

Strategic Performance Management
Prof. K. B. L. Srivastava
Department of Humanities and Social Sciences
Indian Institution of Technology, Kharagpur

Lecture - 31
Potential Appraisal – 1

So, welcome back to 7th week lecture of this course on Strategic human Strategic Performance Management. As you remember in the past weeks we have been talking about performance management and the systems and processes related to performance management right. And we discussed lot of things related to performance management in a holistic framework.

Now, the basic objective of performance management is to see that; how we are going to manage performance at different levels how it is aligned with the goals and objectives of the organisation right. So, strategically we look in to these issues to ensure the growth and development of the individual as well as organization, and that is why we go for managing the performance of people groups and organisations right. Now, in this context we also see to it that; how we can improve the performance of those individuals who are performing well ok.

In fact, it is also associated with the performance management system, but in performance management system we do not take care of those individuals who could be termed as talented are having high potential right. So, those who can perform very well given the opportunities ok, given the developmental opportunities specifically and see that how they can perform well and how they can take up leadership positions.

And that is how we are looking into some other issues related to performance management at; how we are going to manage the performance of those who are doing really well are high performing individuals not only that we also look into the fact that whether the individual has the potential to perform well in the future given the opportunities and training right.

So, what we are talking about is as a part of this performance management process we also try to evaluate the potential of the employees, and when I am talking about the

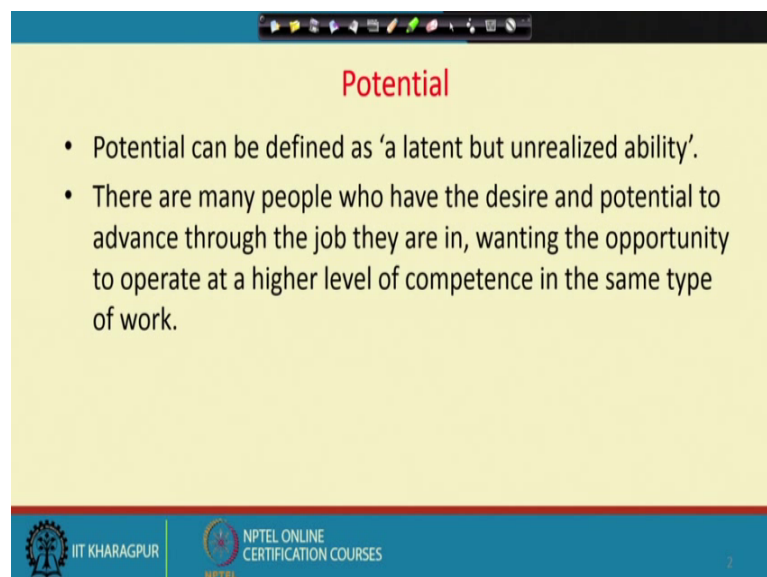
potential of the employees, that is to see that whether the employees has the capabilities to grow and develop himself all right.

They could be lot of potential among the employees which is not tabbed which is not explored or exploited by the organization, and if organization is not going to type are exploit the opportunities related to the potential of the employees, then these potentials are hidden and it cannot be used by the organization.

But if organization really wants to grow and develop himself and wants to see that people develop then they try that to see the potential, which is hidden, which is not at the surface, because what we know is the knowledge and the skill base of the employees, which is visible based on which we evaluate or manage the performance of the employees; but the employ maybe having lot of potential which is not and (Refer Time: 03:19) right.

So, the objective of this session is to see that how we could manage performance by examining the potential of the employees and for the process purpose what we do we try to evaluated the potential of the employ whether the employ have the potential to grow and develop whether the employ has the potential to take up leadership positions. So, basically we try to access the potential of the employees to ensure that he grows and develop himself; well given the opportunities right. So, with this we proceed further to discuss how we define potential.

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Potential

- Potential can be defined as 'a latent but unrealized ability'.
- There are many people who have the desire and potential to advance through the job they are in, wanting the opportunity to operate at a higher level of competence in the same type of work.

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Now, when it comes to potential so potential is something, that is latent right latent in the sense, that is not visible, which is not at the front, which is not documented by the individual in terms of his knowledge and the skill base, but he might be having certain potential if it is realized well it is going to be good for the individual as well as the organisation right.

So, if you look at the definition of the potential, it is something that is a ability which is latent which is legend from the view right, but it is not being realized or exploited by the either the individual or the organisation. Now the question is that whether the management going to realise the hidden talent or the potential of the employees, which could be lot of value to the individual as well as the organisation right.

So, the objective is that the top management need to identify the potential or the hidden talent among the employee and see that they get the opportunity to grow and develop right. For example, we will find that in organizations the lot of people who have the desire and potential to grow and develop themselves, but they are not getting the opportunities right, they might be having the competence, which is not being utilized by the organisation right or they might be having certain talent; which could be used for the benefit of the individual as well as the organisations right.

