

# **A STUDY ON PERFORMANCE APPRAISAL AT HERITAGE FOODS**

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## **ABSTRACT:**

Performance appraisal has extended as an idea and as an arrangement of practices and as execution administration has moved toward becoming piece of a more key way to deal with coordinating HR exercises and business approaches. Accordingly, the exploration regarding the matter has moved past the restricted bounds of estimation issues and precision of execution evaluations and has started to concentrate a greater amount of social and motivational parts of examination. This article recognizes and examines various subjects and patterns that together make up the creating research plan for this field. It separates these as far as the idea of examination and the setting in which it works. The previous is considered as far as contemporary reasoning on the substance of examination (relevant execution, objective introduction and mindfulness) and the procedure of evaluation (appraiser– appraise collaboration, and multi-source criticism). The exchange of the setting of examination focuses on social contrasts and the effect of new innovation. In assessing these rising regions of research, the article tries to investigate a portion of the suggestions for evaluation rehearse at both hierarchical and individual levels.

**Key words:** Appraiser, collaboration, criticism, innovation.

## **1.1 INTRODUCTION:**

A major concern of every organization should be to contribute positively towards the achievement of its objective. Organizational effectiveness is often equated with managerial

efficiency. A manager can ensure organizational effectiveness only by guaranteeing the full utilization of human resource available through individual employees under his guidance. Hence, it is always required for a manager to monitor and measure the performance of employees.

Moreover, since the organization exists to achieve the goals, the degree of success that individual employees have in reaching this individual goal is important in determining organizational effectiveness. The assessment of how successful employees have been at meeting their individual goal to come a critical part of human resource management. This leads to concept of performance appraisal.

A performance appraisal system functions as definitions of performance. Performance appraisal is a method of evaluating the behavior of employees in the work spot, including both qualitative and quantitative aspects of job performance indicate how an individual is fulfilling the job demands and it is always in terms of results. Under performance appraisal not only the performance of an employee but also his potential for development is evaluated. "Performance Appraisal is a systematic description of an employee's job relevant strengths and weaknesses". In performance appraisal or merit rating refers to all the formal procedures used in working organizations to evaluate the personalities and contributions and potential group members. In appraisal system the employee's merits like initiatives, dependability, personality etc., are compared with others and ranked to rated. Appraisals might be based on the criteria of employee's skills, educational

## **1.2 OBJECTIVE OF THE STUDY:**

The objective is to know how effective is the execution of appraisal system in **HERITAGE FOODS INDIA Ltd's.**, Hyderabad.

- The aim of most performance appraisal programming is to encourage the employees to set his own objective for the next time period following the review of his past performance.
- It enables the management to make effective decisions/ to modify earlier decisions based on the evaluation of the existing plans, information system, job analysis, and internal and external environment factors influencing employee performance.

- The objective is to identify the common goals of the organization, define each individual major areas of responsibility in terms results expected of him, review the individual performance progress in a job and his potential for future improvement.
- It aims at providing data to managers with whom they may judge future job assignments and compensation.
- To establish an objective basis from the different levels of performance and to identify executives with potential to grow in the organization.
- To counsel the employees appropriately regarding their strengths and weaknesses and asses in developing them to realize they are full potential in line with the company's objectives and goals. Always emphasize that the role of a manager is to offer constructive support and not condemn. Give the employees many opportunities to ask guidance to air grievances and discuss anxieties

### **1.3 NEED OF THE STUDY:**

The need of the study of performance appraisal is to determine what aspects of performance are required to be evaluated.

- To identify those who are performing their assigned task well and those who are not and the reason for such performance.
- To provide information about the performance ranks basing on which decisions regarded salary fixation, conformation, promotion, demotion and transfer are taken.
- To provide feedback information about the level of achievements and behavior of an employee.
- To provide information and counsel the employee.
- To compare actual performance with the standards and in out deviations (positive and negative)
- To create and maintain satisfactory level of performance.
- To prevent grievance and in disciplinary activity.
- To facilitate fair and equitable compensation.
- To ensure organizational effectiveness.
- It guarantees useful information about employees and the nature of their duties.

We can briefly say that performance appraisal systems are necessities to assess performance at regular intervals with consistency to study improvements, deviation and to take corrective actions to bridge gaps and improve performance over a period of time.

#### **1.4 SCOPE OF THE STUDY:**

In the present study an attempt has been made to know the actual implementation of performance appraisal techniques in general and some other aspects such as awareness of the workers,

effectiveness of the performance appraisal system in particular. Human resource projections are valid on appraisals. By improving job skills, the employees have lot of scope for development and prepare themselves for higher responsibilities. A through analysis of the performance appraisal system will help the management to know the short comings, if any. It also help the company in knowing whether the performance appraisal techniques are used to full extent or not, there by the researcher can understand the effective implement of the performance appraisal system

#### **1.5 RESEARCH METHODOLOGY:**

The research methodology is a systematic way to solve the problem and it is an important component of the study without which researcher may not be able to obtain the facts and figures from the employees.

