



Relationship between Performance Appraisal and Job Satisfaction among Employees of Coca-Cola Beverages Pvt. Ltd., Visakhapatnam

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Abstract

Performance appraisals are one of the most important human resource management practices in companies. Performance appraisal justice was positively associated to performance appraisal satisfaction, which, in turn, was positively associated with job performance, job satisfaction and life satisfaction. Earlier studies have shown that performance related pay is associated with higher levels of overall job satisfaction. Thus, performance appraisal system integrated with better human resource practices will enhance performance appraisal satisfaction and also increase employee job satisfaction. The main objective of this research paper is to find out the relationship between performance appraisal and job satisfaction among the employees in Coca-Cola beverage industry, the study is Visakhapatnam as study area and 212 data samples were considered. In processing of data SPSS software has been adopted, and statistics like percentage analysis, rank analysis and correlation analysis were considered. The results of this study reveals that where the performance appraisal is more in with individuals in the organization lead to better working conditions, pay and promotion potential, work relationships, use of skills and abilities, work activities and management policies.

Key words: Performance appraisal, job satisfaction, relationship, employees.

Introduction

Formal performance appraisals (PA) are one of the most important human resource management practices in companies (Patrick Kampkötter, 2014)³. Different theories may help to understand the relation between performance appraisals and job satisfaction. Research in cognitive psychology shows that measurable and challenging goals help to align individuals' and companies' goals leading to higher levels of motivation and, hence, employees' work effort (Locke and Latham, 2002)⁴. In particular, perceived performance appraisal justice was positively associated to performance appraisal satisfaction, which, in turn, was positively associated with job performance, job satisfaction, life satisfaction (Dal Corso L, et al., 2019)⁵. Sometimes the performance appraisal can be used to improve the level of job satisfaction (Abdelhadi Naji, et al., 2015)⁶. Thus, it is found that the job satisfaction is linked with the performance appraisal in the organisation.

Performance Appraisal

The performance appraisals of employees are one of the most important human resource management practices and have been widely researched. Performance appraisals are used for a variety of reasons such as promotions, pay rises, detailed and valuable feedback, and career progression. Furthermore, performance appraisals are well suited to detect strengths and weaknesses of employees, and help to set objectives and to improve employee performance.

Job satisfaction

Job satisfaction is the level of contentment a person feels regarding his/her job. This feeling is mainly based on an individual's perception of satisfaction. Job satisfaction can be influenced by a person's ability to complete required tasks, the level of communication in an organization, and the way management treats employees. Job satisfaction is more of a journey, not a destination, as it applies to both employees and the employer. There are many aspects to job satisfaction, depending on what each individual person feels is important. Thus, job satisfaction or employee satisfaction is a measure of workers' contentedness with their job, whether they like the job or individual aspects or facets of jobs, such as nature of work or supervision.

Relation between Performance Appraisals and Job Satisfaction

Different theories may help to understand the relation between performance appraisals and job satisfaction. Research in cognitive psychology shows that measurable and challenging goals help to align individuals' and companies' goals leading to higher levels of motivation and, hence, employees' work effort (Locke and Latham, 2002). Earlier studies have shown that performance related pay is associated with higher levels of overall job satisfaction (Green & Heywood, 2008). The performance appraisals impact on attitudinal outcomes and organizational performance. Thus, performance appraisal system integrated with better human resource practices will enhance performance appraisal satisfaction and also increase employee job satisfaction and reduce turnover intentions to bring effectiveness in the organizations (Adnan Ahmed & Iftikhar Hussain, 2010)⁷.

³ Kampkötter, Patrick (2014). Performance appraisals and job satisfaction, SOEPpapers on Multidisciplinary Panel Data Research, No. 672, Deutsches Institut für Wirtschaftsforschung (DIW), Berlin

⁴ Locke, E., & Latham, G. (2002). Building a practically useful theory of goal setting and task motivation. *American Psychologist*, 57:705-717.

