

“A STUDY ON EFFECTIVE AND EFFICIENT APPRAISAL SYSTEM ADOPTED BY SOME COMPANIES”

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Abstract:-

Performance appraisal is necessary to measure the performance of the employees and the organization to check the progress towards the desired goals and aims.

The latest mantra being followed by organizations across the world being – "get paid according to what you contribute" – the focus of the organizations is turning to performance management and specifically to individual performance.

Performance appraisal helps to rate the performance of the employees and evaluate their contribution towards the organizational goals. If the process of performance appraisals is formal and properly structured, it helps the employees to clearly understand their roles and responsibilities and give direction to the individual's performance. It helps to align the individual performances with the organizational goals and also review their performance.

Performance appraisal takes into account the past performance of the employees and focuses on the improvement of the future performance of the employees. We attempt to provide an insight into the concept of performance appraisal, the methods and approaches of performance appraisal, sample performance appraisal forms and the appraisal software available etc. An attempt has been made to study the in performance appraisal.

Key Words: - Performance appraisal, organizational goals, individual performances, methods and approaches.

INTRODUCTION:-

Performance appraisals are essential for the effective management and evaluation of staff. Appraisals help develop individuals, improve organizational performance, and feed into business planning. Formal performance appraisals are generally conducted annually for all staff in the organization. Each staff member is appraised by their line manager. Directors are appraised by the CEO, who is appraised by the chairman or company owners, depending on the size and structure of the organization.

Annual performance appraisals enable management and monitoring of standards, agreeing expectations and objectives, and delegation of responsibilities and tasks. Staff performance appraisals also establish individual training needs and enable organizational training needs analysis and planning.

Performance appraisals also typically feed into organizational annual pay and grading reviews, which commonly also coincide with the business planning for the next trading year.

Performance appraisals generally review each individual's performance against objectives and standards for the trading year, agreed at the previous appraisal meeting.

Performance appraisals are also essential for career and succession planning - for individuals, crucial jobs, and for the organization as a whole. Performance appraisals are important for staff motivation, attitude and behavior development, communicating and aligning individual and organizational aims, and fostering positive relationships between management and staff.

Performance appraisals provide a formal, recorded, regular review of an individual's performance, and a plan for future development.

Job performance appraisals - in whatever form they take - are therefore vital for managing the performance of people and organizations. Managers and appraises commonly dislike appraisals and try to avoid them. To these people the appraisal is daunting and time-consuming. The process is seen as a difficult administrative chore and emotionally challenging. The annual appraisal is maybe the only time since last year that the two people have sat down together for a meaningful one-to-one discussion. No wonder then that appraisals are stressful - which then defeats the whole purpose.

In view of the above scenario where performance appraisal is of utmost important I took the research on performance appraisal in four different companies so that to extract information and same can be given to these companies for their betterment and general use for other organizations

OBJECTIVE:-

Objective behind the research is to know the present performance appraisal system adopted by these four companies and the effectiveness of the appraisal system in these companies. Also to extract the information on the appraisal system so that it can be made more effective and efficient in present scenario for the above said companies and to other organizations

SIGNIFICANCE:-

Present scenario being dynamic in nature where competitiveness is at cut throat level ,it is very difficult to retain valuable employees and keep them loyal and committed towards the organization performance appraisal system is the one of the important tool available with management. By providing the comparative information on the appraisal system adopted by the four different companies of different sectors not only to management of these companies but also to other organizations interested in the field. The performance appraisal system ,as we know is one of the basic tool for the management to keep their employee motivated and committed for the

organization the research report has its importance in the management of human resource in the organizations

Potential appraisal, a part of Performance appraisal, helps to identify the hidden talents and potential of the individuals. Identifying these potential talents can help in preparing the individuals for higher responsibilities and positions in the future. The performance appraisal process in itself is developmental in nature.

Performance appraisal is also closely linked to other **HR processes** like helps to identify the training and development needs, promotions, demotions, changes in the compensation etc. A feedback communicated in a positive manner goes a long way to motivate the employees and helps to identify individual career developmental plans. Based on the evaluation, employees can develop their career goals, achieve new levels of competencies and chart their career progression. Performance appraisal encourages employees to reinforce their strengths and overcome their weaknesses.