Now, the major question is that whether organisation has a policy framework under this performance management system to see that, how are going to type the hidden talent of the employees; how we are going to make use of it; whether we have a leadership and succession plan, whether it could be linked with the career development of the employees or not right.

So, the idea of identifying or examining the potential or what you call the hidden talent which is not at the surface ok, is to realise that people have talents we need to explore and exploit them right, because if are able to explore and exploit the talent of the people then it is good for both provided you give them opportunity to make use of the potential which they have.

But before you are allow them you need to identify whether people are really having the potential, whether this potential could be linked with good performance or effective performance with whether these potential are relevant for the organisation or the for the job or not right. For example, people might be having lot of potential ok,, but it could be

in different fails which could not be directly linked with their job it could not be relevant for the performance right.

So, we need to look at potential in a sense that whether this potential can be exploited by the organisation for the benefit of the organisation right; and if they have the potential whether that that could be used for the work that they are doing or not only work that they are doing, but also see that whether they could be advanced in their career for growth and the development or not. So, identifying and examination the relevant potential it is very very important.

And once you are able to realize those hidden talent are latent potential of the employees, then it could be used and the idea here is not only to identify the hidden talent or the potential, but associate with that how this potential can be brought to the surface right. For example, there could be a person who could be a good singer could be groomed as a good singer, but he is not getting an opportunity ok. So, now, there could be organisations who can provide them a platform groom them.

So, that this potential come outs and they turn in to good singers a good performers also right. So, the idea here is to see that, how we are going to nurture and groom this potentials to take leadership positions in their future right. And see that how this potential can be used by the organization for the growth and development of the organization and also the people ok.

So, the major question that arises here is that how we are going to evaluate the potential because unless you are going to evaluate the potential it is not possible right.

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Potential appraisal

- Identify the potential of a given employee to occupy Higher positions in the Hierarchy with more responsibility.
- Inform employee about their future prospects.
- Develop a succession plan.
- Advise employee how to improve their career Prospects.

“Nurturing turns potential into performance”

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Now look at this figure it is very very clear that, there is the seed given the perfect climatic conditions rain other things right. Then you find that something grows out something comes out from the seed right, which could be termed as that you are going to nurture a potential employ to see that; how he is going to perform well right. So, the idea of evaluating the potential of employees is basically to ensure that whether the people have the potential and whether there is a need to nurture these potentials. So, that it could bring better performance to the organization or not right.

Now, why we go for potential of employee right ok? Why we need to identify the potential of a employees right; who is having high potential right. So, you need to identify the potential of the employees right and this can be done by looking into their performance looking into their temperament characteristics looking into, what kind of personality they have the kind of relationship they develop whether they help people others or not.

So, there could be lot of actually tools that could be used to identify whether people have the potential or not, and in the any organisations you know that, when we try to promote people try to identify successes try to see that who could be given opportunity in the organisation it is always those people who are high performing individuals. So, this high performing individual might be having those potential which could be used for the benefit of the organisation.

So, the idea here is that you need to identify this potential; so that they could be groomed to take up higher positions in the organisation right. So, the idea is here is that you need to inform employees, what are the future prospects for high performing individuals are those having good potential and also the develop a succession plan, what I mean to say here by succession plan is that; you need to develop a succession plan for the organisation that who is going to succeed whom right in a hierarchy.

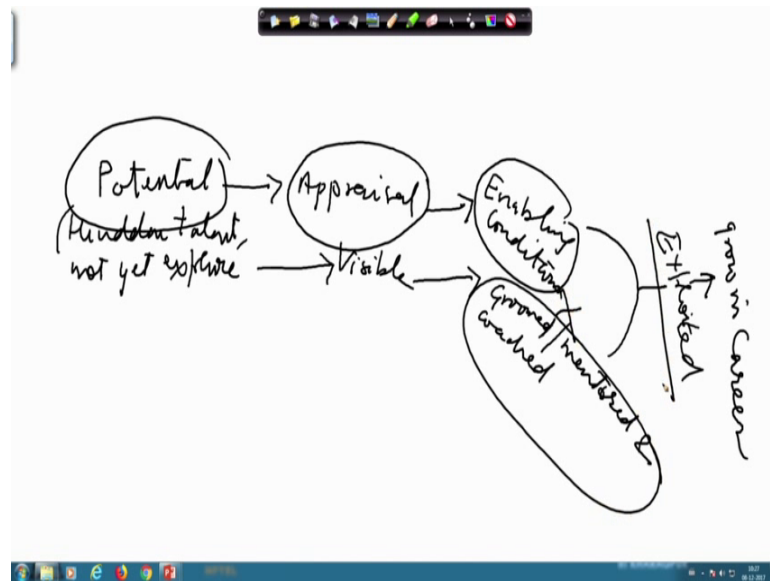
So, it is only a person who is having a very high potential and who is expected to perform well on that role is going to succeed in the hierarchy. Now we need to identify such potentials and see that how we can minus the succession process to ensure that high performing individuals are people with high potentials are promoted in the organization.

