

PERCEPTION OF NON-EXECUTIVES ON PERFORMANCE APPRAISAL IN SALEM STEEL PLANT – A STUDY

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Abstract

The review of an employee's overall contributions to the organization by the management over a particular period of time is called as performance appraisal. Through performance appraisal the management evaluates an employee's skills, achievement and growth or lack thereof. The main aim of performance appraisal is to improve the efficiency of a concern by mobilizing the best possible efforts from individuals employed in it. In this paper the researchers analyses the perception of non-executives about the existence of the system of performance appraisal in Salem Steel Plant. For the assessment of the employees' perception, the researchers used three statements and the results indicate that the changes to be made in the present mechanism of the performance appraisal.

Introduction

Performance appraisal is a tool used by the organization to measure its employees' job performance including both the qualitative as well as quantitative aspects in the work spot. Performance means the degree of accomplishment of the tasks by an employee in his assigned job. Appraisal means a formal assessment of someone's performance over a particular period of time. Therefore performance appraisal is the official or formal assessment of the strengths and weaknesses of employee over a particular period of time by the management.

Nowadays performance appraisal is considered as an important aspect of the human resource management. This appraisal system enables the management to value the quality of the work as well as the performance of the concerned employee in the given organization. The performance appraisal has been widely used by the all sort of organizations either private or public to measure and evaluate the performance

of the employees at all levels. Similarly the performance appraisal used by any organization as stock taking process of the employees with regard to their performance in a given period of time. Employees are the important assets for any organization and they have only the capacity to maintain the immutable things like machine, money, marketing as well as management. When these things work very well in the given organization then the man or may be termed as human resources or may be termed as employees are play a vital role and that's why every organization have the particular interest to measure the performance of their employees in certain point of time.

Performance appraisal is one of the oldest and most ubiquitous practices of management and it includes all the systematic procedures used in organizations to assess the performance of employess (Tripathi, 2010). Performance evaluation has been considered as an important foundation of human resource development as it is used for taking important decisions like training and development, promotion (Rao, 2009).

Senyah (2011) and Gichuhi (2013) concluded that productivity is significantly and positively affected by performance appraisal's criteria, frequency and feedback system. Performance appraisal has been found to have significant relationship with promotion, rewards, bonus & salary increments (Femi, 2013). This paper aimed at to measure the opinion of the non-executives who are working in the Salem Steel Plant about the existence of the performance appraisal in their organization.

Methodology

The unit of analysis for the present study is the non-executives, who are working in Salem Steel Plant, Salem. There are 1007 non-executives working in sixteen different departments. Each and every department is considered as stratum in the present study and Salem Steel Plant consists of sixteen strata. From these 1007 employees, first it is decided to select $1/3^{\text{rd}}$ as a sample and latter on this percentage is rounded off with 35% and the sample size is 353. After fixing the sample size, again the researcher has fixed 35 per cent of the samples from each stratum proportionately. Thus in the present study, the researcher has used Proportionate Stratified Random Sampling Method to select the samples from the universe.

After thorough review of existing literature and conducting pilot study, the researcher has developed a list of statements with five point scale for measuring the variable 'performance appraisal' and the five-point scale consists of strongly disagree = 1, disagree = 2, neutral = 3, agree = 4 and strongly agree = 5. There are three statements used in the present study to measure the variable 'performance appraisal' and the respondents' responses are given in the Table No.1. Along with the statements related to performance appraisal, the tool also includes the age, education, income and years of experience.

Results

As far as the age of the respondents concerned, 41.1 per cent of the respondents belong to the age group of 36-44 years, 29.5 per cent of the respondents belong to the age group of 44-51 years, 21.1 per cent of the respondents belong to the age group of 51-58 years and remaining 8.2 per cent of the respondents comes under the age group of 23-36 years. The Mean age of the respondents works out to 44.67 years with a standard deviation of 7.765.

While considering the respondents' education, 42.25 per cent of the respondents have completed their I.T.I and Diploma, 30.6 per cent of the respondents are Under Graduate degree holders like B.Sc, B.Com, B.E, B.Ed etc., 19.8 per cent of the respondents have completed Post Graduate degrees like M.Sc, M.B.A, MA, M.Com, M.C.A, M.E etc., 3.96 per cent of the respondents have completed SSLC and remaining 3.39 per cent of the respondents have completed their Higher Secondary. The mean years of schooling of the respondents works out to 13.49 with a standard deviation of 2.092. Since the individual who wants to get employment in the Steel Plant, the minimum years of schooling has been fixed as 10th standard and this affects the mean years of schooling of the respondents.

With regard to years of experience, majority of respondents (43.1%) have minimum years of experiences between 5-15 years, 41.6 per cent of the respondents level between 15-26 and remaining 15.3 per cent of the respondents have more years of experience of work between 26-35 years. The Mean years of Experience of the respondents works out to 18.31 years with a Standard Deviation of 7.932. Since it is a traditional organization and that reflects the years of experience of the respondents.

