

# **EMPLOYEE PERFORMANCE APPRAISAL SYSTEM OF APGENCO IN KADAPA DIST OF A.P**

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## **ABSTRACT**

*Performance appraisal is a systematic evaluation the performance of employees in the work spot. Performance refers to the accomplishment of the tasks that made up an individual's job. It indicates how well an individual is fulfilling the job demands. In many organization performance is the basis for personnel programs like Counseling salary administration or personal planning. The current study deals with to know the employee perceptions on employee performance appraisal system in Andhra Pradesh Power Generation Corporation Limited (APGENCO), RTPP in Kadapa district in Andra pradesh. The main objectives of this study are to know the employee perceptions on performance appraisal system in the company and to identify the strengths and weaknesses of current performance appraisal system in the company.*

**Keywords: Appraisal, Company, Employee, job and Performance**

## **I.INTRODUCTION**

Performance appraisal is a method of evaluating the behavior of employees in the work spot, normally including both quantitative and qualitative aspects of job performance. Performance refers to the accomplishment of the tasks that makeup an individual's job. It indicates how well an individual is fulfilling the job demands. Performance is always measured in items of results and not efforts. Performance appraisal is the systematic description of an employee's job relevant strength and weaknesses. The basic purpose is to find out how well the employee is performing the job and establish a plan of improvement. The basic purpose is to find out how well the employee is performing the job and establish a plan of improvement. Appraisal is arranged periodically according to a definite plan.

Performance appraisal involves the employee, the manger or supervisor, and the larger organization unit. Each has objective or hopes are what performance appraisal will accomplish. In many organization performance is the basis for personnel programs like Counseling salary administration or personal planning.

### **1.1 DEFINITION**

“Performance appraisal is the systematic evaluation of the individual with regard to his or her performance on the job and their potential for development”-BEACH

”Performance appraisal to all formal procedures aimed working organization to evaluate personalities and contribution of one potential group members”- DALE YODGER

### **1.2 NEED FOR PERFORMANCE APPRAISAL SYSTEM**

Performance appraisal is needed in order to:

- Provide Information about the performance ranks basing on which decision regarding salary fixation, confirmation, promotion, transfer and demotion are taken.
- Provide feedback information about the of achievement and the behavior of subordinate. This information helps to review the performance of the sub-ordinate, rectifying performance deficiencies and set new standards of work, if necessary.
- Provide information, which helps to counsel the sub-ordinate.
- Provide information to diagnose deficiency in employee regarding skill **knowledge**, determine training and development needs and to prescribe the means for employee growth provided information for correcting placement.
- To prevent grievances and in disciplinary activities.

### **1.3 OBJECTIVES OF PERFORMANCE APPRAISAL SYSTEM**

- To access the effectiveness of performance appraisal system.
- To determine increments reward, and provide a reliable index for promotions and transfer to promotions of greater responsibility.
- To let the employees know where they stand insofar as their performance is concerned and to assist them with constructive criticism and guidance for the purpose of their development.
- To identify training and developments needs and to evaluate effectiveness of training and development programs.
- To effect promotion based on competence and performance.
- To decide upon a pay raise where regular pay scales have not been fixed.

### **1.4 APPRAISAL PROCESS**

- Establish performance standards
- Communication performance expectations to employees.
- Measure actual performance
- Compare actual performance with standards.
- Discuss the appraisal with the employee
- If necessary, initiate corrective action.
- The process begins with the establishment of performance standards. At the time of designing a job description, performance standards usually developed for the position. These standards should be clear and not vague, and objective enough to be understood and measured.
- The step is to communication these standards to the employees, for the employees left to themselves, would find it difficult to guess what is expected of them. To make communication effective, 'feedback' is necessary from the subordinate to the manger.

- The third step concerned with how we measure and what we measure. Four sources of information are frequently used to measure actual performance personal observation, statistical reports, and written reports.
- In the fourth step the employee is appraised and judged of his potential for growth and advancement. Attempts are made to note deviations between k 'standard performance' and actual performance.
- At the next stage, the results of appraisal are discussed periodically with the employees, where good points week points, and difficulties are indicated and discussed so that performance improved. The information that the subordinate received about his assessment has great impact on his self-esteem and on his subsequent performance.
- The final step is the initiation of corrective action when necessary. Coaching and counseling may be done or special assignment and projects may be set persons may be deputed for formal training courses and decision-making responsibilities and authority may be delegated to the subordinates.

### **1.5 PURPOSE OF APPRAISAL**

The main purposes of employee appraisal are:

- To measure of employees performance
- To measure employee potentials
- To access employee attitude
- To effect promotions based on competence and performance
- To access the training and development needs of employees
- To let the employees know where they stand insofar as their performance is concern and assist them with constructive criticism and guidance for the purpose of their development.
- To fortify supervisor-subordinates relationship
- To analysis employee strength and weakness providing recognition the for me and eliminates the latter
- To decide upon a pay raise where regular pay scales have not been fixed.
- Finally, performance appraisal can be used to determine whether HR programs such as selection, training and transfers have effective or not.