So, organisation also need to have a succession plan, they need to identify those employees who could be promoted or who could take up leadership positions in the hierarchy at a later days and also tell employees that what they need to do in order to grow and develop themselves. So, you need to provide them enabling conditions you remember talking, when we were talking about performance analysis we said there could be lot of factors which either facilitated or hinder the prospect of growth and development of the employees right.

So, we need to identify those enabling conditions which could help employees to grow and develop themselves in the career. So, these enabling conditions are given the right kind of opportunities training mentoring grooming them coaching. So, there could be a lot of intervenes that could be done to see that, how employees are going to develop and grow themselves in the career, but before that you need to identify those talents who are having potential to grow and develop, because if you are not going to identify those talents which are having the potential and you try to develop them probably the people will not be able to make it.

So, the first task in the potential of appraisal processes to identify highly talented individual who have the potential to grow and develop themselves given the right, kind of opportunities and having those facilitating factors or enabling conditions which will help that be grow and develop right.

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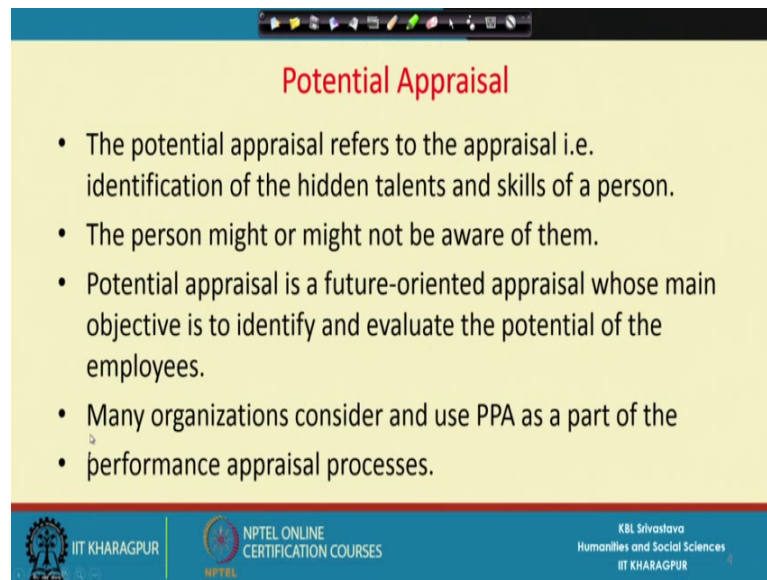


So, it could be seen like this. So, when we are talking about the potential of the employees potential is something that is hidden talent which is not yet explored right. So, the idea of this a appraisal is that we are going to appraise it to make it the visible ok. So, once this potential is appraised the hidden talent, which is not yet being explored become visible, and then after this potential appraisal you are going to create certain enabling conditions ok.

So, that the visible potential is used or groomed mentored and coached right. So, both are important grooming and providing enabling conditions or opportunities. So, that this potential can be exploited by the organisation for the benefit of both the individual as well as the organisation and then the individual having high potential is also grow in career and, that is the basic objective of having a potential appraisal system in the organisation right, and that is why it is important to identify the potential of the employees evaluate them and provide them enabling conditions with training mentoring.

So, this could be related with each other which could help them to exploit the opportunities for the benefit of the individual as well as organisation both and then that helps in the growth and development of people in the career right. So, and that is why we are talking about potential appraisal.

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Potential Appraisal

- The potential appraisal refers to the appraisal i.e. identification of the hidden talents and skills of a person.
- The person might or might not be aware of them.
- Potential appraisal is a future-oriented appraisal whose main objective is to identify and evaluate the potential of the employees.
- Many organizations consider and use PPA as a part of the
- performance appraisal processes.

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Now, coming to potential appraisal; so if look at the definition of the potential appraisal it says that; it is related to identification of hidden talents and the skills of a person that is what I have been talking about, that is the first part of potential appraisal right. Another issue is that people may or may not be aware about their potential right. So, you need to explore you need to identify, whether the person has the potential or not and make them aware about it, because sometimes people may be having the potential, but they do not know about it right. So, you need to make them realise that you have you have the this potential and you can use this potential to grow and develop right. So, and that is very very important, because since it is not visible to the individual ok.

