

EMPLOYEE PERFORMANCE APPRAISAL AT AVIATION INDUSTRY (Air India Limited)

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CHAPTER 1 INTRODUCTION AND COMPANY PROFILE

1.1- INTRODUCTION TO THE TOPIC:-

To determine and analyse the Performance Appraisal at aviation Industry in Air India limited

Today's working climate demands a great deal of commitment and effort from employees, who in turn naturally expect a great deal more from their employers. Performance appraisal is designed to maximize effectiveness by bringing participation to a more individual level in that it provides a forum for consultation about standards of work, potential, aspirations and concerns. It is an opportunity for employees to have significantly greater influence upon the quality of their working lives. In these times of emphasis on "quality", there is a natural equation: better quality goods and services from employees who enjoy better quality "goods and services" from their employers. Performance appraisal is a process of assessing, summarizing and developing the work performance of an employee. In order to be effective and constructive, the performance manager should make every effort to obtain as much objective information about the employee's performance as possible. Low performance can push the organization back in

today's tough competition scenario. The project is aimed at analysing the performance appraisal at Aviation industry in Air India Limited.

The performance appraisal is the process of obtaining, analysing and recording 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 to measure what an employee does.

Performance appraisals are regular reviews of employee performance within organizations. Generally, the aims of a performance appraisal are too:

- Give feedback on performance to employees.
- Identify employee training needs.
- Document criteria used to allocate organizational rewards.
- Form a basis for personnel decisions: salary increases, promotions, disciplinary actions, etc.
- Provide the opportunity for organizational diagnosis and development.
- Facilitate communication between employee and administration

It is a powerful tool to calibrate, refine and reward the performance of the employee. It helps to analyse his achievements and evaluate his contribution towards the achievements of the overall organizational goals. By focusing the attention on performance, performance appraisal goes to the heart of personnel management and reflects the management's interest in the progress of People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity of the same work on the same job being done by two different people. Therefore, performance management and performance appraisal is necessary to understand each employee's abilities, competencies and relative merit and worth to the organization.

Performance appraisal rates the employees in terms of their performance. Performance appraisal takes into account the past performance of the employees and focuses on the improvement of the future performance of the employees.

The study on Performance Appraisal of employees was carried out at "Air India Limited". The main aim of the study was to explore the method which is followed and effectiveness of the employees. The primary data required for the study were collected through structured questionnaire, personal interviews and informal talks. The second data was from the company manuals and the website of the company. The data were analysed and the findings were arrived at the basis of which suggestions are made..

1.2 IMPORTANCE OF PERFORMANCE APPRAISAL:-

Performance evaluations are one of the most important communication tools an organization can use. They need not be complicated; they just need to be done. Performance evaluations benefit both employee and employer. It is a time to provide feedback, recognize quality performance and set expectations for future job performance. It is also a time to have candid conversations about performance that is lacking and how performance can be improved.

Ongoing performance discussions can assist in avoiding serious problems in the future.

A few basic tips make evaluations successful. Conduct evaluations on all employees on a regular schedule, at least annually, so employees know it is a regular part of their employment. Prepare in advance looking back at the employees' performance over the entire review period so you can discuss their performance in a meaningful way. Give employee notice so they can also be prepared to discuss issues or concerns. Share the floor by allowing the employee equal time to talk. Don't dread the process, enjoy the opportunity to talk with your employees about how both they and your organization can be successful

1.3 COMPANY PROFILE:-

Air India is the flag carrier airline of India, headquartered at New Delhi. It is owned by Air India Limited, a government-owned enterprise, and operates a fleet of Airbus and Boeing aircraft serving 94 domestic and international destinations. The airline has its hub at Indira Gandhi International Airport, New Delhi, alongside several focus cities across India. Air India is the largest international carrier out of India with an 18.6% market share.^[10] Over 60 international destinations are served by Air India across four continents. The airline became the 27th member of Star Alliance on 11 July 2014.

The airline was founded by J. R. D. Tata as Tata Airlines in 1932; Tata himself flew its first single-engine de Havilland Puss Moth, carrying air mail from Karachi to Bombay's Juhu aerodrome and later continuing to Madras (currently Chennai). After World War II, it became a public limited company and was renamed as *Air India*. On 21 February 1960, it took delivery of its first Boeing 707 named *Gauri Shankar* and became the first Asian airline to induct a jet aircraft in its fleet.^[11] In 2000–01, attempts were made to privatise Air India and from 2006 onwards, it suffered losses after its merger with Indian Airlines.

Air India also operates flights to domestic and Asian destinations through its subsidiaries Alliance Air and Air India Express. Air India's mascot is *the Maharajah* (Emperor) and the logo consists of a flying

swan with the wheel of Konark inside it.

1.4 HISTORY OF AIR INDIA LIMITED:-

Air India pioneered the country's aviation industry and its history is synonymous with the history of civil aviation in India. Jehangir Ratanji Dadabhoy Tata, former chairman of Tata Sons, was born in the year 1904 in Paris, to a French mother and Indian father. Tata's overriding passion was aviation. His hero was the French piloting ace Louis Blériot, the first man to cross the English Channel by air. Louis Blériot had lived near Tata's French country home. He once allowed a co-pilot to give the 15-year-old Tata a ride. From that moment on, Tata was determined to fly. Having moved to India, in the year 1929 he achieved his goal. He became the first person in the country to be issued with a pilot's license.

In 1932, J. R. D. Tata set up Tata Airlines, the first Indian commercial carrier to transport mail and passengers within India. The company was based out of a small hut with a palm-thatched roof at Juhu Airstrip in Bombay (Mumbai). Tata flew the first leg of the inaugural Karachi – Madras (Chennai) journey

himself, taking mail from Karachi to Madras (Chennai) via Ahmedabad and Bombay (Mumbai) using a single-engine De Havilland Puss Moth. In its first year of operation, TATA flew 160,000 miles, carrying 155 passengers and more than 10 tonnes of mail. It made a profit of INR 60,000. During the same year, Air India launched its first domestic flight from Bombay (Mumbai) to Trivandrum using a six-seater Miles Merlin.

At the end of World War II, in July 1946, Tata Airlines became a public limited company and was renamed as Air-India Limited. After Indian Independence, in 1948, the Government of India acquired 49 per cent of the airline. During the same year, Air India launched its first international flight from Bombay (Mumbai) to London Heathrow. In 11 March 1953, when eight airline companies were operating within and beyond the frontiers of the country carrying both air passengers and cargo, the Government of India passed the Air Corporations Act. India's aviation industry was nationalized and the eight domestic airline companies operating independently at that time were merged into two government-owned entities – Indian Airlines and Air-India International. Indian Airlines focused on domestic routes while Air India International focused on international routes. In 1960, Air India became the first Asian airline to enter the Jet Age. In 1962, the word International was dropped from the company's name and renamed as Air-India. In 2005, the hyphen was dropped from the company's name and renamed as Air India. In July 2007, the Government of India approved the merger of Indian Airlines and Air India. Post-merger the new airline was renamed as Air India.

