Title

Performance Appraisal & its Effectiveness in KRIBHCO (NOIDA)

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Abstract

The focal point of this Research Study is the Effectiveness of Performance Appraisals Systems As we all are aware of the fact that performance appraisal is considered as the most vital component of an Organisation Robbins and Decenzo (2007 361) argues, performance appraisal has two things in itself one is performance and second is appraisal Performance suggests achieving the given target effectively and efficiently with a minimum of cost in terms of money and time Deshpande (2010 15 4-15 7) argues, the appraisal means the evaluation of the employees performance whether the given targets have been achieved or not Performance appraisal has become a very significant activity in most of the organizations since it provides data of past, present and expected performance of the employees which is most helpful for employers in taking decisions on selection, training and development, increase in salary, promotion, transfers etc

"'Getting the best out of people' is a crude expression of management key target so far as employees are concerned Performance appraisal rest on the assumption that if employee's performance is scrutinized and feedback is given, the motivation to work more effectively should increase Problems of employee motivation where this is not done or done badly can be expressed as the good people don't know what they should be doing or how well they are doing and 'nobody finds out the bad people'" (Attwood & Dimmock 1996 85)

This Research study adopts survey strategy and used self-administered questionnaire and feedback form to congregate statistics facts and figures from staff members of KRIBHCO which includes managers and employees approximately from each department The sample study included approximately minimum of 60 Managers from every level and 190 staff members of

KRIBHCO The findings of the study discovered that the attitude of some managers and employees towards the PA system is negative and it affects the effectiveness of PA The majority of staff members were certain regarding the appraisal process to be a valuable organizational practice

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Chapter 1 - Introduction

Performance Appraisal (PA) is one of the essential components in every organization and in India especially in Government organizations it becomes more important. Scope of PA is increasing day by day and every company is putting emphasis on this. Since sometimes PA is not given importance in organisations and they omit this process. Every employee wants how he/she is performing and wants evaluation on his/her performance. On the basis of that they get promotion and salary incentives (Pareek 2009:5). KRIBHCO is a big cooperative organisation in India. Therefore they need to know how well their employees are performing in the company.

The researcher selected this topic as a part of his research since there has not been done so much of work on this topic earlier in KRIBHCO and he was inspired by Dean of his college Dr. Mukul Gupta (Ganshee Lal Bajaj Institute of Technology and Management) as well as his previous supervisor Dr. K.C. Gupta General Manager H.R. (KRIBHCO). Researcher found this topic more interesting compare to others since he has a keen interest in P.A..

Performance appraisal is took in to account as long term plan and part of the group that delivers continuous success to organization by making better the performance of individuals who work in them and by developing the ability perform on individuals' teams. It is long term plan in the sense that it is concerned with the wide issues facing the business if it is to function to produce an intended result in its environment and with general directions in which it has its plan to go to achieve long term goals. It is part of the whole in the two sense 1)*Vertical integration*-connecting business, team and people objectives and most important competencies and 2)*Horizontal integration*-connecting various aspects of human resource development and reward, to obtain a consistent approach to the management (Armstrong 2008:391).

(Rao 2005 234), performance management in the past was limited to the individuals We thought that it is each individual work to be a good performer We then ignored the role played by the employer and the subordinate In fact performance appraisal is a two side action While measuring performance there are two types of measurement One is outcome measure and the second is process measure First measure deals with situational variations and the process measure deals with interpersonal process that is the extent to which each person is a source of motivation (Tyson & York 1989 46), there are different views on personnel management North American writers say that personal management is the part of the team, that is responsible for making policies, which help managers to achieve profit objectives It includes recruitment, selection, development, utilization of human resources by the organizations

(Murphy and Cleveland 1995 1-4) British definitions give a professional status to the personnel management It can be seen as social responsibilities of senior managers Another view of personnel management gives stress on organizational development We can view performance appraisal basically as a social and communication process rather than older tool of measurement Recently performance appraisal appears to be universal Almost all organizations are adopting this system

(Decenzo & Robbins 2006 359), performance appraisal plays a significant role in the expectancy model of motivation If the objectives the employees are seeking are vague and employees are lacking confidence that their efforts will give them only satisfactory appraisal for their performance, then the employees are expected to work considerably below their potential

Grote (1996 IX) cited in Gunnigle Heraty Morley (2011 192), "today performance appraisal has become universal in each and every organization and every company has its appraisal

method Performance appraisal can be viewed as a systematic approach to evaluate the performance of its employees for taking decisions of pay, promotion, employee development and motivation Performance management provides the framework for systematic approach"

"Performance appraisal can be defined as 'a systematic approach to evaluating employees' performance, characteristics or potential with a view to assisting decision with decision in a wide range of areas such as pay, promotion, employee development and motivation' (Gunnigle et al 1997 145)

Performance appraisal has become applicable in all organizations and every company has its assessment methods Performance appraisal can be viewed as a systematic approach to assess the performance of its people for taking decisions of salary, promotion, employee development and motivation Appraisal means evaluation and evaluating employee's behaviour and achievement of goals, is an integrated system of performance management Appraisal happens every day informally, when supervisors, colleagues, customers observe and assess the people during performing their work Inspite of this, it is important to recognize a formal appraisal system that is accepted by those connected (Reidy 2011 75)

(Grote 2002 15), in the organizations which are highly developed and well managed performance appraisal is considered a significant tool This tool influences individual career most If performance Appraisal is used properly, it proves to be most important tool for the organization that mobilizes the energy of every worker of the organization to achieve the certain goals and every employee can concentrate his or her attention on the organization's mission vision, and values On the opposite if Performance Appraisal is not used well then it will prove just a joke (Gomez-Mejia Balkin Cardy 2010 240), the Performance Appraisal is the formal through which the quality of an employee is assessed within the organization Performance Appraisal is

generally done by the next immediate boss of the employee, it may be supervisor The supervisor fills the standardized form for employee and assesses the qualities of the employee with different angles and then the result of assessment is discussed with employee It is generally done yearly as a routine work by personnel department But the organizations where Performance Appraisal is viewed important work and it is done well, here Performance Appraisal is used as ongoing task and not a task once in a year

Performance appraisal includes identification, measurement, and management of human performance in organisations

- Identification means determining what areas of work the manager should be examining when measuring work performance,

- Measurement means the centerpiece of the appraisal system, entails making managerial judgments of how "good" or "bad" employee performance was Performance measurement must be consistent throughout the organisation,

- Management is the overriding goal of any appraisal system Appraisal should be more than a past oriented activity that criticizes or praises workers for their performance in the preceding year Rather, appraisal must take a future oriented approach view of what workers can do to achieve their potential in the organization This means that managers must provide workers with feedback and coach them to higher level of performance (Gomez-Mejia Balkin Cardy 2010 240)

Performance Management versus Performance Appraisal

Dennis R Briscoe & Lisbeth M Claus cited in Varma Budhwar and DeNISI (2008 14) argues, employee performance appraisal and performance management systems have been extensively studied as a core responsibility of the human resource management (HRM) function Performance management is usually described as the system through which organisations set work goals determines performance standards, assign and evaluate work, provide performance feedback determine training needs and distribute rewards Performance appraisal is a subset of performance management It refers to these activities applied to the individual employee & traditionally includes some type of employee feedback session All of these activities are central to management in general and to Human Resource Management particularly

(Deshpande 2000 44), most of people often assume performance management and performance appraisal both are same but they are not there are significant differences between these two Where performance management is a broad concept on the other hand performance appraisal is just a part of performance management However people ignore this sometimes

Performance appraisal is the particular and an officially recognized evaluation of an individual to decide the level to which he or she is performing the job effectively Some organizations use the term of performance appraisal for the purpose, while others use different terms like performance evaluation, performance review, annual review, or employee appraisal, which are conducted once or twice a year Performance management describes to more general set of tasks which are performed by the organization to make better employee performance Inspite of performance management typically dependent greatly on performance appraisals, performance management is a wide and more surrounding process and is the final goal of performance appraisal activities (Denisi & Griffen 2008 318)

"Performance Appraisal is an ongoing process of evaluating and managing both the behaviour and outcomes in the workplace Whereas performance management is a broader concept than performance appraisal, became popular in 1980's as total quality management (TQM) programs emphasized using all of the management tools, including performance appraisal to ensure achievement of performance goals" (Carrell, Elbert, Hatfield, 1995 348)

(Mayo 2001) cited in (Torrington, Hall, Taylor, Atkinson 2009 100) argues, performance appraisal's idea is an old idea which wan control on the yearly review of objectives between employer and the subordinate Conventional performance appraisal were backward focused on post performance of the subordinate and it was just filling of forms and putting in records, by Human Resource department up to next appraisal In the last two decades the performance management is controlled on future orientation and strategy centered and it is applied on all the employees of the organization The focus point of performance management is to maximize the current performance and the potential for the future requirement which is needed to exist in a competitive international market Human capital is the important factor and performance management has a significant role in developing human capital

Clark (2005) cited in Torrington et al (2009 100), defines the essence of performance management that it is making of a framework in which the performance of the person can be guided motivated and monitored and improved It has limited consideration Brumback argues, performance means behaviour and results There is significant growth in the enterprises which are adopting performance management It is revealed through different surveys done by CIPD 2005, shows that a large number of organization are trying to achieve a sustainable competitive advantage through human capital Hence performance management a significant issue in the organizations

(Martin, Whiting, Jackson 2009 160), performance appraisal is the 'tail that wags the dog' in its relationship with performance management The exercise of appraising performance necessarily retrospective because it concerns making a judgment about the past performance of employees Appraisals can be used to improve current performance by providing feedback on their strengths and weakness Weaknesses are labeled as areas for improvements or as development needs Therefore appraisals can be effective in increasing employee motivation and performance of the organisation Performance can be linked to the performance improvement process and can then also be used to identify training needs and potential of the employee future objectives career development and solve problems Performance improvement process better be known as performance management systems

(Martin, Whiting, Jackson 2009 160), performance management is vehicle for the continuous and evolutionary improvement of business performance thorough a coordinated programme of people management activities

Historical Background & Expansion of Performance Appraisal

Gordon, Anderson, & Framsworth (1974) cited in Brian Towers (1996 196) argues, that history of performance appraisal system is the story of opposition, disagreements, and bitter relationship between employer and employee and dissatisfied hopes

Murphy & Cleveland (1995 3) argues, in China the use of performance appraisal over the past 30 years, but the formal practice of assessing employees is centuries old D Sinyu an early Chinese philosopher criticized the subjective ratings of the rater on the grounds that rater never rates the employee according to his qualities but always arbitrarily Heilbroner (1953) cited in Murphy & Cleveland (1995 3) merit rating was used in industry, perhaps made by Rober Owen at his cotton mills in early 1800 century he used different colour cubes that indicates different degree of merit at each employer's workplace If the performance of worker changed the wooden cube was also changed accordingly

Murphy & Cleveland (1995 3), the merit rating was in use probably since 1987 in the federal civil services (India) (Petree 1950) cited in Murphy & Cleveland (1995 3) although formally performance appraisal was in use in 1813 (Bellows & Eslep 1954) cited Murphy & Cleveland (1995 3) in army with the effects of trait psychologists It was during force for the development of performance appraisal in United States Man to man ranking method is not often used for appraising performance or industry, it can be effective method to determine the layoffs In 1960's it became popular in many industries Technique was known as (Totern approach) After world war-1st the individuals associated with man to man appraisal obtained different position in industry because business leaders were very impressed by the contribution of industrial psychologists to army approach Besides criticism (Rudd 1921) cited in Murphy & Cleveland (1995 3) argues, the graphic rating scale gained popularity During world-war II psychologist

assisted army to improve the rating system and the forced choice technique and critical incident technique were suggested for merit rating The appraisal of industry was in use only after world war 1st but the appraisal of managers was not popular until world-war II Performance appraisal was accepted by many organizations Top managers were exempted from ratings (Flanagan, 1949 Sisson, 1948) cited in Murphy & Cleveland (1995 3)

(Prowse and Prowse 2009 70-71), in early 1880s, formal observations of employees work performance were reported in Robert Owen's factory in New Lanark, to indicate the superintendents ' evaluation of the previous days conduct by hanging over machines white colour piece of wood for excellent performance, yellow , blue , and then black for poor performances (Cole 1925) cited in (Prowse and Prowse 2009 70-71) Measured performance and scientific management movement (Taylor 1964) cited in (Prowse and Prowse 2009 70-71) came in twentieth century Then, in 1930 the psychological tradition was developed, which recognized personality and performance used feedback from graphic rating scales In 1940s, behavioral methods using motivational approach were developed, these included behavioral rating scales (BARS), Behavioral observation scales (BOS), Behavioral evaluation scales (BES), Critical incident, and job simulation In all these, the performances were related as excellent, average, or needs to improve or poor Post 1945, the result oriented approaches were developed, that led to the development of management by objectives This provided aims and particular targets to be achieved and within the timeframes like specific sales, profitability, and deadlines with feedback on previous performance (Wherry, 1975) in (Prowse and Prowse 2009 70-71) The latest time in which work has to be completed may require changes and led to specific performance rankings of staff (Farnham 2004 84), in 1950s in America and 1960s in Europe 75% of larger organizations had some performance appraisals processes (Prowse and Prowse 2009 71), in

1960s the development of self appraisal by discussion led to opportunity and particular time for the appraise, to assess their performance in a thought discussion and the interview developed in to a spoken exchange on various topics that the appraise required to discuss in the interview Up to this time the appraisals' success was dependent on the skills of the interviewer

(Farnham 2004 84), in 1980s/1990s in Britain there were legislations regarding equal opportunity, civil rights etc which forced organizations to adopt some kind of system As the survey result show,

- Public sector organizations are more probable to have PMS instead of private sectors,

- Larger organizations are more probable to have them than smaller organizations,

- Middle managers are more probable to be formally appraised instead of senior managers,

- Human resources professionals are carriers of these systems in the organizations

(Prowse and Prowse 2009 71), in 1990s 360 degree appraisal came in to existence in which information was taken from different sources and now feedback was not dependent on the manager- subordinate power relationship but having groups appraising the performance of line managers and the feedback of peers included (Redman and Snape, 1992) in (Prowse and Prowse 2009 70-71) The final development of appraisal interviews developed in 1990s with the special importance on connecting performance with monetary rewards (Farnham 2004 84), then performance appraisal seems to be almost universal and the clear importance of performance appraisal as an equipment for managing human resources has increased (Murphy and Cleveland 1995 4) The issues in appraisal have always been similar like the context and source of appraisals, fairness of appraisals, and connecting appraisals ratings to compensation, feedback and training In whatever way there have been different noticeable trends And most important

has been the move from subjective to objective behavioral measures of performance Whilst most approved the use of the latter, they are only available for a less number of jobs In addition objective measures too cannot be correct in all details and move not to connect each other Most significantly these individually measured behaviour have different causes not just the individuals, ability and motivation

Research Aim/Objective & Research Questions

This research study aims at analyzing the performance appraisal system of KRIBHCO and its employees working in different departments and focuses on observing the managers and employees affecting the effectiveness of the system Therefore the following hypotheses which will be tested further through the research work

    a   What is an effective performance appraisal

    b   Does effective performance appraisal exists in KRIBHCO

    c   Do the behaviour and attitude of employees and employers of KRIBHCO affect the appraisal system

    d   Can Performance appraisal be improved in KRIBHCO

    e   What are the barriers of performance appraisal in KRIBHCO

This research concentrate to analyze effectiveness of performance appraisal system of KRIBHCO how the employees of KRIBHCO are affecting the effectiveness of performance appraisal system An adequate sample of employees at Kribhco in New Okhla Industrial Development Authority (NOIDA) India will be chosen and survey will be conducted through questionnaire The studies done primarily shows that the employees do not appreciate the appraisal system and it creates a limit to the effectiveness of the performance appraisal system

Brief Introduction of KRIBHCO (Krishak Bharti Cooperative Limited)

Times of India (1989), "India lives in villages", Said Mahatma Gandhi decades ago It is true even today like every developing economy, the economy of India is based on agriculture Agriculture accounts for nearly 1/4th of India's Gross Domestic Product (GDP) and more importantly 2/3rd of the country's population depend on agricultural activities for their livelihood

Times of India (1999), The United Nations projection indicates the world population has been increasing at very fast rate, while the natural resources such as and, remain the same The food grains demand is ever increasing So to recover the increasing demand for food grains the productivity of the land can be increased by using fertilizers

Kribhco Manual (2008), India has some fertilizers companies KRIBHCO is one of them It is a co-operative society that manufactures fertilizers, mainly urea and was promoted by the government of India Some agricultural cooperative societies like Indian Farmers Fertilisers Cooperative Limited (IFFCO), National Co-operative Development Corporation (NCDC) and National Fertilisers Limited (NFL) are spread all over the country

Kribhco manual (2008), KRIBHCO is considered to be the one of the largest fertilizers company in India after National Fertiliser Limited (NFL) and Indian Farmers Fertilisers Limited (IFFCO) They Have their fertilizer plant in Gujrat which is primarily known as Hazira plant just 15 Km away from Tapti River for the manufacturing of bio fertilizers, ammonia and urea It has its own township in NOIDA as well as in Hazira (Gujrat) Their Head Office is located in Sector-2 New Okhla Industrial Development Authority (NOIDA) Apart from Noida Head Office and Hazira Plant they have different regional branches in different cities of India They have more than 30 regional branches and 20 sub branches spread all over the country In KRIBHCO there are more

than 50,000 working at present including the Head Office and Hazira Plant Late Prime Minister SMT Indira Gandhi laid the foundation of KRIBHCO in the year (1982) on 5th February KRIBHCO Manual (2008), KRIBHCO like other companies has its mission and vision Its mission is to act as a catalyst to agricultural Its vision is to be a world class organisation that represents the farmer community and maximize returns to them through specialization in agricultural inputs and products and other diversified business that maximize stakeholder value They are majorly focused in producing high quality fertilizers and seeds for the farmers as the fertilizers mainly present in the market are not good for the farmland as they contains harmful chemicals Apart from this KRIBHCO is one of those Fertilizers company which is listed in the National Stock Exchange of India According to KRIBHCO Annual Report (2010), Kribhco recorded an annual turnover of more than 3200 with a net profit of over 350 crores

According to Times of India (1998 4), these cooperatives are successful in the area of dairy products like Amul, Agricultural Credit Disbursement, Sugar Production, Wheat Procurement and another important sector of the success of cooperatives are the production and distribution of fertilizers Farmers voluntarily and democratically pool together their resources, to form cooperatives at village or district level for getting fertilizers and other agricultural inputs for doing agricultural activities In November (1967) first cooperative was established in India for the production and distribution of fertilizers, named IFFCO The cooperative movement spread across the entire country

Kribhco Manual (2010), Kribhco a World's premier fertilizer producing cooperative was established in (1982) and was promoted by the govt of India, IIFCO, and NCDC Since then other agricultural societies spread all over the country

Kribhco Manual (2010), Krishak Bharti Cooperative Limited (KRIBHCO) which was registered

on 17th April,(1980) to implement a giant ammonia/urea complex at Hazira in Gujarat state

Structure of the Study

This Research Study consists of total number of nine chapters which are as follows

1 Introduction

2 Literature Review

3 Methodology

4 Limitations

5 Research Findings

6 Discussion

7 Conclusion

8 Bibliography

9 Appendices

First chapter of Introduction will provide information related with performance management system as well as performance appraisal system Second chapter will bring in key components related with the performance management system and performance appraisal system Second chapter is majorly focused on the effectiveness of performance appraisal system of employees & employers The methodology section will bring in the approaches that are taken into consideration to carry out the research Research limitations will present the limitations of the research Research findings will present the facts & figures that are explored through the survey and all will be evaluated as well Discussion will present the comparison between the research review and the facts which are derived from the questionnaire Conclusion chapter will report the synopsis of major themes of the result analysis Bibliography chapter will present the list of the other author effort which is used in the Dissertation by adopting Harvard Referencing System Appendices will report the blank copy of questionnaire and interview questions

Chapter 2 - Literature Review

The aim of this chapter is to focus on the research works of scholars and their views on the performance appraisal as well issues which are related to the research and explains the main topics of performance appraisal system.

Meaning of performance

According to Oxford Dictionary (2011), In English it is defined as 'an act of performing a play concert or other form of entertainment'.

Performance means both behaviour & results. Behaviour emanates from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviour are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results (Brumbrach 1988 cited in Decenzo & Robbins 2007).

(Campbell 1990 cited in Roy 2000) believes that 'performance is behaviour and should be distinguished from the outcomes because they can be contaminated by systems factors'. Therefore performance is regarded as behaviour the way in which organizations, teams, individuals get work done.

"The Dictionary meaning of the verb to *appraise* is to 'to fix a price for' or 'to value an object or thing'. When we use the term 'performance appraisal 'we imply that we are concerned with the valuing the employee's worth to the organisation, with a view to increasing it" (Attwood & Dimmock 1996:85).

