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STUDY ON AWARENESS OF PERFORMANCE APPRAISAL AND ITS INFLUENCE IN SELECTED COMPANIES IN TAMILNADU

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ABSTRACT

The performance appraisal is the process of evaluating individual job performance as a basis for making objective personnel decisions and it's the step where the management finds out how effective it has been at hiring and placing employees in the company. The main purposes of this paper to identity the employees' awareness of performance appraisal, to analyze whether the performance appraisal reflect in rewards and whether performance appraisal influence the work of the employees. The data are through well constructed questionnaire and the sample size is 877. Convenient sampling method has been used for the purpose of this study. The data collected are analyzed using SPSS software. Statistical tools such as descriptive statistics, Independent sample t test, chi square and ANOVA were used for analysis. It was found from analysis that awareness of performance appraisal varies with gender. It was also found that the perception of whether the performance appraisal reflect in rewards changes with the age of respondents. This study showed how effectively the performance appraisal was done and what factors managers can change, in order to help foster this environment.

Key words: effective, performance appraisal, rewards, awareness, perception.

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1. INTRODUCTION

A study on the effectiveness of Performance Appraisal (PA) is one of the most important factors and considered a criterion when reviewing PA effectiveness. Companies use PA's in the hopes of enhancing organisational effectiveness (Gopinath, 2016 a). Companies may use them in order to make decisions about pay, promotion, identifying training and development needs, developing a selection system, and for documenting performance. For these reasons, appraisals have a large impact in shaping employees' careers (Gopinath, 2019 a; Gopinath, 2016 b). Therefore, the perceived fairness in performance appraisals also increasingly receives attention and interest from the employees, and when employees perceive unfairness in performance appraisals, it can tarnish the employee manager relationship, affects the employee's loyalty and have other negative consequences for the company, further complicating this issue is that fairness is in the minds of the employees (Gopinath & Shibu, 2016 a; Gopinath, 2016 c)

2. OBJECTIVES

- To study about the fairness of performance appraisal.
- To identity the employees awareness of performance appraisal.
- To analysis whether the performance appraisal reflect in rewards

3. REVIEW LITERATURE

Harrington and Lee (2015) examined the significance of reasonableness lies in its job as a primary organizational esteem and in understanding the outcomes of representative fairness perceptions. For example, burglary, vandalism, deliberate inaction and non-attendance. The point of convergence of this exploration is on components that influence employee fairness impression of their presentation appraisal.

Tjahjono (2015) found In the writing, view of decency are usually classified as distributive, procedural or interactional For performance appraisal, distributive equity centers around the apparent reasonableness of the evaluation rating or outcome received in connection to the genuine work performed, though procedural equity centers around the perceived reasonableness of examination rating systems Interactional equity focuses on the apparent reasonableness of the relational treatment representatives get during the evaluation procedure .

Choon and Embi (2012) analysed Very couple of hierarchical equity studies have concentrated on execution evaluation. The greater part of these emphasis on the impact of either procedural or distributive decency perceptions and once in a while both Some attention on the results of just a couple of procedural factors Almost all the momentum research is American, thus reflects US, and not really worldwide, social standards with respect to reasonableness and equity.

Walsh (2003) examined our present comprehension of working environment decency is wide spread, we overlook the profound social contrasts that can exist between individuals of various countries' This examination fulfils two purposes. Initially, it decides if distributive, procedural, and interactional equity factors identified in the writing apply in an exhibition evaluation context outside of North America, for this situation the little Caribbean nation of Saint Lucia.

Sudin (2011) found Second, it determines whether there are extra equity factors, so far unrecognized in the literature, which representatives consider in making a decision about the decency of their presentation examinations. Originations of distributive equity started with value hypothesis, which claims that people figure decency discernments by looking at their apparent work outcomes (rewards) to their apparent work inputs (commitment) in connection to the apparent information to outcome proportion of a correlation individual like a colleague (Gopinath, 2016 d).

3. RESEARCH METHODOLOGY

The type of research used for the study is Descriptive research. Primary data is collected through issue of well structured questionnaire. Convenient sampling is used for the study. Secondary data is obtained from various reports, journals, articles etc. The sample size is 877. The data collected are analyzed through SPSS. The statistical tools used for the analysis are Chi-Square, ANOVA and Correlation.

3.1. Frequency Analysis

Results and Discussions

The demographic profile of the sample is given below.