⁵ Dal Corso L, De Carlo A, Carluccio F, Girardi D and Falco A (2019) An Opportunity to Grow or a Label? Performance Appraisal Justice and Performance Appraisal Satisfaction to Increase Teachers' Well-Being. *Front. Psychol.* 10:2361. doi: 10.3389/fpsyg.2019.02361

⁶ Abdelhadi Naji, Jamal Ben Mansour & André Leclerc (2015), Performance Appraisal System and Employee Satisfaction: The role of trust towards supervisors, *Journal of Human Resources Management and Labor Studies*, Vol. 3, No. 1, pp. 40-53.

⁷ Adnan Ahmed & Iftikhar Hussain (2010), "Performance Appraisals Impact on Attitudinal Outcomes and Organizational Performance", *International Journal of Business and Management* Vol. 5, No. 10.

Literature Review

Chamila H. Dasanayaka (2021)⁸ studied on “The impact of the performance appraisal process on job satisfaction of the academic staff in higher educational institutions” aimed to examine the effects of performance appraisal process on job satisfaction of the university academic staff. It was found that there is no clear link between promotions, salary increments, and rewards, etc. with staff performance within the current appraisal process. There is significant difference found between organizational commitment and job satisfaction with performance appraisal process before and after the change in appraisal process (Sepahvand F. et al., 2020)⁹. According to Trias Setiawati (2020)¹⁰ performance appraisal fairness and job satisfaction had positive and significant influence on job performance and employee commitment partially and simultaneously. A study on ‘Impact of performance appraisal politics on work outcome: Multidimensional role of intrinsic motivation and job satisfaction’ done by Sajid Naseeb(2019)¹¹ revealed that the relationship between performance appraisal politics and employee’s commitment level is negatively significant, while performance appraisal politics is positively and significantly associated with turnover intentions. Interestingly, the relationship between job performance politics and job satisfaction was insignificant. On the other hand Kampkötter (2017)¹² in his study ‘Performance appraisals and job satisfaction’ find a significantly positive effect of performance appraisals on job satisfaction, which is primarily driven by appraisals linked to monetary outcomes. The results demonstrate that performance appraisals linked to monetary outcomes are a powerful HR management tool that is appreciated by employees. Moreover, employees’ job satisfaction is positively related to and impacted by fairness in the appraisal system, where it is linking appraisals with promotion, clarity of roles and feedback about their performance (Ramous Agyare, 2016)¹³.

Need and Significance of the study

Human Resource Management (HRM) practices in beverage industry are more challenging as compared to the other sectors. Outcomes of these industries are highly complex. Today, these organizations face continuous pressure due to competition from other competitors, especially during summer season. They need to become more productive, more innovative and also they have to provide quality drinks to the public. The organizations of soft drinks producers have to be perfect in both professional and administrative aspects. Employee motivation is highly needed to get high performance in this sector. Government policies and precautions are getting stronger and higher day-by-day, and demand for high quality drinks is increasing. In this context the performance appraisal of human resource management is crucial for both organization performance and employee job satisfaction.

Performance Appraisal is a primary function of human resource department being considered as a vital parameter in the corporate management, where the prior information has been received from the concerned team leaders/ managers about the performance of the team members (Sameera Begum, et al., 2015)¹⁴. In private organisations feedback on performance is acute and the organisation follows the system stringently on regular basis viz., weekly, quarterly, half-yearly and annually. Based on the feedback appraisal will be framed for every one right from management to junior employee. Hence, the performance appraisal will promote the employees in

⁸ Chamila H. Dasanayaka(2021). The Impact of the Performance Appraisal Process on Job Satisfaction of the Academic Staff in Higher Educational Institutions. *Education sciences*. Vol 11, issue 10.

⁹ Sepahvand, F. et al.(2020). Improving Nurses’ Organizational Commitment by Participating in their Performance Appraisal Process. *Journal of Nursing Management*, (), jonm.12961.

¹⁰ Trias Setiawati.(2020). Influence of Performance Appraisal Fairness and Job Satisfaction through Commitment on Job Performance. *Review of Integrative Business and Economics Research*, Vol. 9, Issue 3

¹¹ Sajid Naseeb(2019) Impact of Performance Appraisal Politics on Work Outcome: Multidimensional Role of Intrinsic Motivation and Job Satisfaction *Journal of Management and Research* Vol 6 No 1 (2019): Volume 6, Issue 1, 2019

¹² Kampkötter, P. (2017). Performance appraisals and job satisfaction. *The International Journal of Human Resource Management*, 28(5), 750–774.

