



“A Study on Effectiveness of Performance Appraisal” with special Reference to Ponlait – Puducherry

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Abstract:

Performance Appraisal (PA) has increasingly become part of a more strategic approach to integrating HR activities and business policies and may now be seen as a standard term covering a variety of activities through which organizations seek to assess employees and develop their competence, improve performance and share out rewards. The success of an organization depends on the performance of the employees and it is the human tendency to judge everything and everyone around them. If there are no fixed standards of judging they will start judging based on informal standards that can create lack of enthusiasm and impact the performance of the employee and in turn, the organization. It can also affect employee’s moral as good appraisal results motivate employees to work even harder. Therefore, inaccurate ratings results in frustrated employees. Attention must be paid to improve the system in terms of training raters and setting clear goals for the betterment of the employees and the service in general.

Key words: HR : Human Resource, HRM: Human Resource Mangers, PA; Performance Appraisal, Motivation.

Introduction

Performance Appraisal is a method of evaluating the behavior of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. Performance refers to the degree of accomplishment of the tasks that make up an individual’s job. It indicates how well an individual is fulfilling the job demands. Often the term is confused with effort which means performance is always measured in terms of results. When properly conducted, a performance appraisal not only let the employee know how well he is performing but also influences the employee’s future level of effort, activities results and task direction. Under performance appraisal, the superiors evaluate not only the performance of a worker but also his potential for development. The employees training and testing program was established to ensure that employees acquire the knowledge required for their respective job series classifications. It was also intended to give employees the ability to complete their workload,

improve their morale and instill pride in the quality of workmanship. The system should consider the training and development need of an employee, with the ability to record and enquire on courses completed, those underway and a projected course. This will enable and gaps in training to be identified and also allow training costs to be monitored at the organizational level. The system could also be used for recording the details of training imparted to various employees.

Criteria for assessing performance

There are seven criteria used for assessing performance of an employee they are:

1) Quality

The degree to which the process or result of carrying out an activity approaches perfection.

2) Quantity

The amount produced, expressed in monetary terms, number of units, or number of completed activity cycles.

3) Timeliness

The degree to which an activity or a result produced.

4) Cost effectiveness

The degree to which the use of the organization resources (e.g. man, monetary, material and method) are maximized in the sense of getting the highest gain.

5) Need for supervision

The degree to which a job performer can carry out a job function without supervisory assistance.

6) Interpersonal

The degree to which a performer, promotes feelings of self-esteem, goodwill and co-operation among co-workers and subordinates.

7) Training

One of the primary reasons for having an effective performance management system in an organisation is that it can help to reduce emotional confrontations. Everyone needs to recognize that emotions may run high during a performance evaluation sessions. However, with a properly designed system and effective implementation(including effective appraiser training) emotional outbursts can be significantly reduced.



Objectives of the study

- 1) To study the present methods of performance appraisal system practiced in Ponlait.
- 2) To find out whether the present appraisal system is satisfying all the employees to the company.
- 3) To find out the impact of performance appraisal in the performance of the employees.
- 4) To give suggestion for the company to conduct the performance appraisal in an effective manner.

Research Methodology

The validity of any research depends on the systematic collection of data and analysis. Descriptive research approach has been adopted in this study. The data have been collected through field survey method and these reliability data were analyzed in the logical and sequential order. In the present study, extensive use of both primary and secondary data has been made.

Sample design

Stratified random sampling method was used to collect the data from the employees working in milk producers ponlait Puducherry. One hundred sample respondents working in various department were selected and directly contacted by the researcher. Out of 1500 employees were selected randomly with different designations in the selected milk producers Ponlait.

Primary data

The primary data were collected with the help of field survey method. For this purpose, direct face to face interview technique was used by the researcher to collect the pertinent data. Interview schedule was the main tool to collect the primary data.

Secondary data

The primary data were supplemented by a spate of secondary data. The secondary data were collected from the records maintained by milk producer ponlait Puducherry. Further library sources were used for collecting the relevant reviews required for the study. A number of standard text books were studied to obtain the pertinent literature on performance appraisal employees.

Review of literature



The study of performance appraisal and training program has attracted many of the researchers and practitioners. There has been continuous research in the field of sugar industries and its methods, appraisal time, appraisal meeting, training program and their benefits in the industry.

Woehr and Huffcutt (1994) in their article titled, “Rater training for performance appraisal: A quantitative review” state that a substantial amount of research in the performance appraisal literature has focused on rater training as a means of improving performance ratings. Unfortunately the value of this research is somewhat equivocated by a lack of organization and integration. The present study provides integration and a quantitative review of the rater training literature.