RESEARCH METHODOLOGY:-

1. For all the four companies sample size was 100, 25 from each company area covered was within pune city with locations as kharadi, viman nagar chandi chowk and shivaji nagar.
2. With the Questionnaire We adopted Personal Schedule techniques for Primary Data and for secondary data documentations of respective companies and other references.

LIMITATIONS:-

1. Very less time for collection of data and fund also limited for research.
2. The area of study also limited to certain companies.
3. Sometimes the response is coming in duplicity.

ANALYSIS AND FINDINGS:-

As I have taken four different companies from different sector I would like to give brief introduction of these companies.

BHARTI AXA-

Bharti AXA Life Insurance is a joint venture between Bharti, one of India's leading Business groups with interests in telecom, agri business and retail, and AXA, world leader in financial protection and wealth management. The joint venture company has a 74% stake from Bharti and 26% stake of AXA. The company launched national operations in December 2006. Today, it has over 5200 employees across over 12 states in the country. Our business philosophy is built around the promise of making people is "Life Confident".

The organizational structure of bharati AXA:.

As we expand our presence across the country to cater to your insurance and wealth Management needs with our product and service offerings, we continue to bring 'life

Confidence' to customers spread across India. Whatever your plans in life, you can be Confident that Bharti AXA Life will offer the right financial solutions to help you achieve them. The vision of Bharti AXA Life Insurance Company Limited is to become the preferred life insurance company in India. This vision extends to our recruitment philosophy as well. Both the Bharti Group in India and AXA globally enjoy the status of being a very employee focused organization. At Bharti AXA Life Insurance, we are determined to achieve our vision through talented manpower that are empowered, focused on customer service, and champions of strategic and operational excellence.

Apart from life insurance Bharati AXA has launched its operation in general insurance business. It starts its general insurance business in July 2008. It has its first office at Hyderabad. So Bharati AXA deals with both General insurance and Life insurance sector and providing best services to its clients among all other service providers.

Bharti AXA Values :

- Team Spirit
- Integrity
- Innovation
- Pragmatism
- Professionalism

The guiding Human Resources principles at Bharti AXA are:

- Clearly define scope of responsibilities and empower people to deliver.
- Provide people with the means to develop their competencies.
- Consider individual training and development a priority investment.
- Build organizations that are conducive to teamwork and that involve everyone.
- Promote ongoing dialogue between managers and the people who report to them.
- Make cultural difference a key source of strength.

INDIAINFOLINE LTD-The IIFL (India Infoline) group, comprising the holding company, India Infoline Ltd (NSE: INDIAINFO, BSE: 532636) and its subsidiaries, is one of the leading players in the Indian financial services space. IIFL offers advice and execution platform for the entire range of financial services covering products ranging from Equities and derivatives, Commodities, Wealth management, Asset management, Insurance, Fixed deposits, Loans, Investment Banking, GoI bonds and other small savings instruments. IIFL recently received an in-principle approval for Securities Trading and Clearing memberships from Singapore Exchange (SGX) paving the way for IIFL to become the first Indian brokerage to get a membership of the SGX. IIFL also received membership of the Colombo Stock Exchange becoming the first foreign broker to enter Sri Lanka. IIFL owns and manages the website, www.indiainfoline.com, which is one of India's leading online destinations for personal finance, stock markets, economy and business.

IIFL has been awarded the 'Best Broker, India' by Finance Asia and the 'Most improved brokerage, India' in the Asia Money polls. India Infoline was also adjudged as 'Fastest Growing Equity Broking House - Large firms' by Dun & Bradstreet. A forerunner in the field of equity research, IIFL's research is acknowledged by none other than Forbes as 'Best of the Web' and '...a must read for investors in Asia'. Our research is available not just over the Internet but also on international wire services like Bloomberg, Thomson First Call and Internet Securities where it is amongst one of the most read Indian brokers.