¹³ Ramous Agyare, Ge Yuhui , Lavish Mensah , Zipporah Aidoo1 & Isaac Opoku Ansah(2016) The Impacts of Performance Appraisal on Employees’ Job Satisfaction and Organizational Commitment: A Case of Microfinance Institutions in Ghana *International Journal of Business and Management*; Vol. 11, No. 9;

¹⁴ Sameera Begum, Sarika K. and Sumalatha G. (2015), A Study on Performance Appraisal Private Sector Vs. Public Sector, *IOSR Journal of Business and Management*, Volume 17, Issue 2.Ver. II (Feb. 2015), PP 75-80.

various aspects of encouragement with skill development, trainings, promotions, fringe benefits, etc., which are lead to job satisfaction. Therefore, there is a need to study on relation between performance appraisal and job satisfaction among employees.

Statement of the problem

Performance appraisal plays an important role in employee job satisfaction which develops motivation, potential, commitment, retention and loyalty towards organization. Since the earlier studies on relationship between performance appraisal and job satisfaction indicate that there is a research gap in studying performance appraisal and job satisfaction in beverage industry, so to disclose this gap this research paper undertake in this area. Therefore, the present research paper on 'Relationship between Performance Appraisal and Job Satisfaction among Employees of Coca-Cola Beverages Pvt. Ltd., Visakhapatnam' has been undertaken with the following objectives.

Objectives

1. To study the performance appraisal practices followed by Hindustan Coca-Cola Beverages Pvt. Ltd. Visakhapatnam.
2. To analyse the perceived job satisfaction of the employees in Hindustan Coca-Cola Beverages Pvt. Ltd. Visakhapatnam.
3. To find out the relationship between performance appraisal and job satisfaction of the employees in Hindustan Coca-Cola Beverages Pvt. Ltd. Visakhapatnam.

Research questions

In this regard previous researches show that performance appraisal is related to the job satisfaction but it mostly focused on the motivation but still the research gap is there in India. The research question of this study is:

1. What are the performance appraisal practices followed by Hindustan Coca-Cola Beverages Pvt. Ltd. in Visakhapatnam?
2. What are the perceptions of the employees towards job satisfaction in Hindustan Coca-Cola Beverages Pvt. Ltd.?
3. Is there any relationship between performance appraisal and job satisfaction in Hindustan Coca-Cola Beverages Pvt. Ltd.?

Methodology

The study is basically empirical and explanatory in nature. Based on the objectives the study is confined to Hindustan Coca-Cola Beverages Pvt. Ltd. in Visakhapatnam city. For this study purpose the employees who are working, in the selected unit, both production and distribution departments have been considered. Hence, perceptual data constituted the basis for the analysis of the study which has been collected from the respondents through a pre-designed questionnaire. This research work is mainly based on the primary data which is collected from the respondents (employees of selected unit) through a pre-designed questionnaire. The questionnaire is constituted with three parts, where the first one is demographic profile of the respondents, the second one is performance appraisal tool built with 7 statements and the third one is job satisfaction tool included 14 statements. While it is a purposive study followed the stratified sampling method in data collection, where 212 employees were participated out of the 250 working in the study unit. After collected the data from the respondents it was feed into the computer through a statistical package SPSS and analysed. In this process perceptive analysis was done by percentages, rank analysis has done by score values and correlation test was carried out to find out the relationship between performance appraisal and job satisfaction among the employees of study industry. The study extensively used univariate tables for data analysis.

Results and discussion

In the process of data analysis the raw data has been tabulated with the help of statistical package and analysed with percentages, score values, ranks, mean values, standard deviations, 'f' values, 'p' values, and correlation values. Hence, the data and the results are presented in the following tables and the results are analysed and discussed in the following.

