

Performance Appraisal- A Study of Employees' View with Special Reference to Select City

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Abstract

In Today's working environment demands a great deal of effort and commitment from Employees, who in return naturally expect a great compact more from their Employers. In many organizations, reward decisions depend on subjective performance evaluations. However, evaluating an employee's performance is often difficult. This study attempts to know the view about performance appraisal of store sales executive of Samsung Mobiles in Hyderabad city, Telangana, India. For this purpose, a sample of 50 employees was randomly selected. Simple percentage method was used to analyse the data presented in the table formats. The findings are that performance appraisal helps framing a appropriate Training and development program to improve the quality of performance, in job promotion, serves as a feed back to the employee, serves as a means for encouragement, motivation & demotivation etc. helps in recognition for the selection and classification of workers. But the appraisal of performance must be done carefully and cautiously. Otherwise, it may result in negative effect etc.

Key words: Performance Appraisal, Employee Feedback, Human Resource Management.

Introduction

Organization is established to achieve certain objectives. Achievements of goals or targets are subject upon the performance of individual employees. Hence it is quite necessary to understand as to what extent employees have been successful at their jobs for achievement of their goals. Therefore performance appraisal system is significantly important portion of HRM. This necessitates the study of performance appraisal. The history of performance appraisal can be dated back to the twentieth century and then to the II world war when the merit rating was used for the first time. Performance appraisal is generally used for three purposes – Firstly, as a basis of reward apportionment such as salary increments, promotion and other rewards etc. Secondly, Performance appraisal will emphasize the weakness of employees and will plug the areas where development efforts are needed. Performance appraisal is a device for identification of deficiencies and thirdly it can be cast-off for the selection and development program. It will differentiate satisfactory performers from unsatisfactory ones. The Performance Appraisal will help the management to perform functions relating to selection, development, salary, promotion,

penalties, layoff and retrenchment. The Performance appraisal can be defined as a systematic, periodic and impartial rating of employee's excellence in matters pertaining to his present job and to his potentialities for a better job. (Flippo)

Performance appraisal system is significantly important Human Resource Development device designed and utilized for the all-round development and growth of employees as well as organizations. Organizations use a variety of methods for evaluating employee performance. There are so many types of performance management methods, understanding how each of them works will help to determine the best one to use within your organization. Each type has benefits and drawbacks. Performance appraisal systems solve the review process problem—normally a formidable and complicated task—by making it both efficient and effective for managers and employees. Human Resource often gets slowed down with the process, and managers are often inexperienced in providing effective reviews that actually reflected in workforce performance and help to grow the business. But there's a much bigger business impact to be had from an online performance appraisal system than simply time saving method. The centralisation will lead to thrive the managers effectively and cause. The managers can more easily communicate business strategy and create measurable goals for their employees that will support overall company objectives. This, in sequence, stretches management the devices to measure individual performance all the way through the organization and recognize top performers for further development and establish a pay-for performance compensation plan.

Literature review

Nemeroff & Wexlev (1979) Research studies show that employees are likely more satisfied with their appraisal result if they have the chance to talk freely and discuss their performance. It is also more likely that such employees will be better able to meet future performance goals.

Beer (1981) Common outcomes of an effective performance appraisal process are [i] employees learning about themselves [ii] employees knowledge about how they are doing and [iii] employees learning about "what management values".

Greenberg (1986) Employees are also more likely to feel that appraisal process is fair if they are given a chance to talk about their performance. This is especially so when they are permitted to challenge and appeal against their evaluation.

Fedor et al. (1989) It is very important that employees recognize that negative appraisal feedback is provided with a constructive intention, i.e., to help them overcome present difficulties and to improve their future performance. Employees will be less anxious about criticism, and more likely to find it useful, when they believe that the appraiser's intentions are helpful and constructive.

Stephan Dorfman (1989) outcomes of effective performance appraisal are improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward.

Dobbins, Cardy & Platz viono (1990) told 5 outcomes i. e. use of evaluations as feedback to improve performance, reduced employee turnover, increased motivation, existence of feelings of equity among employees, linkage between performance and rewards.