#### **SAMPLING PROCESS:**

##### **A). Sample Unit:**

The executives and employed at HERITAGE FOODS INDIA Ltd.'s., Hyderabad constitute 'universe' of the present study. A part of it is taken as sample unit for the resent study. It includes JGMS, AGMS, manager and other employees of HERITAGE FOODS INDIA Ltd.'s Hyderabad.

##### **B). Sample Size:**

The sample size consists of 100 respondents employed in HERITAGE FOODS INDIA Ltd.'s, Hyderabad. Of these 30 are executives, 20 are senior executives and the remaining 50 are employees.

#### **DATA COLLECTION AND ANALYSIS:**

Data Collection - Information has been collected from both Primary and Secondary Data.

The study is based on primary as well as secondary data collected from different sources:

**A). Primary Data:**

The primary data is collected with the help of questionnaires, which consists of twenty questions each. The questionnaires are chosen because of its simplicity and liability. Researcher can expect straight answers to the questions. The respondents are informed about the significant of the study.

**B). Secondary Data:**

Secondary data is collected through the documents provided by the personnel department. The

documents include personnel manuals, books, reports, journal,

## **1.6 LIMITATION:**

- This study is only limited to **HERITAGE FOODS** branch alone.
- Some of the respondents were afraid to give true information in some cases.
- There may be bias on the part of employees while answering to the questions.
- The sample size of the study is limited entire employees of the organization.

## **2. REVIEW OF LITERATURE:**

**ICMA (2005)** states that almost all employees are eager to know how well they are doing in their jobs, but many dread the meetings in which their performance is to be discussed.

**According to Angelo S. DeNisi and Robert D. Pritchard (2006)** “Performance appraisal” is a discrete, formal, organizationally sanctioned event, usually not occurring more frequently than once or twice a year, which has clearly stated performance dimensions and/or criteria that are used in the evaluation process. Furthermore, it is an evaluation process, in that quantitative scores are often assigned based on the judged level of the

employee's job performance on the dimensions or criteria used, and the scores are shared with the employee being evaluated.

**Lillian, Mathooko & Sitati (2011)** The information gathered and performance appraisal provide basis for recruitment and selection, training and development of existing staff, and motivating and maintaining a quality human resource through correct and proper rewarding of their performance.

**Wolff and Gunkel (2007)** for instance define employee motivation as “the willingness to exert high levels of effort towards organizational goals, conditioned by the effort's ability to satisfy some individual needs”. The motivation often results from the psychological need associated with the need to gratify desires that remain unsatisfied. Gardner (2008) describes performance appraisal as the evaluation of an individuals work with the main aim of arriving at objective personnel decisions.

**From a quite simplistic way, Chiang and Jan (2008)** defines employee motivation as “the process of an employee being moved to work”. The pay is one of the strongest motivating factors that has the potential to erode intrinsic motivation such as achievement of the goal. And also has its own consequences, the employee performances reduces.

**Rmstrong (2009)** Performance appraisal is also considered as the process of obtaining, analyzing as well as recording information that revolves about the relative worth of the employee to the organization. To further the approach followed by the organization is to provide significant benefits to both the organization and the employees who are considered as an precious asset.

**Rowland and Hall (2012)** The traditional use of performance appraisal has for instance been criticized for the reward of “win-lose” results as opposed to “win-win” results in which the system promotes supportive and cooperative behavior of the employees in the organization which makes the environment positive and stress free place to work.

**Trias Setiawati et al. (2019)** discussed the impact of performance appraisal fairness and job satisfaction through commitment on job performance among respondents at condoningcatur Hospital (RSCC) in Yogyakarta, Indonesia. The purpose of this research is to determine the impact of performance appraisal fairness and job satisfaction through commitment on job performance. The finding shows that performance appraisal fairness and job satisfaction both have a positive and significant influence on job performance, both partially and simultaneously. However, the direct impact of performance appraisal fairness and job satisfaction on job performance outweighs the indirect impact. In short, they conclude that performance appraisal has a positive impact on showing fairness.

**Bipp and Dam (2014)** in a study that supports the goal theory notes that employees will perform at a higher level in the presence of specific and challenging goals.

**Kampk kotter (2016)** There is an extensive body of research pointing out that result-oriented appraisal positively affects employees job satisfaction, thereby increasing their commitment to align to the behavior the organization wishes to encourage.

**Bipp and Kleingeld (2011)** argue that the MBO approach gives little consideration for comparative evaluation as no benchmark are provided based on the changing workplace environment during the work period. This is attributed to the focus on outcomes. The manner in which the employee under appraisal arrives may not necessary to represent the most efficient use of resources.