As far as the monthly income of the respondents, nearly two-fifth of the respondents (38.8 %) are getting Monthly Income between Rs.37000 – Rs.44000, 29.7 per cent of the respondents are getting Monthly Income between Rs.29000 – Rs.37000, 16.7 per cent of the respondents are getting Monthly Income from Rs.44000 – Rs.52000 and remaining 14.7 per cent of the respondents are getting Monthly Income from Rs.18000- Rs.29000. The mean monthly income of the respondents works out to Rs.39614.27 with a standard division of 9357.22.

Table 1 Distribution of the Respondents based upon their Responses on Performance Appraisal

S. No.	Statements	S.A. * (%)	A* (%)	N* (%)	D.A.* (%)	S.D.A.* (%)	Total (%)	Mean (S.D.)
1.	Performance Appraisal helps to create an atmosphere where all are encouraged to share one another burden	69 (19.5)	187 (53.0)	56 (15.9)	39 (11.0)	2 (0.6)	353 (100)	3.80 (0.89)
2.	Performance Appraisal gives constructive criticism in a friendly and positive manner	77 (21.8)	213 (60.3)	14 (4.0)	46 (13.0)	3 (0.8)	353 (100)	3.89 (0.92)
3.	Performance Appraisal helps	85	194	45	25	4	353	3.94

	to change the behavior of employees	(24.1)	(55.0)	(12.7)	(7.1)	(1.1)	(100)	(0.86)
Overall Mean Score (SD): 11.53 (1.717)								

*- S.A: Strongly Agree, A: Agree, N: Neutral, D.A.: Disagree, S.D.A: Strongly Disagree.

While considering the statement "Performance Appraisal helps to create an atmosphere where all are encouraged to share one another burden", more than half of the respondents (53.0%) agreed, nearly one-fifth of the respondents (19.5%) strongly agreed, one-sixth of the respondents (15.9%) neither agreed nor disagreed, 11 per cent of the respondents disagreed and 0.6 per cent strongly disagreed with the statement. In Salem Steel Plant, the performance appraisal conducted once in a year and based on their responses the result is reported to the manager of the concerned section and the concerned section discussed the result of the every employee in the general forum. This is the reason for the respondents who expressed their views either neutrally or negatively. With regards to the statement "Performance Appraisal gives constructive criticism in a friendly and positive manner", more than three-fifth of the respondents (60.3%) agreed, more than one-fifth of the respondents (21.8%) strongly agreed, 13.0 per cent of the respondents disagreed, 4 per cent neutral stands and 0.8 per cent strongly disagreed with the statement. For this statement, 13.0 per cent of the respondents replied negatively and 4 per cent took neutral stand. These respondents mentioned that whenever there is a poor performance made by the employees then it is revealed to their manager then some of the manager publically criticize and scold the concerned employees. That's why these respondents took either negatively or neutrally to this statement.

While analyzing the next statement "Performance Appraisal helps to change the behavior of employees", more than half of the respondents (55.0%) agreed, one-fourth of the respondents (24.1%) strongly agreed, 12.7 per cent of the respondents neither agreed nor disagreed, 7.0 per cent disagreed and 1.1 per cent strongly disagreed with the statement. The respondents agreed that the behavior of the employees change after performance appraisal positively. When interacting with the respondents all of them accepted that the performance appraisal definitely helped to change their behavior and also they revealed that it should be conducted regularly in the organization. Here regularly means once in six months or less. Actually the performance appraisal is conducted once in a year in the given organization. This forced the employees to complete their task in the last moments only. Because of these reasons, 8.2 per cent of the respondents responded negatively and 12.7 per cent of the respondents answered neutrally to this statement.

Conclusion

The employees' opinion about performance appraisal which is available in the Salem Steel Plant measured with three statements. The results indicated that around 4 per cent to 16 per cent of the respondents negatively responded and about 8 per

cent to 14 per cent of the respondents took neutral stand to these three statements. These respondents mentioned that the performance appraisal in Salem Steel plant should be conducted frequently which means that once in six months or less than six months and if so they can easily fix their target and without any problem they can achieve the same successfully. Similarly these respondents revealed that when the performance appraisal conducted once in a year then it brings laziness and due to that laziness they are not able to complete their target within the stipulated period of time. Likewise these respondents expected that the performance appraisal should be discussed individually with the concerned employee by the management and it should not reveal to anyone except themselves. They also mentioned that if any employee completed their task in extra ordinary manner they should be appreciated with due recognize and that should also boost their energy to complete their task within a period. So the management of the Salem Steel Plant should consider the opinion of these employees in a positive manner.

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