

Vol 2 Issue 6 July 2012

ISSN No : 2230-7850

International Multidisciplinary
Research Journal

*Indian Streams
Research Journal*

Executive Editor
Ashok Yakkaldevi

Editor-in-Chief
H.N.Jagtap

Welcome to ISRJ

RNI MAHMUL/2011/38595

ISSN No.2230-7850

Indian Streams Research Journal is a multidisciplinary research journal, published monthly in English, Hindi & Marathi Language. All research papers submitted to the journal will be double - blind peer reviewed referred by members of the editorial board. Readers will include investigator in universities, research institutes government and industry with research interest in the general subjects.

International Advisory Board

Flávio de São Pedro Filho Federal University of Rondonia, Brazil	Mohammad Hailat Dept. of Mathematical Sciences, University of South Carolina Aiken	Hasan Baktir English Language and Literature Department, Kayseri
Kamani Perera Regional Center For Strategic Studies, Sri Lanka	Abdullah Sabbagh Engineering Studies, Sydney	Ghayoor Abbas Chotana Dept of Chemistry, Lahore University of Management Sciences[PK]
Janaki Sinnasamy Librarian, University of Malaya	Ecaterina Patrascu Spiru Haret University, Bucharest	Anna Maria Constantinovici AL. I. Cuza University, Romania
Romona Mihaila Spiru Haret University, Romania	Loredana Bosca Spiru Haret University, Romania	Horia Patrascu Spiru Haret University, Bucharest,Romania
Delia Serbescu Spiru Haret University, Bucharest, Romania	Fabricio Moraes de Almeida Federal University of Rondonia, Brazil	Ilie Pinteá, Spiru Haret University, Romania
Anurag Misra DBS College, Kanpur	George - Calin SERITAN Faculty of Philosophy and Socio-Political Sciences AL. I. Cuza University, Iasi	Xiaohua Yang PhD, USA
Titus PopPhD, Partium Christian University, Oradea,Romania	More

Editorial Board

Pratap Vyamktrao Naikwade ASP College Devrukh,Ratnagiri,MS India	Iresh Swami Ex - VC. Solapur University, Solapur	Rajendra Shendge Director, B.C.U.D. Solapur University, Solapur
R. R. Patil Head Geology Department Solapur University,Solapur	N.S. Dhaygude Ex. Prin. Dayanand College, Solapur	R. R. Yaliker Director Managment Institute, Solapur
Rama Bhosale Prin. and Jt. Director Higher Education, Panvel	Narendra Kadu Jt. Director Higher Education, Pune	Umesh Rajderkar Head Humanities & Social Science YCMOU,Nashik
Salve R. N. Department of Sociology, Shivaji University,Kolhapur	K. M. Bhandarkar Praful Patel College of Education, Gondia	S. R. Pandya Head Education Dept. Mumbai University, Mumbai
Govind P. Shinde Bharati Vidyapeeth School of Distance Education Center, Navi Mumbai	Sonal Singh Vikram University, Ujjain	Alka Darshan Shrivastava Shaskiya Snatkottar Mahavidyalaya, Dhar
Chakane Sanjay Dnyaneshwar Arts, Science & Commerce College, Indapur, Pune	G. P. Patankar S. D. M. Degree College, Honavar, Karnataka	Rahul Shriram Sudke Devi Ahilya Vishwavidyalaya, Indore
Awadhesh Kumar Shirotriya Secretary,Play India Play,Meerut(U.P.)	Maj. S. Bakhtiar Choudhary Director,Hyderabad AP India.	S.KANNAN Annamalai University,TN
	S.Parvathi Devi Ph.D.-University of Allahabad	Satish Kumar Kalhotra Maulana Azad National Urdu University
	Sonal Singh, Vikram University, Ujjain	

Address:-Ashok Yakkaldevi 258/34, Raviwar Peth, Solapur - 413 005 Maharashtra, India
Cell : 9595 359 435, Ph No: 02172372010 Email: ayisrj@yahoo.in Website: www.isrj.net



Study Of Performance Appraisal In Human Resource Management

D. B. Bagul

“Director”, RJSPM, Institute of Computer and Management Research,
Alandi, Pune.

Abstract:

This research based on Autoline Industries Ltd shows the overview about the working of the Performance Appraisal in Personnel Department of the company and what procedure the company is following on a daily basis. This tells us about the manpower planning method followed by the company, starting from the job analysis to how does the company recruit, the different methods used to recruit employees, whether internal or external sources are used or not, after which the a stated selection procedure is followed and the employee goes through orientation and then he is placed in the organization.

