

Synergistic analysis of performance appraisal and job rotation in enterprise renewal and optimization

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Abstract. As the rate of change in the business world accelerates, organizations strive to enhance their performance and adjust to novel challenges. Performance appraisal and job rotation are common human resource management methods that have been proven to significantly influence employee performance and organizational effectiveness. Nevertheless, their cumulative influence on business renewal and optimization remains underexplored. Therefore, this study utilizes a mixed-methods approach to quantitatively examine performance appraisal and job rotation practices in a selected group of companies. Additionally, it involves qualitative interviews with managers and employees to offer further insight. The findings indicate that a coordinated strategy in evaluating performance and rotating job responsibilities can enhance employee motivation, develop skills, and improve organizational flexibility. Furthermore, an all-encompassing method to managing human resources, considering the interplay between diverse practices, can result in sustained competitive advantage and organizational accomplishment. The study emphasizes integrating these practices with the organization's strategic goals. Its objective is to investigate the synergies between performance appraisal and job rotation in the context of corporate renewal and optimization. The study elucidates how integrating these strategies can drive corporate renewal and optimization.

Keywords: Performance appraisal; Job rotation; Enterprise renewal; Optimization; Human resource management.

1. Introduction

Performance assessment and job rotation are important human resources management practices that have been extensively studied in the context of organizational revitalization and optimization. With the rapid changes in the business environment, companies are constantly exploring ways to improve employee performance and enhance organizational effectiveness. Performance appraisal, a systematic process for evaluating and assessing employee performance, is a crucial tool for managing and enhancing employee output. In contrast, job rotation involves moving employees through various roles and responsibilities within an organization to improve their skills, knowledge, and overall job satisfaction.

Previous research has thoroughly investigated the individual effects of performance appraisal and rotation on employee performance and organizational outcomes. However, there is a dearth of comprehensive knowledge regarding the conjoined impact of these two practices in the context of revitalizing and optimizing businesses. While several studies have evaluated the advantages of individual performance appraisal or rotation, only a limited amount of research has explored the joint effects of the two practices on organizational performance and employee development. This research gap presents an opportunity to investigate the potential benefits of combining performance appraisal and job rotation and their influence on organizational revitalization and efficiency.

Therefore, the main research question of this study is the individual as well as synergistic effects of performance appraisal and job rotation. By examining the synergistic effects of these two HRM practices, this study aims to provide valuable insights into the potential benefits of integrating performance appraisal and job rotation in organizational renewal and optimization efforts. This study is particularly important in the current dynamic business environment where organizations are constantly seeking innovative ways to enhance their competitive advantage and adapt to changing market conditions.

2. Performance Appraisal and Enterprise Update

2.1. Different Performance Appraisal of Employees

Management is the process by which the subject of management effectively organizes and utilizes its elements to achieve the organization's objectives using management tools. Management is usually divided into five functions - planning, organizing, leading people, directing, and controlling [1]. people are the most important element of management; it has been widely accepted that a proper standard for assessing an individual's skills and qualifications for a given position is indispensable. This is precisely what performance appraisal was originally intended for. This paper discusses the Key Performance Indicators (KPIs) performance evaluation standard currently used by many companies, which is divided into three parts: the establishment, implementation, and results of KPIs.

Establishing KPIs aims to align the individual goals of employees with the overall goals of the company. A logical structure is imperative in establishing performance appraisal indicators. Many companies utilize SMART standards particular to their situation to determine an appropriate KPI. SMART stands for Specific, Measurable, Achievable, Relevant, and Time-bound [2], which provides guidelines for project and performance management as well as goal setting.

Objectivity is emphasized in the most common type of KPIs, known as results-oriented. The aim is to take appropriate actions based on observable and measurable outcomes to consistently improve employee performance and overall company success. This paper classifies KPIs outcomes into four categories: A (excellent), B (good), C (requires improvement), and D (failure). To achieve satisfactory results, it is essential to focus on improving category C.

Every level of KPIs presents an opportunity for impartial and equitable performance evaluation. Organizations must offer their employees a platform to display their capabilities and performance. Furthermore, corporations should provide forthright and transparent feedback to their employees while implementing measures to prevent misunderstandings and ambiguity. Clear and concise feedback can help employees identify areas for improvement, leading to enhanced abilities.

For employees who get A(KPIs), enterprises can offer employees various rewards such as bonuses, promotion opportunities, or special benefits. These rewards demonstrate recognition and affirmation of excellent performance, motivate employees to continue working hard, and ultimately create greater value for the enterprise. For instance, Google provided extra bonuses and promotion opportunities to employees who delivered outstanding performance. This incentive policy significantly bolstered the enthusiasm and creativity of employees, while propelling the innovation and development of the company forward. In order to promote the long-term development of the enterprise, it is wise to provide employees who excel in A-level performance appraisal with greater autonomy and decision-making power. Consequently, these measures will lead to a surge in surprises and value for the enterprise. This will enable them to actively participate in the management and decision-making processes, fully leveraging their creativity and enthusiasm for the job while nurturing their innovative spirit.