Table-1: Distribution of respondents

Demographic profile	Variables	Frequency	Percent
Age	Below 30 years	69	32.5
	31 to 40 years	84	39.6
	Above 40 years	59	27.8
Gender	Male	147	69.3
	Female	65	30.7
working department	Production	120	56.6
	Distribution / Sales	62	29.2
	Finance / Accounts	23	10.8
	General administration	7	3.3
Educational Qualification	Under graduation	89	42.0
	Graduation	104	49.1
	Above graduation	19	9.0
Length of service (in years)	1 to 5 years	41	19.3
	6 to 10 years	86	40.6
	11 to 15 years	55	25.9
	Above 15 years	30	14.2
Monthly income (in Rupees)	Up to 10, 000/-	35	16.5
	10,000 to 20,000 /-	65	30.7
	20,000 to 30, 000 /-	69	32.5
	Above 30,000	43	20.3
Designation	Workers	95	44.8
	Executives	58	27.4
	Supervisors	38	17.9
	Manager	21	9.9
	Total	212	100.0

Source: Survey data.

The Table-1 consists of the frequency distribution of respondents by their demographic profile. Among the total respondents, 32.5 percent respondents are in below 30 years, 39.6 percent are in 31 to 40 years of age and 27.8 percent respondents are in above 40 years age group. The working department of the respondents reveals that 56.6 percent respondents are from production department, 29.2 percent respondents are from distribution/ sales department, 10.8 percent are from finance / accounts department and 3.3 percent are from general administration department. The gender-wise distribution indicates that 69.3 percent respondents are male and 30.7 percent are female. Regarding education qualification it shows that 42.0 percent are under graduation, 49.1 percent are graduation and 9.0 percent are above graduation. The experience in the present job of the respondents shows that 19.3 percent have 1 to 5 years, 40.6 percent have 6 to 10 years, 25.9 percent have 11 to 15 years and 14.2 percent have above 15 years of experience. The income levels of the respondents revealed that 16.5 percent earn up to 10,000/-, 30.7 percent earn 10,000/- to 20,000/-, 32.5 percent earn 20,000/- to 30,000/- and 20.3 percent earn above 30,000/- income per month. Regarding designation of the respondents it shows that 44.8 percent are workers, 27.4 percent are executives, 17.9 percent are supervisors and 9.9 percent are managers.

Table-2: Perceptions of the respondents on Performance Appraisal System in Maintenance of Systems in the organization

SL. No.	Uses	Very high	high	Moderate	Little	Nil	Total
1	Human resource planning	47 (22.2)	59 (27.8)	54 (25.5)	30 (14.2)	22 (10.4)	212 (100.0)
2	Determine organizational training needs	51 (24.1)	93 (43.9)	45 (21.2)	19 (9.0)	4 (1.9)	212 (100.0)
3	Evaluation of organizational goal achievement	47 (22.2)	75 (35.4)	45 (21.2)	33 (15.6)	12 (5.7)	212 (100.0)
4	Assist in goal identification	59 (27.8)	90 (42.5)	36 (17.0)	16 (7.5)	10 (4.7)	212 (100.0)
5	Evaluation of human resource systems	45 (21.2)	82 (38.7)	39 (18.4)	30 (14.2)	16 (7.5)	212 (100.0)
6	Reinforce authority structure	48 (22.6)	63 (29.7)	38 (17.9)	35 (16.5)	28 (13.2)	212 (100.0)
7	Identify organizational development needs	66 (31.1)	82 (38.7)	34 (16.0)	21 (9.9)	9 (4.2)	212 (100.0)

The perceptions of the respondents on performance appraisal system in maintenance of systems in the organization are presented in the Table-2. Relating to human resource planning, the perceptions of the respondents show that 27.8 percent said high and 10.4 percent said nil. It is noticed that determine organizational training needs among the employees in maintenance of systems 43.9 percent said high and 1.9 percent said nil. It is noticed that evaluation of organizational goal achievement 35.4 percent said high and 5.7 percent said nil. It is observed that assist in goal identification in the performance appraisal system in maintenance in which 42.5 percent said high and 4.7 percent said nil. Evaluation of human resource systems in maintenance of system 38.7 percent said high and 7.5 percent said nil. It is found that reinforce authority structure 29.7 percent said high and 13.2 percent said nil.

Based on the perceptions of respondents on the statements relating to performance appraisal scored by 5 point likert scale and the ranks are given to each statement by their total scores. Hence, the following table shows the rank order preference of respondents on performance appraisal in Maintenance of Systems in the organization.

