

EMPLOYEE SURVEY ON PERFORMANCE APPRAISAL SYSTEM .

DR. SANJEEVNI GANGWANI

Associate Professor: Medicaps Institute of Technology and Management, Indore.

ABSTRACT

Performance Appraisal has been considered as the most significant and indispensable tool for an organization, for the information it provides is highly useful in making decisions regarding various personnel aspects such as promotion and merit increases. Performance measures also link information gathering and decision making processes which provide a basis for judging the effectiveness of personnel sub-divisions such as recruiting, selection, training and compensation. The major objective of the study is to study the existing Performance Appraisal System being undertaken in BHEL, Bhopal, and to know the perception of the employees for the effectiveness of existing system of Performance Appraisal in BHEL, Bhopal.

INTRODUCTION

Appraising the performance of the individual, groups and organization is a common practice of all societies. While in some instances these appraisal processes are structured and formally sanctioned, in other instances they are an integral and informal part of daily activities. The teacher evaluates the performance of student, banker evaluates the performance of creditors, parents evaluate the performance of their children and all of us unconsciously or subconsciously evaluate our own action from time to time. In social interaction, performance evaluation is done in a haphazard and often unsystematic way. But in organization formal programs of evaluating employee and managerial performance conducted in a systematic and planned manner have achieved popularity in recent years. During and after world war-I, the systematic performance appraisal was quite prominent. Credit goes to Walter Dill Scott for systematic performance appraisal technique of man to man rating system (or merit rating). It was used for evaluating military officers. Industrial concern also used this system during 1920 and 1940's for evaluating hourly paid workers. However with the increase of training and management development programs from 1950's management started adopting performance appraisal for evaluating technical, skilled, professional and managerial personnel as a part of training and managerial development programs. With this evolutionary process, the term merit rating has been changed into employee appraisal or performance appraisal. This is not mere change in the term but a change in the scope of the activity as the emphasis of merit rating was limited to personnel traits, whereas performance appraisal covers result, accomplishment and performance. Therefore performance appraisal enables employee to get incentive treatment according to their potential, sincerity and capabilities. They get motivated by which, performance appraisal benefits not only employee but also the management in the form of greater productive efficiency. Therefore, a performance appraisal, employee appraisal, performance review, or (career) development discussion is a method by which the job performance of an employee is evaluated generally in terms of quality, quantity, cost and time typically by the corresponding manager or supervisor. A performance appraisal is a part of guiding and managing career development. It is the process of obtaining, analyzing, and recording information about the relative worth of an employee to the organization. Performance appraisal is an analysis of an employee's recent successes and failures, personal strengths and weaknesses, and suitability for promotion or further training. It is also the judgement of an employee's performance in a job based on considerations other than productivity alone. Generally, the aims of a performance appraisal are to:

- Give employees feedback on performance
- Identify employee training needs

- Document criteria used to allocate organizational rewards.
- Form a basis for personnel decisions: salary increases, promotions, disciplinary actions, bonuses, etc.
- Provide the opportunity for organizational diagnosis and development
- Facilitate communication between employee and employer
- Validate selection techniques and human resource policies to meet federal equal employment opportunity requirements.
- To improve performance through counseling, coaching and development

A common approach to assessing performance is to use a numerical or scalar rating system whereby managers are asked to score an individual against a number of objectives/attributes. In some companies, employees receive assessments from their manager, peers, subordinates, and customers, while also performing a self assessment This is known as a 360 degree appraisal and forms good communication patterns. The most popular methods used in the performance appraisal process include the following:

- Management by objectives
- 360 degree appraisal
- Behavioral observation scale.
- Behaviorally anchored rating scales .
- Trait-based systems, which rely on factors such as integrity and conscientiousness, are also used by businesses but have been replaced primarily by more objective and results-oriented methods. The scientific literature on the subject provides evidence that assessing employees on factors such as these should be avoided. The reasons for this are twofold:

Trait-based systems are by definition based on personality traits and as such may not be related directly to successful job performance. In addition, personality dimensions tend to be static, and while an employee can change a behaviour they cannot change their personality. For example, a person who lacks integrity may stop lying to a manager because they have been caught, but they still have low integrity and are likely to lie again when the threat of being caught is gone. Trait-based systems, because they are vague, are more easily influenced by office politics causing them to be less reliable as a source of information on an employee's true performance. The vagueness of these instruments allows managers to assess the employee based upon subjective feelings instead of objective observations about how the employee has performed his or her specific duties. These systems are also more likely to leave a company open to discrimination claims because a manager can make biased decisions without having to back them up with specific behavioral information. Therefore, once the employee has 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 employee and remedy them." On the basis of merit rating or appraisal procedures, the main objectives of Employee Appraisal is:

- To enable an organization to maintain an inventory of the number and quality of all managers and to identify and meet their training Needs and aspirations.
- To determine increment rewards and to provide reliable index for Promotions and transfers to positions of greater responsibility.
- To suggest ways of improving the employee s performance when he is not found to be up to the mark during the review period.

Formal Performance Appraisal plans are designed to meet three needs, one of the Organization and the other two of the individual namely:

They provide systematic judgments to back up salary increases, transfers, demotions or terminations. They are the

means of telling a subordinate how he is doing and Suggesting needed changes in his behavior, attitudes, skills or job Knowledge. They let him know where he stands with the Boss. Superior uses them as a base for coaching and counseling the individual.

