A Study of Performance Appraisal in Exl Pune

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ABSTRACT

Performance appraisal is an important element of the information and control system in EXL. The quality personnel is the first one to give a performance feedback to every subordinate. As per the feedback subordinates makes improvement. The assessment of another person’s contribution and ability is not an easy task. High level of awareness about targets clearly distinguishes the EXL employees from the other employees. Hence, their performance is up to the standards. The strengths and weaknesses of the employees performance identify easily. The organization arranges the training programme as per requirement for the employees. The quality people maintain the records properly and employees get promotion. The selection, training, and employee development programme are awesome in EXL.

KEYWORDS: Performance, Performance appraisal, Training Programme, Standards

Introduction:
An organization is made up of the people working for it. And the success of the organization depends purely on the dedication and hard work of its people. EXL Pune is one such example, where its people are its real corporate assets. Its people are its real strength. Hence, it takes due care while selecting its people, trains them thoroughly and develops in them new skills, capabilities and talents, so that they become capable of doing the assigned job.

However as the success of the organization depends on the hard work of its people, it becomes very important for the organization as well as the employees to know their performance on the current jobs. Performance appraisal is thus a mechanism of systematically assessing an employee’s performance on his current job in comparison with the established standards, & then communicating the outcome to the employees, so that they can make efforts to improve their performance.

EXL Pune follows the MBO method which is considered as one of the best method of performance appraisal. With full participation from its managers & employees, the appraisal programme forms an important step towards achieving the individual & the business targets. Right form setting the performance standards to the post appraisal interviews, the entire programme is taken very seriously here. The research himself has not seen such a marvellous programme in any of the organization till date. Researcher used to think that MBO could only be a theoretical method which cannot be brought into practice. However researcher was proven wrong when researcher visited EXL & saw everything happening exactly in the same way as was mentioned in the book. Here the employees were aware not only of their individual target, but also of their team, the other teams in the department & the department as a whole which indeed was a rare yet impressing quality to find.

This high level of awareness about the targets clearly distinguishes the EXL employees from the other employees. Every programme here was 85% for the employees & by the employees.

Components of Performance Appraisal:
The performance appraisal in EXL Pune is done using the MBO method. This is because EXL values is people more than anything else and therefore it invites a lot in its human resources. One of the assistant manager commented that MBO method is chosen because it improves the relationship between the assistant manager and his team members. It improves mutual understanding, trust and cooperation between the two.

Also because every employee understands his monthly targets, his responsibility and the behavior expected to him, he himself becomes more conscious and careful about his own performance. This leads to self motivation, self discipline & self control. And these three are very precious qualities which every organization would like to inculcate in its employees.

The performance appraisal process in EXL follows the following standard steps:

- Job analysis, job description & job specification.
- Set organizational goals.
- Establishing following standards of performance.
  - a) The quality standards.
  - b) Standards for the soft skills.
  - c) Performance standards set by the assistant managers.
- Communicating the performance standards to the employees.
- Defining performance targets.
- Performance reviews.
- Measuring the actual performance.
- Comparing the actual performance with the set standards.
- Giving feedback & initiating corrective action if any.
  - (i) Feedback by the quality personal.
  - (ii) Feedback by the soft skill personal.
  - (iii) Feedback by the assistant manager.
- The one which puts off the fire immediately.
- The other one which strikes at the root of the problem permanently.

Importance of the study:
The study of performance appraisal in EXL is very important to know the overall performance of the organization. It is important to know the effectiveness of recruitment, selection, training etc. It provides valuable information which can be used for pay increases, promotions, demotions, transfers, terminations etc. It also analyses the training needs of each & every employee. Performance appraisal also reduces favoritism & discrimination as far as employee’s performance is concerned. And as a result it also reduces employee grievances.

Following is an e.g. of the CCE monthly evaluation report:

Research Methodology:
The research method used here by the researcher is the survey method, where the data was collected using here the interview & questionnaire method. 19 employees were interviewed amongst these were 6 new joiners, 6 senior employees, & 1 AVP, 2 operation managers, & 2 assistant managers. However EXL is a BPO which has Aviva Life Insurance as its major client, so the employees have to regularly interact with the insurance brokers in UK. Due to this the performance is measured not only on the subjective criteria’s (Which is done by the assistant managers) & the objective criteria’s (Which is done by the quality control department), but even the soft skills are measured (Which is done by the soft skills department).