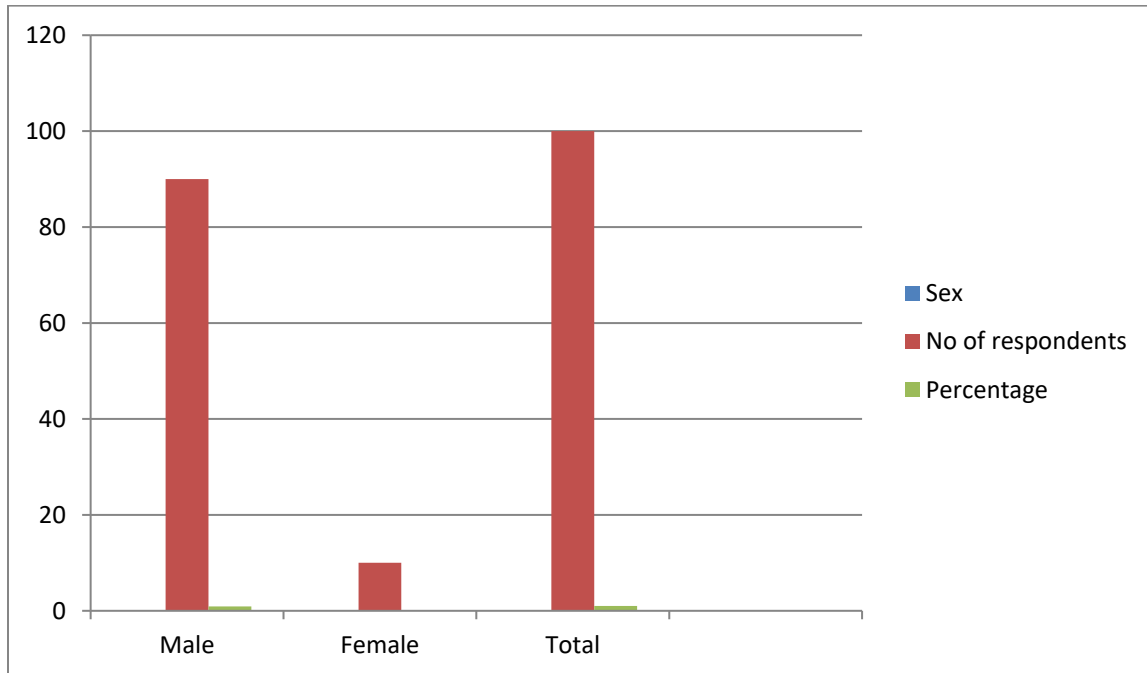
Harris and Smith (1995) in their article titled, “ A field study of performance appraisal purpose: research versus administrative based ratings” state that many researchers have discussed the theoretical and practical importance of rating purpose. Nevertheless, the body of empirical studies, the majority of which were conducted in a laboratory setting, focus on leniency. There has been little research on other effects of rating purpose.

Conway (1996) in his article titled “Analysis and Design of Multitrait-Multirater performance Appraisal Studies” states that Becker and Cote (1994) found that the correlated uniqueness model outperformed the confirmatory factor analysis and direct product models for method data. The present study analyzed 20 multitrait- multirater performance appraisal matrices.

Data analysis and interpretation

Table -1 Gender

Sl.No	Sex	No. of respondents	Percentage
1	Male	90	90%
2	Female	10	10%
	Total	100	100%