Although accurate information plays a vital role in the organization as a whole. They help in finding out the weaknesses in the primary areas. The type of performance appraisal system utilized depends on its purpose. If the major emphasis is on selecting people for promotion, training, and merit pay increases, a traditional method such as rating scales may be most appropriate. Although Collaborative methods are designed to assist employees in developing and becoming more effective. Looking into the need of accurate performance appraisal in the organization, the researcher has done a study to know the perception of the employees for the effectiveness of existing system of Performance Appraisal in BHEL, Bhopal., and to make recommendations necessary for improving the effectiveness of performance appraisal system in the organization.

Literature Review

Performance appraisal continues to be a subject of interest and importance to human resource specialists. For decades, performance appraisal has received considerable attention in the literature, from both researchers and practitioners alike. Many authors (Bernardin & Klatt, 1985; Hall, Posner, & Hardner, 1989; Maroney & Buckley, 1992; Thomas & Bretz, 1994) maintain that there is a considerable gap between theory and practice, and that human resource specialists are not making full use of the psychometric tools available. To support their claim, these authors cite surveys of practitioners concerning current performance appraisal methods and use. Nearly two decades ago, Taylor and Zawacki (1976) published the first of two articles that documented trends in performance appraisal usage among U.S. organizations. When comparing the results of two surveys taken five years apart, the authors noted a remarkable shift away from what they called collaborative approaches (e.g., MBO, BARS) and toward the more traditional performance appraisal techniques (graphic rating scales). Taylor and Zawacki (1984) hypothesized that managers, responding to the legal constraints prevalent in the 1980s, preferred techniques that were defensible in court. Accordingly, managers tended to be more satisfied with the objective traditional approaches, whereas their subordinates seemed to prefer the developmental collaborative methods. Through the 1980s, researchers continued to document performance appraisal practice. Bernardin and Klatt (1985) noted that small firms tended to rely heavily on trait-based approaches, while larger firms relied on a combination of trait, behavioral, and results-based techniques. They noted that one in five organizations did not give employees the opportunity to review the performance appraisal results. In another study, Locher and Teel (1988) identified graphic rating scales (57.1%), the open-ended essay (21.3%), and Management-by-Objectives (18.1%) as the most popular performance appraisal techniques. Unlike Taylor and Zawacki (1984) before them, Locher and Teel identified a trend toward the use of MBO as a popular technique. Besides recording current trends in methods used, only a few researchers have clarified how performance appraisal data is used. Thomas and Bretz (1994) report that performance information is most likely to be used for employee development or to administer merit pay. They identified the main developmental uses as improving work performance, communicating expectations, determining employee potential and aiding employee counseling. Other common administrative uses included promotions, lay-offs, transfers, terminations, and validations of hiring decisions. In addition, Hall, Posner, and Hardner (1989) identified common objectives of performance appraisal as reviewing past performance, rewarding past performance, goal setting for future performance, and employee development. Cleveland, Murphy, and Williams (1989) warned that organizations should exercise caution when using the same performance appraisal methods for multiple applications (e.g., counseling vs. evaluation), since different performance appraisal methods may yield different types of data (e.g., qualitative vs. quantitative). In a landmark study, Locher and teel (1997) found that the three most common appraisal methods in

general use are rating scales (56%), essay method (25%) and results-oriented or MBO methods (13%). Research studies show that employees are likely to feel more satisfied with their appraisal result if they have the chance to talk freely and discuss their performance. It is also more likely that such employees will be better able to meet future performance goals. (e.g., Nemeroff & Wexley, 1979). Employees are also more likely to feel that the appraisal process is fair if they are given a chance to talk about their performance. This especially so when they are permitted to challenge and appeal against their evaluation. (Greenberg, 1986). It is very important that employees recognize that negative appraisal feedback is provided with a constructive intention, i.e., to help them overcome present difficulties and to improve their future performance. Employees will be less anxious about criticism, and more likely to find it useful, when they believe that the appraiser's intentions are helpful and constructive. (Fedor et al. 1989)

In contrast, other studies (e.g., Baron, 1988) have reported that "destructive criticism" - which is vague, ill-informed, unfair or harshly presented - will lead to problems such as anger, resentment, tension and workplace conflict, as well as increased resistance to improvement, denial of problems, and poorer performance. It has been shown in numerous studies that goal-setting is an important element in employee motivation. Goals can stimulate employee effort, focus attention, increase persistence, and encourage employees to find new and better ways to work. (e.g., Locke, et al.) The usefulness of goals as a stimulus to human motivation is one of the best supported theories in management. It is also quite clear that goals which are "...specific, difficult and accepted by employees will lead to higher levels of performance than easy, vague goals (such as do your best) or no goals at all." (Harris & DiSimone, 1994) It is important that the appraiser (usually the employee's supervisor) be well-informed and credible. Appraisers should feel comfortable with the techniques of appraisal, and should be knowledgeable about the employee's job and performance. When these conditions exist, employees are more likely to view the appraisal process as accurate and fair. They also express more acceptance of the appraiser's feedback and a greater willingness to change. (Bannister, 1986)

OBJECTIVES OF THE RESEARCH

The main Objectives of the research are as follows:-

- To study the existing Performance Appraisal System being undertaken in BHEL, Bhopal.
- To know the perception of the employees for the effectiveness of existing system of Performance Appraisal in BHEL, Bhopal.
- To study the working environment of BHEL, Bhopal.
- To discuss at length with cross section of the employees satisfaction level regarding the Setting of targets & KRAs, Guidance provided by the Superiors, and the process of identification of training needs in BHEL, Bhopal.
- To give suggestions and recommendations for further improvement in Employee Satisfaction Level.