So, it is for the top management to find out and make sure that people are able to realise their hidden talents and potential and how it could be used for the benefit right. So, if even if the individual is not aware about the their potential it is the responsibility of the top management looking at the behaviour and performance to identify, whether the person has the potential or not now there is a difference between, what we call the performance appraisal and the potential appraisal though both of them could be part of what you call the performance management system.

In performance management what we do we try to look at the performance of the individual and see how well he is able to perform in a given job in the given period of time right. So, that is what we call a performance appraisal system, but when we are

going to identify the potential, basically it is not related to a given job or what he is doing currently and how well he is doing right; how well he is doing currently could be an indicator of the potential that you can perform better in the future right.

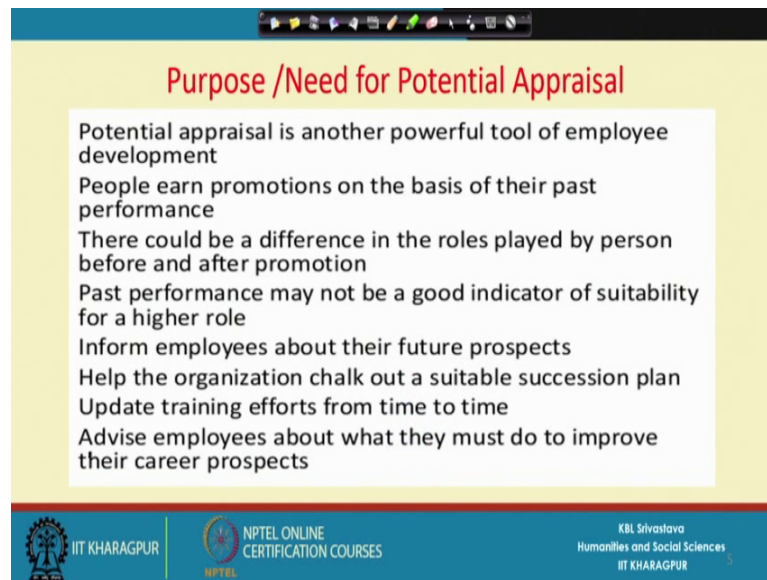
So, when we are talking about potential appraisal the idea is to see that it you are not evaluating the past performance of the individual, but you are looking at they how will the person is going to perform in their future right and, that is why we call it a future oriented appraisal right.

So, future oriented appraisal means that you are able to identify and evaluate the potential of the employees, it is not only simply identifying the potential and see that the extent to which this potential can be used by the employees exploited by the employees for the benefit of individual himself or the organisation right. Now, many organisations use both performance appraisal as well as potential appraisal right as a part of the appraisal process.

So, what they do they evaluate the past performance and they also see that how well you are going to perform in the future right so, but in one sense one sense it differs from the performance appraisal that performance appraisal is related to past of past performance, where you are evaluated and what you have done in a given period of time while for potential appraisal gives you a hint that what you can do how well you can do a given job and the future and given the potential that you have right.

So, and that is why potential appraisal is very very important. Now why we need to identify potential of the employees, what is the objective right see; if you going to adopt a development approach, what we do in performance management system we try to identify their strength and weakness of the individual and the basic purpose of identifying their strength and weakness of the individual is to ensure that you the develop a plan or action plan for the growth and development of the employees right.

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Purpose /Need for Potential Appraisal

- Potential appraisal is another powerful tool of employee development
- People earn promotions on the basis of their past performance
- There could be a difference in the roles played by person before and after promotion
- Past performance may not be a good indicator of suitability for a higher role
- Inform employees about their future prospects
- Help the organization chalk out a suitable succession plan
- Update training efforts from time to time
- Advise employees about what they must do to improve their career prospects

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So, when we are looking at potential appraisal it is also used as a tool for the development of the employees. So, your orientation or the over perspective is to development the employees. Now, in performance appraisal the approach is different you identify their strength and the weaknesses.

So, you develop an action plan to see that how people can overcome their weaknesses and further strength in their strength right in order to perform there is of well right, but that is related to a current job performance, why potential appraisal is seen as a tool to evaluate and identify the potential and then develop you accordingly to take up leadership positions and when you are going to have a succession plan it could be used right.

So, it could all; so be used as a powerful tool for employ development right in performance appraisal, what happens you certain administrative decision could be taken up on the basis of your performance. For example, if you are performing well you get a promotions if you not performing well you would not get a promotion right, but it has been found in many studies and there is the clear indication that even if you are performing well in given job ok, there no guarantee that you are going to perform well if you are promoted to in the next higher level right.

So, how do ensure the suitability of a person in a high role what I mean to say that whether the person, who has been promoted based on his performance past performance

is going to perform well in job in a the defined job in a at a higher role right. And many times it has be seen that people, who are who are been performing their current job very well are not able to perform job, when they are promoted to the next level. So, the next level when they are given a job they are in not able to perform very well. So, this becomes a problem for the organisation right.