For employees who receive intermediate (B good and C pass) performance ratings, organizations should prioritize training and development programs to enhance their abilities. Companies can begin by creating custom training plans based on each employee's individual performance to address any weaknesses and improve work performance Secondly, enterprises can enhance employees' development and learning by offering suitable resources and opportunities. Enterprises can provide learning materials, subsidies for courses, or training sessions for acquiring skills, to provide employees with more learning opportunities and resources for improving their workability and performance levels. Additionally, businesses can promote employee involvement in industry-specific professional development and academic exchange programs to expand their perspectives and improve their expertise and competencies.

When an employee receives an unqualified D performance appraisal, the enterprise faces the dilemma of how to address the situation. In such cases, companies should primarily consider providing transparent and honest feedback to the employees while also considering termination. This

approach not only helps maintain the overall performance level of the organization but also provides employees with clear directions and opportunities for improvement.

At the last stage, the organization ought to offer support to employees for KPI D. Such support can involve providing training opportunities to enhance performance, career guidance sessions to assist employees in finding their path, and mental health services to help employees adapt their outlook and manage setbacks.

2.2. The Natural Way

A long-term successful company must understand the importance of being prepared for potential crises and maintaining a strong sense of crisis awareness. One of the greatest obstacles in the development of a company is the lack of crisis awareness [3]. Therefore, this paper recommends enterprises prioritize the last-place elimination system as the primary assessment method. Unlike the ABCDKPI classification mentioned earlier, this system entails punishing or even directly eliminating employees whose performance is in the bottom 5%. In any given enterprise, it is inevitable that some employees will fall into the bottom 5% and face the risk of elimination. Although the culling system may seem harsh, it is necessary for the growth of companies. Firstly, it prompts companies to remove those with lower technical abilities in a timely manner to ensure that the team always maintains the strongest combat effectiveness. Secondly, the employees within the company are typically elite, so each employee faces powerful competitors. Small errors can be critical, so employees must remain vigilant and work to enhance their skills. This program stimulates staff to enhance their expertise continuously, in turn fostering organizational competitiveness and innovation.

More often than not, companies implement an elimination system to target employees who may not be performing up to the required standard, rather than disguising a layoff program [4]. Such a system should have clear standards and limitations in place. For instance, the elimination rate of a company ought to be kept under 5% in the vast majority of cases. Unqualified or low-performing employees may face actions such as salary reductions or demotions. This approach is ideal for longstanding and stable businesses with ample cash reserves. Typically, such companies do not need to resort to layoffs, nor implement large-scale structural changes. Nonetheless, for most employees, the pressure of performance and competitiveness persists, given the 5% elimination rate. Enterprises depend on the assessment system to engage the entire team and prevent them from becoming rigid, indifferent, or lacking in initiative.

In today's society, many companies face the problem of monopolization of power. This situation makes it difficult for young people to get promotion and advancement in the organization. The monopoly of power makes a few top managers or veteran employees monopolize the resources and power within the company, and young people are often unable to break out of this system, making it difficult for them to get the recognition and promotion opportunities they deserve. This paper argues that companies should adhere to the principles of grayscale management and balance, although balance does not mean absolute fairness. For example, in distribution, the company's distribution system is based on performance appraisal, only those who perform well can be allocated more benefits and those who do not contribute face the risk of being eliminated. This ensures that the company is not purely equal and that not everyone gets the same amount of money and respect.

In modern times, companies must endeavor to depart from customary practices that reinforce the elevation of individuals solely based on seniority and instead adopt the revolutionary approach of incorporating young, skilled employees who exhibit bravery and competence. The practice of promoting employees solely based on their tenure, commonly known as the "seniority system," can impede the introduction of new ideas and discourage innovative perspectives within the organizational structure. Conversely, nurturing and elevating young, proficient employees based on their skills, potential, and innovative thinking can infuse the company's operations with energy and dynamism. Furthermore, implementing this approach can promote a culture of meritocracy, wherein individuals are acknowledged and compensated based on their skills and contributions instead of their years of service. By leveraging the skills and potential of young employees, organizations not only

infuse new energy and innovation but also create avenues for the development and advancement of future leaders. Therefore, it is crucial for modern-day organizations to transition away from the conventional "seniority system" and prioritize a forward-thinking, merit-based approach that recognizes the abilities and potential of young professionals.

