A STUDY ON EMPLOYEE PERFORMANCE APPRAISAL IN INFORMATION TECHNOLOGIES INDUSTRIES IN TRICHY

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ABSTRACT

Employees want to know and need to know where they stand. Managers are expected to improve performance and stimulate productivity. Informal appraisals are made by every medical group manager on a daily basis. When these appraisals are channeled into a more formal, systematic appraisal program, management, employees, and the organization can all benefit. The ingredients of a positive, effective employee performance appraisal system are identified here and critical areas are addressed, including program prerequisites, setting up a workable plan, completing the written appraisal, and conducting the evaluation interview.

KEY WORDS:MANAGEMENT, EMPLOYEES,PERFORMANCE APPRAISAL,MANAGERS,ORGANIZATION

INTRODUCTION

Performance appraisals are use in organizations, companies, banks etc. mostly for managerial purpose, such as making promotions and formative salaries, incentives and bonuses. Since the 1960s, however, companies and banks have more and more worried the use of employee assessment fo r motivational and organizational planning purposes. Indeed, for many banks performance appraisal has become a vital tool for exploit the efficiency of all aspects of the organization, from staffing and growth to production and customer service.

Performance appraisal in any organisation will be done at a precise period, like annually or half yearly or quarterly or maybe regularly. It all depends upon the nature or size of the organisation, and sometimes necessity of the managers decide the period of performance appraisal of their employees. Most of organisations are insisting employee appraisal should be a continuous process and should not be limited to a formal review once a year. The frequency of

formal appraisals will depend on the nature of the organization and on the objectives of the system.

The performance appraisal is the process of assessing employee performance by way of comparing present performance with already established standards which have been already communicated to employees, subsequently providing feedback to employees about their performance level for the purpose of improving their performance as needed by the organisation.

OBJECTIVE OF THE STUDY

The main objective of performance appraisals is

- To measure and improve the performance of employees.
- To increase their future potential and value to the company.
- To providing feedback, improving communication, understanding training needs.
- To 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.

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.

RESEARCH METHODOLOGY

This research examines the effectiveness of employee performance appraisal system and its components such as appraisal plan, appraisal process, performance ranks, performance bench marking, performance

standards, performance results, performance elements, performance period, work standards and its influence over salary fixation, confirmation, promotion, transfer and demotion.

It helps to provide insights to support future research regarding strategic guidance for the company.

Sample design

All the details connected with the sampling process from the determination of sample size down to the collected of data, would be spelt out.

Sampling method:

Systematic random sampling: A systematic sample is formed by selecting every n^{th} item from the universe where n refers to the sampling interval.

The primary data is the data collected for the first time through field survey. It has been decided to collect the primary data from various respondents through direct personal interview with the help of structured questionnaire.

Secondary data refer to the information or facts already collected. Such a source is used to save time and cost in compiling the data relating to the past. There are several methods to collect the secondary data they are books.

Questionnaire design

Design and implementing the questionnaire is one of the most interesting tasks in the research. The questionnaire is prepared in such a way that it covers the objective of the study.

The questionnaire used in the study is a structured questionnaire which contains open ended, closed ended, dichotomous and multi choice question.

DATA ANALYSIS AND INTERPRETATION:

In order to extract meaningful information from the data collected, the data analysis and interpretation is carried out.

The data are first edited, coded and tabulated for the purpose of analyzing them. Analyzing can conducted by using simple statistical tools.
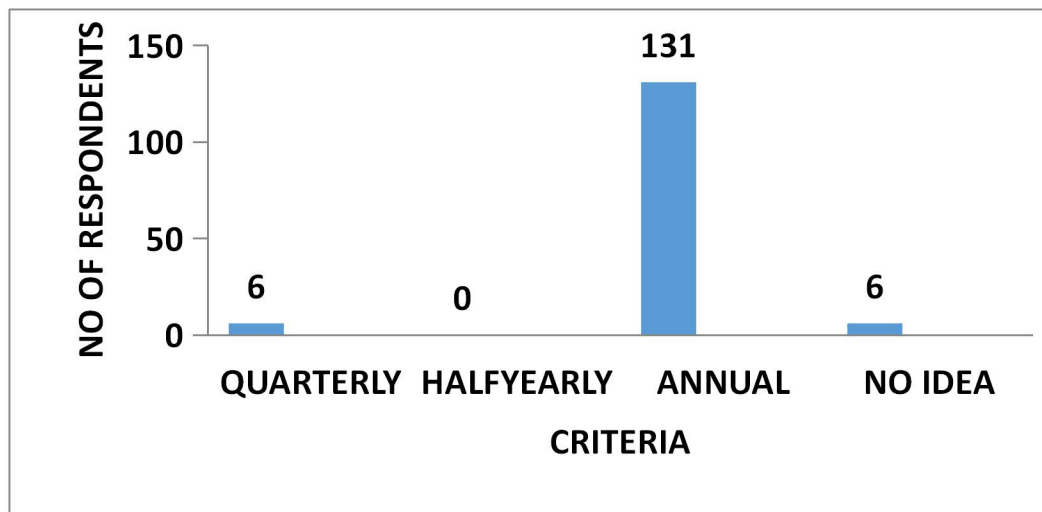
Statistical analysis:

It is concerned with mathematical techniques which are used to define the method of analyzing the collected data.