Since the first flight in 1932, Air India has now grown to become a mega international airline connecting to over 40 destinations in North America, Europe, Asia and Australia. The airline's domestic network covers over 55 destinations, including all state capitals and far-flung areas of India. The Airline's young and modern fleet of 110 aircraft comprises a mix of the latest state-of-the-art Airbus and Boeing aircraft. Air India is India's finest flying Ambassador. The airline exudes the spirit of India by extending warm hospitality to all its guests which is an inherent characteristic of the Indian culture.

1.5 THE AIR INDIA BRAND LOGO:-

The first logo of Air India was 'The Centaur', a stylized version of Sagittarius shooting an arrow in a circle

representing the wheel of Konark. The logo was introduced by founder J. R. D. Tata in the year 1948. The logo represented the airline until 2007.

On 22nd May 2007, Air India refreshed and presented their new logo consisting of a red coloured flying swan with the wheel of Konark in orange placed inside it. The flying swan was morphed from Air India's characteristic logo 'The Centaur' whereas the wheel of Konark is reminiscent of Indian's logo. The new logo features prominently on the tail of the aircraft.



THE MAHARAJAH:-

Air India's mascot is 'The Maharajah' (High King). It was created and introduced by Bobby Kooka, the then-commercial director of Air India, and Umesh Rao, an artist with J. Walter Thompson Limited in the year 1946. Back then, India was known as the 'Land of the Maharajas' and Air India was its only international carrier, flying to destinations such as Cairo, Prague, Damascus, Zurich and Istanbul. Thus Bobby Kooka and Umesh Rao wanted to create an illustration for Air India's letterhead that would symbolise graciousness and elegant living.

The Maharajah first made his appearance on an in-flight memo pad in the mid-1940s. Bobby Kooka and Umesh Rao gave him a distinctive personality, luxuriant moustache, aquiline nose and the conventional Indian turban.

The Maharajah was ingeniously used by Air India for its advertising and sales promotion activities. His funny antics and quirky puns also allowed Air India to promote its services with subtle humour and unmatched panache. He has won numerous national and international awards for Air India for humour and originality in advertising and publicity.

1.6 13 AWARDS AND RECOGNITION:-

- Air India was awarded the "Best Airline Network" award at the Global Star Awards in 2018.
- Air India was awarded the "Best Airline - South Asia" award at the Arabian Travel Awards at Dubai in 2018.
- Air India was awarded the "Best Full-Service International Airline" award by Air Passengers Association of India in 2018.
- Air India was awarded the "Best MICE Airline – Domestic" award at the 2 BW Hotelier MICE Conclave and Awards by BW Business World in 2018.

Air India was awarded the "Best Quality and Environment Management System" award at the Global Awards by World Quality Congress at Mumbai in 2018. •

Air India was awarded the "Gold" award in the Readers Digest Most Trusted Brand Category in 2018.

- Air India was awarded the “Superstar Airline of the Year”, „Airline of the Year - India” and “International Cargo Airline of the Year” awards at the GMR-IGI Airport Annual Awards at New Delhi in 2018.
- Air India was the “Best Airlines - South Asia” award at the Arabian Travel Awards at Dubai in 2017.
- Air India was awarded the “Most Trusted Brand Gold” award in 2017. • Air India was awarded the “India's Favourite E-Commerce Brand in Aviation Sector and PSU” award at the Golden Cart Awards by Business World in 2016.
- Air India was awarded the “Strongest Growing South Asian Airline” award at the Singapore's Changi Airline Awards in 2016.
- Air India was awarded the “Top Airline by Absolute Growth in Passenger Carriage in South Asia” award at the Changi Airline Awards by Singapore based Changi Airport Group in 2016.
- Air India was awarded the “National Environment Health and Safety” award for outstanding contribution to the reduction in carbon emissions by World Quality Congress and World Sustainability Forum in 2015. • Air India was awarded the “Asian Voice Political and Public Life Airlines of the Year” award at London in 2014.

1.7 Air India was awarded the “International Quality Crown” award in the Diamond Category for commitment to quality and excellence by Selection Committee of Business Initiative Directions (BID) at Spain in 2014 AIR INDIA DESTINATIONS:-DOMESTIC

Agartala, Agra, Ahmedabad, Aizawl, Amritsar, Aurangabad, Bagdogra, Bangalore, Belgaum, Bhopal, Bhubaneswar, Chandigarh, Chennai, Coimbatore, New Delhi, Dibrugarh, Dimapur, Durgapur, Gaya, Goa, Guwahati, Hubli, Hyderabad, Imphal, Indore, Jaipur, Jammu, Jamnagar, Jodhpur, Kannur, Khajuraho, Kochi, Kolkata, Kozhikode, Leh, Lucknow, Madurai, Mangalore, Mumbai, Nagpur, Nanded, Patna, Port Blair, Pune, Raipur, Rajkot, Ranchi, Silchar, Srinagar, Surat, Thiruvananthapuram, Tirupati, Varanasi, Vijayawada and Visakhapatnam

INTERNATIONAL

Abu Dhabi, Bangkok, Birmingham, Chicago, Colombo, Copenhagen, Dammam, Dhaka, Dubai, Frankfurt, Hong Kong, Jeddah, Kabul, Kathmandu, Kuwait, London, Madrid, Malé, Manama, Melbourne, Milan, Muscat, Najaf, New York City, Newark, Osaka, Paris, Riyadh, Rome, San Francisco, Seoul, Shanghai, Sharjah, Singapore, Stockholm, Sydney, Tel Aviv, Tokyo, Washington D. C and Yangon

1.8 MAJOR PLAYERS IN INDIAN AVIATION INDUSTRY:-

IndiGo

IndiGo is the first largest airline in India with a market share of 49 per cent as of May 2019. It was established in the year 2005 by Rahul Bhatia and Rakesh Gangwal and started operations in the year 2006. The Indira Gandhi International Airport in New Delhi is the main hub of IndiGo. The airline currently has a fleet size of 234 aircraft in service and serves a total of 70 destinations

Spicejet

14.8 per cent as of May 2019. It was established in the year 2004 by Ajay Singh and Bhupendra S Kansagra as Royal Airlines and started operations in the year 2005. The Indira Gandhi International Airport in New Delhi is the main hub of SpiceJet. The airline currently has a fleet size of 87 aircraft in service and serves a total of 61 destinations.

Air India

Air India is the third largest airline in India with a market share of 13.5 per cent as of May 2019. It was established in the year 1932 as Tata Airlines by J. R. D. Tata and started operations in the year 1946. Air India is a state-owned national carrier of India. The Indira Gandhi International Airport in New Delhi and Chhatrapati Shivaji International Airport in Mumbai are the main hubs of Air India. The airline currently has a fleet size of 110 aircraft in service and serves a total of 95 destinations.

