

CHAPTER 5

ANALYSIS AND INTERPRETATION

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CHAPTER 5

ANALYSIS AND INTERPRETATION

5.1 INTRODUCTION

Performance appraisal is a formal system, normally using some written procedures and instrument, that identifies the contribution of job-holder. The primary objective of performance appraisal is to encourage employees to provide their best efforts in order to achieve the organisational goals. For these efforts, the organisation rewards the employees in such a way that they can then achieve their individual goals.

Performance appraisal system provides data to determine promotions, transfers, and even demotions of the employee and also the data being used by the superior as a basis for counselling the employee. The purpose is to help the employee to overcome his/her weaknesses and become more effective in the job.

The present study is about the "Critical evaluation of performance appraisal in selected industrial organisations." The researcher has selected two organisations namely, "Mysore Kirloskar Limited., Sattur-Unit, Dharwad, and Walchandnagar Industries Limited., Tiwac Division, Dharwad for the present study and collected quantitative and qualitative data from these organisations through administration of questionnaires and interviews.

The main objective of the present study is to critically study the existing performance appraisal system in two organisations, and further the study related to examine the acceptance of the existing system to the supervisors and workers.

In the first stage of data collection, the researcher found that there are two parties involved in the performance appraisal system namely, the appraiser (who does the appraisal), and the appraisee (whose performance is being appraised). The researcher has selected seven appraisers and 40 appraisees in Tiwac; and 7 appraisers and 28 appraisees in Kirloskar. The questionnaire was then administered to all selected appraisers and appraisees. Total 39 questions were administered, consisting of 17 questions to appraiser and 22 questions to appraisee.

The data collected was analysed in the form of percentage and tabulated. The quantitative and qualitative information and data was then interpreted in the following sections. The discussion is made in-to two parts firstly for the appraisers and secondly for the appraisees from both organisations under present study.

5.2 ANALYSIS OF APPRAISERS

The opinions of the appraisers in Tiwac and Kirloskar organisations regarding the existing performance appraisal system is depicted in Table 1.

TABLE 1 TYPE OF APPRAISAL SYSTEM

TYPE OF SYSTEM	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Objective Analysis System	9	100	-	-
Annual Performance Appraisal System	-	-	7	100

It is observed that the two organisations follow different system in appraising their appraisees. In Tiwac, all the appraisers follow 'Objective Analysis System', which includes work, behaviour, co-operation, decision making, cost consciousness, independability, etc.

Whereas, in Kirloskar, all the appraisers are following 'Annual Performance Appraisal System', which includes the same dimensions of that being followed in Objective Analysis System in Tiwac.

TABLE 2 PERIODICITY OF APPRAISAL SYSTEM

PERIODICITY	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Once a year	9	100	7	100

The above table shows that in the both organisations, the performance appraisal system, though different in nature are practiced only once in a calander year.

TABLE 3 CONSIDERATION OF PREVIOUS YEAR PERFORMANCE TO CURRENT

CONSIDERATION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	7	77.78	7	100
NO	2	22.22	-	-
TOTAL	9	100	7	100

It is noticed that 77.78 percent of Tiwac and all Kirloskar appraisers feel that their ^{appraisees'} previous year's performance is taken into consideration while appraising their current year performance. Whereas, 22.22 percent of the Tiwac respondents do not think that while appraising their ^{appraisees'} current year performance, the previous year's performance is taken into consideration.

TABLE 4 OPINION ON PERIODIC CHANGES IN APPRAISAL SYSTEM

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	3	33.33	2	28.57
NO	6	66.67	5	71.43
TOTAL	9	100	7	100

Majority of the appraisers, 66.67 percent in Tiwac and 71.43 percent in Kirloskar opined that the performance appraisal system and the content should not be changed from time to time.

Whereas, 33.33 percent appraisers from Tiwac and 28.57 percent appraisers from Kirloskar feel that the performance appraisal system should be changed from time to time and the respective company should adopt newer and newer techniques in appraising the employees. This keeps the employees always working on their toes and enable them to perform better in the ever increasing competition.