According to Leatherbarrow, Fletcher & Currie (2010:226), One have the misunderstanding of knowing the meaning of performance appraisal, since we think , we know its meaning .Without

measurement of performance it is difficult to define performance appraisal since measurement of performance is its important part

Performance as Behaviour

(Leatherbarrow et al 2010 226) argues, it is nothing since when you are executing any work – you are performing something and that means you are behaving It may be due to an outcome, but it is not the complete outcome In organisational terms performance is all about performing the job at the work place and how well you are executing

(Leatherbarrow et al 2010 227) argues, factors Influencing Performance

Training & Development – It brings overall changes in workers behavior, efficiency, and the organization is benefitted by their upgraded performance Training increases the multi-skill of employees and thus increases their confidence and mutual respect Morale and brings about feelings of competence, visible changes in the employee's behaviour and tangible benefits in terms of performance improvement An important outcome of training is that is increases the versatility of the employee, multi skilling and sharing complex tasks inspires confidence and mutual respect (Leatherbarrow et al 2010 227)

Employee Relations – The fair practices of an organization motivate its employees to work hard Since 1980s an appreciation of the mutual interest, had a motivating effect that the managers and workers have for the improvement of the organization Sound and fair policies and procedures sustain an individual motivation to work Since the 1980's an appreciation of the mutual interest that the managers and employees have in the survival and enrichment of the organisation had a motivating affect (Leatherbarrow et al 2010 227)

Reward – Reward have an important role in motivating employees If it is given in monetary form it is seen by employees as a return of investment which is done on their skills, time and efforts Moreover if this is seen adequate and fair the workers are motivated to do more work This plays a vital role in work motivation Reward in the financial sense is seen by employees as a return on the investment of their time skills and efforts If therefore they see reward as fair and reasonable, they will continue to be motivated to work (Leatherbarrow et al 2010 227)

Leadership Style – the style with which the managers of an organization communicate with their employees play an important role on the work that employees do for their organization Many employees still see themselves as 'working for' rather than 'working with', their managers The style with which managers communicate with their staff, therefore, has a significant effect on the effort that the employee is prepared to put in for the manager (Leatherbarrow et al 2010 227)

(Lowry 2002 510) cited in (Beardwell & Claydon 2007), the managing of employee performance is more often than not seen as a much needed purpose of the management cadre Centrally it relates with a number of subjects, together with the degree to which the organisation has recognized tactical goals shimmering the requirements of the trade and commerce and the extent to which these are correspond to and shared by each member of staff

(Fisher & Sempik 2011 190) cited in (Taylor 2011), performance management is considered a significant function in various organizations and as hard human resource management practices that affect the performance of an organization Therefore it proves right the human resource managers claim to have planned impact In 2005 survey of 506 companies the CIPD reported that nearly 90 percent of the sample said they had performance management system Overall

between the survey in 1997 and that carried out in 2005 There has been some significant changes team assessment featured for the first time in 2005 survey individual annual appraisals and objectives setting and review were less popular and once more 360 degree appraisal had increased in organisational popularity Competency frameworks as a basis for performance management are used by just over 30 percent of the sample (CIPD, 2005), this focus on a development role for performance management is underpinned by 71 percents of the respondents

Concept of Performance Appraisal

(CIPD May 2011), performance appraisal (or performance review) is absolutely necessary, an opportunity for individuals and those concerned with their performance, line managers having distinctive qualities of particular person to involve in a dialogue about each employees' performance and development and also the support needed from the managers As performance appraisal is an integrated part of performance management, in itself, it is not performance management, instead it is one of the equipment which can be used to manage performance Since performance appraisal is generally conducted by line managers instead of HR professionals, it is significant that they recognize their role in managing performance and how performance appraisal helps to the whole aims of performance management Performance appraisals generally a report of past actions and behaviour and thus provide an opportunity to show in a realistic way on past performance They should be used as a foundation for making better plans and development and reaching agreement about what should be some in future to be successful

(CIPD May 2011), performance appraisal is an imperative aspect of performance management strategy However, appraisal is only aspect of that process Carried out well, it can considerably boost relationships not only between the managers, employees but as well other staff members of the company as well their subordinates also, as well as providing an valuable vehicle for objective setting and review But its impact as a solitary tool is limited unless it is delivered within a broader process that also recognizes the ongoing importance of the line manager relationship outside the annual cycle of objective setting and review It is also important to recognize that performance appraisal is not just about assessing the past but also about driving behaviour that will sustain performance in the future

Armstrong (2009 618) argues, as we know that performance appraisal is a part of performance management where performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams and acts as means of getting better results by better understanding and managing performance within an agreed framework of planned goals standards and competency requirement in the same way performance appraisal is a method of appraising the performance of employees who are performing well but as well as the employees who are not performing at their best

(Grote 2002 1), performance appraisal is an official management system that provides for the assessment of the quality of an individual's performance within the organization The appraisal is usually prepared by the employee's immediate supervisor This procedure typically requires the supervisor to fill out a standardized assessments form that evaluates the individuals on different dimensions and then discusses the results of the evaluation with the employee It is seen merely as a once a year drill mandated by the personnel department But in organisations that take performance appraisal seriously and use the system well, it is used as ongoing process and not merely as a annual event

(Armstrong 2000 10), performance appraisal can be defined as the formal assessment and rating of individuals by their mangers at usually an annual review meeting It is also considered as a focal point for integrated Human Resource activities

(Neale 1991 16), performance appraisal is the review & discussion process which ensures employees receive feedback & assistance with their performance & development It is based on the belief that fair & objective assists individual development & helps improve performance

Bach (2005 289) cited in Nickson (2007 170) argues, performance appraisals have become far more than just an annual ritual & are viewed as a key lever to enhance organizational performance Performance appraisal is defined by Heery & Noon (2001 7) cited in Nickson (2007 170) the process of evaluating the performance and assessing the development / training needs of an employee

Objectives of Performance Appraisal

Performance appraisal is a part of the whole HR strategy and knowledge available is useful for different reasons It can help to recognize training requirements in cases where employee's performance is lacking of the standard required As well, it evaluates the potential of the current employees for future promotion and thus helps succession planning Performance appraisal is a two way process, employees have an opportunity to state their performance and the employer as well gives his views about employees performance Goals are obvious and this can have a stimulating effect on employees Another purpose of performance appraisal is keeping up of documents The results of the performance appraisal is kept in the form of files and this record is very important since the promotion and dismissal depends upon this document Appraisal may be used for the formal examination to make changes in salary of employee but where decisions on salary are made through collective bargaining this does not applicable (Reidy 2011 76)

Fisher (1995 11) & Reidy (2011 83) argues, Performance appraisal is used as a method to improve the organisation's performance through enhanced performance of individuals so that that organisation and its employee's both can achieve desired objectives

- To review past performances
- To assess training needs
- To help develop individuals
- To audit the skills within organisation
- To set target for future performance
- To identify potential for promotion
- To provide two way feedback

- To provide documentation

- To aid salary review

Appraisals in an organisation are conducted for numerous reasons, moreover we can categorize it according to the employer and employee perspective

According to Pettinger (1992 206 argues),

a) Appraisal must be against pre set and pre agreed aims and objectives,

b) Appraisal is a process, consisting of both a series of regularized formal review at which targets and objectives are to assessed for success and failure and a continuous relationship between appraiser and appraisee,

c) Appraisal must be flexible and dynamic and must be a part of a wider process ensuring that the organization's strategy and purpose is being fulfilled,

d) Appraisal must be a participative process between appraiser and appraisee,

e) The process must be believed in and valued as both concept and process by the organization and those responsible for its direction,

f) The formal reviews should take place at least every 3-6 months if they are more frequent than this they tend to impose on the continuing process and relationship that should be present,

g) Both appraiser and appraisee should have full understanding of this and should be briefed and trained in and it must be an integral part of the investment by organizations in their human resource

Taylor (2008 378) argues, performance appraisal is beneficial for managers in many ways Altogether there are two reasons for developing such systems

a) Assessing past

b) Improving future performance

These two are often referred to as the evaluative & developmental objectives Each of them can be met using either of the basic formats

Taylor (2008 377) argued, *SMART* objective is often used in the context of performance appraisal to indicate the type of objectives that managers should set

S Specific

M Measurable

A Achievable

R Realistic

T Time bound

According to Rose (2000) cited in Taylor (2008 377) *DUMB* acronym is a better objective setting comparative to *SMART*

D Defective

U Unrealistic

M Misdirected

B Bureaucratic

Anderson (1994 13) argues, performance appraisal objectives can be defined as in a number of ways One of the best known classifications was produced years ago by McGregor (1960) cited in Anderson (1994) who groups them in three ways

a) *Administrative* – providing an orderly way of determining promotions, transfers & salary increases

b) *Informative* – supplying data to management on the performance of subordinates & to the individuals on his or her strengths & weaknesses

c) *Motivational* – creating a learning experience that motivates staff to develop themselves & improve their performance

Cummings & Schwab (1973) cited in Anderson (1994 13-16) argues, they adopt a different perspective They contend that organizations typically view appraisal as having two broads purposes an evaluative function and a development function

Evaluative Function

Cummings & Schwab (1973) cited in Anderson (1994 13-16) argues, evaluative function of performance appraisal is in reviewing past performance in the light of what has been achieved actual performance assessed in relation to what is seen as desired performance This function closely corresponds to McGregor's administrative category

Development Function

Cummings & Schwab (1973) cited in Anderson (1994 13-16) argues, as far as development function is concerned concentration is on improvement the performance of people by indentifying areas for improvement, setting performance targets for the future & agreeing plans

for follow up action This aspect also involves developing the capacity of people through formulating plans to develop their skills & careers, helping individuals to reconcile their jobs & career aspiration with opportunity available in the organization

According to Cascio (1989 309) argues,

a) Appraisal supports personnel decisions to promote outstanding performers, to weed out marginal or under performer It serves as a key input for administering a formal organizational reward & punishment system

b) Appraisals are used as criteria test validation

c) Appraisals provide feedback to employees & serves as vehicles for personal & career development

d) Once the development needs of employees are identified appraisals can be used for establishing objectives for training programs

e) As a result of the proper specifications of performance levels, appraisals can help diagnose organizational problems

According to Fisher (1995 39-40) argues,

Objectives define what organizations, functions, departments, terms & individuals are expected to achieve

There are two types of objectives

Work & Development

It refers to the results to be achieved or the contribution to be made to the accomplishment of team departmental & corporate objectives At corporate level they are related to the

organisation's mission, core values & strategic plans At departmental level they are related to corporate objectives mainly, spelling out mission, targets & purposes to be achieved At team level they will be related again specifically to the purpose of the team & the contribution it is expected to make to achieving departmental goals Individual level they are job related referring to the main activity areas or key tasks which constitute the individual job

Developmental

These are concerned with what individual should do and learn to improve their performance and their knowledge & skills & competence They are determined by means of appraisal discussions which establish any areas where improvement is required

(Pilbeam & Marjorie 2010 320 – 322), objectives can be defined at business unit team or individual levels At business unit level they are closely aligned to organisational goals & will specifically define the targets that the unit is expected to achieve in order to maximize its contribution At team or individual level the objectives need to relate specifically to the role of the team or individual & the contribution that they are expected to make to the achievement of business unit objectives There is value in objectives being SMART but this approach may be seen as lacking flexibility in the modern fast moving business environment

S Specific – define precisely what is required in clear language so that is it clearly understood by both employer & employee

M Measurable – normally includes both quantitative targets & qualitative outputs which can be objectively assessed

A Agreed / Achievable – Managers define objectives but they are agreed with the employee Management imposed objectives that are not owned or accepted by the employee have less chance being achieved

R Realistic – Objectives must be achievable & fairly allocated Setting objectives which are easy to achieve for one employee while giving another objectives that are unlikely to be met is not only unfair but it may also be de-motivational for both the individuals

T Time related – Incorporate clear targets dates or time scales which are not open ended

Benefits of Performance Appraisal

McMahon (1999 51) argues, performance appraisal is a two way process, which aims to enhance individual and organisational performance Its primary objective is to motivate staff members and it also entails clarifying and aligning the perception of both the parties to the process, with particular reference to role/ results areas/ objectives/, performance, future development, action and support It involves reviewing the past considering the present and planning for the future

According to Fisher (1995 15-17) benefits of performance appraisal can be categorized as

Organisation point of view

a) Improved performance throughout the organisation due to more effective communication, increased sense of cohesiveness & loyalty, improved relationship between managers & staff,

b) Improved overview of the task performed by each employer,

c) Expectations & long term views can be developed,

d) Training & development needs identified more clearly,

e) The message is conveyed that people are valued

Appraiser point of view

a) Opportunity to develop an overview of individuals jobs & complete departments,

b) Identifications & ideas for improvements,

c) Increased job satisfaction,

d) Increased sense of personal value,

e) The opportunity to re-prioritise targets,

f) Means of forming a more productive relationship with staff based on mutual trust & understanding,

g) Opportunity to link team and individual objectives & targets with departmental & organisational objectives

Appraisee point of view

   a) Increased motivation,

   b) Increased job satisfaction,

   c) Increased sense of personal value,

   d) Improved working relationship with the manager,

   e) Opportunity to discuss work problems and how they can be overcome,

   f) Clear understanding of what needs to be done to meet expectations

Performance Appraisal Challenges

Pilbeam & Marjorie (2010 325-326) argues, challenges & problems associated with the implementation & management of performance appraisal are as follows

a) **Increased bureaucracy** – systems can be time consuming not just in the time needed for the appraisal discussion but also in the time needed to complete the appraisal documentation Poorly designed systems are an additional management burden that interferes with management Well designed systems where processes are embedded in the day to day management activities are more likely to be accepted & successful Complex systems like 360 degree feedback generate a substantial amount of information to be analyzed

b) **Lack of commitment** – a system has to deliver the objective of identifying promoting & rewarding performance, if it is not seen to do this in practice it will fall into dispute & both employee and manager will reduce their commitment

c) Tension between identifying development needs & allocating fair rewards can undermine the system

d) Subjectivity & bias are inherent in one individual's assessment of another & there are difficulties in developing objective measures

e) **Recency Effect** – it is a human perceptual characteristic's to be influenced by recent events & employees achievement or lack of achievement close to the appraisal interview may distort the assessment

f) Employees may perceive the appraisal process as a toll for managerial control used to reinforced managerially desired behaviors & to subdue the expression of dissatisfaction

(Redman & Wilkinson 2006 165–166), performance appraisal appears to be one human resource activity that everyone loves or love to hate (Carroll & Schneier's 1982) cited in (Redman & Wilkinson 2006 165–166) research found that performance appraisal ranks as the most disliked managerial activity It is frequently suggested in the popular management literature that most mangers would prefer having a dental appointment rather than conduct a performance appraisal (Grint 1993 64) cited in (Redman & Wilkinson 2006 165–166) quotes "rarely in the history of business can such a system have promised so much and delivered so little" Critics of performance appraisal argue that it is expensive cause conflict between appraised and appraiser, has limited value & may even be dysfunctional in the improvement of employee performance & publically speaking its use contributes little to the strategic management of an organisation Some appraisal systems especially the more judgmental those tied into merit based pay systems & those with forced distribution are argued to be especially problematic in these respects For many authors performance appraisal is "doomed" (Halachmi 1993) in (Redman & Wilkinson 2006 165–166), a managerial practice 'whose time has gone' (Fletcher 1993, Bhote 1994) in (Redman & Wilkinson 2006 165–166), & whose end is imminently predicted (Roth & Ferguson 1994) cited in (Redman & Wilkinson 2006 165–166)

(Taylor 2008 380-381), academic research into performance appraisal has rarely focused on its effectiveness in general terms Instead the literature consists on the one hand of general surveys establishing which approaches are being used & for what purposes

Critiques of performance appraisal come in three distinct forms

a) Criticism of the way that managers carry them out in practice

b) Criticism from a practical point of view of the appraisal in general

c) Theoretical criticism from those who advocate wholly different approaches to performance management

Challenges according to Rowe (1986) cited in Taylor (2008 380-381)

a) Tendency to give a good overall assessment on the basis that one particular aspect has been accomplished well

b) A tendency to avoid giving low ratings even when deserved for fear of angering or upsetting a weak performer

c) Tendency to give a poor overall assessment on the basis of particularly poor performance in one area

d) Tendency to rate employee performance as average or good rather than to use the end point of the rating scales

e) Tendency to give particular weight to recent occurrences in reaching judgment about individual performance

f) Tendency to give particular high ratings to people who have performed well historically whatever their performance over the previous year

g) Tendency to rate subordinates at a lower level than the appraiser when in their position

Philip (1990) cited in Taylor (2008 380) common problems that can reduce the effectiveness of appraisal interviews results from poor management preparation leaving insufficient time for a proper discussion to take place & allowing interruptions to occur during the interview

Longenecker, Sims, & Gioia (1987) cited in Ferris, Buckley, Fedor, (2002 245) argued, managers occasionally deflate performance ratings & provide a variety of reasons for consciously deflating the ratings including spurring a subordinate to better performance through

the shock of a low rating & teaching a employee a lesson, trying to get an employee to consider leaving the organization or trying to build up a record of poor performance that will assist in the legal justification for terminating the employee Over the period of time & with the rise in the wrongful termination of lawsuits the final reason for deflating ratings has become even more important

(Ferris, Buckley, Fedor, 2002 245), it is clear that the manager motives can have direct impact on the employees performance review maybe to the point that the actual performance of the employee is irrelevant Human Resource managers must recognize these trends when making decisions based on performance ratings

Methods of performance Appraisal

According to Boone & Kurtz (1992 289) & Anderson (1993 24-35) & Salaman Cameron Hamblin Iles Mabey Thompson (1992 273-274) argues, there are three widely used methods of performance appraisal

Graphic Rating Scales

Performance appraisal technique in which a set of performance factors are rated on an incremental scale Appraiser is asked to rate employees in terms of numbers of defined work or personal qualities by placing a trick somewhere along a line from high to low

Advantages

    a) It is relatively simple

    b) Ease of comprehension

    c) Avoidance of having slot people into specific categories

Disadvantages

    a) Central tendency

    b) Rater bias

    c) Meaning or interpretation of the rating scale itself

Forced Distribution Scales

Performance appraisal technique using incremental scales & requiring a predetermined percentage of person of persons to be included in each category The assumption underlying this method is that variation in employee performance follow a normal distribution curve

Behaviorally Anchored Ratings Scales (BARS)

Performance appraisal in which performance factors are specified and each is then rated on an incremental scale that is, in turn, divided into increments of observable job behaviour BARS requires a specially designed rating form for each group of jobs This method is not widely popular appears to have a some advantages in overcoming some of the problems that are likely to characterize alphabetically rating scales

Gunnigle et al (2011 195) & Anderson (1993 33-39) argues, there are range of performance appraisal methods that can be used by the organisation

Rating

Appraiser specifies on a scale to what degree relevant characteristics Rating usually involves the appraiser rating the employees performance and behaviors against a predetermined scales

Ranking

Appraiser ranks workers from best to worst, based on specific characteristics This is the simplest performance appraisal method Appraiser places employees in order of merit Ranking is usually carried out on assessment of overall performance

Paired Comparison

Two workers compared at a time & decision made on which is superior resulting in a final ranking order for full group This is a form of ranking in which the appraiser is required to indicate which of two employees is rated higher Number of times each individual is preferred is calculated & a performance rating index determined based on the number of times an employee is rated higher than his peers

Critical Incident

Appraiser observes incidence of good & bad performance These are used as a basis for judging & assessing or discussing performance This method is a variant of free written reports method Its distinctive feature is that the appraiser is asked to record what he or she perceives as critical incidents in each employee performance over the review period

Free-form

General free form – written appraisal by appraiser Appraiser is given the opportunity to write an account of the performance of each employees that reports to him/her in an unstructured form

Self-assessment

Appraisees evaluate themselves using a particular format or structure With this method the employees is given the opportunity to comment on his or her own performance in the appraisal documents and to give suggestions relating like, modification of the job description n& further training & development This approach seeks to involve the employee in the appraisal process & encourages him / her to prepare for the appraiser interview & think carefully about the work problems & performance

Rater Training

Maheshwari (2001 202) argues, the weakness of performance appraisal systems is that managers and supervisors are not sufficiently given training for the appraisal process and they give a little bit of genuine feedback to their subordinates Recent estimates suggest that very few organizations conduct to the point, skill based, training with their raters (Grote, 1996) cited in Maheshwari (2001) Such procedures underestimate the importance of managers having proper

skills and knowledge to conduct effective appraisals It can be said that it is better to have no appraisals at all than to conduct a poor appraisal Bacal (1999) cited in Maheshwari (2001) adds that without thought and efforts the whole process of appraisal becomes the wastage of time and most insulting

Maheshwari (2001 202) argues, training can minimize rater effects Decenzo and Robbins (1996) state that if you are unable to get good raters, the remaining option is to prepare good raters Duncan (1983) cited in Maheshwari (2001) stresses that raters should be so trained that they can understand the use of performance appraisal programmes and to maximize its positive aspects It is the responsibility of the senior managers to train supervisors thoroughly in conducting appraisals and to make sure that learning is rightly applied (Imundo, 1980) cited in Decenzo and Robbins (1996)

Maheshwari (2001 203) argues, evidences show that training of appraisers can make them more to the point raters General errors like halo error and leniency error can be reduced or eliminated in training workshops (Decenzo & Robbins 1996) Without training, managers can do more harm than good (Armstrong 1998) cited in Decenzo and Robbins (1996) Torrington and Hall (1988) cited in Decenzo and Robbins (1996) note that an excellent performance appraisal system is of little use if managers do not know how to use the system for best results Some training is also required for the employees since they are asked to contribute to the process This training should involve how to keep the records up to the mark, how to communicate on all aspects of performance and how to set their goals