GoAir

GoAir is the fourth largest airline in India with a market share of 11.1 per cent as of May 2019. It was established in the year 2005 by Jeh Wadia and started operations in the same year. The Chhatrapati Shivaji International Airport in Mumbai is the main hub of Go Air. The airline currently has a fleet size of 49 aircraft in service and serves a total of 28 destinations.

AirAsia India

AirAsia India is the fifth largest airline in India with a market share of 6.3 per cent as of May 2019. It was established in the year 2013 and started operations in the year 2014. The Kempegowda International Airport in Bangalore is the main hub of AirAsia India. The airline currently has a fleet size of 21 aircraft in service and serves a total of 19 destinations.

Vistara

Vistara is the sixth largest airline in India with a market share of 4.7 per cent as of May 2019. It was established in 2013 and started operations in the year 2015. The airline is a joint venture between Tata Sons and Singapore Airlines. The Indira Gandhi International Airport in New Delhi is the main hub of Vistara.

1.9 MARKET SEGMENTATION OF INDIAN AVIATION INDUSTRY:-

Low-Cost Carriers

Low-Cost Carriers are also called as Budget Airlines, Cheap Flights and Discount Carriers. They allow passengers to utilise air travel at an affordable ticket price. They charge passengers extra for priority boarding, checked baggage, in-flight entertainment, meals, beverages, lounges and other comforts to overcome the loss of providing cheap flight tickets. Low-cost airlines usually provide only domestic services and tend to keep only a single travel class (Economy Class). The aircraft generally have less reclined and less leg room. Indigo, SpiceJet, Go Air and AirAsia India are the main Low-Cost airlines in India. Full-Service Carriers charge regular ticket prices and they are usually higher when compared to

Low-Cost Carriers. They offer passengers priority boarding, checked baggage, in-flight entertainment, meals, beverages, lounges and other comforts such as blankets and pillows in the ticket price. Full-Service airlines provide domestic and well as international services and offer passengers the choice of travel class (Economy, Executive or First 17 Class). The aircraft generally have more recline and more leg room. Air India and Vistara are the main Full- Serviceairlines in India.

1.10 MAJOR DEPARTMENTS OF THE COMPANY:-

AIRPORT OPERATIONS DEPARTMENT The Airport Operations Department of Air India is responsible for managing the activities at the airport pertaining to passenger travel, boarding, ticketing, baggage, security checks, routing passengers onto the required flight, handling passenger queries, cabin cleaning and ramp handing. The staffs under this department work in shifts and play an important role in planning, monitoring and controlling the airport operations. They are also responsible for complying with regulatory requirements and making sure that each flight is executed on time.

FLIGHT OPERATIONS DEPARTMENT

The Flight Operations Department of Air India is responsible for ensuring safe, legal and efficient operation of Air India aircraft. This includes training of cockpit crew members to ensure that they execute the high quality operation in a safe, efficient and customer-friendly manner.

The staffs under this department are specially trained and play an important role in the recruitment and training of new cockpit crew members. The support staffs under this department are involved in surveying all new routes and making available all navigation, performance and other necessary operational data for the cockpit crew members. They are also responsible for investigating, monitoring and disseminating information on all accidents, incidents and other occurrences involving Air India aircraft.

IN-FLIGHT OPERATIONS DEPARTMENT

The In-flight Operations Department of Air India is responsible for providing a delightful service experience to passengers on board. The staffs under this department represent the cabin crew members. They are responsible for maintaining high standards of service quality and ensuring safety and security of passengers on board. They are also responsible for providing service to the passengers during the flight like providing meals, beverages, refreshments, etc. Before they get onto the aircraft as a cabin crew member, they undergo intensive 18

training for a period of three months. They are well trained to deal with all situations with poise and grace. There have been many instances where the inflight operation team has showed extraordinary

valor and courage. Their training and experience have been very much lauded by the industry and is one of the best in the aviation industry.

VIGILANCE DEPARTMENT

The Vigilance Department of Air India is responsible to initiate steps to curb corruption and malpractices in the organization. The prime functions of this department include investigation of complaints having vigilance angle against all categories of employees, study and examine systems and procedures followed in various departments, identify corruption-prone areas and suggest remedial measures to minimize scope for corruption or malpractices, maintain surveillance on personnel posted in sensitive or corruption-prone areas, maintain surveillance on employees of doubtful integrity and ensure speedy processing of vigilance cases at all stages.

CARGO DEPARTMENT

Air India is not only a passenger airline but also a cargo airline with a network which is both wide and dense. The Cargo Department of Air India is responsible for ensuring smooth transportation and delivery of cargo. The staffs under this department are highly skilled and experienced. They are backed by a training division of international repute. They are responsible for accepting cargo and cargo documents at cargo centres and moving cargo to and from the aircraft and other vehicles.

ENGINEERING DEPARTMENT

The Engineering Department of Air India is responsible for keeping the aircraft as good as new, safe and in excellent condition. The staffs under this department consist of exceptional engineers who strive to achieve on time, safe and reliable operations. They are responsible for keeping the aircraft in working order, maintain, repair and monitor aircraft, engine and equipment, ensure passenger comfort, preserve the airline's valuable physical assets, ensure maximum utilization of those physical assets and meet regulatory requirements on aircraft maintenance. They maintain, repair and monitor the aircraft as per the manufacturer guidelines and recommendations.

MATERIAL MANAGEMENT DEPARTMENT

The Material Management Department of Air India is responsible for planning, controlling, moving, storing and purchasing the highest quality material, equipment and products at the lowest possible cost for the airline. The staffs under this department ensure timely procurement of products of the right quality and at the right time, ensure transparency in the procurement process by following the laid down procedures and processes as mandated by regulatory authorities and develop new vendors and

suppliers of products on an on-going basis. Some of the products handled by the Material Management Department of Air India include fuel, tyres, tubes, battery, furniture, magazine, newspaper, medicine, uniform, toiletries, trolley, carts, oven cage, crockery, cutlery, food, beverages, etc

FINANCE AND ACCOUNTS DEPARTMENT

The Finance and Accounts Department of Air India is responsible for managing the revenue earned and expenditure incurred by the airline. Revenue may include sale from passenger tickets, cargo, excess baggage, miscellaneous income, etc. On the other hand, expenditure may include salary to employees, payment to service providers, airline catering, landing and parking charges, accommodation and transportation of crew members, payment of tax, miscellaneous expenditure, etc. The staffs under this department are engaged in the preparation of financial accounts and reports, financial reporting, ensuring timely payment to employees and service providers, project evaluation, management of banking and investor relations, tax planning and filing, budgeting, cost management and cash management. The Finance and Accounts Department of Air India is also responsible for arranging finance for the purchase and leasing of aircraft and non aircraft items.

HUMAN RESOURCE DEPARTMENT

The Human Resource Department of Air India is responsible for creating people for the airline through business partnering and best in class human resource processes and policies. The staffs under this department help run operations smoothly through effective manpower planning, recruitment, selection, training, development, induction, socialization, performance management, compensation, employee welfare, health and safety, employee engagement, employee retention and industrial relations. They are also responsible for maintaining employee data, processing salaries and benefits and managing all employee-related compliances.

