

## **A STUDY ON PERFORMANCE APPRAISAL ON BAJAJ FINANCE**

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### **ABSTRACT:**

The history of performance appraisal is quite brief. Its roots in the early 20th century can be traced to Taylor's pioneering Time and Motion studies. But this is not very helpful, for the same may be said about almost everything in the field of modern human resources management.

As a distinct and formal management procedure used in the evaluation of work performance, appraisal dates from the time of the Second World War, about seventy years ago. Yet in a broader sense, the practice of performance appraisal is an ancient art. On the scale of things historical, it might well lay claim to being the world's second-oldest profession! There is, says Dulewicz (1989), "... a basic human tendency to make judgments about that one is working with, as well as about oneself." Appraisal, it seems, is both inevitable and universal. In the absence of a structured system, people will tend to judge the work performance of others, including subordinates, informally and arbitrarily.

The hardwired human inclination to judge can cause big problems in the workplace. Without a structured system of appraisal, there is little if any chance of ensuring that such judgments will be accurate, fair, and useful. Performance appraisal began as an attempt to rationally correlate rewards and outcomes. That is, the appraisal was used to decide whether or not the salary or wage of an individual employee was justified. The process was firmly linked to material outcomes. If an employee's performance was found to be less than ideal, a pay cut would follow. On the other hand, if their performance was better than the supervisor expected, a pay rise was in order.

Little consideration, if any, was given to the developmental possibilities of appraisal. It was felt that a cut in pay, or a rise, should provide the only required impetus for an employee to either improve or continue to perform well. Sometimes this basic system succeeded in getting the results that were intended; but more often than not, it failed. For example, early motivational researchers were aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance.

## **INTRODUCTION**

Performance appraisal is the process of evaluating an employee at higher levels. To know whether the selection of an employee is right or wrong, performance appraisal is resorted

to. Promotion, transfer, salary increase, etc. are some of the matters that are dependent upon the evaluation of the performance of an employee.

Performance Appraisal is regarded as the most significant tool for the success of any concern. The main objective of performance appraisal is to improve the efficiency of concern by mobilizing the best possible efforts from individuals employed in it.

## **OBJECTIVES OF THE STUDY**

- To review the performance of the employees over a given period
- To judge the gap between the actual and the desired performance.
- To help the management in exercising organizational control.
- Helps to strengthen the relationship and communication between superior – subordinates and management – employees.
- To diagnose the strengths and weaknesses of the individuals to identify the training and development needs of the future.
- To provide feedback to the employees regarding their past performance.
- Provide information to assist in the other personal decisions in the organization.
- Provide clarity of the expectations and responsibilities of the functions to be performed by the employees.
- To judge the effectiveness of the other human resource functions of the organization such as recruitment, selection, training, and development.
- To reduce the grievances of the employees.

## **NEED AND IMPORTANCE OF THE STUDY:**

Appraising the performance of individuals, groups, and organizations is a common practice in all societies. While in some instances these appraisal processes are structured and formally sanctioned, in other instances they are an informal and integral part of daily activities. Consciously or unconsciously evaluate our actions from time to time. In social interactions, performance is conducted a systematic and planned manner to achieve widespread popularity in recent years. Performance appraisal is essential to understand and improve the employee's performance through HRD. Performance appraisal is the basis for HRD. It was viewed performance appraisal was useful to decide upon employee promotion/transfer salary determination and the like. But the recent developments in human resources management indicate that performance appraisal is the basis for employee development. Performance appraisal indicates the level of desired performance level, the level of actual performance, and the gap between these two. This gap should be bridged through human resources development techniques like training executive development etc.

According to the past survey, it was noticed that the performance appraisal system in this company was not up to the mark. Hence there would be scope for giving a few suggestions as per my knowledge to improve the performance appraisal system which was quite essential for the better performance of the employees.

## **SCOPE OF THE STUDY:**

Performance appraisals provide employees and managers with opportunities to discuss areas in which employees excel and those in which employees need improvement. Performance appraisals should be conducted regularly, and they need not be directly attached to promotion opportunities.

#### Personal Attention

During a performance appraisal review, a supervisor and an employee discuss the employee's strengths and weaknesses. This gives the employee individual face time with the supervisor and a chance to address personal concerns.

#### Feedback

Employees need to know when their job duties are being fulfilled and when there are issues with their work performance. Managers should schedule this communication regularly.

#### Career Path

Performance appraisals allow employees and supervisors to discuss goals that must be met to advance within the company. This can include identifying skills that must be acquired, areas in which one must improve, and educational courses that must be completed.

#### Employee Accountability

When employees know there will be regularly scheduled evaluations, they realize that they are accountable for their job performance.

#### Communicate Divisional and Company Goals

Besides communicating employees' individual goals, employee appraisals provide the opportunity for managers to explain organizational goals and how employees can participate in the achievement of those goals.

## **RESEARCH METHODOLOGY:**

The methodology of research used in this study includes a literature survey, an industrial survey, and verification by statistical techniques. Nonetheless, there were also some limitations incurring from the industrial survey results that may lead to misinterpretation discussed at the end of the chapter.

The present study was undertaken to assess the method of Performance Appraisal Systems in a few selected Industries in the Hyderabad District. This chapter explains the purpose, design of the study, objectives, hypotheses, participants, instruments, procedure, and statistical techniques used.

Research on performance appraisal systems is of great relevance to modern society as it provides a new dimension to understanding and dealing with social and organizational problems in industries. The psycho-social approach to the problem of performance appraisal of an employee in the organization has widened the scope of appraisal research as it calls for the study of the appraisal system in the organization from which the various variables originate.

A substantial number of studies have been reported about performance appraisal under normal as well as isolated work environment. It is well established that the competency required for different occupation/ jobs vary not only in nature but in term of quantum of performance.

A review of performance appraisal research reveals that most of the research in this area has concentrated only on industrial and commercial organizations, especially in normal work environments. Performance appraisal is a global phenomenon affecting all professions and certain categories of employees. It is often assumed that employees in

certain industries based on their nature of work require more amount of performance appraisal.

Performance is one of the most deliberating personal and organizational problems of the modern globe. Challenges posed by the changing business scenario have imposed employees to perform their tasks under a very compelling situation. Performance has become an inevitable part of human life in recent times whatever is the nature of the job. It makes life more challenging and charming if it is excellent. However, when performance is below the ability of a person, it causes disturbances in his/her life sphere.