It was further intended by the researcher to understand the applicability of the performance appraisal system in these two organisations. The respondents were asked to give information as to whether the appraisal system is same irrespective of the type of the job in their company. The results are displayed in Table 5.

TABLE 5 APPLICABILITY OF THE SYSTEM TO JOBS

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	6	66.67	6	85.71
NO	3	33.33	1	14.29
TOTAL	9	100	7	100

From the above table it is clear that there is difference of opinion between the appraisers from the both organisations. Accordingly, the majority of the respondents 66.67 percent from Tiwac and 85.71 percent from Kirloskar the prevailing the performance appraisal system is same for all the jobs in their organisations.

On the other hand, though in minority, 33.33 percent of the appraisers from Tiwac and 14.29 percent appraisers from Kirloskar feel that despite the same appraisal form being used for all the types of jobs, there are some specific columns which relate to some specific jobs. Hence, different criteria are used in appraising different types of jobs in the organisation. Thus, we conclude that the perception of the appraisers are different. This perhaps be attributed to the fact that the organisation might not have clarified these aspects to the employees while installing system.

TABLE 6 ATTITUDE OF THE APPRAISEES

ATTITUDE	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Favourable	5	55.56	5	71.43
Unfavourable	4	44.44	2	28.57
TOTAL	9	100	7	100

The above table shows the attitude of the appraisee towards the appraisal system and the appraiser. It is noted majority of the appraisees 55.56 percent from Tiwac and 71.43 percent from Kirloskar, have favourable attitude towards their performance appraisal system and the appraiser.

Whereas, the remaining appraisees namely, 44.44 percent from Tiwac and 28.57 percent from Kirloskar exhibit unfavourable attitude towards the existing performance appraisal system in the organisation. They are of this opinion because they think that the management and or the appraisers appraising the appraisees show partial behaviour while implementing the performance appraisal system. They further added that the existing performance appraisal system is subjective. In view of this, they suggest that the present appraisal system should be made more objective so that the element of partiality can be minimised.

TABLE 7 IMPROVEMENT IN APPRAISEE'S PERFORMANCE

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Improved performance	9	100	7	100
No Improvement	-	-	-	-
TOTAL	9	100	7	100

It was intended to understand whether the existing performance appraisal system in both the organisations has helped to improve the performance of the appraisees. Table 7 above shows the opinion of the respondents in the two companies.

It is evident from the table that all the appraisers in Tiwac and Kirloskar frankly admitted that their performance was improved because of the existing performance appraisal system in the organisation. They strongly believe that in the entire appraisal process, they knew what are their achievements in the year, in what manner they fulfilled their jobs and what were the difficulties they faced in achieving the targets. This enabled them to carry out strengths, weaknesses, opportunity and threats analysis and provided special increment, promotion, reward, training, etc. All these inturn, helped in motivating themselves while performing on their jobs.



TABLE 8 REWARD TO DESERVING EMPLOYEES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	9	100	7	100
NO	-	-	-	-
TOTAL	9	100	7	100

The above table shows the opinion of the appraisers as to whether the deserving employees were rewarded or not. It is noted from the table that all the appraisers from both the organisations agreed that all the deserving employees were duly rewarded as per their merits and achievement in the job specified in the appraisal form.

TABLE 9 CONSISTENCY IN APPRAISEE'S PERFORMANCE

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Consistent in job	2	22.22	1	14.29
Improvement in job	7	77.78	6	85.71
TOTAL	9	100	7	100

It was intended to understand whether the performance appraisal system has helped to improve the performance in the job or there is no change in the job performance (consistent). It is clear from the table that majority of the appraisers, 77.78 percent in Tiwac and 85.71 percent in Kirloskar, experienced that the performance of the appraisees by and large is continuously and steadily increasing.

Whereas, 22.22 percent of the appraisers from Tiwac and 14.29 percent respondents from Kirloskar stated that in few appraisees, their job performance did not increase. However, they added that they were consistent in their performance.

