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A Study on Performance Appraisal of IT Employees

¹Swetha K and ²Madhiyarsi.S

¹MBA student Jerusalem College of Engineering, Chennai

²Assistant Professor, Department of Management Studies, Jerusalem College of Engineering, Chennai.

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ABSTRACT:

Performance appraisal (PA) is a crucial technique for improving the skills of employees and organisations. Organizations have implemented performance appraisal to monitor and supervise relationships, growth, and development of individuals and organisations to increase overall productivity and job satisfaction. The human resource department is tasked with employee recruitment, selection, and retention. Retaining personnel, particularly those who are talented and competent, has become a major challenge. Motivation initiates, guides, and maintains an individual's goal-oriented behaviour. Employee retention is mostly determined by motivation. To inspire and retain employees, PA guidelines are used to assess workers, develop their competence, improve their performance, and issue awards. The focus of this research is on a survey of several performance appraisal systems used in organisations and the need of training. This paper focuses and analyses the literature findings on methods/techniques of performance Appraisal and its results.

Key words: Feedback, Employee satisfaction, Promotions, Performance appraisal.

INTRODUCTION

Performance appraisal may be defined as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview, in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skill development. Appraising the performance is method of evaluating the behaviour of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. Performance refers to the degree of accomplishment of the tasks that make up an individual's job. It includes how well an individual is fulfilling the job demands. In order to find out whether an employee is worthy of continued employment or not, and if so, whether he should receive a bounds, a pay rise or promotion, performance needs to be evaluated form time to time. It is by and large useful for not only for the different payments purpose but also to make aware of once strengths and weaknesses. So that employees can able to understand that in which area they are supposed to improve their performance. Under this exercise evaluation is not only the performance of worker on the job but also [employee potential for development](#) for future expecting job roles. Moreover performance appraisals should focus on wok planning and [continuous review for development](#). They should also focus on quality to survive in the current environment. The objective of this study is to create and maintain a satisfactory level of performance and to identify the awareness level of performance appraisal technique among the employees and to maintain and assess the potential present in a person for further growth and development and to study the significant relationship between employee satisfaction on performance appraisal system.

REVIEW OF LITERATURE

Ashima Aggarwal, Gour Sundar Mitra Thakur (2013) conducted a review on the methods of performance appraisal. After the research, the authors came to the conclusion that determining whether one methodology is better than another is challenging because it relies on the nature and size of the organisation. Every methodology has its own pros and cons.

Bhurtel & Adhikari, (2016) conducted a study with 14 supervisors of the Council for Technical Education and Vocational Training (CTEVT) of Nepal to investigate the perception of supervisors on performance appraisal in relation to employee development adopting a qualitative design The results of the study implied that supervisors interpreted the existing appraisal system in a less effective manner, and it was mostly used for promotion criteria. The appraisal could not be conducted on the non-permanent employees and the results of the permanent employees were also kept confidential. Since they failed to discuss the results, they were not able to set the goals for further development. The study suggested for a comprehensive performance appraisal system which could include the developmental plans for the employees.

Career development deals with the fundamental nature of the relationship of individuals to their work and employees to their organizations. A clearly defined plan of action prepares employees for the future and preserves an organization's ability to meet both existing and future needs (Shawabkeh, 2017).

Today's employees are demanding more from their work in terms of fulfilment and personal satisfaction. They use words such as "empowerment" and "self-development" in expressing demands. This tells us much about the changing face of the workplace. In today's competitive environment, it is imperative that all organizations create a work environment that fosters growth and development (Agba, et al., 2010). This can be accomplished by implementing a Career Development Scheme in the workplace. This will enhance organizational loyalty among employees, resulting in higher levels of job satisfaction, lower employee turnover, and retain employees.

DeNisi & Smith (2014) Researched the design and implementation of performance assessment and management systems to improve efficiency. The study focuses on a model that demonstrates how enhanced performance requires solid HR practises, fair assessment systems, effective performance management, and a clear understanding of an organization's overall strategic goals. The model is supported by three pillars: motivation, evaluation, and results management. The model depicts a perception of a relationship between effort put in and expected outcomes, as well as a perception of a relationship between the achieved result and the expected level of assessment, and a perception of a link between the level of evaluation and the evaluation's outcome. These connections lay the groundwork for figuring out how assessment and input might lead to better results. After analysing the academic and practise classes, the researcher determined that utilising a motivating method was the best way to incorporate the numerous minutes and parts that had been obtained, and offered a research framework based on the findings.

Khanna (2014) Performance appraisal is significant since it is an important part of any company's human resource strategy. Managing individual and team performance to accomplish corporate goals has a clear value. Performance appraisal is a significant instrument in the hands of personal management because it achieves the department's major goal of appraising the individual's worth, which is the major goal of the department of people development. Employees and their supervisors can collaborate to improve job results and satisfaction through the performance management process. When both the employee and the supervisor take an active role and work together to achieve the organization's goals, this approach is most effective. The management and the employee meet once a year for an appraisal. However, various trends are altering the appraisal's style and interaction. The authors reviewed certain unstructured appraisal methodologies, classic methodologies, and new performance appraisal strategies in this paper.

