A Study on Employee Performances Appraisal

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ABSTRACT:
Performance appraisals are essential tools in the workplace, helping to uncover skill gaps, identify areas where training is needed, and foster the professional growth of employees. By using well-designed surveys, organizations can better understand how employees perceive the appraisal process and how effective it is. A well-executed appraisal not only clarifies job responsibilities and builds employee confidence but also improves communication between supervisors and their teams. Additionally, it supports important HR decisions such as promotions, rewards, and development planning. This study explores the relationship between managers and employees in the appraisal process, placing it within the larger context of Human Resource Management practices

INTRODUCTION: Performance appraisals serve as a structured way for organizations to assess how well employees are meeting their responsibilities and expectations. They're not just about evaluating past work—they help individuals understand their strengths, highlight areas that need improvement, and inform key decisions like raises, promotions, or necessary interventions. Companies may choose to rely on objective data, such as productivity metrics, or more subjective feedback from supervisors. Whether conducted monthly, twice a year, or annually, these reviews play a crucial role in ensuring employee goals stay in sync with the organization's direction. In essence, performance appraisals are as much about guiding future growth as they are about reflecting on past efforts.

THEORETICAL BACKGROUND OF THE STUDY:

This study is grounded in the belief that performance appraisals are essential for assessing employee contributions and identifying areas for growth. A descriptive research approach was adopted, aiming to observe and analyze current appraisal practices without influencing any variables. To gather insights, structured questionnaires were distributed to 110 participants, featuring both closed-ended and multiple-choice questions. Data was collected from both primary and secondary sources to enhance reliability and depth. For analysis, statistical tools such as percentage analysis, chi-square tests, correlation, and ANOVA were utilized with the help of SPSS software. The research spanned two months, providing timely and practical insights into how performance appraisals function in real-world settings.

REVIEW OF LITERATURE:

Researchers generally agree that performance appraisals work best when they are closely tied to an organization's goals and emphasize employee growth. A number of studies have stressed the value of fairness in the process, along with the need for consistent feedback and active employee participation—factors that contribute to higher levels of motivation and job satisfaction. Modern approaches such as behavior-based assessments, 360-degree feedback systems, and ongoing performance tracking are now being favored over traditional, once-a-year reviews. However, challenges still exist, including cognitive biases, inadequate training for evaluators, and weak communication, all of which can reduce the impact of appraisals. The level of trust and openness between managers and employees also plays a key role in how performance reviews are perceived. Overall, the trend is clearly shifting toward more collaborative, developmental, and feedback-driven appraisal

RESEARCH METHODOLOGY:

This research adopts a structured and systematic approach to explore how employees perceive performance appraisals and how mutual fund performance is evaluated. A descriptive research design was chosen to gain a clear understanding of existing patterns without manipulating any variables. Primary data was gathered through well-structured questionnaires that included both closed-ended and multiple-choice questions, while secondary information was sourced from academic literature and industry publications. A total of 110 participants were involved in the study. The collected data was analyzed using SPSS, applying statistical methods such as percentage analysis, chi-square tests, correlation, and one-way ANOVA. The study spanned a two-month period, allowing for detailed exploration and accurate insights. Overall, the methodology was designed to deliver objective and reliable answers to the core research questions

DATA ANALYSIS AND INTERPRETATION:

TABLE 1: 4 Performances Appraisal Necessary

OPINION	RESPONDENTS	PERCENTAGE
Strongly agree	20	18
Agree	56	51
Neutral	15	14
Disagree	8	7
Strongly disagree	11	10
Total	110	100

Interpretation:
From the above table it is observed that 51% feel performance appraisal system is necessary for the organization, 18% strongly agree, and 10% feel performance appraisal system is not important.
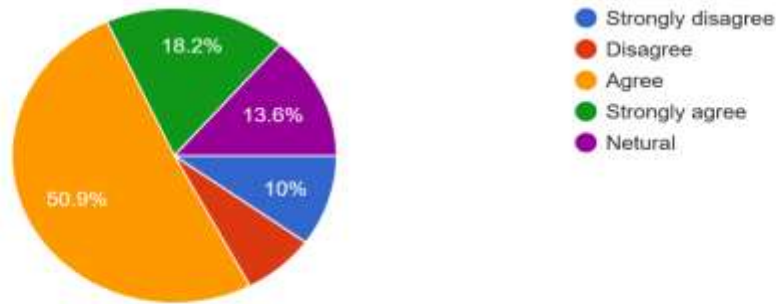
Chart 1: Need of appraisal system

TABLE 2:

One-way Anova

Null Hypothesis (Ho)

There is no significant difference in the identification of strengths and weakness of the performances appraisal system among employees with different opinions.