TABLE 10 WHETHER THE SYSTEM IS PROBLEM SOLVING SYSTEM ?

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	7	77.78	4	57.14
NO	2	22.22	3	42.86
TOTAL	9	100	7	100

From the above table it is found that majority of the appraisers, 77.78 percent from Tiwac and 57.14 percent from Kirloskar, agreed that the existing performance appraisal system

has been a problem solving. This is because the appraisal process enabled them to understand the weaknesses, mis-behaviour, difficulties, and problems encountered by the appraisees in the year. This helped them to take corrective actions like improving the strengths of the appraisees, correct the behaviour, train, and take suitable measures to overcome their difficulties and problems.

On the other hand, the remaining 22.22 percent appraisers from Tiwac and 42.86 percent from Kirloskar opined that in their view the appraisal process did not enable them to solve the problems of the employees.

TABLE 11 WHETHER PROMOTIONS SHOULD BE MADE ON APPRAISAL

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	7	77.78	6	85.71
NO	2	22.22	1	14.29
TOTAL	9	100	7	100

The above table shows that 77.78 percent of the appraisers from Tiwac and 85.71 percent from Kirloskar feel that by and large promotions in the organisation were made mainly on the performance appraisal of the employees.

Whereas, 22.22 percent of the respondents from Tiwac and 14.29 percent from Kirloskar took objection to this. They were of the opinion that length of service is observed to be the major criteria in deciding the appraisee's promotion and the merit is not given the due importance.

TABLE 12 PREVENTION OF CLOSE SUPERVISION & CONTROL

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	7	77.78	3	42.86
NO	2	22.22	4	57.14
TOTAL	9	100	7	100

The above table denotes that 77.78 percent and 42.86 percent of the appraisers from Tiwac and Kirloskar company respectively, think that the performance appraisal system enables the employees to work independently, initiated, and motivated them to develop special skills on their jobs. This in turn, reduced close supervision and control over them.

While the remaining 22.22 percent and 57.14 percent respondents from Tiwac and Kirloskar felt that lack of education, experience, and job-knowledge forced them to exercise more close supervision and control.

TABLE 13 APPRAISAL SYSTEM - MEASURE OF PERFORMANCE

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	8	88.89	7	100
NO	1	11.11	-	-
TOTAL	9	100	7	100

Table 13 Indicates that 88.89 percent appraisers from Tiwac and all the appraisers from Kirloskar feel that the existing performance system has helped them to measure the appraisees performance more accurately than the traditional methods. While, only one appraiser from Tiwac did not agree the statement.

TABLE 14 RECOMMENDATION OF PROMOTION ON APPRAISAL

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	9	100	-	-
NO	-	-	7	100
TOTAL	9	100	7	100

The above table shows that the opinion of the appraisers in both the organisations are diagonally opposite. All the Tiwac appraisers opined that the prevailing performance appraisal system form is the basis for taking the decisions of promotion of appraisees. The promotions are strictly based on the performance and its appraisal in the format.

On the other hand, according to the appraisers from Kirloskar company, though the performance appraisal system form is the basis for promotion and increment decision, the performance appraisal form is not the only sole criteria.

TABLE 15 EFFECTIVENESS OF SYSTEM

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	8	88.89	5	71.43
NO	1	11.11	2	28.57
TOTAL	9	100	7	100

From the above table, we notice that majority of the appraisers, 88.89 percent and 71.43 percent from Tiwac and Kirloskar respectively, have agreed that the appraisal system has

helped effectively in salary planning and promotion. On the other hand, 11.11 percent and 28.57 percent appraisers from Tiwac and Kirloskar opined that the appraisal system in vogue does not effectively help in salary planning and promotion.