SALES AND MARKETING DEPARTMENT

The Sales and Marketing Department of Air India is responsible for selling, advertising and promoting airline tickets to customers, travel companies and agents. The staffs under this department are engaged in activities such as calculating and pricing airline fares, scheduling, advertising and promoting passenger tickets and cargo, making reservations and responding to telephonic customer enquiries. They make use of sophisticated computer reservation systems to advertise their own fares and schedules to travel companies and agents and to keep track of the fares and schedules of competitors.

INFORMATION TECHNOLOGY DEPARTMENT

The Information Technology Department of Air India is responsible for providing new business solutions that support the smooth operation of the airline. The staffs under this department manage the infrastructure and connectivity across airports. They are also entrusted with the task of implementing an efficient online booking engine, ticket distribution system, departure control system, check-in, automated boarding control, baggage reconciliation system and a frequent flyer programme. Their main objective is to ensure that different processes in the airline are put in place which assures seamless, hassle-free, innovative and high-quality services to the customers. The Information Technology Department of Air India also enables other departments in the airline to effectively deliver services through automation and process improvement.

FLIGHT SAFETY DEPARTMENT

The Flight Safety Department acts as an in-house safety advisor for Air India. They are responsible for advising Air India on safety issues, creating awareness on safety requirements and supervising the accident program of Air India. They are also responsible for implementing safety management systems and reporting safety audits.

MEDICAL DEPARTMENT

The Medical Department of Air India is responsible for providing medical services to passengers and crew members. Medical incidents in the air, though rare, are always a possibility. Therefore, to meet such emergencies, the Medical Department of Air India train their cabin crew members in advance on how to provide first aid and life support. They also medically examine the cockpit and cabin crew members to ensure they are physically fit to undertake a flight. The medical kits provided by the department to be used by the cabin crew members during a flight are recognized and approved according to international medical guidelines.

CHAPTER-2 WORK PROFILE

2.1 ACTIVITIES CARRIED OUT BY THE STUDENT IN THE COMPANY:-

WEEKS	ACTIVITY
week-1	Introduction of the company
week-2	Understanding the air India's requirement for conducting annual performance appraisal
week-3	Screening profiles from 2012 -2018 to identify different foreign posting
week-4	Data of road profiles in excel sheet and learning the process on how performance appraisal is conducted
week-5	Helping the management in carrying out the annual performance appraisal process

CHAPTER-3 REVIEW OF LITERATURE

3.1 LITERATURE REVIEW:-

Performance results from the interaction of physical financial & human resources. The first two are inanimate they are translated into “productivity “only when the human element is introduced. However, the human element interjects a variable over which a management has a limited control. When dealing with the inanimate factors of production, a management can accurately predict the input-output relationship and can even vary the factor it chooses in order to achieve a desire rate of production. In dealing with employees, however, an intangible factor of will, volition or freedom of choice is introduced, and workers can increase or decrease their productivity as they choose. This human quality gives rise to the need for positive motivation

Peter Drucker (1990) professional employees the most rapidly growing group, new promotional opportunities should carry the same prestige, weight & position as the traditional opportunities for promotion to managerial positions

Richard I. Levin & David S. Rubin (1990-1998) Understanding sampling distribution allows statisticians to take samples that are both meaningful and cost effective. Because large samples are very expensive to gather, decision makers should always aim for smallest sample that give reliable result.

Fred Luthans (1995) Learning is a major psychological process, but it has not been as popular in the study of organizational behavior as constructs such as attitudes or motivation. Behavioral management systematically applied through steps such as Organizational Behavior Model can help meet the performance improvement challenges facing today’s organizations in the highly competitive global economy

Aswathappa K (1997-2005) An organization’s goals can be achieved only when people put their best efforts. Performance Appraisal is the best way, to ascertain whether an employee has given his or her best performance.

Performance Appraisal is an objective assessment of an individual’s performance against well-defined benchmarks.

Anne Bruce & James S. Pepitone (1999) It is no longer sufficient to give people simplistic, behavioral motivators. Employees today are better informed than ever before. They are too sophisticated for the Quasi-manipulative tactics that have worked for many managers in the past? Beverly Kaye & Sharon Jordan (1999) Reward recognition, which matters more. Praise or pay. pg 143-151

David R. Hampton (1998) Performance appraisal or evaluation can serve at least two broad purposes judgment and development. Judgment refers to making decisions about allocating pay increases and promotions for subordinates. Development refers to helping subordinates improve performance and acquire new competencies.

Sue Schellenberger (1998) As the next century nears; employers are trying with growing intensity to engage workers from neck up. They are using tender words like commitment and loyalty to describe the bond they want. Some are hiring psychologists to study workers; others are routinely taking employee's psychic pulse in painstaking attitude surveys.

C.B. Mamoria, Arun Kumar & Rachana Sharma (2000) Worker's participation in management & profit sharing – Worker's participation in management has been interpreted as the joint consultation prior to decision making by the management. It has been laid down in India's Third Five Year plan that the success or failure of an undertaking is not the concern of management alone. For the peaceful evolution of the economics system on a democratic basis, it is essential that worker's participation in management should be accepted as a fundamental principal & on urgent need.

Tom Coens & Mary Jenkins (2000) The dynamic of people, money & motivation are too complex to fully understand. However, if your organization takes time to clarify what it is trying to achieve & builds from healthy underlying assumptions, it can create more effective compensation practices & a positive work environment.

Heinz Weihrich & Harold Koontz (2001) Managerial appraisal has sometimes been referred to as the Achilles' heel of managerial staffing, but it is probably a major key to managing itself. It is the basis for determining who is promotable to a higher position. One way to integrate organizational demands and individual needs is through career management.

Porter and Lawler (2000-2006) came out with a comprehensive theory of motivation. They posit that motivation, performance, and satisfaction are all separate variables and relate in ways different from what was traditionally frequently built on monetary rewards (incentive pay), but also include a variety of non – monetary rewards or prizes." Incentives, in general are important motivators. Their effectiveness depends upon three factors: drives, preference value, and satisfying value of the goal objects.

Andrew von Nordenflycht & Jody Hoffer Gittel (2004) Both the qualitative and quantitative results suggest that relational factors-conflict and workplace culture-are more important determinants of performance than the structural factors of unionization, shared governance, and wages.

Peter Ducker (2004- 2007) the foremost management guru has observed that productivity is the first step of management competence. And, according to Deming, 85% of all productivity problems relate to management and only 15% relate to workers performance. Effective managers must demonstrate high productivity. We know that productivity is not a measure of production or output. It is an index of measurement calculated as a ratio of total input. In other words, productivity is a measure of how well resources are combined and utilized to accomplish desired results or outcomes.”

J.S.Chandan (2005) It has now become an accepted fact an organization has no life but for the people working in it. There is thus a shift in the managerial approach from task oriented. This has resulted in the increased emphasis on the need for understanding people.

