

## **EMPLOYEES PERCEPTION ON PERFORMANCE APPRAISAL SYSTEM WITH REFERENCE TO “PURVIEWSERVICES PVT.LTD”**

Akhila Thangallapally

Student, Malla Reddy University,

Hyderabad

### **Abstract:**

A performance appraisal is known through other terms such as employee appraisal, performance appraisal. This system is very important in any organisation. It aims to the success or failure of the organisation. This is a method whereby an employee's performance is measured in terms of quality, quantity, cost, behaviour and time. It is conducted by self, peers, seniors and junior. But as a general rule, this is done by the manager or the immediate supervisor under whom the person works directly. Performance evaluation is part of the measurement, comparison, research, orientation, correction and management of employee career development. It is also a process to gather, record and critically analyse the information about the relative importance of employee in a organisation. Performance appraisal is a study of achievements, failures, personal strengths weakness, suitability for incentives, rewards and recognition to increase pay scale or promotion in the future. Performance appraisal is process where it shows the suitability of the person at present job to the organisation. This study will help to analyse the concept of performance of every person individually. The focus of the study was on the employees of purview Services.

**Keywords:** Best Practices, Productivity, Performance Appraisal, 360-degree feedback

### **Introduction:**

Performance appraisal is the process of evaluating the performance of employees, sharing that information with them, and searching for the ways to improve their performance. It is the systematic description of worker's process applicable strength & weakness. Performance appraisal is a multi-purpose approach to be used effectively for reward, allocation granting promotion, identification of development needs & finally as criteria against which selection tools can be validated.

### **Review Literature:**

The history of performance appraisal is quite brief. Its roots in the early 20th century can be traced to Taylor's pioneering Time and motion studies. But this is not very helpful, for the same may be said about almost everything in the field of modern human resources management. 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's second oldest profession? " There is, a basic human tendency to make judgments about those one is working with, as well as oneself." The human inclination to judge can create serious motivational, ethical and legal problems in the workplace. Without a structured appraisal system, the title chance of ensuring that the judgments made will be

lawful,fair,defensible and accurate Performance appraisal system began as simple method of income justification. That is, appraisal was used to decide whether or not the salary or wage of an individual employee was justified The process was firmly linked to material outcomes. If an employee's performance was found to be less than ideal, a cut in pay would follow. On the other hand, if their performance was better that the supervisor excepted, a pay rise was in order. Little consideration, if any was given to the developmental possibilities of appraisal. If was felt that a cut in pay or a rise, should provide the only required impetus for an employee to either improve or continue to perform well. For example, early motivational researchers were aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance. These observations were confirmed in empirical studies. Pay rates were important, yes; but they were not the only element that had an impact on employee performance. It was found that other issues, such as morale and self-esteem, could also have a major influence. As a result, the traditional emphasis on reward outcomes was progressively rejected. In the 1950s in the United States, the potential usefulness of appraisal as tool for motivation and development was gradually recognized. The general model of performance appraisal, as it is known today, began from that time.

**Objectives:**

1. To know the employees feedback on performance appraisal
2. To evaluate how performance appraisal motivates employees to perform well
3. To know when and who evaluates the performance appraisal in an organization.

**Research methodology:**

This paper uses the source of information from both primary as well as secondary sources. Primary source of information is collected from having discussions and interviews with a few HR experts and Secondary source of information is obtained from various research articles, journals, magazines, newspapers, websites, etc.

**Process of performance Appraisal:****1. Establishing of performance appraisal:**

The first step with the system of over all performance appraisal is the putting in the requirements that allows to be used as the base of evaluates the actual performance of the personnel.

**2. Communicating the requirement and expectation:**

Once done it is the responsibility of the management to communicate to the standards of the employee in the organization. This may help them to recognize their roles and to know what exactly is predicted for them.