Nurse (2005) viewed provision of information for the development of managerial strategies for T & D as outcome. Use of vague qualities and irrelevant measurement criteria, use of useless checklists for evaluation, monologues instead of dialogues in feedback sessions, reluctance of appraisers to offer feedback, supervisor's misguidance to appraiser.

Deluca (1993) Literature uncovered following aspects that can make harm to the effectiveness of performance appraisal – exemptions to the highly visible employees, conduct of PA to punish the low performers, rewards on non-performance, doubts in the mind of performers about appraisal's after effects, organization's politics that leads to disturb performance of targeted employee

Segal (2000) Use of fundamentally flawed appraisals, focus on encouraging individual, which automatically discourages team work or collaboration, inconsistencies in setting and applying appraisal criteria, focus on extremes [exceptionally good / poor performance], appraisal's focus on achievement of short term goals, support to autocratic supervisors, subjectivity of appraisal results and creation of emotional anguish in employees.

Inaccuracies at supervisor's or at organizations end [Horvath & Andrews, 2007]. In contrast, other studies [e.g., Baron. 1988] have reported that “destructive critics” – which is vague, ill-informed. Unfair or harshly presented will lead to problems such as anger, resentment, tension and work place conflict, as well as increased resistance to improvement, denial of problems, and poorer performance.

Levinson (2010) Performances appraisal system provides information to management about and employee's performance which can be used for succession plan by identifying the people with potentialities. It helps the management to take administrative decisions such as, pay increase, promotion, placement, transfer and lie off to help supervisors to know their subordinates and give an opportunity to the subordinates to know where they are in front of supervisors and stand with the boss

Latham & Wexley (2001) Research has also indicated that quite often appraisal system practices are ill designed in most organizations this is mainly due to the fact that existing system is not effective. The reason was being the objective of this system does not need out nor made known to the employees. Many managers view that PAS occupy too much of their productive time without adequate rewards, quite a few organizations are in search of perfect performance appraisal system for their organizations to promote and inculcate a performance culture among the employees

Himanshu Rai and Manjari Singh (2012) In a recent study of the mediating effects of *360 Degree feedback*. The study had empirically examined the mediating effects in the relationship between 360-degree feedback and employee performance with a sample of executives (N=198) working in four organizations in Western India. The results showed that interpersonal

communication and quality of working life (QWL) had a complete mediating effect. Leader member exchange quality and perceived organizational support were found to have a partial but significant mediating effect

Objectives of the study:

1. To know the employees view on performance appraisal
2. To know the impact of performance appraisal on employees

Scope of the study

This study has wontedly selected the sales department employees as this is the hard-core job where too much pressure has been create in working environment to reach the sales targets. This study has a broader scope which understands the views of the challenging employees towards performance appraisal of the company.

Research Methodology

Research design

This study is Quantitative research study (survey method) in nature. The Samsung company employees (store sales executive) of smart phones division have been selected as per convenience to conduct the survey.

Sample size

The sample of 50 respondents (store sales executive) of smart phones division has been taken for survey on random basis sampling technique. The study has been carried out at different located stores in Hyderabad city of Telangana State India.

Date analysis

The data has been analysed with SPSS 20 and MS Excel.