TABLE 16 ENCOURAGEMENT TO APPRAISEE'S IDEAS & SUGGESTIONS

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	9	100	7	100
NO	-	-	-	-
TOTAL	9	100	7	100

It is noticed from the above table that all the appraisers from both organisations seem to agree that the appraisal system encourages the appraisees to put forth new ideas and useful suggestions to them and to the management for effective working not only of their own work but of the organisation as well. Thus, it has proved to be a valuable tool to the organisation.

Lastly, it was intended to understand the effect of the performance appraisal system in the organisational communications. The opinion of the appraisers from the both organisations are tabulated in the table below.

TABLE 17 EFFECT OF APPRAISAL SYSTEM ON COMMUNICATION

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Helps in communication	-	-	-	-
Does not help	9	100	7	100
TOTAL	9	100	7	100

It is observed from Table 17 that all the respondents from both the organisations state that the performance appraisal system does not help to increase the communication in the organisation. This is obvious from the fact that the appraisal system is confidential and is not supposed to be known to public at large in the organisation. Otherwise, the whole meaning and charm in the system is lost. Whatever, the communication that does take place is only between the appraiser and the appraisee.

5.3 ANALYSIS OF APPRAISEES

After studying the appraisers for both the organisations, it was further intended to study the appraisees from these companies. Totally, sixtyeight appraisees were administered the questionnaire, comprising ^uforty from Tiwac and twentyeight from Kirloskar. The analysis from the data collected is presented below.

TABLE 18 SATISFACTION OF APPRAISEES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Satisfied	23	57.5	20	71.43
Unsatisfied	17	42.5	8	28.57
TOTAL	40	100	28	100

The above table reveals that out of the sample of 40 from Tiwac 23 appraisees are satisfied. Whereas, out of 28 respondents from Kirloskar, 20 are satisfied with the existing performance appraisal system.

In the second round of data collection, the researcher interviewed the respondents who were not satisfied with the appraisal system. The following are findings of the study.

- [1] In Tiwac, a worker feels that the increment and promotion must be given along with the award of best worker.
- [2] In Tiwac, some workers were recommended promotion twice and subsequently, It has been rejected by the management. Hence, they are unhappy with the existing appraisal system.
- [3] In Tiwac, few workers stated that though they are in organisation for 16 years, they have not been promoted. On the contrary, the employees who have joined later have been promoted.
- [4] In Kirloskar, some appraisees felt that the decision of promotion does not entirely depend on performance appraisal. But, it is based upon the length of experience as well.
- [5] In both organisations, the appraisees feel that the present appraisal system does not consider the health hazards involved in the job. They are of the opinion that those workers who are working on hazardous jobs, should be appraised by different appraisal system.

It was later intended to understand the extent and the nature of participation of appraisees in the performance appraisal system. The results are displayed in the table below.

TABLE 19 ACTIVE PARTICIPATION OF APPRAISEES IN APPRAISAL SYSTEM

PARTICIPATION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Active participation	2	5	4	14.29
Inactive participation	38	95	24	85.71
TOTAL	40	100	28	100

Though, the performance appraisal system is in vogue in both these organisations surprisingly, it is noticed that majority of the respondents state that they do not participate actively. Only 6 appraisees, two from Tiwac and four from Kirloskar, out of 68, participate actively in the appraising exercise. This especially, may be attributed to the fact that they are skilled and have abilities to develop themselves, which in turn have benefited them in promotion or getting an increment.

TABLE 20 INDEPENDENT DECISION MAKING SKILLS

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Make independent decision	15	37.5	26	92.86
Do not make decision	25	62.5	2	7.14
TOTAL	40	100	28	100



It was intended to understand whether the implementation of performance appraisal system has helped the appraisees in developing their decision making skills. It is noticed from the above table that majority of the appraisees (62.5 percent) do not take independent decision regarding their work. This is because the appraisees in this organisation are workers, who normally work according the their supervisor's or manager's direction.

On the other hand, in Kirloskar 92.86 percent of the appraisees stated that the performance appraisal system has helped them to take independent decisions as regards their job is concerned. This is because unlike Tiwac appraisees, the respondents in Kirloskar are all supervisors. Hence, in the capacity of supervisors, they take independent decisions as far as their job is concerned.