So, there might be having all the talents and a skill to perform their job currently very well and on the basis of that even, if you are going to promote them there is no guarantee that they would be able to perform very well. Now, what to do with this kind of problem; so the solution lies in potential appraisal see whether the person who is performing well also has the potential to perform well at the higher level or not.

So, you need with help of these potential appraisal or revaluation of the potential appraisal, what you can do you can identify; whether the person is going to suitable for that particular job or not right see you go for assessment of the potential of the individual their rules and techniques that we will discuss later that how to access the potential of the employees for a given job in a future in the hierarchy right.

And then also tell that how they can use a make use of this potentials to grow and develop themselves. So, you also need to inform them about their future prospects that how the potential, if exploited properly by the individual himself will help them to succeed and grow in their career right and once the individual is able to realise his potential he can make use of it given the right kind of conditions to grow and development; similarly it also facilitates the organisation to have a good succession plan right.

So, when you are talking about succession plan, what actually happens the organisation has a succession in plan? Suppose you are working as a assistant manager in organisation right. Now you need to be promoted to a manager or a from manager to a senior manager right. So, in this happen hierarchy the job descriptions of assistant manager may be deferent form a manager or senior manager right and you have a succession plan that those who are performing well at the assistant manager could be promoted at the senior level or the at the management level right.

So, what you need to do is you have identified a good succession plan and based on that you have identified people, who are performing very well not only those who are

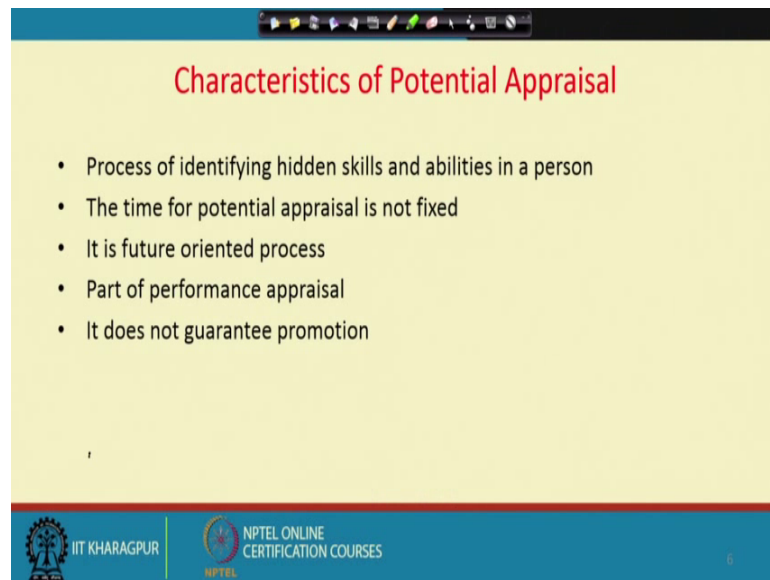
performing well whether the people have the potential or not if the people have the potential, what will happen your succession plan is going to be very successful in the sense that you know that the person is performing very well and he has the potential to grow and develop. So, you promote him to the next level right, but at the same time you also ensure that people are groomed and developed. So, that they are able to develop themselves right.

So, when we look at the need for potential appraisal yes; it is used for employee development you can make use of best for promoting individuals you can use it for the succession planning you can use this to ensure that people realise that potential and try to grow and develop themselves organisation also facilitated these process by having a good succession plan or career development for plan for the individual. So, that they could be promoted to the next level right and, that is; why potential appraisal has been found been found as a very useful tool for career planning succession also now what is the what is the various characteristics of the potential appraisal.

Now, if you look at potential appraisal what does it do first it is able to identify hidden skills and abilities in the individual right. Now there is no time which is fixed for identifying this right; whenever any kind of potential is shown by the individual it is for the managers to observe them and find out that kind of talent right. Since it is a future oriented process. So, you are not looking into the past performance. So, past performance could be a indicator of good performance at the same time what you know to need to look at is that it is a future oriented process.

So, what I have been discussing about is that identifying talents and skills right it could be identified any time, because if look at performance appraisal process what happens in performance appraisal.

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Characteristics of Potential Appraisal

- Process of identifying hidden skills and abilities in a person
- The time for potential appraisal is not fixed
- It is future oriented process
- Part of performance appraisal
- It does not guarantee promotion

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We have a fixed time period for evaluation, but for potential appraisal there is no time period that is available for example, if look performance appraisal of it could be done annually or semi annually is something like this, but when we are talking about potential appraisal. There is no time limit there is no time period, which is fixed you are going to apprise the potential of the individual right pa and if look at pa performance management, what happens you are evaluating past performance.

