A STUDY OF PERFORMANCE APPRAISAL SYSTEM OF EMPLOYEES AT R.P INDUSTRY.

Payal Sharma¹, Nimisha Jariwala²

B. V. Patel Institute of Management, Uka Tarsadia University, Surat, Gujarat.

ABSTRACT

In many organizations, reward decisions depend on subjective performance evaluations. However, evaluating an employee's performance is often difficult. In this paper, we develop a model in which the employee is uncertain about his own performance and about the manager's ability to assess him. The manager gives an employee a performance appraisal with a view of affecting the employee's self perception, and the employee's perception of the manager's ability to assess performance. We examine how performance appraisals affect the employee's future performance. The predictions of our model are consistent with various empirical findings. These comprise (i) the observation that managers tend to give positive appraisals, (ii) the finding that on average positive appraisals motivate more than negative appraisals, and (iii) the observation that the effects of appraisals depend on the employee's perception of the manager's ability to assess performance accurately.

Key Words:

Employees, performance appraisal system, motivation, satisfaction

Introduction

Performance appraisal system consist of the processes of setting standard, application, managing and informing the incidents related to employee's performance appraisal. Employees performance appraisal system is most effective system to motivate the employees toward there work. This study attempts to find the gab between the employees and top-level management. The performance appraisal includes an interview between the respondent and the supervisor and there is a performance appraisal form to maintain the documentation for the further evaluation process. Performance appraisal system is important not only for the employees but also important for the organization for maintaining the result of the employee's appraisal.

The employees are satisfied with their performance appraisal, sometimes is quite difficult to know due to the behaviour aspect of employee'specception. From previous study it gets know that employees are not satisfied with there appraisal and that effect that on there work in organization. Organization also giving support to employees to fulfil their needs like self-actualization, performance recognition and possibility of performance and growth.

Researchers are recommending that the evaluation and appraisal process can became the origin of employee's satisfaction and dissatisfaction level of work. Employees are feeling that sometimes they are facing discrimination during appraisal process because of favouritism. For neglection of favouritism employees have to do more exert effort it is important to recognition so they can enjoy appraisal during appraisal process.

Organization have to focused that employees are satisfying with performance appraisal system because if employees are satisfied with the process then only, they will do work more effectively and that is beneficial for the organization and employees. From the appraisal system organization also get to know about the employees' effectiveness towards the work and with the help of performance appraisal system organization can know the growth of organization in term of qualified and good employees is the organization.

Objective of the Study

• The objective of the present study aims to understand effectiveness of performance appraisal system. And also find out satisfaction level of employees towards performance appraisal system. In this there also a study the relationship of performance appraisal and organizational effectiveness.

C)

Research Method

Title for research methodology:

A research project on the study of performance appraisal system of employees.

Duration of the research study:

Duration of the study is 30 days.

Basic terms for pre-set of research study:

A performance appraisal to as a performance review, performance evaluation or employee's appraisal by which the job performance of an employee is document and evaluated.

Research design:

The research of this study considering its exploratory as well as descriptive in nature.

Source of information:

Primary data: Collected information through questionnaire.

Sample size:

Appropriate number of sample size used for performance appraisal systemise 100.

Research instrument:

A structured questionnaire has been prepared to get the relevant information for, the respondent. The questionnaire consists of variety of questions presented to the respondent for their responses.

Sampling size:

The respondent sampling units in appropriate and have been conveniently drawn from amongst different across various heterogeneous socio-economic age group of employees.

Data collection:

Collected primary data by filling the questionnaire.

Sampling frame:

R.P.PVT INDUSTRIES

Statistical test:

Frequency analysis

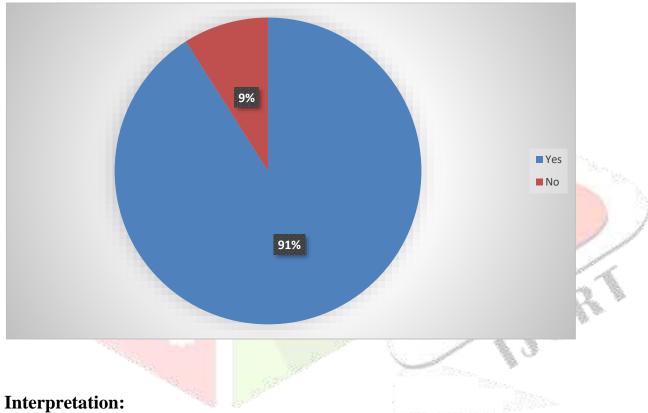
Literature Review

The researcher Pallavi Shrivastava, Usha Kiran Rai conducted research on topic performance appraisal practise in Indian bank the main objective of study to know in what way they are apply the performance appraisal practices in the banks. With the help performance appraisal system, they can enhance the ability of organization. Performance appraisal system is one of the key factors for organization. The researcher found that the appraisal system gives the information about past performance and provide the opportunity to reflect on future performance. But for the success they should focused on the improvement and development of the bank and also the effect and effectiveness of the banks. The researcher Muhammad Imam, Nadeem Maqbool conducted research on topic performance appraisal system: An examination in the city school of Bahawalpur in team of employee's perception. Through the performance appraisal researcher can get to know about the strength and weakness of the employees. Researcher found that performance appraisal system is important factor for the success of any organization, because it help to evaluate the performance of employees toward work. The researcher Dr Kanchan Bhatia, Prof Prashant Jain conducted research topic performance appraisal and effectiveness in term of individual and organizational basis. A comparative study of BSNL and AIRTEL. the researcher found that the basis of the information collected from the employees and managers i had come up with certain finding. The first part includes findings from the data analysis of employees and managers of BSNL and the second part includes findings from the data analysis of employees and managers of AIRTEL finally, a comparison of both is done. The researcher Mr Vishal .s. Rana, Dr. Murlidhara .a. Lokhande conducted research on topic performance evaluation of Maruti Suzuki india limited: An overview. While doing the research researcher get to know that perfomance evaluation if Maruti Suzuki India limited is very effective. Maruti Suzuki has proven that it is always ahead than its competitors because of continuous innovations and technological upgradations. The company has set a benchmark of excellence because of Research & Development activity as Maruti Suzuki believes that this activity will enable the company to offer superior and environment friendly products to customer with complete satisfaction. The researcher Tarus Benjamin Kipchumba conducted research on topic effectiveness of the 360-degrees appraisal tool in human resource practice in kenya. The researcher found that the of 360-dergrees appraisal tool is important in that employees have clear business and operational objectives, it enables organization know individual contribution to organization, management may be able to measure performance against the set objectives management may be able to seek views from clients by communicating effectively to them and also the employees may be able to predict organization future performance and be secure of future.

Result & analysis

Do you think performance appraisal help people set achieve meaning goals?

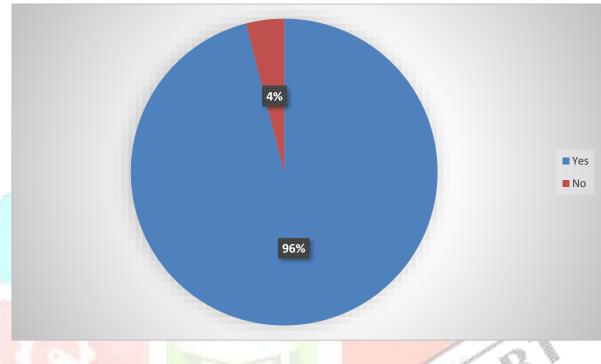
	Frequency	Percent
Yes	91	91.0
Valid no	9	9.0
Total	100	100.0



From the above table it is interpreted that of 100 respondents, 915 respondents said that performance appraisal helps people set and achieve meaningful goals and 9% said that performance do not help them set and achieve meaningful goals.

Do you think your performance were improved after the process 0f performance appraisal?