DATA ANALYSIS AND INTERPRETATION

Classification based on frequency of performance appraisal

| SI.No	Description	Frequency	Percentage
1	Quarterly	6	4.00%
2	Half-Yearly	0	0%
3	Annual	131	92.00%
4	No Idea	6	4.00%
Total		142	100.00%

CHART-1

INTERPRETATION

- 4% of the respondents accept the quarterly performance appraisal adopted in organization
- 92% of the respondents accept the annual performance appraisal adopted in organization
- 2% of the respondents have no idea about the performance appraisal adopted in organization
- None of them responds to half yearly appraisal

Classification based on the person appraises your performance

SI.No	Description	Frequency	Percentage
1	Self	6	4.00%

2	Team Members	9	6.00%
3	Immediate Supervisor	6	4.00%
4	Head of the Department	122	86.00%
Total		142	100.00%

CHART-2
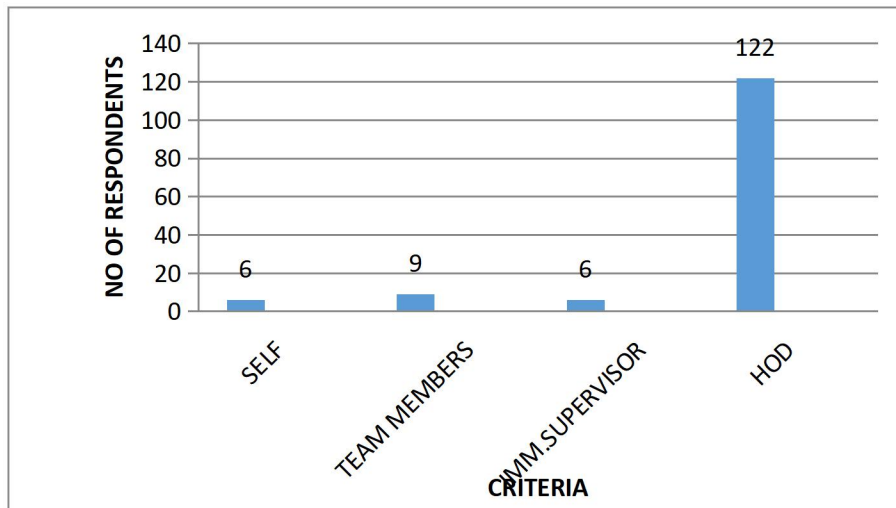
INTERPRETATION

- 86% of the respondents say that head of the department appraise their performance
- 6% of the respondents say that team members appraise their performance
- 4% of the respondents say that immediate supervisor appraise their performance
- 2% of the respondents say for self appraisal

CHI-SQUARE

- To find that the employee's age brings difference in the employee appraisal
- There is no significant relationship between the employee's age and the employee's appraisal

Observed frequency table

Expected frequency table

Employee age	Strongly agree	Agree	neutral	disagree	Strongly disagree	total

Below 30yrs	37	25	34	3	3	102
31yrs-35yrs	11	9	8	-	-	28

Employee age	Strongly agree	agree	neutral	disagree	Strongly disagree
Below 30yrs	36.63	26.57	34.47	2.154	2.154
31yrs-35yrs	10.056	7.29	9.46	0.59	0.59
36yrs-40yrs	2.154	1.56	2.028	0.126	0.126
41 and above	2.154	1.56	2.028	0.126	0.126

36yrs-40yrs	3	3	-	-	-	6
41 and above	-	-	6	-	-	6
total	51	37	48	3	3	142

$X^2 = \sum[(O-E)^2/E] =$ **18.33997**

Degree of Freedom $=(r-1)(c-1)$

$$= (4-1)(5-1)$$

$$=3*4$$

$$=12$$

Table value at 5% level = 21.03

Calculated value = **18.33997**

Interpretation:

Table value of X for degree of freedom=12 and at 5% level of significance =21.03. Comparing the table value of X [21.03], with the computed value of X^2=**18.33997**, since, the table value is greater than the calculated value null hypothesis is accepted

Inference:

There is no significant relationship between the employee's age and the appraisal process relevant to determining the personal growth

STATISTICAL FINDINGS

- There is no significant relationship between the employee's age and the appraisal process relevant to determining the personal growth
- There is significant relationship between employees opinion and assessment system.
- The relationship between two variables by calculating the Correlation Co-efficient from the above steps. Hence there is close relationship between performance indicator and performance result.

CONCLUSION

The personal growth of the employees. The system is helpful to create the competitive environment for the employees. The feedbacks given by their superiors help them to know their strong area and to improve their weak area. The employees are satisfied with their existing performance appraisal process in their organization where some more modifications can be done to enhance its effectiveness.

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