Organizational Behaviour is the study of individual & group behaviour in a work setting.

Conference paper (2006) Motivation is critical dimension of capacity, defined as the ability of people, institutions & societies to perform functions, solve problems & set & achieve objectives. There is a distinction between formal incentive & informal ones. It is thought that intrinsic & extrinsic motivation were additive & could easily be combined to produce optimal performance.

Vineetha Ravipati and Sujatha Subramaniane (2007) Employee productivity an effective way to control costs is by increasing the employee productivity, that is, available seat miles per employee.

Southwest Airlines employee development and retention (2008) Companies can learn from best practices followed at Southwest Airlines to provide assessment and coaching to enhance employees “personal and professional growth. An online component to help assign and align people’s personal development needs as well as enhancing their strengths in order for them to grow more effectively and a skills assessment and skills management system to help judge each employee’s degree of fit with a particular job role and the company.

R J Devi and B V S Prasad (2008) - Effective Performance Management – Approaches and Experience - Today’s competitive environment forces every organization to identify under performers because they are harmful to the performers too. It is a natural tendency among employees to feel that the organization should recognize their performance and reward them appropriately.

Gary Dessler & Biju Varkkey (2008) Tying worker’s pay to their performance is widely popular.

Indeed, with the emphasis on competitiveness, productivity and delivering measurable bottom line results the trends for virtually all employers is to tie at least some portion of their worker’s pay to the worker’s and

/ or the company's performance. In India, pay performance is gaining wide acceptance and having a Performance linked pay (PRP) plan is considered as a good HR practice.

Stephen P. Robbins (2008) Organizational behaviour is an applied behavioural science that is built upon contributions from a number of behavioural disciplines. The predominant areas are psychology, sociology, social psychology, anthropology, and political science. The decision to perform that is to work hard in pursuit of high levels of task performance (satisfaction causes performance/ performance causes satisfaction/ rewards cause both performance and satisfaction)

The Porter and Lawler model has definitely made a significant contribution to the better understanding of work motivation and the relationship between performance and satisfaction. But to date, it has not made impact on the actual practice of HRM.

There are various factors that contribute to productivity. Basically productivity is the result of efficiency of the workforce besides other resources. It is the people who take care of the finances, it is the people who order and maintain supplies, it is the people who man the machines, and it is the people who maintain the processes. Therefore, the efficient utilization of the resources is in the hands of the human resource. With the rate of change today, though the same resources are being used, but there is a constant need to update and upgrade the competencies of the workforce. Hence the HR developer's role has become even more important. However, the other needs of the human resource, besides skills development and education, have also increased in demand. .

“Human Resource (HR) Managers must with the times and keep abreast with developments. They must be pro-active, innovative and move into new frontiers and paradigms to achieve standards of excellence.

” According to Schuster the success of any organization is the relentless pursuit of continuous performance improvement.

Human Performance Technology: With reference to the need for continuous performance improvement, the concept of Human Performance Technology (HPT), is gaining interest among organization today.

Human Performance Technology has evolved since the 1960's. The International Society for Performance Improvement (formerly known as the National Society for Performance and Instruction) has contributed largely to the propagation of the technology as an approach to improving human performance in the workplace. Sometimes it is called just Performance Technology but the human aspect must not be forgotten as the focus is on the people in the organization system. Performance

indicates some output, a result, an achievement or something carried out to a desired accomplishment level. The word technology generally brings images of mechanism but in this sense it refers to some systematic, researched procedure to deal with problems and issues in the workplace.

R J Devi and B V S Prasad (2008) - Effective Performance Management – Approaches and Experience - Today's competitive environment forces every organization to identify under performers because they are harmful to the organization, in spite of their good behavior. If organizations do not pay attention to under performers, it may affect the performers too. It is a natural tendency among employees to feel that the organization should recognize their performance and reward them appropriately

Schachaceter (2008) Two-factor theory it is also known as Herzberg "motivation-hygiene theory and Dual-Factor Theory states that there are certain factors in the workplace that cause job satisfaction, while a separate set of factors cause dissatisfaction'

Smita Gupta (2009) in her book Effective Performance Management explains that performance management aims at improving the performance of the employees with the help of a broad set of activities. It aims at as well as helps in motivating and improving the performance of individuals and that of the organization.

Johanna Mac Neil (2009) The ideas, complimented with some selective but very interesting data on trends in profit, industrial action, costs, aircraft and labour productivity, service quality and employee morale, provide the foundation for a clear and engaging overview of what has happened in the airline industry in the last 30 years.

CHAPTER-4 RESEARCH METHODOLOGY

4.1 STATEMENT OF PROBLEM:-

To determine and analyse the Performance Appraisal at Air India Limited, Delhi.

Today's working climate demands a great deal of commitment and effort from employees, who in turn naturally expect a great deal more from their employers. Performance appraisal is designed to maximize effectiveness by bringing participation to a more individual level in that it provides a forum for consultation about standards of work, potential, aspirations and concerns.

It is an opportunity for employees to have significantly greater influence upon the quality of their working lives. In these times of emphasis on "quality", there is a natural equation: better quality goods and services from employees who enjoy better quality "goods and services" from their employers.

Performance appraisal is a process of assessing, summarizing and developing the work performance of an employee. In order to be effective and constructive, the performance manager should make every effort to obtain as much objective information about the employee's performance as possible. Low performance can push the organization back into today's tough competition scenario. The project is aimed at analysing the performance appraisal in Air India Limited.

4.2 SCOPE OF THE STUDY :-

- The scope of the study is to find out the effectiveness of performance appraisal & development programme conducted at Air India Ltd
- This study provides appraisal feedback to employees and thereby serve as vehicles for personal and career development and allow the management to take effective decision against drawbacks for the well-being of the employee's development.
- The study focuses on type, effectiveness and employee attitude of the appraisal system.
- To help management plan future development and growth.
- The sample size of employees was selected at random from all departments.

4.3 OBJECTIVES

- To identify the actual performance of the employees and performance standards used in performance appraisal program (opinion, satisfaction, benefit, outcome, etc.).
- Identification of the technique of performance appraisal in Air India.
- Employee attitude towards the present appraisal system.
- To identify the effectiveness of performance appraisal system for employees.
- Identifying performance appraisal leading to the discovery of unfound talents amongst the employees.
- To provide suggestions and recommendations to improve the performance appraisal effectiveness

4.4 RESEARCH METHODOLOGY:- AIM OF THE RESEARCH

The assigned task was to conduct a survey for Air India Limited company. The research is concerned with the systematic and objective collection, analysis and evaluation of the information about specific aspects in order to help management make effective decisions. Once the aspect is identified and defined it is the responsibility of the researcher in a successful manner.

The methodology used in the study involves the collection of primary as well as secondary data. Research in common parlance refers to a search of knowledge. One can also define research as a scientific and systematic search for pertinent information on a specific topic

4.5 RESEARCH DESIGN

Research Design refers to "framework or plan for a study that guides the collection and analysis of data". Though each research study has its own specific purpose, but the research design of this project on Air India Ltd is Conclusive in nature.