**Leila Najafi, et al. (2010)** studied that an appraisal is an important tool in human resource management; if done correctly and logically, it can guide organizations to their goal and help employees achieve their goals. Appraisal has its own benefits of changing the employees perception towards the organization and consider it as an efficient platform to showcase their skills.

## **DATA ANALYSIS & INTERPRETATION:**

1. Performance Appraisal is the assessment of individual potential

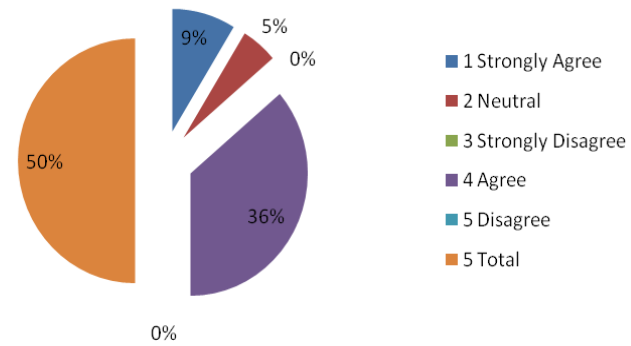
Rating Scale	Respondents
Strongly Agree	7
Neutral	4
Strongly Disagree	0
Agree	29
Disagree	0
<b>Total</b>	<b>40</b>

able.1

Chart.1

Pie

No. of Respondents



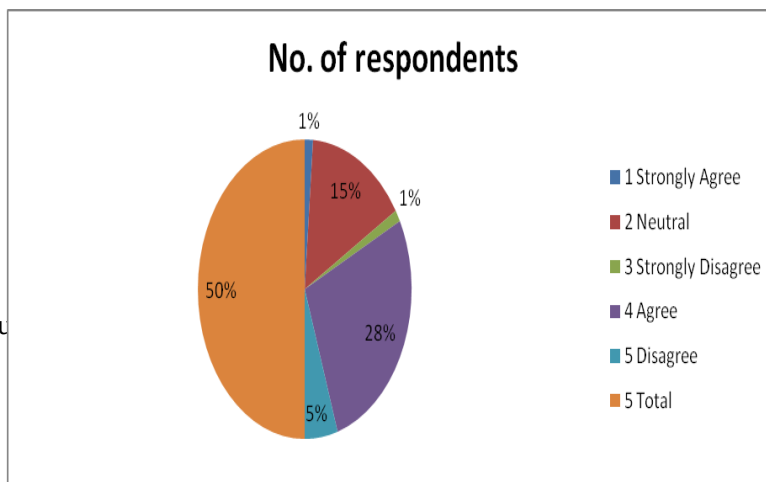
**INTERPRETATION:** From the above investigation we can translate that, a portion of the representatives were in impartial position, in light of the fact that the evaluation framework in the association was not in a full fledge way. Execution Appraisal framework followed in the association is normal and reasonable.

2. Performance Appraisal system followed in the organization is rational and fair.

Rating Scale	Respondents
Strongly Agree	1
Neutral	12
Strongly Disagree	1
Agree	22
Disagree	4
<b>Total</b>	<b>40</b>

able.2

Pie Chart.2



**INTERPRETATIO**

**N:** From the above table-



4.2 it can be realized that, 55% of respondents have concurred that bite the dust execution evaluation framework followed in the association sane and reasonable and 30 of the respondents are in nonpartisan stage. While 2.5pceciU of the respondents have concurred for the above proclamation and 2.5petce&t of the respondents have firmly deviated, where 10 % of the respondents have differ for the above explanation.

**3. Job expectations are informed and the superiors set the tasks.**

Rating Scale	Respondents
Strongly Agree	3
Neutral	10
Strongly Disagree	0
Agree	24
Disagree	3
<b>Total</b>	<b>40</b>

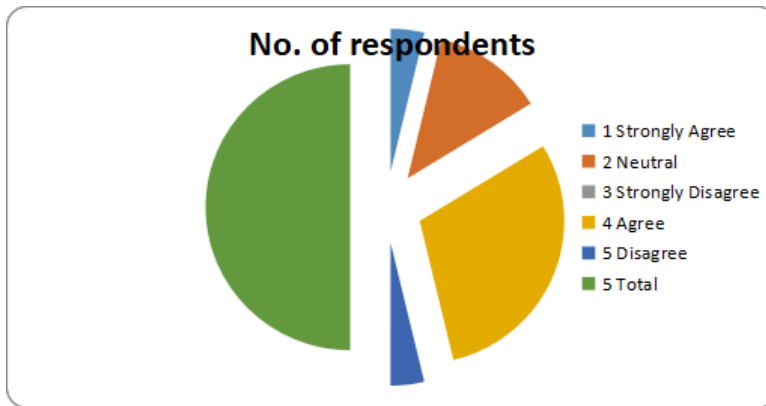


Table.3

Pie Chart.3

**Interpretation:** The above examination demonstrates that, some of representatives were in impartial position. Since the activity desires were

not educated, and the errands were not doled out by bosses appropriately.