The prominent secondary source of data collection was the intranet, which is on network of computers meant only for the EXL employees. On this intranet we get every information about EXL.

The next source was the internal mails sent to all the employees of EXL, these mails throw light on various topics, & keeps the employees updated about the latest changes in the policies, the recent promotions, internal job postings, current achievements & all the latest news about EXL.
Objectives of the study:
1) To identify the strengths & weaknesses of the employees work/performance.
2) To identifying the training needs after knowing the weaknesses of its employees.
3) To help management to identify the performance in various departments.
4) To make the assistant manager more observant, conscious & careful about the performance of his team members.

Discussion:
1) 100% recognition of the need for performance appraisal in the organization by the managers & the employees.
2) Job analysis is properly done before the standards are set.
3) The performance appraisal method in the organization in the best of its kind, with about 100% response to it.
4) There 100% response to performance appraisal.
5) About 70% of the total employees are satisfied with the performance appraisal.
6) Only 10% of the promotions are based on appraisals.
7) 70% of the employees agreed that performance appraisal thus motivate them to achieve their monthly targets.
8) 85% of the employees agreed that performance appraisal is necessary & helpful to increase an employee's performance.
9) Almost 90% of the managers & the employees responded that, there are a lot of difficulties faced while setting standards of performance.
10) Almost 90% of the employees stated that, the ratings given by their supervisors are unbiased.
11) 100% of the employees responded that, there are a lot of factors influencing the performance of employees.
12) About 60% of the employees are satisfied with the monthly one on one targets.
13) 100% of employee's participation while setting the performance targets.
14) About 60% of the managers & 40% of the employees believed that, the feedback given by the quality team is very important & helpful.
15) 50% of the quality people believed that it is sometimes difficult to compare the actual performance with the set standards.
16) Only 50% acceptance to the feedback given by the assistant managers.
17) 80% of the assistant managers stated that the corrective mechanisms are very effective.
18) 100% of managers & employees responded that, the post appraisal interviews are very important.
19) 100% of manager's % employees stated that, the monthly records of appraisals are properly maintained.
20) 60% of the managers & employees agreed for a dispute between the after the yearly appraisal.
21) 100% of the employees agreed for a need in the improvement of performance appraisal as per the individual panels & situations.
22) 90% of the managers & the employees stated that, the monthly one on one's are very important in improving the relationship between the two as also in motivating the employees for a better performance.
23) 90% of the employees responded that, the performance appraisal.
24) 80% success in gaining the loyalty of the employees & reducing attrition.

Conclusions:
a) Strength of the organization:
1) It gives an opportunity to its employees to work in flexible shifts.
2) It is the most renowned BPO Company in the industry & has the best of business clients.
3) The selection, training & employee development programme are awesome.
4) The ratings are unbiased:
   a) Weaknesses of the organization:
      1) The pay scale is some what less as compared to the other BPO's. This might force the employees to quit & search for better options.
      2) As the supervisor & the subordinate get jointly involved in the appraisal process, it improves the relationship between the two.
      3) The supervisor here plays a supportive role. He actually helps guides & assists the subordinate to achieve the agreed goals.
5) The ratings are unbiased:
   b) Strengths of the performance appraisal process:
      1) It is a result oriented appraisal or MBO technique, where the employee's participation right form setting the performance targets to the post appraisal interviews is the maximum.
      2) As the supervisor & the subordinate get jointly involved in the appraisal process, it improves the relationship between the two.
      3) The supervisor here plays a supportive role. He actually helps guides & assists the subordinate to achieve the agreed goals.

Most of the employees get a 3 rating in their yearly appraisal, so the pay hike based on this is not very satisfactory.

EXL as a leading BPO company can get many opportunities on is way of progress. Some of these are as follows:
1) It can get many good business clients.
2) It can acquire that best of the man power.
3) The ever expanding BPO industry in India can help EXL to grow in an easier & faster way.
4) It can expand its business in Philippines & reduce its operational cost, thus increasing its overall profitability.
5) Its listing on NASDAQ can help it to raise more funds for its expansion strategies.

1. Mark Hillary-Kobayashi,(2004), Outsourcing to India (The offshore advantage), Die Deutsche Bibliothek, London U.K.