opinions about the feedback process and frequency, it is observed in figure 2 that 19% of employees consider evaluations shallow, that is, superficial and not detailed. Such a perception suggests that the evaluations may not be adequately capturing

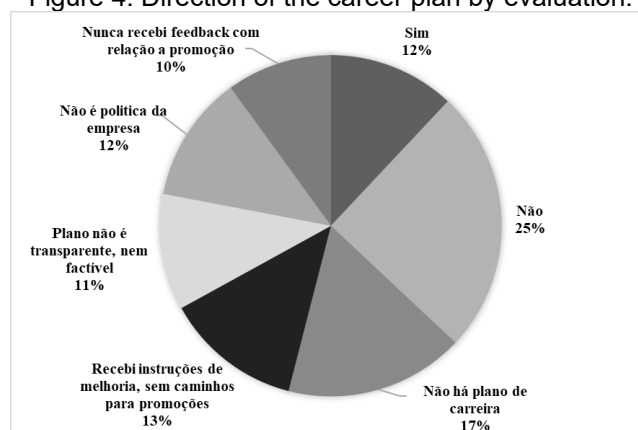
the nuances of individual performance, compromising both the accuracy and usefulness of the feedback provided. This scenario, according to London and Smither (2002) and Deci and Ryan's (2008) theory of self-determination, can generate significant negative impacts, such as frustration, demotivation, uncertainty, distrust, devaluation, dissatisfaction, lack of direction and low engagement, affecting professionals at all levels of the organization.

Among the participants, 15% showed appreciation for the process, but expressed a desire for feedback to occur more frequently. Another 10% considered the evaluations coherent, but still indicated partial dissatisfaction. The responses of these two groups suggest mixed feelings, such as recognition of the value of feedback, frustration with insufficient periodicity, and the need for adjustments in the process.

Additionally, 11% of the employees reported dissatisfaction related to the proximity of the evaluator. These results reflect, for the most part, feelings of demotivation, distrust and dissatisfaction similar to those previously indicated.

Finally, for the remaining 45%, negative performance evaluations were associated with adverse consequences, including demotivation, resentment, low job satisfaction, reduced commitment, emotional stress, and increased turnover intention. These findings reinforce the need to reformulate evaluation processes to make them more inclusive, accurate, and adapted to employee expectations.

Figure 4: Direction of the career plan by evaluation.



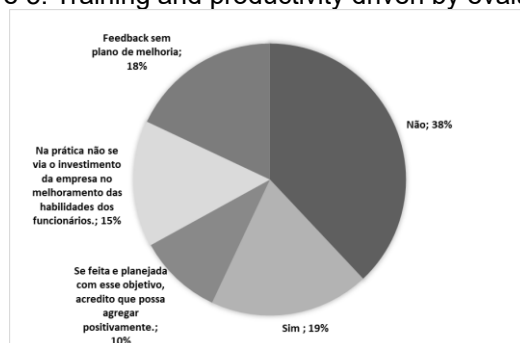
Source: Prepared by the authors

The data presented in Figure 3 show significant dissatisfaction with the integration of the performance evaluation process with the employees' career plan. Almost 50% of respondents indicated the absence of a clear career plan within the organization, a factor considered essential for motivation and engagement in the workplace. In addition, 13% of the participants reported that, although they had received instructions on aspects to be

improved, there are no concrete signs of promotions or career progressions. This gap can lead to frustration and feelings of undervaluation among employees.

The answers also highlight, according to Souza *et al.* (2024), an evident need to improve the link between performance evaluations and opportunities for professional growth. The lack of a structured, transparent approach that supports career development contributes, according to Gutteridge, Leibowitz and Shore (1993) to employee dissatisfaction, compromising motivation and increasing the organizational turnover rate. Therefore, the results reinforce the importance of establishing clear and well-defined processes to align performance feedback with the prospects for growth and development in the organization.

Figure 5: Training and productivity driven by evaluation.