RESEARCH METHODOLOGY

Type and Nature of Research: - The present study is Descriptive and Quantitative in nature.

Sampling Procedure:

Sampling frame

Employees of BHEL, Bhopal Sampling unit Executives of various departments in BHEL

Sample size

The sample size chosen was 50.

Sampling method

Various Executives were selected from different departments on random selection under the random sampling method. It is impossible to use the census method to collect the information. Therefore, random sampling is done. The sample

chosen was non-probability sample.

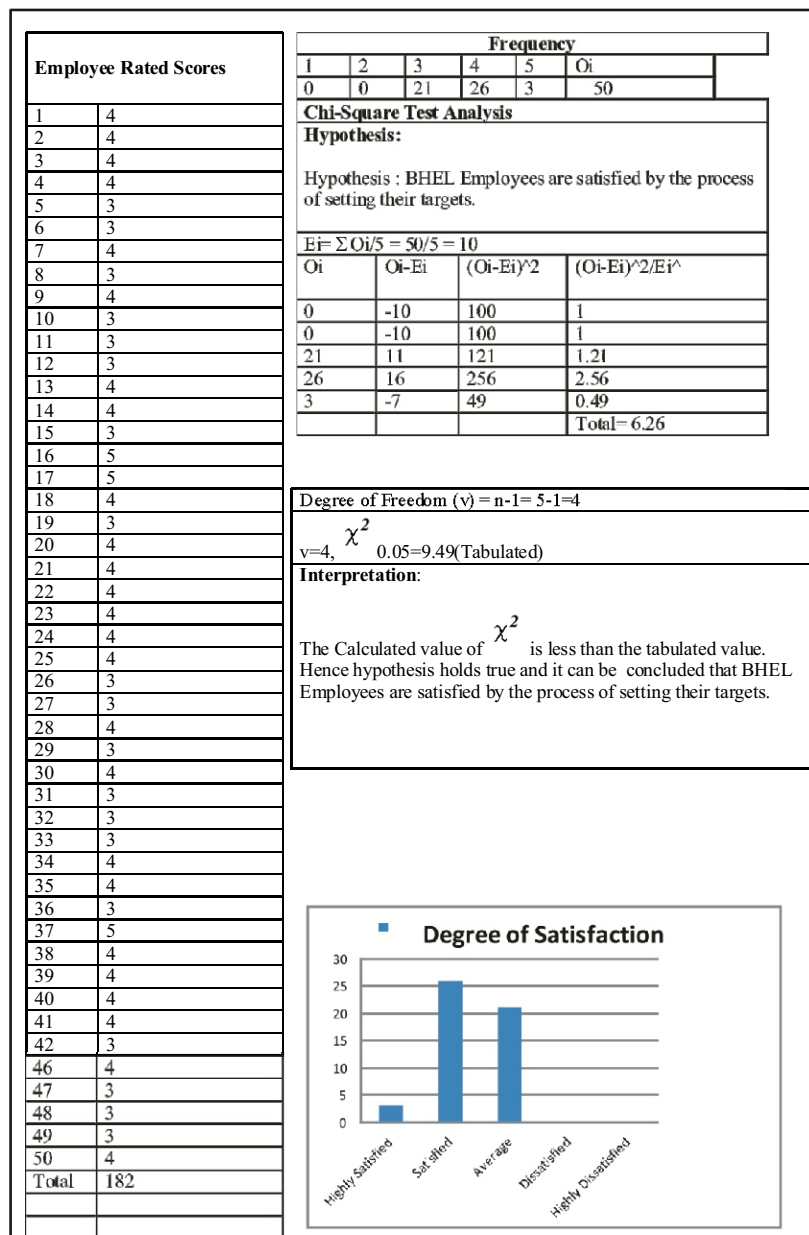
Sources of Data Collection

A self administered Questionnaire was used for data collection .Both closed ended and open ended questions were included in the study. The time constraints and various other factors were also kept in mind while framing the research methodology.

Data Analysis and Interpretation

Data Analysis Tool: - The chi-square test was used for interpretation of the satisfaction level of the Employees.

Question 1 : How satisfied are you with the process for setting your targets?



Question 2 How Satisfied are you with the percentage given to Optional and Compulsory KRA's?

Employee Rated Scores		Frequency					
1	3	1	2	3	4	5	O _i
2	3	0	0	18	21	11	50
3	3	Chi-Square Test Analysis					
4	3	Hypothesis:					
5	5	Hypothesis: BHEL Employees are satisfied by the percentage given to Optional and Compulsory KRA's.					
6	5	E _i = $\sum O_i/5 = 50/5 = 10$					
7	5	O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²		
8	4	0	-10	100	1		
9	4	0	-10	100	1		
10	4	18	8	64	0.64		
11	3	21	11	121	1.21		
12	4	11	1	1	0.01		
13	3						Total= 3.86
14	3	Degree of Freedom (v) = n-1= 5-1=4					
15	4	v=4, $\chi^2_{0.05}=9.49$ (Tabulated)					
16	4	Interpretation:					
17	4	The Calculated value of χ^2 is less than the tabulated value.					
18	4	Hence hypothesis holds true and it can be concluded that BHEL					
19	4	Employees are satisfied by the percentage given to Optional and					
20	5	Compulsory KRA's.					
21	4	Graph					
22	3	Degree of Satisfaction					
23	3	Dissatisfied 0% Highly Dissatisfied 0%					
24	3	Average 36%					
25	3	Highly Satisfied 22%					
26	5	Satisfied 42%					
27	5						
28	5						
29	4						
30	4						
31	4						
32	3						
33	4						
34	3						
35	3						
36	4						
37	4						
38	4						
39	4						
40	4						
41	5						
42	4						
43	3						
44	3						
45	3						
46	3						
47	5						
48	5						
49	5						
50	4						
Total	193						

EMPLOYEE SURVEY ON PERFORMANCE APPRAISAL SYSTEM .