Data analysis

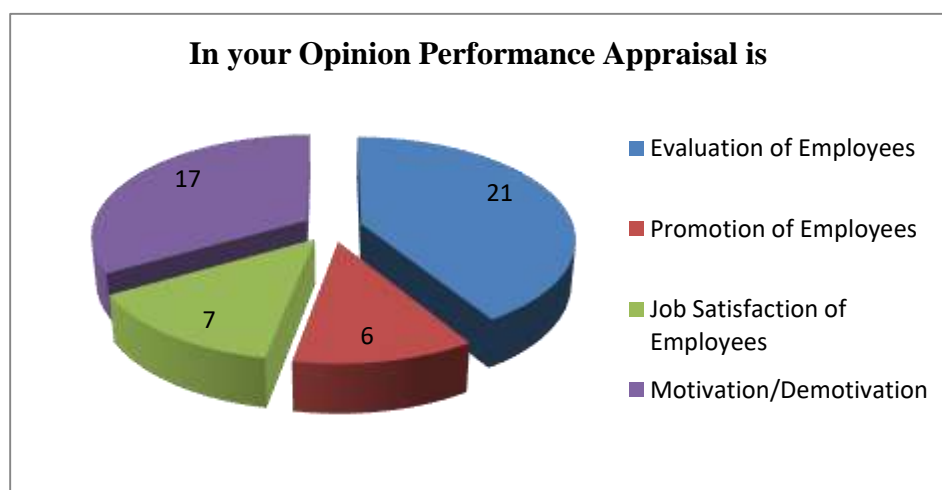


Figure 1: Quantitative Data of Respondents’ Opinion about Performance Appraisal

From the above table, the respondents have been asked their opinion about performance appraisal. Majority of the respondent believes that the performance appraisal is the evaluation of employees and around 17 respondents believe as motivation/Demotivation of employees by showing their performance scorecards by comparing actual with standard performance. At the same time, considerable proportion of the respondents believes as promotion of employees and job satisfaction of employees.

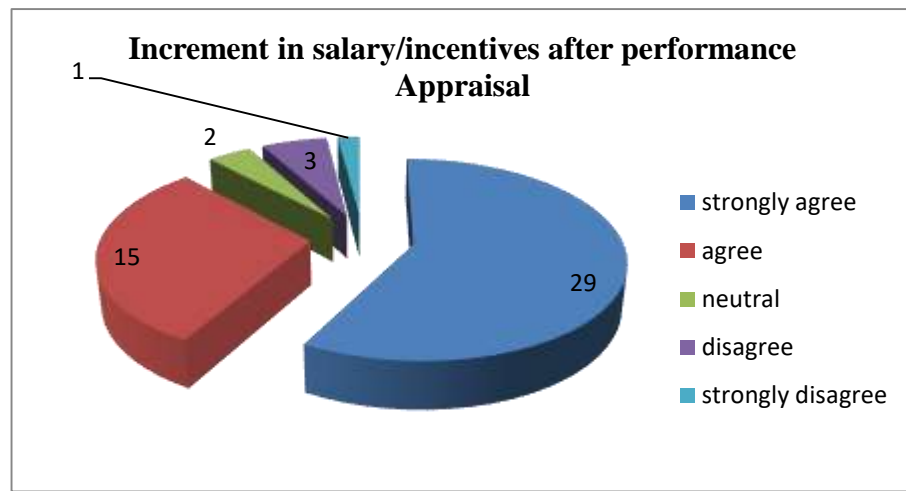


Figure 2: Quantitative Data of Respondents’ view on Increment after Performance Appraisal

From the above table, the respondents have been asked their opinion about increment after performance appraisal. Majority of the respondent strongly agree to the point that performance appraisal makes increment in their compensation. On the other hand, very few of the respondents disagree with the statement.

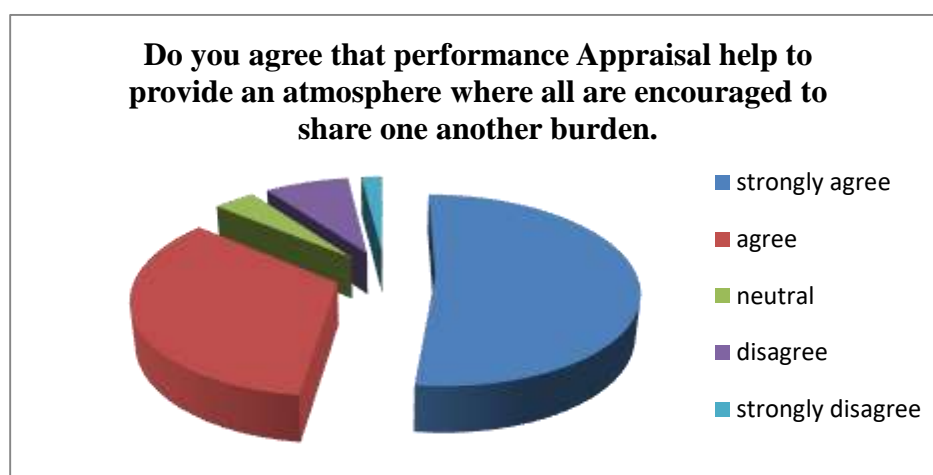


Figure 3: Quantitative Data of Respondents’ Views on Performance Appraisal Provides Encouraging Atmosphere

From the above table, the respondents have been asked their opinion about performance appraisal helps to provide an atmosphere where all are encouraged to share one another burden.