	Frequency	Percent
Yes	96	96.0
Valid No	4	4.0
Total	100	100.0

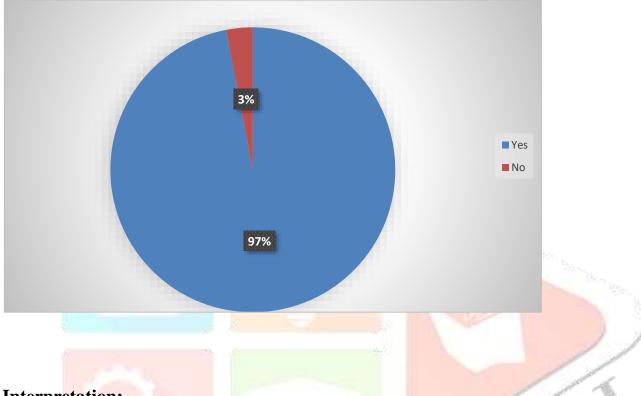


Interpretation:

From the above table it is interpreted that 4% respondents said their performance were not improved after the process of performance appraisal and 96% respondents said their performance were improved after the process of performance appraisal.

Do you think performance appraisal resulted to motivation & job satisfaction?

	Frequency	Percent	
Yes	97	97.0	
Valid No	93	3.0	
Total	100	100.00	



Interpretation:

From the above table it is interpreted that out of 100 respondents 3% respondents said their performance appraisal did not resulted to motivation and job satisfaction and 97% respondents said their performance appraisal to motivation and job satisfaction.

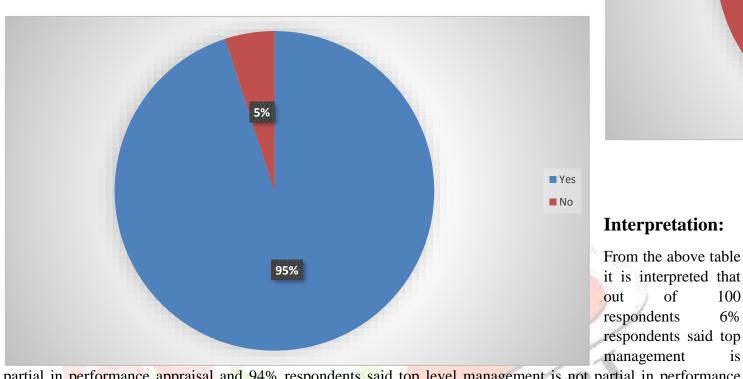
Is the top management level partial in performance appraisal?

Frequency	Percent	Percent
Yes	6	6.0
Valid No	94	94.0
Total	100	100.0

100

6%

is



partial in performance appraisal and 94% respondents said top level management is not partial in performance appraisal.

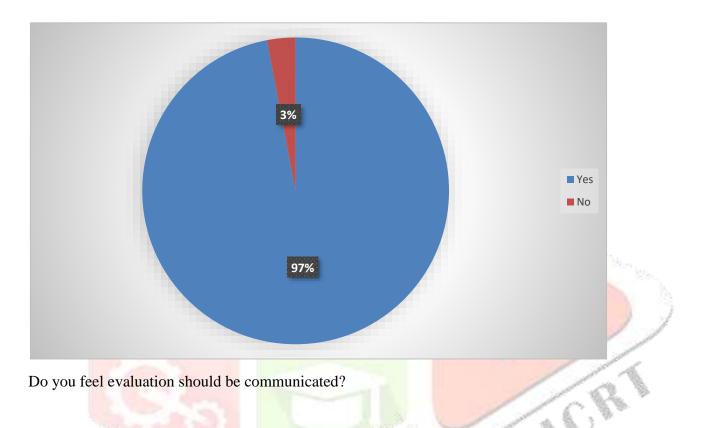
Do you think performance gives constructive in a Fridley & positive manner?

	Frequency	Percent
Yes	95	95.0
No	5	5.0
Total	100	100.0

www.ijcrt.org

Interpretation:

From the above table it is interpreted that out of 100 respondents 5% respondents said performance does not give construction in a friendly and positive manner and 95% respondents said performance gives construction criticism in a friendly and positive manner.



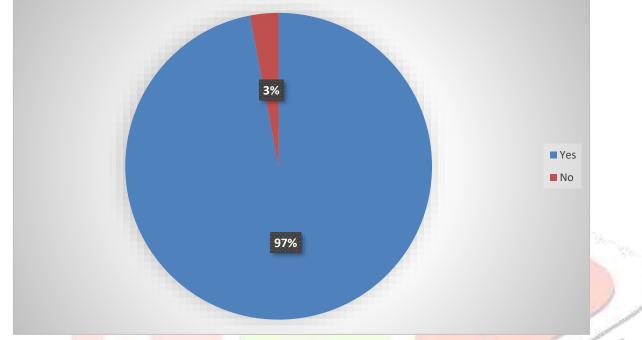
	Frequency	Percent
Yes	97	97.0
Valid No	3	3.0
Total	100	100.0

Interpretation:

From above table it is interpreted tat out 100 respondents 3% respondents said evaluation should not be communicated and 97% respondents said should be communicated

During appraisal process you are allowed to give suggestion?

