Performance Appraisal

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ABSTRACT

People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity of the same work on the same job being done by two different people. **Performance appraisals of Employees** are necessary to understand each employee's abilities, competencies and relative merit and worth for the organization. **Performance appraisal** rates the employees in terms of their performance. Performance appraisals are widely used in the society. The history of performance appraisal can be dated back to the 20th century and then to the second world war when the merit rating was used for the first time. An employer evaluating their employees is a very old concept. Performance appraisals are an indispensable part of performance measurement.

KEY WORDS:Introduction, Need of the study, Objective of the study, Scope of the study

Introduction

Performance appraisal is necessary to measure the performance of the employees and the organization to check the progress towards the desired goals and aims. The latest mantra being followed by organizations across the world being – "get paid according to what you contribute" – the focus of the organizations is turning to performance management and specifically to individual performance. Performance appraisal helps to rate the performance of the employees and evaluate their contribution towards the organizational goals. If the process of performance appraisals is

formal and properly structured, it helps the employees to clearly understand their **roles and responsibilities** and give direction to the individual's performance. It helps to align the individual performances with the organizational goals and also review their performance. **An efficient inventory controlling system will decide**.

Need Of The Study

Today's corporate world demands sustainability in delivering high quality performance. Improvement is the rules of the game today; you simply cannot afford

to maintain the statements. Today the immediate necessity is the improvement in the effectiveness and efficiency of the people in the organization. Long-term corporate sustainability requires consistent. They help pinpoint weak areas in the primary systems such as Marketing, Finance and Production. If valid performance data are available, timely, accurate objective, standardized and relevant, management can maintain consistent promotion and compensation policies throughout the total system.

Objective Of The Study

The main objective of performance appraisals is to measure and improve the performance of employees and increase their future potential and value to the company. Other objectives include providing feedback, improving communication, understanding training needs, clarifying roles and responsibilities and determining how to allocate rewards.

Scope Of The Study

The scope of the study includes Lower level employees in the organization. The study aims at finding out the effectiveness of Performance appraisal methods and suggests some measures to improve the Performance appraisal system. Accurate Information plays a vital role in the organization as whole. It is a formal procedure used in working organization to evaluate the personalities, Contributions and potential of group members. Adaptation refers to human transformation to match with the organization needs. It is an act of changing one's behavior to make it suitable for a new purpose.

Review Of Literature

Globalization of economy has put the organization under tough competition. Thus, survival of an organization depends on the performance. We

may consider performance of an organization as the sum of the total performance of each individual. In fact, performance management has today occupied an important role.

Global economy forced the organizations to be more and more competitive and the last word of competitiveness is "to perform". Thus, performance management is a managerial function for planning, improving, appraising and rewarding one's performance.

Meaning and nature of Performance appraisal:

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. In order to find out whether an employee is worthy of continued employment or not, and if so, whether he should receive a bonus, a pay rise or promotion, his performance needs to be evaluated from time to time. When properly conducted performance appraisals not only let the employee know how well he is performing but should also influence the employee's future level of effort, activities, results and task direction. Under Performance Appraisal we not only evaluate the performance of an employee but also his potential for further development.

Need For Performance Appraisal

Today the immediate necessity is the improvement in the effectiveness and efficiency of the people in the organization. Long-term corporate sustainability requires consistent high quality performance by its work force. Performance measures link information gathering and decision making processes which provide a basis for judging the effectiveness of personnel sub-division such as Recruiting, Selection, Training and compensation.

Methodology

Research has wider scope. Research refers to a scientific and systematic search for relevant information on a specified topic. It involves defining research objectives and gathering information through primary and secondary data depending on type of research conducted and finally analyzing the collected data.

Sources of data

In dealing with any problem it is often found that data at hand are inadequate, and therefore it becomes necessary to collect data that are appropriate. These are several ways of collecting the appropriate data, which differ considerably in context u

Here for the purpose of study two kinds of data has been used:

- 1. Primary data
- 2. Secondary data

Primary data

The primary data are those, which are collected afresh for the first time from the respondents directly and thus happen to be original in character. There was no force on the respondents while collecting the data. With reference to this study, data is collected through

- 1. Questionnaire
- 2. Interview method

Questionnaire

Data is gathered by distributing questionnaire to managers and executives. Is prepared and protested before using it for data collection. Questionnaire is a structured one consisting of questions, which are close ended having fixed response pattern with multiple answers.

Interview Method

The study also includes obtaining information from knowledgeable persons.

This interview is an informal of unstructured one with competent and articulate individuals, executives and professionals of the organization.

Secondary Data

The data includes information obtained from the annual reports, circulars, journals, information brochures, Academic textbook and Internet.

FINDINGS

- 1. The majority of the people are aware of Performance Appraisal method in their organization. But very few of them are still not aware.
- 2. By analyzing the response of all the employees we can say that Performance Appraisal evaluates job knowledge, skills required by the employees and even the behavior of the employees.
- 3. The response of the employees shows that the evaluation of their Appraisal gives importance to their Leadership Qualities and also the Relationship with the colleagues. Therefore the employees have a strong bond between them.
- 4. It is inferred that the employees have agreed that their boss review their Performance periodically and hence we can say that Performance Appraisal method is strictly following by the company.

5. The employees feel that willingness and ability to assume responsibility are the parameters on which training needs of employees are identified.

Suggestions

 Personal feelings and emotions should not influence while grading in appraisal system.
Recommendations or suggestions made in the appraisal system from need to be implemented.

2 The system should be more scientific, to reflect employee attitude towards work and ability to complete job. The performance appraisal must be realistic and should lead to career growth, which is missing in public sector undertakings.

3 The appraisal system should be modified every year and to be carried out frequently say about quarterly. The appraisal system should be improved by adding proper values to each and every parameter so as to increase the effectiveness.

4 360 degree appraisal is a powerful developmental method and quite different traditional manager-subordinate appraisal. This appraisal involves the appraise receiving feedback from people whose views are considered helpful and relevant.

5 By using the appraisal system a person should be given a proper job assignment depending upon his qualification, experience and also give appraise a chance to choose his job interest and also self appraisal.

objectives of the organization. In this organization all the employees are aware of the goals and standards of the organizational work; they expressed their satisfaction towards the present Appraisal system.

The employees feel that the Appraisal system is helping them to know their strengths and weaknesses and it is creating a competitive environment at work place. This Appraisal system is helpful in improving the efforts of the employees and it is beneficial. Not only for company but also for individual employees as an organization.

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CONCLUSION

As per the reports the current Appraisal system is motivating employees it is helpful in achieving