Analyzing the effect of Performance Appraisal Techniques in Motivating employees in Reliance Jio

Mohammad Siraj Ali¹ & Joyce Yeoward²

¹²Centre for Management Studies (HR and Marketing)
Madan Mohan Malaviya University of Technology, Gorakhpur

Abstract- The research paper is based on the employee performance appraisal system in Reliance Jio Infocomm Limited Gorakhpur. Performance appraisal is the systematic process of evaluating individual job related performances and skills of employees. This research analysis is an attempt to examine and analyze the impact of performance appraisal in organizational success. In this research analysis the operational function in the human resource department are analyzed with the contribution of employees and their opinion about the function performed by the employees and their opinion about the function performed by the HR Department in Reliance Jio Infocomm Limited. In the organization employee are directly interviewed and data’s are collected through the designed questionnaire. From these conclusion were drawn, based on the induction it is found that most of the respondents fells that the performance appraisal system done by the organization is easy and satisfactory. From the study it found that they are improving their knowledge with appraisal system and necessary findings are made and suggestions were given to the organization. The study has been done to determine the importance of performance appraisal in the corporate world and to highlight the importance of performance management system in organization. The most vital factor that affects the future of any organization is its employees, as they play a primary role in achieving organizations objective. Within a short period of time the employees are aware about the various policies which are implemented by the company and also it gain goodwill in the minds of employees. It’s suggested that the company should introduce new methods to provide good services promptly and efficiently at the time of employees’ measures. Thus the study is mainly focus on performance of the employee among executives, and their opinion efficiently and effectively.

Keywords- Keywords- Performance Appraisal, Respondents, Performance Management, Induction.

I. INTRODUCTION

Appraisal may be understood as the assessment of an individual’s performance in a systematic way, the performance being measured against such factors as job knowledge, quality and quantity of output, initiative, leadership abilities, supervision, dependability, cooperation, judgment, versatility, health. Potentials of the employee for future performance must also be assessed. Performance appraisal is a formal system that evaluates the quality of an employee’s performance. Performance appraisal is a formal, structured system of meaning and evaluating an employee’s job related behaviors and outcome to discover how and why the employee is presently performing on the job and how he the employee can perform more effectively in the future so that the employee, organization and society and all benefit. Performance appraisal includes:

- Organizational objectives
- Day to day performance
- Professional development
- Rewards and incentives

The process of Performance appraisal is much important to understand and improve the employee’s performance appraisal is the basis for Human Resource Department. It was viewed that performance appraisal was useful to decide upon employee promotion/transfer, salary determination and the like. Its roots in the early 20th century can be traced to Taylor’s pioneering Time and motion studies. As a distinct and formal management procedure used in the evaluation of work performance appraisal really dates from the time of the Second World War - not more than 60 years ago. Yet in a broader sense, the practice of appraisal is a very ancient art. In the scale of things historical, it might well lay claim to being the world second oldest profession. Performance appraisal measures the qualitative and quantitative aspects of job performance.
It will then review the benefits of Performance Appraisal systems and how they can develop an organization’s workforce into a high performing labor force. As this study looks at employees’ perceptions, the literature review will also look at how effective Performance Appraisal can be of value to them and also how ineffective Performance Appraisals occur.

“What is expected to be delivered by an individual or a set of individuals within a timeframe? What is expected to be delivered could be stated in terms of results or efforts, tasks and quality, with specification of conditions under which it is to be delivered” (Kumari & Malhotra, 2012, p.78).

A performance appraisal is a systematic and objective method of judging the quality of an employee in performing his job and a part of guiding and managing career development. It is the process to obtain, analyze, and record the information about the relative worth of an employee to the organization. Performance appraisal is an analysis of an employee’s recent successes and failures, personal strengths and weaknesses, and his/her suitability for promotion.

Performance goals must be specifically and clearly defined.

- Attention must be paid to identifying, in specific and measurable terms, what constitutes the varying levels of performance.

- Performance appraisal programmes should tie personal rewards to organizational performance.