Assessment Centers

Lievens & Kilmoski cited in Robertson & Cooper (2001 75) argued, defined assessment centers as 'a standardized evaluation of behavior of beaviour based on multiple inputs Multiple trained observers & techniques are used Judgments about behaviours are made in major part from specifically developed assessment simulations These judgments are pooled in a meeting among the assessors or by statistical integration process Singh (2004 321) argues, future oriented appraisals focus on future performance by evaluating potential or setting future performance goals

Singh (2004 329) argued, assessment centers are a standardized form of employee appraisal that relies on multiple types of evaluation & multiple raters Assessment centre is usually applied to groups of middle level managers who are potential to perform at responsible levels within the organization Usually it has been seen members in the group meet at the assessment centers They all are individually evaluated during their stay Process subjects selected employees to in-depth interviews, psychological tests, and personal background histories, peer ratings by psychologists & managers and in the end simulated work exercise to evaluate future potential Organisation benefits from using the assessment centers method for potential evaluation in that it offers an opportunity for human resource planning to meet the requirement of an appropriate number of suitable employees & employees to get benefitted from the potential evaluation in that they are given the opportunity to develop their capacity and use them in work situations & practical life Assessment train the organisation & its employees with a fairly complete picture of the consequence of its employees

Management by Objectives

Graham & Bennett (1993 239-240) argues, Management by objectives (MBO) is a system which attempts to improve the performance of the company & motivates assess & train its employees by integrating their personal goals with the objectives of the company

Method

Graham & Bennett (*1993 239-240*) argues, employees agree with the manager what his or her performance objectives should be over a set period The objective is ideally expressed quantitatively & taken from key areas of the job Tasks which if done well will cause the whole job to be done well In the end both employee & manager review jointly the achievement or non-achievement of the objectives

Advantages

Graham & Bennett (1993 239-240) argues, management by objective is intended to encourage employee participation & increase job satisfaction by giving the employee a sense of achievement & involvement with his or her work

a) Employees are forced to think hard about their roles & objectives, why these tasks are necessary & how best to get things done

b) Targets are clarified & the crucial elements in each job identified

c) Superiors & subordinates are obliged to communicate with each other & there is forced coordination of activities between various levels of management & departments & between short term and long term goals

Disadvantage

Graham & Bennett (1993 239-240) argues, many managers & employees find the joint objective setting & performance review interviews difficult & sometimes inconsistent with the general management style of the company

a) Attempts to quantify performance in activities that are not really scientific

b) Concentration on short-term measurable goals while neglecting important but less precise long term objectives

c) Difficulties arising from subordinates being given objectives but not the resources information & authority needed to achieve them

Effects

Graham & Bennett (1993 239-240) argues, few companies using Management by objectives completely in their system but it has left a beneficial legacy to the appraisal schemes which succeeded it, achievement of objectives being emphasized much more than the rather indefinable qualities of energy, cooperation, initiatives etc

Self Appraisal

According to CIPD (May 2011), in some particular cases it may be easier to guide appraises through a self evaluation process, helping them to assess and examine their own performance as a basis of discussion and action This may be helpful in improving the quality of appraisal discussion because individuals share actively in the process and this makes them work through the points recognized in advance This approach may prove useful for junior staff and for those who are not used to appraisals Inspite of it , self assessment can be successful, on the condition ,that individuals have clear aims and standards against which to assess themselves A climate of

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trust is required for this where individuals believe that their appraisals will not take an opportunity of an open self assessment

According to Bach (2005) cited in Nickson (2007 182) argues, the manner in which the appraisal process in a number of organizations increasingly expects employees to take greater ownership, with employees assigned greater responsibility for establishing their own performance goals and for obtaining feedback on their performance

"With self appraisal then instead of employees being passive recipients of their line managers appraisal they are increasingly involved via some form of self assessment often being more critical than if the manager conducted the appraisal" (McKenna & Beech 2002) cited in Nickson (2007 182)

Mohanty (1996 78) argues, many organizations are beginning to see performance improvement or personal development as the prime responsibility of the employee In this, the role of the organization becomes one of encouragement and providing information and support Organizing & facilitating feedback are seen as part of the role

Roy (2000 111) argues, employees can evaluate themselves and are often asked to do so as part of the appraisal process and in preparation for the appraisal interview

Psychological Appraisals

According to Singh (2004 321-322) argues, some organisations employ full time psychologists When psychologist are used for evaluations, their role primarily is to assess an individual's future, potential, not past performance Appraisal normally consists of in-depth interviews psychological tests, discussions with supervisors & a review of other evaluations Psychologist

then writes an evaluation of the employee's intellectual, emotional motivational & other work related characteristics that may predict future performance

Team Based Appraisal

According to Redman & Wilkinson (2006 164), work is increasingly being restructured into highly interdependent work teams yet despite this performance appraisal often remains stubbornly based on the individual Teams are increasingly being given responsibility for allocating work tasks setting bonuses selecting new staff & even disciplining errant members Thus it has been seen entirely appropriate that performance appraisals should also be based upon & even conducted by the team themselves

(Redman & Wilkinson 2006 164), it has been seen sometimes it's the manager appraise the team as a whole Targets are set performance measured & assessment made & rewards allocated as with traditional individuals appraisals Manager makes no attempt to differentiate one member from another in performance terms in fact the creation of interest inequity with respect to rewarding performance is a deliberate aspect (Lawler 1994) cited in (Redman & Wilkinson 2006 164) The other main variant whereby individual appraisals of each team member are still made but not by the management Rather in a form of peer appraisal team members appraise each other usually via the use of anonymous rating questionnaires

Competency Based Appraisal

Canncok (1992) cited in (Redman & Wilkinson 2006 165), concept of competency has been one of the major Human Resource themes of recent times Canncok (1992) describes it as one of Human Resource Management "big idea's" One consequence of this has been the attempt by some organization to use the competency approach to develop an integrated human resource

strategy This has been particularly pronounced in Human Resource practices targeted at managers but it is growing for non managerial groups

(Redman & Wilkinson 2006 165), assessment of competencies in the appraisal process has a number of benefits The evaluation of competencies identified as central to a good job performance provides a useful focus for analyzing the progress an individual is making in the job rather the static approach of many ability or trait schemes Competency bas assessment is especially useful in directing employee attention to areas where there is no scope for improvement

Appraisal Interviews

(Gunmgle et al 2011 204) argues, is it considered to be the most difficult interview that manager has to conduct since the twin goal of performance evaluation & motivation facilitation are not necessarily compatible Evaluation requires a manger to act as judge & yet the developmental aspect demands a more facilitative supportive approach When these are combined with the inherent pitfalls that are associated with the interviewing process the result often leads to interaction that is stressful & demanding for both the manager & the employee appraised There are mainly three types of appraisal styles in appraisal interview

a) *Tell & sell* – this approach is directive & authoritative in nature & involves the manager telling the employee how he or she has evaluated the performance & then attempting to convince the employee of the fairness of the assessment This approach is unchanging & it is unidirectional from the manager to the employee & it provides very little opportunity for employee to be a part of the evaluation process

b) *Tell & listen* – this approach is more or less similar to the "tell & sell" approach but there is a possibility of employee involvement in this process Here manager again communicates his or her evaluation of performance to the employee & then encourages the employees to respond to the evaluation given

c) Last but not the least *problem solving* – this approach is based on the premise that the appraisal process is one that is jointly conducted by the manager & the employee In this manager first ask the employee to discuss their performance against agreed targets & to express any problem that might be affecting work behaviour In this employee is free to comment & highlight particular aspects of performance & manager provides feedback on performance

360 Degree Appraisal

Ward (1995) & Garavan, Morley & Flynn (1997) cited in Gunnigle et al (2011 201) argues, that it is designed to provide a complete multi-dimensional overview of an employee's performance 360 degree or multi-rater feedback is the practice of collecting perceptions of an employee's performance from sources such as subordinates, peers & supervisors & other staff members

(Deshpande 2010 25) 360 degree appraisal was developed by General Electric Company of United States in 1992 and soon it got popularity all around the world In India several companies like Wipro Corporation, Reliance Industries, Thomas Cook, Godrej Soaps, and Infosys Technologies etc are using this in practice

(Deshpande 2010 25) 360 degree appraisal is the process that gathers the data on individuals skills, abilities, and behaviors from different sources systematically These include the managers, subordinates, peers, clients and even customers In 360 degree appraisals, besides appraising the performance of the appraise, his other qualities like talent, behaviour, values, and technical capabilities are also appraised

(Ward 1997 3), main objective of 360 feedback is to obtain performance information on an individual from those with whom they interact most – such as boss, team members and staff

Ward (1997 3) argues, it is also known as

a) Multi rater feedback

b) 360 degree feedback

c) Peer appraisal

d) Upwards feedback

360 degree feedback can be defined as 'the systematic collection and feedback of performance data on an individual or group derived from a number of the stakeholders in their performance' (Ward 1997 4)

(Pareek 1999 541), it has become popular recently because of changes in what organisations expect of their employees, increasing emphasis on performance management concepts and more receptive attitudes

360-Degree feedback is aimed at improving performance by providing a better

awareness of strengths and weaknesses The employee receives feedback, in anonymous form,

on performance ratings from peers, superiors and subordinates Kaplan & Palus, (1994) cited in

Sinha, (1999 200)

Edwards & Ewin (1994), cited in Thapa (2001 157) argues, feedback from multiple sources, such as superiors, peers, subordinates and others has a more powerful impact on people than information from a single source, such as their immediate supervisor Employees view performance information from multiple sources as fair, accurate, credible and motivating They are more likely to be motivated to change their work habits to obtain the esteem of their co-workers than the respect of their supervisors

Edwards & Ewen, (1996) cited in Thapa (2001 158) argues, the supervisor-only performance appraisal is subjective and relies on the supervisor's

judgment They are time-consuming and are generally disliked by those who give and receive

them They are typically given once a year assessing the employees work

performance from a subjective point of view and providing management information for

decisions on pay and promotion

Edwards & Ewen, (1996) cited in Thapa (2001 158) argues, 360 degree feedback improves the quality of performance measures by using multi raters

providing a more balanced and comprehensive view The information is more reliable, valid and credible because the providers interact regularly with the employee at work

(Raman 2002 108), 360 degree feedback or multi-rater assessment involves collecting information from all of the sources mentioned peer assessment, subordinates, customers, fellow staff members as well from self appraisal When external sources such as customers & suppliers are included it is sometimes called as 540 degree feedback This type of appraisal provides information on different aspects of the employee's performance giving a rounded view of the individual's strengths & weakness

(CIPD May 2011), it is of much importance for employees to know their contribution to the organization, the aims and objectives and how they are performing against the contracted criteria and for this the individual employees be given regular and honest comments about the individuals performance for further improvement 360 degree feedback can enhance this process by making wider the opportunity for information from the line manager relationship to include a big range of person's contribution It is important that the process of 360°appraisal is preceded intelligently and honestly and the individual should be under control of this process The persons who are giving feedback should be encouraged to give feedback in a positive and objective way using persons to be copied to back up perceived opinion of performance The secrecy of all the participants should be considered at all times and comments should be given in brief and feedback should be given to the recipient by expert feedback techniques Recipients should always be given support to act on comments given on his performance

Benefits of 360 Degree Feedback

It is more recognized that 369 degree feedback provides various advantages over single – source assessment (Budman & Rice 1994, Dunnethe 1993, Hoffman 1995 Jones & Bearlyey 1996, Kaplan & Palus 1994 Lublin 1994, McGarvey & Smith 1993, Nicholas 1992, Nowack 1993, Vinsom, 1996) cited in (Fleenor & Prince 1997) The benefits of 360 degree feedback can be categorized as following –

1) 360 degree evaluation provides fresh perspectives by which an opinion can be formed about the employee's skills, behavior, abilities, or performance

(Fleenor & Prince 1997), in many cases, specific aspects of an employee's performance are not observable by or do not influence all employees, depending on their relationships with the employee which is being evaluated Since 360 degree evaluations receive input from fresh and varied perspectives, the feedback presents a more perfect image of an employees' performance and skills Managers can see how their behavior influences those around them and how others observe their ability

2) 360 degree evaluations make less severe some recognized shortcomings of top- down single –source assessments (Bracken, 1994, Budman & Rice, 1994, Harvey, 1994, Hirsch, Jones & Bearley, 1996, Marchese & McGowan, 1995, Nicholas, 1992, Vinson, 1996, Ward, 1995) cited in (Fleenor & Prince 1997)

(Fleenor & Prince 1997), single source evaluations can be subjective and be against of the employee Dependency on a single source like supervisors for past events evaluation, which sometimes cover a year of performance information may not give fair and logical feedback Some rating biases that may influence the logic of all performance ratings, including those

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collected with 360 degree feedback tools One error is halo error 'in which an individual is rated as good or poor depending on his or her reputation instead of on the actual level of performance Second source of error is known as recency effects results from raters giving too much importance to performance of few months before the assessment For example, a worker with poor performance during most of the year is still rated high because of a project completed successfully a few weeks before the assessment Recency effects sometimes happen in the organizations that do not give priority performance evaluations

(Fleenor & Prince 1997), inspite of it is true that all raters may be influenced by these subjectivity, the use of more than one perspective allows the ratings to be averaged among a number of respondents, which may provide a truer evaluation of the focal managers' performance

3) 360 degree evaluations give opportunity for individuals to rate themselves (Dunnette, 1993, Hezlett, & Schneider, 1993, London & Beatty, 1993, McCauley & Compbell, 1993, Smither, London, Vassilopoulos, Reilly, Millsap, & Salvenim, 1995, Ward, 1995, Yammarino Atwater, 1993) cited in (Fleenor & Prince 1997)

(Fleenor & Prince 1997), self evaluations have been used for purpose other than 360 degree feedback, inspite, these evaluations focused on organizational effectiveness, instead on employees' performance, with 360 degree feedback, self assessment combines another perspective from which performance and behavior can be observed The evaluation of one's' own effectiveness can increase the assessment process itself For example self assessment can more fully involve the focal employee in the rating process

(Fleenor & Prince 1997), moreover, to generating 'buy in 'self ratings provide special ability to understand the truth how self perception influence managerial performance In various 360 degree feedback tools, self assessment are compared to ratings from other groups Some evaluation systems compare self ratings to standard data

4) 360 degree assessments can be used to strengthen organizational value and vision (Crystal, 1994, Heisler, 1996, London & Smither, 1995, O'Reilly, 1994, Parker-Gore, 1996, Shaver, 1995, Sweet, 1995) cited in (Fleenor & Prince 1997)

Parker-Gore (1996) cited in (Fleenor & Prince 1997), argues organizational cultures must be strengthened and developed For this 360 degree feedback can repeat the value of specific abilities, behaviors, to around the organizational values For example, a manager who must be original and creative in order to be successful can obtain specific feedback on his or her innovation When 360 degree evaluations are placed in correct position with organizational visions & values, individual feedback may be more relevant for use in the organization The perfect influence of 360 degree feedback will not be experienced if it only favours individual change and does not be a part of the whole which convert in to the organizational strategy

Who should come under 360 degree appraisal?

(Tornow cited in Thomas, Morley and Flynn 1997 134-147) draws attention to the important people who take part in 360 degree feedback process like supervisors, peers, subordinates, and self Inspite of the fact, Tornow includes the customer as one of the sources of feedback, in his definition of 360 degree feedback the customer is lacking from the instruments of feedback According to (London and Beatty) cited in (Thomas, Morley and Flynn 1997 134-147), if the customer is not involved in the feedback, it cannot be called 360 degree feedback instead 270

degree feedback They think, the customer is an important source of data, the customer can enhance the value to the organization and increase its competitive advantage

360 Degree Feedback is Positive or Negative

The interpretation and delivery of feedback is no doubt a specialized skill, which tells the value of the role, a feedback coach plays in the 360 degree process An experienced coach can help the learner with handling typical reactions properly He has coaching sessions with employees, focused on encouraging the learner to examine the behaviors that might be causing to happen the feedback, reflect on their reactions with other people , examine their own performance status, and be honest with themselves about the development required Moreover, the coach indicates common messages that the raters are passing to strengthen them The analysis based on observation and experience has revealed the positive effect combining 360 degree feedback with coaching which is centered at increasing self awareness can have on an individual performance (Lulhans, Peterson 2003) cited in Rao (2005)

The study of human nature and psychology can explain the different reactions people have to feedback Having and giving feedback is an interpersonal relationship The need for successful relationships is a human characteristic Requesting feedback from others takes us out of our easy zone because there is the probability of the feedback might be less than positive Negative feedback may be interpret like rejection and may bring a feeling of exposure to be harmed and avoidance of criticism Most of the employees fear negative feedback and will not energetically seek it out Negative feedback may threaten a learner's self concept They may feel they can't change anyway We are social beings and our deep emotions occur in relationships with others Negative feedback may obstruct those relationships The place where we spend the most of time

and the most important part of our life is the organization where we work Our primary needs like achievement, recognition, respect, power and control probably affect interactions and performance at work (Wertheim, 2004) cited in Rao (2005) This explains the difficulties for individual in accepting the negative feedback from others in workplace 360 degree reports give detailed feedback about learner's performance, behaviors, performance outcomes and relationships with others, from the point of view of others It difficult to accept this feedback particularly if the feedback is counter to the learner's self concept Positive feedback is aimed at enhancing psychological safety and strengthening selected behaviors, while negative feedback is aimed at shaking one lose from ones' self satisfied concept of oneself and at making enthusiastic one to try new behaviors In 360 reports negative feedback can be renamed as corrective feedback , which is intended to encourage thoughtful examination of one's' behavior , the intended outcome of a 360 review (Schaible and Jacobs, 1975) cited in Pareek (2009)

Extent to which 360 degree appraisal is used

(Brackman, Dalton, Jako, McCauley, Pollman 1997 7) believes in using 360 degree feedback absolutely for development It promotes self awareness and it is encouraging Using it for appraisal makes it using as punishment, by its specific nature There is debate whether 360 degree feedback should be used only for feedback and development or whether these types of assessments are also right for use in administrative decision making

(Brackman, Dalton, Jako, McCauley, Pollman 1997 24) suggested on how 360 degree assessments can be used to help employees learn, grow and change over time She puts forward as a fact that for these assessments to have this desired outcome, they required to be bases on honest ratings and be fed back to the employee in a way that he or she can accept the data She

argues that using the 360 degree data for administrative decision making would break the conditions required for honest ratings and a safe climate She resists using 360 degree assessments for administrative decisions making because of what could happen in the worst case scenarios

(Brackman, Dalton, Jako, McCauley, Pollman 1997 25), states how 360 degree assessments can be used to encourage the development systematic, selected as subject of behavior change, resulting in enhanced organizational effectiveness To achieve this results, he argues, that 360 degree assessment need to be used for administrative decision making, inspite of their use in feedback for development 360 degree assessments will not continue if they are not linked to an organization's pay system because rewards determine behavior of the employees 360 degree assessments do not need to be linked to administrative decisions always nor do they need to be disconnected from them always But the process and contexts to make sure good administrative decisions and those to make sure good feedback for development seems to be completely different He argues that he does not believe that similar 360 degree assessment process can serve both purposes well

Legal & Ethical Issues of Performance Appraisal

Banner & Cooke (1984) cited in Gunnigle et al (2011 205-206) argues, that despite the fact that performance appraisal involves the passing of a judgment on another individual using often rather subjective mechanism, an organisation can morally justify the use of appraisal

a) Problematic use of trait oriented & subjective evaluation criteria,

b) Difficulties in the preparation & writing of performance standards & measurement indicators,

c) Deployment of different systems of performance appraisal within the same organisation,

d) Issues around how the results of the performance appraisal will subsequently be used,

e) Issues surrounding who actually determines the so called objective standards

Taylor (2008 384), law does not intervene to any great extent in the performance appraisal process itself but on the other hand have an indirect impact in that individual appraisal records inform decision in the fields of promotion, payment dismissal access to benefits & access to training opportunities Performance appraisals can also have legal consequences in the fields of discrimination on grounds of sex, race, disability, sexual obligation, religion or belief & age This occurs when they are used as the basis of or justification for promoting employees, increasing or decreasing individuals pay levels or selecting employees for new opportunities in the organisation

Cascio (1989 315-316) argues, to avoid legal difficulties consider taking the following steps   ʾ

a) Conduct a job analysis to determine the characteristics necessary for successful job performance,

b) Train supervisors to use the rating instruments properly including how to apply performance standards when making judgments,

c) Formal appeal mechanism coupled with higher level review of appraisal desirable,

d) Document the appraisals & the reason for any termination decision This information may prove deceive in court Credibility is enhanced with documented appraisal ratings that describes instances of poor performance,

e) Provide some form of performance counseling to assist poor performance

Key Features of Effective Appraisal

Eileen Piggot-Irvine (2003 172-173) argues, effective appraisal is supported by a relationship of respect and has consequences directly related to improved learning and teaching Effectiveness is also related to appraisal processes and information that have transparency, objectivity, highly honest and morally upright where in depth development is a goal rather than a quick fix achievement The key features of an effective appraisal are following –

1   An integrated development and accountability approach- the desirability of retention of balance between development and accountability in appraisal requires an integrated development and accountability,

2   Objective information – it is necessary that discussions should be based on factual ,objectively collected, data based information (Cardno and Piggot-Irvine,1996 20) if the process is to be considered as a valid, fair, accurate, and reliable approach to manage the performance of the staff,

3   Confidential and transparent process – Objective information gathering is the requirement of confidential and transparent processes Both the features are considered important by appraiser and appraisee At first sight confidentiality and transparency may seen contradictory is a misconception There is logical harmony between confidentiality and transparency As an appraiser it is important to be complete in maintaining confidentiality in dealing with information and he also needs to be clear,