A network of over 2,500 business locations spread over more than 500 cities and towns across India facilitates the smooth acquisition and servicing of a large customer base. All our offices are connected with the corporate office in Mumbai with cutting edge networking technology. The group caters to a customer base of about a million customers, over a variety of mediums viz. online, over the phone and at our branches

V CUSTOMER INDIA-

VCustomer believes that our clients are looking for a partner who can help them strengthen their relationship with their customers. vCustomer provides a unique focus around the customer that helps you gain insight into customer behavior and leverage the solutions and services to improve the customer support experience. We ensure that people, process and technology are always centered around the goal of increasing customer satisfaction.

In the traditional model of outsourced contact center or CRM services, clients provide all the customer intelligence, business platforms and process knowledge. Today, we believe that our clients are looking forward to us to deliver a world-class solution that enables their customers to get the benefit of not only the best of class industry practices, but also the latest innovations in customer communication and outreach.

V-Customer partners with its clients to ensure that their customers have a consistently great experience in the course of every interaction with the support team. Our goal is to provide the most cost-effective solution that leverages a global workforce that enables customers to get the help they need, when they need it and via the communication channel they choose.

V-Customer has developed some of the most flexible and adaptive customer communication tools designed to support both inbound and outbound communications. Whether it is ensuring the customer is never on hold, or assuring the customer with follow-up status updates after they have made a request, our solutions assure the customer is always handled in a quality fashion and provided the information they need.

We understand that our clients have a limited budget within which they would like to support their customers. While their budget is limited, they also want the customer to feel like they care. This is why in addition to our flat pricing structure, we provide state-of-the-art speech-based IVR solutions and web-based self-service solutions, with fully integrated messaging that ensures customers only make an inquiry just once.

Finally, we understand that not all customers have the same needs or the same comfort levels with communication channels. Our CRM solutions help us identify which customer profiles map best to which communication channel and we help guide the customers to the channel that best suits them. By having a common knowledgebase across all channels we are able to ensure that regardless of the channel the customers choose, they will get the identical information in the fastest and most effective way possible.

V-Customer is a leading provider of customer care contact center solutions and services. We leverage the right blend of innovative technology, business analytics and industry expertise to consistently deliver customized, high quality, cost-saving services and solutions. We offer a unique combination of best-in-class contact center services and an integrated, feature-rich CRM suite to help increase your customers lifetime value. We provide industry expertise in Communications, Retail and Consumer Technology sectors. Our focus allows us to understand your business, help you reduce operating costs, and improve quality levels by deploying self-service and automation to optimize customer care.

Established in 1999 and privately held, vCustomer provides its high quality customer lifecycle solutions through state-of-the-art facilities in the United States, India and the Philippines. vCustomer's North American headquarters is located in Kirkland, Washington 1999, Sanjay founded vCustomer Corporation, headquartered in Kirkland, Washington, providing Customer Support and Business Process Outsourcing services with operations in the US, UK, Philippines and India. Before founding vCustomer, Sanjay was the Network Architect at Teledesic Corporation, a visionary LEO Satellite venture backed by Bill Gates and Craig McCaw. Prior to that, he worked at Microsoft Corporation, where he created and managed the Broadband and Internet Telephony Group. Over the years, he has participated in a number of technical groups in the area of Broadband and Internet standards at the ITU, the ATM Forum and IETF. He has co-authored diverse standards including Voice over ATM and Quality of Service for TCP/IP networks.

ZENSAR LTD.

Zensar Technologies is a global information technology services and business process outsourcer headquartered in Pune, India. It is a software wing of RPG Group , and offers a range of integrated information technology (IT) and BPO products and services to Fortune 500 clients.