Table-3: Rank order preference of respondents on performance Appraisal in Maintenance of Systems in the organization

SL. No.	Uses	Very high	High	Moderate	Little	Nil	Total	
	Scale Value (SV)	5	4	3	2	1		
1	Human resource planning	235	236	162	60	22	715 - VI	
2	Determine organizational training needs	255	372	135	38	4	804 - III	
3	Evaluation of organizational goal achievement	235	300	135	66	12	748 - IV	
4	Assist in goal identification	295	360	108	48	10	821 - I	
5	Evaluation of human resource systems	225	328	117	60	16	746 - V	
6	Reinforce authority structure	240	252	114	70	28	704 - VII	
7	Identify organizational development needs	330	328	102	42	9	811 - II	
	Total score for Systems Maintenance						5349	
	Maximum Possible Score	5 (Maximum score points) X 212 (number of respondents) X 7 (number of statements)						7420
	Percentage of score of Window display	Total score for window display/Maximum Possible Score X 100						72.0

The Table–3 represents the rank order preference of respondents on performance appraisal in Maintenance of Systems in the organization. In the performance appraisal maintenance systems there are six statements in which ‘Assist in goal identification’ has given 1st rank by the respondents with a score value of 821. The 2nd rank has given to identify organizational development needs among the respondents with a score value of 811. The 3rd rank with a score value of 804 is given to ‘determine organizational training needs’. The 4th rank is given to ‘Evaluation of human resource systems’ with a scale value of 748. The 5th rank is given to ‘evaluation of human resource systems’ with score value of 746. At the end 6th rank has given to ‘human resource planning’ with a score value of 715 and finally 7th rank is given to ‘reinforce authority structure’ with a score value of 704.

From this analysis, it can be understood that respondents opine that assisting employees in goal identification and identifying and determining their organizational training needs is important for obtaining better performance that human resource planning, evaluation of organizational goal achievement and human resource systems and reinforce authority structure in an organization.

Table–4: Perceptions of the respondents on Job Satisfaction of the employees in the study Organisation

S. No	Statements	Strongly agree	Agree	Neither	Disagree	Strongly Disagree	Total
1	My job gives me recognition in the organization	70 (33.0)	103 (48.6)	11 (5.2)	18 (8.5)	10 (4.7)	212 (100.0)
2	My job gave me good social status	79 (37.3)	90 (42.5)	11 (5.2)	25 (11.8)	7 (3.3)	212 (100.0)
3	There is sufficient job security	62 (29.2)	66 (31.1)	16 (7.5)	50 (23.6)	18 (8.5)	212 (100.0)
4	Salary is based on qualifications and work load	77 (36.3)	62 (29.2)	24 (11.3)	33 (15.6)	16 (7.5)	212 (100.0)
5	Calculation of DA is based on approved norms	80 (37.7)	68 (32.1)	27 (12.7)	29 (13.7)	8 (3.8)	212 (100.0)
6	Allowances granted for the job are reasonable	74 (34.9)	82 (38.7)	21 (9.9)	25 (11.8)	10 (4.7)	212 (100.0)
7	Special increments for acquiring higher qualifications are satisfactory	86 (40.6)	94 (44.3)	17 (8.0)	9 (4.2)	6 (2.8)	212 (100.0)
8	The appraisal system in our bank is based on critical traits of the job	86 (40.6)	97 (45.8)	14 (6.6)	7 (3.3)	8 (3.8)	212 (100.0)
9	Festival advance to be recoverable by bank in 10 monthly installments is encouraging	84 (39.6)	92 (43.4)	14 (6.6)	15 (7.1)	7 (3.3)	212 (100.0)
10	Awards and rewards for better performance are excellent	88 (41.5)	77 (36.3)	25 (11.8)	17 (8.0)	5 (2.4)	212 (100.0)
11	Fringe benefits (benefits other than salary) are good	68 (32.1)	96 (45.3)	17 (8.0)	24 (11.3)	7 (3.3)	212 (100.0)
12	Family planning increments are encouraging	59 (27.8)	94 (44.3)	26 (12.3)	24 (11.3)	9 (4.2)	212 (100.0)
13	The promotion opportunities for personal growth are adequate	73 (34.4)	98 (46.2)	20 (9.4)	13 (6.1)	8 (3.8)	212 (100.0)
14	Retirement benefits are good	75 (35.4)	100 (47.2)	18 (8.5)	12 (5.7)	7 (3.3)	212 (100.0)