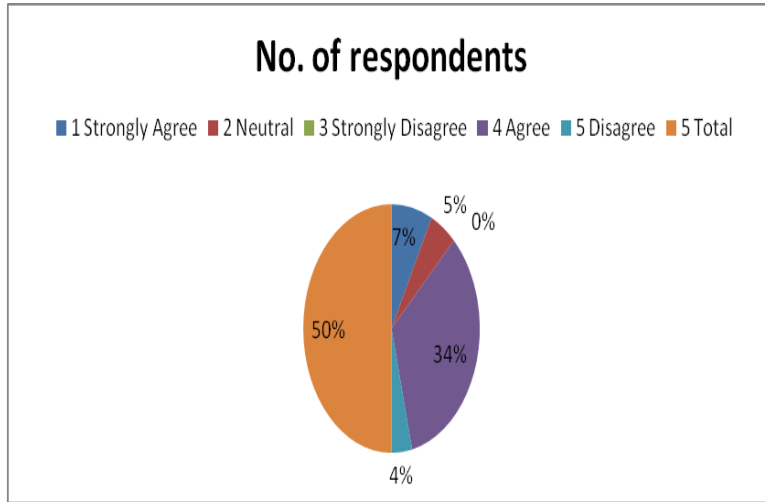
**4. Performance Appraisal followed in the Organization helps to the Training and development needs of employee.**

Rating Scale	Respondents
Strongly Agree	6
Neutral	4

Strongly Disagree	0
Agree	27
Disagree	3
<b>Total</b>	<b>40</b>

Table.4

Pie Chart.4

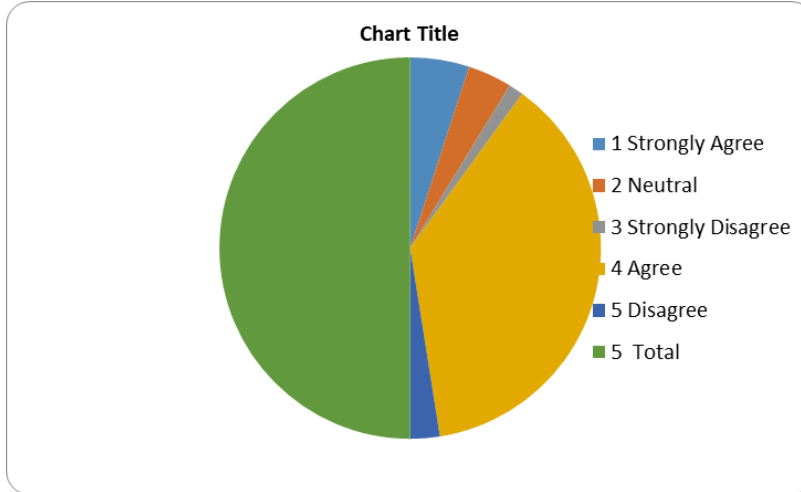


**Interpretation:** The above examination expresses that, larger part of the workers opined that a decent execution evaluation framework in the association, prepares and build up a representative in all perspectives.

5. The Performance appraisal in the organization helps to recognize the competence and potential of an individual.

Rating Scale	Respondents
Strongly Agree	4
Neutral	3
Strongly Disagree	1
Agree	30
Disagree	2
<b>Total</b>	<b>40</b>

Table. 5



Pie Chart.5

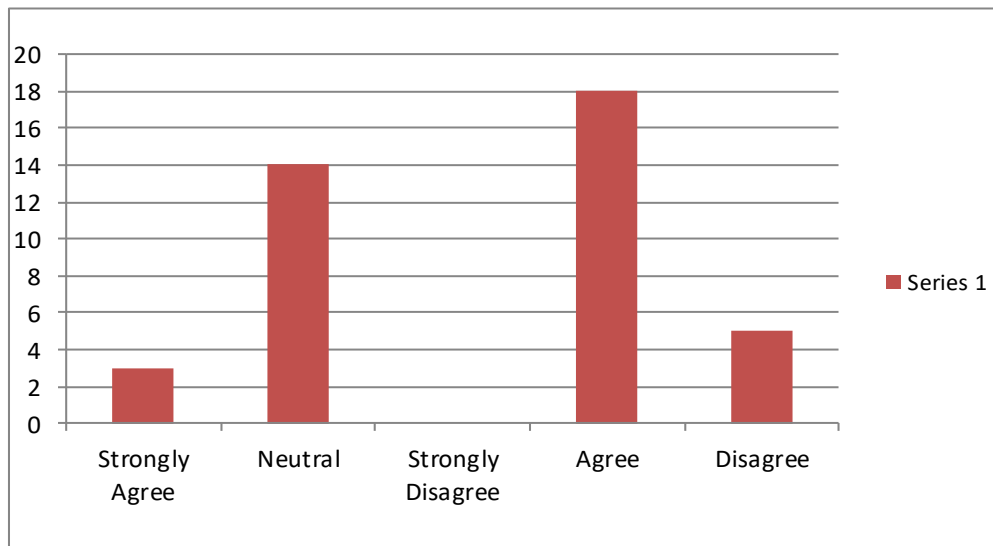
**Interpretation:** The above analysis elicits that, some of the employees were in neutral and disagree position. Because the appraisal process in the organization is not that