Performance appraisal has its roots in the demands of 95 organizations. Thus it is clear that performance as a concept is naturally occurring and may have beneficial or destructive consequences, depending upon how it is managed. There have been many incidents, where poor performance has led to destructive consequences and vice versa; especially among the employees in industries, it has been found necessary to carry out this study.

This study aims at throwing light on the process of performance appraisal and how it can be effectively managed. Hence managing the process of performance appraisal has become a subject of prime importance. Better management related to performance leads to a happy and efficient workforce.

## DATA COLLECTION METHOD

It is a systematic procedure of collecting information to analyze and verify a phenomenon. The collection of information has been done through two major sources:

### 1 . P r I m a r y D a t a 2 . S e c o n d a r y D a t a : -

#### Primary Data:

It is the information collected directly without any reference.

This study is gathered through interviews with various employees, human resource officers, and other concerned 28 people. Some of the information was verified and supplemented through personal observation.

#### Secondary Data:

The Secondary data was collected from already published sources such as pamphlets, annual reports, various journals and internal records.

## LIMITATIONS:

The objective of performance appraisal is to evaluate and develop employees. An organization should avoid using one appraisal system to achieve both objectives. The particular system of the appraisal system should clarify before it is designed and should be discussed with all managers and employees to gain their commitment.

Any performance appraisal system, however good the design, is unlikely to succeed if the managers and employees are suspicious of its objectives. It is extremely difficult if not impossible to devise a system that will be able to satisfy both performance and reward. It

happens because employees are likely to resist negative feedback and tend to be defensive when weakness in current performance is identified. It is because of this type of overlap in purposes that the appraisal loses its practicality and increases the conflict between the manager and the employees.

2. APPRAISAL ERRORS:

Halo, Regency, Contrast effects: the Halo effect occurs when a manager rates an employee high or low on all teams, because of one characteristic. For instance; if an employee has few absences, his manager might give him high rates in all other areas of work. The regency effect happens when a rater gives greater weight to the recent occurrences when appraising an employee's performance. This sort of effect is an understandable rater's error. It may not be easy for the manager to remember all events that happened for instance; six months ago. Contrast error occurs when employees are rated relative to other employees rather than to performance standards.

3. UNEQUAL PERFORMANCE STANDARDS:

People differ from each other in the way they perceive things. What is good for some may be bad for others. Therefore managers have different judgments in appraising their employees. Managers' attitudes to their employees differ, so different managers will appraise the same people quite differently which could make the appraisal system subjective and manipulative.

4. CULTURE:

Culture has a profound impact on the appraisal system as it should align with the organizational culture. A system based on employee participation and openness would be a non-starter if the organizational culture is authoritarian and non-participative in its approach to other employee-related policies. 'Readymade' performance review systems imported from other organizations rarely function satisfactorily. Their failure is partly due to cultural differences. Thus culture is a vital factor to look after.

5. Central Tendency: -some raters may follow the central tendency approach. Average scores are given to all rates. Those who perform well are given average scores and those who do not perform well are also given average scores. Usually, the central tendency is caused by a lack of information.

6. Cost Factor: - Performance appraisal is an expensive activity. At times, experts may be appointed to conduct Performance appraisals. Therefore, the organization may have to pay a good amount of fees to performance raters.

7. Problem of Leniency (mercy): - some raters are very lenient in their appraisal. They give high scores to everyone, irrespective of their performance. Those who perform well are given high scores and those who do not perform well are also given high scores.

6. Latest Behavior effect: -Rating is influenced by the most recent behavior ignoring the commonly demonstrated behavior during the entire appraisal period. If the latest behavior is good, the rate will get high scores and vice-versa.

7. Problem of Strictness: - Some raters are strict in their appraisal. They tend to give low scores to all the rates irrespective of their performance. Those who perform well are given lower scores and those who do not perform well are also given lower scores.
8. Spillover (overflow) Effect: - In this case, the present Performance appraisal is greatly influenced by past performance. “A person who has not done good work in the past is considered to be bad at work in the present as well.”
9. Fear of confrontation: - Sometimes, supervisors tend to give an average rating to below-average performers, to avoid confrontation.

## **REVIEW OF LITERATURE**

Planning is the first and most crucial function of management; “Well plan is half done”, means looking ahead and designing future courses of action to be followed which tells where we should begin and how things will be in an organization. Therefore planning makes possible effective coordination & perfect adjustment between present and future developmental needs of the organization. It is easy for human beings to learn from past experiences and make a plan for the future. In this context, a review is made of the existing relevant literature available on the topic of research.

Graeme Redshaw (2008) has written in this article about improving the performance appraisal system of nurses in organizations. The author distributed a questionnaire to 8 nurses to know about the performance appraisal system of the organization. 7 nurses were nervous before the appraisal and 1 was confident after the appraisal all nurses agreed with the outcomes of the appraisal. If a successful appraisal system is established so there will be clear aims and objectives and will be able to implement them fairly. Proper training will be provided to the managers to appraise the staff correctly.

Diane Shaffer(May 11, 2009) has written in his article writer has discussed that motivation and performance appraisal are interrelated. Motivation is dependent on performance management. Employees who are motivated and happy with their jobs want to stay connected with the company for a long time.

Many organizations have not implemented the correct performance appraisal system to evaluate the performance of employees. The author has discussed here that they should implement a successful appraisal method/system and also give rewards to employees who perform well in the organization. Through this practice, employees become motivated towards their jobs and improve their performance and the performance of the organization as a whole will also improve.

Almuth McDowall (2009) has discussed in his article that due to the high level of competition training and development have become very important. Itâ€™s an era of globalization so it is playing a key role for the organization to get a competitive advantage. While the selection of activities including coaching, 360-degree appraisal, and development centers (DCs) are become linked to development. In this article, the 360-degree appraisal has been discussed that it is very important to give feedback to the employees about their

performances. Positive feedback motivates the employees and they become more willing to work for further development programs. The authors examine different development activities with the aim being to providing a framework with which to assess each one's effectiveness. They compare the processes incorporating a range of significant factors and highlight several important implications that arise for any aim to meet organizations.

