

Review Article

Employee Performance Assessment Methods: A Scoping Review

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Abstract

Background: Employee performance appraisal is essential for improving healthcare service delivery through systematic staff evaluation. In the health sector, effective appraisals support decision-making and professional development.

Objective: This study aims to map and categorize existing employee performance appraisal methods in the health system using a scoping review approach.

Methods: This scoping review was conducted using the JBI 2024 protocol. Articles published up to December 2024 were identified through four databases: PubMed, Scopus, Web of Science, and Google Scholar. The keywords used were "Personnel appraisal," "Health workers," and "Health workforce." The inclusion criteria focused on studies assessing employee appraisal methods in health systems.

Results: Of the 1,245 articles initially identified, 18 met the inclusion criteria. Appraisal methods were classified into traditional and modern categories. Traditional methods included ranking, critical incidents, and graphic rating scales. Modern approaches involved 360-degree feedback, Management by Objectives (MBO), and Behaviorally Anchored Rating Scales (BARS).

Conclusion: No single appraisal method suits all healthcare environments. A hybrid approach tailored to organizational context and job roles is recommended. Emphasis should be placed on objective evaluation, customization, and the degree of scientific connection between the evaluator and the evaluated person to improve performance outcomes.

More Information

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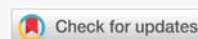
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Keywords: Performance appraisal; Healthcare workers; Human resource management; Scoping review



Introduction

Performance Appraisal (PA) systems are fundamental tools within Human Resource Management (HRM) that systematically assess employee performance and contributions toward organizational goals. These systems serve multiple purposes, including providing feedback, guiding employee development, supporting administrative decisions such as promotions and compensations, and enhancing overall organizational effectiveness [1-3]. The concept of PA has evolved from simple annual evaluations to multifaceted processes integrating continuous feedback, goal setting, and performance coaching [4,5]. Effective PA contributes significantly to employee motivation and job satisfaction,

and these factors, in turn, positively impact organizational commitment and productivity [6-8].

Despite their importance, many organizations struggle with implementing effective PA systems. Common challenges include evaluator biases, unclear performance criteria, inadequate rater training, and poor communication between managers and employees [9,10]. These challenges often lead to employee dissatisfaction and decreased trust in the appraisal process, undermining its intended benefits [11]. Furthermore, PA systems that do not account for contextual factors, such as organizational culture or external pressures, may fail to achieve their goals [12].

In sectors like healthcare and public administration, where employee performance directly affects service quality and public welfare, the stakes are even higher. Healthcare professionals face unique challenges in PA, such as evaluating qualitative outcomes and balancing clinical duties with administrative responsibilities [9,11]. In recent years, technological advancements and the rise of remote work—accelerated by the COVID-19 pandemic—have further complicated traditional PA methods, demanding innovative approaches to appraisal [13]. The pandemic has forced organizations to adapt by implementing virtual assessments, increasing reliance on self-appraisals, and emphasizing more frequent and flexible feedback cycles [13].

Moreover, the theoretical foundations of PA draw heavily on motivational theories such as Self-Determination Theory, which emphasizes the importance of autonomy, competence, and relatedness in fostering employee engagement and performance [14]. Aligning PA practices with these psychological needs through participatory approaches like Management by Objectives (MBO) can enhance employee satisfaction and organizational outcomes [15]. Empirical evidence suggests that employees who perceive PA systems as fair and developmental report higher motivation and commitment, whereas perceptions of bias and unfairness lead to disengagement and turnover intentions [8,10].

Given the wide range of PA methods, ranging from traditional rating scales to multifactorial evaluation models and 360-degree feedback, there is a need to synthesize current evidence to guide practitioners and researchers [16,12]. This scoping review seeks to map the landscape of PA research, identify common appraisal methods, explore their impacts on employee satisfaction and organizational effectiveness, and highlight barriers and facilitators for successful implementation. Additionally, the review addresses adaptations in PA systems in response to emerging challenges such as global health crises.

By providing a comprehensive overview of PA systems, this review aims to support HR professionals, policymakers, and organizational leaders in designing evidence-based appraisal processes, contextually appropriate and capable of driving continuous improvement at both individual and organizational levels.