4   Setting deep objectives – The key of effective appraisal is the establishment of appraisal objectives and plans for improvement that are in a "deep" as opposed to "surface" format (Piggot-Irvine, 1999)
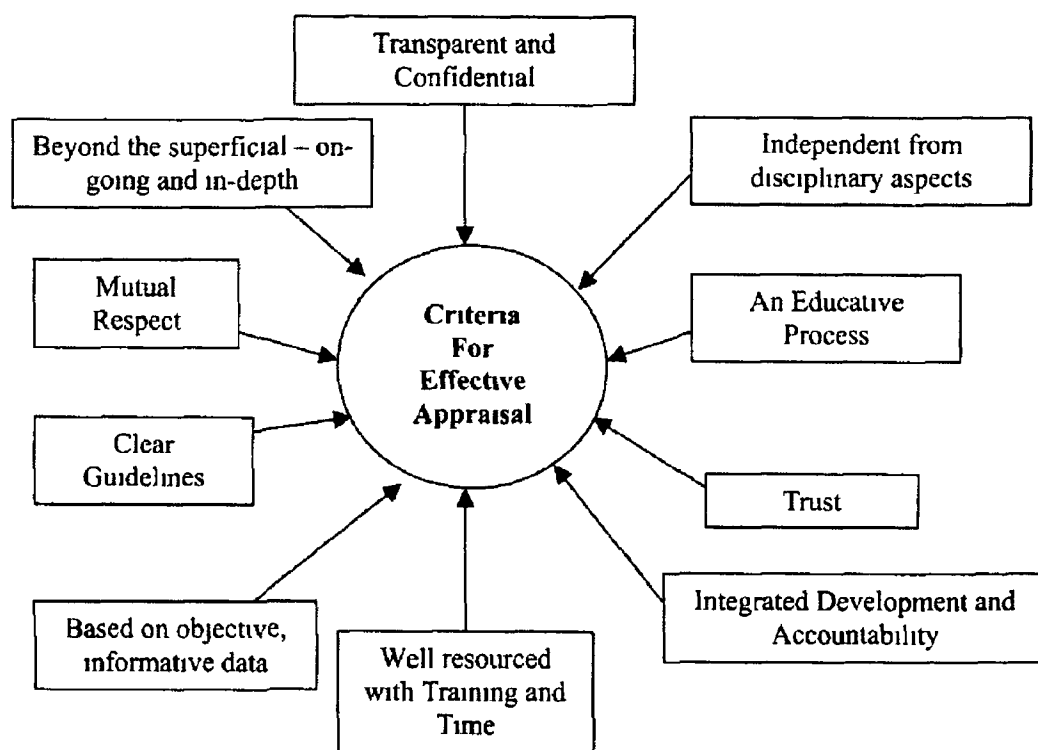
5   Separation of discipline processes from appraisal-For effectiveness the appraisal should be separated from disciplinary processes,

6   Clarity in guidelines – The clarity in guidelines and criteria for all performance management micro processes is crucial if staffs are to understand how to implement the policy effectively,

7   Quality time – Enough time should be given to appraisal Although making and taking sufficient time to carry out appraisal is considered as crucial to effectiveness,

8   Developing educative interactions – "The trust issue is the most important" (Piggot-Irvine 2001 259) respectful, trust based and open relationships are at the core of appraisal effectiveness Openness and trust could only be established if appraisers and appraises create educative process An educative relationship is based on bilateralism, leading to appraisers having more confidence to help appraises to deal with the problems if they arise The educative process is not only the type of good listening and questioning skills type interpersonal interactions that many writers think as being important for appraisal (Edwards 1992, Immegart 1994, Marshall 1995, Middlewood 1997) Educative process can create high trust rather than hierarchical control,

Educative process = problem confronting=problem solved=appraisal effectiveness

9   Appraisal training – Training should be focused on helping appraisers to develop an educative process The training includes the coverage of the elements of appraisal like values, purposes, objective setting and observation skills data gathering skills, interview skills, and report writing (Rao 2005),

10 Creating respect, openness and trust – The last feature of effective appraisal overlaps with earlier mentioned features The relation between appraisal effectiveness and ongoing

educative relationships cannot be overlooked Respect, openness, and trust need to be

established through interactions in all situations (Rao 2005)

Figure 2

Elements of appraisal effectiveness

Transparent and
Confidential

Beyond the superficial – on-
going and in-depth

Independent from
disciplinary aspects

Mutual
Respect

Criteria
For
Effective
Appraisal

An Educative
Process

Clear
Guidelines

Trust

Based on objective,
informative data

Well resourced
with Training and
Time

Integrated Development and
Accountability

Performance Appraisal Process

Once performance standards are prepared, corporations need a optimal performance appraisal system to meet its objectives and motivate employees A basic issue for corporations is to see that performance appraisal system rewards employees for generating short term results or for completing long term results Beatty (1989) cited in Sillup & Kilmberg (2010) In addition a performance appraisal system should help managers groom their employees to achieve objectives that will also help the corporations gain competitive advantage (Cascio 1991) cited in Sillup & Kilmberg (2010)

The currently available performance appraisal systems e g Computer monitoring, a 360 degree feedback system is being used by several major corporations 360 degree performance appraisal incorporates feedback from a range of employees as well as tries to obtain direct input from customers (Tornow 1993) cited in Sillup & Kilmberg (2010) Research about 360 degree performance appraisal system suggests that it is a useful way to increase the flow of information within a corporation (Garavan and Morley 1997) cited in Sillup & Kilmberg (2010)and displayed in several successful multi rater systems, like Balanced score card and European model for self appraisal (Kaplan and Nortan 2006) cited in Sillup & Kilmberg (2010) Any multi rater system introduces the chance for compromising an employee's privacy and requires a corporation to adopt appropriate measures to protect it (Carayon 1993) cited in Sillup & Kilmberg (2010) Generally a performance appraisal system consist of five components-

a) establishing employee's objectives

b) gathering feedback about employees performance

c) summarizing feedback about the employees

d) determining /discussing performance assessment

e) gaining employees understanding/setting new objectives
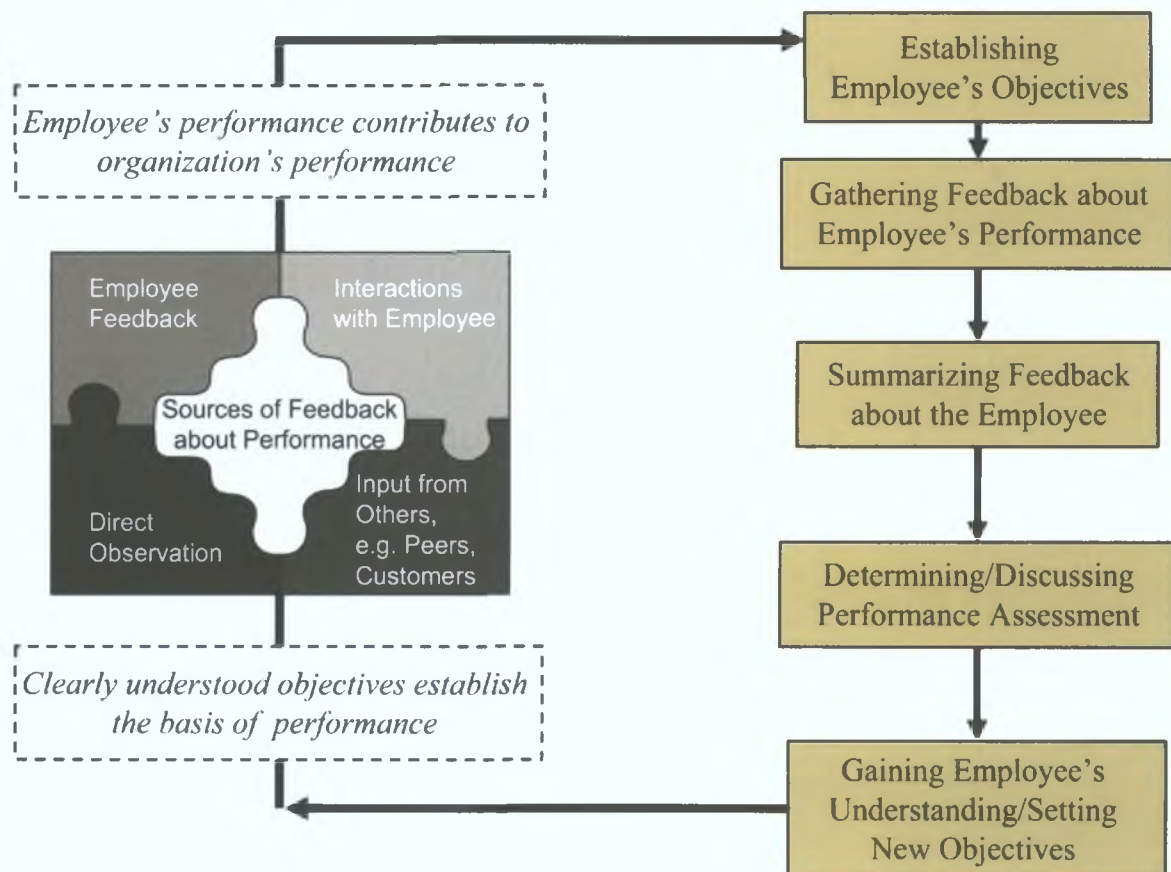
Chapter 3 - Research Methodology

This chapter offers a guide to different research strategies, techniques and instrument that are used for the collection of data and its analysis. Moreover it includes answer for the methods that are used in conducting the research and explanation of alternatives that could be used in this research and it also includes their advantages and last but not the least their limitations.

Apart from this Researcher gone through the few researches which are done primarily in National College of Ireland and he has included the questionnaire of Enkhjin Chuluunkhuu. After completing his proposal Researcher found similarities in his research and research done by her. Moreover, Researcher found her questionnaire can support his research as well further.

Research Philosophy

"The research philosophy you adopt contains important assumptions about the way in which you view the world. These assumptions will underpin you research strategy and the methods you chose as a part of that strategy" (Saunders Lewis Thronhill 2009:108).

There are two types of researchers in this world all depends on what they are actually researching.

a) Feeling Researcher

b) Resource Researcher

Objects that are studied by the 'feelings' researcher – feelings and attitudes – as a social phenomena which have no external reality They cannot be seen, measured or modified like other objects. Whereas 'resources' researcher view is different form feeling researcher as he views the

objects which are more objective On one hand "resources' researcher opts for positivist philosophy on the other hand feelings' researcher opts for Interpretivist philosophy (Saunders et al 2009 113 & 116)

The researcher chose to follow critical realist view that is affected by the nature of topic of the research and the researcher accepts as true his knowledge that he received from literature review, may make able him to know the actual fact of selected theme

Epistemology

According to Bryman & Bell (2007 16) argues, Epistemology is something which is regarded as a acceptable knowledge in a particular field More over epistemology concerns what constitute in a field of study It is a branch of philosophy that studies the nature of knowledge and what constitute the acceptable knowledge in field of study (Saunders 2009 112 & 591)

Positivist

(Remenyi et al 1998 32) positivist will prefer 'working with an observable social reality and that the end product of such research can be aw like generalizations similar to those produced by the physical and natural scientist (Saunders et al 2009 113)

According to Horn (2009 109) argues, whereas subjectivist believe that in the world we live in there is no universal truth but a reality that we all contribute to making From this stance the research goals are to discover the methods by which this reality is made or constructed

According to Saunders et al (2009 114) argues, Realism is another philosophical which relates to the scientific enquiry The essence of realism is that what the senses show us as reality is the truth that objects have an existence independent of the human mind The philosophy of realism is that there is a reality quite independent of the mind

There are two types of realism

a) Direct Realism

b) Critical Realism

Direct realism says that what you see is what you get what we experience through our senses portrays the world accurately on the other hand Critical realism which argues that what we experience are sensations, images of the things in the real world not the things directly

According to Bryman & Bell (2007 18) argues, critical realism is a form of realism whose policy is to recognize the reality of the natural order and the events and the discourses of the social worlds and holds that

According to Bryman & Bell (2007 19) argues, Interpretivism denotes an alternative to the positivist orthodoxy that has held sway for decades It is predicated upon the view that a strategy is required that respects the differences between people and the objects of the natural sciences and therefore requires the social scientist to grasp the subjective meaning of social action

Grint (2000) argues, challenges many of the positivists thinking that has tended to characterize other studies of leadership by arguing that effective leadership relies on management of subjective meaning

Research Approach

There are two types of research approaches

a) Inductive (Particular to general)

b) Deductive (General to Particular)

According to Saunders et al (2009 124) argues, it all depends upon the author that which approach he opts for moreover it also depends on the data available to the author at the time of investigation of the research Most of the authors generally opts for deductive research as this approach permits to develop a theory and hypothesis and to design a strategy to evaluate the hypothesis Whereas in inductive approach firstly author collects the data and then develop a theory on the basis of data analysis Deductive approach mostly opts by positivist and inductive approach mostly opts by Interpretivist

Saunders et al (2009 127) argues, inductive approach basically we move form particular to general and in deductive we move form general to particular In inductive approach there is a close understanding of research context and the collection of data is a qualitative one apart from this it is a flexible approach where researcher is a part of a research process and there is a less concern with the need to generalize Whereas deductive approach is more scientific approach in data collection is quantitative and it is a highly structured approach independence of researcher of what is being research and there is need to choose different samples in order to generalize

Research Design

Research design of the current dissertation is of explanatory nature with some descriptive essentials

According to Cooper & Schindler (2008 140) argues, Research design comprise of the rough draft for the collection, measurement and analysis of your study It aids the researcher in the allocation of limited resources by posing critical choices in methodology It is the plan and structure of investigation so conceived as to obtain answers to research questions Last but not

the least it express both the structure of the research problem – the framework, organization or configuration of the relationship among variables of a study

Classification of Designs

Explanatory Study

"Exploratory Studies tend loose structures with the objective of discovering future research tasks The immediate purpose of explorations usually to develop hypothesis or questions for further research The formal study begins where the exploration leaves off- it begins with a hypothesis or research questions & involves precise procedures and data source specification" (Cooper & Schindler 2008 143)

Descriptive Study

According to Saunders et al (2009 140) argues, the purpose of descriptive research is 'to describe an accurate profile of persons, events or situations' (Robson 2002 59) This may be an extension of or a forerunner to, a piece of exploratory research or more often a piece of exploratory research It is required to have a clear view of the phenomena on which you wish to gather data prior to the gathering of data

The objective of this research is to examine the effectiveness of performance appraisal system of KRIBHCO employees and its employers and how are they affecting the effectiveness of the system This research describes the relationship between employees and employers and their attitude and behaviour as well and the performance appraisal system of KRIBHCO

Research Strategy

According to Saunders et al (2009 141) argues, the choice of your research strategy will depend on your research questions and objectives which you are opting The extent of existing knowledge, the amount of time and other resources you have, as well as your own philosophical foundation To conclude it must be remembered that these strategies should not be thought of as being mutually exclusive

Commonly used research strategies as follows

    a) Experiment,

    b) Survey,

    c) Case study,

    d) Action research,

    e) Grounded theory,

    f) Ethnography,

    g) Archival research

It all depends upon the researcher which strategy he wishes to opt for and there can be number of strategies can used in a research

Survey strategy is adopted and self administered questionnaire used in this research for collection of data Usually this type of research strategy is linked with deductive approach (Saunders et al 2009 144)

Survey research comprises a cross-sectional design in relation to which data are collected predominantly by questionnaire or by structured interview on more than one case (usually quite a lot more than one) and at a single point in time in order to collect a body of quantitative or

quantifiable data in connection with two or more variables (usually many more than two), which are than examine to detect patterns of association (Bryman & Bell 2007 56)

The characteristics of survey strategy, given below made survey strategy more appropriate for research purpose and the researcher approved it for research purpose

a) This research strategy has given a chance to researcher to collect a fair amount of data from a major census

b) Collection of data process was very cheap and less time taking

c) The researcher was able to gather enough data from a big population

d) It made researcher to produce results that are the representative of the whole population

e) The data collected through a questionnaire method caused to conform to a standard, as a result, it can be understood, compared and easily explained relatively

f) This strategy made able the researcher to receive the data which is enough to answer the research questions appropriately and meet the objectives

Saunders et al (2009 144) argues, this strategy allows you to gather quantitative data which you can analyze quantitatively using descriptive and inferential statistics

Besides questionnaire, interview techniques would have been easy for this research work but the location of the company, which is undertaken for the research is far so there remains no choice for it For that reason, the interview make able to researcher temporary work out from evidence rather than from direct statement relationship between variables (Saunders et al 2009) because it is the requirement of the researcher to understand the causes for employees attitudes towards the performance appraisal system and their views about it The method makes the interviewee to proceed the discussion in to the areas which the interviewer had not considered before, but those

are important for the findings (Fisher 2004) cited in (Saunders et al 2009) Interviewer accepts semi-structured interview would have been the appropriate to reply the questionnaire Taking in to consideration that the researcher has no experience of conducting an interview, in semi-structured interview, the interviewer has a note to remind the interviewee the main issues and also, it defends the discussion from going in unwanted areas On the other side in collecting data from same amount of population by interview method big amount of time would have required Hence interviews are able to include fewer participants which raise a question for discussion, whether the findings would have been able to depict the whole population specially, of a large company like KRIBHCO Resultantly, the researcher would have used questionnaire and interview both method for conducting this research

Population and Sample

Population is also termed as census Sunders et al (2009 210) argues, it is something which is take from the full set of cases Bryman & Bell (2007 182) argues, that part of the census which is used for study of the research is known as sample

The researcher has targeted the Head Office as it controls all the regional and zonal office of KRIBHCO The researcher has found appraisal process is more or less similar in all offices weather it is Head Office, regional or zonal All employees in KRIBHCO get their performance appraisal report by their Line Managers Through the help of questionnaires and vast size of the Head office of KRIBHCO has allowed the researcher to gather the data from the entire department Hence researcher wouldn't find the need for sampling For avoiding sampling errors and biasness, questionnaires has been send to each and every employee who so ever is working there In total there were 450 employees out of which 90 were managers and 360 were employees they all were contacted through their emails Moreover researcher had to rely on the General Manager of KRIBHCO for dispatching the questionnaires to the employees due to the policies of the company and they all asked to reply back to the researcher's private mail Researcher received 250 completed questionnaires Out of 90 managers 60 managers have replied and out of 360 employees 190 have replied As a result of that 67% of managers and 53% of staff employees have replied

Data Collection & Analysis

According to Horn (2009 6) argues, there are many ways to characterize research One popular and enduring way is to characterize research as wither quantitative or qualitative

Horn (2009 6), quantitative research collects predominately numerical data & options, and often relies on deductive reasoning Deductive reasoning forms a view about the likely nature of a thing, It often report's findings in terms of the relationship between one variable and another This type of research requires a sound base of research and theory

Horn (2009 6) argues, quantitative research is carried out from a different perspective It assumes that areas being researched are 'rich' and context based and require exploration to uncover the nature of a thing or a process No theory or view is formed before the research is undertaken, but theory and models of how things change of behave develop as the research progresses

Whereas Saunders et al (2009) is having a different view on these two research types

Mixed model research combines quantitative & qualitative approaches at another phase of the research such as research generation Means that you may take quantitative data and qualities it, that is, convert it into narrative e that can be analyzed quantitatively You may quantities your qualitative data converting into numerical codes so that it can be analyzed statistically (Saunders et al 2009 153)

The difference between qualitative and quantitative study is that qualitative study expresses human experiences, opinions into words that is descriptive, and quantitative research expresses them in to numbers (Duffy and Chenail, 2008) But this difference is not perfectly appropriate In fact, the two types of research need some skillfully handling of numbers and explanation of

words The researcher used a combined model (qualitative and quantitative) to collect and analyse the data According to Saunders et al (2009 153) mixed model research combines qualitative and quantitative techniques and analysis procedures, also combining both approaches at other phases of the study like producing research questions The researcher gathered quantitative data about the employees' opinions of performance appraisal system and the outcomes will be analyzed qualitatively

The researcher had to collect both primary and secondary data due to the nature of the research design To obtain secondary data that was relevant to the research topic , the researcher used the sources of published books , various academic e-journals, CIPD and people management websites and some research work also The researcher conducted fairly open frame work of interviews (semi structured interviews) from head of the HR department of KRIBHCO, which permits for conversational, two way communication Interview consisted of objective questions regarding PA procedures and policies in KRIBHCO The result of the semi structured interview became a basis of questionnaires circulated among the managers and the employees, and this helped the researcher to organize more focused questionnaires Self administered questionnaires were used to gather the primary data from managers and employees of KRIBHCO Both the questionnaire were different , consisted only closed questions which means , there are fixed options , from which they have to select a proper answer (Bryman & Bell, 2007) The researcher inspired to select the closed questions by Fisher's (2004 139) suggestions on which approach to follow

- Researcher can adopt an open approach if he does not know what type of responses he will get from the respondents,

- If the researcher is looking for a new idea then an open approach can be adopted,

- If researcher wants the quantitative data then closed approach can be more appropriate to be adopted

If the opinions and the experiences of a larger population are to be compared then it will be comfortable to use closed approach

Besides this the researcher had prepared short questionnaires for having more responses without influencing its accuracy, because the smaller questionnaires is more probable to receive proportionately more responses than longer ones (Bryman and Bell 2007)

Ethical Conduct

Ethical conduct states that it is the responsibility of the researcher to assess carefully the possibility of harm to research participants, and to the extent that it is possible the possibility of harm should be minimized Bryman & Bell (2007 133)

"Ethical concerns permeate every aspect of the management research process in some manner they permeate all human actions & interactions Ethical concerns arise in connection with core values the researcher holds as in the case of honesty or justice" Partington (2002 20)

(Pareek 2009 555) when we talk of ethics or morals, most commonly we think of ethics the norms of conduct that differentiate between acceptable and unacceptable behavior Honesty, objectivity, and integrity, carefulness, confidentiality and respect for intellectual property are some of the ethical principles that a researcher must follow during his research Following the above said rules the questionnaires sent to the respondents in KRIBHCO were explained the purpose of the survey The researcher had given a short introduction about himself and mentioned the estimated time needed to complete the survey As a result, the respondents came to knew from the beginning what the researcher was doing and why To protect the state of anonymous and confidentiality the questionnaires did not need respondents' names The identities of the participants will not be disclosed and the secrecy of the respondents will be protected

Chapter 4 – Limitations

The biggest limitation of the research was the time limit since there was a shortage of time. The data collected in this research was mainly from secondary sources except the data received from questionnaire survey neither all the employees participated in the survey may be due to the lack of time or some other reason. However, inspite of all these limitations researcher has completed his work honestly. To avoid biasness and subjectivity precautions has been maintained by the researcher.

