



Performance Appraisal System with Reference to Tirumala Milk Products Pvt. Ltd., Chittoor District, Andhra Pradesh

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ABSTRACT

Performance appraisal is an energetic device to measure the structures set by any organization to its personnel. It is utilized to track individual contribution and performance against organizational goals and to identify individual strong points and chances for future enhancements and measured whether organizational goals are achieved or serves as basis for the company's upcoming planning and development. This study examined the status of the performance appraisal system of Tirumala Milk Products (P) Ltd Company and its effect to employees performance. The respondents of this study were tenured employees. The purposive sampling technique was used in the selection of respondents. Quantitative and qualitative method of research was utilized in the gathering of data. Interviews, focus group discussion and review questionnaires were the main instrument used in this study. The result of the study showed that the performance appraisal system of the company are in place, aligned with the vision and mission of the institution, and is accurate in terms of content and purpose. On the other hand, the outcomes reflected that the performance appraisal system of the company has brought about both positive and negative impact on the employees performance.

Keywords: *Company Performance, Employee Efficiency, Employee Motivation, Employee Reward System, career planning and development*

INTRODUCTION

The victory of any organization depends on the excellence and features of its employees. The employees became an important factor in any organization since they are the heart of the company.

Organizations purely cannot accomplish their goals and objectives without them. However, it is a fact that any employee for that matter needs something to encourage him or to look forward to so that he is inspired to work at the best interest of the company. This indeed was indicative of the more strategic approach to Human Resource Management (HRM) policies which sought to connect the aims of the organization to the performance of the individual.

REVIEW OF LITERATURE

The organization's key aims, goals and objectives become an embedded part of the process in the performance management and communicated through the performance appraisal process. (Marchington and Wilkinson, 2005) Baron et al (2005) defend the performance appraisal is "more limited approach which involves managers making top-down assessment and rating the performance of their subordinates at an annual performance appraisal meeting". Likewise, Chapman (2009) said that Important changes relating to age discrimination in UK employment law became effective in October 2006, with implications for all types of appraisals and job performance and suitability assessment. Ensure training and materials for appraisals reflect current employment law. It's helpful to understand these recent laws also if you (young or old) are being appraised. The UK (consistent with Europe) Employment Equality (Age) Regulations 2006, effective from 1st October 2006, make International Journal of Economics and Management Sciences unlawful to discriminate against anyone on the grounds of age. This has several implications for performance appraisals, documents used, and the

training of people who conduct staff appraisals. Armstrong(2006) describe the role of the performance appraisal as a tool for looking forward to what need to be done by people in the organization in order to achieve the purpose of the job to meet new challenges .

RESEARCH METHODOLOGY

This study is a qualitative and quantitative research which aimed to measure the position and effect of the Performance appraisal system on employees. The Convenient sampling technique was utilized in the selection of 100 respondents. Focused group discussions were conducted to triangulate the result of the survey. The survey consisted of three parts: Part I focused on the assessment of the status of the performance appraisal system in terms of reliability and validity, quality and effectiveness of the tool... Part II dealt on the impact of the appraisal tool on the respondents’ performance. The third part focused on the problems that the respondents encountered in the implementation of the appraisal system.

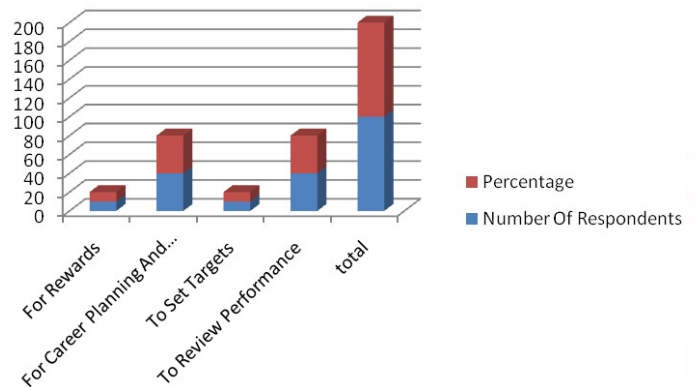
OBJECTIVES OF STUDY

- To provide the feedback to the employees so that they come to know where they stand and can improve their job performance.
- To evaluate the existing performance appraisal system in Tirumala Milk products.
- To diagnose the strengths and weakness of individuals so as to identify the further training needs.
- To know whether the management is paying much interest to performance for rewards as well as career development.