- The supervisor and employee should jointly identify ways to improve the employee's performance, and establish a development plan to help the employee achieve their goals.

II. LITERATURE REVIEW

Confederation of Indian Industry (2012) and Index advisory private Ltd. studied the state of human resources/industrial relations in small and medium enterprises segment. They assessed basic human resources, recruitment, training, and manpower planning, performance management, and compensation, career planning and industrial relation. They found only 61 percent companies have presence of human resource department.

The performance appraisal system, regardless of the methodology employed, must comply with legal requirements (notably, Equal Employment Opportunities guidelines). Performance Appraisal is intended to gather crucial information and measurements about the actions of staff and the company’s operations which are valuable to management for enhancing the employees’ productivity, working conditions, their morale, and inner workings of the organization wholly (Rahman & Shah, 2012).

Among the HR practices that have been studied, performance appraisal is arguably one of the more crucial ones in terms of organization performance and appears to be an indispensable part of any HRM system (Shrivastava and Purang, 2011).

Anupama Gupta (2010) described the challenges faced by Human resource manager in context of new economic scenario. This paper emphasized that these challenges should seriously taken care of. Main challenge is the shortage of skilled manpower. This paper examined the role of human resource department to tackle the problem. It was the duty of HR department to design a possible career path to retain talent. It was suggested that HR manager should be ready to handle the challenges, but the role of other stakeholders should also be included in order to ensure healthy survival of the organization. (Anupama Gupta-July 2007, pp. 102-107)

Saini R.R. (2010) in his article —Human resource development in UCO Bank-A case study of Chandigarh Region evaluates the Human Resources Development policies and practices. This study identified the process and problems in designing and implementing Human Resources Development Systems. This study was analytical in nature and consist a sample of 100 respondents to analyze their opinion about HRD Policies and Practices.

The Important findings of this study were, qualification was the most important factor of recruitment at all level of managers and employees. It also concluded that problem solving 59 strategy of the organization was very effective because all appropriate method have been used to solve problems. Negotiation and Union involvement was the most prevalent used method to solve the problem. This study also observed that the managers were not aware sufficiently about the functioning of HRD Systems. Therefore a proper action plan to improve awareness, Motivation, & serious concern among managers about HRD should be implemented. (Saini R.R.(2010), Volume 3, June 2010, Page no -58-64.)
Performance appraisal is one of the most crucial human resource tool and a vital part of every organization. Nonetheless, the procedure continues to create dissatisfaction among subordinates and can often be seen as ineffective and unfair. Bretz, Milkovich and Read (1992) indicated that perceived fairness of the appraisal system has emerged as the most important issue to be faced by managers.

Performance Appraisal can be defined as a system that involves setting employee standards, looking at employees’ actual job performance, assessing that performance against the standards, giving feedback to the employee on the performance, how to improve it in the future and setting new goals and expectations for another period (Dessler, 2008). Employee appraisal has been one of the most widely studied areas within Human Resource Management literature. It’s an essential component of HRM in most organisations and one of the most vital responsibilities for human resource and line managers.

Philip (2006) has collected data on the HR practices for building performance excellence of twenty high performing organizations, including TCS, Wipro, Infosys, HP, Philips, IBM, L&T Infotech, Microsoft, Oracle. Of 20, 11 are MNCs and others are Indian; and the employees’ strength ranged from 1,250 to 30,000. The key parameters that significantly contribute to organisational performance have been identified which include Recruitment system and selection methodologies; Communication within the organisation; Awards and rewards; Motivational approaches and Career management system; HR processes, Organisational culture, and Creating a learning organisation.

Performance Appraisal (PA) usually involves —evaluating performance based on the judgments and opinions of subordinates, peers, supervisors, other managers and even workers themselves (Jackson & Schuler, 2003).