Question 3

How Satisfied are you with the variant Domain KRA's available in the list?

Employee Rated Scores	
1	5
2	4
3	4
4	4
5	5
6	3
7	3
8	4
9	3
10	3
11	4
12	3
13	4
14	4
15	2
16	2
17	4
18	5
19	3
20	3
21	3
22	2
23	5
24	4
25	4
26	4
27	5
28	3
29	3
30	4
31	3
32	3
33	4
34	3
35	4
36	4
37	2
38	2
39	4
40	5
41	3
42	3
43	3
44	2
45	5
46	4
47	4
48	4
49	5
50	3
Total	179

Frequency					
1	2	3	4	5	O _i
0	6	17	19	8	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis; BHEL Employees are satisfied with the variant Domain KRA's available.

$E_i = \sum O_i / 5 = 50 / 10 = 10$

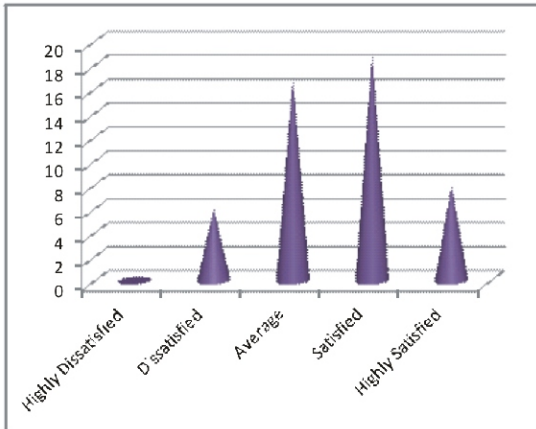
O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²
0	-10	100	1
6	-4	16	0.16
17	7	49	0.49
19	9	81	0.81
8	-2	4	0.04
			Total= 2.5

Degree of Freedom (v) = n-1= 5-1=4

v=4, $\chi^2_{0.05}=9.49$ (Tabulated)

Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the variant Domain KRA's available.



Category	Frequency
Highly Dissatisfied	0
Dissatisfied	6
Average	17
Satisfied	19
Highly Satisfied	8

Question 4

How Satisfied are you with the feedback & guidance provided by your superior for improvement?

Employee Rated Scores	
1	4
2	4
3	2
4	4
5	5
6	5
7	4
8	2
9	4
10	4
11	4
12	3
13	3
14	3
15	3
16	2
17	1
18	5
19	4
20	4
21	3
22	4
23	4
24	2
25	4
26	5
27	5
28	4
29	2
30	4
31	4
32	4
33	3
34	3
35	3
36	3
37	2
38	1
39	5
40	4
41	4
42	3
43	4
44	4
45	2
46	4
47	5
48	5
49	4
50	2
Total	176

Frequency					
1	2	3	4	5	O _i
2	8	10	22	8	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis : BHEL Employees are satisfied with the feedback & guidance provided by their superior for improvement.

$E_i = \sum O_i / 5 = 50 / 5 = 10$

O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²
2	-8	64	0.64
8	-2	4	0.04
10	0	0	0
22	12	144	1.44
8	-2	4	0.04
			Total= 2.16

Degree of Freedom (v) = n-1= 5-1=4

χ^2
v=4, 0.05=9.49 (Tabulated)

Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the feedback & guidance provided by their superior for improvement.

Graph

Degree of Satisfaction

Degree of Satisfaction

Question 5

How Satisfied are you with the level of access provided by your superiors to discuss your problem concerns?

Employee Rated Scores	
1	4
2	4
3	4
4	5
5	1
6	1
7	4
8	3
9	3
10	4
11	4
12	4
13	4
14	3
15	2
16	5
17	5
18	4
19	4
20	3
21	4
22	4
23	4
24	4
25	5
26	1
27	1
28	4
29	3
30	3
31	4
32	4
33	4
34	4
35	3
36	2
37	5
38	5
39	4
40	4
41	3
42	4
43	4
44	4
45	3
46	4
47	4
48	4
49	3
50	4
Total	180

Frequency					
1	2	3	4	5	O _i
4	2	10	28	6	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis : BHEL Employees are satisfied with the level of access provided by their superiors to discuss their problem concerns.

$$E_i = \sum O_i / 5 = 50 / 5 = 10$$

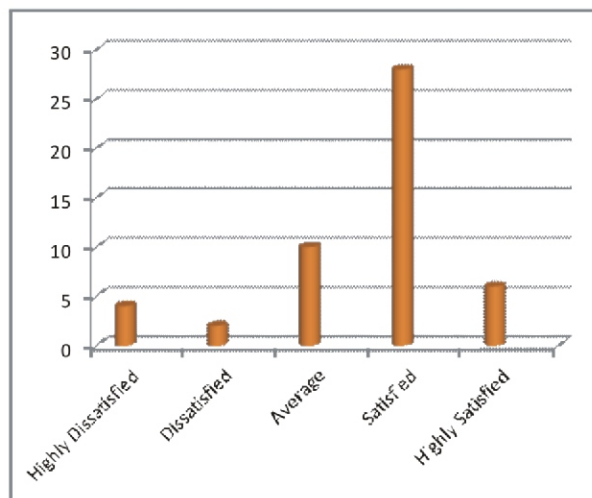
O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²
4	-6	36	0.36
2	-8	64	0.64
10	0	0	0
28	18	324	3.24
6	-4	16	0.16
Total = 4.4			