3. Job Rotation Synergies

3.1. Departmental Post Rotation System

In today's rapidly evolving business landscape, managers face a multitude of challenges. To maintain a competitive edge and ensure sustainable growth, organizations must constantly enhance employee skill sets, while encouraging effective communication and coordination between departments. In this context, relying solely on performance appraisal falls short of adequately addressing all the challenges encountered by enterprises. Job rotation has emerged as a noteworthy management approach, offering employees wider career development opportunities and enhancing their individual competencies while fostering departmental exchange and coordination [5]. Job rotation is a conventional management method with considerable potential.

This paper proposes that companies implement two distinct job rotation systems, namely horizontal and vertical, to achieve corresponding benefits. Horizontal job rotation allows employees to rotate between different positions at the same level, thereby gaining a wider range of work experience and skills while enhancing their adaptability and flexibility. Horizontal job rotation can enhance communication and cooperation among employees, while discovering their potential and strengths, providing broader career development opportunities, and increasing work motivation and satisfaction. Additionally, it promotes team cohesion and collaboration.

This paper suggests that companies should set a long-term vision and maintain an open and sharing attitude. Only through openness can an enterprise absorb energy from the outside world and realize its own growth. The openness of a competitive enterprise is not only external, but also internal. This paper advocates that companies should keep the company open internally, which means that all departments are not closed organizational structures or independent of each other. They should always be open and share with each other [6]. Although departments have different scopes of work and responsibilities, different powers and interests, and their work programs may differ, the overall goal of all departments is the same. As a result, the departments are very closely linked, maintain frequent communication and interaction with each other, and maintain a spirit of cooperation at all times.

3.2. Leadership Post Rotation System

For companies, prioritizing development is crucial, but the significance of development does not imply moving forward blindly. Enterprises must develop while also maintaining stability, as stability is often a prerequisite for development [7]. Key to maintaining stability is creating a relatively balanced system, which can help harmonize the development of various factors. This step ensures that there is not too large a gap between them, thereby effectively guaranteeing success. It can be argued that achieving balance in the growth of an enterprise is optimal to fully unlock its potential.

This paper argues that such a rotation system must follow the development of two strategies. The first is business rotation, that is, arranging for employees to engage in other businesses, such as allowing R&D personnel to participate in pilot testing, production, service, so that they can have a clearer understanding of the relevant products, which will guide the next R&D work. In order for an R&D employee to become a top-level senior technician, he or she must have relevant work experience and pass various practical tests. The second is to allow the positions of senior cadres to be changed or rotated for a certain period of time. If business rotation is usually for the sake of work, job rotation reflects more of a management need.

The job rotation system contributes to the long-term development of the company in the following ways. First of all, job rotation is conducive to the dissemination of the company's management skills.

Employees who work in a certain position for a long time will form their own experiences and theories, and job rotation can encourage employees to bring these experiences and ideas to the new position, so as to realize internal communication and sharing. Second, job rotation avoids the embarrassing situation of "old cadres holding important positions for a long time and controlling the power, while capable newcomers find it difficult to rise to the top", breaks the monopoly of power positions and the emergence of small interest groups, and creates good conditions for the rapid growth and personal development of excellent cadres. Third, through the job rotation system, the company not only encourages employees and managers to master a variety of skills and cultivate talents with strong adaptability and high overall quality but also promotes coordination among various departments and business processes.

In order to fully tap the potential of each employee, this paper suggests that enterprises establish a "two-channel" promotion model. The first is a professional channel, the second is a management channel, these two channels are parallel, there is no overlap, all employees can according to their own strengths and willingness to assess their own strengths, so as to choose the most appropriate career development channel for themselves.

From the perspective of a large enterprise, there are bloated organizations, too many platforms, overly complicated processes, and even bureaucracy in some organs within the enterprise, which not only refuse to decentralize but also greatly interfere with the work of the front line, often blindly directing the development of the enterprise, resulting in a lot of products that are simply not suitable for the market and do not generate the economic benefits they should. For an enterprise with a huge organizational structure, solving problems is no longer the most important thing, but how to ensure coordination within the huge system is the focus. Therefore, the enterprise must give more power to the first line, the power will be decentralized into the hands of the first line personnel, so that they are based on market changes, to make decisions on their own. The addition of cadres can strengthen the construction of process and professionalism, strengthen the company's monitoring system, and safeguard the risk, so as to ensure the implementation of the new model. Through a series of changes, not only for the company's success in reducing the burden, eliminating bureaucracy, and improving operational efficiency, but also to truly establish a market-oriented management mechanism.

However, such a proposal seems to be easier said than done in light of the real situation, which involves not only the adjustment of the personal management style of commanders but also the reform of the organization's institutions and the construction of a deep-rooted organizational culture, which may require a major institutional change as a prerequisite. In view of the above problems, this paper believes that in order to realize this management model, one must grasp a few key points: First, to have a very strong information platform and management platform (such as the above-mentioned transparent internal information sharing system), can reflect the market demand in a timely manner, rather than 100 or 200 sales staff thrown to the front line at the end of the matter; Second, when the judgment point is moved forward and decision-making power is decentralized to the hands of front-line personnel, the company should find out Second, when the judgment point is moved forward and decision-making power is decentralized to the hands of front-line personnel, the company should find out whether the ability and quality of this personnel are high enough to cope with this kind of work intensity[8].