Majority of the respondent strongly agree to the point that performance appraisal makes such environment. On the other hand, very few of the respondents were neutral and some were disagree with the statement.

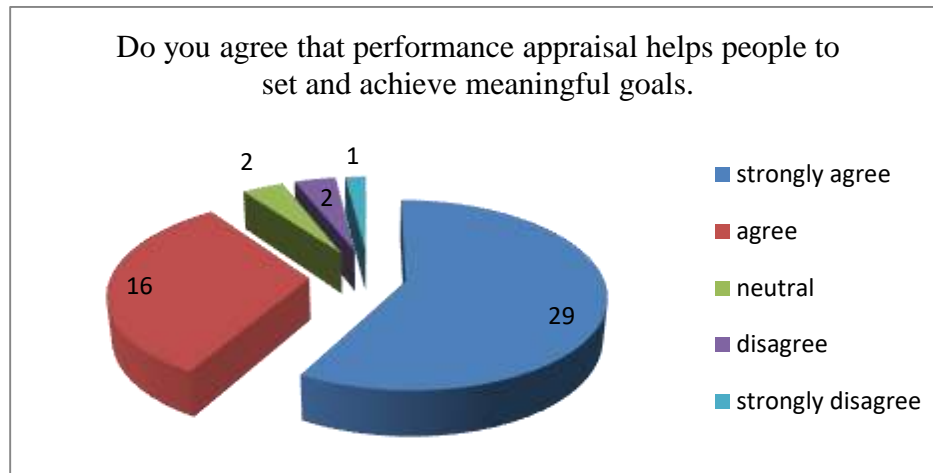


Figure 4: Quantitative Data of Respondents' views on Performance Appraisal helps people to achieve goals

From the above table, the respondents have been asked their opinion about performance appraisal helps people to set and achieve meaningful goals. Majority of the respondent strongly agree to the point that performance appraisal helps people to set and achieve goals. On the other hand, very few of the respondents were neutral and some were disagree with the statement.

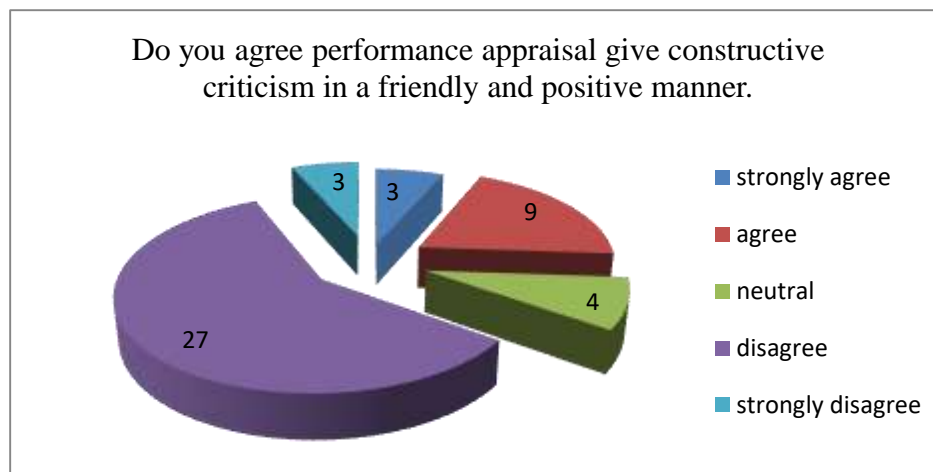


Figure 5: Quantitative Data of Respondents' views on Performance Appraisal give criticism

From the above table, the respondents have been asked their opinion about performance appraisal gives constructive criticism in a friendly and positive manner. Majority of the respondent disagree to the statement that performance appraisal gives constructive criticism in a friendly and positive manner. On the other hand, very few of the respondents were neutral and some were agree with the statement.