	Frequency	Percent
Yes	97	97.0
No	3	3.0
Total	100	100.0

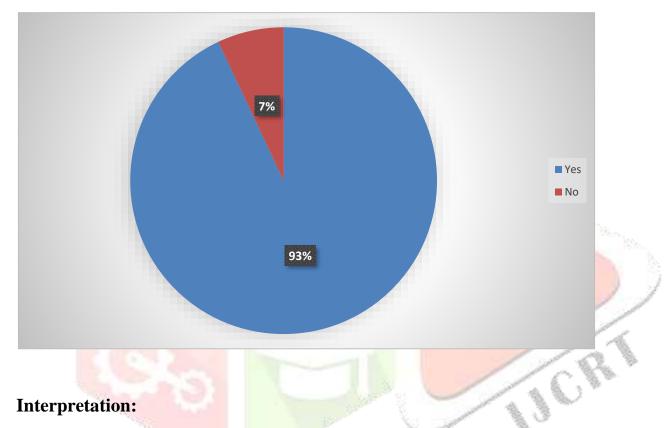


Interpretation:

Form the above table it is interpreted that 3% respondents said they are not allowed to give suggestion during appraisal process and 97% respondents said they are allowed to give suggestion during appraisal process.

Do you agree that performance appraisal help in assessment of Individual?

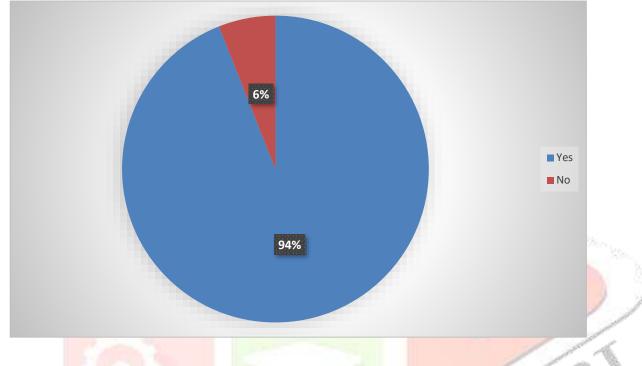
	Frequency	percent
Yes	93	93.0
Valid No	7	7.0
Total	100	100.0



From the above table it is interpreted out of 100 respondents 7% respondents do not agree that performance appraisal helps in assessment if individual and 93% agree that performance appraisal helps in assessment of individual.

Do you find leadership quality among your subordinates through this method?

	Frequency	Percent
Yes	94	94.0
Valid No	8	8.0
Total	100	100.0

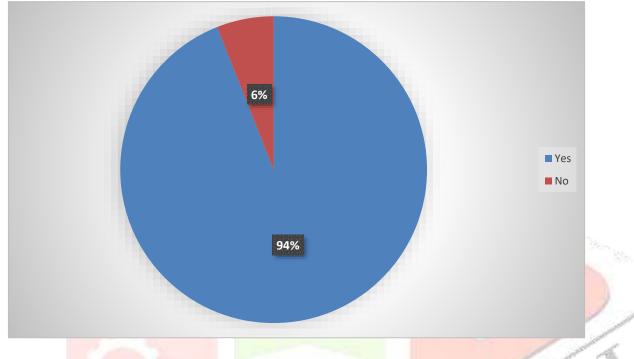


Interpretation:

From the above table it is mentioned that out of 100 respondent 6% respondents do not find leadership quality among their subordinates through this method and 94% respondent find leadership quality among their subordinates through this method.

Are your extra efforts considered at time of appraisal?

