**“STUDY OF EMPLOYEE’S PERFORMANCE APPRAISAL MANAGEMENT SYSTEM”**

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**Abstract**

Managing human resources in today's environment is becoming more and more complex as well as important. Recognition of people as a valuable resource in the organization has led to increase trends in Employee maintenance, job security, etc. Research deals with "Performance Appraisal" as carried out in VAKRANGEE LTD. In this report, I have studied & evaluated the performance appraisal process as it is carried out in the company. The first section of paper deals with a detailed company profile. It includes the company's profile, its activities and operations, organizational structure, etc. This section attempts to give detailed information about the company and the nature of its functioning. The second section deals of research with performance appraisal. In this section, I have given a brief conceptual explanation of performance appraisal. It contains the definition, process and significance of performance appraisal. In the third section of my research, I have conducted a research study to evaluate the performance management system Vakrangee Employee Performance Monitor System. This section also contains my findings, conclusions, suggestions and feedback.

**Keywords:** Performance, appraisal, year, training, development, senior, Superior

**I Introduction**

Once the employee has been selected, trained and motivated, then he / she is appraised for his performance. Performance is the step where the management finds out how effective it has been at hiring and placing employee. If any problems are identified, steps are taken to communicate with the employees and to remedy them.

A "Performance Appraisal" is a process of evaluation an employee's performance of a job and in terms of its requirements.

Performance Management is the process through which managers ensure those employee's activities outputs contributes to the organization's goal. This process requires knowing what activities are desired, observing whether they occur, and providing feedback, managers and employees meet expectations. In the course of providing feedback, managers and employees may identify performance and establish ways to resolve those problems.

Performance Appraisal is an important part of performance management. In itself it is not Performance Management, but it is one of the ranges of tools that can be used to manage performance. Because it is most usually carried out by line Managers rather than HR Professionals, it is important that they understand their role in Performance Management and how performance appraisal contributes to the overall aims of Performance Management. But on the contrary with a systematic feedback system, the Manager can identify good and bad performers. Performance Appraisal can also be taken as one aspect of motivating applied in organization context. Job Performance is partially determined by the motivation to work hard.

**Vicher Vroom** a motivational theories suggested that[1],

**Performance= Ability x skill**

**II Performance Appraisal**

Performance appraisal IS the process of obtaining, analysis and record in information about the relative worth of an employee. The focus of the performance appraisal is measuring and improving the actual performance of the employee and also the future potential of the employee. Its aim is measure what an employee does.

*Alford and Beatty-* **"A performance appraisal is the evaluation or appraisal of relative worth to the company of man’s services on his job”.**

 *Wayne Cascio-* **"Performance appraisal is the systematic description of an employee's job relevant strengths and weaknesses”.**

Performance Appraisal process is incomplete without the feedback given to the employee about his appraisal and his performance. But the way of giving as well as receiving the feedback differs from person to person and their way of handling and the outlook towards the issue.

According to a popular saying **"A SUCCESSFUL MAN'IS ONE WHO CAN LAY A FIRM FOUNDATION WITH THE BRICKS OTHERS HAVE THROWN AT HIM"[1].**

Performance appraisal should provide answers to important questions for both the employee and the organization.

"How well am I doing?”

"How can I do better?”

"How well are our employees doing individually and collectively?"

**III Objectives of Research**

 1. To study of Performance Appraisal Systems in Vakrangee Ltd.

2. To examine why an appraisal system is important.

3. To study existing appraisal system.

 4. To find the expectation of appraiser and appraise.

5. To determine the satisfaction level of appraise.

**IV Scope of the Study**

To help each employee understand more about their role and become clear about their functions.

To be instrumental in helping employees to better understand their strengths and weaknesses with respect to their role and functions in the organization.

To help in identifying the developmental needs of employees, given their role and function.

To increase mutuality between employees and their supervisors so that eve employee feels happy to work with their supervisor and thereby contributes the maximum to the organization.