Donald L. Caruth (2009) has discussed that the purpose of this paper is to demonstrate the need for and propose a more aligned and integrated standard for performance evaluation to enhance effective strategic control. The paper reviews the various issues creating discontent with the performance appraisal systems within many organizations and demonstrates how these problems inhibit successful strategic control. It attempts to cogently incorporate the performance appraisal characteristics needed for the exercise to function as a critical organizational control metric and a useful feedback mechanism for the strategic management of the firm. The paper finds that, whereas performance evaluation has received reasonably robust examination in the human resources literature, explicit guidance toward the integration with strategic control is inadequate. Without consistent alignment between these functions, however, performance appraisal becomes an exercise in futility instead of a vital control measurement, often resulting in not only personnel dissatisfaction but also, more importantly, an impediment to systematic strategy implementation.

H.C. Shiva Prasad(2010) in this research paper authors have done work to check the performance of Indian software professionals (SPs) Data were collected from 441 software and senior software engineers from eight Indian software firms. The team leaders assessed the performance of software and senior software engineers on 16 items. The exploratory and confirmatory factor analyses of scores on 16 items of the instrument suggest six dimensions of performance. They are work efficiency, personal resourcefulness, inter-and intra-personal sensitivity, productivity orientation, timeliness, and business intelligence. The dimensions have reliability and high convergent validity. SPs having more years of experience, a higher need for achievement, and a higher need for social power are high performers. Human resource managers can evaluate the performance of SPs holistically on six dimensions for training, reward administration, and promotion decisions.

## DATA ANALYSIS & INTERPRETATION

**Table-5.1 Performance Appraisal is the assessment of individual potential.**

Rating Scale	No. of Respondents	Percentage (%)
Strongly Agree	7	17.5
Neutral	4	10
Strongly Disagree	0	0
Agree	29	72.5
Disagree	0	0
<b>Total</b>	<b>40</b>	<b>100</b>



**Fig. 5.1**

**Interpretation :**

From the above table-5.1 it can be known that 72 % of respondents have agreed about the assessment of individual potential and 17.5 % of them have strongly agreed of the above statement and 10 % of the employees are in a neutral stage and where no ne of them have disagreed for the above statement. So majority of the respondents i.e. 72.5 % of the respondents have agreed about the assessment of individual potential. From the above analysis we can interpret that, some of the employees were in neutral position, because the appraisal system in the organization was not in a full fledge way.

**Table-5.2 Performance Appraisal system followed in the organization is rational and fair:**

Rating Scale	No. of respondents	In Percentage (%)
Strongly Agree	1	2.5
Neutral	12	30
Strongly Disagree	1	2.5
Agree	22	55
Disagree	4	10
<b>Total</b>	<b>40</b>	<b>100</b>

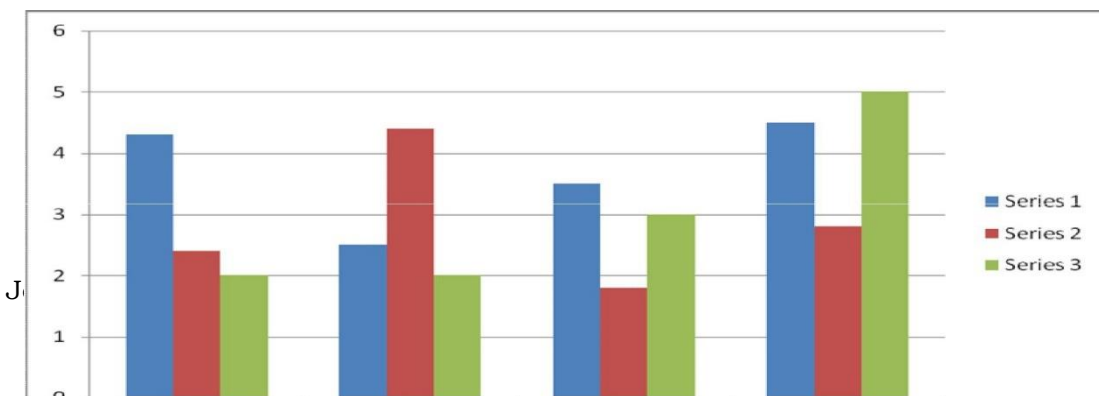




Fig. 5.3

**Interpretation:**

From the above analysis we can interpret that, some of the employees were in neutral position. Because the organization doesn't following the company's policies fairly:

**Table-5.3 Job expectations are informed and the superiors set the tasks.**

Rating Scale	No. Of respondents	In percentage (%)
Strongly	3	7.5
Netural	10	25
Strongly	0	0
Agree	24	60
Disagree	3	7.5
<b>Total</b>	<b>40</b>	<b>100</b>