DATA ANALYSIS AND INTERPRETATION

TABLE-1 OBJECTIVES OF PERFORMANCE APPRAISAL

Objectives Of Performance Appraisal	Number Of Respondents	Percentage
For Rewards	10	10
For Career Planning And Development	40	40
To Set Targets	10	10
To Review Performance	40	40
TOTAL	100	100

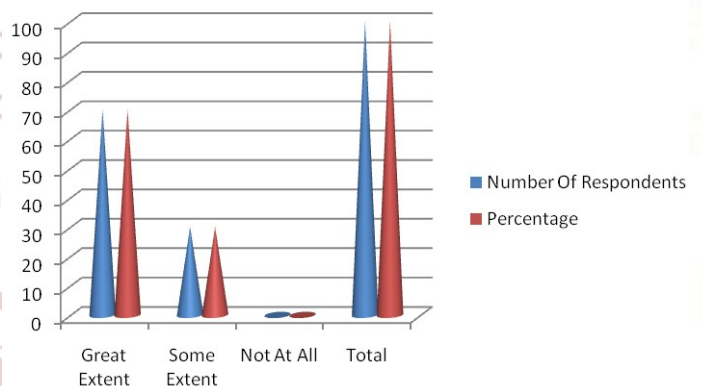


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From the chart we know that majority of the respondents feel that objectives of performance appraisal is to review performance and for career planning and development.

TABLE-2 Employees Satisfaction Levels with Present Appraisal System

Opinion	Number Of Respondents	Percentage
Great Extent	70	70
Some Extent	30	30
Not At All	0	0
Total	100	100



INFERENCE

The chart represents that majority of the respondents i.e., 70% expressed that they are satisfied with the present appraisal system.

Table-3 Employees Opinion on who should be the Appraisers

Opinion	Number of Respondents	Percentage
Immediate Superior	50	50
Self	6	6
Appraisal Authority	4	4
Combination Of Above	40	40
Total	100	100

Chart Title

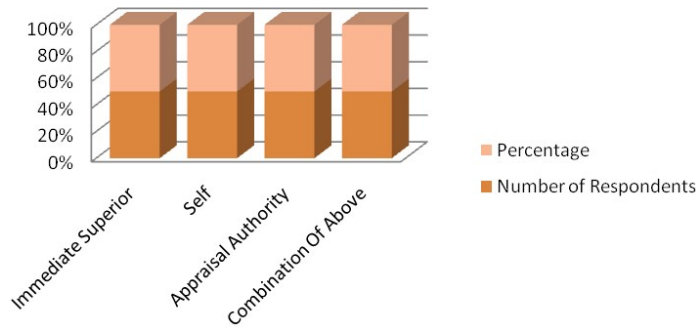


TABLE- 5 Employees opinion whether Appraisal System helpful in improving the personal skills

Opinion	Number Of Respondents	Percentage
Strongly Agree	24	24
Agree	58	58
Strongly Disagree	8	8
Disagree	10	10
Total	100	100

INFERENCE

Majority of the respondents thinks that their immediate superior should do the appraisals, 40% of the respondents feel that their appraisal should be done by combination of the above people i.e., self, appraisal authority and immediate superiors.

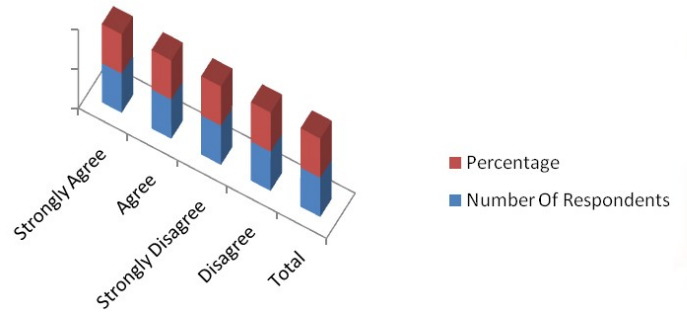


TABLE-4 Employees Opinion on Appraisals for Their Career Planning and Development

Opinion	Number Of Respondents	Percentage
To Great Extent	50	50
To Some Extent	46	46
Not At All	4	4
Total	100	100

INFERENCE

The above chart represents that majority of respondents agree that performance appraisal is helpful in improving the personal skills.

TABLE-6 Opinion Of Employees Whether Appraisal System Helps In Increasing Motivation

Opinion	Number of Respondents	Percentage
Strongly Agree	30	30
Agree	60	60
Strongly Disagree	6	6
Disagree	4	4
Total	100	100

