



A STUDY ON PERFORMANCE APPRAISAL SYSTEM IN SOFT DRINKS COMPANY AT MADURAI

**Dr. M.
VEERASELVAM.**

Assistant Professor, Department of Business Administration Government Arts
College, Paramakudi

ABSTRACT

Performance appraisal measures the qualitative and quantitative aspects of job performance. An appraisal evaluates not only the employee's performance but also his potential for development. The primary objectives of an appraisal are – to assess past performance, to identify training needs, to set and agree on future objectives and standards, and to facilitate the achievement of these goals. Performance appraisal means systematic evaluation of the personality and performance of each employee by his supervisor or some other person trained in the techniques of merit rating. It employs various rating techniques for comparing individual employees in a work group, in term of personal qualities or deficiencies and the requirements of their respective jobs. The comparison of performance with job requirements helps in finding out the merit of individual employees in a work group. Supervisor or an independent appraiser may do rating.

Keywords: Performance appraisal, job requirements, employee, organization, Supervisor

KEYWORDS : Performance appraisal, job requirements, employee, organization, Supervisor

INTRODUCTION

Performance Appraisal has a beneficial effect on both the persons doing the appraisal and being appraised. The appraisal brings prominently to the attention of supervisors or executives the importance of knowing their subordinates as human being. The necessity of performance appraisal leads the appraiser to a thoughtful analysis of people rated and tends to make him more alive to opportunities and responsibilities in developing the subordinates. The objective of appraisal is to derive the point to the appraise without inviting his resentment or drawing back into the shell or taking defensive attitude.

Aims

- Give employees feedback on Aperformance
- Identify employee training needs
- Document criteria used to allocate organizational rewards
- Provide the opportunity for organizational diagnosis and development
- Facilitate communication between employee and administration
- To improve performance through counseling, coaching and development.
- Provide information to assist in the HR decisions like promotions, transfers etc.
- To judge the effectiveness of the other human resource functions of the organization such as recruitment, selection, training and development.

ADVANTAGES OF PERFORMANCE APPRAISAL:

- The ability of the staff is recognized and can be adequately rewarded by giving them special increments.
- Performance appraisal can be used as a basis of sound personnel policy in relation to transfers and promotions. If the performance of an employee is better than others, he can be recommended for promotion, but if a person is not doing well in a job, he may be transferred to some other job.
- Performance appraisal provides an incentive to the employees to better their performance in a bid to improve their rating over others.

Performance Appraisal has a beneficial effect on both the persons doing the appraisal and being appraised. The appraisal brings prominently to the attention of supervisors or executives the importance of knowing their subordinates as human being. The necessity of performance appraisal leads the appraiser to a thoughtful analysis of people rated and tends to make him more alive to opportunities and responsibilities in developing the subordinates.

LIMITATIONS OF PERFORMANCE APPRAISAL:

- If the factor included in the assessment is irrelevant, the result of merit rating will not be accurate.
- Different qualities to be rated may not be given proper weightage certain in cases.
- Some of the factors are highly subjective like initiative and per-

sonality of the employees

- Lack of 360 degree performance appraisal resists the employee to work with zeal and enthusiasm personal emotions and likes. So the ratings are likely to be biased in the same.

SCOPE OF THE STUDY

The project is done to study the performance appraisal. The scope of the work includes interviewing the employees and find out the opinion towards the Performance Appraisal conducted in soft drinks company in Madurai.

IMPLICATIONS OF THE STUDY

- This project gives the scope to the organization to improve their standard to the expectation of their employees.
- It acts as an aid for the organization to know the commitment level of the employees.

REVIEW OF LITERATURE

Kilbourne, Susan (2007) presented report on "Performance Appraisals – a step in a comprehensive staff supervision model." Performance reviews, while stressful, can prepare employees for the next stages of their career. The best performance reviews are those where the supervisor knows the employee's skills and talents and offers suggestions on how to use those talents to develop other areas of job performance and professional growth.

Herdlein, Richard; Kukemelk, Hasso; Turk, Kilno (2008) "A Survey on Performance Appraisal in Estonian and American Universities" Higher education in the Baltic Republic of Estonia is experiencing rapid change as the country adjusts to a market economy in the post-Soviet era and adheres to principles established through the Bologna Process. Research is in the area of performance appraisal, and the most effective approaches to motivate academic staff.

Perry, Raymond P. (2008) "Attributional Thinking about Failure in New Achievement Settings" Attributional (explanatory) thinking involves the appraisal of factors that contribute to performance and is instrumental to motivation and goal striving. Little is understood, however, concerning attributional thinking when multiple causes are involved in the transition to new achievement settings.

RESEARCH OBJECTIVES

- 1) To find out whether the employees are satisfied with the present appraisal and to help the management plan for a better appraisal in the future.
- 2) To assess the overall perception of the employee about the performance appraisal in the organization.
- 3) To study the full potential of the employees to the job.
- 4) To study the relationship between supervisor and sub-ordinates in the light of performance appraisal system.
- 5) To suggest and way to improve current appraisal system.

RESEARCH METHODOLOGY

RESEARCH DESIGN:

The researcher studies based a diagnostic research design, which are generally descriptive in nature and describe the cause – effect relationships. This study describes the employees’ opinion towards the Performance appraisal system.

DATA COLLECTION

a) Primary data:

The methods used for its collection are personal discussion & questionnaire etc.

The method used in collecting primary data in my research was personal discussion with the help of a questionnaire. In this I asked a set of predetermined questions in a predefined order, the answers given by the respondents were used to fill up the questionnaire.

b) Secondary Data:

Secondary data consists of information that already exists somewhere and was collected for another purpose, which may not be the same as the purpose of research.