TABLE 21 USE OF SPECIAL SKILLS & ABILITIES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Use skills & abilities	23	57.5	22	78.57
Don't use	17	42.5	6	21.43
TOTAL	40	100	28	100

It is observed from the table that since most of the appraisees are workers in Tiwac, only 57.5 percent respondents have got the opportunity to use special skills and abilities in their jobs. Whereas, all the appraisees in Kirloskar are supervisors, majority of them (78.57 percent) have enjoyed the opportunity to develop their skills and the abilities while performing their jobs.

TABLE 22 EFFECTIVE WORKING WITHOUT CLOSE SUPERVISION

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
YES	25	62.5	20	71.43
NO	15	37.5	8	28.57
TOTAL	40	100	28	100

In both the organisations most of the appraisees have been working for considerable long time. Hence, not only they are familiar with the organisation but are well experienced in doing their job efficiently and effectively. Irrespective of the type of job they are doing, that is in Tiwac the appraisees are workers and in Kirloskar they are supervisors, they can work effectively without any close supervision. Whereas, those appraisees who have been appointed recently, 37.5 percent from Tiwac and 28.57 percent in Kirloskar are not confident to work without close supervision.

TABLE 23 USE OF SYSTEM IN SALARY PLANNING & PROMOTION

OPINION	FREQUENCY	PERCENT	FREQUENCY	PERCENT
	T I W A C		K I R L O S K A R	
Helps In promotion & salary planning	27	67.5	19	67.86
Does not help	13	32.5	9	32.14
TOTAL	40	100	28	100

According to above table, in both organisations majority of the appraisees out of the sample selected (67.5 percent from Tiwac and 67.86 percent from Kirloskar) feel that the existing performance appraisal system helps in effective salary planning and promotion decisions. The data base created through the administration of this system helps in job rotation and training of individuals besides solving individual problem of the appraisee.

On the other hand, those employees who do not get effective salary and promotion based on their performance, 32.5 percent from Tiwac and 32.14 percent from Kirloskar, feel that the existing appraisal system does not directly help in effective salary planning and promotion decisions. They further add that the promotions decisions are largely based on the seniority of an employee in the organisation and not strictly on merit.

TABLE 24 IMPROVEMENT IN APPRAISEES JOB PERFORMANCE

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Improves job performance	30	75	19	67.86
Doesn't improve	10	25	9	32.14
TOTAL	40	100	28	100

It was attempted to understand as to whether the performance appraisal system has led to the improvement in job performance. The above table indicates that majority of the appraisees, 75 percent from Tiwac and 67.86 percent from Kirloskar have experienced that the system has definitely increased their performance in the job.

On the other hand, those employees who have not been satisfied with the appraisal system as well as its after effects in terms of promotion or additional increment do not find that the system has in any way helped to improve the job performance. In this category are included 25 percent of the appraisees from Tiwac and 32.14 percent supervisors from Kirloskar.

The following table gives the opinion of the appraisees as to whether the appraisal system helps as a problem solving mechanism.

TABLE 25 APPRAISAL SYSTEM AS AID TO PROBLEM SOLVING

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Helps in problem	25	62.5	20	71.43
Does not help	15	37.5	8	28.57
TOTAL	40	100	28	100

Table 25 denotes that the majority of the appraisees, 62.5 percent from Tiwac and 71.43 percent in Kirloskar, feel that the prevailing performance appraisal system has become a problem solving to them. It has helped them to dispose their problems and difficulties which enabled their superiors to give suggestions and try to solve in the most amicable way.

The remaining 37.5 percent appraisees from Tiwac and 28.57 percent from Kirloskar however, feel that the existing appraisal system has not enabled them to solve their problems at work.

In order to understand as to whether the appraisal system has also helped them to have liberal supervision because they can understand the problems and their solutions, a question was posed and the responses are tabulated below.