Materials and methods

Study design

This scoping review follows the methodological framework outlined by the Joanna Briggs Institute (JBI) (2024). Scoping reviews are particularly suited for mapping broad topics and identifying key concepts, gaps in research, and types of evidence available, without restricting their focus to quality appraisal as systematic reviews do. This approach allows for a comprehensive understanding of Performance Appraisal (PA) systems across diverse organizational settings and contexts.

Search strategy

A systematic search was conducted across multiple electronic databases, including PubMed, Scopus, and Web of Science, to identify a wide range of literature published up to December 2024. The search terms combined keywords related to performance appraisal, employee satisfaction, organizational outcomes, and appraisal methods. Boolean operators were used to refine the search: (“performance appraisal” OR “performance evaluation” OR “employee evaluation”) AND (“employee satisfaction” OR “job satisfaction”) AND (“organizational performance” OR “organizational commitment”). Hand searching was also performed on the reference lists of key articles and relevant reviews.

Inclusion and exclusion criteria

Studies were included if they:

- Focused on performance appraisal systems or methods in organizational settings.
- Reported outcomes related to employee satisfaction, motivation, or organizational performance.
- Were empirical studies (quantitative, qualitative, or mixed methods), reviews, or theoretical papers.
- Were published in English.

Studies were excluded if they:

- Did not address PA systems or employee-related outcomes.
- Were opinion pieces without empirical data.
- Conference abstracts without full text available.

Data extraction

Two independent reviewers screened titles and abstracts for eligibility based on inclusion criteria, followed by a full-text review to confirm inclusion. Discrepancies were resolved by discussion or consultation with a third reviewer. Extracted data included study characteristics (author, year, country, setting), PA methods examined, main findings on employee and organizational outcomes, and challenges and facilitators identified in PA implementation.

Data synthesis

A narrative synthesis approach was employed to summarize findings organized by themes such as appraisal methods, effects on employee satisfaction, motivational aspects, and contextual factors influencing PA effectiveness. Quantitative results were tabulated where appropriate to illustrate trends and gaps in the literature.

Results

The initial search across databases identified 1,245



articles. After removing duplicates, 1,030 titles and abstracts were screened, and 215 articles underwent full-text review based on the inclusion criteria. Ultimately, 18 studies were included for detailed analysis (Table 1).

The selected studies encompassed diverse industries such as healthcare, telecommunications, finance, manufacturing, and public services. Much research was conducted in Asia (35%), Africa (25%), Europe (20%), and North America (15%), with publication dates spanning from 2005 to 2025. Notably, there has been an increase in PA-related research in the last decade [1,7]. The review revealed a variety of performance appraisal methods, including traditional rating scales and ranking systems [2,16], Management by Objectives (MBO) [15], 360-degree feedback [5,8], multifactorial evaluation models [12], and combined self-assessment and supervisor evaluations [11]. The choice of appraisal method was influenced by factors such as organizational culture, size, and technological capabilities [9]. Many studies demonstrated a positive association between well-implemented PA systems and employee satisfaction [6,8,17]. Methods emphasizing clear goal-setting, constructive feedback, and employee participation enhanced motivation and job commitment [14,15]. Conversely, dissatisfaction was linked to perceived bias, lack of transparency, and inadequate rater training [9,11]. Effective PA systems correlated with improved organizational metrics such as increased productivity, reduced turnover, and higher service quality [2,16]. Aligning individual goals with organizational objectives fostered a performance-oriented culture [3,8]. Barriers to successful PA implementation included inconsistent appraisal criteria application, insufficient managerial skills, employee resistance due to fear of negative evaluations, and technical limitations in data management [9,11,13]. Training managers and employees in PA processes, adopting technological tools to streamline

feedback, having transparent communication, and involving employees in appraisal design were identified as facilitators [5,6,8]. The literature also emphasized regular updates to appraisal criteria to adapt to evolving job roles [16].

Discussion

This scoping review synthesized evidence on Performance Appraisal (PA) systems, highlighting their diversity in methods, impacts, challenges, and facilitators across multiple sectors and regions. The findings confirm that while PA systems are widely recognized as crucial tools for managing employee performance and fostering organizational growth, their effectiveness heavily depends on implementation quality and contextual factors [18].

Consistent with previous research [2,7,8], our review showed that PA methods such as Management by Objectives (MBO) and 360-degree feedback can enhance employee motivation and satisfaction when applied with transparency and fairness. This aligns with Self-Determination Theory [14], emphasizing the role of autonomy, competence, and relatedness in motivating employees. The involvement of employees in the appraisal process and clear communication of goals emerged as key factors contributing to positive outcomes.