The above Table-4 represents the perception of respondents towards pay and promotional potential in job satisfaction. It is noticed that “My job gives me recognition in the organization” 48.6 percent agreed and 4.7 percent strongly disagreed. Regarding to this statement i.e. ‘My job gave me good social status’ 42.5 percent and 3.3 percent as agree and strongly disagreed respectively. Relatively ‘There is sufficient job security’ for the respondents in that 31.1 percent agreed and 7.5 percent have neither of the opinion. It is noticed that ‘Salary is based on qualifications and work load’ 36.3 percent of them strongly agreed and 7.5 percent strongly disagreed. It is mentioned that ‘Calculation of DA is based on approved norms’ 37.7 percent of the respondents strongly agreed and 3.8 percent strongly disagree. ‘Allowances granted for the job are reasonable’ 38.7 percent agreed and 4.7 percent strongly disagreed. It is obtained that ‘Special increments for acquiring higher qualifications are satisfactory’ for the respondents in that 44.3 percent agreed and 2.8

percent strongly disagreed. It is found that 'The appraisal system in our bank is based on critical traits of the job' 45.8 percent and 3.3 percent as strongly agree and disagree respectively. Relatively 'Festival advance to be recoverable by bank in 10 monthly installments is encouraging' for the respondents in which 43.4 percent and 3.3 percent as agree and strongly disagree respectively. It is found that 'Awards and rewards for better performance are excellent' most of the respondents 41.5 percent strongly agreed and 2.4 percent said strongly disagreed. It is mentioned that 'Fringe benefits (benefits other than salary) are good' for the employees from which 45.3 percent agreed and 3.3 percent as strongly disagreed. Regarding the 'Family planning increments are encouraging' for the respondents 44.3 percent and 4.2 percent as strongly agree and strongly disagree. It is noticed that "The promotion opportunities for personal growth are adequate" for the employees in which 46.2 percent agreed and 3.8 percent strongly disagreed. Finally 'Retirement benefits are good' for the respondents 47.2 percent and 3.3 percent as agreed and strongly disagree respectively.

Based on the perceptions of respondents on the statements relating to job satisfaction scored by 5 point likert scale and the ranks are given to each statement by their total scores. Hence, the following table shows the rank order preference of respondents on Job Satisfaction with Pay and Promotion potential in the Organization.

Table-5: Rank order preference of respondents on Job Satisfaction with Pay and Promotion potential in the Organization

S. No	Statements	Strongly agree	Agree	Neither	Disagree	Strongly Disagree	Total	
	Scale Value (SV)	5	4	3	2	1		
1	My job gives me recognition in the organization	350	412	33	136	10	941 – I	
2	My job gave me good social status	395	360	33	50	7	845 – VIII	
3	There is sufficient job security	310	264	48	100	18	840 – IX	
4	Salary is based on qualifications and work load	385	248	72	66	16	787 - XIV	
5	Calculation of DA is based on approved norms	400	272	81	58	8	819 – XII	
6	Allowances granted for the job are reasonable	370	328	63	50	10	821 – XI	
7	Special increments for acquiring higher qualifications are satisfactory	430	376	51	18	6	881 – III	
8	The appraisal system in our bank is based on critical traits of the job	430	388	42	14	8	882 – II	
9	Festival advance to be recoverable by bank in 10 monthly installments is encouraging	420	368	42	30	7	867 – IV	
10	Awards and rewards for better performance are excellent	440	308	75	34	5	862 – V	
11	Fringe benefits (benefits other than salary) are good	340	384	51	48	7	830 – X	
12	Family planning increments are encouraging	295	376	78	48	9	806 – XIII	
13	The promotion opportunities for personal growth are adequate	365	392	60	26	9	852 – VII	
14	Retirement benefits are good	375	400	54	24	7	860 – VI	
	Total score for Pay and Promotion potential						11893	
	Maximum Possible Score	5 (Maximum score points) X212 (number of respondents) X 14 (number of statements)						14840
	Percentage of score of Window display	Total score for window display/Maximum Possible Score X 100						80.1