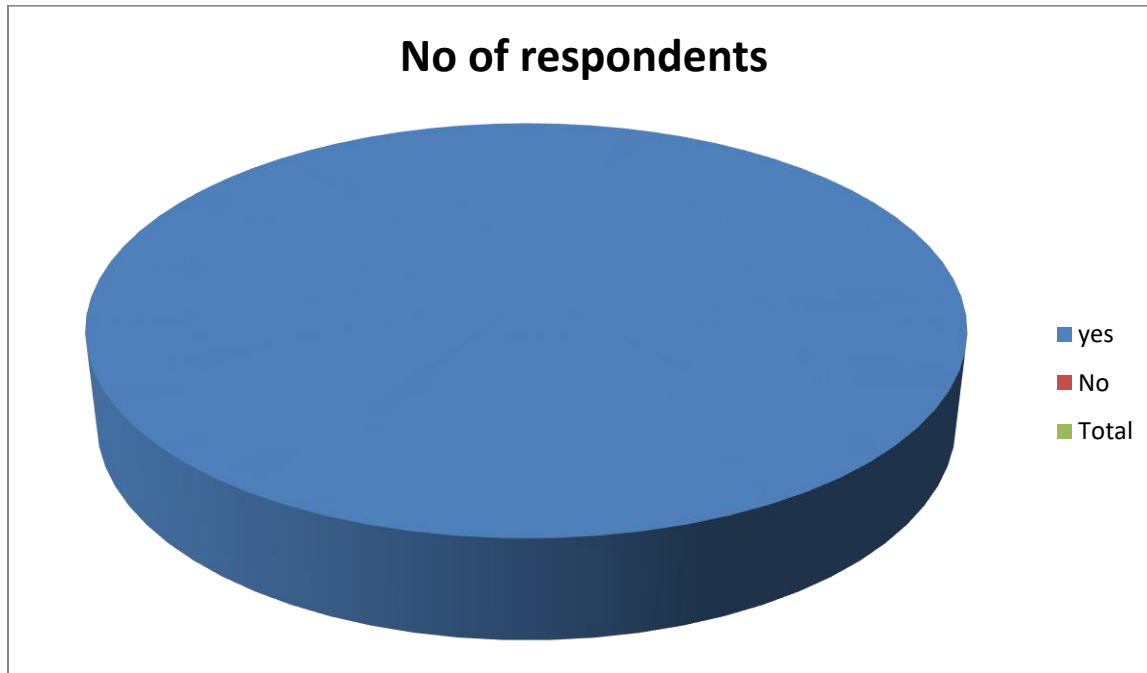


The above analysis shows the sex of the respondents. Out of 100 employees, 90% of respondent are male and 10% respondent are female. Therefore it can be said that the majority employees are male.

Table -2

Performance appraisal in the organization is modified from time to time

Sl.No	Performance appraisal in the organization is modified from time to time	No. of respondents	Percentage
1	Yes	100	100%
2	No	-	-
	Total	100	100%



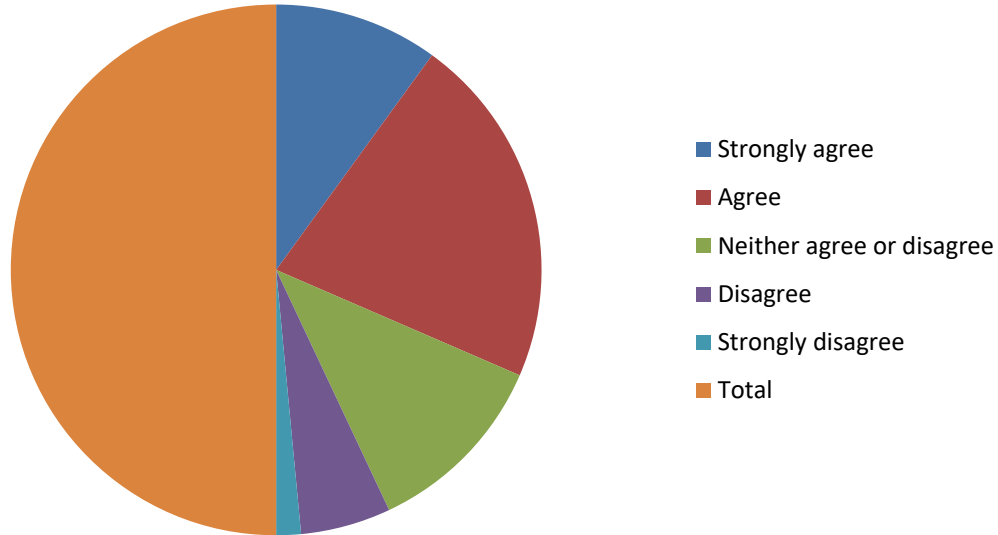
The above analysis shows that 100% of respondents says that the performance appraisal in the organization is modified from time to time. Therefore it can be said that the 100% of respondents are agree with their performance appraisal in the organization is modified from time to time.

Table – 3

Superior rate your performance promptly

Sl.No	Superior rate your performance promptly	No. of respondents	Percentage
1	Strongly agree	20	20%
2	Agree	43	43%
3	Neither Agree or Disagree	23	23%
4	Disagree	11	11%
5	Strongly Disagree	3	3%
	Total	100	100%

Superior rate your performance promptly



The above table and chart shows that 20% of the respondents were strongly agree with superior rate your performance promptly. 43% of the respondents were agree with superior rate your performance promptly. 23% of the respondents were neither agree or disagree with the superior rate your performance promptly. 11% of the respondents disagree about superior rate your performance promptly and 3% of the respondents disagree about superior rate your performance promptly. Therefore the maximum respondents were agree their superior rating of their performance promptly.