Source: Prepared by the authors

The data presented in Figure 4 reveal varied perceptions about the effectiveness of performance evaluations in directing training and increasing productivity. For 53% of respondents who indicated no feedback or feedback without an improvement plan, the results suggest that the company has not established a clear connection between performance reviews and the development of skills or initiatives to boost productivity.

A smaller group, representing 19% of participants, acknowledged that appraisals have contributed to training planning, suggesting that in some sectors or departments, there is greater integration between performance appraisals and development strategies. On the other hand, 15% of respondents expressed dissatisfaction, pointing to the lack of effective follow-up and practical investments in training, which can limit the positive impact of evaluations.

In addition, 10% of the participants were optimistic about the potential of the assessments to promote improvements, although they stressed that effectiveness depends on careful planning and adequate execution. According to Kadiresan *et al.* (2015), these

findings highlight the importance of structuring performance appraisals in order to integrate them in a consistent manner with training programs and organizational strategies, to maximize results in terms of skill development and productivity.

Next, we seek to analyze the responses vis a vis the methods in table 1 as a way to understand how the different approaches affect employee motivation and to identify ways to improve the evaluation system to benefit both the company and its employees.

ANALYSIS OF THE RESULTS

The analysis of the data collected through forms answered by employees of companies located in the State of Rio de Janeiro shows significant concerns related to the effectiveness and adequacy of the performance evaluation methods currently adopted. The answers indicate high levels of dissatisfaction, suggesting limitations in the practices used.

The qualitative analysis of the open-ended responses revealed recurrent patterns of criticism, pointing out key factors that negatively influence the perception of workers. Among the aspects highlighted are issues related to perceived fairness in the evaluation process and its effectiveness in promoting professional development and recognition. These findings indicate the need to review and improve appraisal systems to make them more transparent, equitable, and aligned with employee expectations.

Forced Distribution Method (Forced Curve): Authors used- Chiavenato (1998) and Kadam (2020)

According to figure 2, the method is used in companies by 13% of the workers, representing a significant portion of the total. Despite its relevant presence, this method was the target of substantial criticism during the qualitative analysis. Its application, which requires categorizing employees into predefined percentages of performance (e.g., excellent, average, below average), was widely perceived as unfair and demotivating by survey participants.

One of the main concerns reported is related to the impact of the method on employees who consistently perform highly. Even though they were recognized as excellent collaborators by colleagues and supervisors, many were positioned in lower categories due to the need to meet the predefined curve. This practice has been identified as a source of significant frustration and dissatisfaction, affecting the perception of organizational fairness.

In addition, the application of the forced curve was often associated with demotivation, loss of confidence in the evaluation system, and feelings of devaluation. These results are consistent with other data collected in the survey, such as the fact that **53%** of participants reported the absence of continuous feedback or clear improvement plans associated with the evaluations. This gap exacerbates the negative impact of the forced distribution method, as employees do not receive the support they need to understand or improve their classification.

Key findings of the survey include criticism of the system for requiring a fixed percentage of employees to be distributed into predetermined performance categories, regardless of actual performance, which often results in perceptions of unfairness.

Among the respondents, 15% expressed dissatisfaction with the lack of practical follow-up, while 19% acknowledged that the process is used, in some areas, to plan training, but still with limitations. On the other hand, a smaller 10% group demonstrated potential optimism about the ability of evaluations to promote improvements, provided there is adequate planning and execution.

These results also point out that the forced curve generates a greater negative impact on workers recognized as high performers by their peers and managers, but who, due to the need to comply with the predefined percentages, are allocated to lower categories. This feeling of injustice, reported by 50% of the participants who pointed out the absence of clear career plans, contributes to the demotivation and weakening of the credibility of the performance appraisal system.

