



A STUDY THE MODER OF PERFORMANCE APPRAISAL OF SELECT PUBLIC AND PRIVATE SECTOR BANKS IN INDIA

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ABSTRACT

Business success is directly related to employee performance. Most employers use appraisals to review staff performance and set objectives appraisal is now one of the widely used tools in management tools in industry. A performance appraisal (PA) is a systematic and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organizational objectives. One of the underlying purposes of performance appraisal schemes is to elicit corporate compliance. In the present study an attempt is made to analyse the mode of Performance appraisal in banking industry, data has been collected with help of structured questionnaire from 200 samples each from the public sector banks of Andhra Bank (AB), Canara Bank (CB) and private sector banks of City Union Bank (CUB) and Karnataka Bank (KB). It is found that 90.88 % of respondents appraised in both the banks that the method of performance appraisal system of the banks is manual and 9.12 % of respondents appraised in both the banks that the method of performance appraisal system of the banks is online. It is found 54.25% respondents appraised in both private and public sector banks that the bank is imparting any training to enable employees to understand the PA process and 45.75 % appraised that the bank is not imparting any training to enable employees to understand the PA process in public sector banks.

KEYWORDS

Performance Appraisal, Mode of Performance Appraisal

INTRODUCTION

Business success is directly related to employee performance. Most employers use appraisals to review staff performance and set objectives appraisal is now one of the widely used tools in management tools in industry. Over the past three decades, performance appraisal has been of the most heavily researched topic areas in the fields of industrial-organizational, psychology and human resource management, the interest in personnel decisions (eg., promotions, pay increases, identifying employees for remedial training etc.). In simple terminology, performance appraisal is a systematic evaluation of the individual with respect to his performance on the job and his potential for development.

People are employed to get desired organizational results. Performance appraisal is, after employee selection, probably the most powerful employment process managers have at their disposal for getting results. It lies at the care of the supervisor-employee relationship. It is widely accepted and used dispute clear evidence that it is typically counterproductive.

METHODOLOGY

1 Method of Performance Appraisal system of the banks

The information on the method of performance appraisal system of the banks has been collected from the respondents and presented in the table 1.

Table 1 Method of Performance Appraisal system of the banks

Method of Performance Appraisal system of the bank	Type of the bank						Grand Total
	Public Sector Bank			Private Sector Bank			
	AB	CB	Total	CUB	KB	Total	
Manual	173	178	351	183	193	376	727
	86.5%	89.0%	87.8%	91.5 %	96.5%	94.0%	90.88 %
Online	27	22	49	17	7	24	73
	13.5%	11.0%	12.3%	8.5%	3.5%	6.0%	9.12%
Total	200	200	400	200	200	400	800
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

The table shows that in public sector bank, 351 respondents (87.8 %) appraised that the method of performance appraisal system of the banks is manual including 173 in AB(86.5 %) and 178 in CB(89 %) and mere 49 respondents(12.3 %) appraised that the method of performance appraisal system of the banks is online. Similarly in private banks, 376 respondents (94 %) appraised that the method of performance appraisal system of the banks is manual including 183 in CUB (91.5 %) and 193 in KB(96.5 %) and mere 24 respondents(6 %) appraised that the method of performance appraisal system of the banks is online. By and large, in both the banks 727 respondents (90.88 %) appraised that the method of performance appraisal system of the banks is manual and 73 respondents(9.12 %) appraised that the method of performance appraisal system of the banks is online.

2 Imparting training to understand the PA process

The information on whether the banks are imparting any training to enable employees to understand the PA process has been elicited and presented in the table 2.

Table 2 Imparting training to understand the PA process

Imparting any training to enable employees to understand the PA process	Type of the Bank						Grand Total
	Public Sector Bank			Private Sector Bank			
	AB	CB	Total	CUB	KB	Total	
Yes	116	104	220	110	104	214	434
	58.0%	52.0%	55.0%	55.0%	52.0%	53.5%	54.25%
No	84	96	180	90	96	186	366
	42.0%	48.0%	45.0%	45.0%	48.0%	46.5%	45.75%
Total	200	200	400	200	200	400	800
	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0%

The table presents that 220 respondents (55 %) including 116 in AB (58 %) and 104 in CB (52 %) appraised that the bank is

imparting any training to enable employees to understand the PA process and 180 respondents (45 %) including 84 in AB (42 %) and 96 in CB (48 %) appraised that the bank is not imparting any training to enable employees to understand the PA process in public sector banks. In private sector banks, 214 respondents (53.5 %) including 110 in CUB (55 %) and 104 in KB (52 %) appraised that the bank is imparting any training to enable employees to understand the PA process and 186 respondents (46.5 %) including 90 in CUB (45 %) and 96 in KB (48 %) appraised that the bank is not imparting any training to enable employees to understand the PA process. Above all, in both private and public sector banks 434 respondents (55.25 %) appraised that the bank is imparting any training to enable employees to understand the PA process and 366 respondents (45.75 %) appraised that the bank is not imparting any training to enable employees to understand the PA process in public sector banks.

Findings

1. By and large, in both the banks 727 respondents (90.88 %) appraised that the method of performance appraisal system of the banks is manual and 73 respondents (9.12 %) appraised that the method of performance appraisal system of the banks is online.
2. Above all, in both private and public sector banks 434 respondents (54.25 %) appraised that the bank is imparting any training to enable employees to understand the PA process and 366 respondents (45.75 %) appraised that the bank is not imparting any training to enable employees to understand the PA process in public sector banks.
3. Majority of the respondents (73.75 %) opined that the HR department is well trained and effective in administering PA and among them majority belong to Private sector banks compared to public sector banks.
4. It is concluded that majority of the respondents in private sector banks responded negatively and majority of the respondents in public sector banks responded positively.
5. It is concluded that majority of the respondents in private sector banks responded negatively and majority of the respondents in public sector banks responded positively.

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