But in it is a future oriented process right; though it could be termed as a part of the performance appraisal identifying the potential does not mean that you are going to promote the idea is that; you identify the potential make use of them or help them to grow and develop yourself those potentials which could be directly put into the job either in the current job or to the next higher level right, because that helps you to perform well, in then higher level job and, that is; why in the succession plan you are the person who is going to be chosen provided you perform well and have the potential to grow and develop.

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Indicators of potential

- **Power of analysis**: The capacity to break down, reformulate or transform a complicated situation into manageable terms
- **Breadth of vision** : The ability to examine a problem in the context of a much broader framework of reference; being able to detect, within a specific situation, relationships with those aspects which could be affecting the situation
- **Persuasiveness** : The ability to sell ideas to other people and gain a continuing commitment, particularly when the individual is using personal influence rather than 'management authority'

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Now, how we identify the potential, what are the various indicators of potential ok. So, these are some of the points that could be looked into like power of analysis right, whether you have a analysis and application oriented behaviour framework or not right, when we are going to analyse certain problems or you are able to break them down reformulate or transform a solution which could be managed well.

So, this power of analysis gives you an idea that, how to handle a problem breaking down into the pieces looking into each one of them separately transforming that problem or situation and see that, how it could be managed well in very well right. So, by analysing this situation looking into the each and every aspects of it; and then reformulating or transforming those situations actually is an indication; that is you have the potential right.

Another indicator of the potential is the breadth of the vision, whether you are able to realise things in a broader framework or not right. So, whether you are able to realize or a identify; a problem in the context of a broader framework reference or not right.

For example, e as a chair manager you know that there have been frequent breakdowns or say strikes that is going on by some sort some section of employs right. Now the root of the problem maybe somewhere else right; so if you try to manage the strikes of the employs by looking into the calls and then you try to manage them probably not be successfully if you are looking in to the context of the h r policy framework.

So, that could be a broader framework of reference right. So, look into the h r policy framework, whether it is related somewhere to h r policy of the organisation. So, as a chair manager you are going to examine this problem in this context h r policy framework. So, that you can relate this problem with the h r policy of the organisation, that is five people are a set of employ in certain sections are going for frequent to lawn strikes are other kind of other form of protests right.

So, if you have this broader framework for a sense, what will have you will able to detect a specific situation or relation how it is related to with the broader framework right. So, you can see that this are tool downs strikes are going frequently or protests or strikes by the individual may be that it is related to the h r policy of the organization. So, you could look into the border framework; a preference to solve the problem and if you are able to realize the problem in a border framework.

Probably, that is also a potential which could be identified for you right; persuasiveness that could be also a what we call the potential of the employees, whether you are able to sell ideas communicate ideas to other people and whether you see that they are committed ok, when you find that yes he is being influenced by the top management right. So, the idea here is that whether you are able to pursue things or not like communicating through commitments and other things.

So, if are having a good persuasion ability that is also required at the hard level jobs right. So, when you are going to identify potential you also see that whether people have this capability to persuade things or people in the right form in the right direction of or not right there could be some other potentials also that we will discuss later.

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Potential focused appraisal	Generic Competencies
Integral part of management development process and career planning	Job Knowledge
Subjective, non-quantitative approach	Thinking Clearly
Focus on future rather than past performance	Goal-setting & planning
Essential for grooming future leaders	Relationships
	Leadership
	Innovation

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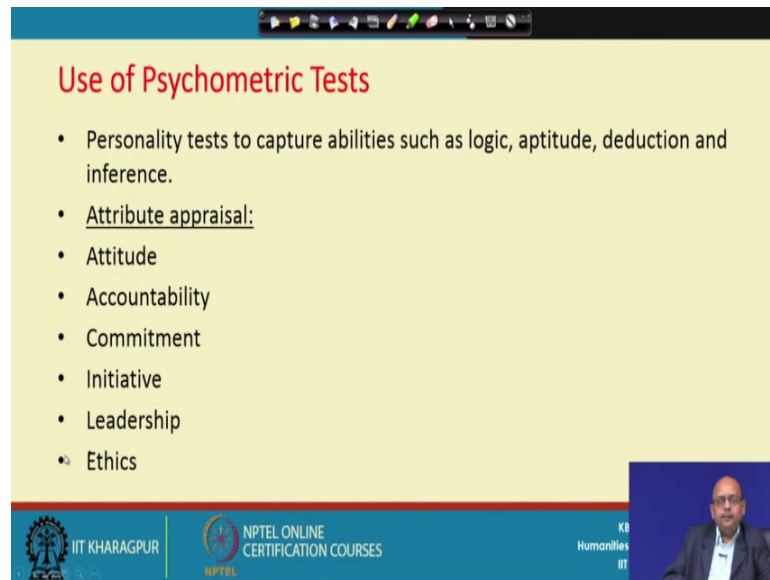
Now, so, if you look at the focus is on competence right. So, these are the general competences that we look into when we are looking for a job like; whether he has the knowledge and the skill to perform in the job whether is able to think clearly about what he is doing; what is not right whethers you are able to set the goals and plan activities accordingly. So, that is able to achieve the goal on or not what kind of relationship is develops what kind of leadership capabilities and with the really creative innovative and so we look into look into these competences and this these competition is could be related to the future jobs right.