much effective.

6. Employees are happy with the assessment of performance followed in the organization.

Rating Scale	Respondents
Strongly Agree	3
Neutral	14
Strongly Disagree	0
Agree	18
Disagree	5
<b>Total</b>	<b>40</b>

Table.6



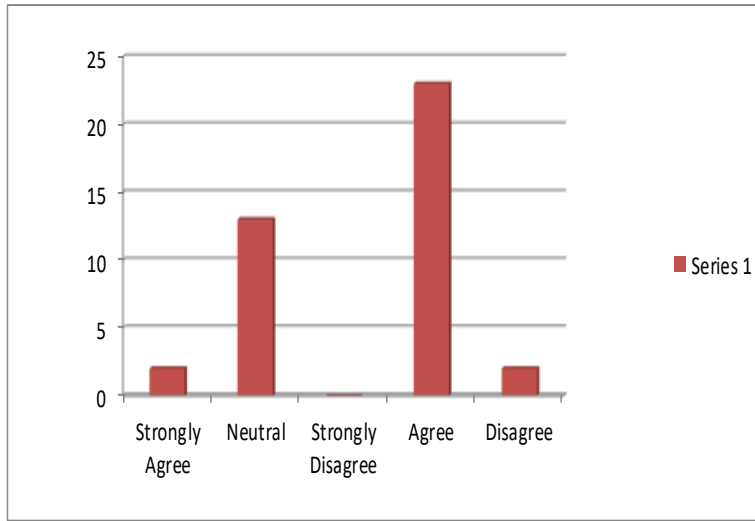
Graph.1

**Interpretation:** We can interpret that, most of the employees were in disagree and neutral position. Because the assessment system in the organization was not up to the mark.

7. Employees have been appraised fairly according to the company's policies.

Rating Scale	Respondents
Strongly Agree	2
Neutral	13
Strongly Disagree	0
Agree	23
Disagree	2
<b>Total</b>	<b>40</b>

Table.7



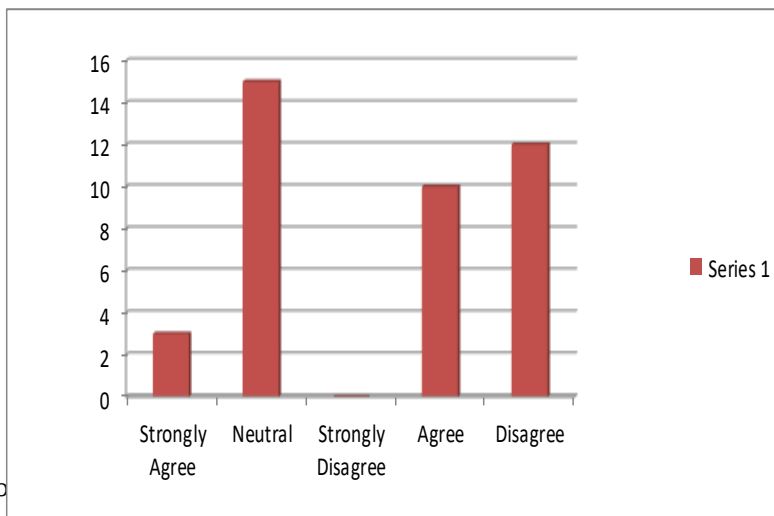
Graph.2

**Interpretation:** Here we can state that, most of the employees were in disagree and neutral position. Because performance appraisal was not done fairly according to the companies policies.