SAMPLE DESIGN

A sample design is defined as a plan determined before any data are actually collected for obtaining a sample from a given population. Sample can be either probability sample or non-probability sample.

SAMPLING UNIT

The unit Comprises of employees from Bangalore branch at Air India.

SAMPLE SIZE

The sample size taken for this survey was employees of Air India. Employees from every department was selected according to their availability.

SAMPLING METHOD

I have selected simple random sampling in my project.

SIMPLE RANDOM SAMPLING

This type of sampling is also known as chance sampling or probability sampling, where each item in the population has an equal chance of being selected in the sample.

SOURCE OF DATA

This research study is exclusively based on primary data collected.

PRIMARY DATA

The objective of the study has been accomplished with the help of primary data collected from 25 employees. The selected samples are met in persons and the data has been collected with the help of a questionnaire.

The questionnaire used in this survey consists of structured type of questions. It is mixed type of questionnaire which contains both close ended and other type of questions. Primary data refer to the data collected from primary sources. Also Interview with HR Manager also contributed in the finding of the research.

SECONDARY DATA

Secondary data were collected from official records of the organization, websites and from other publications. Data which are not originally collected but rather obtained from a published or unpublished source, are known as secondary data

The Main Sources are of the data are

1. Company Books and records.
2. Web sites.

TECHNIQUES USED FOR ANALYSIS

The most convincing and appealing ways in which data may be presented are tables, charts and pictures. Pictorial representation helps in quick understanding of the data. Charts have greater memorizing effect as the impressions created by them last much longer than those created by the figure. A chart can take the shape of either a diagram or a graph.

To analyse the collected data, simple tool of percentage methods issued. The study diagram representations are adopted. The data are presented through different types of diagram as follows.

1. Table
2. Charts
3. Bar diagram

4.6 LIMITATIONS OF THE STUDY:-

- The Company's policy of not disclosing some data and information for obvious reasons, which would have been very much useful for the report.
- Few employees sometime felt disturbed, as they were busy with their job.
- It is difficult to make information based a rich report in a short time of period.
- The sample size was restricted to 50 employees.
- The answers given by the respondents highly depend on the mood and interest and thus the accuracy fluctuates sometimes.

CHAPTER-5 DATA ANALYSIS

5.1 DATA ANALYSIS :-

Analysis and interpretation of various statements gives a skilled and experienced for a better understanding and the performance of the firm. The term “analysis “means methodical classification of the data requires a number of closely related operations such as establishment of categories to raw data through coding, tabulation and then drawing statistical inferences.

Where the term

“interpretation” means expanding the meaning and significance of the data so simplified.

The respondents feel excellent that improvement in work area.34% of the respondents feel very good were improvement required quality and housekeeping area.24% of the respondents were good, 9% of the respondents feel improvement required, 5% of respondents feel unsatisfactory. Hence the maximum numbers of employees are suggestion and implementation to improvement in work

DATA INTERPRETATION

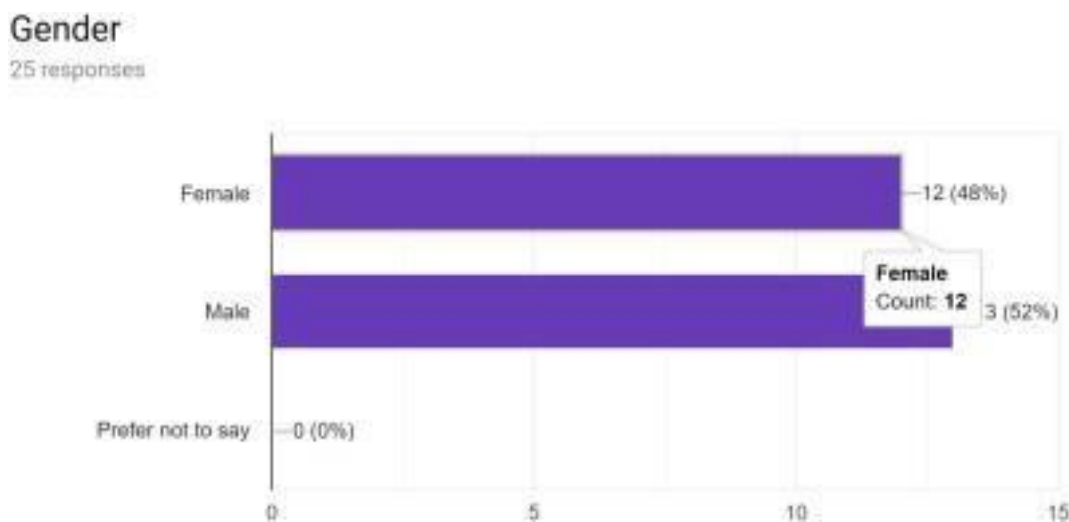


Figure5.1

Male	Female
13	12

52%	48%
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Table 5.1 Interpretation

From the above table it can be inferred that 52% of the respondents are male and 48% of them are female

Age

25 responses

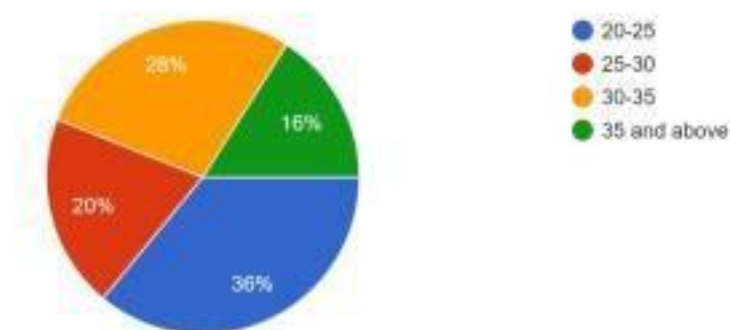


Figure no 5.2

Age	20-25	25-30	30-35	35 & above
Responses	9	7	5	4
Percentage	36%	28%	20%	16%

Table 5.2 Interpretation

From the above table it can be inferred 36% of the respondents are in 20-25 age , 28% was in 25-30 years age, 20% was in 30-35 years age, 16% of them were of 35 and above age

In your opinion Performance Appraisal is?