After being placed in the organization the new employee is then trained in all aspects and management development is done to educate the employee. These all is done as per the stated training budget of the company. This study also talks about how the job evaluation is done to fix the salary of its employees and how does the company go about assessing the employees by way of different performance appraisal methods, the disciplinary action taken by the organization, the grievance handling procedure, dispute handling method and the welfare measures taken by the company for the employees. All these above mentioned details through a light on the working of the personnel department and how the organization handles its employees and motivates them.

In the study there was a keen observation on the procedure which the company follows in the process of Performance appraisal. Mostly the 360 Degree Appraisal system is used, that means not only the HOD of every department does appraisal ranking. Every employee's performance is monitored by respective HOD throughout the year. On the basis of it, it is decided by the management about the deserving employee and their elevation. Suitable employee receives promotion. This is applicable to middle level management and below. Whereas top management employees and their performance is keenly observed by the top management only. Worker cadre of employees is promoted on the basis of their skill and productivity.

Every year in the month of March, appraisal is initiated by respective HOD's in consultation with the HR Dept. and the benefit is given by Management with effect from April of that year There is no a set appraisal procedure with AIL. However, top management, in consultation with respective HOD and HR Dept., every year in the month of March February, employee's assessment will be done for the last year performance linked with increment & promotion. Final approval done top management. Initiates the appraisal of every employee and accordingly, normal increment and even promotion is given to eligible employees.

KEYWORDS

Performance, appraisal, personnel, resource, management, management by objective, feedback,

Please cite this Article as : **D. B. Bagul** , **Study Of Performance Appraisal In Human Resource Management** : Indian Streams Research Journal (July ; 2012)



human resource planning, work environment

INTRODUCTION

“Human Resource Management” implies that employees are resources of the employer. As a type of resource, human capital means the organization's employees, described in terms of their training, experience, judgment, intelligence, relationships, and insights the employee characteristics that can add economic value to the organization. In other words, whether it manufactures automobiles or forecasts the weather, for an organization to succeed at what it does, it needs employees with certain qualities, such as particular kinds of training and experience. By influencing who works for the organization and how those people work, human resource management therefore contributes to such basic measures of an organization's success as quality, profitability, and corner satisfaction.

Rationale of the study

Performance appraisal helps to reveal the strengths and weaknesses of the employees.
To review the performance of the employees over a given period of time.
To judge the gap between the actual and the desired performance.
To understand the management in exercising organizational control.
To diagnose the training and development needs of the future.
Helps to strengthen the relationship and communication between superiorsubordinates and management employees.
To try to understand the making of payroll and compensation decisions.
Identifying the gaps in desired and actual performance and its cause.
To know process of promotions, demotions and transfers.
Provide clarity of the expectations and responsibilities of the functions to be performed by the employees.
Identifying the gaps in desired and actual performance and its cause.
Promotions, demotions and transfers

Overall Goal and Focuses of Performance Management

The overall goal of performance management is to ensure that the University and all of its subsystems processes, departments, teams, employees, etc.) are working together in an optimal fashion to achieve the desired results.

Ongoing Activities of Performance Management

Achieving the overall goal requires several ongoing activities including but not limited to:

the identification and prioritization of desired results,
the establishment of means to measure progress toward those results
the determination of standards for assessing how well results were achieved, and
the provision of regular and timely feedback among those participants working to achieve results.

HR Policy Related With Performance Appraisal In All:

Every year III the month of March, appraisal is initiated by respective HOD's in consultation with the HR Dept. and the benefit is given by Management with effect from April of that year.

Appraisal Procedure

There is no a set appraisal procedure with AIL. However, top management, in consultation with respective HOD and HR Dept., every year in the month of March February, employee's assessment will be done for the last year performance linked with increment & promotion. Final approval done top management. Initiates the appraisal of every employee and accordingly, normal increment and even promotion is given to eligible employees.

In study there was a keen observation on the procedure which the company follows in the process of Performance appraisal. Mostly the 90 Degree Appraisal system is used, that means only the HOD of every department does appraisal ranking. Promotion Policy Every employee's performance is monitored by respective HOD throughout the year. On the basis of it, it is decided by the management about the deserving



employee and their elevation. Suitable employee receives promotion. This is applicable to middle level management and below. Whereas top management employees and their performance is keenly observed by the top management only. Worker cadre of employees is promoted on the basis of their skill and productivity.