Zensar has a marketing presence in the US, Europe, Asia Pacific and Australia. The company has operations and a customer base spanning across 18 countries including software development centers at Pune and Hyderabad in India and Gdansk in Poland

At Zensar, we innovate to enhance the customer's competitive advantage to add agility to their business. With Zensar's wave of collaborative capabilities ensures global integration of the enterprise. Innovations like the pre-configured SAP solutions, hosted ERP for SMEs, Platform BPO and shared IT services model ensures that various benefits like cost reduction, performance improvement, optimal resource utilization and service enrichment are readily passed on to the

customers making their business and IT operations globally competitive. Zensar recognizes Cloud Computing as an economical computing style to cut the infrastructural cost and maximize entrepreneurial scalability. We enable organizations to efficiently deploy custom applications, manage network and provision cloud computing environments with the flexibility to meet sudden changes in demand through peaks and troughs

Zensar is an Information Technology and Business Process Outsourcing (BPO) Services Company with a unique point of view - a company that can engage with some of the world's largest businesses and still provide personalized care; where innovation is routine and distinction, is regular! Zensar provides end-to-end services from Consulting to Implementation to support to over 300 active Fortune 500 and other customers. We have adopted a mature framework to sustain and accelerate growth by diversifying into territories and managing business opportunities across horizons on a 24X7 format. We consistently deliver business value and innovation to customers, while creating a sustainable competitive advantage for ourselves.

ZENSAR Technologies' third global delivery centre in the country and sixth in the world was inaugurated at EON free zone, Kharadi on Monday. With an area of 34,422 square feet, the facility has been built with an investment of Rs 4 crore and will accommodate over 400 professionals. This is the company's first foray into a Special Economic Zone (SEZ).

Ganesh Natarajan, Vice Chairman and MD, Zensar Technologies said, "This newly established centre will be the innovation hub for the Company and will host all of Zensar's new and innovative offerings which will drive the growth of the Company's business in the coming year." He also said that Pune would continue to be the focal point of our global expansion.

In line with its focus on innovation, the Company also launched Solution BluePrint (SBP) on the web for the community at large. SBP is Zensar's initiative to incorporate engineering practices in software development. Zensar's approach goes a step ahead towards enabling the building of components and focusing on building reusable platform-agnostic models.

Zensar has been headquartered in Pune and has over 3000 professionals working out of its Pune facility. The Company also has its Development Centres in Hyderabad in India, Slough in UK, San Jose in USA and Gdansk in Poland which are fully functional and have over 1000 professionals working out of these centres.

John Levack of Electra partners, who is also a board member of Zensar Technologies was also present for the inauguration.

TOOLS USED-

e modern approach to performance development has made the performance appraisal process more formal and structured. Now, the performance appraisal is taken as a tool to identify better performing employees from others, employees' training needs, career development paths, rewards and bonuses and their promotions to the next levels.

Appraisals have become a continuous and periodic activity in the organizations. The results

of performance appraisals are used to take various other HR decisions like promotions, demotions, transfers, training and development, reward outcomes. The modern approach to performance appraisals includes a feedback process that helps to strengthen the relationships between superiors and subordinates and improve communication throughout the organization.

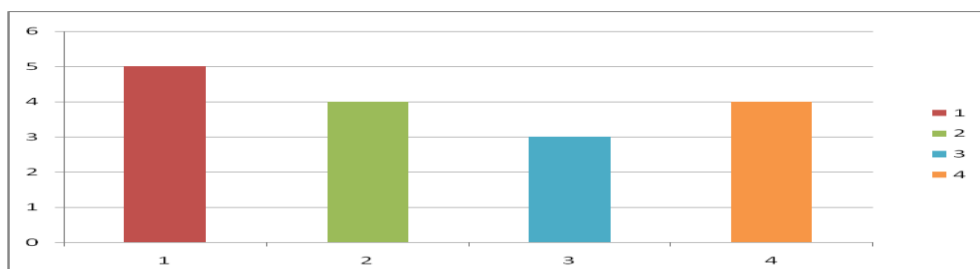
The modern approach to Performance appraisal is a future oriented approach and is developmental in nature. This recognizes employees as individuals and focuses on their development.