**3. Measuring the employee performance:**

It is the most difficult part of the performance appraisal as it measures the performance of the employees that the work done by them is in time or not. It is a continuous process which involves monitoring the performance throughout the year and they will make the correct decision.

**4. Comparing the standards:**

It includes recalling, evaluating and analysis of data related to the employees performance. As the overall performance is compared with desired or the old overall performance. The assessment tells the deviation in the performance being more of the personal from the standards set.

**5. Discussing Results (feedback):**

The result of the appraisal is communicated and discussed with the employees on one-to-one foundation. The focus of this dialogue is a communication and listening.

**6. Choice Making:**

The final step in the appraisal process is the initiation of correction action when it is necessary. The areas needing improvement are identified and then, the measures to correct or improve the performance are identified and initiated

**Benefits derived to the employees from performance appraisal practices:****Increase in Salary –**

The performance appraisal process offers merit to the performance of employees and also an increase in salary. A compensation package during performance appraisal includes bonus, high earnings rates, extra reimbursement, various allowances and requisites.

**Enhancement in employee's progress –**

It helps to pore over effectiveness and flaws of employees so that new everyday jobs can be well planned and assigned to capable employees. Such appraisals at work also help in casing future expansion line ups. The progress of every employee has to be equally viewed in order to enhance a chance for progression in their career.

**A tool of Motivation -**

It serves as an inspiration tool. Performance appraisal increases the employee's strength level and thus motivates them to perform better in the organization.

**Spot Strength and Weakness –**

The HR manager of the organization can spot the strength and weakness of the employees thus helping the employees work on their weakness and make it their strength.

**Providing Feedback to employees about their performance –**

The main aim of HR person is that he or she should give regular feedback to the employees about how they can perform better and what are the major targets and how to achieve them. The employees should be provided with the feedback on regular basis so that employees can work on their shortcomings.

**Benefits derived to the companies from performance appraisal practices:**

While the annual review process is intended to help employees improve their output, the irony is that performance reviews today have little to do with—and even less impact on—corporate performance. According to CEB a best practice insight and technology company, faulty performance review processes can cost as much as \$35M in lost productivity for a company with 10,000 employees. The biggest challenge lies with scores and rankings, which when used to motivate employees, typically backfire. (Faulty-Performance-Review-Processeses-Cost-Companies-as-Much-as-35M-Annually, 2015)

**Some of the benefits derived by these companies are-****Increase in efficiency –**

Earlier when companies followed annual performance review method, with traditional system of rankings and rates, it could not track the efficiency and effectiveness of its employees, thereby, the company could not achieve its goals in a fast way. Now improvement in the methods of performance review and appraisal helps the company to be more effective and helps to achieve the organizational goals faster.

**Helps to understand an employees' concern –**

Continuous performance reviews helps to have a frequent discussion with the employee and his manager; from this the manager can analyze the reason due to which the employees' productivity is coming down and also the manager could gather information whether there is any change required in the organizational rules or policies and the needful can be done there by adhering to the requirements of the employee which leads to employee satisfaction.

**Helps to promote team work –**

Performance appraisal methods like 360 degree feedback system helps an individual understand what his or her team requires and what is the team's expectation from him or her, which further helps a team to work together, thereby there is clear transparency on the requirements of the team, so a team can work in a better manner without much of difference of opinions and trust issues.

**Helps maintain a transparent system –**

Due to such systems, where the employee is allowed to check on what basis is his or her performance is being reviewed, he or she has full authority to raise questions, if he or she feels that they are being assessed in a wrong manner or on wrong criteria; this will make the performance managers take their work more seriously and will increase their accountability and responsibility.

**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 knowledge, quality and quantity of output, initiative, leadership abilities, supervisors, dependability, cooperation, judgement, versatility, health etc. It also helps in developing strength and weakness. Performance appraisal can be conducted more effectively by using the right tools and properly reviewing and updating the performance program. Employees were cooperative and fully supporting the performance appraisal in the organization and it was found to be highly effective in the employees performance.

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