The Table–5 also represents the rank order preference of respondents on Job Satisfaction with Pay and Promotion potential in the Organization. It is found that Rank 1 is given for the statement 'My job gives me recognition in the organization' with scale value of 941, Rank 2 is given for the statement 'The appraisal system in our bank is based on critical traits of the job' with scale value of 882, Rank 3 is given for the statement 'Special increments for acquiring higher qualifications are satisfactory' with scale value of 881, Rank 4 is given for the statement 'Festival advance to be recoverable by bank in 10 monthly installments is encouraging' with scale value of 867, Rank 5 is given for the statement 'Awards and rewards for better performance are excellent' with scale value of 862, Rank 6 is given for the statement 'Retirement benefits are good' with a scale value of 860, Rank 7 is given for the statement 'The promotion opportunities for personal growth are adequate' with scale value of 852, Rank 8 is given for the statement 'My job gave me good social statuses' with a scale value of 845, Rank 9 is given for the statement 'There is sufficient job security' with a scale value of 840, Rank 10 is given for the statement 'Fringe benefits (benefits other than salary) are good' with a scale value of 830, Rank 11 is given for the statement 'Allowances granted for the job are reasonable' with a scale value of 821, Rank 12 is given for the statement 'Calculation of DA is based on approved norms' with a scale value of 819, Rank 13 is given for the statement 'Family planning increments are encouraging' with scale value of 806, Finally rank 14 is given for the statement 'Salary is based on qualifications and work load' with scale value of 787.

From this analysis, it can deduct that respondents satisfy with the special increments for acquiring higher qualifications and also on critical traits of the job which is the basis for performance appraisal system. They also satisfy with the festival advances by the bank in 10 monthly installments, awards and rewards for better performance, promotion opportunities and retirement benefits. Finally they are able to obtain the recognition and satisfaction through their job. On the other hand, they said that the salary is not at all based on the qualification and work load, calculation of DA is not based on approved norms, allowances granted for the job are not reasonable, fringe benefits are not good, increments for family planning are not encouraging and hence the social status obtained through the job is not respectable.

Table–6: Relation between performance appraisal and job satisfaction in study organisation

Performance appraisal	Job satisfaction					
	General working conditions	Pay and Promotion potential	Work Relationships	Use of skills and abilities	Work activities	Management policy
Between Individuals	0.159*	0.162*	0.181*	0.421*	0.345*	0.253*
Within Individuals	0.218*	0.158*	0.169*	0.353*	0.338*	0.139*
Systems Maintenance	0.155*	0.215*	0.072	0.293*	0.348*	0.295*
Documentation	0.177*	0.017	0.141*	0.114*	0.136*	0.385*

* Marked correlations are significant at $p < .05000$

According to the table it is found that the performance appraisal in the organization with respect to between individuals in the organization shows its significant relation with General working conditions, Pay and Promotion potential, Work Relationships, Use of skills and abilities, Work activities and Management policy. This infers that while the performance appraisal increases between individuals influence on the job satisfaction among the employees in their general working conditions, pay and promotion potential, work relationships, use of skills and abilities, work activities and management policies in the organisation. Regarding performance appraisal within the individuals also shows its significant relation with the job satisfaction parameters of General working conditions, Pay and Promotion potential, Work Relationships, Use of skills and abilities, Work activities and Management policy. This indicates that where the performance appraisal is more in with individuals in the organization lead to better working conditions, pay and promotion potential, work relationships, use of skills and abilities, work activities and management policies. In systems maintenance it is found the performance appraisal shows it significant relation with

working conditions, pay and promotion potential, use of skills and abilities, work activities and management policies in the organization. Finally the performance appraisal in documentation indicates its significance relation with working conditions, work relationships, use of skills and abilities, work activities and management policies in the organization.

