PERFORMANCE APPRASIAL SYSTEM A MANATEC ELECTRONICS EMPLOYEES IN PUDUCHERRY

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ABSTRACT

Performance appraisal is the process of evaluating employee performance on the job in terms of job requirements. Its deciding the value of the work done by an individual. The purpose of performance appraisal has shifted from an evaluation of employees to the identification of their potential and development. The main purpose of performance appraisal is to secure information necessary for making objective and decisions on employees.

Key words: evaluating, employee performance, potential, development.

INTRODUCTION

Human resources management plays a vital role in development process of modern economics. People are the most important resources an organization has and managing them effectively is the key to organization success. Human resources policies and procedures need to be closely linked with the achievement of organizational objectives and strategic plans. Human beings are its most valuable resources and that development of business and people goes in hand in hand.

OBJECTIVES OF THE STUDY:

> - To understand the Performance Appraisal System practiced in Manatec Electronics
> - To know the employees awareness & level of satisfaction about the Performance Appraisal practiced in the organization
> - To identify the factors inducing to increase the performance of an employee
> - To know the factors necessary for appraising the employees.
> - To provide suggestions to the management in improving Performance Appraisal System.

HYPOTHESIS OF THE STUDY

NULL HYPOTHESIS:

Ho: There is no association between present performance level and kind of programme

ALTERNATE HYPOTHESIS

H1: There is association between present performance level and kind of programme

SAMPLING DESIGN

Population	**:** 250 Members
Sampling Unit	**:** Employees
Sample Size	**:** 50 nos.
Sampling Procedure	**:** Simple Random Sampling (probability sampling)

METHOD OF DATA COLLECTION:

Primary data are measurements observed and recorded as part a study to collect original data. I.e. to conduct first hand investigation.

Secondary data was collected with the help of

- ➢ Company records

- ➢ Annual Reports

- ➢ Product Catalogue

- ➢ Discussion with the personnel manager and staff.

4.5 RESEARCH INSTRUMENT:

Questionnaire was used to conduct the survey among 50 employees which includes open-ended and closed ended questions

4.5.1 Open – ended questions:

A question which requires the respondent to answer it in his own words.

Closed ended question:

Likert scale:

A scale by the likert method in which subjects are given a number of statements and asked to indicate their agreement or disagreement with those statements.

Dichotomous question:

Here the respondents are under the obligation to answer between two clear cut alternatives like 'YES' or 'NO'.

TOOLS FOR ANALYSIS:

For the analysis of data and its interpretations, various tools of research were used.

i. Percentage Method:

It refers to special kind of ratio. It is used to making comparisons between two or more series of data. Percentages are used to describe relationships.

$$\text{Percentage} = \frac{\text{No. Of Respondents}}{\text{Total No. Of Respondents}} \times 100$$

ii. Chi-Square Test:

It is one of the simplest and most widely used non-parametric tests, in statistical work. The quantity describes the magnitude of discrepancy between theory and observation. i.e. with the help of χ^2 test we can know whether a discrepancy between theory and observation can be attributed to chance or whether it results from the inadequacy of the theory to fit the observed facts.

The formula for computing chi-square ($\chi 2$) is as follows

$$\chi 2 = \Sigma\{(O-E)^2/E\}$$

iii Weighted Average Method

In the Weighted Average Method, the weighted average can be calculated by the following formula

$$XW = \Sigma WX/\Sigma X$$

Here **XW** represents the weighted average

"X1, X2, X3, X4,………..Xn" represents the value for variable values

"W1, W2, W3, W4 …Wn" represents the weight age given to the variable.

Steps

- Multiply the weights **(W)** by the variables **(X)** to obtain **WX**
- Add all **WX** to obtain **WX**
- Divide **WX** by sum of the weights **(X)** to get weighted average.

iv Rank Correlation

Rank Correlation is the technique of determing the degree of correlation between two variables in case of ordinal data where ranks are given to the different values of the variables

Spearman's Coefficient of Correlation (or) **r** = $1 - \dfrac{6\Sigma di^2}{n(n^2-1)}$

di = difference between rank of the two variables

n = number of pair of observations

LIMITATIONS OF THE STUDY

1. The employees were a bit hesitant to reveal the negative aspects in spite of the confidence given to them that study is meant for academic purpose and the personal details will maintained in total confidence.

2. Due to shortage of time the sample size is limited to only 50.

3. The information provided by the respondents is spontaneous and they may not be consistent.

SCOPE FOR FURTHER STUDY

a. The scope of the study encompasses all the members in all the departments existing in a firm. The study is conducted to know the expectation among the employees.

➢ The study is carried out in Puducherry. The study is for a Period of 1months. The population is 250 employees. The sample size taken is of 50.

➢ The Projects emphasizes the expectations and opinions of employees which would be useful for the organization in understanding the employees mind.