	Frequency	Percent
Yes	94	94.0
No	6	6.0
Total	100	100.0

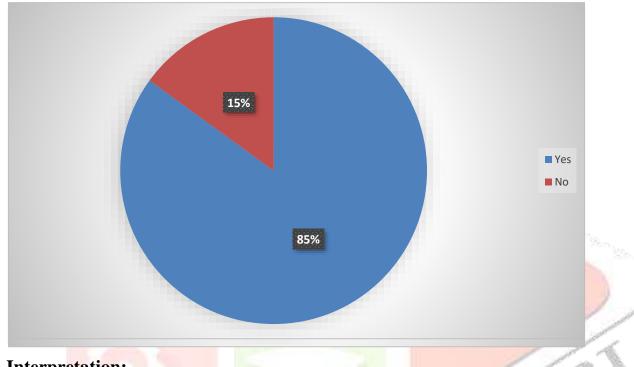


Interpretation:

From the above table it is interpreted that out of 100 respondents 6% respondents said their extra efforts are not considered at time of appraisal and 94% said that their extra efforts are considered at time of appraisal.

What according to you the present approval method is lacking or less beneficial?

	Frequency	Percent
Yes	18	18.0
Valid No	82	82.0
Total	100	100.0



Interpretation:

From the above table it is mentioned that out of 100 respondents 82% of respondents said present approval method is not lacking or less beneficial and 18% respondents said that the present approval method is kecking or less beneficial.

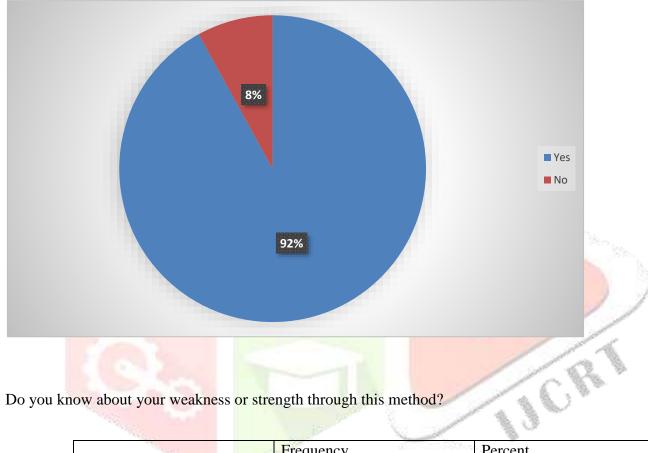
Do you get the knowledge about your performance & behaviour through this this method?

	Frequenc	Percent
Yes	85	85.0
Valid No	15	15.0
Total	100	100.0

Interpretation:

From the above table it is interpreted that out of 100 respondents 15% respondents said that they do not get knowledge about their performance and behaviour through this method and 85% respondents said they get knowledge about their performance and behaviour through this method.

From the above table it is interpreted out of 100% respondents that 85% respondents derive training needs,40% respondents derive motivation and 2% derive coaching needs from this system.



Do you know about your weakness or strength through this method?

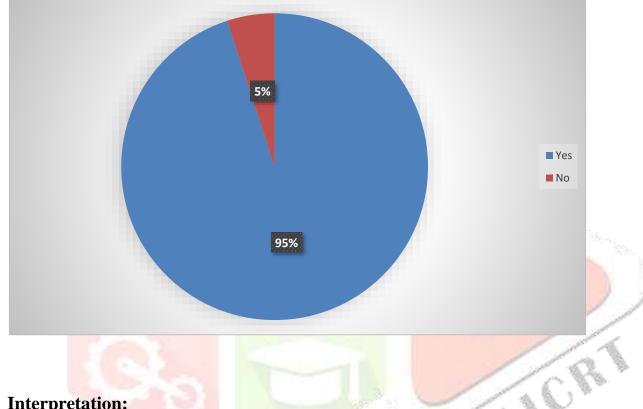
	Frequency	Percent
Yes	92	92.0
Valid No	8	8.0
Total	100	100.0

Interpretation:

From the above table it is interpreted that out of 100 respondents 92% respondents know their weakness or strength through this method and 8% respondents said that they do not know their weakness or through this method.

Do you find your competencies through this method?