Chart Title

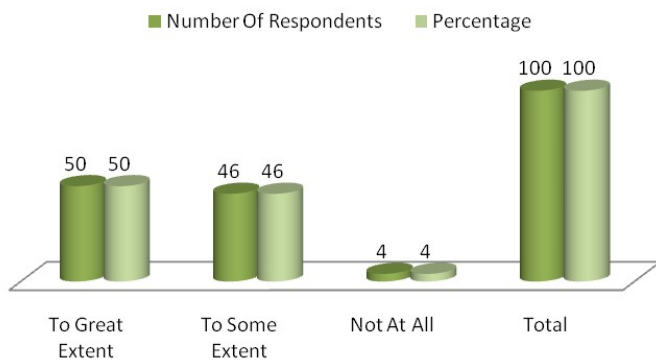
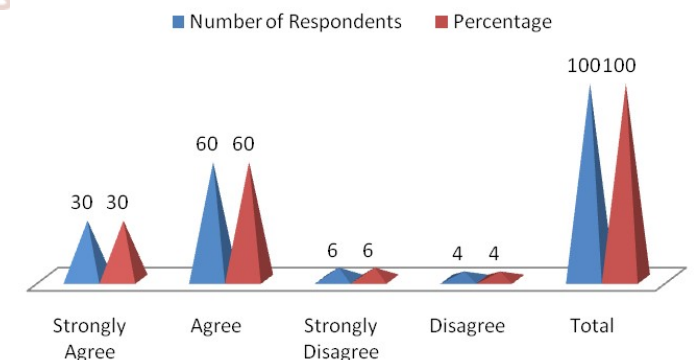


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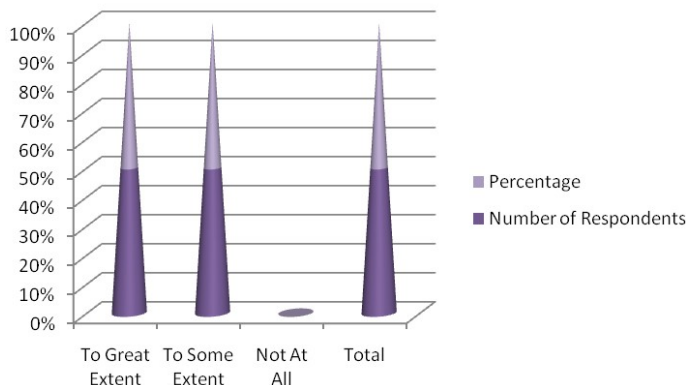
Half of the respondents i.e., 50% feel that the performance appraisal is useful for their career. And half of the respondents i.e., 46% expressed that the performance appraisal is useful for some extent only.

INFERENCE

Majority of the respondents expressed that performance appraisal is helpful in increasing the motivation of employees.

TABLE-7 Employees Opinion on Effectiveness of the Present Appraisal System

Opinion	Number of Respondents	Percentage
To Great Extent	60	60
To Some Extent	40	40
Not At All	0	0
Total	100	100

**INFERENCE**

The above chart represents that 60% of respondents feel that the present system is effective to a great extent and 40% of the respondents feel that the present system is effective to some extent only.

FINDINGS

- 52% feel that the performance appraisal is based on objective setting and more of a formality, 40% of the respondents feel that it is based on the objective setting. There
- 10% respondents feel that the objectives of performance appraisal is to set targets, 10% for rewards, 40% for career planning and development and 40% to review performance
- Majority of the respondents thinks that their immediate superior should do the appraisals.
- 70% strongly agreed that performance appraisal is useful to identify the strength and weakness of the employee and 2% of respondents feel that it is not useful for identification.
- Majority of respondents i.e., 80% feel that they need separate committee to review the performance.
- Majority of the employees opinioned that transfers, promotion and suspensions are based on

performance appraisal and only 2% expressed negative opinion on that.

- Here, 60% of respondents feel that the present system is effective to a great extent and 40% of the respondents feel that the present system is effective to some extent only.

SUGGESTIONS

1. Review of performance of the employees should be done at least once in and in 6 months during the assessment year because of the following reasons.
 - Because there may be scope to forget some of the achievements achieved in the early stage of the period.
 - The people will come out with the obstacles that they are facing so, that the organization can provide support.
 - Employees can know their level of performance to achieve goals.
2. Appraisal should be evaluated for his level of competence with regard to critical attributes specific to each job.
3. Interpersonal Relationship: Management should keep good relations with their subordinates (may be given more importance)
 - Motivate the people to work in friendly atmosphere.
 - Create good work culture and environment for getting performance from the employees.
 - Rewards should be conferred as far as possible for outstanding performers
 - Employees who are disciplined and hardworking shall be duly rewarded.
 - Management should recognize sincerely those who are working very hard and giving excellent services of fulfilling their assignments.

CONCLUSION

Performance appraisal system will be effective only when the appraiser realizes that the appraisal is the basis through which an organization functions effectively.

Our survey in TIRUMALA MILK PRODUCTS (P) LTD has clearly revealed that the management strongly believes in the philosophy that "A HAPPY EMPLOYEE IS A PRODUCTIVE EMPLOYEE". Keep this in mind the appraisal system is followed meticulously resulting in inculcating serene atmosphere in human resource.

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