Behavior-Anchored Rating Scales (BARS): Authors used- Kell *et al.* (2017) and Hadi *et al.* (2022)

The BARS was used by 16% of the workers, indicating its relevance as an evaluation tool. It was pointed out by some respondents as a tool with the potential to provide greater accuracy in evaluations by focusing on specific behaviors. However, as reported by 53% of participants who indicated the absence of feedback accompanied by clear plans for improvement, the positive impact of the BARS method was compromised by the lack of continuous feedback during the year.

The perception that formal feedback, offered only at evaluation moments, is generic and not very useful for professional development was reinforced by 15% of the respondents who highlighted their dissatisfaction with the lack of practical follow-up. Although a smaller group, representing 10% of the participants, expressed optimism about

the potential of the evaluation system, these same respondents emphasized that its effectiveness depends on adequate planning and execution.

In addition, the responses indicate that even with a technically sound system like BARS, the absence of continuous and targeted support throughout the year creates a gap between employee evaluation and effective development. This perception was also mentioned by the 19% of participants who identified the usefulness of assessments for planning training in specific sectors, but highlighted that such efforts are not broadly consistent across the organization.

Critical Incident Method:

Authors used- Serrat (2017); Flanagan (1954); Bott and Tourish (2016)

The Critical Incident Method was used in 14% of the workers, receiving criticism mainly due to the focus on isolated events since performance evaluations focused on recording and evaluating specific incidents that demonstrate positive or negative behaviors over a given period. While this method has this advantage, 20% of respondents indicated that focusing on isolated incidents can be limiting, especially when evaluations are based on only one or a few events, without considering consistent performance over time.

Employee testimonials revealed significant concern about the lack of a broader, more continuous view of performance. This excessive focus on one-off incidents can lead to skewed evaluations, as workers can be judged based on specific situations that do not reflect their overall performance. Among respondents, 15% expressed dissatisfaction with the fact that the incidents highlighted in the evaluations do not always represent the employee's performance standard throughout the year.

While a small group of 10% recognized that the Critical Incident Method can be useful when applied well, their responses suggested that the effectiveness of this method depends on more holistic analysis and regular follow-up, as well as an ongoing feedback process. The lack of contextualization of incidents, pointed out by 19% of the participants, also reinforces the perception that the method, when misused, can impair the recognition of overall performance and not contribute adequately to the development of employees.

360-Degree Feedback: Authors used Kandpal, Baroda, & Sharma (2018). Kopsidas (2021)

The method was used in 16% of employees, companies seek to take advantage of the potential benefits of this approach, especially its ability to incorporate multiple

perspectives. However, the challenges reported by a portion of the participants indicate that the effectiveness of the method depends directly on its implementation.

The feedback received from direct managers, often based on daily interactions, was pointed out by 11% as useful and relevant for professional development. This suggests that, when applied well, the method can provide a holistic and accurate view of performance. However, approximately 20% report that, in some cases, the collection of information from less informed or poorly engaged sources diluted the relevance and accuracy of the assessments, generating perceptions of superficiality and injustice.

Management by Objectives (MBO): Authors used Islamia, Mulollia & Mustafa (2018) and Hasibul *et al.* (2020)

The method is used by 12% of workers, and is appreciated for its emphasis on goal setting and alignment. It is focused on the importance of a continuous feedback process and collaborative goal setting for the success of this approach. The opinions of 18% suggest that, for the effectiveness of the method, a balance between informal feedback and formal structured evaluations is necessary. This method was considered by 15% to be effective in connecting organizational goals and individual performance, promoting clarity and strategic alignment.

Manager – Supervisor: Authors used - Curzi *et al.* (2019); Ali, Mahmood & Mehreen (2019)

The method was used in 9% of the workers and is recognized for its potential for proximity to the evaluated, especially when the manager has a deep understanding of the employee's responsibilities. For 8% of employees, when the manager is distant or has few interactions with the employee, the evaluation tends to be seen as inaccurate or unfair, suggesting an evaluation that does not accurately reflect the employee's skills, behaviors, and contributions, reducing confidence in the evaluation process. This criticism highlights the importance of proximity and frequency of interaction between the manager and the employee to ensure a fair and detailed evaluation.

