# Strategy of Improving Management Level of Enterprise Performance Appraisal: Overview and Analysis

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**Abstract:** Strategy of improving management level of enterprise performance appraisal is studied in this manuscript. Under the background of the new development strategy, enterprise performance management work as an important communication bridge between enterprise management level and workers. The concept of performance management refers broadly to the sum of all the management activities such as goal management, quality management, supervision and assessment, and employee training organized by organizations or individuals. Narrowly defined performance management is based on the strategic objectives of the company. This paper gives the novel ideas related to the mentioned challenges and we also study the applications to validate the model.

### 1. Introduction

The results of the performance appraisal are important, but the implementation process is also very important. When promoting the performance appraisal work, the manager should give the staff some guidance and supervise the work process, and find out the problems in time so that they can solve the problems early and adjust the plan according to the implementation of the performance appraisal. In addition, managers must accurately grasp the relevant information of general employee performance appraisal, and control the progress of performance appraisal in real time, using advanced performance appraisal methods to motivate employees to strive for the upstream.

For the current assessment model, there are some features as the follows.

- •Performance pay can not only motivate employees, but also improve their performance and create more economic benefits for the enterprise. In addition, performance pay will restrict the growth of enterprise performance because of its own increase.
- •After the establishment of performance-based compensation system, the performance of the enterprise cannot be improved in a short period of the time. Only through the efforts of employees for a long time, can we create benefits for the enterprise. Therefore, it can also be seen that the impact of performance compensation on corporate performance is delayed.
- •In the performance feedback, the salary is mainly reflected in two core aspects: one is the performance bonus level, and the other is the salary level adjustment. The payment of the bonus is one-off and the amount is high. The payment of the salary is long-term, and the amount is very low, which is very motivating.

The formation of corporate culture runs through the design and implementation of the enterprise performance evaluation index system, performance evaluation operation system and the performance evaluation result feedback system (value distribution system) to exert its guiding constraint function and cohesive incentive function. The mutual integration and fermentation of corporate culture and performance management, the collision of the action and reaction is more conducive to the rapid transformation of the high-performance behavior of the firm's corporate values to all employees, and continuously stimulates the constant dynamics of enterprise development, which is more conducive to improve the overall competitiveness of enterprises.

For handling these targets, the following issues should be then considered. (1) The actual required amount of the corresponding expenditure item is not considered by the business department. In short, in the process of using the funds, the actual expenditure is as close as possible to the realized budget declaration amount, which becomes the sole target of the business department in the performance

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evaluation of the budget. Under this model, the actual demand for expenditure items is likely to be much lower than the actual budget declaration amount, resulting in waste of the capital use. (2) One of the characteristics of performance appraisal is the formation of guidance in the enterprise, will form in the enterprise staff consciousness of "excellent" definition and concept. As a part of modern enterprise performance assessment, budget performance assessment will also form a guiding role in enterprise. Under the evaluation mode of budget execution rate, departments or employees with high budget performance or even overall performance are likely to be excellent in capital expenditure.

In the figure 1, we present the model for references. In the next sections, we will discuss in detail.

Asset Performance Management (APM)



Fig.1 Enterprise Performance Appraisal General Model

## 2. The Proposed Methodology

Employee Evaluation. Setting the content of the democratic evaluation indicators can effectively strengthen the quality of the construction of the employee evaluation system. In the indicators, we can start with the employees' ideological quality, professionalism, integrity and self-discipline. Of course, like management coordination, innovation development and also solidarity cooperation. Capability indicators can also be selected. According to the actual position of each employee, a corresponding combination of performance indicators is prepared. The key point is to develop multi-dimensional aspects of employees' morality, diligence, energy, integrity and performance. Evaluation, of course, when implementing these contents, establishing the scope of democratization evaluation can further strengthen the fairness of the evaluation results. At this point, relevant personnel should follow the three principles of "informed, related and representative" and set the scores reasonably.

The scope of personnel, as well as the proportion of each level of grading, as much as possible to improve the scientific nature of evaluation results; Finally, with the development and advancement of information technology, managers can also introduce informational means, such as the compilation of evaluation forms, There are evaluation form issuance, filling and recycling, and general analysis of subsequent evaluation results, etc. In the past that tedious part of the work may wish to establish an information platform for the evaluation of democracy, strengthen the confidentiality of the evaluation work, while improving productivity.