During the research ,data collected from four different companies on various factors . The factors are :-**Communication** - Organizes and expresses ideas and information clearly, using appropriate and efficient methods of conveying the information. **Interpersonal Skills**- Is sensitive to the needs, feelings and capabilities of others. Approaches others in a non-threatening and pleasant manner and treats them with respect. **Conflict resolution** - Expresses alternative points of view in a non threatening way. Knows when it is appropriate to compromise and when it is important to take a stand. **Teamwork**- Works on projects as part of a team, exchanging ideas and contributing skills that complement those of the other team members; Fulfills commitments to team members. **Ethics**- Maintains high level of character and a professional attitude. Is able to conform and promote the company's standards of conduct. **Job Knowledge**- Possesses skills and knowledge to perform the job competently. **Desire to Improve efficiency**- Continually looks for ways to improve performance. **Quality**- Completes high quality work according to specifications. Thoroughly follows standards and Procedures. Keeps complete records. Pays attention to details. Has a strong sense of quality and knows how to. **Initiative**- Strives to learn and improve, Seeks out ways to better themselves and the company, Takes on responsibilities, Does not remain idle – is hard working. Self-motivated **Discipline** - Whether following all the rules , regulations and procedures In a positive ways

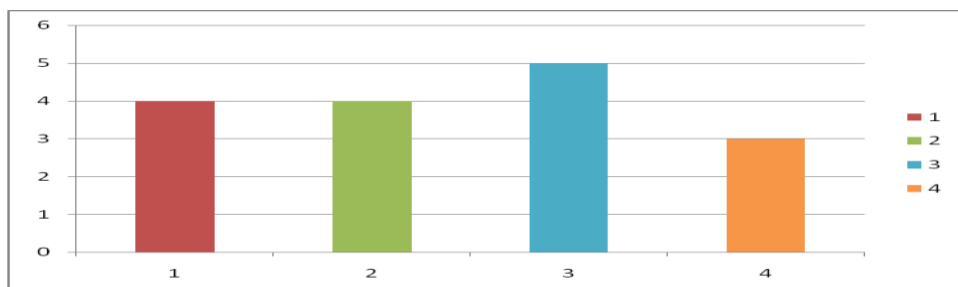
PERSONAL ATTRIBUTES (Extended Matrix format) Score: / 5.0 %

R = Ratings Scale 5 – Exceptional; 4 – Exceeds Expectations; 3 – meets Expectations; 2 – Below Expectations; 1 – Needs Improvement. And results are:-