Self-Assessment and Employee-Driven Development: Authors used- Campbell and Lee (1988) Somers and Birnbaum (1991)

The method was used in 8% of the workers, and is perceived as a complementary tool, but insufficient in isolation. The criticism related to self-evaluation and employee-led development emphasizes the importance of linking performance evaluations to concrete training and development plans by 33% of employees.

Narrative essay evaluation method: Authors used - Aggarwal and Thakur (2013); Majid (2016)

The method is used by 12% of employees for more detailed and personalized analysis, highlighting nuances of performance that other methods might miss. The main challenge reported 8% was the subjectivity of the method, which can vary significantly depending on the skill and engagement of the evaluator.

Criticisms of this method concern the need for a more detailed and descriptive analysis of performance, providing rich and meaningful feedback. Once again, the evaluator's distancing appears as a negative point for 8% because the distancing does not allow the manager to know the employee's performance, resulting in a vague and inaccurate evaluation, if misconducted.

CONCLUSION AND FUTURE WORK

This study sought to investigate the contribution of employees' perceptions to the improvement of the organization's performance evaluation system in companies in Rio de Janeiro; revealed significant and recurring concerns among the 130 participating employees. The research showed how negative experiences with the evaluation processes are common, which are characterized by superficial, biased evaluations and lack of improvement plans.

The opinions in the questionnaire reveal several opportunities for improvement in the performance evaluation systems used by the organizations of these respondents. Forced distribution leads to frustration when high performance is not adequately rewarded. The lack of continuous feedback and reliance on isolated incidents undermines the credibility of reviews. While direct feedback from the manager is valuable, input from less engaged evaluators can detract from the process.

The absence of a clear and transparent career path in the organization has proved to be a topic of great relevance, especially due to the perception that growth opportunities are often based on casual situations or informal circumstances, rather than criteria of merit. This scenario contributes to employee frustration and demotivation. Furthermore, when the responsibility for professional development is attributed exclusively to the employee, without a defined orientation or significant investments by the company in training and qualification, a gap in organizational management is observed. This omission compromises

internal efficiency and productivity, reduces the quality of services offered to customers, and weakens the organization's competitiveness in the market.

Companies' lack of investment in employee development has emerged as a crucial problem, contributing to widespread dissatisfaction and the perception that performance appraisals are not fair or helpful. The employees' testimonies highlighted systemic problems such as the use of the forced curve, the lack of continuous feedback, the practice of evaluations based on isolated events, the distance between evaluator and evaluated, and the absence of career plans and investment in training. These factors were determinant for the dissatisfaction of employees with the evaluation processes.

To improve both the perception and effectiveness of performance appraisals, companies should consider adopting fairer and more transparent practices. This includes implementing regular feedback, evaluating a full set of contributions over time, and investing in employee professional development. Evaluations that recognize individual performance in an equitable manner, without resorting to predetermined distributions, can increase employees' perception of fairness and satisfaction.

It is also recommended to develop and communicate career plans with clear trajectories for professional growth, in addition to constant investments in training. These practices are essential not only for improving productivity, but also for talent retention. Last but not least, a transparent appraisal process, with open communication about expectations and performance criteria are key to employee satisfaction and engagement.

As a proposal for future studies, it is important to investigate the context in which performance evaluations are conducted, considering organizational and national cultures; or even, segment the search by the size of the company and by company aiming at more analytical results.

This study sought to understand the impact of the application of each method and its efficiency in the management of individual and organizational performance. It highlighted some systemic failures experienced by employees, and reinforced the need for adequacy in performance management, so that companies can extract the maximum potential from their employees and, at the same time, promote a fair and motivating work environment. It is suggested that they invest in fairer, more continuous and professional development-oriented evaluation methodologies. With the adoption of these changes, it will be possible not only to retain talent, but also to boost productivity, ensuring long-term organizational success.

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