OBJECTIVES AND SCOPE

Objectives of the research

1. To decide whether the employees should be allowed to cross the efficiency, bar
2. To identify employees for deputation.
3. To decide whether to confirm an employee or not.
4. The employee's attitude towards - Work responsibility, Superiors, Change in surrounding.
5. To check the Job knowledge of the employees.
6. Increasing the Innovativeness amongst employees.
7. To improve the ability to plan & organize.
8. Helping the employees to lead in achieving quality & productivity.
9. To maintain interpersonal relationship.

SCOPE OF RESEARCH

1. To identify strengths and weaknesses of employees in their job knowledge, skills and capabilities.
2. To estimate the overall effectiveness of employees in performing their tasks, job.
3. To help the employees to overcome their weaknesses and to improve themselves so that they can perform their jobs more effectively and efficiently as per the expectation of their management.
4. To generate adequate feedback of work performance of the employees from their intermediate superiors to the employees as well as to the management.
5. To make necessary information regarding the work performance of the employees in order to identify employees for the purpose of proper, suitable training and development programs.
6. Provide necessary inputs to the systems of rewards, salary administration, retirement, termination, retrenchment, etc.
7. To suggest the measures to improve the performance of employees when they are not found to be up to the mark during the review period.
8. To plan career development, human resource planning based on the work performance of employees.
9. To provide some controlling regulatory measures on the basis of performance appraisals.

PERFORMANCE APPRAISAL

Once the employees have been selected, trained and motivated, he is then appraised for his performance. Performance appraisal is the step where the management finds out how effective it has been at hiring and placing employees. If any problems are identified, steps are taken to communicate with the employees and to remedy them. A "performance appraisal" is a process of evaluating an employee's performance of a job in terms of its requirements.

Rating employees' performance, as Synergy does, is a central part of performance management. Performance management is the process through which managers ensure that employee activities and outputs contribute to the organization's goals. This process requires knowing what activities and outputs are desired, observing whether they occur, and providing feedback to help employees meet expectations. In the course of providing feedback, managers and employees may identify performance problems and establish ways to resolve those problems.

Performance appraisal is an important part of performance management. In itself it is not performance management, but it is one of the range of tools that can be used to manage performance. Because it is most usually carried out by line managers rather than HR professionals, it is important that they understand their role in performance management and how performance appraisal contributes to the overall aims of performance management. But on the contrary with a systematic feedback system, the manager can identify good and bad performers. Performance appraisal can also be taken as one aspect of motivating applied in organization context. Job performance is partially determined by the motivation to work hard. Vicher Vroom a motivational theorist suggested the Performance = ability x motivation

An increased motivation should automatically result in better performance as a result of greater effort, any change in performance should be identifiable and measurable.



Types of Performance Appraisal

- 1.900 Degree Method (Face to face Method)
- 2.1800 Degree Method
- 3.3600 Degree Method
- 4.Management by objective (MBO)

RESEARCH METHODOLOGY

Method of Data Collection.-

It helps to the specification of how data is collected with the research was collected for ego data can be gathered by observation, personal interview, with the help of many qualitative and quantitative forms of data collection:

a)Primary Data:

Primary data is collected through interview ofHR head, senior personnel of Administration, accounts, Instrument and maintenance, QA, store and purchase, and Load body and Press shop.

Primary data is collected through interviews of responsible personnel of various departments and HOD's were also interviewed to collect the primary data.

Sample Size:

Stratified Sampling Method was selected for collected primary data. Whole population was classified into 10 strata's of employees and 2respondents from each stratum 2 respondents were selected as samples. Hence (2 * 10) i.e. 20 personnel interviews was the sample size taken for the study work.

OBSERVATION AND FINDINGS:-

- 1.It's been observed that Attitude to work responsibility is excellent in AIL.
- 2.Maximum numbers of respondents say that they have a good Attitude to Superiors.
- 3.It's been observed that Attitude to accept change is good amongst respondents.
- 4.It's been found that there is an excellent Job knowledge.
- 5.Skills are been observed well amongst the people working with AIL.
- 6.Initiative / innovativeness has been observed poor amongst respondents.
- 7.Its been found that respondents have good ability to learn.
- 8.There is a good Ability to plan & organize.
- 9.AIL feels that their employees have a very good Ability to organize everything.
- 10.Leading in achieving quality is excellent.
- 11.Its found that the Leading in achieving productivity is excellent.
- 12.Loyalty to the organization is observed equally in every stage i.e. (good, very good, average & excellent)
- 13.Problem solving is poor in AIL.
- 14.Interpersonal relationship is excellent among the employees.