Alternative Hypothesis (H1)

There is significant difference in the identification of strengths and weakness of the performances appraisal system among employees with different opinions.

Descriptives

strengthweaknessidentified

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Strongly agree	9	3.22	1.716	.572	1.90	4.54	1	5
agree	48	2.71	1.414	.204	2.30	3.12	1	5
neutral	13	3.54	1.450	.402	2.66	4.41	2	5
disagree	9	3.44	1.130	.377	2.58	4.31	2	5
Strongly disagree	34	3.76	1.577	.271	3.21	4.32	1	5
Total	113	3.22	1.522	.143	2.94	3.50	1	5

ANOVA

strengthweaknessidentified

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	24.426	4	6.107	2.806	.029
Within Groups	235.043	108	2.176		
Total	259.469	112			

Interpretation

Since the p value is less than 0.05, we rejected the null hypothesis and accept alternative hypothesis. There is significant difference in the identification of strengths and weakness of the performances appraisal system among employees with different opinions.

Thus, H_0 is rejected and H_1 is accepted.

TABLE: 3 **Correlations**

Null Hypothesis (Ho)

There is no significant correlation between skill improvement and motivation improvement. (r = 0)

Alternative Hypothesis (H1)

There is a significant correlation between skill improvement and motivation improvement.

Correlations

Descriptive Statistics

	Mean	Std. Deviation	N
skillimprovement	2.44	1.220	114
motivationimprovement	2.96	1.451	114

Correlations

		skillimprovement	motivationimprovement
skillimprovement	Pearson Correlation	1	.224*
	Sig. (2-tailed)		.017
	N	114	114
motivationimprovement	Pearson Correlation	.224*	1
	Sig. (2-tailed)	.017	
	N	114	114

*. Correlation is significant at the 0.05 level (2-tailed).

Confidence Intervals

	Pearson Correlation	Sig. (2-tailed)	95% Confidence Intervals (2-tailed)[a] Lower	95% Confidence Intervals (2-tailed)[a] Upper
skillimprovement - motivationimprovement	.224	.017	.042	.392

a. Estimation is based on Fisher's r-to-z transformation.

Interpretation

Pearson correlation coefficient r=0.224

P value = 0.017 (less than 0.05)

Since the p value is less than 0.05, we rejected the null hypothesis and conclude that there is a statistically significant positive correlation between skill improvement and motivation improvement.

Thus, H_0 is rejected and H_1 is accepted.

CONCLUSION:

Performance appraisals are not just periodic evaluations—they represent a continuous process that supports both individual growth and organizational success. When done effectively, they help align personal goals with broader company objectives, driving improvement at every level. This study has been carefully developed using relevant data gathered from the organization, its official website, and other trusted sources. The results emphasize how impactful appraisals can be in motivating employees and boosting overall productivity. At their core, performance reviews create a cycle of consistent feedback and development, making them a vital part of a healthy and forward-moving workplace.

REFERENCE

Aguinis (2013) offers a detailed exploration of performance management systems, emphasizing practical frameworks for evaluating and enhancing employee contributions.

Armstrong (2014) provides comprehensive insights into HRM best practices, including strategies for effective performance appraisals and employee development.

Brown, Hyatt, and Benson (2010) examine how employees perceive performance appraisals and the outcomes these experiences create in the workplace.

DeNisi and Williams (2013) delve into how accurately performance ratings reflect actual job performance and the factors influencing this accuracy.

Dessler (2020) discusses essential HR principles, including how performance reviews support organizational growth and decision-making.

Fletcher (2001) outlines emerging research trends in performance appraisal, with a focus on improving the process for both managers and employees.

Gruman and Saks (2011) explore the connection between performance management systems and employee engagement, showing how feedback can drive motivation.

Jain and Gautam (2014) investigate how appraisals influence motivation among IT sector employees in India, shedding light on employee behavior.

Khan (2010) presents evidence on how human resource practices, particularly performance management, impact business outcomes in Pakistan's energy sector.

Kuvaas (2006) analyzes how employees' satisfaction with performance appraisals can shape motivation and job-related outcomes.

Latham and Locke (2006) focus on goal-setting as a performance tool, discussing its benefits and common pitfalls within organizational settings.

Lawler (2003) evaluates how reward systems interact with performance appraisals to affect overall system effectiveness and employee performance.

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