Degree of Freedom (v) = n-1 = 5-1 = 4

$$v=4, \chi^2_{0.05}=9.49 \text{ (Tabulated)}$$

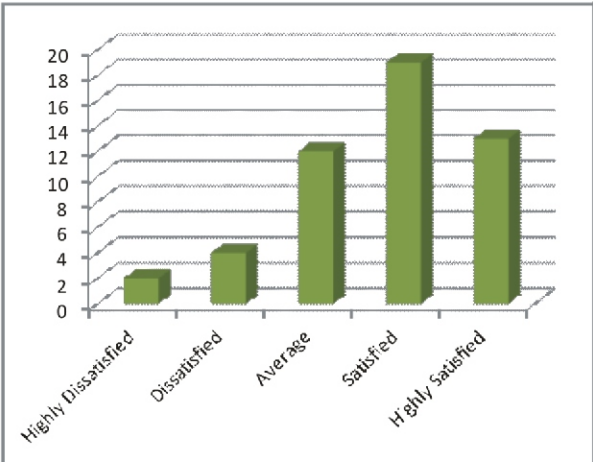
Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the level of access provided by their superiors to discuss their problem concerns.



Question 6

How Satisfied are you with the participation of your team members in completion of your targets?

Employee Rated Scores		Frequency					
1	5	1	2	3	4	5	O _i
2	3	2	4	12	19	13	50
3	4	Chi-Square Test Analysis					
4	4	Hypothesis:					
5	5	Hypothesis : BHEL Employees are satisfied with the participation of their team members in completion of their targets.					
6	5	$E_i = \sum O_i / 5 = 50 / 5 = 10$					
7	1	O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²		
8	3	2	-8	64	0.64		
9	4	4	-6	36	0.36		
10	4	12	2	4	0.04		
11	4	19	9	81	0.81		
12	4	13	3	9	0.09		
13	3						Total= 1.94
14	5	Degree of Freedom (v) = n-1= 5-1=4					
15	4	χ^2					
16	3	v=4, 0.05=9.49 (Tabulated)					
17	3	Interpretation:					
18	4	The Calculated value of χ^2 is less than the tabulated value.					
19	5	Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the participation of their team members in completion of their targets.					
20	2						
21	5						
22	3						
23	4						
24	4						
25	5						
26	5						
27	1						
28	3						
29	4						
30	4						
31	4						
32	4						
33	3						
34	5						
35	4						
36	3						
37	3						
38	4						
39	5						
40	2						
41	5						
42	4						
43	3						
44	3						
45	4						
46	5						
47	2						
48	2						
49	5						
50	4						
Total	187						

Question 7

How Satisfied are you with the Timeframe provided to you in completion of your targets?

Employee Rated Scores	
1	2
2	5
3	3
4	4
5	3
6	2
7	3
8	2
9	2
10	3
11	4
12	3
13	5
14	3
15	5
16	5
17	5
18	4
19	3
20	4
21	2
22	5
23	3
24	4
25	3
26	2
27	3
28	2
29	2
30	3
31	4
32	3
33	5
34	3
35	5
36	5
37	5
38	4
39	3
40	4
41	4
42	3
43	5
44	3
45	5
46	5
47	5
48	4
49	3
50	4
Total	181

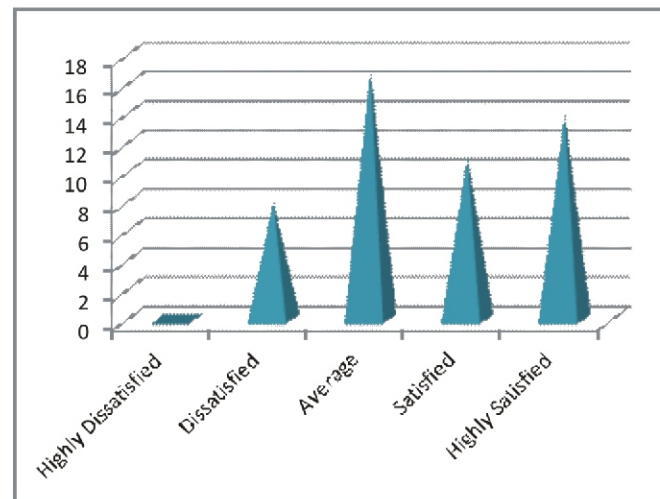
Frequency					
1	2	3	4	5	O _i
0	8	17	11	14	50
Chi-Square Test Analysis					
Hypothesis:					
Hypothesis: BHEL Employees are satisfied with the Timeframe provided to them in completion of their targets.					
$E_i = \sum O_i / 5 = 50 / 5 = 10$					
O _i	O _i - E _i	(O _i - E _i) ²	(O _i - E _i) ² / E _i ²		
0	-10	100	1		
8	-2	4	0.04		
17	7	49	0.49		
11	1	1	0.01		
14	4	16	0.16		
			Total= 1.7		

Degree of Freedom (v) = n-1= 5-1=4

χ^2
v=4, 0.05=9.49 (Tabulated)

Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the Timeframe provided to them in completion of their targets.



Question 8

How Satisfied are you with the process of identification of training needs?