CONCLUSIONS

From the descriptive analysis it would be conclude that -

Performance appraisal is an important part of performance management. In itself it is not performance management, but it is one of the ranges of tools that can be used to manage performance. Because it is most usually carried out by line managers rather than HR professionals, it is important that they understand their role in performance management and how performance appraisal contributes to the overall aims of performance management.

The performance appraisal or review is essentially an opportunity for the individual and those concerned with their performance - most usually their line manager - to get together to engage in a dialogue about the individual's performance, development and the support required from the manager. It should not be a top down process or an opportunity for one person to ask questions and the other to reply. It should be a free flowing conversation in which a range of views are exchanged.

Performance appraisals usually review past behavior and so provide an opportunity to reflect on past



performance. But to be successful they should also be used as a basis for making development and improvement plans and reaching agreement about what should be done in the future.

However, it is a common mistake to assume that if organizations implement performance appraisals, they have performance management. This is not the case. Performance management is a holistic process bringing together many activities which collectively contribute to the effective management of individuals and teams in order to achieve high levels of organisational performance. Performance management is strategic in that it is about broader issues and long term goals and integrated in that it links various aspects of the business, people management, individuals and teams. Performance appraisal on the other hand is operational, short to medium term and concerned only with the individual and their performance and development. "It is one of the tools of performance management and the data produced can feed into other elements of performance management but in itself can never be performance management.

SUGGESTIONS

- 1.Appreciation, Feedback, And Training Is Needed.
- 2.Meeting with Employer: Employer should have meeting with all the staff members and share their experience with them that will increase the morale and Motivation of the employee.
- 3.Design a standard form for performance appraisals: Include the name of the Employee, date the performance form was completed, dates specifying the time interval over which the employee is being evaluated, performance dimensions, rating system (e.g., poor, average, good, excellent), space for commentary for each dimension, a final section for overall commentary, a final section for action plans to address improvements, and lines for signatures of the supervisor and employee. Signatures may either specify that the employee accepts the appraisal or has seen it, depending on wording on the form.
- 4.Initiate the performance review process and upcoming meeting: Tell the employee that you're initiating a scheduled performance review. Remind them of what's involved in the process. Schedule a meeting about two weeks out.
- 5.Let the employee suggest any updates to the job description and provide written input to the
- 6.Hold the performance appraisal meeting.
- 7.Update and finalize the performance appraisal form.
- 8.Nothing should be surprising to the employee during the appraisal meeting

BIBLIOGRAPHY

- 1.Dr. Mamoria C.B., 'Personal Management', Himalaya publishing house, Mumbai, Edition
- 2.Dr.K.K.Chaudhari, 'Personal management for Executive', Himalaya Publishing House, 1st edition 1998
- 3.C. R. Kothari, Research Methodology, WishwaPrakashan, 2nd Edition, 1998.
- 4.Mirza S. Saiyadain, 'Human Resource Management', Tata McGraw Hill, 4th Edition, New Delhi.
- 5.K. Aswathappa, 'Human Resource & Personnel Management', Tata McGraw Hill, 4th Edition, New Delhi.2006.



Publish Research Article International Level Multidisciplinary Research Journal For All Subjects

Dear Sir/Mam,

We invite unpublished Research Paper, Summary of Research Project, Theses, Books and Book Review for publication, you will be pleased to know that our journals are

Associated and Indexed, India

- * International Scientific Journal Consortium
- * OPEN J-GATE

Associated and Indexed, USA

- Google Scholar
- EBSCO
- DOAJ
- Index Copernicus
- Publication Index
- Academic Journal Database
- Contemporary Research Index
- Academic Paper Database
- Digital Journals Database
- Current Index to Scholarly Journals
- Elite Scientific Journal Archive
- Directory Of Academic Resources
- Scholar Journal Index
- Recent Science Index
- Scientific Resources Database
- Directory Of Research Journal Indexing

Indian Streams Research Journal
258/34 Raviwar Peth Solapur-413005, Maharashtra
Contact-9595359435
E-Mail-ayisrj@yahoo.in/ayisrj2011@gmail.com
Website : www.isrj.net