The secondary data provide a starting point for research and offer advantage of low cost and ready availability.

Questionnaire

A questionnaire was prepared which consisted of Rating/Grading questions. The questionnaire used was structured type of questionnaire. It was prepared taking into account the factors, which were to be analyzed to know the process of Performance Appraisal. The questionnaire is attached in appendix at the end of the report. This method was preferred as it is economical, given more information and the response is very good.

SAMPLE DESIGN

A sample of 50 respondents was taken from the population, using simple Random sampling.

Sampling area:

The researcher undertook this research on the various departments of soft drinks company in Madurai.

STATISTICAL TOOLS USED

- Percentage analysis
- Chi-square test

LIMITATION OF THE STUDY:

1. The study is limited only to soft drinks Company in Madurai.
2. As the time available to questioning the respondent was limited. The researcher could not probe deeply with respondents.
3. Sample size is very small and therefore no true picture come.

ANALYSIS AND INTERPRETATION

CHI-SQUARE TEST

Table no: 1 Showing the respondents service and their opinion regarding their agreement towards their role clarity

NULL HYPOTHESIS (H0): There exists no significant relationship between the Service and Role clarity is exhibited.

OBSERVED AND EXPECTED FREQUENCIES

OBSERVED	EXPECTED	O-E	(O-E) ² /E
4	2.88	1.12	0.435
4	4.16	-0.16	0.006
0	0.32	-0.32	0.32
0	0.32	-0.32	0.32
0	0.32	-0.32	0.32

4	2.88	1.12	0.435
2	4.16	-2.16	1.121
2	0.32	1.68	8.82
0	0.32	-0.32	0.32
0	0.32	-0.32	0.32
4	2.88	1.12	0.435
4	4.16	-0.16	0.006
0	0.32	-0.32	0.32
0	0.32	-0.32	0.32
0	0.32	-0.32	0.32
6	9.36	-3.36	1.206
16	13.52	2.48	0.454
0	1.04	-1.04	1.04
2	1.04	0.96	0.886
2	1.04	0.96	0.886

Chi-square = sum (O-E)²/sumE

Chi-square value =18.29389

Degree of freedom = 12

Table value @ 12 degrees of freedom at 0.05 probability = 21.026

Since the calculated value is less than the table value, null hypothesis (H0) is accepted

Table no:2 Showing the respondents service and their opinion regarding their agreement towards their identification of their potential NULL HYPOTHESIS (H0):

There exists no significant relationship between the Service and Identification of their potential is exhibited.

OBSERVED AND EXPECTED FREQUENCIES

OBSERVED	EXPECTED	O-E	(O-E) ² /E
2	2.24	-0.24	0.025
6	3.84	2.16	1.215
0	0.96	-0.96	0.96
0	0.32	-0.32	0.32
0	0.64	-0.64	0.64
2	1.68	0.32	0.060
4	2.88	1.12	0.435
0	0.72	-0.72	0.72
0	0.48	-0.48	0.48
0	0.48	-0.48	0.48
4	1.68	2.32	3.203
2	2.88	-0.88	0.268
0	0.72	-0.72	0.72
0	0.24	-0.24	0.24
0	0.48	-0.48	0.48
6	8.4	-2.4	0.685

12	14.4	-2.4	0.4
6	3.6	2.4	1.6
2	1.2	0.8	0.533
4	2.4	1.6	1.066

Chi-square = $\sum (o-e)^2 / \sum E$

Chi-square value = 14.5356

Degree of freedom = 12

Table value @ 12 degrees of freedom at 0.05 probability = 21.026

Since the calculated value is less than the table value, null hypothesis (H₀) is accepted.

FINDINGS

- 64 percent of the respondents belong to agree that the appraisal system helps to know their Role clarity.
- 56 percent of the respondents belong to agree that the periodic orientation programmes are conducted in their organization to explain the objective and other details of the appraisal system.
- 48 percent of the respondents belong to agree that the appraisal system as the implement tool for their present performance.
- 56 percent of the respondents belong to agree that the appraisal system provides an opportunity to communicate with the superior.
- 48 percent of the respondents belong to agree that the communication increases their performance.
- 48 percent of the respondents belong to agree that the management always invites their creative suggestion.
- 44 percent of the respondents belong to agree that the organization gives importance to need based training.
- 48 percent of the respondents belong to agree that the management conveys the performance appraisal results in a smooth way.
- 64 percent of the respondents belong to agree that the performance counseling helps to change their weakness.

SUGGESTIONS

- The present appraisal system in the organization is good, but the employees expect to give opportunities of Job rotation, Job enrichment and Promotion because the employees felt boredom for performing the same job.
- The employees expect that the supervisor has to treat their employees equally. Then only it will improve the smooth relationship between the co-workers.
- Innovation and creativity thinking of employees should be encouraged by the organization. It helps to motivate the employees to perform better.

CONCLUSION

In some organizations performance appraisal (PA) and performance management systems are treated as unnecessary or routine job. But the evaluation of employees' job performance is vital human resources function and of critical importance to the organization. In work organizations performance measurement typically takes place in the form of formal performance appraisals, which measure worker performance in comparison to certain predetermined standards. Performance appraisals serve many purposes for the individual worker, for the worker's supervisor and for whole organization.

REFERENCES

1. Business statistics – S.P.Gupta & M.P.Gupta, Sultan Chant & sons, Fourteenth Edition, 2005. | 2. Dr. BR Sharma, "Administrative stress" Indian Institute of Public Administration, 1986. | 3. Organizational Behaviours - Syeppen. P.Robbins, Timothy A.Judge, Seema Sanghi, prentice hall, 2008. |