TABLE 26 IMPACT OF APPRAISAL SYSTEM ON SUPERVISION

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
No close supervision required	26	65	20	71.43
No change in supervision	14	35	8	28.57
TOTAL	40	100	28	100

The above table shows that the majority of the appraisees, 65 percent from Tiwac and 71.43 percent from Kirloskar feel that the implementation of performance appraisal system in the organisation helped in reducing the burden of close supervision by their supervisors. This is because they can now understand their jobs, problems and difficulties and can independently solve them. Thus, the superiors were left more free from the routine job of supervision and can concentrate on conceptual and planning activities.

Whereas, 35 percent of the appraisees from Tiwac and 28.57 percent from Kirloskar have strong reservations. They claim as such there is no perceptible change in the degree of supervision between that is in vogue and prevailing before the implementation of the present appraisal system.

TABLE 27 IMPACT OF APPRAISAL SYSTEM ON PRESTIGE OF JOB

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Positive impact	17	42.5	11	39.29
No impact	23	57.5	17	60.71
TOTAL	40	100	28	100

The above table shows that those appraisees who are benefited by getting an additional increment or by getting a promotion because of their performance have realised the positive impact made by the implementation of performance appraisal system. Accordingly, 42.5 percent appraisees from Tiwac and 39.29 percent from Kirloskar agreed to the positive impact of performance appraisal system in their respective organisation.

On the other hand, the majority of the respondents who have not been so far benefited from the implementation of this system argued that there was no significant impact on the prestige of job. This opinion is represented by 57.5 percent appraisees from Tiwac and 60.71 percent from Mysore Kirloskar Limited. These findings are obvious from the point of human psychology. That is, when a person gets the tangible benefits of the system then only he feels its impact otherwise not.

TABLE 28 CONSIDERATION OF OUTSIDE BEHAVIOUR WHILE APPRAISING

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Outside behaviour is considered while appraising	17	42.5	15	53.57
Outside behaviour is not considered while appraising	23	57.5	13	46.43
TOTAL	40	100	28	100

From the above table it is found that 42.5 percent appraisees from Tiwac and 53.57 percent respondents from Kirloskar are of the opinion that their appraisers do take into consideration the behaviour of appraisees outside the company while appraising their performance.

On the contrary, 57.5 percent appraisees from Tiwac and 46.43 percent appraisees from Kirloskar feel that their appraisers do not take into consideration the behaviour of the concerned appraisee outside the organisation. As such, it is logical to understand if they take into consideration the appraisees behaviour at work or within the organisation or department but not outside the factory.

TABLE 29 APPRAISEES WHO APPRAISE THEIR PERFORMANCE THEMSELVES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Appraise themselves	8	20	27	96.43
Don't appraise themselves	32	80	1	3.57
TOTAL	40	100	28	100

The above table displays the difference in the responses from both the organisations. Accordingly, 20 percent appraisees from Tiwac and majority (96.43 percent) from Kirloskar confessed that they normally do the appraisal by themselves. The fact that all the 27 respondents out of 28 in Kirloskar say so, because they are supervisors and are supposed to appraise themselves. Whereas, in case of Tiwac the appraisees are workers and as such are not supposed to do self appraisal. Those 8 respondents who do self appraisal may be sincere and might have understood the concept of appraisal properly.

While, majority of the Tiwac respondents claim that they do not appraise themselves, since they are workers and are not allowed to do so. Whereas, there is only one employee from Kirloskar who states that he does not appraise himself.

TABLE 30 TRAINING TO APPRAISEES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Training to improve on-the-job performance	27	67.5	12	42.86
No training to improve on-the-job performance	13	32.5	16	57.14
TOTAL	40	100	28	100

It is clear from the above table that 67.5 percent appraisees from Tiwac and only 42.86 percent from Kirloskar agree that as a feedback of performance appraisal, their superiors and in turn organisation sees that they get adequate training to improve their on-the-job performance. This enabled them not only to increase their performance levels but also motivated them.