So, the focus of the potential appraisal is the development and career planning it is very very subjective and non quantitative approach right, because when you are going to evaluate potential; basically we look into some of the qualities related to the say leadership ability or innovation or relationship quality right, that you maintained how when your problem solving ability and looking things into a broader framework.

So, these are some of the qualities which are very subjective. So, it is not quantitative approach right. And the focus is on which are not into looking into the past performance as I told you pass of performance appraisal what happens. So, we look into the past performance of the individual right; and the idea of a focusing on potential appraisal is the that, probably you are in a position where you have been thinking about that how to groom future leaders who are going to be the future leaders ok; how to identify the who

are the future leaders only on the basis of potential appraisal you will be in a position to find out who are the future leaders who could be groomed and development and in order to identify.

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The slide is titled "Use of Psychometric Tests" in red text. It contains a bulleted list of attributes for appraisal. The first bullet point is "Personality tests to capture abilities such as logic, aptitude, deduction and inference." The second bullet point is "Attribute appraisal:". The following bullet points are "Attitude", "Accountability", "Commitment", "Initiative", "Leadership", and "Ethics". The slide also features logos for IIT Kharagpur and NPTEL Online Certification Courses, and a small video inset of a speaker in the bottom right corner.

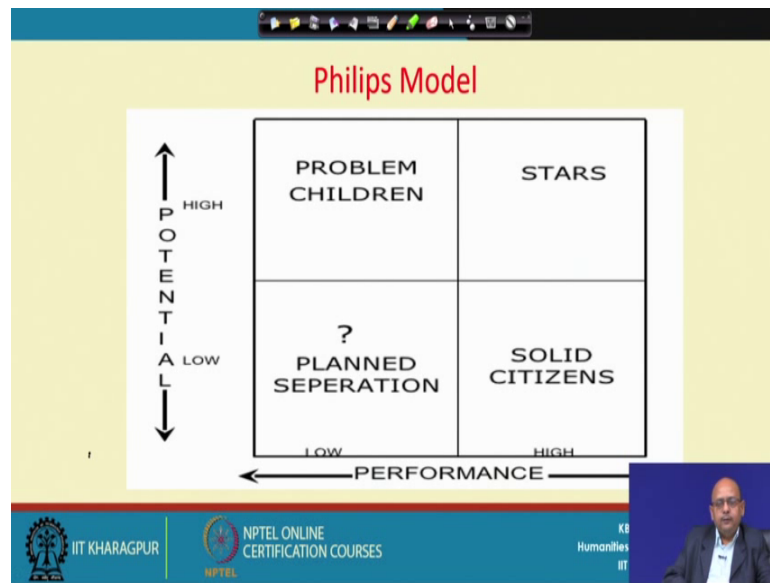
- Personality tests to capture abilities such as logic, aptitude, deduction and inference.
- Attribute appraisal:
- Attitude
- Accountability
- Commitment
- Initiative
- Leadership
- Ethics

Basically we try to identify using certain psychometric test that will take up and again. So, you try to identify using certain psychological tests basically there known as psychometric tests, which try to capture or logical ability your aptitude whether you have a specific abilities or not whether we have deductive reasoning ability and inference right.

So, what are the things that basically we try to find out what are the attributes we are looking forward to right, what kind of attitude you have with the attitude to and willing to learn you things or not whether a feel that you are accountably accountable for the job that is given to you; whether you feel committed or engaged yourself with the job do you take initiatives or not what is your leadership capabilities and whether you follow ethical behaviour in approach or not.

So, some of these attributes could be evaluated using psychometric tests which can give an indication that yes you are there or you are performing well.

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Now, look at this quadrant performance versus potential right what does this show this model suggests; that if you have been performing well and you have the high potential. Then you could be termed as stars right it means these are the people who need to be promoted these are the future leaders right, but even if you performing well and you do not have the potential you are termed as solid citizen solid citizen means those who are going to consistently perform well, but you do not have the potential.

So, you are promote ability is at stake you may not be promoted, because you do not have the potential the problem is with the first two quadrants you may be having the potential, but you are not able to perform well. So, they are known as problem children. So, what needs to be done here is to identify the problem here and see, what can be done in order to ensure that people are able to use their potential to perform well right. And finally, neither you have the potential are not your able to perform well.