Chapter 5 - Research Findings

This chapter presents the gathered data by the help of questionnaires from the managers and employees of KRIBHCO. Here the researcher has demonstrated the findings via bar charts, bar diagrams, pie diagrams in order to make it feasible for others users to make them understand. First and foremost demographic statues of managers and employees have been described. Secondly researcher has examined the responses of the employee's questionnaire but answers of the some questions which are asked from managers as well employees are presented and examined collectively. Lately the researcher will presents the findings of the managers of the manager's questionnaire.

Age group and employment Status of Managers and Employees
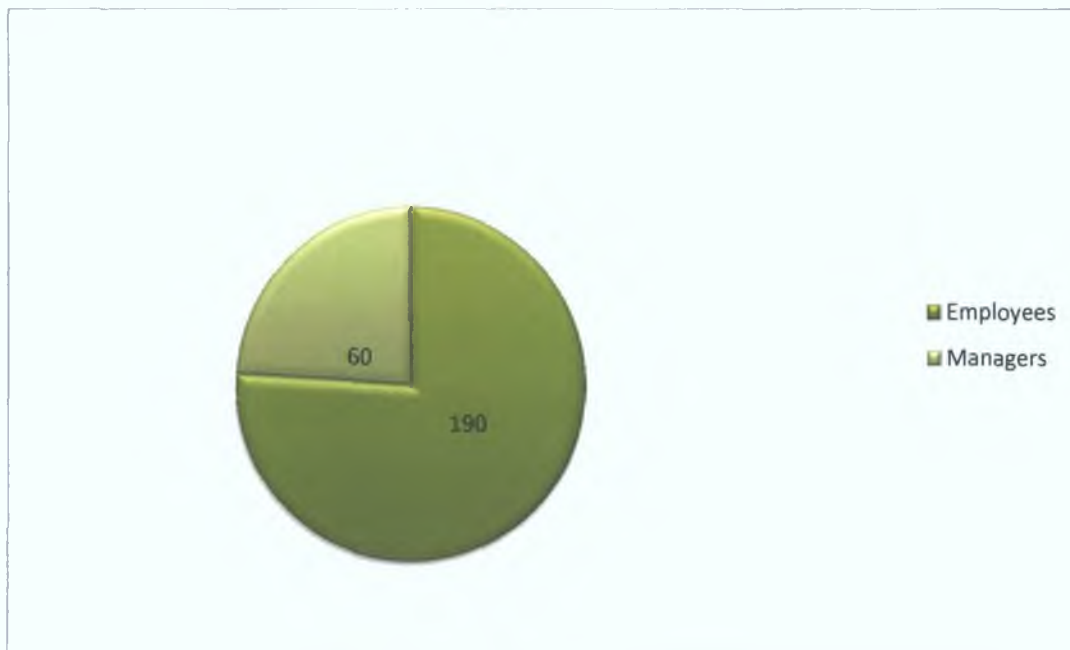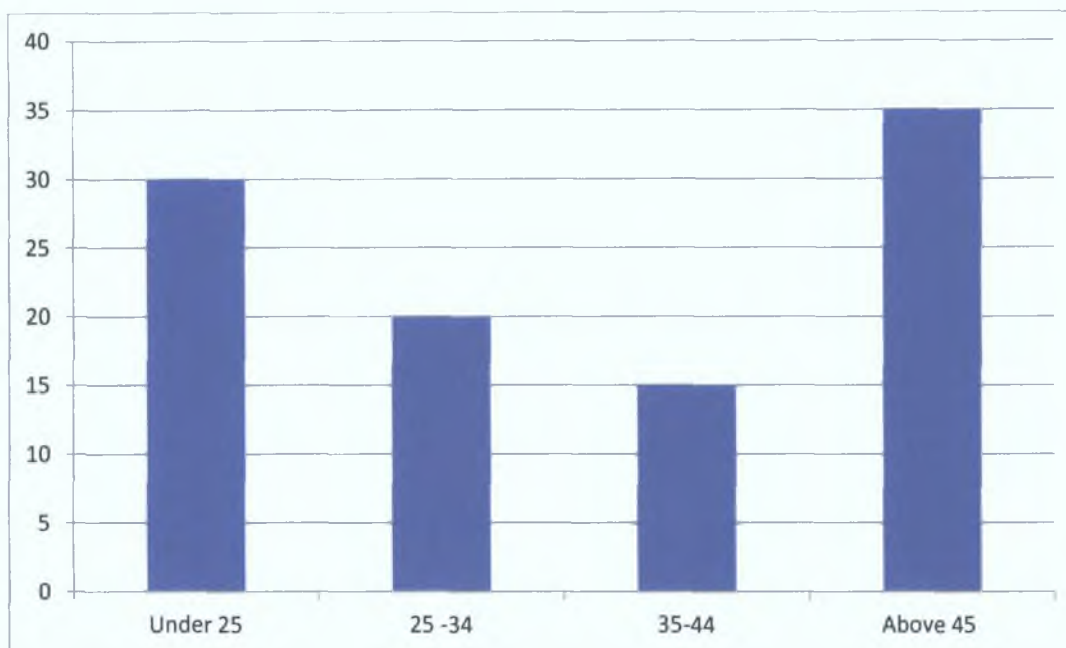
There are all together 60 managers and 190 employees respectively of KRIBHCO who have participated in the survey. There are 75 (30%) employees who are under 25 years of age, followed by the employees between 25-34 years of age here there are 50 (20%) employees. There 37 (15%) employees who are between 35-44 years of age and there are 88 (35%) employees who stands above 45 years of age.

Length of employment in the company
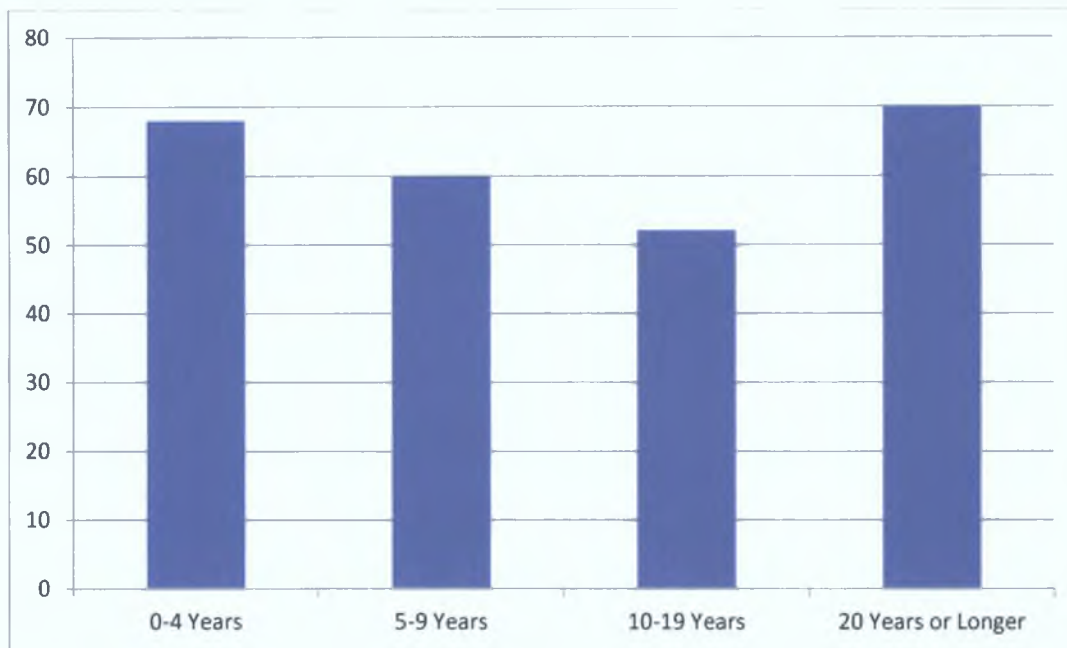
Majority of respondent (28%) have been working in KRIHBCO for 20 years or more and (24%) of respondent are those who are working for 5 to 9 years. Comparatively there are only (21%) of employees who are working for 10-19 years and (27%) of employees are those who are working for 0-4 years.

Gender of Employees
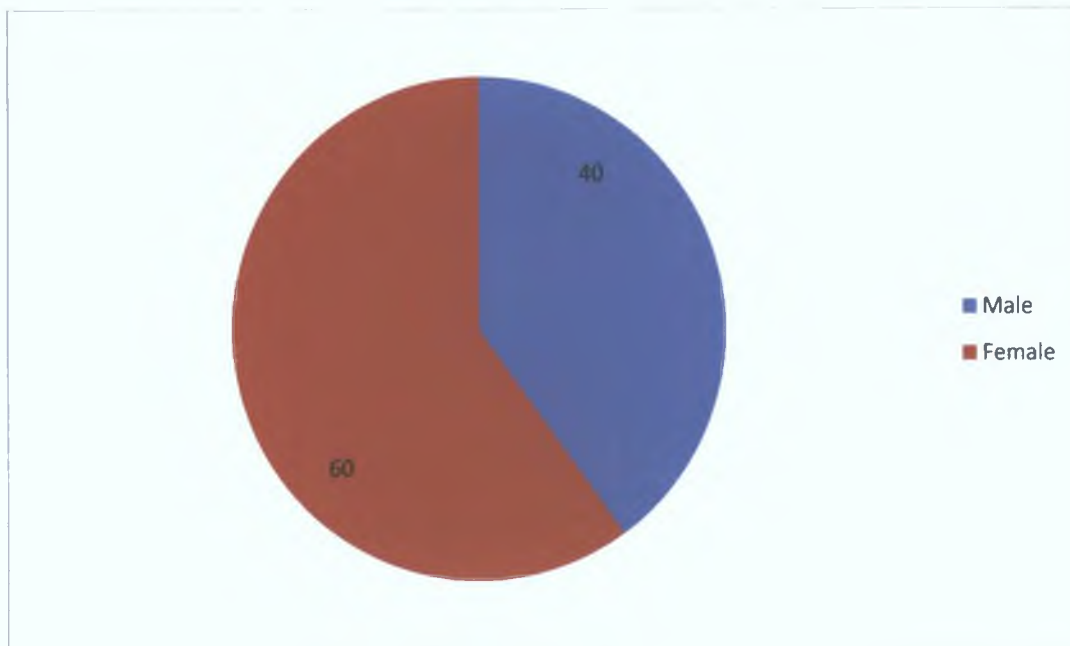
Comapratively there are more number of females employees who responded the survey and shown there interest. There were 60% of females over 40% of male employees who parcipated in this survey.

Employee questionnaire survey responses
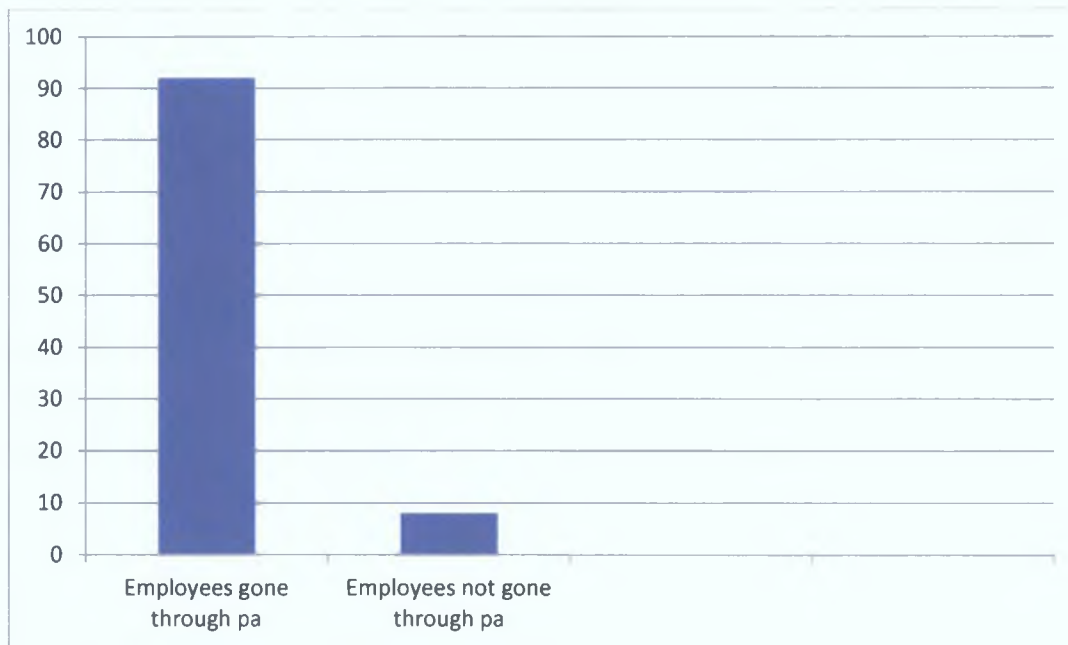
This segement is designed to present thhe collective responses of the managers and employees.

Almost 92% of employees have gone through the apprasial process except for the new recruitees 8% who have recently joined the organization. It's a good thing for a organization like KRIHBCO that they are conducting PA as being a cooperative society on a regular basis since it gives an opportunity to employees to know that where they are standing and how well they are performing and how they can improve their performance in the organization (Decenzo & Ribbins 2007:65).

When did you have your last Performance Appraisal
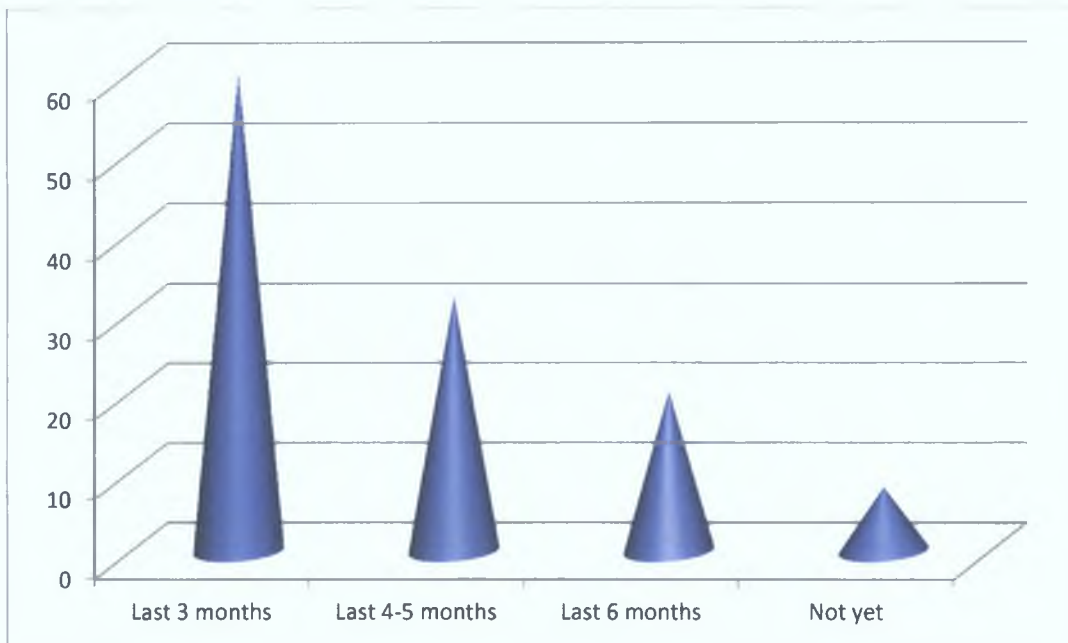
Most of employees (60%) have gone thorugh the appraisal process in the last 3 months. Moreover there were (20%)of employees who had their PA in the last 6 months. Apart from this there were (32%)of employees had there PA in thelast 4-5 months and (8%) are new recruitees they have not yet gone through this process.

For the effective performance of the organization PA should be conducted twice or atleast once in a year (Decenzo & Robbins 2007:376).

How often Performance Appraisal is conducted in your department
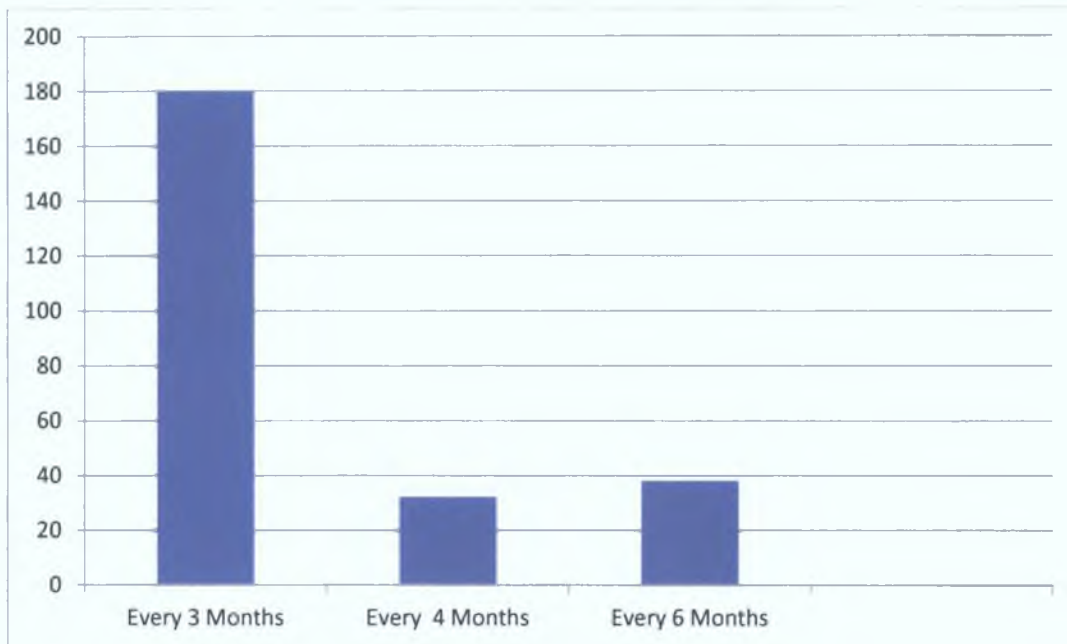
In a way to get a more clear answer about the appraisal system in each every department the researcher has asked this question. Majority of employees 72% has said they had PA in every 3 months in their department. 13% of employees responded they had PA in every 4 months and remaining 15% responded they had PA in evry 6 months.

What does your organization strive to achieve through PA
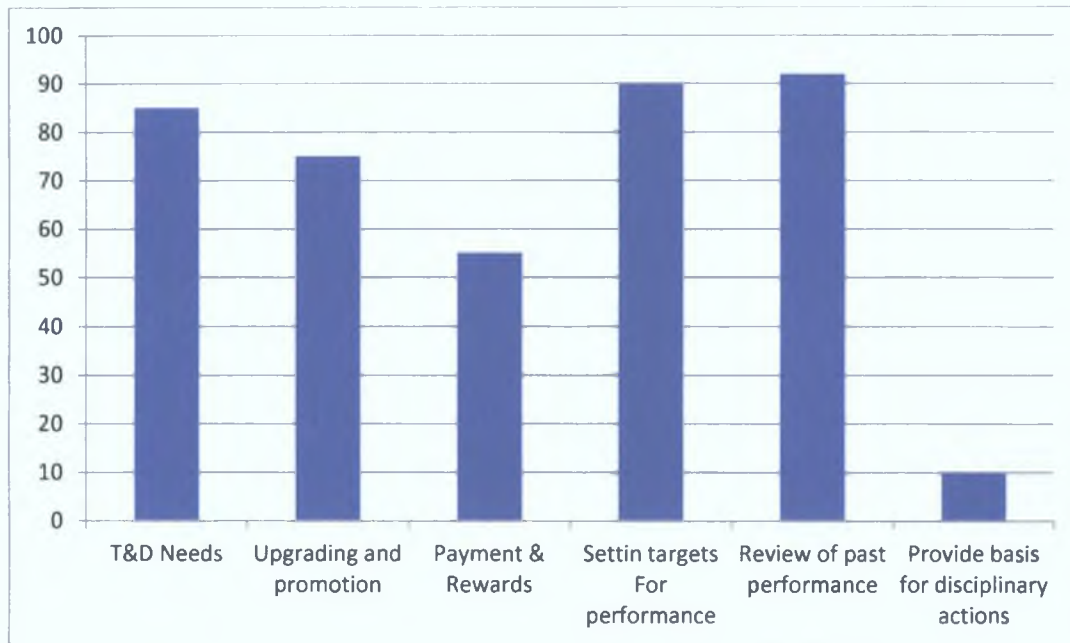
General Manager of KRIBHCO states that PA is been in use for achieving all of the above defined objectives. Out of 190 participants more than 80 parcipants answered for reviewing past performance, to determining 'T & D' needs, to set targets for future performance. According to 75 parcipants participants itshould be used for dertermining upgrading and promotion and 55 participants have answered for determining payments and rewards less than 10 participants have answered for the basis for disciplinary actions. Results obtained by the survey shows that employees of the KRIBHCO acknowleged all of the objectives set by the organization.