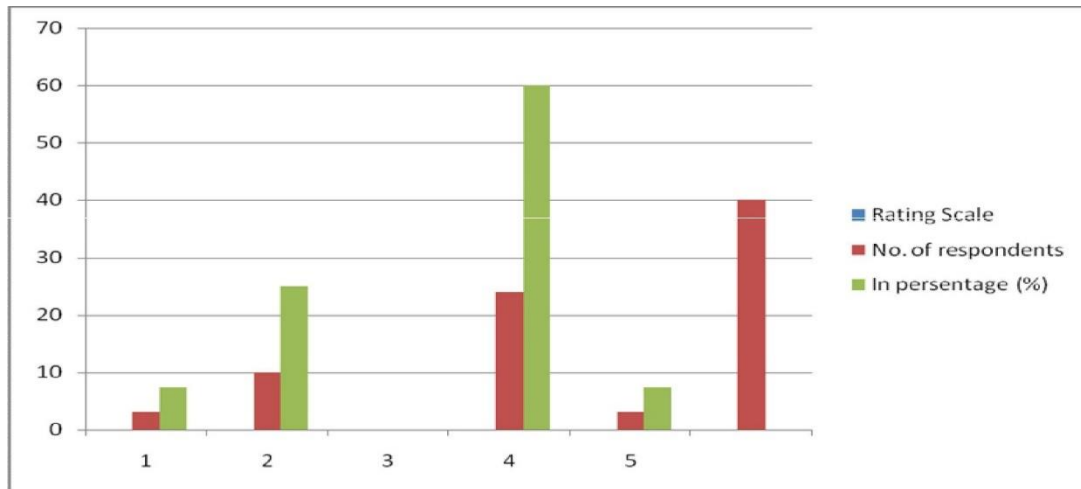


Fig. 5.3

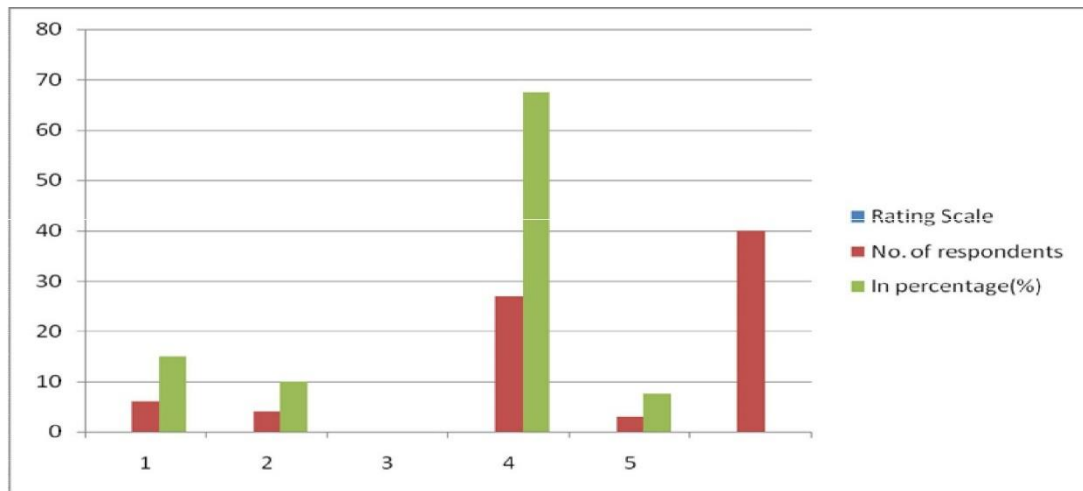
**Interpretation :**

From the above table-5.3 it can be known that, 60% of respondents have agreed that the job expectations are informed and the superiors set dietasks. And 25% of dieresponde nts are in neutral stage and 7,5% strongly agree for Above statement and where as 7.5% of the Journal of Kavikulaguru Kalidas Sanskrit University, Ramtek

respondents disagree for die above statement, none of them are in a stage of stronglydisagree opinion. The above analysis shows that, some of employees were in neutral position. Because the job expectations were not informed, and the tasks were not assigned by superiors properly.

**Table-5.4 Performance Appraisal followed in the Organization helps to the Training and development needs of employee.**

<b>Strongly Agree</b>	<b>No. of respondents</b>	<b>In Percentage (%)</b>
Strongly	6	15
Na	4	10
Strongly	0	0
Agree	27	67.5
Disagree	3	7.5
<b>Total</b>	<b>40</b>	<b>100</b>



**FIG. 5.4**

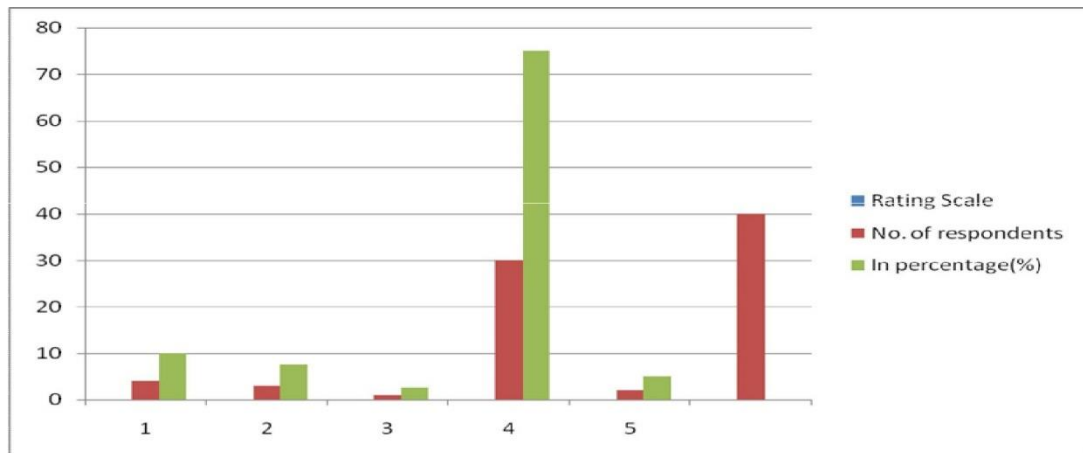
**Interpretation**

From the above table-5.4 it is found that, 67.5% of respondents have agreed for the performance appraisal followed in the organization helps to assess the training and development needs of employee and 15 % of them have strongly agreed in ID-% of the respondents are in neutral stage and the remaining 7.5% of the respondents are in disagreed opinion. Where none of them are is strongly disagreed opinion. The above analysis states

that, majority of the employees opined that a good performance appraisal system in the organization, helps to train and develop an employee in all aspects.

**Table-5.5 The Performance appraisal in the organization helps to recognize the competence and potential of an individual:**

Rating Scale	No. Of respondents	In percentage (%)
Strongly Agree	4	10
Neutral	3	7.5
Strongly Disagree	1	2.5
Agree	30	75
Disagree	2	5
<b>Total</b>	<b>40</b>	<b>100</b>



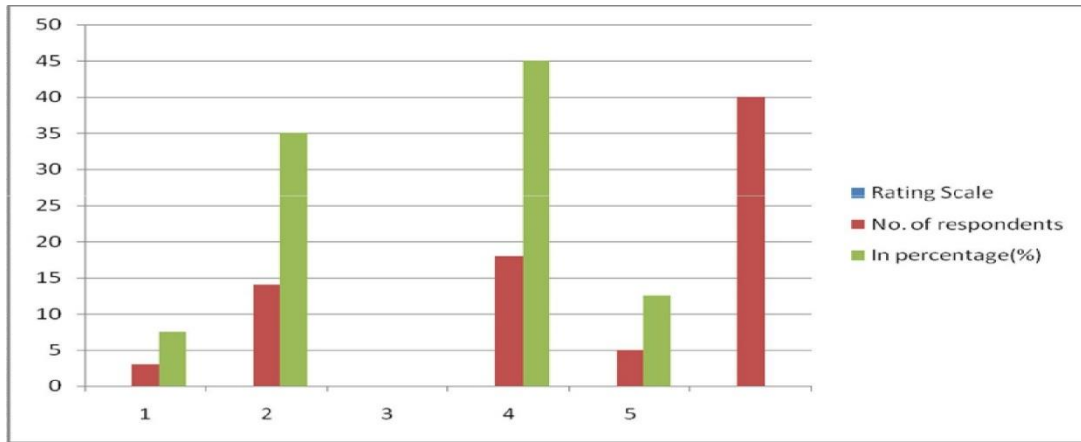
**Fig. 5.5**

**Interpretation :**

From the above table-5.5 it is found that, 75% of respondents have agreed for the performance appraisal in the organization helps to recognize the competence and potential of individual and 10% of the respondents have strongly agreed, and 7.5% of the respondents are in neutral stage and 5% are in disagreed opinion where as 2.5% of the respondents strongly disagree for the above statement. The above analysis elicits that, some of the employees were in neutral and disagree position. Because the appraisal process in the organization is not that much effective.