So, what are the options go of planned separation it means that such people are not required by the organization right, and it is important to see that with they are not going to part of the process so what are the things that you are going to evaluate you are talking about potential appraisal.

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Potential Appraisal focused criteria	
Conceptual Effectiveness Vision Business orientation Entrepreneurial orientation Sense of reality	Interpersonal effectiveness Network Directedness Negotiating power Personal influence Verbal Behaviour
Operational effectiveness Result oriented Risk taking Control Effectiveness	Achievement Motivation Drive Professional ambition Innovativeness Stability

So, these are the four major criteria that you are going to use in terms of the conceptual effectiveness, whether they are able to visualize things whether they understand the business orientation, whether they have an interpersonal orientation and whether they are able to realise the things in the proper perspective or not then other thing is related to interpersonal relationship right, then negotiation personnel influence verbal behaviour network ok.

Then coming to operational effectiveness are they really looking for the results then do which they take rest are they able to control the things actual how effective they are and finally, you have motivation that is very very important, because if you do not have a motivation to achieve high performance.

Then you are not you will not be driven by these to perform well right and whether the; you really have special ambition to grow and develop and a really innovative in behaviour or not and then stability is very very important you have been consistently performing well right. So, when we are talking about some of the criteria potential appraisal; it is very very important to look into these factors which could be an indicator of a high potential among the employees right.

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Now, this is another matrix that I want to use here; I will discuss it again later here I am talking about performance and leadership potential matrix right, can be relate performance with succession plan or leadership potential or not.

Now, performance means you are able to job do your job well you have this skill and abilities very well in the, whatever we doing right and you maintain good relationship at the work place right, then potential is that whether you have the capacity to grow and develop in a leadership role and who is a leader one who guides directs influences and with so, the way to others. So, after defining these terms; let us look at these ok; if you are having poor performance and look at the leadership potential right.

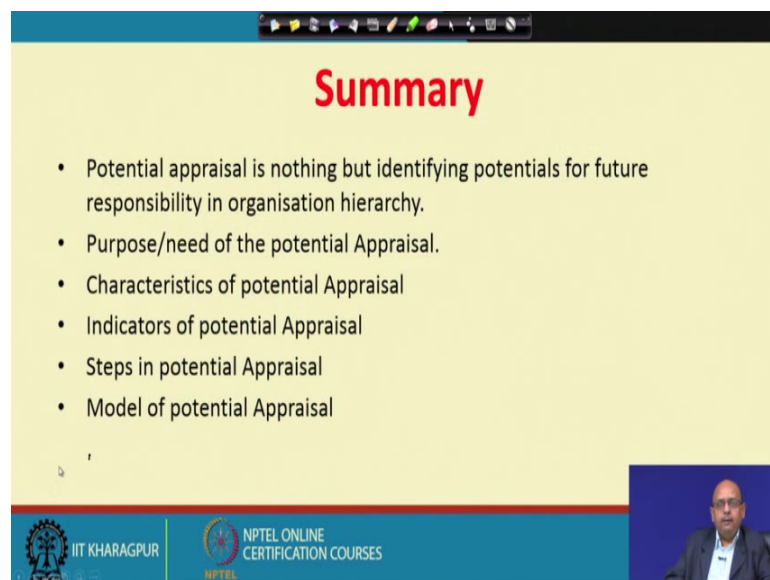
So, start with the once say it means they need to be developed because though they might be having leadership potential, but the performance is not good if are having poor performance then we have to see that then you need to assign new role. So, that you perform well, but if you have a poor performance and no potential to develop yourself as a leader then you are in red right and that is why you need to plan separately.

Similarity, if you are having moderate or good performance level and high potential then it is good right similarly for a good performance and moderate potential that is a accepted right and finally, good performance, but limited potential it means that these people need to be groomed and developed coached for high performance right and since

they do not have the potential they can continue with current job coming to high potential and high performance outstanding performance.

So, one a that could be termed as stars right these are the people who take up leadership positions right those who are having outstanding performance, but moderate potential basically they are ideally suited for the organisation because star performers may not stick to your organisations right, but outstanding performance, but limited potential they would continue in their current job they could not be promoted, because they will not be consistent in their performance in the next higher level right.

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Summary

- Potential appraisal is nothing but identifying potentials for future responsibility in organisation hierarchy.
- Purpose/need of the potential Appraisal.
- Characteristics of potential Appraisal
- Indicators of potential Appraisal
- Steps in potential Appraisal
- Model of potential Appraisal

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So, what we have discussed; let us summarize that, what is potential appraisal; what is the need are of the potential appraisal; what are the characteristics that we have and we also a discuss certain indicators of the potential appraisal ok. And then we also discuss a model of potential appraisal to ensure that, what needs to be done with the potential and how it could be used by the organisation for leadership role.

Thank you very much.