Results and discussion

I. Performance Appraisal System in the Organization

1. According to the perceptions of the respondents on Performance Appraisal System between individuals in the Organization indicates that layoffs along with the identification of poor performance of employees is needed for obtaining a better employee performance.
2. The Performance Appraisal System within individuals in the organization indicates majority of the employees prefer the transfers and job assignments, identifying strengths, weakness and developmental needs and to determine transfers and job assignments.
3. The Performance Appraisal System in Maintenance of systems in the organization shows that employees need to assist in goal identification and determining their organizational training needs is important for obtaining better performance.
4. The Performance Appraisal System in documentation of the organization indicates criteria for validation and help to meet legal needs are important for getting a better employee performance.

II. Job satisfaction of the employees in the organisation

5. The Job Satisfaction with reference to general working conditions in the organisation shows that respondents believe that recruitment and selection policy of the bank as transparent, the working hours of the job are on par when compared to other banks and the work environment as pleasant. They feel their job as challenging and hence they don't feel stress in their job. They also feel that the communication system in their organization is excellent and in order to speed up the activities, adequate system with appropriate software with adequate employee welfare facilities is needed to be provided. In other sense, they feel that the work load is not challenging and the risk is not essential in the job. The number of leaves for the employees is not satisfactory and also some entertaining activities like games and cultural activities are not sufficiently provided and hence their job is not giving the best quality of their work life.
6. Job Satisfaction with reference to pay and promotion potential in the organisation indicate that respondents satisfy with the special increments for acquiring higher qualifications and also on critical traits of the job which is the basis for performance appraisal system. They also satisfy with the festival advances by the bank in 10 monthly installments, awards and rewards for better performance, promotion opportunities and retirement benefits. Finally they are able to obtain the recognition and satisfaction through their job. On the other hand, they said that the salary is not at all based on the qualification and work load, calculation of DA is not based on approved norms, allowances granted for the job are not reasonable, fringe benefits are not good, increments for family planning are not encouraging and hence the social status obtained through the job is not respectable.
7. The Job Satisfaction with reference to work relationships in the organisation shows that employees felt supply of a copy of the service regulations to each employee is good practice and the procedure for availing leave is employee friendly. They also said that their superiors trust them and their work is being appreciated by them. They also said that the superiors consult them if any issue occurs and due to their job position, everyone respects them. In addition to these, they also opine that the approach of their bosses is not easy and they don't give credit to the extra work done by them and also the interpersonal relations with co – employees are not good.
8. The Job Satisfaction with reference to use of skills and abilities in the organisation, it is found that training is provided to improve their work efficiency which helped them to enhance their productivity. They agree that their job requires the use of brain or intelligence. In addition to these, they also stated that training programs are not need based. They finally

told that every employee should be given equal opportunity for career advancement and their job gave them opportunity to initiate new systems/ procedures.

9. Job Satisfaction with reference to work activities in the organisation indicate that most of the respondents feel there is a lot of scope for creativity and their job gives them many opportunities to enhance their leadership qualities. In addition to these, they feel that their job doesn't give them responsibility and freedom and also they don't possess the feeling of belongings.
10. The Job Satisfaction with reference to management policy it is found that majority of the respondents felt satisfied with the management of their unit allows them to follow good management practices and also fair implementation. They also told that delegation of authority is to the extent of requirement, the grievance committee for redressal of grievances of individual employee is working well and suggestions scheme is excellent. In addition to these, they stated that their job doesn't allow them to pursue their personal interests and hobbies and the transfer policy is not transparent.

III. Correlation between performance appraisal and job satisfaction

11. The relation between performance appraisal and job satisfaction indicates that there is a significant relation between all the dimensions of performance appraisal with job satisfaction parameters, except between systems maintenance and work relationship, and documentation and pay and promotion potential.

Conclusions

The data analysis and findings from this study reveals that the adoption of a system of pay for individual performance and the provision of training exert a positive and significant influence on the probability of adopting performance appraisal, the two explanatory factors have an influence on the dimensions of appraisal considered in this study. Among the practices, formal performance appraisal, pay for performance systems and the provision of training have been identified jointly with information sharing, participation and comprehensive selection. Although this study has not accounted for the adoption of additional HRM practices, the use of pay for performance and the provision of training are considered to be crucial elements in an effective process of performance management. Hence, the relation between performance appraisal and job satisfaction indicates that there is a significant relation between all the dimensions of performance appraisal with job satisfaction parameters, except between systems maintenance and work relationship, and documentation and pay and promotion potential.