**Table-5.6 Employees are happy with the assessment of performance followed in the organization**

Rating Scale	No. of respondents	In percentage(%)
Strongly Agree	3	7.5
Neutral	14	35
Strongly Disagree	0	0
Agree	18	45
Disagree	5	12.5
<b>Total</b>	<b>40</b>	<b>100</b>



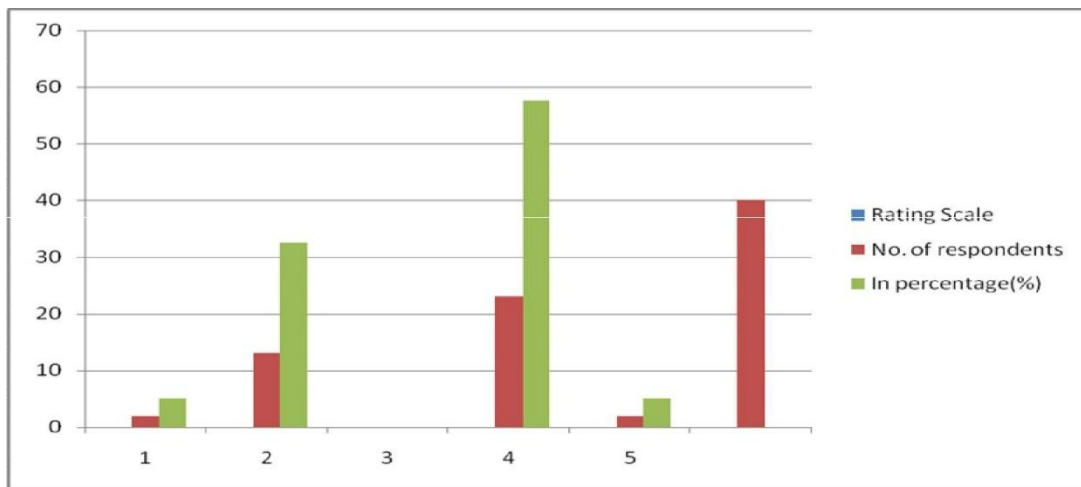
**Fig. 5.5**

**Interpretation:**

From the above table-5.6 it is found that, 45% of respondents have agreed They are happy with the assessment of performance appraisal followed in the organization. And 35 % of the respondents are in neutral stage and 12.5% of the respondents are in a disagreed stage where 7.5% have strongly agreed for the above statement but none of them have strongly disagreed for this statement We can interpret that, most of the employees were in disagree and neutral position. Because the assessment system in the organization was not up to the mark

**Table-5.7 Employees have been appraised fairly according to the company's policies**

Rating Scale	No. of respondents	In percentage (%)
Strongly Agree	2	5
Neutral	13	32.5
Strongly Disagree	0	0
Agree	23	57.5
Disagree	2	5
<b>Total</b>	<b>40</b>	<b>100</b>



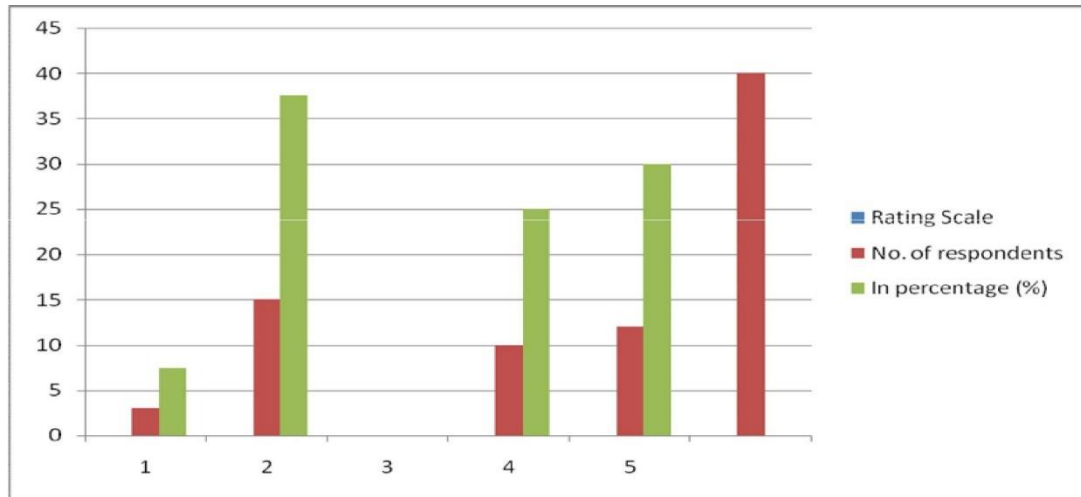
**Fig. 5.7**

**Interpretation:**

From the above table-5.7 it is found that, 57.5% of respondents have agreed that the employees have been appraised fairly according to the company policies and 32.5% of the respondents are neutral stage and 5% of them are strongly agree and where as 5% of the respondents disagree for the above opinions and none of them have disagree for the above opinion. Here we can state that, most of the employees were in disagree and neutral position. Because performance appraisal was not done fairly according to the companies policies.