**8. Advises and suggestions are given to the employees during the appraisal process.**

Rating Scale	Respondents
Strongly Agree	3
Neutral	15
Strongly Disagree	0
Agree	10
Disagree	12
<b>Total</b>	<b>40</b>

Table.8



Graph.3

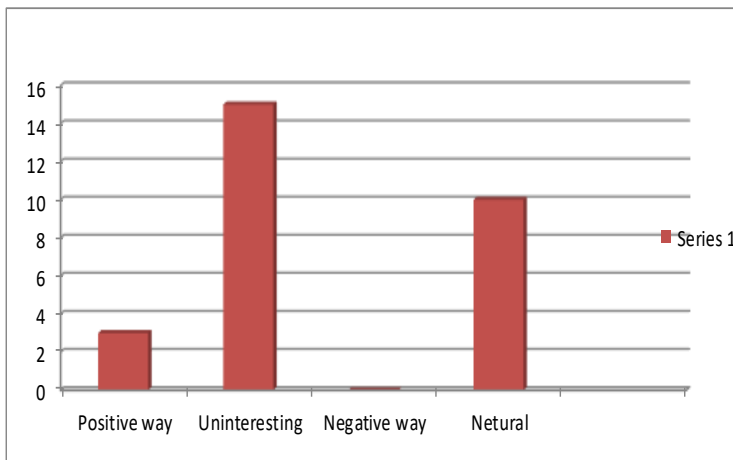
**INTERPRETATION:** The above analysis exhibits that, employees are expecting many more suggestions and advises,

during the appraisal process that would be helpful for their career.

9. The employees accept the appraisal feedback as.

Rating Scale	Respondents
Positive way	3
Uninteresting	15
Negative Way	0
Neutral	10
<b>Total</b>	<b>40</b>

Table.9



Graph.4

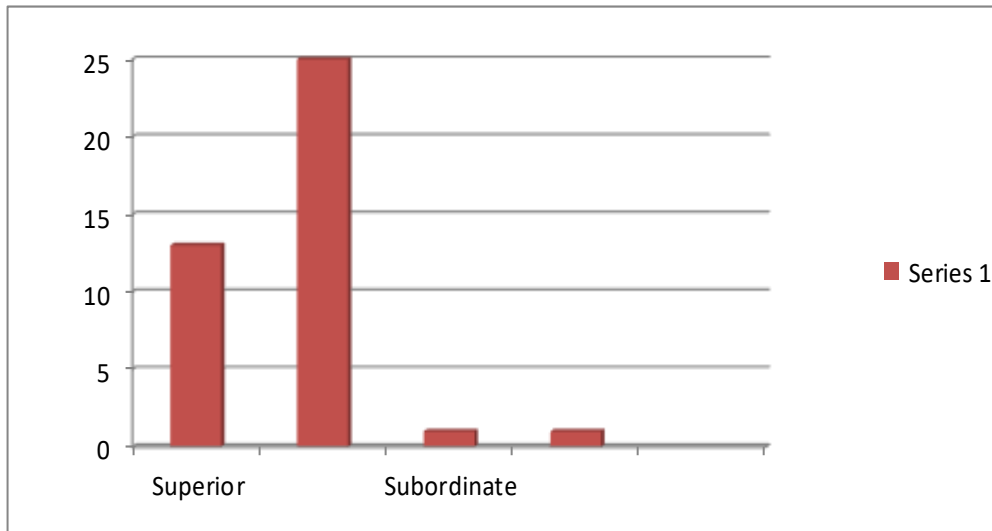
**INTERPRETATION:**

This analysis shows that, employees are not much interested in taking the appraisal feedback

10. The appraiser of the company should be.

Rating Scale	Respondents
Superior	13
HOD	25
Subordinate	1
Peer groups	1
<b>Total</b>	<b>40</b>

Table.10



Graph.5  
**Interpre**

**tation:**

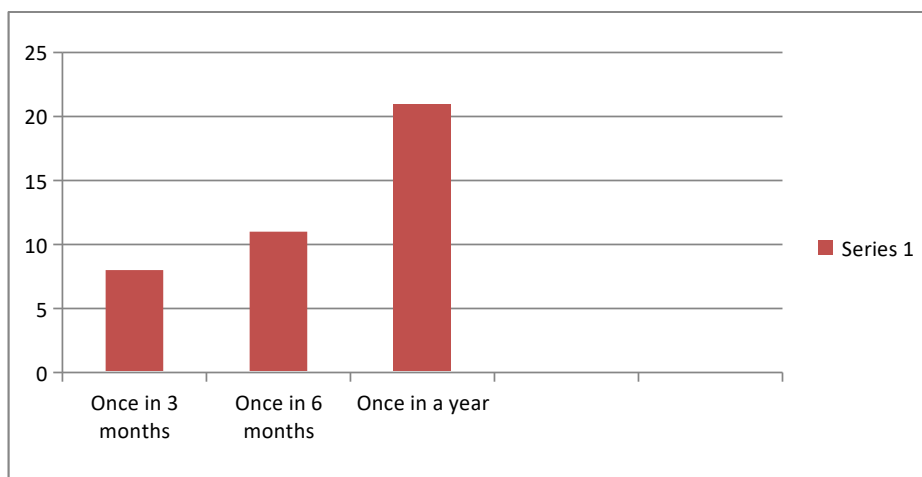
This states that, the appraiser should be the head of the departmen

t, the employee feel that he is the right person to evaluate their performance.