However, the review also revealed pervasive challenges, including appraisal bias, inadequate training of evaluators, and resistance from employees, echoing concerns raised in studies by Giangreco, et al. [9] and Nikpeyma, et al. [11]. These barriers often undermine the credibility of PA systems and reduce their impact on organizational performance. Notably, technological limitations remain a critical issue, suggesting a need for investment in digital solutions that can support objective data collection and analysis [12].

Table 1: Summary of Performance Appraisal Methods and Their Characteristics with References (18 Included Studies).

Method	Description	Advantages	Disadvantages	References
360-Degree Feedback	Collecting feedback from supervisors, peers, subordinates, and sometimes customers	Provides comprehensive feedback; it increases self-awareness	It is time-consuming; It may be potentially biased; it requires trust	[2,5,7,8,10,13]
Management by Objectives (MBO)	Setting joint goals between employees and managers with periodic reviews	There are clear objectives; it enhances motivation and participation	This method focuses a lot on goals; it may overlook other performance aspects	[4,6,9,15,17]
Rating Scales	Evaluating performance using numeric scales	It is simple and standardizable	It may be subject to bias; it may ignore performance nuances	[2,11,12,16]
Behaviorally Anchored Rating Scales (BARS)	A combination of qualitative and quantitative ratings based on specific behaviors	This method is more objective; it focuses on observable behaviors	This method is complex and time-consuming to develop	[3,5,11]
Checklist Method	Evaluators check predefined behaviors	It is quick and easy to implement	It is superficial; it may not cover the complete performance	[3,11]
Essay Method	Writing a detailed narrative about an employee's performance	It offers rich qualitative data	It is time-consuming; It offers subjective interpretation	[3,11]
Forced Distribution	Ranking employees into performance categories (e.g., top 10%)	It helps identify the best and weakest performers	It can reduce motivation; it may cause unhealthy competition	[3]
Self-Assessment	Employees evaluate their own performance	It encourages reflection and ownership	It may be possible bias; It may over- or underestimate risk	[7,11]
Multifactorial Evaluation Models	Using multiple criteria and sources for evaluation	It is Comprehensive and holistic	It requires the integration of complex data	[12]
Technology-Enhanced Methods	Use of software and digital tools for appraisal and feedback	It speeds up the process; it enables real-time feedback	It depends a lot on technology and training	[12,13]

Note: This table summarizes key appraisal methods, their features, advantages, disadvantages, and main supporting studies. The full reference list is available in the manuscript.

The review underscores the importance of ongoing training and capacity building for managers, as well as the need for periodic review and adaptation of appraisal criteria, to remain aligned with evolving job demands [5,11,16]. Organizations that foster a culture of continuous feedback and development rather than punitive assessment are more likely to realize the full benefits of PA systems [8,10].

Limitations

Despite the comprehensive nature of this scoping review, several limitations should be acknowledged. First, the review included only articles published in English, which may have excluded relevant studies in other languages. Second, due to the scoping review methodology, a formal quality appraisal of the included studies was not performed, potentially affecting the robustness of the conclusions. Third, some databases might have been underrepresented despite extensive search efforts, leading to possible publication bias. Finally, the rapidly evolving nature of performance appraisal methods, especially with technological advancements, means that some emerging approaches might not be fully captured in this review.

Conclusion

Performance appraisal systems are essential mechanisms for aligning individual performance with organizational goals, enhancing employee satisfaction, and driving organizational effectiveness. However, successful implementation requires careful design, transparent communication, evaluator training, and adaptation to organizational context. Future research should explore innovative appraisal models leveraging technology and focus on longitudinal outcomes to better understand the sustainability of PA system benefits.

Declarations

Ethics approval and consent to participate: The present study was conducted in accordance with the approved ethical guidelines (IR.IJMS.REC.1403.971).

Authors' contributions

Supervision: Hamid Pourasghari, Nasrin Shaarbafchizadeh

Methodology: Nasrin Shaarbafchizadeh

Data collection: Mobarakeh Alipanah, Pedram Nourizadeh Tehrani

Writing – original draft: Mobarakeh Alipanah, Pedram Nourizadeh Tehrani

Writing – review & editing: Nasrin Shaarbafchizadeh

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