Educational Qualification

Opinion	No of respondents	Percentage (%)
Illiterate	1	2.0
Secondary	3	6.0
Diploma	8	16.0
UG	35	70.0
PG	3	6.0
Total	**50**	**100.0**

Inference
From the above table it is inferred that 16% of the respondents are Diploma, 70% of the respondents are UG and 6% of the respondents are PG.

<div align="center">**Experience**</div>

Opinion	No of respondents	Percentage (%)
LESS THAN 2	13	26.0
2-4	21	42.0
4-6	7	14.0
GREATER THAN 6	9	18.0
Total	**50**	**100.0**

Inference

26% of the respondents belong to the experience of less than 2 years.

42% of the respondents belong to the experience of 2-4 years.

18% of the respondents belong to the experience of greater than 6 years.

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ANALYSIS OF OPINION OF RESPONDENTS REGARDING PRESENT PERFORMANCE LEVEL AND KIND OF PROGRAMME [USING CHI SQUARE]

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Observed Count

		Kind of Programme		
		Group Discussion	Course Undertaken	Total
Present Performance Level	**Good**	7	3	10
	Fair	16	14	30
	Needs Improvement	2	8	10
Total		**25**	**25**	**50**

Expected Count

		Kind of Programme		
		Group Discussion	Course Undertaken	Total
Present	**Good**	5.0	5.0	10.0
	Fair	15.0	15.0	30.0

Performance Level	Needs Improvement	5.0	5.0	10.0
Total		25.0	25.0	50.0

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CHI SQUARE

Oi	Ei	$(Oi-Ei)^2$ /Ei
7	5	0.8
16	15	0.06
2	5	1.8
3	5	0.8
14	15	0.06
8	5	1.8

Calculated value = $\Sigma(Oi-Ei)^2$ /Ei = 0.8+0.06+1.8+0.8+0.06+1.8 = **5.32**

Degrees of freedom = (R-1) (C-1) = (3-1) (2-1) = **2**

Tabulated value for 2 degrees of freedom at 5% level of significance is **5.33**

The calculated value is less to tabulated value, therefore **H₀ is accepted.**

Inference: There is no association between present performance level and kind of programme

ANALYSIS OF OPINION OF RESPONDENTS REGARDING LEVEL OF ADDITIONAL JOB SATISFACTION AND SATISFACTION OF PERFORMANCE APPRASIAL SYSTEM
[USING RANK CORRELATION]

Opinion of the Respondents	At very High Level	High Level	Moderate
Level of Additional Job Satisfaction (X)	4	38	8
Satisfaction of Performance Appraisal (Y)	0	42	8

X	Y	$(xi-yi)^2$
3	**3**	**0**
1	**1**	**0**
2	**2**	**0**

r = 1- 6Σdi²/ n (n2-1)

  = $\dfrac{1 - 6(0)}{3(3^2-1)}$

r = 1

Inference

Level of additional job satisfaction and satisfaction of performance appraisal system are positively correlated.

FINDINDS OF THE STUDY

Most of the respondents belong to the age of 25-35 years, majority of the respondents are male, and most of the respondents are having experience of 2-4 years.

Majority of the respondents have said their present job is interesting. 100% of employees aware about the performance appraisal system carried out in the organization, 96% of employees follow confidential system. Most of the respondents opinion was fair, and 80% of the respondents are satisfied towards performance appraisal system.

Majority of the respondents are having additional job satisfaction towards performance appraisal. The performance appraisal period is 90% towards the opinion of the respondents. Most of the employees induce the factors of decision-making. All the employees are accepting that, there is increase in self-development. All the employees are given feedback and training.

There is no association between present performance level and kind of programme.
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The opinion of the respondents regarding level of additional job satisfaction and satisfaction of performance appraisal system are positively correlated.

The opinion of the respondents regarding the factors for appraising the employees they rank Discipline, Job Knowledge, Decision Making as first rank followed with Attendance and last as Communication Skills.

SUGGESTIONS AND RECOMMENDATIONS

From the study it was found that the employees lacked in communication skills, so the organization can give special training on soft skills to the employees.

Findings show that only confidential type of performance appraisal system is followed widely. Open system of performance appraisal can also be followed.

Only two type of training programme like group discussion and training related to their specific job is given. Knowledge about ethics and interpersonal relationship should be introduced.

Senior management should continually review the appraisal conducted, which shall be seen as positive support to the system by the appraiser as well as apprasisees, and their interest will be maintained.

CONCLUSION

This study helps to understand the performance appraisal system practiced in the Manatec Electronics. Majority of the employees are benefited by this system and the procedure followed and they are enjoying the various benefits from this system

Performance Appraisal System helps is employees career growth it support them to take their consideration to the management and to get more benefits and also for their more effective performance.