**Table-5.8: Advises and suggestions are given to the employees during the appraisal process.**

Rating Scale	No. of respondents	In percentage (%)
Strongly Agree	3	7.5
Neutral	15	37.5
Strongly Disagree	0	0
Agree	10	25
Disagree	12	30
<b>Total</b>	<b>40</b>	<b>100</b>



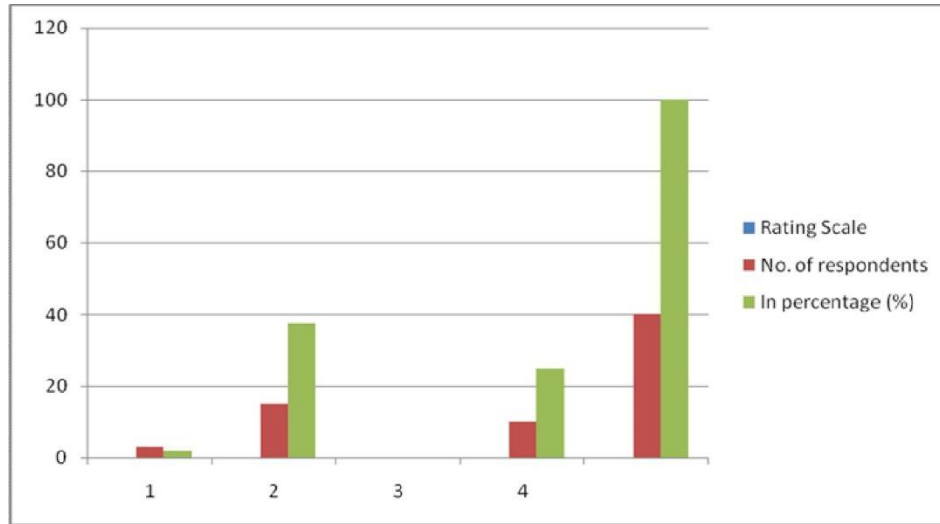
**Fig. 5.8**

**Interpretation:**

From the above table 5.8 it is found that, 30 % of respondents have disagreed that advises and suggestions are given to the employees during the appraisal process and 25% of them have agreed and 7.5% of the respondents strongly agree and majority of the respondents i.e.37.5% are in a neutral stage and none of them have disagreed for the above statement. The above analysis exhibits that, employees are expecting many more suggestions and advises, during the appraisal process that would be helpful for their career.

**Table-5.9** The employees accept the appraisal feed back as:

Rating Scale	No. of respondents	In percentage (%)
Positive way	3	7.5
Uninteresting	15	37.5
Negative way	0	0
Neutral	10	25
<b>Total</b>	<b>40</b>	<b>100</b>



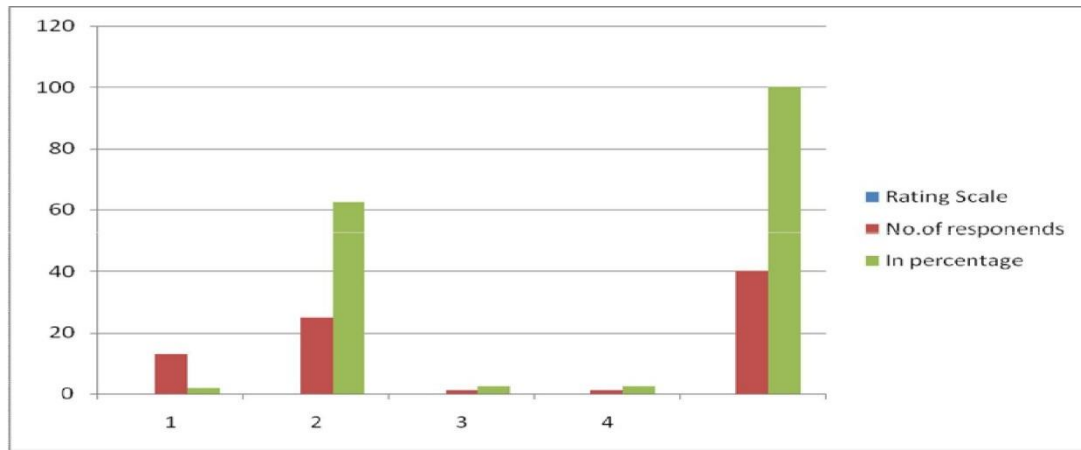
**Fig. 5.9**

**Interpretation :**

From the above table -5 .9 it is found that, 50 % of respondents have a positive way regarding acceptance of the appraisal feedback. And 47.55 of them are in neutral opinion and 2.5% of the respondents feel it uninteresting on the above statement. And none of them have a negative acceptance of this statement This analysis shows that, employees are not much interested in taking the appraisal feedback.

**Table-5.10 The appraiser of the company should be.**

Rating Scale	No. of respondents	In Percentage (%)
Superior	13	32.5
HOD	25	62.5
Subordinate	1	2.5
Peer groups	1	2.5
<b>Total</b>	<b>40</b>	<b>100</b>



**Fig. 5.10**

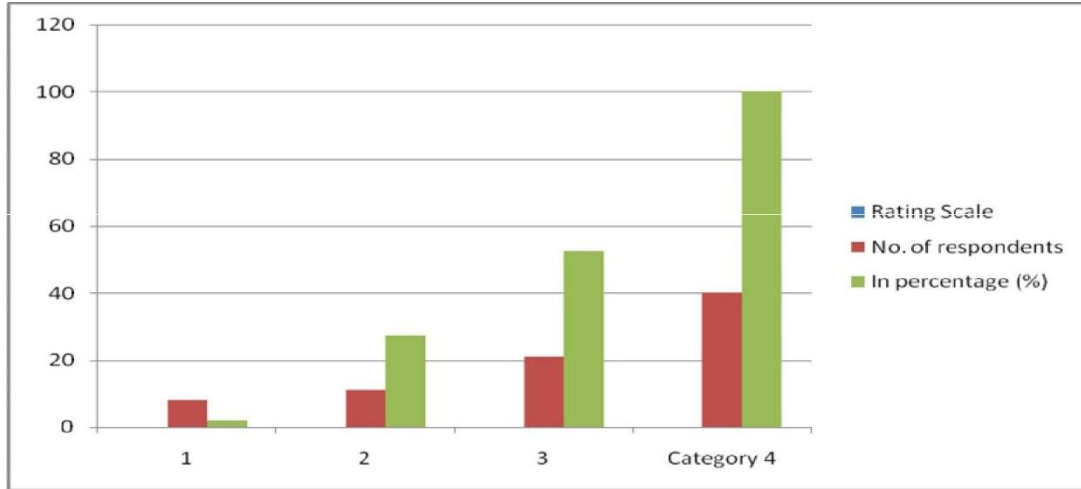
### **Interpretation**

From the above table-5.10 it is found that, 62.5 percent of respondents feel that their HOD should be their appraiser and 32.5% of them feel that their superior should be the appraiser and 2.5% of the respondents feel that their subordinates and peer groups should be the appraiser. This states that, the appraiser should be the head of the department, the employee feel that he is the right person to evaluate their performance.