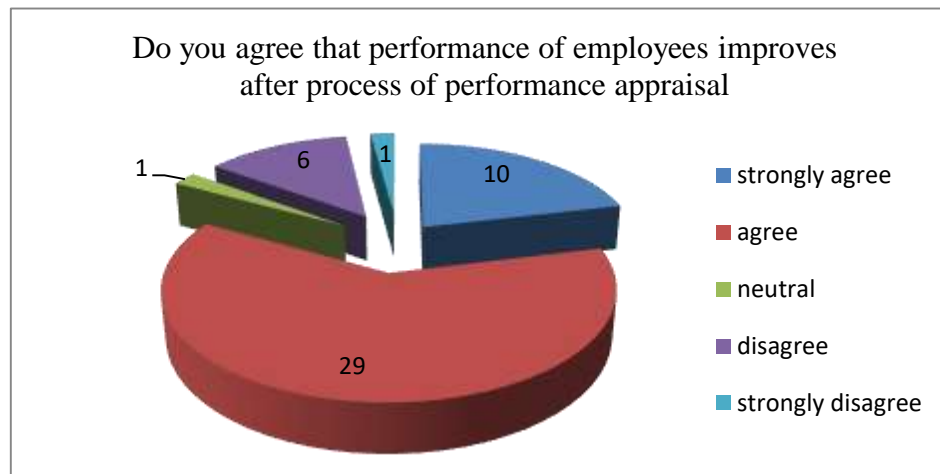


Figure 6: Quantitative Data of Respondents' views on Performance Appraisal improves employee performance

From the above table, the respondents have been asked their opinion on the statement that performance of employee improves after process of performance appraisal. Majority of the respondent disagree to the statement that performance appraisal gives constructive criticism in a friendly and positive manner. On the other hand, very few of the respondents were neutral and some were agree with the statement.

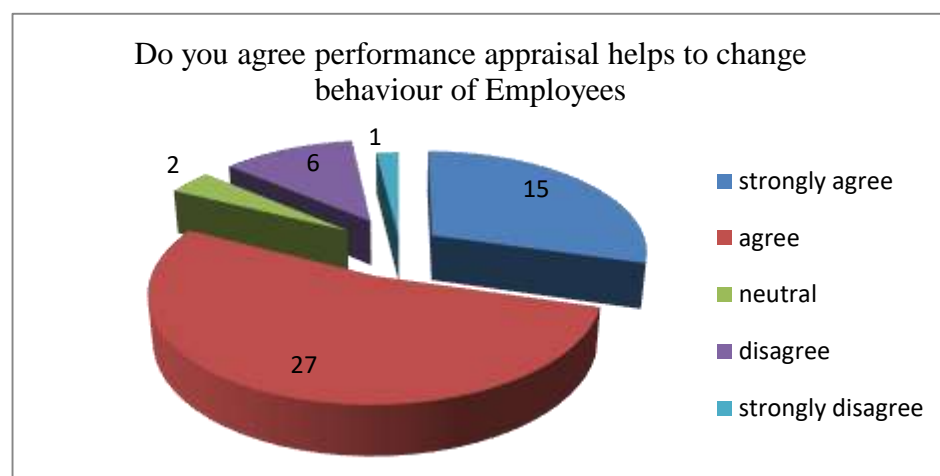


Figure 7: Quantitative Data of Respondents' views on Performance Appraisal help to change employee behaviour

From the above table, the respondents have been asked their opinion on the statement that performance appraisal helps to change behaviour of Employees. Majority of the respondent agrees to the statement that performance appraisal helps to change behaviour of Employees. On the other hand, very few of the respondents were neutral and some were agree with the statement.

Conclusion

It has been concluded that the store sales executive of the Samsung in smart phone division believes the performance appraisal plays significant role in performance evaluation of the

employee and motivation/demotivation of the employee as perhaps the performance appraisal gives stand point of an employee by comparison of the standard and actual performance or set v/s achieve targets. It has also been concluded that the majority of the employee believes performance appraisal creates encouraging atmosphere and also makes increment after appraisal. And also majority of the respondents believe performance appraisal changes the behaviour of the employee as may perhaps by reminding the set targets with the achieve ones which of course a good sign for both ends. But on the other side, majority of the respondents believes that performance appraisal does not criticize in a friendly manner. However, the managers has to be very much careful while constructing criticism and it should be expressed in a friendly manner so that the employee shall not be demotivated but should take as a lesson and should try to convert deficiency into efficiency.

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