Employee Rated Scores	
1	4
2	3
3	3
4	3
5	5
6	4
7	1
8	3
9	4
10	3
11	3
12	4
13	1
14	2
15	3
16	1
17	4
18	3
19	3
20	3
21	5
22	4
23	3
24	3
25	3
26	5
27	4
28	1
29	3
30	4
31	3
32	3
33	4
34	1
35	2
36	3
37	1
38	4
39	3
40	3
41	3
42	5
43	2
44	3
45	1
46	4
47	4
48	3
49	3
50	2
Total	152

Frequency					
1	2	3	4	5	O _i
7	4	23	12	4	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis: BHEL Employees are satisfied with the process of identification of training needs.

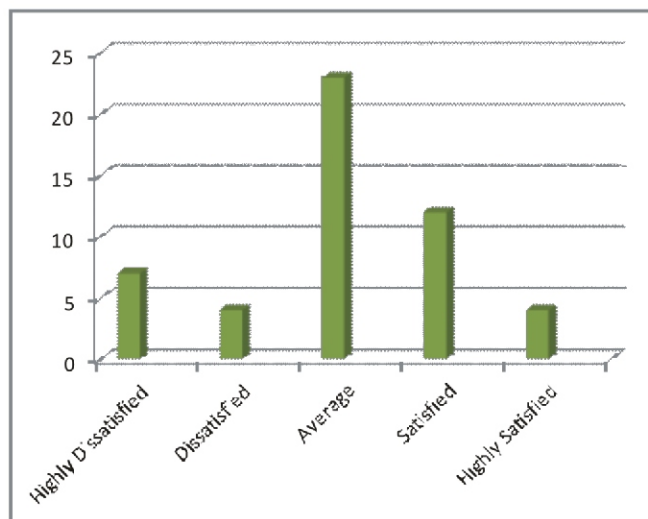
$E_i = \sum O_i / 5 = 50 / 5 = 10$

O _i	O _i - E _i	(O _i - E _i) ²	(O _i - E _i) ² / E _i ²
7	-3	9	0.09
4	-6	36	0.36
23	13	169	1.69
12	2	4	0.04
4	-6	36	0.36
Total= 2.54			

Degree of Freedom (v) = n-1 = 5-1 = 4	
χ^2	v=4, 0.05=9.49 (Tabulated)

Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the process of identification of training needs.



Question 9

How Satisfied are you with the usefulness of training inputs in improving your current performance?

Employee Rated Scores	
1	4
2	3
3	3
4	4
5	1
6	2
7	3
8	3
9	2
10	3
11	3
12	3
13	4
14	4
15	1
16	4
17	5
18	3
19	5
20	4
21	1
22	4
23	3
24	3
25	4
26	1
27	2
28	3
29	3
30	2
31	3
32	3
33	3
34	4
35	4
36	1
37	4
38	5
39	3
40	5
41	4
42	1
43	3
44	2
45	3
46	3
47	3
48	2
49	3
50	3
Total	152

Frequency					
1	2	3	4	5	O _i
6	6	22	12	4	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis: BHEL Employees are satisfied with the usefulness of training inputs in improving their current performance.

$E_i = \sum O_i / 5 = 50 / 5 = 10$

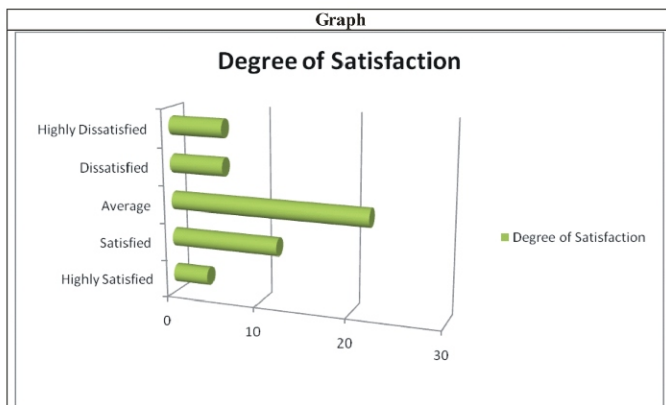
O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²
6	-4	16	0.16
6	-4	16	0.16
22	12	144	1.44
12	2	4	0.04
4	-6	36	0.36
			Total= 2.16

Degree of Freedom (v) = n-1 = 5-1=4

χ^2
v=4, 0.05=9.49 (Tabulated)

Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the usefulness of training inputs in improving their current performance.



Question 10

How Satisfied are you with the responsibilities commensurate with your level in the company?

Employee Rated Scores	
1	4
2	4
3	4
4	4
5	5
6	4
7	3
8	4
9	4
10	3
11	4
12	3
13	3
14	3
15	3
16	3
17	3
18	5
19	4
20	4
21	5
22	4
23	4
24	4
25	4
26	5
27	4
28	3
29	4
30	4
31	3
32	4
33	3
34	3
35	3
36	3
37	3
38	3
39	5
40	4
41	4
42	5
43	4
44	3
45	3
46	3
47	4
48	3
49	3
50	3
Total	184

Frequency					
1	2	3	4	5	O _i
0	0	22	22	6	50

Chi-Square Test Analysis

Hypothesis:

Hypothesis : BHEL Employees are satisfied with the responsibilities commensurate with their level in the company.