**Table 5.11 Employee need to be assessed as:**

Rating Scale	No. of respondents	In percentage (%)
Once in 3 month	8	20
Once in 6 month	11	27.5
Once in a year	21	52.5
<b>Total</b>	<b>40</b>	<b>100</b>



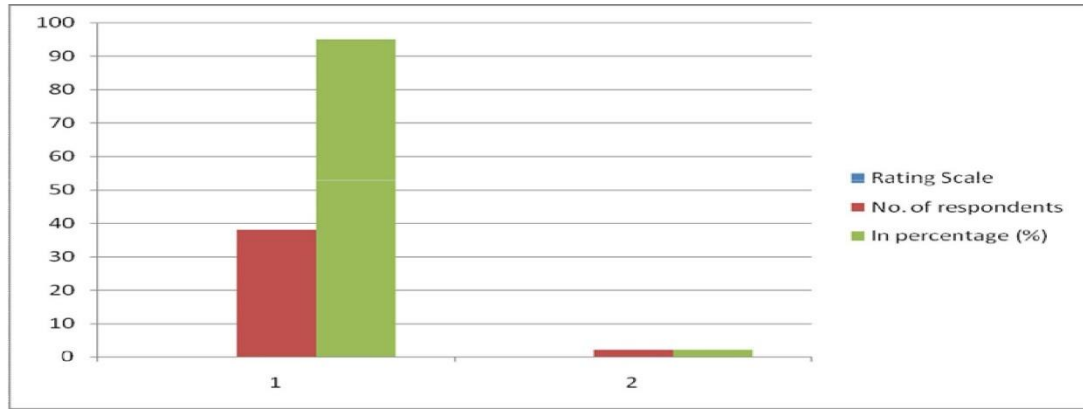
**Fig. 5.11**

**Interpretation:**

From the above table-5.11 it is found that, 52.5% of respondents feel that their appraisal system should be once in a year and 27.5% of the respondents feel that it should be twice in a year (6 months) and where as 20% of the respondents feel that it should be for every 3months. Here, the employees felt that, they need to be assessed once in a year, asthey felt it is a right period of time to assess the performance

**Table-5.12 The performance appraisal followed in the organization makes the employees.**

Rating Scale	No. of respondents	In percentage (%)
Motivating	38	95
De motivating	2	5
<b>Total</b>	<b>40</b>	<b>100</b>



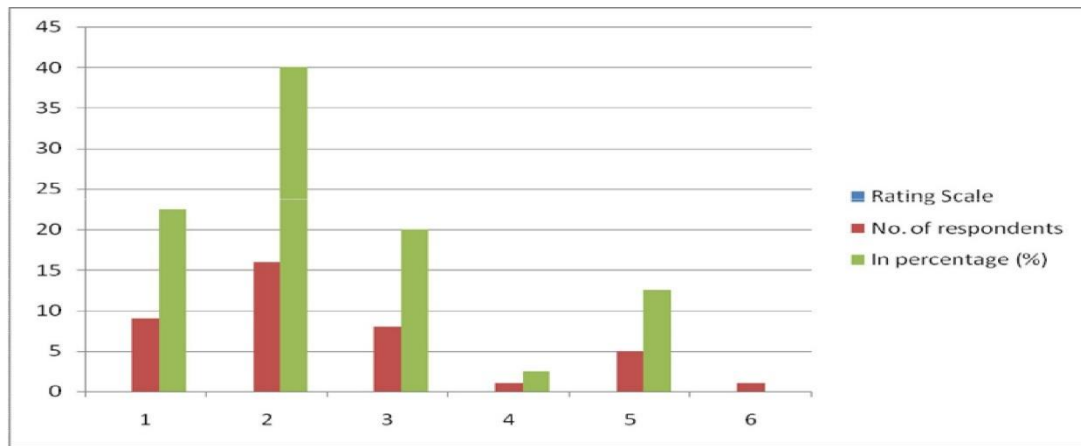
**Fig. 5.12**

**Interpretation :**

From the above table-5.12 it is found that, 95% of respondents are motivated towards performance appraisal followed in the organization and 5 % of the respondents demotivates for the above statement. So majority of the respondents i.e.. 95 % of the respondents have motivated towards the appraisal system followed in the organization. From the above study, employees felt performance appraisal system as a motivating factor.

**Table-5.13 Types of errors / problems have impact on performance rating in the Organization.**

Rating Scale	No. of respondents	In percentage(%)
Influence	9	22.5
Attitude	16	40
Biased	8	20
Personal Grudge	1	2.5
Subjectivity	5	12.5
<b>Status Effect</b>	<b>1</b>	<b>2.5</b>



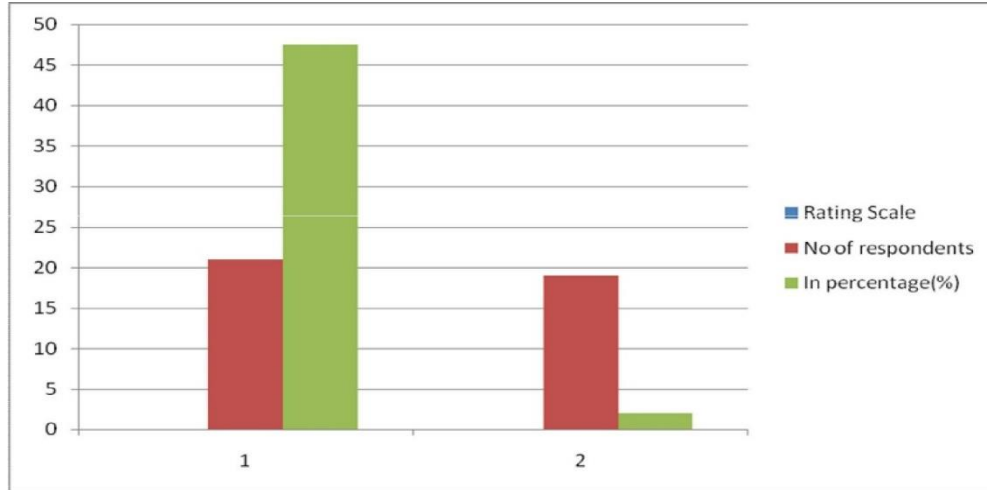
**Fig. 5.13**

**Interpretation:**

From the above table-5.13 it is observed that, appraisal system is rated by attitude that is 40% and 22.5% of the respondents by influence and 20% by biased, 12.5% by subjectivity and 2.5% by personal grudge and remaining 2.5% by status effect. The employees opined that, attitude factor have a greater impact on the performance appraisal system