**11. How often should an employee be assessed**

Rating Scale	Respondents
Once in 3 months	8
Once in 6 months	11
Once in a year	21
<b>Total</b>	<b>40</b>

Table.11



Graph.6

**Interpretatio**

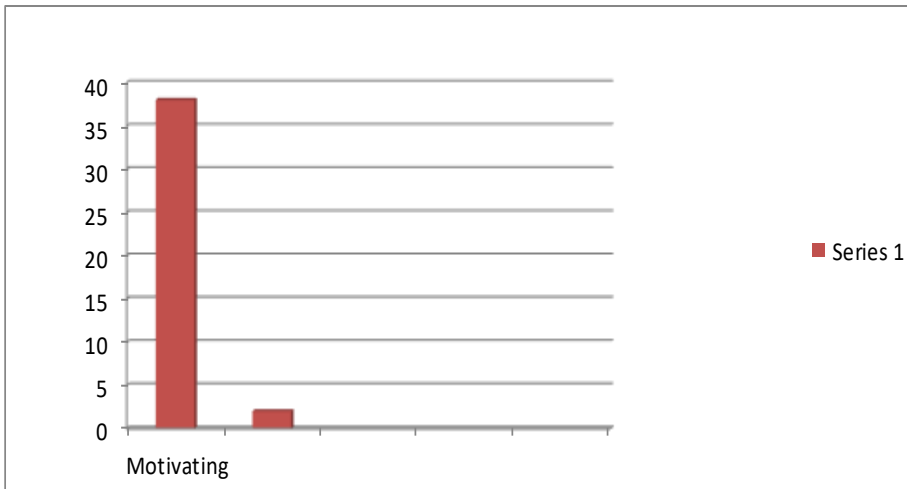
**n:** Here, the employees felt that, they need to be assessed once in a year,

as they felt it is a right period of time to assess the performance.

**12.** The performance appraisal followed in the organization makes the employees.

Rating Scale	Respondents
Motivating	38
Demotivating	2
<b>Total</b>	<b>40</b>

Table.12



Graph.7

**Interpretatio**

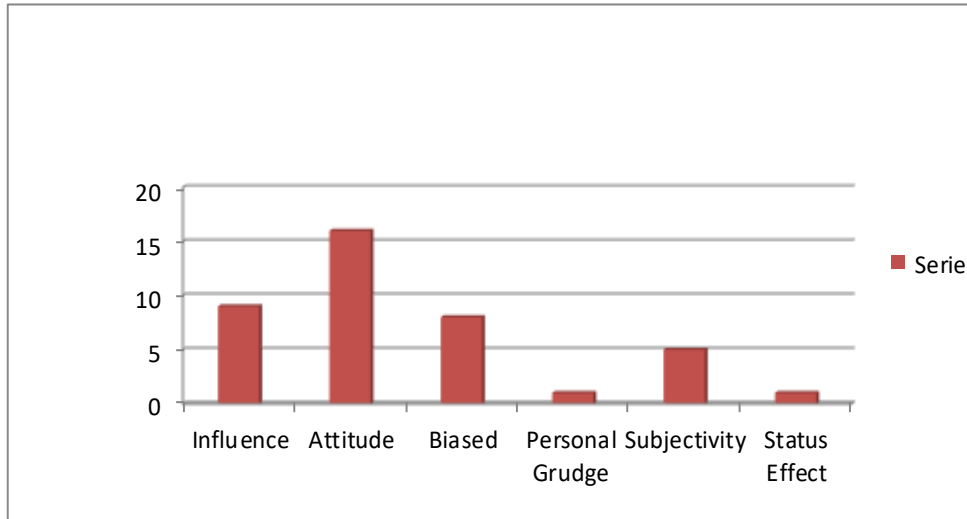
**n:** From the above study, employees felt performance appraisal system as a motivating factor.

**13.** Types of errors / problems have impact on performance rating in the Organization.

Rating Scale	Respondents
Influence	9
Attitude	16
Biased	8
Personal Grugde	1
Subjectivity	5
Status Effects	1
<b>Total</b>	<b>40</b>