	Frequency	Percent
Yes	95	95.0
Valid No	5	5.0
Total	100	100.0

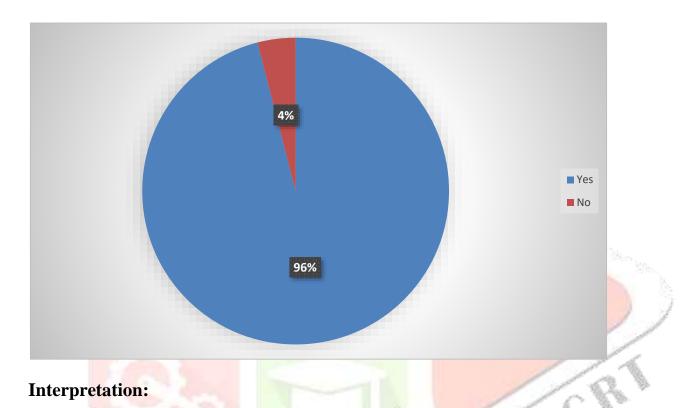


Interpretation:

From the above table it is interpreted that out of 100 respondents 5% respondents do not find their competencies through this method and 95% respondents find their competencies through this method.

Do you believe that this method help find training needs?

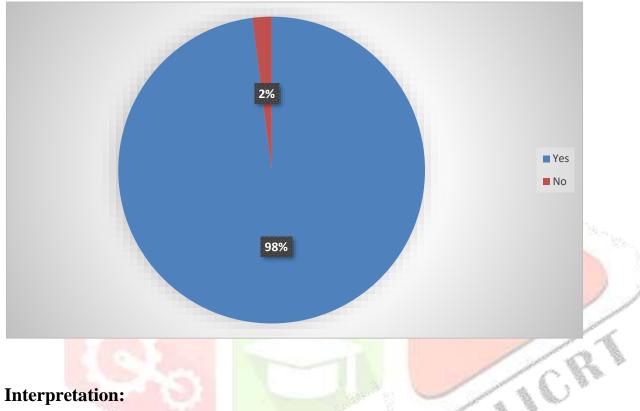
	Frequency	percent
Yes	96	96.0
Valid No	4	4.0
Total	100	100.0



From the above table it is interpreted that out of 100 respondents 5% respondents do not find their competencies through this method and 95% respondents find their competencies through this method.

Do you achieve organization or departmental goals through this method?

	Frequency	percent
Yes	98	98.0
Valid No	2	2.0
Total	100	100.0



From the above table it is interpreted that out of 100 respondents 98% respondents achieve their organization and departmental goals through this method and 2% respondents do not achieve their organization and department goals through this method.

Conclusion

From the research it is concluded that overall the respondents are satisfied with the performance appraisal method. It also increases the effectiveness and productivity of employees and organization as a whole. Employees strength and weakness is known and is communicated in a well-maintained way to them.

Overall the appraisal method is designed well and is beneficial for the employees as if helps to know the training needs of an individual in the organization.