3.3. Honeycomb Theory

By rotating between different positions, employees can gain more extensive work experience and skills, thus improving their overall quality and enhancing their ability to adapt to new environments and new tasks. This helps to cultivate employees' flexibility and creativity and injects new vitality into the company's development.

Job rotation helps promote interdepartmental communication and cooperation. Employees who rotate between different departments can gain a comprehensive understanding of the whole company and promote interdepartmental communication and cooperation [5].

In *Out of Control*, Kevin Kelly discusses the workings of a bee colony. He points out that what is unique about the swarm mindset is that no single bee is controlled by the queen, and there is no central figure or manager in the entire swarm who actually calls the shots, but rather an invisible hand that is able to precisely control the actions of each member [9]. This paper argues that the traditional top-down decision-making process no longer applies. Instead of relying on commands and systems to maintain the organization, today's businesses consist of a group of people coming together to achieve a common goal. Organizations should ensure that all employees have a common purpose and direction to which they can spontaneously aspire and work together on a co-created platform. The organizational structure of the hive theory is a decentralized management model, the status and role of the business leader are weakened, and the entire company uses digital technology to pool the wisdom of employees around the world, so it is more open, free, and efficient than the traditional model, avoiding the risk of "one less person and the company will collapse"[10]. The existence of job rotation gives everyone in the company the opportunity to experience and learn about the different departments of the company, thus reducing the potential risks of the hive theory.

4. Synergy Between the Two

The companies must continuously seek out effective methods to enhance employee performance. Performance appraisal represents a crucial component of enterprise management, and numerous enterprises increasingly utilize job rotation as a management tool to bolster employee performance. Through job rotation, employees have the opportunity to gain a wider range of work experience and skills, which can enhance their performance.

Moreover, the combination of these two factors can significantly decrease bureaucracy and eliminate corporate capacity redundancy for businesses. Performance assessments can be conducted by measuring the employees' performance in various roles, thus improving the identification and utilization of their potential and strengths. After completing a performance appraisal, employees participate in job rotation, allowing them to gain valuable work experience and skills in different positions, thus broadening their career development and improving their adaptability and ability to learn. Subsequently, the employee's performance appraisal is based on their performance in the new position, which motivates the employee to continue developing and adapting to their new working environment. To a great extent, this approach mitigates the issues of rigid employee capacity and redundant enterprise capacity.

Conversely, performance appraisal can assess employee performance across various positions, incentivizing them to unleash their potential in diverse roles, avoiding prolonged stagnation in a single position, and minimizing the likelihood of bureaucracy and personal interests taking hold. The company can schedule employee work more flexibly, enabling staff to utilize their abilities to the fullest potential and avoiding any issues that may arise from excessive enterprise capacity.

In summary, job rotation and performance appraisal have a mutually reinforcing relationship. When employees undergo job rotation, they gain additional work experience and skills that can enhance their performance. Performance appraisal allows the enterprise to evaluate its performance comprehensively, especially for those who have undergone job rotation. This, in turn, enables the enterprise to motivate and reward employees more effectively, further stimulating their enthusiasm and creativity. By integrating two collaborative methods, enterprises can bring in a continuous flow of new talents to improve internal operations, thus enhancing company competitiveness.

5. Conclusion

This paper examines the analysis of the synergy between performance appraisal and job rotation in enterprise renewal and optimization. The paper conducts an in-depth investigation into the roles of the performance appraisal and job rotation systems in the company and their synergistic effects,

highlighting the significance of these management approaches in enhancing employee performance and advancing organizational development.

The findings emphasize the significance of implementing a robust performance appraisal system that aligns specific objectives with the company's overall goals. The system should promote objectivity and transparency in the evaluation process. The thesis also highlights the advantages of job rotation, which offers employees and management the chance to gain diverse work experiences and skills, augmenting their adaptability and flexibility.

This study assists organizations in comprehending and developing productive management strategies. In integrating performance appraisal and job rotation, organizations can alleviate redundancy of competencies and bureaucracy issues, and simultaneously foster enthusiasm, creativity, and innovation among employees. This can enhance organizational competitiveness and sustainable growth.

Forthcoming research in this field could concentrate on the enduring consequences of performance evaluation and work rotation on worker drive, contentment, and retention. Furthermore, delving into the repercussions of these management techniques on organizational culture and leadership progression would enhance the comprehension of their collaborative outcomes on enterprise revitalization and optimization. Ultimately, this research has the potential to provide valuable information for developing comprehensive management strategies that foster continuous improvement and innovation within enterprises.

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