**Table 5.14 Feedback on Performance is communicated after assessment of the Performance**

Rating Scale	No. of respondents	In percentage (%)
Yes	19	47.5
No	21	52.5
<b>Total</b>	<b>40</b>	<b>100</b>



**Fig. 5.14**

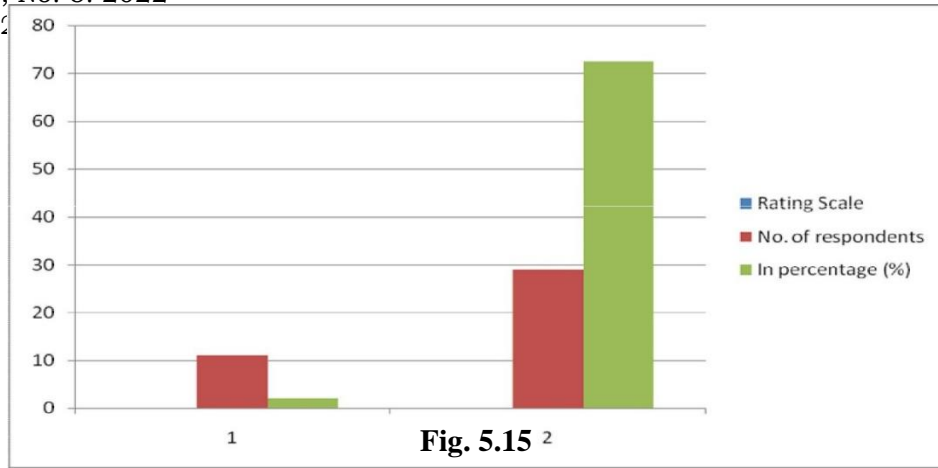
**Interpretation:**

From the above table- 5.14 it is found that, 52.5% of respondents disagree that feed back on performance is communicated after assessment of the performance appraisal. And 47.5% of the respondents agree for the above statement. So majority of the respondents i.e. 52.5 % of the respondents have disagreed that the feedback on performance is communicated after assessment of the performance appraisals

Here, the some of the employees express their view that, the performance feedback need not be communicated after the assessment, while some of them felt that it is essential.

**Table-4.15 Employees are aware of 360-degree appraisal:**

Rating Scale	No. of respondents	In percentage (%)
Yes	11	27.5
No	29	72.5
<b>Total</b>	<b>40</b>	<b>100</b>



**Fig. 5.15**

**Interpretation:**

From the above table- 5.15 it is found that, 72% of respondents are not aware of 360-degree appraisal, 28% of respondents are not aware of 360-degree appraisal. Most of the respondents are not aware of 360-degree appraisal

**FINDINGS**

- More than half of the employees (72.5%) agree that Performance Appraisal is the assessment of individual potential.
- Some of the employees (30%) are neutral that the Performance Appraisal system followed in the organization is rational and fair.
- Some of the employees (25%) are neutral that Job expectations are informed and the superiors set the tasks.
- Most of the employees (67.5%) agree that Performance Appraisal followed in the Organization helps the Training and development needs of the employee.
- Some of the employees (5%) disagree that the performance appraisal in the organization helps to recognize the competence and potential of an individual
- Less than half of the employees (35%) disagree that they are happy with the assessment of performance followed in the organization.
- Most of the employees (32.5%) are neutral that they have been appraised fairly according to the company's policies.
- Most of the employees (30%) disagree that Advises and suggestions are given to the employees during the appraisal process.
- Most of the employees (37.5%) uninterestingly accept the appraisal feedback.
- Most of the employees (62.7%) feel that appraisal should be given by HOD.
- Most of the employees (52.5%) that they need to be assessed once a year.
- most of the employees (95%) feel that the performance appraisal followed in the organization makes the employees Motivated.
- Most of the employees (40%) think that attitude has an impact on performance rating in the Organization.
- Most of the employees (52.5%) do not agree that Performance is communicated after assessment of the Performance.

**SUGGESTIONS**

- Management must have a free and effective communication policy to allow managers to comment on their views, expectations, creative ideas, etc. It can motivate managers at all levels and can boost their confidence and trust in the organization.

- Execute periodic audits of job satisfaction, audit of training evaluation, and effectiveness.
- HR audit should be conducted with special reference to retention, attrition, and managerial satisfaction.
- Develop an effective training program and constantly update training strategies.
- There is a need to develop an effective retention policy to retain competent employees. The same way there should be a working system where complacent managers would be motivated to go to the next level of performance.
- For this there should be an incentive for – *f* Higher education-engineering and management *f* Six sigma and other such certification *f* QC Certification ( Quality control certification)
- Clearly define roles and responsibilities. Make sure your employees know what is expected of them every day, and what type of decisions they are allowed to make in their area.
- Provide adequate advancement opportunities and develop promotion strategies on the contribution level. Encourage learning with an open mind
- Show your employees that you value them, and reward individuals and teams.
- Provide the employees with a stress-free work environment
- Offer fair and competitive salaries and communicate to all. Revise salaries more frequently or annually based on skill level, experience, and achievements.
- Work culture and management style of immediate boss are key factors that should be paid attention to.

## **CONCLUSION:**

- Management must have a free and effective communication policy to allow managers to comment on their views, expectations, creative ideas, etc. It can motivate managers at all levels and can boost their confidence and trust in the organization.
- 2. Execute periodic audits of job satisfaction, audit of training evaluation, and effectiveness.
- 3. HR audit should be conducted with special reference to retention, attrition, and managerial satisfaction.
- Develop an effective training program and constantly update training strategies.
- There is a need to develop an effective retention policy to retain competent employees. In the Same way there should be a working system where complacent managers would be motivated to go to the next level of performance.
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- Provide the employees with a stress-free work environment

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