The performance appraisal of knowledge workers has certain guiding characteristics, which is an important basis for their promotion and salary distribution. Therefore, the establishment of objective and fair knowledge appraisal methods for knowledge workers has the continuous improvement and continuous development for enterprises and employees as the important promotion. There are ways to treat knowledge workers as "independent" individuals, and also the knowledge workers have higher collaboration. Individual performance is also part of overall performance. Individual employees and organizations as a whole are nested and influenced. A single perspective cannot accurately analyze and judge the performance of knowledge workers. Under existing evaluation methods, the intrinsic differences and advantages of different knowledge employees cannot be effectively identified and recognized, and the knowledge employees cannot fully display their excellent needs according to their individual advantages, and it is not conducive for the enterprises to take the targeted measures to

improve and improve. Combining the relevant research results of previous scholars, the first-level indicators affecting the loyalty of high-tech enterprises are set as employees' own factors, enterprise factors and social factors. The figure 2 gives the sample demonstration.



Fig.2 Employee Evaluation Circle for Reference

Performance Appraisal: Massive Perspectives. Incentives are one of the most discussed topics in management. It is also one of the most important tasks of the manager. The responsibility of the manager is to maximize the enthusiasm of the subordinates and create an environment that will help the company develop and grow personally. In such an environment, people work hard to achieve the goals of company and gain opportunities for personal growth and development. Under background of new development strategy, the enterprise in the management of the human resources performance management, employee's job should lift deployment system should be established to then carry on the systematic planning and making, at the same time, organization structure in enterprise management of the establishment of corresponding positions in the organization should set up the scientific and reasonable organization structure management, optimization, in modern organization management positions, each job should have the responsibility and authority, inherent and post work ability and the standard demands should be further standardized. We should avoid the listed challenges.

According to the assessment standard of the income index and profit, the performance appraisal system will pay attention to business development, technological innovation and talent reserve, so as to improve the overall basic management ability.

Enterprise performance appraisal tracking feedback is not timely, it is difficult for modern enterprise managers to understand the progress of performance appraisal, nor can they grasp the ideological dynamics of the employees in an all-round way. There is no mutual communication between employees and managers, and no corresponding feedback and appeal channels are established. Employees being assessed cannot feedback suggestions and opinions on performance appraisal, and the enterprise managers cannot understand the actual situation of performance appraisal, and the interaction between the managers and employees is reduced, which is extremely unfavorable for the development of company.

The design of unreasonable assessment indicators is likely to lead to a decline in modern employees' work enthusiasm, more and more negative emotions on the enterprise, and easy to affect the daily work. In the long run, this is not conducive to the development of the harmonious relations between enterprises and employees.

The salary standard establishment too is low in the achievements management that can cause the massive staff collective to leave the job affects seriously enterprise normal production management, under the new strategic development background, the enterprise salary standard formulation height receives the enterprise to manage the development ability and the actual economic potentiality has the very big connection, simultaneously in the enterprise human resources achievements management, the salary assignment should the strict deference highly effective and fair two major characteristics, in

the enterprise staff wages determined the aspect should strict integrated comprehensive achievements inspection result determine staff's salary according to the achievements inspection inside.

The Finalized Ideas and Perspectives. Enterprises need to set up a special performance appraisal supervision and management department to ensure the independence of the supervision department, reasonably arrange and timely supervise the daily work progress of the enterprise employees, and regularly assess and supervise the work achievements of each post according to the performance appraisal management standards. The problems found shall be fed back to management department and employees in a timely manner, material and cultural rewards shall be given to excellent aspects in a timely manner, rectification plans shall be put forward for the areas to be improved in a timely manner, the interaction between the enterprise and employees shall be enhanced, the enthusiasm of employees to participate in performance appraisal shall be improved, the enterprise development goals shall be better integrated into the personal career planning of employees, and the enterprise development and employees shall be well improved close integration of the industrial and personal development. Through the setting and also feedback of the performance appraisal system, it is also beneficial to improve the work efficiency of the managers, promote the improvement of work, and improve the performance of the whole enterprise, and become an important means for the effective management of the managers. In addition, by decomposing performance appraisal goals, it can also become an important way to achieve corporate strategic goals.

### 3. Conclusion

Strategy of improving management level of the enterprise performance appraisal is studied in this manuscript. In the implementation of corporate compensation management, we should actively and consider the fair and fair performance appraisal mechanism summed up in the actual development of the enterprise. At the same time, the salary incentive system should also include a combination of factors such as the quality of the employee responsibilities, performance contribution, technical level, work ability and work attitude. Finally, a reasonable evaluation system is obtained to ensure that each employee's efforts can be equalized return. In the future, we will analyze more scenarios.

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