Table 1

Variable		Frequency	Percent
Gender	Female	340	38.8
	Male	537	61.2
	Total	877	100.0
Age	Less than 20 years	175	20.0
	21 - 30 years	277	31.6
	31-40 years	298	34.0
	41-50 years	95	10.8
	above 50 years	32	3.6
	Total	877	100.0
Marital status	Married	213	24.3
	Single	524	59.7
	Divorced/ Widow	140	16.0
	Total	877	100.0
Educational Qualification	School level	28	3.2
	UG	502	57.2
	PG	265	30.2
	Illiterate	82	9.4
	Total	877	100.0

3.2. Frequency Table

1. Is Performance appraisal conducted in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	370	42.2	42.2	42.2
	no	507	57.8	57.8	100.0
	Total	877	100.0	100.0	

2. Do you know the performance appraisal process

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	217	24.7	24.7	24.7
	no	372	42.4	42.4	67.2
	not fully	288	32.8	32.8	100.0
	Total	877	100.0	100.0	

3. Does performance appraisal reflect in rewards (Like salary increase)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	never	18	2.1	2.1	2.1
	rarely	84	9.6	9.6	11.6
	sometimes	347	39.6	39.6	51.2
	often	312	35.6	35.6	86.8
	always	116	13.2	13.2	100.0
	Total	877	100.0	100.0	

3.3. Chi square

Null hypothesis: there is no association between the employees' awareness of performance appraisal and qualification.

Alternative hypothesis: There is an association between the employees awareness of performance appraisal and qualification.

Educational Qualification * 1. Is Performance appraisal conducted in your organization? Cross Tabulation

Count

		1. Is Performance appraisal conducted in your organization?		
		yes	no	Total
Educational Qualification	School level	16	12	28
	UG	190	312	502
	PG	137	128	265
	Illiterate	27	55	82
Total		370	507	877

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	19.154[a]	3	.000
Likelihood Ratio	19.094	3	.000
Linear-by-Linear Association	.317	1	.573
N of Valid Cases	877		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.81.

Interpretation

Using Chi Square test, it was found that P value is less than 0.05,hence the null hypothesis is rejected. Therefore there is a significant association between the employees awareness of performance appraisal and qualification. Necessity of fairness of performance Appraisal differs with education qualifications of different groups of people (Gopinath & Shibu, 2016b).

3.4. Independent 't' Test

Null hypothesis: There is no significant difference between the performance appraisal process and gender .

Alternative hypothesis: there is a significant difference between the performance appraisal process and gender.

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
2. Do you know the performance appraisal process	Female	340	2.2176	.58972	.03198
	Male	537	1.9944	.83195	.03590

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
2. Do you know the performance appraisal process	Equal variances assumed	54.354	.000	4.309	875	.000	.22323	.05180	.12156	.32491
	Equal variances not assumed			4.643	863.975	.000	.22323	.04808	.12887	.31760

Interpretation

Using independent 't' test, it was found that P value is less than 0.05, hence the null hypothesis is rejected. Therefore there is a significant difference between the performance appraisal process and gender (Gopinath, 2016).

3.5. ANOVA

Null hypothesis: there is no significant difference relation between whether the performance appraisal reflect in rewards and age.

Alternative hypothesis: there is a significant difference relation between whether the performance appraisals reflect in rewards and age.

ANOVA

3. Does performance appraisal reflect in rewards (Like salary increase)

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	46.802	4	11.701	15.000	.000
Within Groups	680.208	872	.780		
Total	727.010	876			

Interpretation

Using ANOVA, it was found that P value is less than 0.05, hence the null hypothesis is rejected. Therefore there is a significant difference relation between whether the performance appraisal reflects in rewards and age.

4. DISCUSSION

Using Chi Square test, it was found that P value is less than 0.05, hence the null hypothesis is rejected. Therefore there is a significant association between the employees' awareness of performance appraisal and qualification. Necessity of fairness of performance Appraisal differs with education qualifications of different groups of people. Using independent 't' test, it was found that P value is less than 0.05, hence the null hypothesis is rejected. Therefore There is a significant difference between the performance appraisal process and gender (Gopinath & Shibu, 2015 a). Using ANOVA, it was found that P value is less than 0.005,hence the null hypothesis is rejected. Therefore there is a significant difference relation between whether the performance appraisal reflect in rewards and age. When armed with effective managers, any organization has the tools to create a perception of fairness around the performance appraisals and the performance appraisal process itself (Gopinath *et al.*, 2020). Going forward, future researchers may also consider combining the first 3 variables (chi square, independent t test and ANOVA) into one construct, because they were found highly correlated in the chi square test, independent sample test ANOVA matrix.

5. CONCLUSION

In conclusion, this study has some good results, and hopefully opened up numerous insights for us, as researchers, and any organisation that employs a performance appraisal system. This study showed us how they conducted performance appraisals in the organisation, process of performance appraisals and whether the performance appraisal reflect in rewards (Gopinath & Shibu, 2015 b). When armed with effective managers, any organisation has the tools to create a perception of effectiveness around the performance appraisals and performance appraisals process itself (Gopinath, 2019 b). Going forward, future researchers may also consider combining the first 3 variables into construct, because they were found highly correlated in chi square test, independent sample test ANOVA matrix. For the purpose of the study, I want to see specifically what aspects would affect the study on effectiveness, and therefore, thought it would be best to keep as many variables as possible in the study to see the effects. However, combining these variables may allow for cleaner results and may account for a higher amount of variance (Gopinath, 2020).

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