Whereas, 32.5 percent respondents from Tiwac and surprisingly, majority (57.14 percent) of the appraisees from Kirloskar claimed that they were not trained as per their requirements specified in the appraisal format. As such, the appraisees from Kirloskar are from the rank of supervisors and hence should have been trained as compared to those from Tiwac, who are rank and file workers.

TABLE 31 FREEDOM TO EXPRESS GRIEVANCES

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Free to express the grievances	23	57.5	17	60.71
No freedom	17	42.5	11	39.29
TOTAL	40	100	28	100

From the above table it is noticed that 57.5 percent of appraisees from Tiwac and 60.71 percent from Kirloskar feel that they are free to express their grievances regarding their job in the appraisal format. They further think that this is best rather indirect method of making aware the management of the employees grievances.

On the other hand, 42.5 percent of the respondents from Tiwac and 39.29 percent from Kirloskar stated that they do not feel themselves to be free enough to write their grievances about job or other matters related to the organisation. This may^{be} perhaps due to the feelings of awkwardness or fear to express their problems to the management. For this also, they may be having some or the other sort of past bitter experience, which may render them not to disclose their grievances.

TABLE 32 RELATIONSHIP BETWEEN GOOD PERFORMANCE & REWARD

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Reward for good Performance	25	62.5	14	50
No reward	15	37.5	14	50
TOTAL	40	100	28	100

The above table indicates that 25 out of 40 Tiwac appraisees and 14 out of 28 from Kirloskar feel that their performance from the appraisal system is rewarded according to the merit. The reward may generally include either an increase in salary by additional increment or by a promotion in higher salary grade.

On the contrary, 37.5 percent Tiwac employees and 50 percent of Kirloskar appraisees do not think that their records of performance as mentioned in the appraisal form, are rewarded accordingly. They further stated that even though, in past, their performance was good they were not rewarded properly. This in fact made them unhappy towards the application and utility of the performance appraisal system in the organisation.

TABLE 33 **OPPORTUNITY FOR DOUBLE PROMOTION**

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Do get opportunity	-	-	-	-
Don't get opportunity	40	100	28	100
TOTAL	40	100	28	100

It is very clear from the above table that all the respondents from both the organisations have strongly denied that the performance appraisal system has enabled any of them to get a double promotion after the implementation of the system. This is obvious from the point that to get a double promotion, the performance need to be outstanding.

TABLE 34 **IMPACT OF APPRAISAL SYSTEM ON PERSONALITY**

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Improved personality	25	62.5	19	67.86
No improvement in personality	15	37.5	9	32.14
TOTAL	40	100	28	100

It is observed from the above table that majority of the appraisees, 62.5 percent from Tiwac and 67.86 percent from Kirloskar, feel that after the implementation of performance appraisal system in the organisation, there has been steadily improvement in their personality. Whereas, 37.5 percent respondents from Tiwac and 32.14 percent from Kirloskar are of the view that they did not feel any significant change in the development of their personality only due to the appraisal system.

TABLE 35 AWARENESS OF APPRAISAL SYSTEM

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Aware of system	20	50	24	85.71
Not aware of system	20	50	4	14.29
TOTAL	40	100	28	100

From the above shown table it is found that though the appraisees in Tiwac are from workers category, 50 percent of them are aware of the performance appraisal system. Whereas, the other half are not aware. This may be due to lack of education and no contact with management personnel. As seen earlier, though they are workers some of them are qualified diploma holders, and graduates as well.

On the other hand, though all the appraisees in Kirloskar are from supervisory cadre, only 85.71 percent are aware of the existing performance appraisal system in the organisation. This is because they are learned and have always contact with the management staff. On the other hand, 14.29 percent respondents from this company are not knowing fully about the appraisal system.

TABLE 36 **NEED FOR IMPROVEMENT IN PRESENT APPRAISAL SYSTEM**

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Need to improve	33	82.5	20	71.43
No need to improve	7	17.5	8	28.57
TOTAL	40	100	40	100

It is very clear from the above table that in both the organisations under study, majority of the appraisees feel the need to improvise the present appraisal system.