References

References

- A.Sahana, K. (n.d.). A STUDY ON THE EFFECTIVENESS OF PERFORMANCE APPRAISAL SYSTEM AT INDIA INFOLINE FINANCE LTD. . Asia Pacific Journal of Research .
- Agus Subekti, D. S. (February. 2016). The Implication of Financial Compensation and Performance Appraisal System to Job Satisfaction And Motivation also Employee Performance In PT Pupuk Kalimantan Timur Indonesia . *International Journal of Business and Management Invention*, PP-16-27.
- Bhatia, D. K. (n.d.). A study of performance appraisal and organizational effectiveness in terms of individual and organizational basis. A comparative study of BSNL and AIRTEL. *International Journal on Arts, Management and Humanities*.
- Chikkara, D. R. (July 2018). Study of Performance Appraisal Systems in Service Industry in India. *Journal of General* ManaGeMent research, pp. 55–69.
- Choi Sang Long, T. O. (2013). A Review on Performance Appraisal System: An Ineffective and Destructive Practice? *Middle-East Journal of Scientific Research*.
- D. B. Bagul, P. D. (APRIL-MAY, 2014). A RESEARCH PAPER ON "STUDY OF EMPLOYEE'S PERFORMANCE MANAGEMENT SYSTEM".
- George Ndemo Ochoti, D. E. (October 2012). Factors Influencing Employee Performance Appraisal System: A Case of the Ministry of State for Provincial Administration & Internal Security, Kenya . International Journal of Business and Social Science .
- GMeenakshi. (February 2012). Multi source feedback based performance appraisal system using Fuzzy logic decision support system. *International Journal on Soft Computing*.
- Imran, M. (January 2014). The Performance Appraisal System: An Examination in The City School of Bahawalpur in Terms of Employee Perceptions . *International Journal of Human Resource Studies* .
- J. SRIVANI, G. R. (MARCH 2016). A STUDY OF PERFORMANCE APPRAISAL SYSTEM AT PHOENIX MOTORS PVT.LTD. A HERO MOTOCORP DEALER, HYDERABAD . *INTERCONTINENTAL JOURNAL OF HUMAN RESOURCE RESEARCH REVIEW*.
- Jain, D. K. (n.d.). A study of performance appraisal and organizational effectiveness in terms of individual and organizational basis. A comparative study of BSNL and AIRTEL. *International Journal on Arts, Management and Humanities*.
- khan, M. F. (Mar. Apr. 2013). Role of Performance Appraisal System on Employees Motivation . *Journal of Business and Management* .
- Kipchumba, T. B. (June, 2014). Effectiveness of the 360-degrees appraisal tool in human resource practice in Kenya. *Herald Journal of Marketing and Business Management*, pp. 010–021.
- Lorna Nyambura Ndirangu, J. M. (April 2014). Effects of Performance Appraisal Quality on Performance of Employee in the Financial Sector: A Case of Investment Management Firms in Kenya. *International Journal of Scientific Engineering and Research*.
- Mishra, D. (February. 2013). A Research Study on Employee Appraisal System Case of Hong Kong and Shanghai Banking Corporation (Hsbc Bank). *International Journal of Business and Management Invention*.

IJCRT2004485 International Journal of Creative Research Thoughts (IJCRT) <u>www.ijcrt.org</u> 3431

- MR.VISHAL.S.RANA, & A.LOKHANDE, D. (February (2013)). PERFORMANCE EVALUATION OF MARUTI SUZUKI INDIA LIMITED: AN OVERVIEW. Asia Pacific Journal of Marketing & Management Review.
- Mukesh Kumar, D. N. (January-2017). A Research Paper on "Employee's Performance Appraisal System and its Implication for Individual and Organizational Growth". *International Journal of Enhanced Research in Management & Computer Applications*.
- P.SURESH, & MOHIDEEN, D. (May (2013)). A STUDY ON PERFORMANCE APPRAISAL OF AUTOMOBILE INDUSTRIES, AT CHENNAI, TAMILNADU. International Journal of Marketing, Financial Services & Management Research.
- Pallavee Shrivastava, U. K. (Dec.-2012). PERFORMANCE APPRAISAL PRACTICES IN INDIAN BANKS. A Journal of Management, pp 46-52.
- PERFORMANCE APPRAISAL SYSTEM: It's Implication To Employee Performance . (2012). International Journal of Economics and Management Sciences, pp. 55-62.
- Rubin, D. E. (June 2011). Appraising Performance Appraisal Systems in the Federal Government: A Literature Review, Preliminary Findings, and Prospects for Future Research.
- Rubin, D. E. (June 2011). Appraising Performance Appraisal Systems in the Federal Government: A Literature Review, Preliminary Findings, and Prospects for Future Research.
- Siddique, D. (July 2015). A study on effective performance appraisal, job satisfaction and employee engagement in multinational company. *International Journal of Innovative Science, Engineering & Technology*.
- Singh, S. (n.d.). A STUDY OF EFFECT OF PERFORMANCE APPRAISAL ON THE ORGANIZATION AND THE EMPLOYEE .
- Thiru. P. Nayagam, D. G. (February, 2015). A Study on the Customer Satisfaction Level towards the Use of the Bajaj Bikes With Special Reference to Nagarcoil Town . *International Journal in Management and Social Science* .
- VIRANI, S. R. (May 2012). AN ANALYTICAL STUDY OF PERFORMANCE APPRAISAL SYSTEM OF THE SELECTED INFORMATION TECHNOLOGY ENABLED SERVICES (ITES) COMPANIES . International Journal of Multidisciplinary Research .