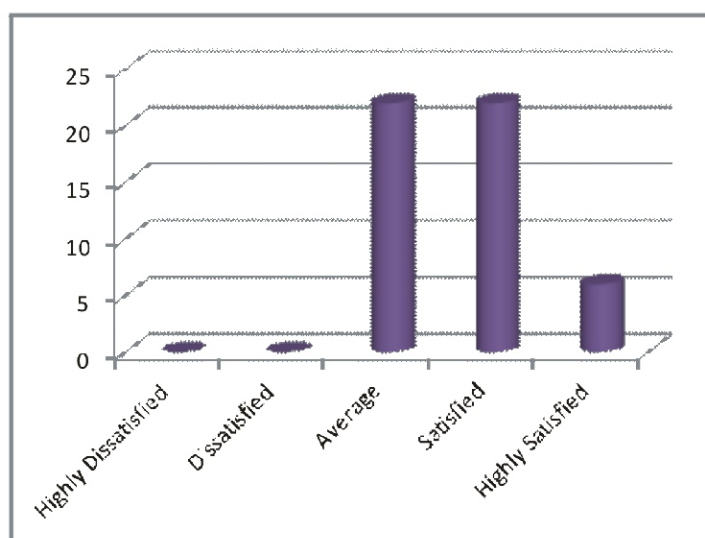
$E_i = \sum O_i / 5 = 50 / 5 = 10$

O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²
0	-10	100	1
0	-10	100	1
22	12	144	1.44
22	12	144	1.44
6	-4	16	0.16
Total= 5.04			

Degree of Freedom (v) = n-1 = 5-1=4

 χ^2
 $v=4, 0.05=9.49$ (Tabulated)
Interpretation:

The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be conclude that BHEL Employees are satisfied with the responsibilities commensurate with their level in the company.

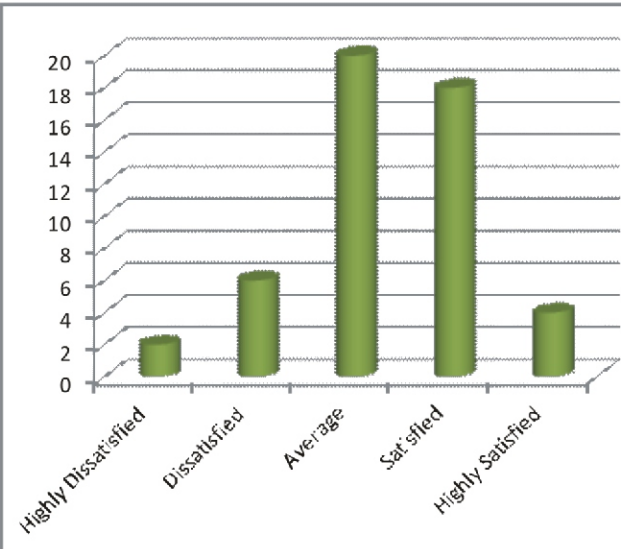


Question 11

How Satisfied are you with the process of your performance appraisal?

Employee Rated Scores		Frequency						
1	4	1	2	3	4	5	O _i	
2	5	2	6	20	18	4	50	
3	4	Chi-Square Test Analysis						
4	4	Hypothesis:						
5	1	Hypothesis: BHEL Employees are satisfied with the process of their performance appraisal.						
6	3	E _i = Σ O _i /5= 50/5=10						
7	4	O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²			
8	2	2	-8	64	0.64			
9	4	6	-4	16	0.16			
10	3	20	10	100	1			
11	3	18	8	64	0.64			
12	3	4	-6	36	0.36			
13	4				Total= 2.8			
14	4	Degree of Freedom (v) = n-1= 5-1=4						
15	2	v=4, χ^2 0.05=9.49 (Tabulated)						
16	4	Interpretation:						
17	5	The Calculated value of χ^2 is less than the tabulated value.						
18	3	Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with the process of their performance appraisal.						
19	3							
20	3							
21	3							
22	2							
23	4							
24	5							
25	4							
26	4							
27	1							
28	3							
29	4							
30	2							
31	4							
32	3							
33	3							
34	3							
35	4							
36	4							
37	2							
38	4							
39	5							
40	3							
41	3							
42	3							
43	3							
44	2							
45	3							
46	3							
47	4							
48	4							
49	3							
50	3							
Total	166							

Highly Dissatisfied	Dissatisfied	Average	Sat isfied	Highly Satisfied
---------------------	--------------	---------	------------	------------------



Highly Dissatisfied	Dissatisfied	Average	Sat isfied	Highly Satisfied
3	7	21	19	5

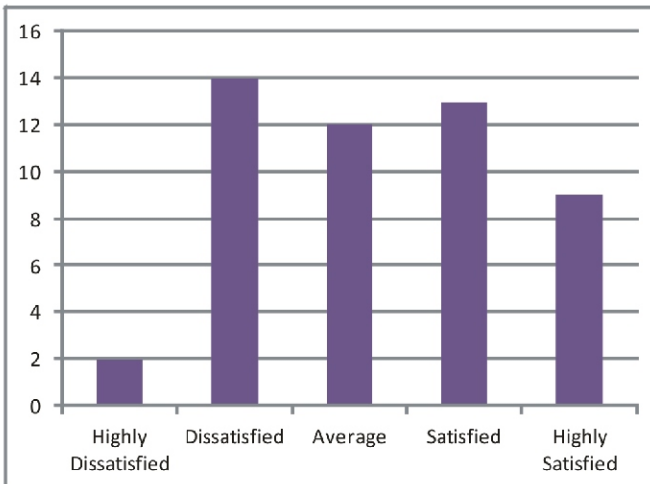
Question 12

How Satisfied you feel that the BSC & e-Map process have an impact in bringing continual improvements in your unit/division?