### **II.NEED FOR THE STUDY**

The current study deals with to know the employee perceptions and satisfaction levels on employee performance appraisal system in **Andhra Pradesh Power Generation Corporation Limited (APGENCO)**, RTPP in Kadapa district in Andra pradesh. This study also reveals the suggestions to the company improve the performance of the employees. These suggestions will help the company to strengthen the employees in various ways.

### **III.OBJECTIVES**

- To study the employee perception and satisfaction levels on performance appraisal system in APGENCO RTPP.
- To identify the strengths and weaknesses of current performance appraisal system.

- To suggest various ways to improve the performance appraisal system in APGENCO RTPP.

#### IV. RESEARCH METHODOLOGY

Research design	:	Descriptive in nature
Research procedure	:	Survey method
Research instrument	:	A well designed and structured Questionnaire

##### 4.1 SAMPLING PLAN

Sample size	:	50 employees
Sampling procedure	:	Convenience sampling
Statistical tools	:	Simple percentage

##### 4.2 DATA ANALYSIS

Data Sources	:	Data were collected from primary and secondary sources
Primary Data	:	It were collected through Questionnaire, by direct contact methods
Secondary data	:	It were gathered from company records, websites.

#### V. SCOPE OF THE STUDY

The data is confined to collect the information about employees' feelings and opinions on performance appraisal system in APGENCO RTPP. The study was undertaken in RTPP and it was limited to 50 employees of APGENCO in RTPP. It is confined to collection, analysis and interpretation of the opinions of employees.

#### VI. LIMITATIONS OF THE STUDY

- The study is restricted only to the employees of APGENCO in Kadapa.
- The information may not precise because the mindset of the employees varies based on situation.

#### VII. DATA ANALYSIS AND INTERPRETATION

##### 1. Table Showing Employees Opinion on Methodology of Performance Appraisal System

Dimensions	No. of employees	Percentage
Yes	28	56
No	22	44
Total	50	100

56 per cent of the employees said that the methodology of performance appraisal system helps to measure their performance accurately and 44 per cent of the employees said that the methodology of performance appraisal system does not help to measure their performance accurately.

**2. TABLE SHOWING EMPLOYEES OPINION ON IDENTIFICATION OF THE TRAINING NEEDS  
BY APPRAISAL SYSTEM**

<b>Dimensions</b>	<b>No. of employees</b>	<b>Percentage</b>
Yes	30	60
No	20	40
Total	50	100

60 per cent of the employees felt that performance appraisal system identifies their training needs and 40 per cent of the employees felt that performance appraisal system does not identify their training needs.

**3. TABLE SHOWING EMPLOYEES OPINION ON GROWTH OPPORTUNITY PROVIDE BY P.A**

<b>Dimensions</b>	<b>No. of employees</b>	<b>Per centage</b>
Good	38	76
Bad	12	24
Total	50	100

**SYSTEM**

70per cent of the employees thought that the performance appraisal system facilitates the growth opportunity to them.30 per cent of the employees thought that the performance appraisal system does not facilitate the growth opportunity to them.

**4. TABLE SHOWING EMPLOYEES OPINION ON DISCUSS ABOUT EMPLOYEE  
PERFORMANCES BY SUPERIOR**

<b>Dimensions</b>	<b>No. of employees</b>	<b>Percentage</b>
Yes	30	60
No	20	40
Total	50	100

60 per cent of the employees said that their superiors discuss about their performances with them which are identified by the appraisal system. 40 per cent of the employees said that their superiors don't discuss about their performances with them which are identified by the appraisal system.

#### **5. TABLE SHOWING EMPLOYEES OVERALL OPINION ON PERFORMANCE APPRAISAL SYSTEM**

<b>Dimensions</b>	<b>No. of employees</b>	<b>Percentage</b>
Yes	35	70
No	15	30
Total	50	100

76 per cent of the employees said that the performance appraisal system is good in the company. 24 per cent of the employees said that the performance appraisal system is not good in the company.

#### **VIII.FINDINGS**

- 56 per cent of the employees said that the methodology of performance appraisal system helps to measure their performance accurately and 44 per cent of the employees said that the methodology of performance appraisal system does not help to measure their performance accurately.
- 60 per cent of the employees felt that performance appraisal system identifies their training needs and 40 per cent of the employees felt that performance appraisal system does not identify their training needs.
- 70per cent of the employees thought that the performance appraisal system facilitates the growth opportunity to them.30 per cent of the employees thought that the performance appraisal system does not facilitate the growth opportunity to them.
- 60 per cent of the employees said that their superiors discuss about their performances with them which are identified by the appraisal system. 40 per cent of the employees said that their superiors don't discuss about their performances with them which are identified by the appraisal system.
- 76 per cent of the employees said that the performance appraisal system is good in the company. 24 per cent of the employees said that the performance appraisal system is not good in the company.

#### **IX. SUGGETIONS**

- The Company should introduce modern performance appraisal system and methodology which helps to assess real performance of the employees in better way.
- The company has to conduct appraisal of employees frequently to identify training needs of the employees effectively.
- The company should provide growth opportunities to the employees like giving rewards and recognition based on their performance levels.
- The company has to provide feedback to their employees and subordinates regarding their performance .It will help them to make rectifications in their performances.

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