III. METHODS OF PERFORMANCE APPRAISAL

1) Traditional Methods:
   a) Graphic Rating Scales
   b) Ranking Method
   c) Paired Comparison Method
   d) Forced distribution Method
   e) Checklist Method
      i) Simple checklist
      ii) Weighted Checklist
      iii) Critical Incident Method
   f) Essay or free form Appraisal
   g) Group Appraisal
   h) Confidential Reports

2) Modern Methods:
   a) Behaviorally Anchored Rating Scales
   b) Assessment Center
   c) Human Resources Accounting
   d) Management by Objectives
   e) Behavior Observation Scales
   f) Psychological Appraisal
   g) Balance Score Card
   h) Results Method
   i) Productivity Measures

   Graphic Rating Scales:

   Graphic rating scales compare individual performance to an absolute standard. In this method Judgments about performance are recorded on a scale. This is the oldest and widely used technique. This method is also known as linear rating scale or simple rating scale. The appraisers are supplied with printed forms, one for each employee.

   These forms contain a number of objectives, behavior and trait based qualities and characters to be rated like quality and volume of work, job knowledge, dependability, initiative, attitude etc.

   Rating scales are of two types
   1. Continuous rating scale
   2. Discontinuous Scale

   In Continuous order like 0, 1,2,3,4 and 5 and in discontinuous scale, the appraiser assigns the points to each degree. Performance regarding each character is known by the points given by the rater. The points given by the rater to each character are added up to find out the overall performance. Employees are ranked on the basis of total points assigned to each one of them.

   Ranking Method:

   Under this method, the employees are ranked from best to worst on some characteristics. The rater First finds the employee with the highest performance and the employees with the lowest performance in that particular job category and rates the former as the best and latter as the poorest. Then the rater selects the next highest and next lowest and so on, until he rates all the employees in that group.
**Paired Comparison Method:**
This method is relatively simple. Under this method, the appraiser ranks the employees with all other employees in the group, one at a time. Paired comparison does not force distribution of employees in each department. For instance, if a department has two outstanding employees and six average employees and paired comparison is correctly utilized, then those employees will get a much higher percentage of positive comparison than the other six? Paired comparison method could be employed fairly easily where the number of employees is less.

**Forced Distribution Method:**
The rater may be his employees at the higher or at the lower end scale under the earlier methods. Forced distribution method is developed to prevent the raters from rating too high or too low. Under this method, the rater after assigning the points to the performance of each employee has to distribute his ratings in pattern to conform to normal frequency distribution. Thus, similar to the ranking technique, forced distribution require the raters to spread their employees evaluations in a prescribed distribution. This method eliminates central tendency and leniency biases. However, in this method, employees are placed in certain ranked within the categories.

**CHECKLIST METHODS:**
The checklist is a simple rating technique in which the supervisor is given a list of statement or Words and asked to check statement representing the characteristics and performance of each employee. There are three types of checklist methods.

- **Simple checklist method:**
The checklist consists of large number of statement concerning employee behavior. The rater checks to indicate if the behavior of an employee is positive or negative to each statement may appear to be virtually identical in describing the employee. The words or statement may have different meaning to different raters.

- **Weighted Checklist:**
The weighted checklist method involves weighted different items in the Checklist, having a series of Statement about an individual, to indicate that some are important than others. The rate is expected to look in on the questions relating to the employee’s behavior, the attached rating scale (or simply positive/ negative statement where such a scale is not provided) and tick those traits that closely describe the employee behavior.

- **Forced Choice Method:**
This method was developed at the close of World War II. Under this method, a large number of Statements in groups are prepared. Each group consists of four descriptive statements concerning employee behavior. Two statements are most descriptive and two are least descriptive of each tetrad. Sometimes, there may be five statement in each group out of which one would be neutral. The actual weight age of the statement are kept secret.

**Critical Incident Method:**
Employees are rated discontinuously, i.e., once in a year or six months under the earlier methods. The performance rated may not reflect real and overall performance as the rater would be serious about appraisal. Hence, a continuous appraisal methodize, the critical incident method has been developed. Under this method, the supervisor continuous records the critical incidents of the employee performance or behavior relating to all characteristics in a specially designed. The supervisor rates the performance of his subordinates on his subordinates on the basis of notes taken by him. Since the critical incident method does not necessarily have to be separate rating system, it can be fruitfully employed as documentation of the reasons why an employee was rated in a certain way.