Longnecker and Fink (1999:18), aims and objectives of the organization should be identified and must be communicated throughout the organization and as well as its employees. Since the outcome of the survey indicates that employees of KRIBHCO compeletely acknowledges them.

At the beginning of the PA cycle were you consulted on
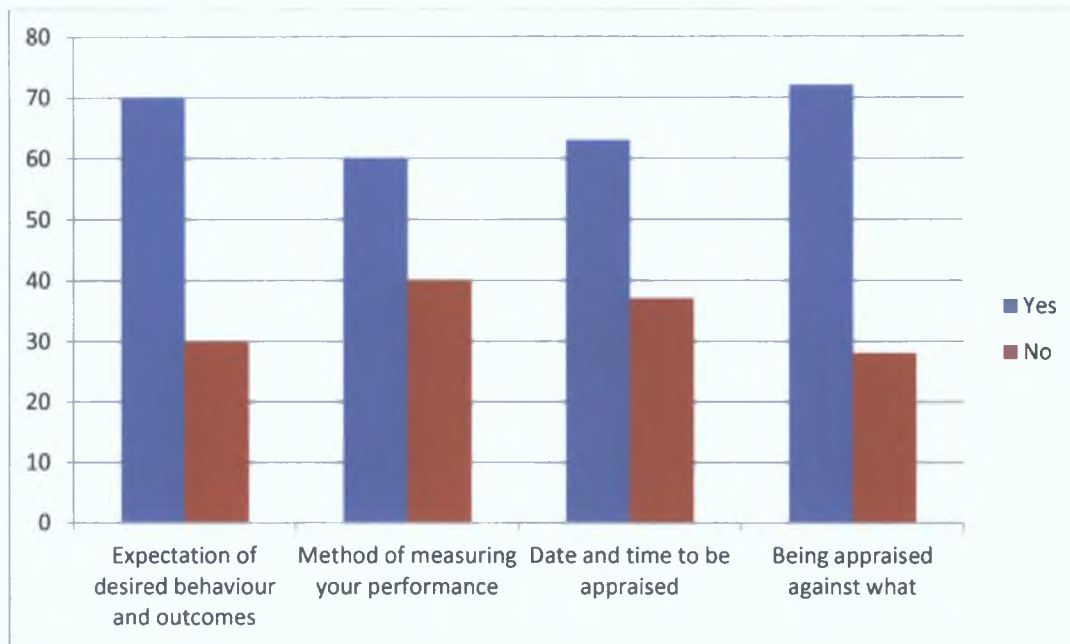
Majority of the paricipants around 70% have answered in favour of expectations of desired behaviour and outcomes and at the same time 65% have answered about being appraised and for what. This shows that employees of KRIBHCO regularly parcipates in this process and at the same time there are cordial relations between trhe ratee and the rater.

Decenzo and Robbins (2006:170), there should be transperance between both the parties (ratee and rater). A good PA system is necessary of every organization so that employees should know about their caliber and at the same time it also enhances the credibility of the organization and motivates the employees how they can enhace their performance in support of the organization. Hence, there should be a proper cordination between the manger and the employees of the organnization.

Do you agree that it is necessary to conduct a PA
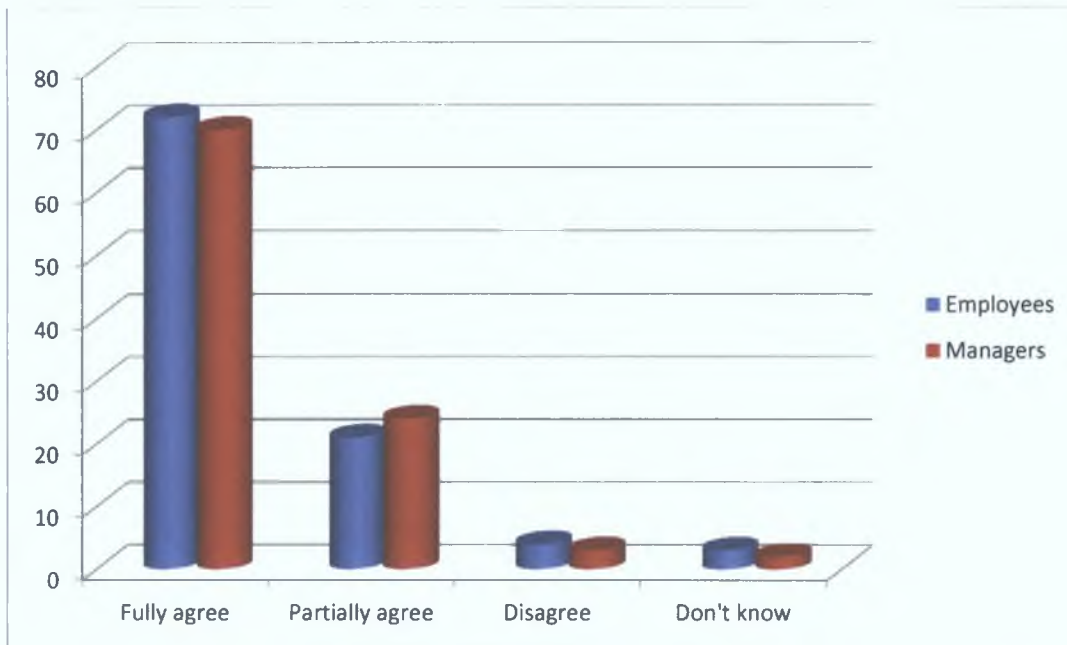
Here majority of respondents answered that PA is necessary for the organisation 70% managers and 72% employees answered in favour PA. Around 24% of managers and 21% of employees paritially agrees here. Just over 3% managers and 4% of employees answered not in favour of PA. Less than 3% managers and employees answered they have no idea about PA. Results of the survey indicates that PA is been done on regular basis and employees of KRIBHCO are fully aware of the benefits of PA.

How do you feel about PA
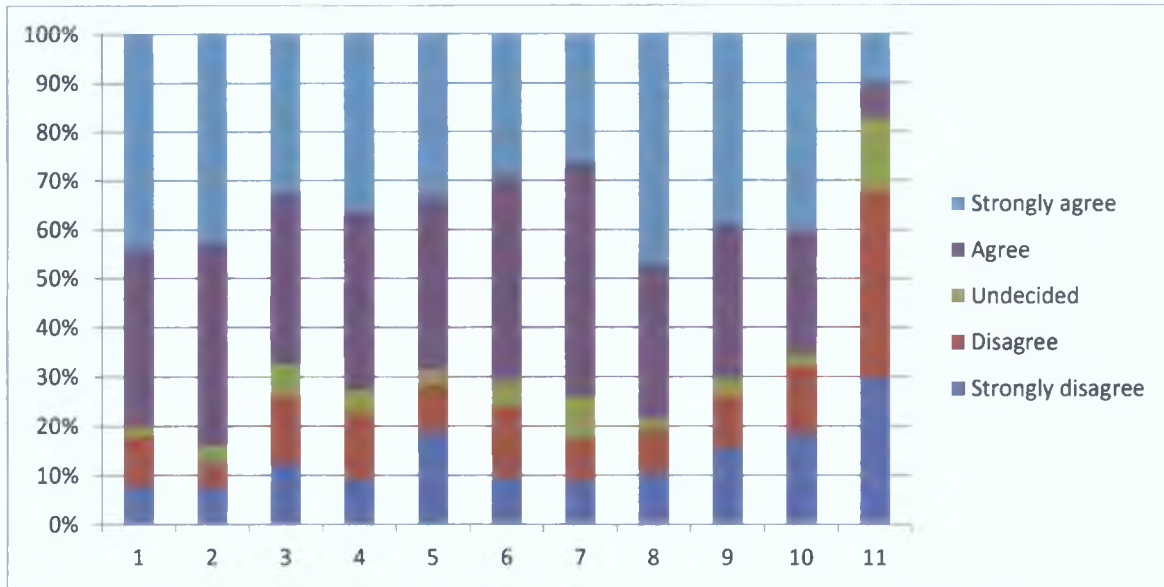
1. I take greater understanding of the result expected of me;

2. I receive specific and accurate feedback from my manager on my past performance;

3. Let me gain more knowledge about my strengths and weakness which helps me to develop a plan to improve my performance;

4. Feedback is used for developing individual development program;

5. Let me know where I stand about;

6. Gives me an opportunity to discuss my work problems and opportunity;

7. I feel more motivated after PA;

8. All the information obtained from PA is confidential;

9. It improves the relationship with my manager;

10. I feel that the time spent on PA is well worthwhile;

11. Highly subjective and lacks transparency.

According to Deshpande (2000 210) cooperation and commitment level of employees should always be the first priorty of the employees towards the PA system But at the same time it is nearly impossible to gain both at the same time untill the employees are not sure about the process whether it is in their favour or not Every employee wants to know about his/her past performance but it is not possible in every organization

Here the above question is designed in a way to know the attitudes of the employees towards the PA system Results of the survey induicates that employees of KRIBHCO are highly benefitted from the PA system As they maintain a cordial relationship with their line managers andthey fully satisfied with the ongoing process They receive proper feedback from their managers and it help them to improve their peroformace for the future As there is transperancy in this process as a result employees were clear about how they will get measured and against what Moreover they are allowed to give their feedback after the process whther they like it or not

**Are you involved in the process of setting objectives and targets of your future performance?**
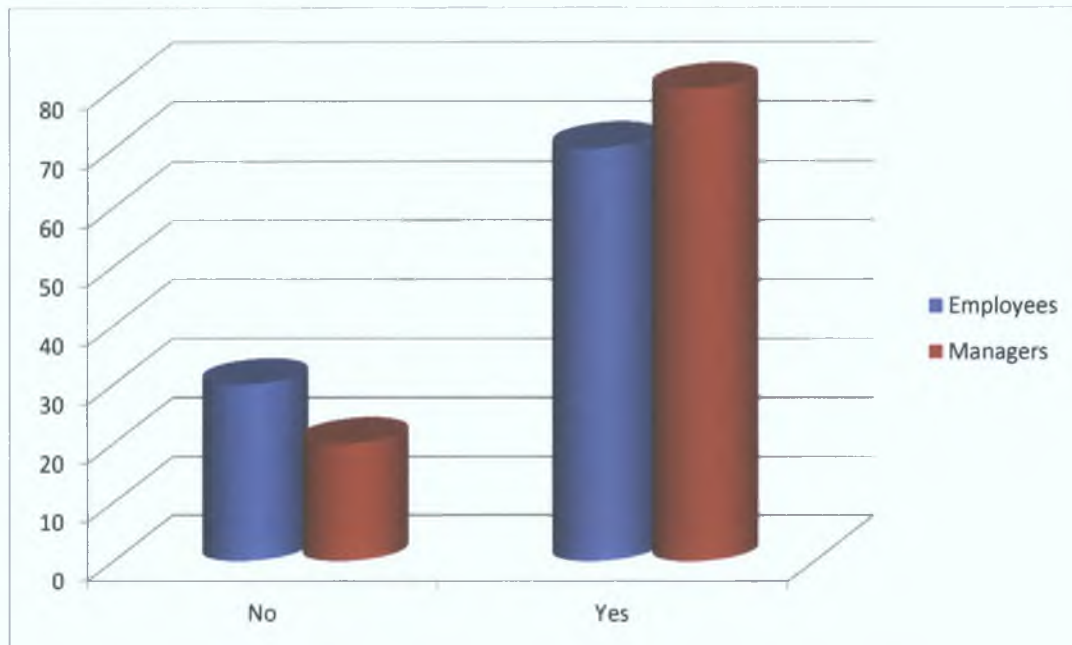
(Deshpande 2000:85), as setting objectives and targets for the future performance is the one of the critical factorthere are SMART which should be used here in this process as they are storngly recommended for setting objectives by (Deshpande 2000:87). Moreover he continues to argues as they can affect the attitudes of rater and the ratee towards rating performance. According to Venkatraman (2005:26), if both the employee and employer work toghther in this process of setting objectives then it will work as a motivator and by this this way both can work on imrpoving their performance. In KRIBHCO there can be seen a fair amount of participation from both the sides, whether they are employees or managers.

How do you feel about the set objectives and targets of your future performance?
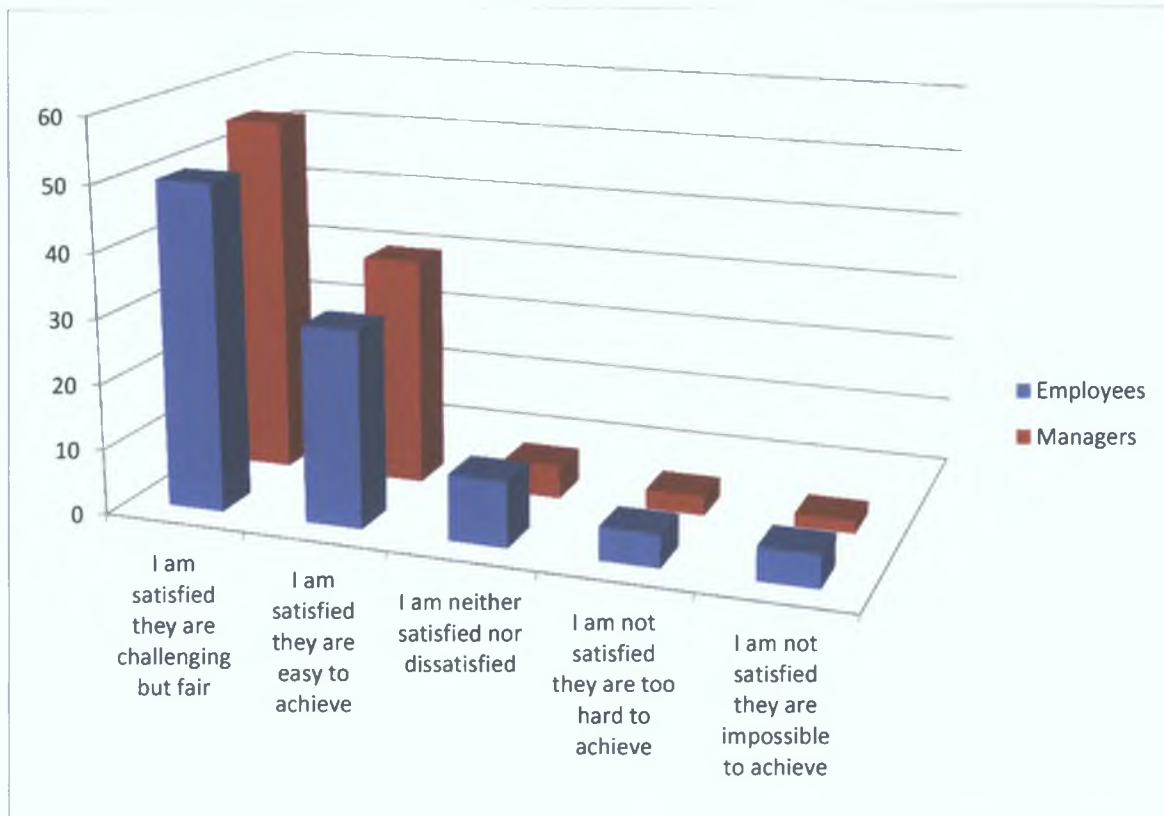
Outcome of the survey indicates that there is balanced ratio between managers and employees. There is a slight variation between their opnions and SMART objectives as suggeted by (Venkatraman 2005) results shows that they meets its criteria. All together, in KRIBHCO majority of employees accepts their objectives.

Is your pay benefits based on your perofromance rating?
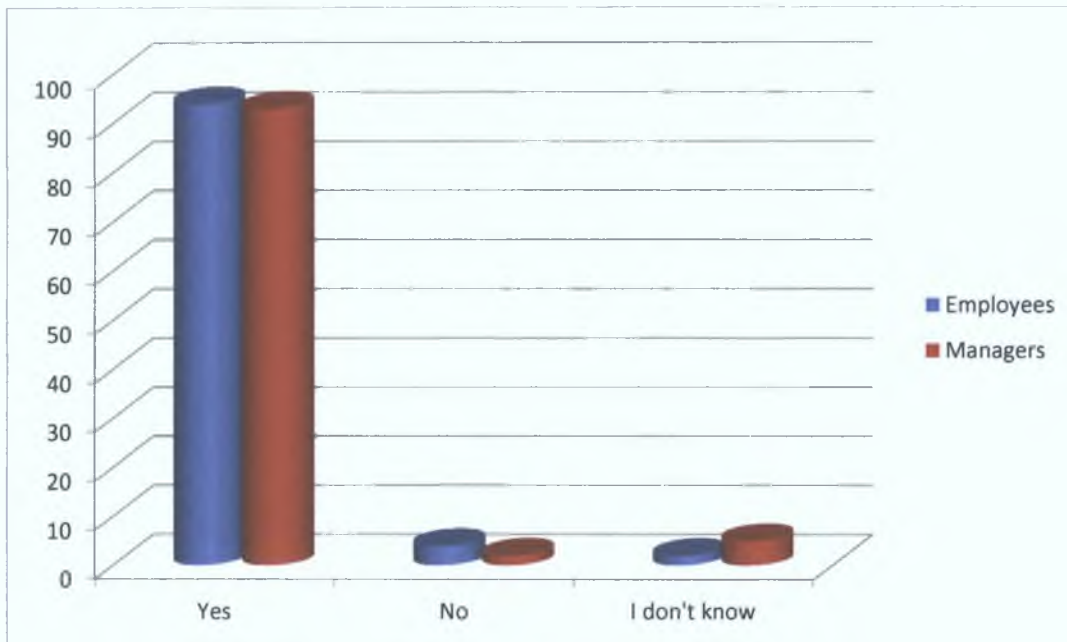
Majority of participants positively answered this question 93% of managers have answered in favour and only 2% have answered in no and only 5% of mangers said they don't know. On the other hand there is not much variation is been seen in the employees opnions as well over 90% of employees said in favour of this only 4% answered negatively and less than 2% said they don't know.

It has been seen that most of the times managers always give diplomatic answers in order to confuse his employee but results obtained from the survey shows that there is no such thing is happening in KRIBHCO.

Is your promotional opportuinties based on performance rating?
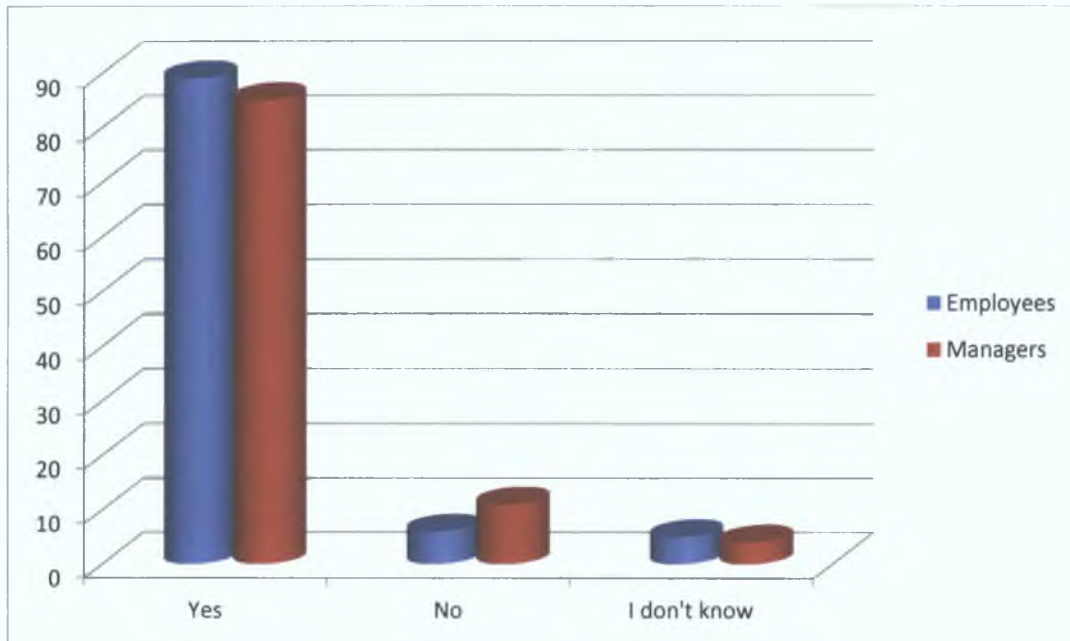
Similarly here as well 85% of managers answered positively over 11% answered negatively and less than 5% managers answered they don't know. Here only 89% of employees answered in favour and 6% negatively answered and only 5% answered they don't know.