RESEARCH METHODOLOGY

Descriptive Research design has been used to try and determine the characteristics of a population or particular phenomenon. Using descriptive research can identify patterns in the characteristics of a group to essentially establish everything need to understand apart from why something has happened. Data collection through questionnaire instrument using interview and survey method. Secondary data has been collected from journals, magazines, websites, etc.

ANALYSIS

DESCRIPTIVE STATISTICS

In this study, to understand the employee's perception on performance appraisal the descriptive statistics on demographic factors are studied. Percentage analysis carried out for age, experience, gender marital status monthly income.

Age: The majority of respondent 69.09% are from the age group of between 15-25, Year of experience: The majority of respondent 55.45% are less than 1 year, Gender: The majority of respondent 53.64% are female. Marital status: The majority of respondent 73.64% are single.

Monthly Income: The majority of respondent 28.18% with income less than 10000.

Fairness of performance appraisal: The majority of respondent 35.45% are feeling that performance appraisal process is very fair. Contributions recognized by manager: The majority of respondent 31.82% are feel very well recognized and somewhat recognized. Training and development opportunities: The majority of respondent 38.18% feel occasionally about how the training or development opportunities to improve their skills. Overall satisfaction: The majority of respondent 35.45% feel very satisfied, about how satisfied are they with the performance appraisal process.

Table 1: Descriptive analysis of the respondent

FACTOR	FREQUENCY	PERCENTAGE
AGE		
15-25	76	69.1%
26-35	17	15.5%
36-45	8	7.3%
Above 45	9	8.2%
YEAR OF EXPERIENCE		
Less than 1 year	61	55.5%
1-2 year	15	13.6%
2-4 year	15	13.6%
More than 4 years	19	17.35%
GENDER		

Male	51	46.4%
Female	59	53.6%
MARITAL STATUS		
Single	81	73.6%
Married	29	26.04%
MONTHLY INCOME		
Less than 10,000	31	28.02%
10,001 - 20,000	28	25.05%
20,001 – 30,000	23	20.09%
More than 30,000	28	25.05%
PERFORMANCE APPRAISAL IS FAIR		
Yes, very fair	39	35.5%
Somewhat fair	35	31.8%
Neutral	26	23.6%
Not fair at all	10	9.1%
CONTRIBUTIONS RECOGNIZED BY MANAGER		
Very well recognized	35	31.8%
Somewhat recognized	35	31.8%
Neutral	33	30%
Not recognized at all	7	6.4%
TRAINING AND DEVELOPMENT OPPORTUNITIES		
Yes, regularly	37	33.6%
occasionally	42	38.2%
Rarely	17	15.5%
Never	14	12.7%
OVERALL SATISFACTION		
Very satisfied	39	35.5%
Somewhat satisfied	33	30%
Neutral	25	22.7%
Not satisfied at all	13	11.8%

CHI-SQUARE TEST

Chi – square test between gender and Superior support on career development has been conducted. The result of chi-square test shows a significant value of 0.446. Therefore, null hypothesis is accepted and alternate hypothesis is rejected.

Null hypothesis H₀: There is no association between gender and factors that manager is supportive for career development.

Alternative hypothesis H₁: There is an association between gender and factors that manager is supportive for career development.

Table 2: Chi – square test between gender and Superior support on career development

	Gender	Superior support on career development
Chi-Square	.582 ^a	18.800 ^b
df	1	3
Asymp. Sig.	.446	.000

ANOVA

Anova test between income and overall satisfaction has been conducted. The result from the table 3 of Anova test shows a significant value of 0.084, we fail to reject null hypothesis. Hence, significant difference between Job role and performance appraisal has not been found in this result.

Null hypothesis H₀: There is no significant difference between job role and performance appraisal.

Alterative hypothesis H₁: There is a significant difference between job role and performance appraisal.

Table 3: Anova test between job role and performance appraisal.

ANOVA					
What is your current job role in the company?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.745	3	2.915	2.275	.084

Within Groups	135.810	106	1.281		
Total	144.555	109			

RESULT:

The research has been conducted to study and analyze the employees perception on performance appraisal. For this research, chi-square and anova tests have been conducted. The result of the chi- square indicates there is no association between gender and factors that manager is supportive for career development. Anova test has been used to analyze the difference between job role and performance appraisal. The result of the Anova indicates There is no significant difference between job role and performance appraisal.

CONCLUSION:

Employees are in charge of running and steering organisations. Employee performance contributes to the organization's growth and stability. Performance appraisal is a crucial technique for evaluating personnel. The performance appraisal is always done by and for the

people (managers, employees). The evaluation technique is determined by the organisation, and the manager's job is to implement it by gathering relevant data from the employee and providing an output that is without any biases. The papers were examined with the goal of

learning about the various tactics and procedures used by organisations for performance evaluation. The results of a performance appraisal provide the organisation with recommendations for making administrative and developmental decisions. Performance appraisal assessments are linked to decisions about an employee's promotion, awards, transfer, training, and career planning, etc. As a result, organisations must implement an appraisal process that aids in individual career development as well as organisational growth.

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