Table:13





Graph  
h.8

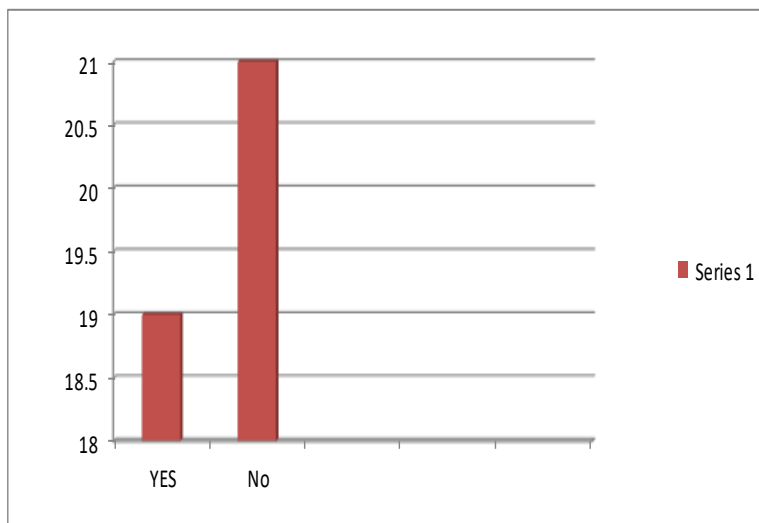
**Interpretation:** The employees opined that, attitude factor have a greater

impact on the performance appraisal system.

**14.** Feedback on Performance is communicated after assessment of the Performance.

Rating Scale	Respondents
Yes	19
No	21
Total	40

Table.14



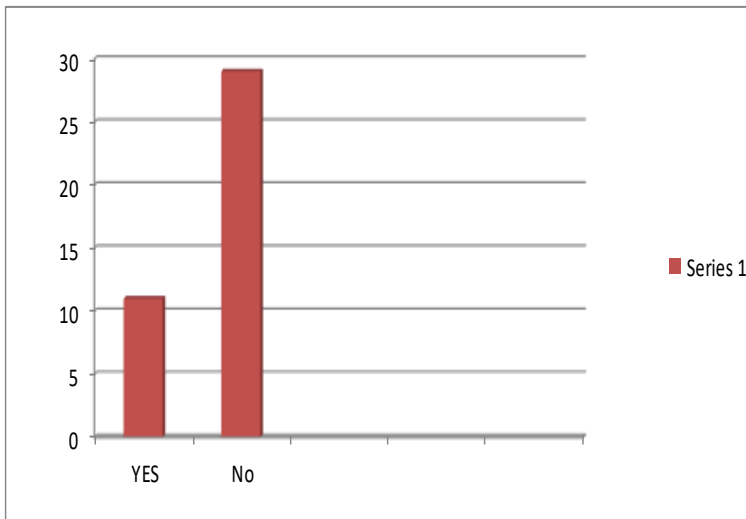
Graph.9

**Interpretation:** Here, the some of the employees express their view that, the performance feedback need not be communicated after the assessment, while some of them felt that it is essential.

**15. Employees are aware of 360-degree appraisal.**

Rating Scale	Respondents
Yes	11
No	29
Total	40

Table.15



Graph.10

**Interpretation:** Here from the above study it is known that, the employees are not completely aware of 360-degrees appraisal system.

**5.1 FINDINGS:**

- More than half of the representatives (72.5%) concur that Performance Appraisal is the evaluation of individual potential.
- Some of the representatives (30%) impartial that Performance Appraisal framework followed in the association is balanced and reasonable.
- Some of the workers (25%) unbiased that Job desires are educated and the bosses set the undertakings.
- Most of the representatives (67.5%) concur that Performance Appraisal followed in the Organization serves to the Training and improvement needs of worker.

- Some of the workers (5%) differs that The Performance evaluation in the association perceives the fitness and capability of a person
- Less than half of the workers (35%) differs that they are content with the evaluation of execution followed in the association.
- Most of the workers (32.5%) impartial that they have been evaluated genuinely as per the organization's arrangements.

## **5.2 SUGGESTIONS:**

According to the investigation the accompanying are the proposals:

- The Performance Appraisal in the association ought to be in a full fledged way with the goal that the others will acknowledge this.
- As the Performance Appraisal is useful to the representatives by the task of bosses assignment via preparing and improvement which ought to be more viable with the goal that alternate workers will likewise be pulled in.
- The Performance Appraisal ought to be help successfully to the representatives as it perceives the ability and capability of a person.
- Employee's evaluation ought to be genuinely done by the organizations approaches so it will help the execution of the workers.
- The organization should give some encourages and recommendations to the workers amid the procedure and ought to arrive criticisms about the procedure.
- The representatives ought to survey and assessed by their HOD once in multi year.
- The workers ought to know about 36 degrees examination and the association ought to take after this to rouse the representatives.

## **5.3 CONCLUSION**

- The choices required solid inspiration to confront the difficulties.
- Proper preparing and fulfillment at all levels will be the most grounded establishment to dispatch a strike on the difficulties and change over the difficulties to circumstances through compelling execution evaluation measures in the association.

- In future execution evaluation measures should be arranged in connection to the progressions occurring.
- The execution measures drives exist both at new section level and additionally to proceeding with instruction level for working staff.
- An successful wellbeing measures in view of developing patterns recommends display for accomplishing the objectives which will make paper industry in India genuinely focused.

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