25 responses

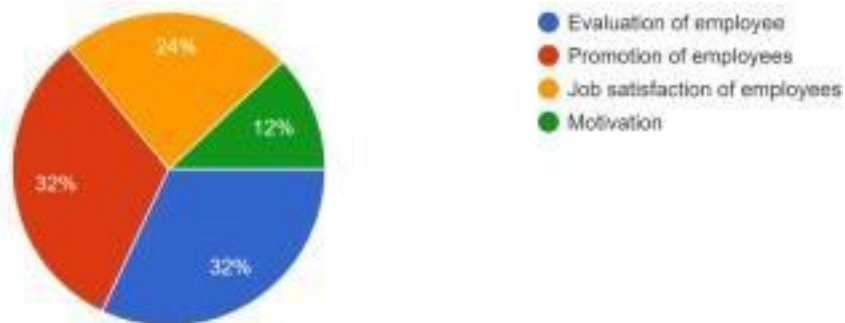


Figure no

5.3

Options	Evaluationof employee	Promotionof Employees	Job satisfaction of employees	Motivation
Responses	8	8	6	3
Percentage	32%	32%	24%	12%

Interpretation

From the above table it can be inferred that 32% of the respondents opinion on performance appraisal was evaluation of employee, 32% opted as promotion of employee, 24% of them as job satisfaction of employee and 12% of them as motivation

Which method of Performance Appraisal is implemented in the Organization

25 responses

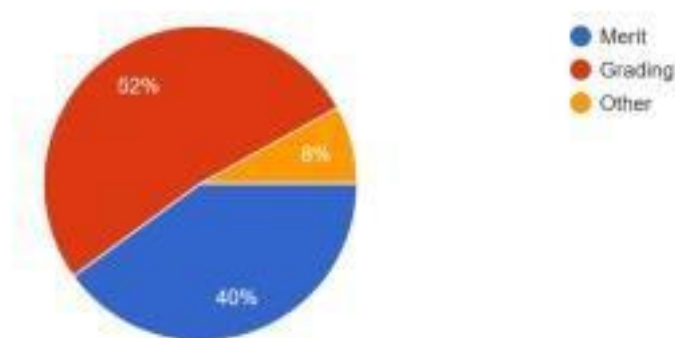


Figure no

5.4

Options	Merit	Grading	Other
Responses	10	13	2
Percentages	40%	52%	8%

Interpretation

From the above table it can be inferred that 40% of the respondents consider merit as method of performance appraisal ,52% opted for grading, 8% of them for other factor.

Do you receive any increment in your salary after Performance Appraisal

25 responses

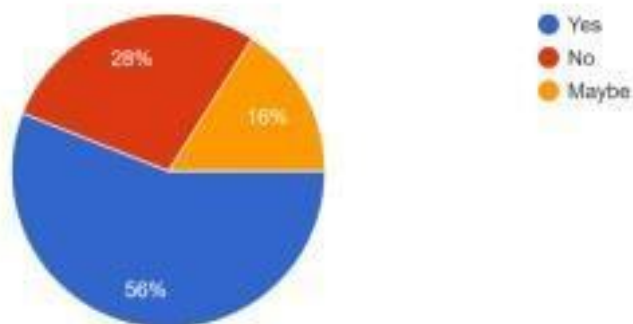


Figure no

5.5

Options	Yes	No	May Be
Responses	14	7	4
Percentages	56%	28%	16%

Interpretation

From the above table it can be inferred that 56% of the respondents receive increment in salary after PA, 28% of the respondents say “NO” and 16% of them are in “confused state”

Do you think Performance Appraisal help to provide an atmosphere where all are encouraged to share one another burden

25 responses

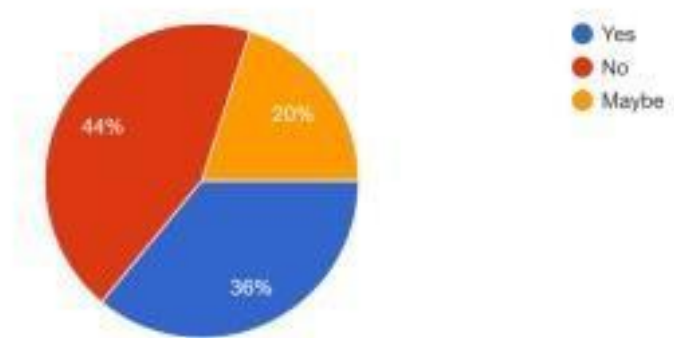


Figure no

5.6

Options	Yes	No	Ma y Be
Responses	9	11	5
Percentages	36%	44%	20%

Interpretation

From the above table it can be inferred that 36% of the respondents say “YES” that performance appraisal help to provide an atmosphere to encourage to share one anotherburden ,44% of them say “NO’ and

20% of them are in ” confused state”

Do you think Performance Appraisal helps people set and achieve meaningful goals

25 responses

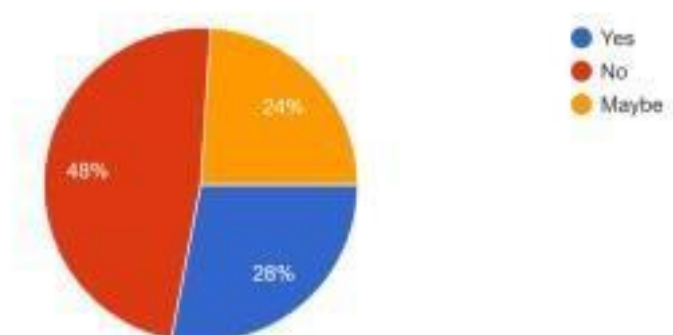


Figure no

5.7

Options	Yes	No	Ma y Be
Responses	7	12	6
Percentages	28%	48%	24%

Interpretation

From the above table it can be inferred that 28% of the respondents say “YES” for performance appraisal helps in people set and achieve meaningful goals, 48% of them say “NO” and 24% of them are in “confused state”

Do you think Performance Appraisal give constructive criticism in a friendly and positive manner

25 responses

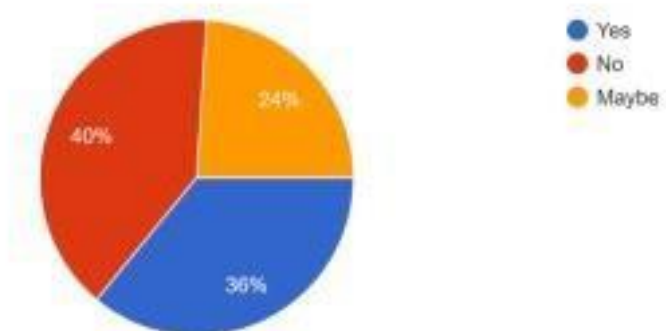


Figure no

5.8

Options	Yes	No	Ma y Be
Responses	9	10	6
Percentages	36%	40%	24%

Interpretation

From the above table it can be inferred that 36% of the respondents say “Yes” think performance appraisal give constructive criticism in a friendly and positive manner, 40% of the respondents say “NO” and 24% of them are in “confused state”

When Performance Appraisal made in the Organization

25 responses

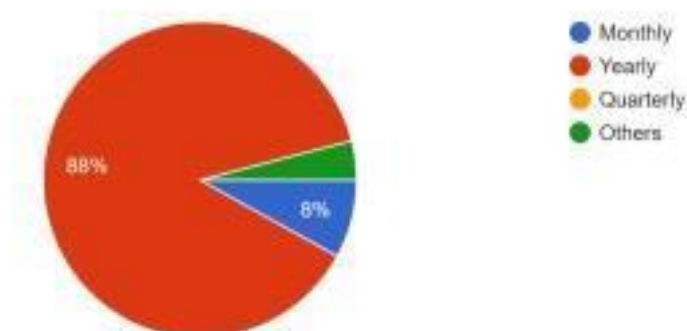


Figure no

5.9

Options	Monthly	Yearly	Quarterly
Responses	2	22	0
Percentages	8%	88%	0%

Table 5.9 Interpretation

From the above table it can be inferred that 8% of the respondents say performance appraisal is made on “monthly basis”, 88% of them for “Yearly”, 4% of them for others