Employee Rated Scores		Frequency					
1	2	1	2	3	4	5	O _i
2	4	2	14	12	13	9	50
3	4	Chi-Square Test Analysis					
4	3	Hypothesis:					
5	5	Hypothesis: BHEL Employees are satisfied with BSC & e-Map process that has an impact in bringing continual improvements in their unit/division.					
6	4	E _i = Σ O _i /5=50/5=10					
7	1	O _i	O _i -E _i	(O _i -E _i) ²	(O _i -E _i) ² /E _i ²		
8	4	2	-8	64	0.64		
9	4	14	4	16	0.16		
10	3	12	2	4	0.04		
11	4	13	3	9	0.09		
12	3	9	-1	1	0.01		
13	2						Total= 0.94
14	2						
15	3						
16	2						
17	2						
18	5						
19	3						
20	5						
21	5						
22	2						
23	4						
24	4						
25	3						
26	5						
27	4						
28	1						
29	4						
30	4						
31	3						
32	4						
33	3						
34	2						
35	2						
36	3						
37	2						
38	2						
39	5						
40	3						
41	5						
42	5						
43	4						
44	3						
45	2						
46	2						
47	3						
48	2						
49	2						
50	5						
Total	163						

Degree of Freedom (v) = n-1= 5-1=4			
v=4,	χ^2	0.05=9.49 (Tabulated)	
Interpretation:			
The Calculated value of χ^2 is less than the tabulated value. Hence hypothesis holds true and it can be concluded that BHEL Employees are satisfied with BSC & e-Map process that has an impact in bringing continual improvements in their unit/division.			

16	14	12	10	8	6	4	2	0
Highly Dissatisfied	Dissatisfied	Average	Satisfied	Highly Satisfied				



FINDINGS OF THE RESEARCH

1. Majority of the employees are aware of the performance appraisal system.
2. The performance appraisal system followed by the organization is very effective as majority of the employees are satisfied and have given positive responses.
3. It has been evident from the responses of the employees that the system followed in the organization has helped them in identifying their strengths and weakness
4. Performance appraisal system followed in BHEL has motivated employees to perform better.
5. More than half of the respondents are aware of the importance of performance appraisal system in improving one's performance.
6. The follow up system in BHEL is very effective as more than half of the employees are satisfied.
7. The system adopted in the BHEL has helped the employees to integrate individual goals with that the organization and hence lead them to perform better.
8. The performance appraisal system followed by BHEL has been successful in finding out the weaker parts of their employees and has been successful in reducing their grievances.
9. The system has definitely motivated employees to co operate and work in team. The overall interpretation of the data shows that the employees were satisfied with the existing system of Performance Appraisal.

LIMITATION OF THE STUDY

There were some limitations found during the research:

- Low rate of return of duly filled in questionnaires.
- Ambiguous replies and omissions of certain questions; interpretation of omissions was difficult.
- Most of the employees did not responded to the open ended questions.
- Many employees did not take it kindly enough to fill up the questionnaire as it brings the disturbance during their work.
- It was quite a time consuming process.

CONCLUSION

All the results observed and achieved during this research clearly indicate the importance and need of performance appraisal in the organisation. The study reveals that the employees perform their duties well and performance appraisal continuously, motivate the employees to achieve their goals indirectly helping the organization to achieve its goals. Employees should be praised in public and corrected in Private. Government organizations should follow traditional methods like Confidential Report Method, where a superior evaluates an employee on basis of loyalty, intelligence, character and his work. But this type of method is often biased, resulting in dissatisfaction and misunderstandings among employees which hamper their productivity. People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity if the same work on the same job is done by the different people. Therefore, performance management and performance appraisal is necessary to understand each employee's abilities, competencies and relative merit and worth for the organization. Performance appraisal rates the employees in terms of their performance. In present scenario, it is impossible for the organization to manage challenges without the help of potential human resource. Hence, the employee's in the organization become the biggest assets to be taken care of, Employees ability and inability, strengths and weakness etc has to be evaluated and appraised periodically. Performance appraisal is one such management tool which gives unbiased answers to management questions.

SUGGESTIONS

Performance Appraisal reports must be based on SWOT techniques and provide scope for further career development in the organization. 2. The performance appraisal report must be done genuinely and should not be based on biased. 3. For better results 360 degree system of evaluation can also be adopted by the organization 4. Performance of the employees should be evaluated taking all the aspects into consideration and should not be restricted to only one criteria. 5. Performance appraisal is not a one time affair, for better results the organization should do the appraisals in frequent intervals. 6. Rating employees based on personal preferences, likes, dislikes must be avoided so that employees gain confidence on the system of appraisal and are motivated to work hard and provide results.

RECOMMENDATIONS

- The Process which had been implemented should be monitored effectively else its purpose except for the PRP will not serve.
- Discussion and representation mode of e-Map and should be more transparent.
- Training programs should be conducted for executives for enrichment of knowledge.
- Should be 100% transparent and performance based.
- Timeframe for completion of targets should be increased.

According to the roles of the employees the variance of KRAs must be added

BIBLIOGRAPHY AND REFERENCES

JW Smither, Performance Appraisal, 7th edition, Mc.Graw. Hill co's, Page number 187-210

K. Aswathappa, Human resources Management, 5th edition, Mc.Graw. Hill co's, Page number 238-282

P.Subba Rao, Human resources Management, 5th edition, Himalaya house publishing, Page number 231-256 o

T.V Rao, Appraising & Development Of Managerial Performance, 4th edition, Page number 144-154

V.S.P Rao, Human Resources Management, 2nd edition, Excel books, Page number 335-387

<http://www.kmfnandini.coop/html/unions-hassan.htm>, wikimapia.org/13619791/KMF-Hassan,
www.kmfnandini.coop/html/unions-bangalore.htm -