

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1. Conclusion

Based on all the result finding and discussion, there are few conclusions about this research. First, the performance appraisal in PT.X Company use Mixed Model which is measure job performance and competency. The indicator weight for MOD Staff is 30% for job performance and 70% for competence. This is contrary to what was proposed by Spencer in Mixed Model (Spencer: 1993). The balance weight according to Spencer is 50%-90% for job performance and 10%-50% for the competence.

Second, the performance appraisal in PT.X Company use Forced Distribution Method which is divide employee in determined category. At PT.X Company, employees are distributed into five categories: Category A – Category E. Category A is for employees with excellent performance and highest category in the performance appraisal and has about 5% of the staff (same with Category E). Category E is for the employees who have poor performance and does not achieve the target. Category B is for those with good performance and has 10% of the staff while Category D is for employees who have performance below the average and has 10% also. The last one is Category C. This category is for employees who have average performance that complete all the job as well as the given job. This category has the biggest percentage about

70%. These categories will be used as a basis for salary increase, promotion, and training and development program.

Third is performance appraisal of PT.X Company does not has clear standard or indicator to measure job performance of each employee. This makes any biases and subjectivity is remaining high. Lastly, the new performance appraisal will design new performance appraisal with clear standards with KPI as the indicators and competency.

The limitation of this case paper is this new performance appraisal only fit for PT.X Company because there is requests from PT.X Company in designing a new performance appraisal like the weight of forced distribution categories.

5.2.Recommendation

To have a good performance appraisal, PT.X Company can do several ways. The first thing that the company can do is develop performance appraisal to all appraiser so they can really know what they should do in doing appraisal to their employee. PT.X Company should held a socialization about the performance appraisal so all the appraiser can know every detailed of performance appraisal, what should they do, and when they should assess their subordinates.

Second, PT.X Company should ensure that every appraiser give feedback to the employee so the employee can put the feedback as the input for them to improve their next performance. Lastly, PT.X Company should use clear standard to measure employee performance so it can help company to decide effective and ineffective employee.

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