To act as a mechanism for increasing communication between employees and their supervisors. In this way, each employee gets to know the expectations of their superior, and each superior also gets to know the difficulties of their subordinates and can try to solve them. Together, they can thus better accomplish their tasks.

To provide an opportunity to each employee for self-reflection and individual goal setting, so that individually planned and monitored development takes place. To help employees internalize the culture, norms and values of the organization thus developing an identity and commitment throughout the organization.

To help prepare employees for higher responsibilities in the future by continuous reinforcing the development of the behaviour and qualities required for higher-level positions in the organization.

To be instrumental in creating a positive and healthy climate in the organization that drives employees to give their best while enjoying doing so.

To assist in variety of personnel decisions by periodically generating data regarding each employee.

**V Research Methodology**

Research Design

**1. What is the study about?**

Study is about defining Performance Appraisal management system.

**2. Why is the study being made?**

Performance management system is critical for talent management. PAMS is critical in strengthening employer expectations. Study being made to identify how strong PAMS impacts key HR processes viz compensation and benefits, training and development, recruitment and selection.

**3. Where was study carried out?**

This study was carried out at Vakrangee Ltd. Sample was drawn from the IT department.

**4. What type of data is required?**

This study required primary data and secondary data. Data collection was done by designing appropriate questionnaire and informal conversations with the employees.

**VI Types of Data Collection**

**Primary Data :**

"Primary data is that which is collected fresh and for the first time primary data is also called basic data or Original data."

 - Through Questionnaire.

- Through Interaction with Employee.

**Secondary Data :**

"Secondary data means data that which has been used previously for any research & now is use or the second time."

 - Through Magazines

 - Through Industrial Documents

 - Through Website Of Industry

 Total Population: - 65

 Sample Size: - 50

**Analysis Technique:**

- Random Sampling and Questionnaire technique selected by researcher to collect the data from the respondent.

**Data Presentation:**

**Pie Chart Findings-**

1. Finding is on the base of data collection and interpretation.

 2. 25% employee's opinion about P.A. systems are conducted only salary administration and benefits.

3. 25% employee's averagely satisfied with P.A .systems. Company conducted P.A. once in a year.

4. 15% employees say there is improvement in performance after P.A.

5. 100% employees say that they are not given a chance to rate their own performance.

6. Management followed the new P.A, system is VEPMS

The respondents are satisfied with VEPMS.

**VII Limitations to the Study**

The research was conducted within the scope defined. In spite of that the research was bounded

1. Each and every department is not covered because of random sampling.

2. Lack of participation in PAMS due to confidentiality of the data.

**VIII Suggestions and Recommendations**

For creating a vibrant workplace that attracts, retains, and promotes talented employees and at the same time discourages non-performance organization need to have:

1. Company should conduct P.A. for the purpose of promotion and training of the employees.

2. Company should fix the proper objectives of P.A.

3. Company should adopt a new method as well as traditional methods of P.A.

 4. Company should be conducting P.A. quarterly in a year. Training should be given on the basis of P.A.

5. Company should implement the self-appraisal.

6. Company should be maintaining the transparency of P.A.

7. Company should be, maintaining the communication between management and employee's.

8. Build more trust in system.

**IX Conclusion**

 1. Performance Appraisal is a systematic means of ensuring that Manager's and staff meet regularly to discuss post and present performance issues and to agree what future is appropriate on both sides.

2. From the survey results it’s evident that both the appraises and appraisers expectation from Performance appraisal system are the same i.e. "Determination of Promotion or Transfer" and "Salary Administration and Benefits".

Hence a single performance appraisal system can satisfy needs of both the Appraiser and appraise. Therefore the Performance appraisal program would be designed in such a way that the appraiser would be able to analyse the contribution of the employee to the organization periodically and all the employees who have been performing well would be rewarded suitably either by an increase in the salary or a promotion. Through this the appraiser can also motivate the employees who felt that they had no growth in the organization and serves the purpose of employee development. Thus performance appraisals can be used as a significant tool.

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**Website**

www.vakrangeeconnect.com

www.google.com