Table – 4

I am satisfied with the training program

Sl.No	I am satisfied with the training program	No. of respondents	Percentage
1	Strongly agree	40	40%
2	Agree	24	24%
3	Neither Agree or Disagree	15	15%
4	Disagree	12	12%
5	Strongly Disagree	9	9%
	Total	100	100%



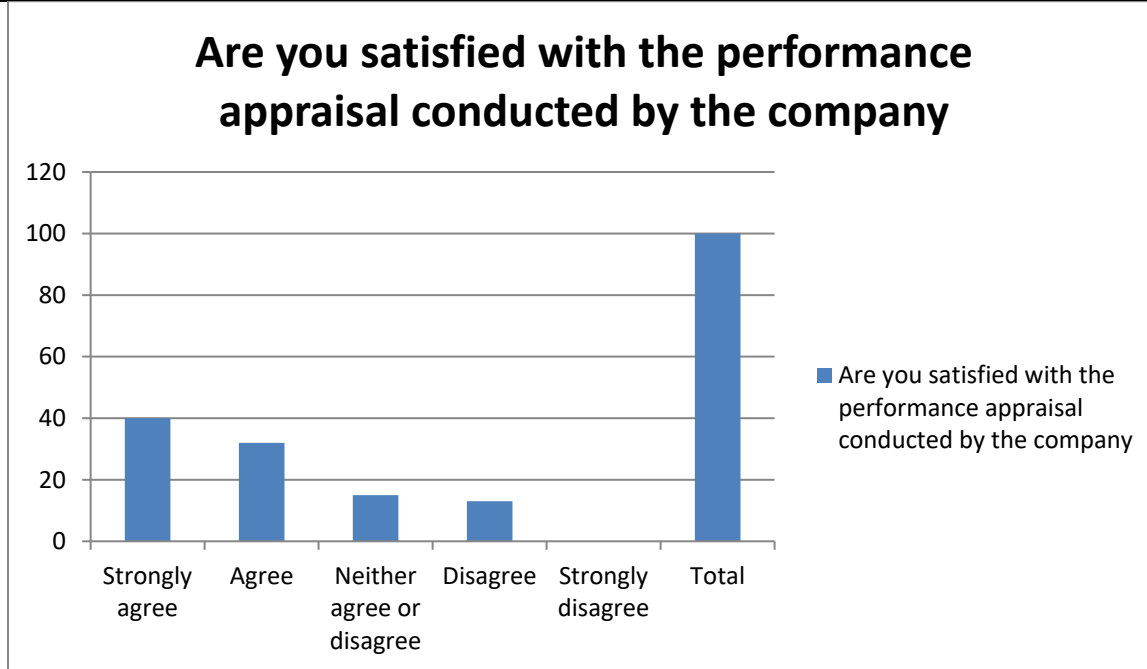
The above analysis shows that 40% of respondents says that I am satisfied with the training program is strongly agreed. 24% of respondent say that I am satisfied with the training program is agree and 15% of respondents say that I am satisfied with the training program is neither agree or disagree, 12% of respondents say that I am satisfied with the training program and 9% of respondents say that I am satisfied with the training program is strongly disagree, Therefore it majority can be said that the 40% of respondents I am satisfied with the training program is strongly agreed.

Table – 5

Are you satisfied with the performance appraisal conducted by the company

Sl.No	Are you satisfied with the performance appraisal conducted by the company	No. of respondents	Percentage
1	Strongly agree	40	40%
2	Agree	32	32%
3	Neither Agree or Disagree	15	15%
4	Disagree	13	13%

5	Strongly Disagree	-	-
	Total	100	100%



The above analysis shows that 40% of respondents says that they are highly satisfied with the performance appraisal conducted by the company is strongly agreed. 32% of respondents says that satisfied with the performance appraisal conducted by the company is agree, 15% of respondents says that satisfied with the performance appraisal conducted by the company is neither agree or disagree, 13% of respondents says that they satisfied with the performance appraisal conducted by the company and therefore it majority can be said that the 40% of respondents are satisfied with the performance appraisal conducted by the company.

Findings

- 1) It is found that 40% of respondents highly satisfied and 32% of the respondent satisfied based on the data.
- 2) It can be said that the 100% of respondents are agree that the performance appraisal in the organization is modified from time to time.
- 3) It is found that 43% of the employees agreed that their performance is appraised promptly.
- 4) It can be said that 40% of the employees are satisfied with the training program conducted by the company.



Suggestion

- 1) Whenever the work has been done in a good manner by the subordinates, the Supervisor can appreciate them. Supervisors should follow whatever the instructions given by the top level management.
- 2) Supervisors can maintain good relationship with their subordinates, and management.

Conclusion

The study has been conducted at Ponlait. The findings is this study have showed that it is essential to babe an effective performance appraisal system. The system should be free from bias so that employees are afforded the chance to get a fair appraisal. It shows that if appraisal are not fair then an employee would not be aware of their true performance level. This could affect their opportunity for advancement in their jobs in the future. It can also affect employee's moral as good appraisal results motivate employees to work even harder. Therefore, inaccurate ratings results in frustrated employees. Attention must be paid to improve the system in terms of training raters and setting clear goals for the betterment of the employees and the service in general.

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