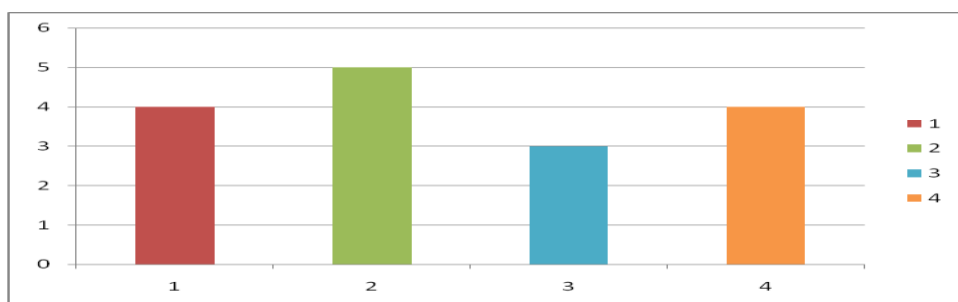
Communication



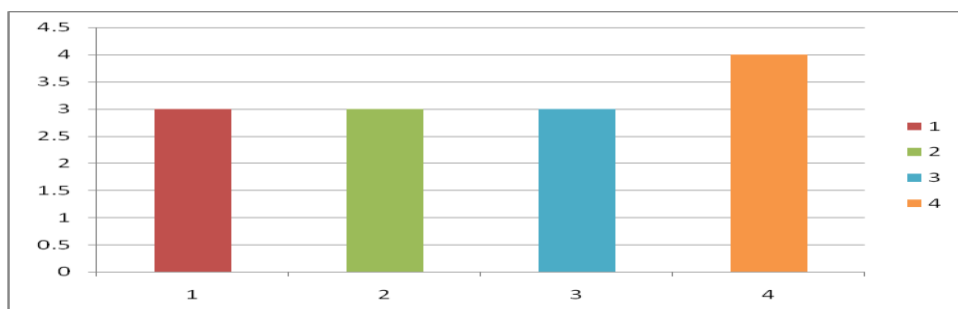
Interpersonal Skills



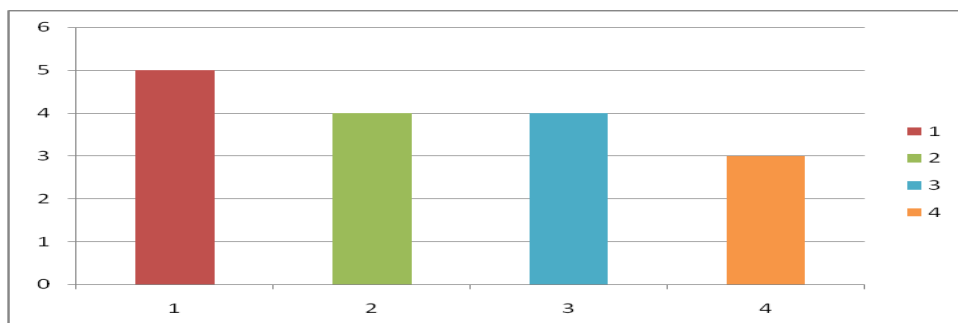
Conflict Resolution



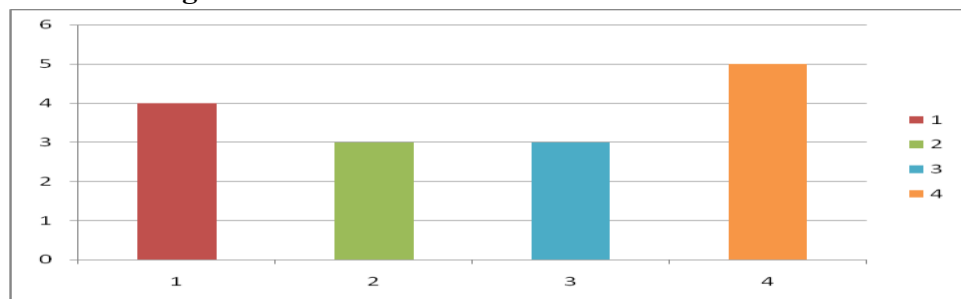
Teamwork



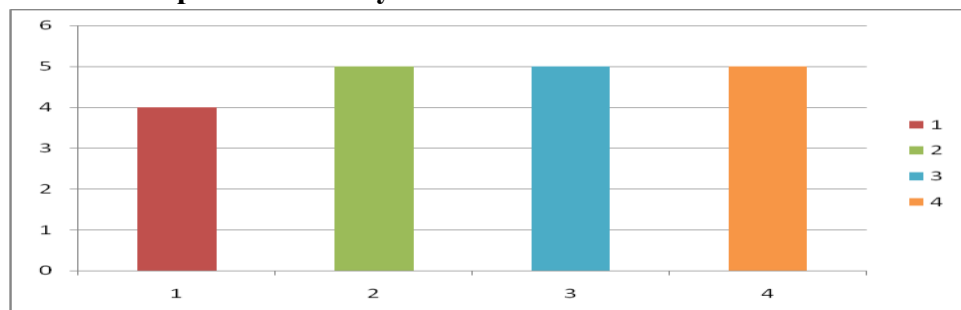
Ethics



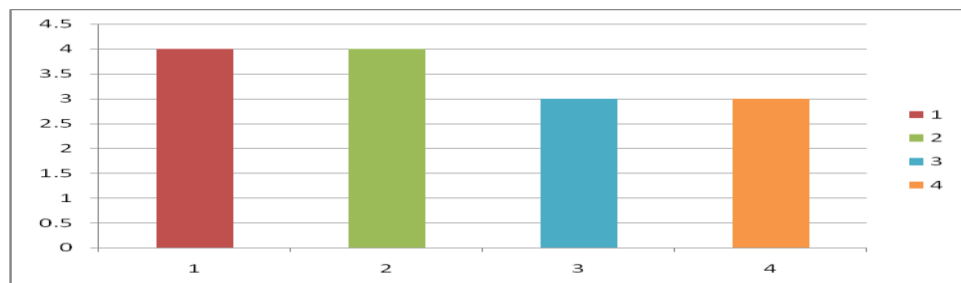
Job knowledge



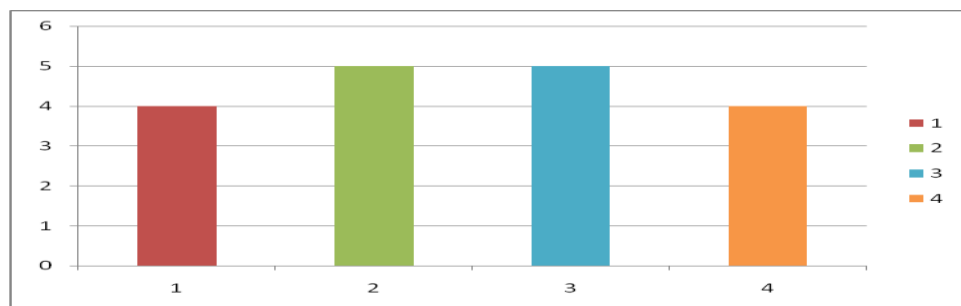
Desire to Improve efficiency



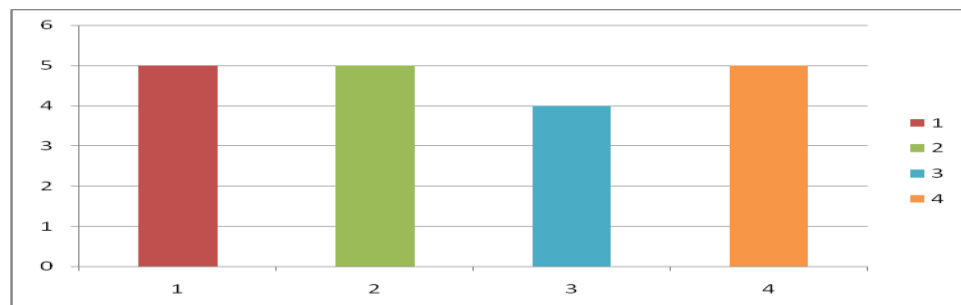
Quality



Initiative



Discipline



Summary-

Factors	India infoline	Bharti AXA	Zenasar	V customer india
communication	5	4	3	4
interpersonal skill	4	4	5	3
conflict resolution	4	5	3	4
team work	3	3	3	4
ethics	5	4	4	3
job knowledge	4	3	3	5
desire to improve				
efficiency	4	5	5	5
quality	4	4	3	3
initiative	4	5	5	4
discipline	5	5	4	5

CONCLUSIONS:- The current responsibilities held by the employee; Accomplishments; Goals for the next appraisal period; Areas for improvement; Training requirements felt for the present job; Responsibilities the employee would like to add to his current responsibilities; Problems faced; Solutions tried; Measures taken for personal and professional development; Best and worst aspects of the job; Is the superior supportive.

The form also includes a section where the employee rates himself on various behavioral parameters like: Communication skills, Inter-personal skills, Problem-solving, Team work, Adaptability/Flexibility, Initiative, Decision Making, Leadership, Maturity

The self appraisal form also includes a section where the employee can quote examples and incidents to support his ratings and answers. The self appraisal form generally ends with a subjective section asking for suggestions and the choice of discussing any other topic that the employee feels the need to raise and discuss:-

The performance areas in which the improvement or development is indicated:-The accomplishments and the targets achieved in the current appraisal period; Overall rating of the performance; What skills, knowledge, competencies and qualities should be developed; Has the employee taken any steps for improving his performance and his career development;

Recommendations for the **training and development** of the employee; Updating knowledge on the latest developments on their job related and subject areas.

Rate the employee on the following characteristics or how does the employee fair on following behavioural characteristics: Decision making, Independent, Confidence towards the job, Handling stress and pressure, Inter-personal skills, both with superiors and subordinates, Leadership, motivating and conflict handling

SUGGESTIONS:-The past performance of the employee and the potential of performing in future help to identify the hidden talents. The others are also can adopt these types of modern and enthusiastic tools for personnel appraisal.

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