What do you think manager as a rater?
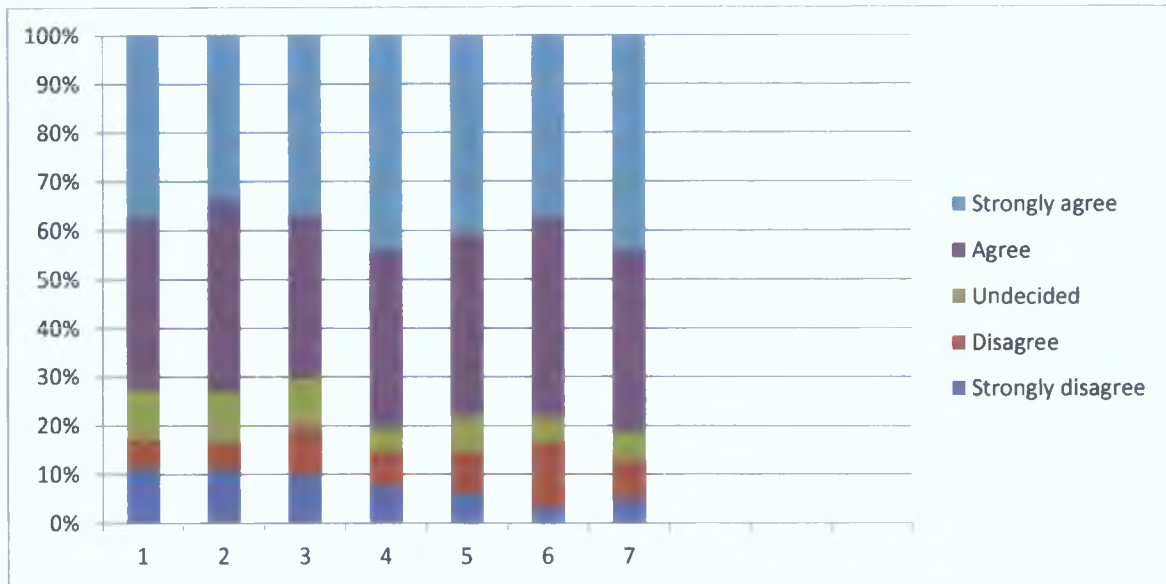
1. My manager treats employees fairly;

2. My manager is open honest in the PA process with appraises;

3. My manager handles PA in a consistent and professional manner;

4. My manager is fully skilled and trained to conduct PA;

5. My manager always listens to our opinion about work;

6. My manager is supportive;

7. I receive informal feedback often all year around.

According to Maheshwari (2002:99), as far as the acceptance and satisfaction of peroformance appraisal system is concerned is all depends on the satisfaction of employees of the organization that how well they perceive their manager. It has been seen if he manager is supportive or a good motivativor employees feels a sense of security and satisfied as well.

Outcome of the survey presents that line managers in KRIBHCO are considered as highly skilled and trustworthy. Majority of the employees stands on opnion that their managers is open and honest and treats them fairly. Moreover very less employees gave negative feedback in the manager's support apart from this most of the employees supported their line managers.

Managers Questionannaire

Out of the 90 managers 60 managers participated in the survey, 55 managers have undergone formal appraisal and 52 managers out of 60 have appraised their subordinates performance.
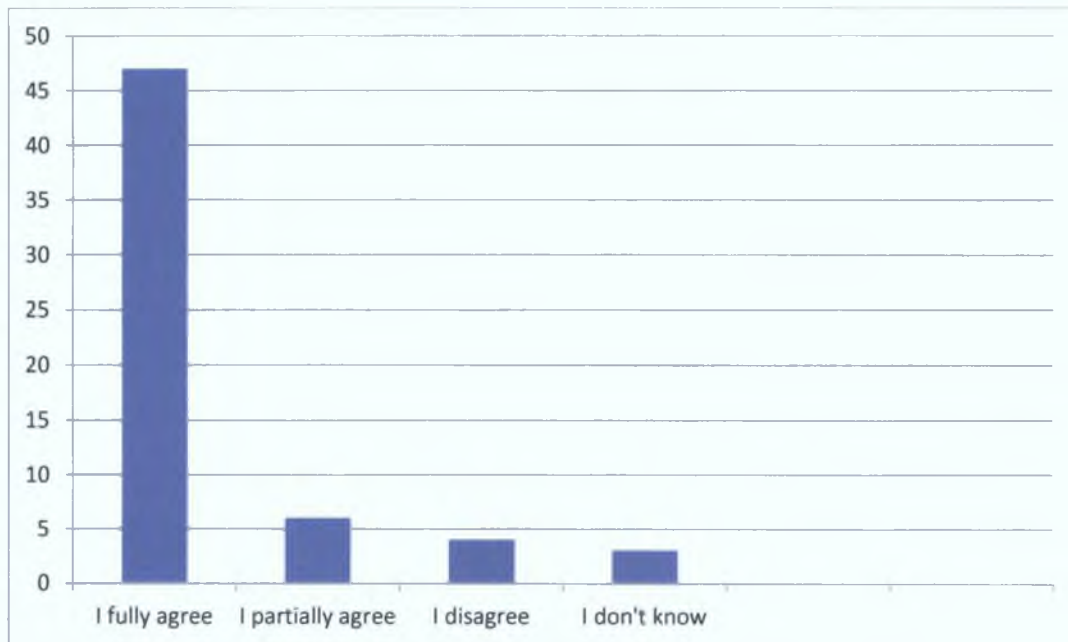
How often formal performance appraisal is carried in your department
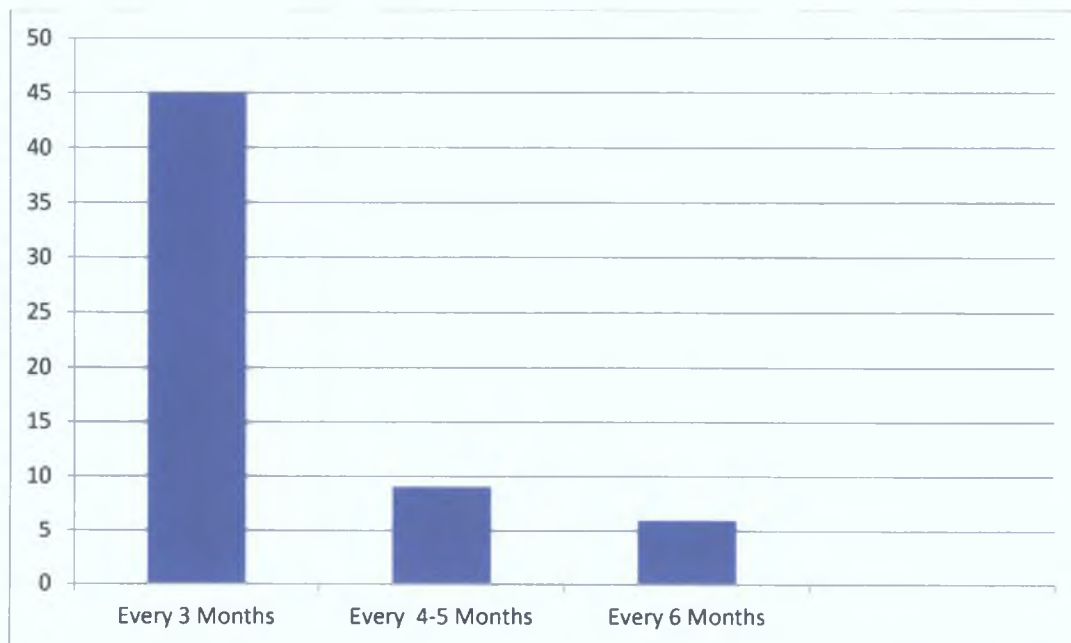
Out of 60 managers 45 have revealed that PA is conducted in every 3 months and 9 said PA is carried out in every 4-5 months and 6 said it is conducted in every 6 months.

Do you agree that the purpose of formal performance appraisal is clear in your organization?

According to the 47 managers they are fully agree with the statement and 6 managers were partially agrees with the statement only 4 disagrees with the statement and 3 said they don't know.

According to Venkatraman (2005:205), if the managers are not clear about the PA system then there is no use of conducting such a process since it is a critical exercise by which an manager can decide who are performing and who are underperforming. Since results obtained from the survey reveals that majority of managers are clear about their objectives.

What does your organization strives to achieve through performance appraisal
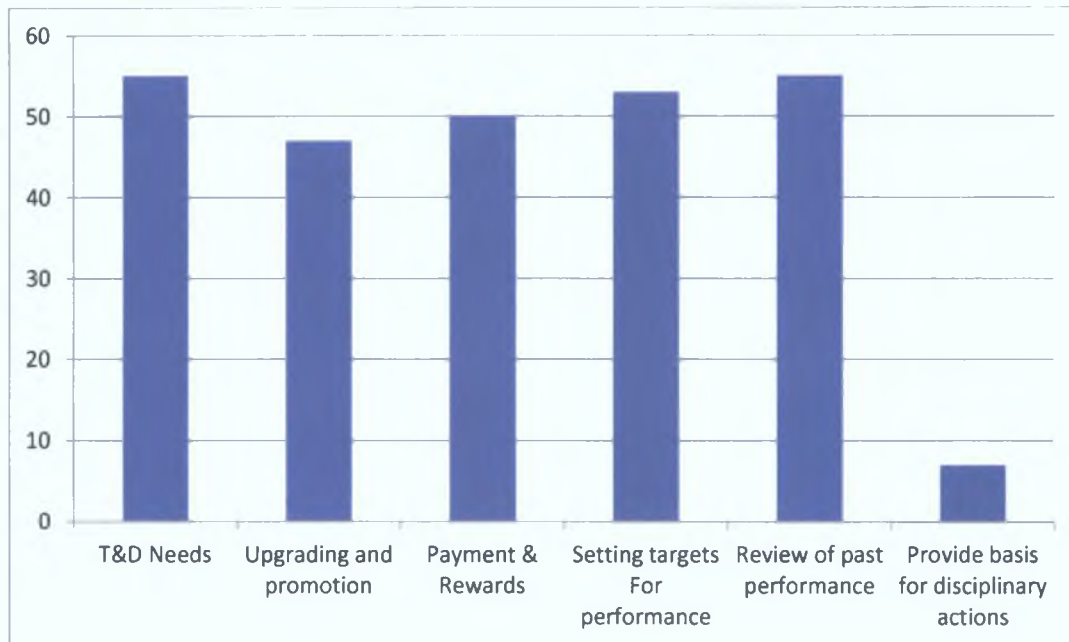
There not a much variation in the manager's responses comparative to employees. As a whole they are clear about the system and they have a clear view of the appraisal system. This system is acknowledged by both managers and the employees of KRIBHCO. Out of the 60 managers more the 45 believes it should be used for reviewing past performance, 'T&D' needs, to set targets for future performance, 47 participants belives it should be used for dertermining upgrading and promotion, 50 participants have answered for determining payments and rewards and 7 participants have answered for the basis for disciplinary actions.

Do you review job description and responsibility of your subordinate and renew it if necessary?
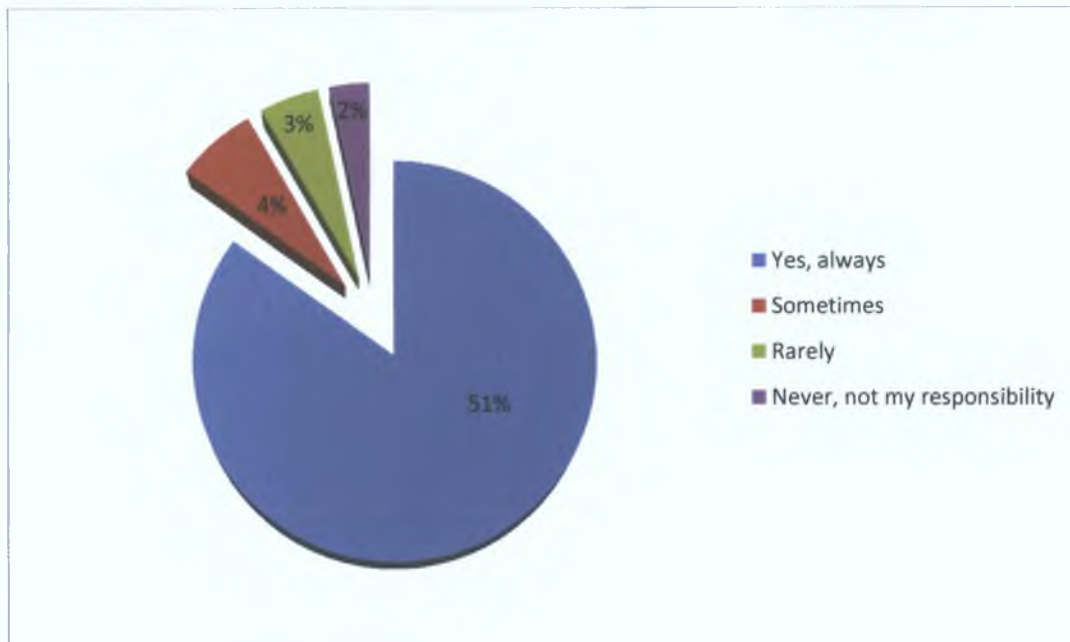
Maheshwari (2002:176), managers should have clear understanding that what is going on in the organization. If they want their organization to function properly, all employees should be provided a clear job description with their responsibilities that what they suppose to do. sometimes it becomes necessary at the beginning of the PA process. It critical activities and responsibilities are excluded from the appraisal form than there is possibility that employee may be miscommunicated and start ignoring it for the future. But this is not happning in KRIBHCO since there is cordial relationship between the managers and the employees and results indicates that the system is transparent.

At the beginning of the PA cycle do you give consulatation to your subordinates on
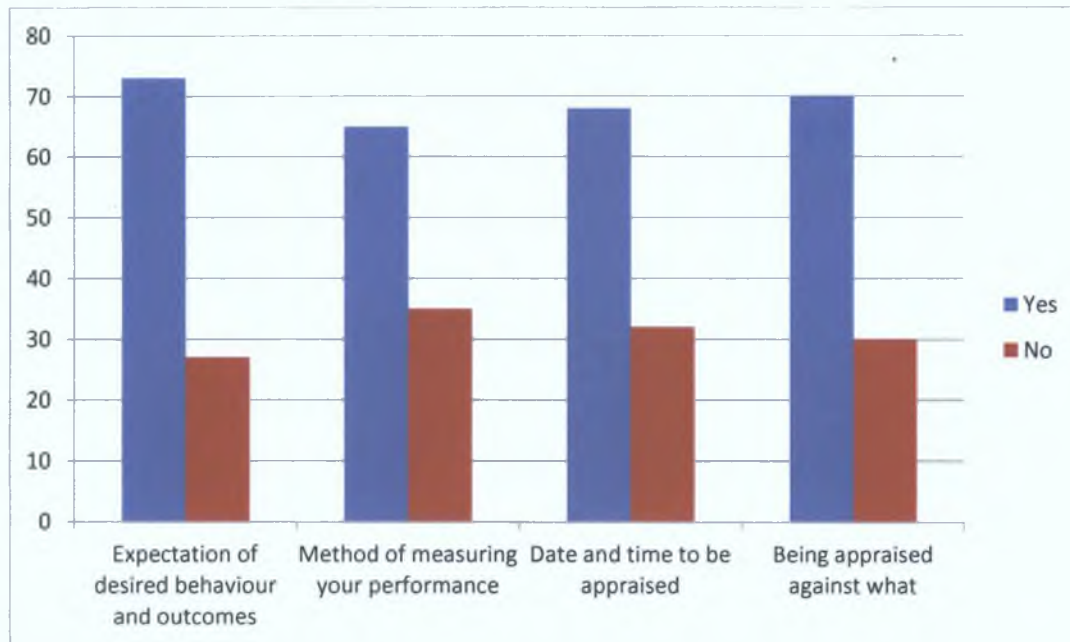
Results carried out by the survey indicates that managers consult with their employees on regular basis on expectations of desired behaviour and outcomes not just this but they consult with their employees on the remaining issues as well. During the research researcher never seen that there is any communication gap between them. They not only consult with their employees on regular basis but even give timely feedbacks when ever is required.

How do you feel about PA as when being appraised
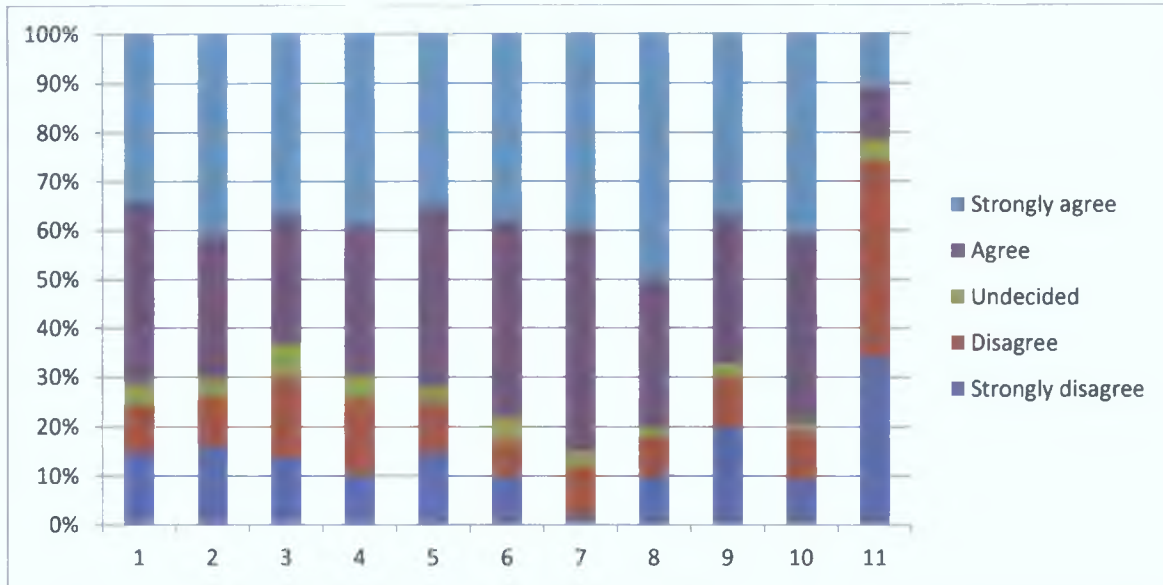
1. I take greater understanding of the result expected of me;

2. I receive specific and accurate feedback from my manager on my past performance;

3. Let me gain more knowledge about my strengths and weakness which helps me to develop a plan to improve my performance;

4. Feedback is used for developing individual development program;

5. Let me know where I stand about;

6. Gives me an opportunity to discuss my work problems and opportunity;

7. I feel more motivated after PA;

8. All the information obtained from PA is confidential;

9. It improves the relationship with my manager;

10. I feel that the time spent on PA is well worthwhile;

11. Highly subjective and lacks transparency.

There is rarely any difference between the managers PA and employees PA. Since majority of managers are satisfied with their PA as they regularly receives the feedbacks.

How do you feel about PA as someone who is appraising another
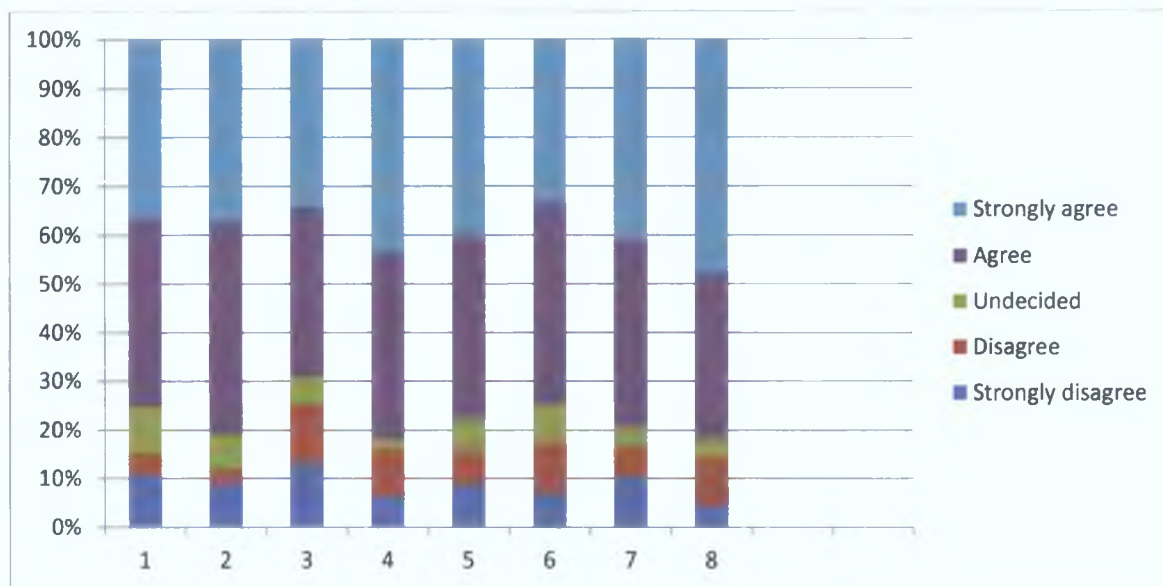
1. It enables me to improve the relationship with my subordinates;

2. It enables me to increase my subordinates motivation by managing them individually and closely;

3. It enables me to increase my subordinates performance;

4. It gives me an opportunity to reprioritize targets;

5. It enables me to inform my subordinates where they stand;

6. It enables my staff to share their opinions about their work problems and opportunities;

7. It helps me to focus my subordinates on the priority;

8. It helps me to connect individuals and teams goals with departmental and organizational goals.

Results obtained from this survey indicates that mangers remains in touch with their employees not once or twice during the appraisal but throughout the year. This is highly beneficial for any organization since when there is a proper link between the managers they can easily communicate and share their problems the organization will grow itself.