**Essay or Free Form Appraisal:**
This method requires then manager to write a short essay describing each employee’s performance during the rating period. This format emphasizes evaluation of overall performance, based on strengths and weaknesses of employee performance rather than specific job dimensions. By asking supervisors to enumerate specific examples of employee behavior, the essay technique minimizes supervisory bias and the halo effect.

**Group Appraisal:**
Under this method, an employee is appraised by a group of appraisers. This group consists of the immediate supervisor of the employee to other supervisors who have close contact with the employee’s work, manager or head of the department and consultants. The head of the department or manager may be the chairman of the group and the immediate supervisor may act as the coordinator for the group activities. This group uses any one or multiple techniques discussed earlier. Confidential Reports: assessing the employee’s performance confidentially is a traditional method of performance appraisal. Under this method, the supervisor appraises the performance of his subordinates based on his observation, judgment and intuitions. The supervisor keeps his judgment...
and report confidentially. In other words, the superior does not allow the employee to know the report and his performance. The superior keep his judgment and report confidentially. In other words, the superior does not allow the employee to know the report and his performance.

Modern Methods

Behaviorally Anchored Rating Scales:
The Behaviorally Anchored Rating Scales (BARS) method combines elements of the traditional rating scales and critical incident methods. Using BARS, jobs behaviors from critical incidents - effective and Ineffective behaviors are described more objectively. The method employs individual who are familiar with a particular job to identify its major components. They then rank and validate specific behavior for each of the respondents.

Assessment Center:
This method of appraising was first applied in the German Army in 1930. Later, business and industrial Houses started using this method. This is not a technique of performance appraisal by itself. In fact, it is a system or organization, where assessment of several individual is done by various experts by using various techniques. These techniques include the methods in addition to in basket, role playing, and case studies, stimulation insight, transactional analysis etc.

Human Resource Accounting:
Human Resource Accounting deals with cost of and contribution of human resource to the organization. Cost of the employee includes cost of manpower planning, recruitment, selection, induction, placement, training, development, wages and benefits. Employee contribution is the money value of employee service which can be measured by labor productivity or value added by human resource.

Management by Objectives:
Management by Objectives (MBO) is a process whereby the superior and subordinate managers of an Organization jointly its common goals, define each individual’s major areas of responsibility in terms of results expected of him and use these measures of guides for operating the unit and assessing the contribution of its members. Thus, MBO focuses attention on participative set goals that are tangible, verifiable and measurable. The emphasis is on what must be accomplished rather than how it is to be accomplished.

❖ The subordinate and superior jointly determine goals to be during the appraisal period and what level of performance is necessary for the subordinate to satisfactory achieve specific goals.
❖ During the appraisal period, the superior and subordinate update and alter goals as necessary due to changes in the business environment.
❖ Both superior and subordinates jointly discuss whether the subordinate achieved the goals or not. If not, they should identify the reasons for strike/lock-out, market change etc.

IV. OBJECTIVE

☐ To understand how performance appraisal works in motivating on employee.
☐ To analyze the effectiveness of Performance Appraisal in Reliance Jio Infocomm Limited.

V. RESEARCH METHODOLOGY
The process of finding solutions for the issues that are faced by business organization in applying the necessary techniques, business models and research methods in overcoming problems this particular process is called as research methodology (Kumar, 2008; Panneerselvam, 2006).

This particular chapter shapes the analysis design and style along with the investigation system which is helpful to examine the study. Query to investigate the hypotheses relating to service quality dimensions which are resulting in customer complete satisfaction in the banking sector. The chapter likewise covers the way samples were delivered from the sample mass and brief explained about the research instrument, data collection measure, data analysis tools and ethical consideration that are adopted.

- Research Design: Quantitative
- Sample Size: 300
- Sample Unit: JIO centre, Gorakhpur
- Sample Design: Convenience Sampling
- Primary Data: Questionnaires
- Secondary Data: Newspaper, Internet Resources, Books, Journals, Records maintained by Human Resource Department, Company websites.

VI. REFERENCE