Is there any conflict arise between employees after Performance Appraisal is made

25 responses

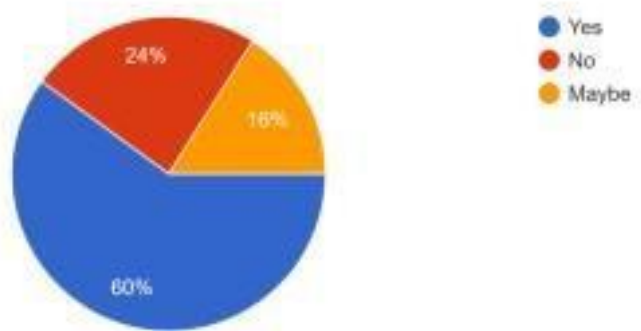


Figure no

5.10

Options	Yes	No	Ma y Be
Responses	15	6	4
Percentages	60%	24%	16%

Interpretation

From the above table it can be inferred that 60% of the respondent say “Yes “ that there can be conflict raised between employees after Performance Appraisal , 24% of them say “No” and 16% of them are in ” confused state”

Are there any job expectation established before Performance Appraisal

25 responses

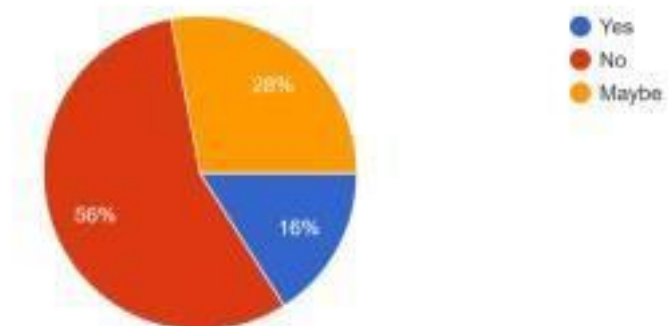


Figure no

5.11

Options	Yes	No	May Be
Responses	7	14	4
Percentages	28%	56%	16%

Interpretation

From the above table it can be inferred that 28% of the respondents say “Yes” that there should be job expectation established before Performance Appraisal, 56% of the respondents say “No” and 16% of them are in “confused state”

Figure no 5.12

Options	Superiors	Subordinates	Clients	all
Response	6	7	3	9
Percentages	24%	28%	12%	36%

Who rates the Performance

25 responses

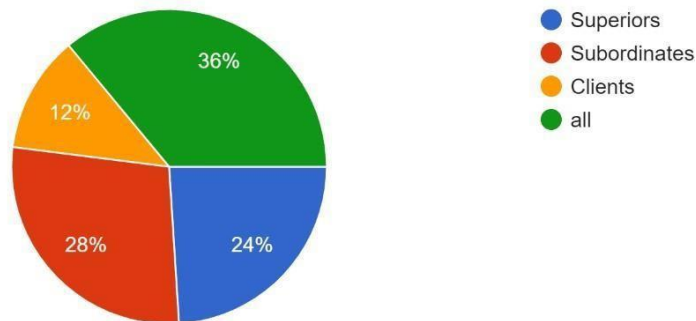


Table 5.12 Interpretation

From the above table it can be inferred that 24% of the respondents say that superiors rate the performance, 28% of them say “subordinates”, 12% of the respondent say “Clients” and 9 % of them say “All”

Figure no 5.13

Options	Sufficient	Alternatives
Responses	12	13
Percentages	48%	52%

Do you feel Performance Appraisal process is sufficient Appraising the performance of employees or you need some alternatives

25 responses

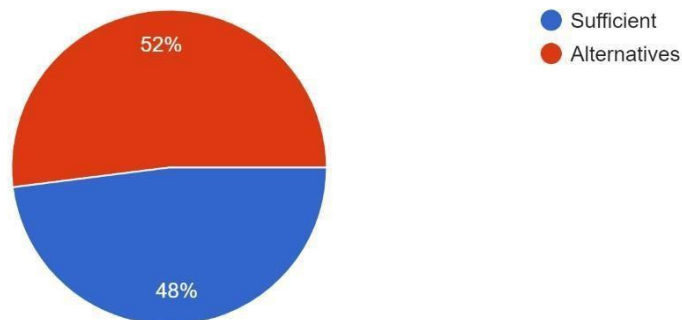


Table 5.13 Interpretation

From the above table it can be inferred that 48% of the respondents say its sufficient on performance appraisal process for appraising the employees, 52% of the respondents say thatthey need “Alternatives” for carrying out the process of Performance appraisal

CHAPTER – 6 FINDINGS

6.1 FINDINGS

1. It's been identified that most of the employees are unsatisfied with the actual performance of the employees and performance standards used in performance appraisal program (opinion, satisfaction, benefit, outcome, etc.).
2. It's is found that the techniques which Is been used are 360-degree appraisal and Management by objective
3. The people who are working in Air India are very friendly and supportive
4. It is been observed that Air India is very much concerned with the employees growth in the company
5. Through Performance Appraisal different employees potential been captured in order to find unfound talents amongst the employee
6. Suggestions and recommendations help the employees in improvising their constraints wherever required.

CHAPTER – 7 CONCLUSION AND RECOMMENDATIONS

7.1 CONCLUSION

Performance 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, co-operation, judgment, versatility, health and the like. It also helps in developing strength and rectifies weakness of the employees.

Air India has been conducting performance appraisal from the past years from its formation. Employees were cooperative and fully supporting the performance appraisal in the institution and it was found to be highly effective in the employee's performance.

Air India has been running successfully for past several years and has created a good name among its customers and society. People having poor background are given training and provided with jobs.

Performance appraisal can be conducted more effectively by using the right tools and properly reviewing and updating the performance appraisal program. Suggestion from employees and experienced personnel can further enhance and make the performance appraisal an ideal evaluation system.

7.2 RECOMMENDATIONS

- Implement more methods of performance appraisal and update the employees about the type of method used for performance evaluation.
- The whole performance appraisal should be kept more transparent and free from bias in the future.
- More opportunities should be provided for expressing their ideas and plans to implement their level performance.
- More training should be offered to the mentally stressed staff which improve their potential and result in top appraisal points.
- Overtime should be taken care of at the time of performance appraisal, which would motivate the employees to perform better for longer hours.
- Suggestion could be obtained from employees regarding framing the performance appraisal system.
- Appraisal feedback is very important in any performance appraisal program. Should be carefully communicated by making high performers increase their target and low performers to build up their confidence

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