Were you trained on how to conduct PA
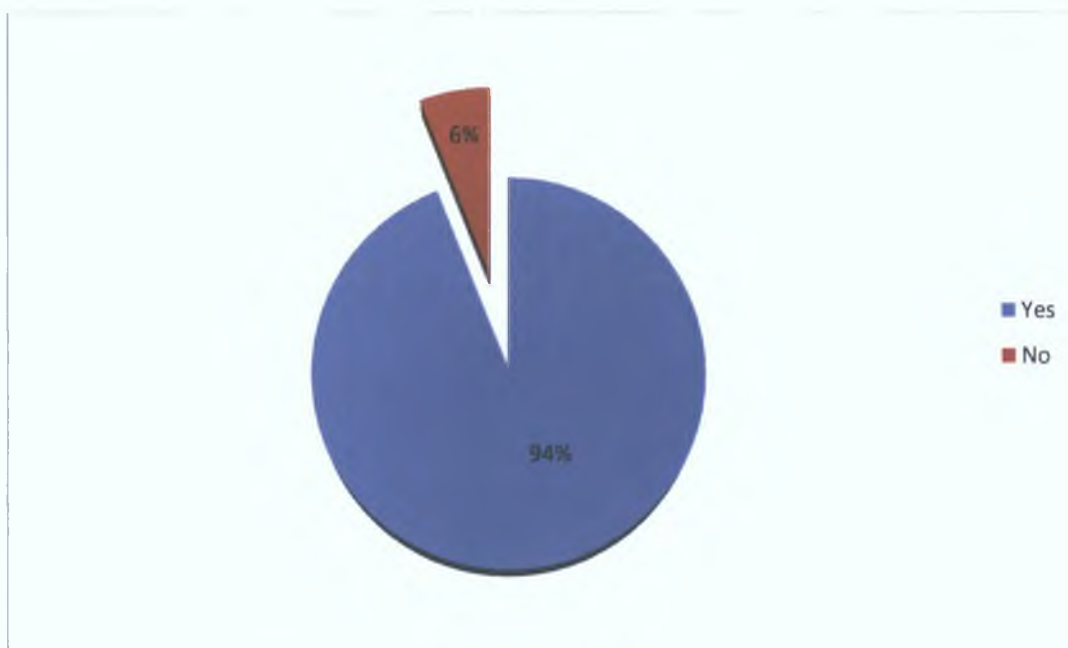
Majority of participants positively answered and said there are training programs going with the organization but they require more training since learning is a never ending process.

How do you feel about your skills on conducting PA?
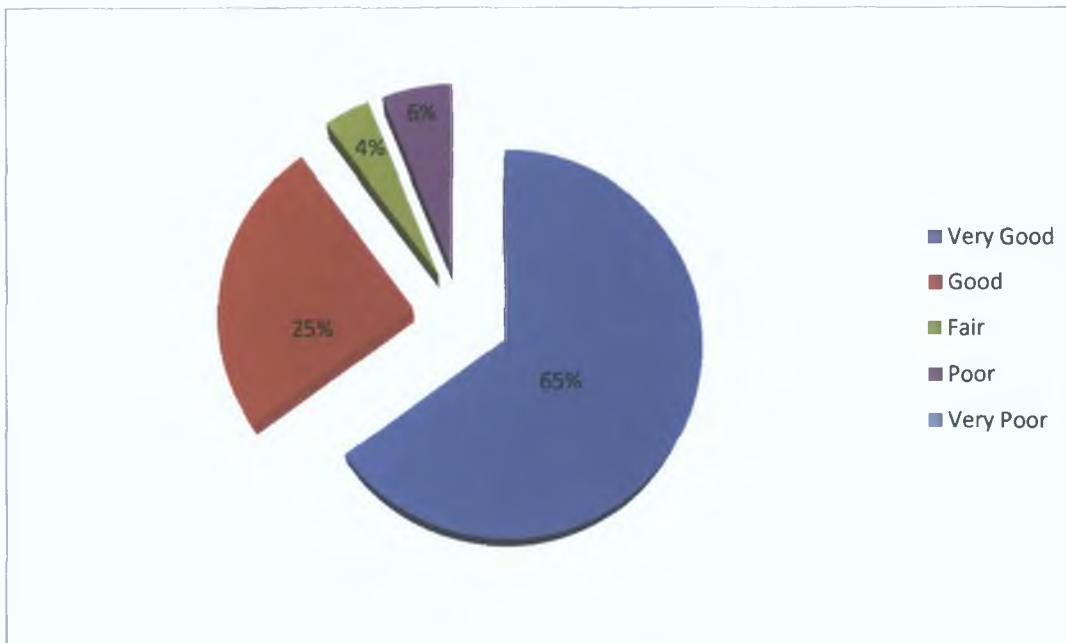
Majority of participants positively. 90% of managers are satisfied are they want to learn receive some training programs if invited. Apart from this their employees also satisfied with their managers.

What do you think of your manager as an appraiser?
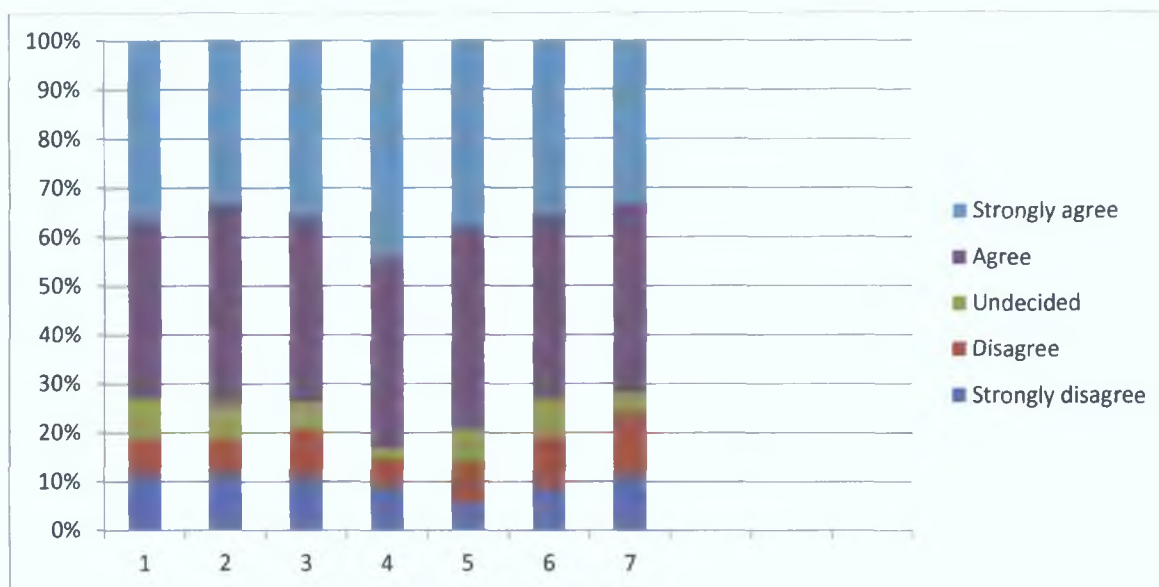
1. My manager treats employees fairly;

2. My manager is open honest in the PA process with appraises;

3. My manager handles PA in a consistent and professional manner;

4. My manager is fully skilled and trained to conduct PA;

5. My manager always listens to our opinion about work;

6. My manager is supportive;

7. I receive informal feedback often all year around.

Results obtained from the survey indicates that majority of managers trust their supervisors and they too share cordial relationship with their supervisors as they share with their employees. At the same time their superiors also give them proper feedbacks and give proper guidance and coaching if necessary.

Chapter 6 – Discussion

As the researcher discussed on various aspects of performance appraisal during the literature review and discussed about their pros and cons also. During the research the researcher has found that in KRIBHCO performance appraisal activities are being conducted. Relationship between managers and their employees are cordial and at the same time they are successfully achieving their objectives. Managers and their supervisors keep in touch with employees on regular basis. They conduct PA on regular basis with proper feedbacks to avoid the miscommunication. Not only this but they provide regular training to the managers on performance appraisal on timely basis as they have different training centers in different parts of India.

It has been seen that PA is generally omitted by the organizations since it is considered as a time consuming activity, sometimes they conduct it but not on regular basis, employees don't like this activity since they considered it as biased activity and managers never give the right feedback to the employees they tend to ignore it. But opposite of that in KRIBHCO this is not happening, research reveals that employees in KRIBHCO enjoy this process and they wait for this activity to be conducted as it presumes that they like to be appraised.

During the research researcher have found that most of the managers and their supervisors maintains a superb coordination if something went wrong in the organization they have full authority to contact each other. Moreover in KRIBHCO they give emphasis on 360 degree appraisal while it is usually ignored in the appraisal process in organizations but in KRIHBCO it is considered as one of the main aspects of appraisal process. They give 360 feedbacks not only to their employees but to their managers as well. They always try to improve this process. In

KRIBHCO if an employee have any doubt or he/she is unsatisfied with their appraisal then they can directly contact to their line manager once Apart from this during the research it has been seen there are some employee and managers in KRIBHCO are not satisfied with this process and they need some amendments in this process

Chapter 7 – Conclusion

This research was carried out to examine the performance appraisal and its effectiveness in relation to KRIBHCO and its employees. For this researcher gone through various literatures, journals, and other related issues regarding appraisal system and last but not the least conducted surveys also among the employees of KRIBHCO.

The research study, done by the researcher, reveals how an effective performance appraisal system can have numerous benefits for the organizational system. As it has been seen in previous researches that most of the organizations fails to deliver the system effectively and at the same time we have managers as being biased towards the employees and because of these most of the employees don't like this system at all (Rao 2005).

During this research researcher approached the Headquarter of KRIBHCO and conducted a survey on different aspects of performance appraisal system. General Manager of KRIBHCO revealed that before the formal appraisal process all employees and the staff has to undergo through a self appraisal process and information and rating of individuals serves as a basis of performance review of the individual interview process. Moreover in KRIBHCO they also use the rating system where they rate the employees on different parameters and then they evaluate his /her performance.

Although as we have seen in the past that PA is never considered a fair process and is never conducted fairly in some organizations but it is not the same with KRIBHCO. Employees of KRIBHCO understand each other they not only support them but also motivate them as well. During the survey researcher found that in KRIBHCO performance appraisal is systematically done. Performance appraisal in KRIBHCO serves all needs of its employees and at the same time

employees also needs to be appraised and it is in their interest Performance appraisal is transparent in KRIBHCO and managers are not biased in KRIBHCO, they always provide the accurate feedback to their employees, study reveals that it is a unbiased process which is rare in real life

Maheshwari (2002 317), employees participation is always necessary in PA system without their participation it is impossible for a manager to give accurate feedback KRIBHCO is one of those organization which is considered for its PA system and other organizations also looking forward to adopt their PA system, how well they train and develop their employees and managers Lots of training programs and training centers are also running in different parts of the country and they train their employees and managers on regular basis

Reason behind their success of PA system is that employee's participation and their honesty, since these two are important aspect of PA system for achieving its objectives (Venkatraman 2005) Employees remain in constant touch with their managers and receive feedbacks they used to have less conflicting issues comparatively As all the employees of KRIBHCO are well aware of their duties and responsibilities and as well as benefits of the PA system In KRIBHCO they not only train their employees but there are training programs for their managers and their supervisors also That is why there are less conflicting issues

Research reveals that all the managers and employees are clear with their objectives except only few which are relatively new recruits As the research reveals that they adopt the SMART goals quite effectively suggested by (Venkatraman 2005) Research reveals that in KRIBHCO there is a high degree of employee participation in the system design, if an organization wants to enhance their PA system then there should be high degree of employee participation, more they

participate more they can improve on their performance (Rao 2005) since via PA they can know their mistakes that where they are lacking and which area needs improvement

In the end, KRIBHCO's performance appraisal system is quite effective and impressive and is successful in achieving their aims and objectives and what makes it most impressive they are not satisfied with this they are still making efforts to improving it

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Chapter 9 – Appendices

Questionnaire (Employees)

All information obtained from this survey will be treated in the strictest confidence, and will only be available to the researcher and his supervisors.

Please tick ☑ the appropriate box.

1. Length of employment in the company:
   ☐ 0-4 year   ☐ 5-9 years   ☐ 10-19 years   ☐ 20 years or longer

2. Your age group:
   ☐ Under 25   ☐ 25-34   ☐ 35-44   ☐ 45 and above

3. Are you: ☐ Male   ☐ Female

4. Have you ever gone through a formal Performance Appraisal (P.A.) in the KRIBHCO?

   ☐ Yes   ☐ No

5. If yes, when did you have the performance appraisal last time?
   ☐ Within the last 3months   ☐ Within the last 6 months
   ☐ Within the last 12 months   ☐ Other (please, specify) _____

6. How often is appraisal carried out in your department?

   ☐ Every 3 months   ☐ Every 6 months
   ☐ Every 12 months   ☐ Other (please, specify)

7. In your opinion, what does your organization strive to achieve through PA? (Please tick ☑ as many boxes as you want)

   ☐ To determine training and development needs
   ☐ To determine upgrading and promotion
   ☐ To determine payment and rewards
   ☐ To review performance
   ☐ To set targets for future performance
   ☐ To provide basis for disciplinary actions
   ☐ Other (please, specify)_____

8 At the beginning of the PA cycle, were you consulted on

a) Expectations of desired behaviour and outcomes   ☐ Yes ☐ No

b) Method of measuring your performance   ☐ Yes ☐ No

c) Date and time to be appraised   ☐ Yes ☐ No

d) Being appraised against what   ☐ Yes ☐ No

9 Do you agree that it is necessary to conduct a performance appraisal?
    ☐ I fully agree   ☐ I partially agree   ☐ I disagree   ☐ I don't know

10 Please indicate how you feel about PA? (Please tick ☑ one of five answers of each statement)

    1 Strongly agree   2 Agree   3 Undecided   4 Disagree   5 Strongly disagree

Statements	1	2	3	4	5
I take greater understanding of the results expected of me					
I receive specific and accurate feedback from my manager on my past performance					
Lets me gain more knowledge about my strengths and weaknesses which helps me to develop a plan to improve my performance					
Feedback is used for developing a individual development program					
Lets me know where I stand					
Gives me an opportunity to discuss my work problems					
I feel more motivated after my performance appraisal					
All the information obtained from PA is confidential					
It improves the relationship with my manager					
I feel that the time spent on PA is well worthwhile					
Highly subjective process and lacks transparency					

11 Are you involved in the process of setting objectives and targets of your future performance?   ☐ Yes   ☐ No

12 How do you feel about the set objectives and targets of your future performance?

    ☐ I am satisfied and they are challenging but fair

    ☐ I am satisfied and they are easy to achieve

    ☐ I am neither satisfied or nor dissatisfied but I will try to accomplish them anyway

    ☐ I am not satisfied and they are too hard to achieve

    ☐ I am not satisfied and they are impossible to achieve

13 Is your pay, benefit based on your performance ratings?
    ☐ Yes   ☐ No   ☐ I don't know

14 Is your promotion opportunities based on your performance ratings?
  ☐ Yes   ☐ No   ☐ I don't know

15 What do you think of your manager as an appraiser?
  1 Strongly agree   2 Agreed   3 Undecided   4 Disagree   5 Strongly disagree

Statements	1	2	3	4	5
My manager treats employees fairly					
My manager is open and honest in performance appraisal					
My manager handles PA in a consistent and professional manner					
My manager is fully skilled/ trained to conduct PA					
My manager always listens to our opinion about work					
My manager is very supportive					
I receive informal feedback often all year around					

Any comments

Thank you very much for your co-operation

2 Questionnaire (Managers)

All information obtained from this survey will be treated in the strictest confidence, and will only be available to the researcher and his supervisors

Please tick ☑ the appropriate box

1   Length of employment in the company
    ☐ 0-4 year   ☐ 5-9 years   ☐ 10-19 years   ☐ 20 years or longer

2   Your age group
    ☐ Under 25   ☐ 25-34   ☐ 35-44   ☐ 45 and above

3   Are you   ☐ Male   ☐ Female

Section a) Conducting PA as a line Manager

4   Have you ever undergone a formal performance appraisal in relation to your work?
    ☐ Yes   ☐ No
5   Have you ever appraised your subordinate's performance in the KRIBHCO?
    ☐ Yes   ☐ No
6   If said yes then what elements were involved in this review?
    ☐ Line Manager appraisal   ☐ Self appraisal
    ☐ Graphic rating scales   ☐ Team based appraisal
    ☐ 360 Degree appraisal   ☐ Competence based appraisal
    ☐ Others please specify   _____

7   How often is formal appraisal carried out in your department?
    ☐ Every 3 months   ☐ Every 6 months
    ☐ Every 12 months   ☐ Other (please, specify)   _____

8   Do you agree that the purpose of performance appraisal is clear in your organization?
    ☐ I fully agree   ☐ I partially agree   ☐ I disagree   ☐ I don't know

9   In your opinion, what does your organization strive to achieve through PA?
    (Please tick ☑ as many boxes as you want)

    ☐ To determine training and development needs
    ☐ To determine upgrading and promotion
    ☐ To determine payment and rewards
    ☐ To review performance
    ☐ To set targets for future performance
    ☐ To provide basis for disciplinary actions
    ☐ Other (please, specify)_____

10 Do you review job description and responsibilities of your subordinates and renew it if necessary at the beginning of PA period

   □ Yes, always   □ Sometimes
   □ Rarely   □ Never, not my responsibility

11 At the beginning of the PA cycle, do you consult your subordinates on

a	Expectations of desired behaviour and outcomes	□ Yes	□ No
b	Method of measuring your performance	□ Yes	□ No
c	Date and time to be appraised	□ Yes	□ No
d	Being appraised against what	□ Yes	□ No

12 Do you agree that it is necessary to conduct performance appraisal?
  □ I fully agree □ I partially agree □ I disagree □ I don't know

13 Please indicate how you feel about PA as when you are being appraised? (Please tick ☑ one of five answers of each statement)

  1 Strongly agree 2 Agree 3 Undecided 4 Disagree 5 Strongly disagree

Statements	1	2	3	4	5
I take greater understanding of the results expected of me					
I receive specific and accurate feedback from my manager on my past performance					
Lets me gain more knowledge about my strengths and weaknesses which helps me to develop a plan to improve my performance					
Feedback is used for developing individual development program					
Lets me know where I stand					
Gives me an opportunity to discuss my work problems					
I feel more motivated after my performance appraisal					
All the information obtained from PA is confidential					
It improves the relationship with my manager					
I feel that the time spent on PA is well worthwhile					
Highly subjective process and lacks transparency					

14 Please indicate how you feel about PA as someone
who is appraising another? (Please tick ☑ one of five
answers of each statement)
1 Strongly agree   2 Agree   3 Undecided   4 Disagree   5 Strongly disagree

Statements	1	2	3	4	5
It enables me to improve relationship with my subordinates					
It enables me to increase my subordinates motivation, by managing them individually and closely					
It enables me to increase subordinates performance					
It gives me an opportunity to re-prioritise targets					
Enables me to inform where my staff stands					
Enables my staff share their opinions about their work problems and opportunity					
It helps me to focus my subordinates on the priorities					
It helps me to connect individual and team goals with departmental and organizational objectives					

15 Were you trained on how to conduct performance appraisals?
☐ Yes   ☐ No
16 How do you feel about your skills on conducting performance appraisals?
☐ Very good   ☐ Good   ☐ Fair   ☐ Poor   ☐ Very poor

Section b) As someone being appraised by another

17 Are you involved in the process of setting objectives and targets of your future
performance?   ☐ Yes   ☐ No

18 How do you feel about the objectives and targets you set for people on their future
performance?
☐ I am satisfied and they are challenging but fair
☐ I am satisfied and they are easy to achieve
☐ I am neither satisfied or nor dissatisfied but I will try to accomplish them
anyway
☐ I am not satisfied and they are too hard to achieve
☐ I am not satisfied and they are impossible to achieve

19 Is your pay, benefit based on your performance ratings?
☐ Yes   ☐ No   ☐ I don't know
20 Is your promotion opportunity based on your performance ratings?
☐ Yes   ☐ No   ☐ I don't know

21 What do you think of your manager as an appraiser?

1 Strongly agree   2 Agree   3 Undecided   4 Disagree   5 Strongly disagree

Statements	1	2	3	4	5
My manager treats employees fairly					
My manager is open and honest in performance appraisal					
My manager handles PA in a consistent and professional manner					
My manager is fully skilled/ trained to conduct PA					
My manager always listens to our opinion about work					
My manager is very supportive					
I receive informal feedback often all year around					

Any comments

Thank you very much for your co-operation

3 Interview questions asked from Head of HR department

1 Does your organization conduct PA?

2 What are the aims of PA?

3 How PA is carried out?

4 What types of PA approaches are used in your organization?

5 Do you train your raters?
a) How you train?
b) How often you train them?

6 What problems do you experience with PA in KRIBHCO?

7 How can PA improved in KRIBHCO?

8 What are the barriers to improving PA in KRIBHCO?

9 Is PA valued by Managers or by Employees?

10 Do people trained or appraised at KRIBHCO?
a) How you train them?
b) How often you tram them?

11 Is there any appeal process in your organization?

12 How many appeals against PA process in your organization?

13 How is it used?