The researcher interviewed those appraisees who feel the need to improve the appraisal system in the second round of data collection. Based on the discussions and information following reasons can be put forward.

- [1] In both the organisations, some appraisees feel that the improvement should be made in such a manner that promotion and increment policies should be strictly followed.
- [2] According to others, the wage scale as well as the appraisal format should be designed in a different manner for hazardous jobs.
- [3] Some appraisees have stated that in the appraising process, the personal relations and the element of bias should strictly be avoided and objectivity in the system has to maintained.
- [4] Lastly, few were of the opinion that partiality should be avoided both from the points of view of the appraiser and the management.

TABLE 37 SUGGESTIONS OF APPRAISEES FOR MODIFICATION

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Like to suggest	20	50	18	64.29
Don't want to suggest	20	50	10	35.71
TOTAL	40	100	28	100

The above table indicates that 50 percent of the appraisees from Tiwac and 64.29 percent of the appraisees from Kirloskar want to offer some suggestions for improving the present performance appraisal system in respective organisation.

In the second stage of the data collection, the researcher asked the nature of their suggestions. The following suggestions have been proposed by the appraisees.

- [1] In Tiwac, the appraisees feel that the decision of offering additional increment or promotion should be taken strictly on the performance appraisal and not on the seniority or length of service.
- [2] In both organisations, the appraisees pointed that the appraiser knows the appraisee personally hence, his prejudice normally interferes the objectivity of the system especially, on the "behavioural column". Further, the outside of factory behaviour of an employee has nothing to do with the inside and so in appraising his performance.
- [3] In Tiwac, the employees are of the opinion that the production and the incentives should be linked to the appraisal system and should not be treated independently.
- [4] In Kirloskar, employees feel that the performance review should be taken at plant level and not at head quarters.

[5] Employees from both organisations expressed their frank opinions that the present performance appraisal system should be made more objective by removing the subjectivity.

[6] Finally, the appraisees from both organisations feel that their suggestions should be considered favourably by the management.

TABLE 38 ACCEPTANCE OF SUGGESTIONS BY APPRAISER

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Suggestions accepted	29	72.5	22	78.57
Suggestions not accepted	11	27.5	6	21.43
TOTAL	40	100	28	100

The above table shows that the majority of the appraisees (72.5 percent from Tiwac and 78.57 percent from Kirloskar) feel that their appraiser accepts their suggestions regarding improvement in the work willingly and at times based on the feasibility implements. On the other hand, those appraisees who do not have good relations with their supervisors, they think that the appraisers do not accept their suggestions because of bias against them.

TABLE 39 FAIRENESS & ACCURACY OF APPRAISAL SYSTEM

OPINION	T I W A C		K I R L O S K A R	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
Fair & accurate system	28	70	20	71.43
Unfair & inaccurate	12	30	8	28.57
TOTAL	40	100	28	100

The above table shows that 70 percent of the respondents from Tiwac and 71.43 percent from Kirloskar do agree that the present performance appraisal system is accurate and fair in appraising their performance. While, the rest of the appraisees out of the selected feel that the existing performance appraisal system is not fair and accurate to appraise their performance.

5.4 TESTING OF HYPOTHESIS

The hypothesis formulated in the present study to be tested is "Opinion of appraiser and appraisee would differ on present performance appraisal system".

Based on the collected data and information, the differences between the appraiser and appraisee opinions can be summarised below.

(1) First opinion is related to the fairness and accuracy of the performance appraisal system.

In Tiwac 88.89 percent appraisers and In Kirloskar all the appraisers have opined that the system is fair and accurate measurement of performance. Whereas, 70 percent and 71.43 percent appraisees in Tiwac and Kirloskar respectively have favourable opinion about the fairness and accuracy of the system. Hence, the opinion of the appraiser and appraisee differ.

(2) Second, the opinion of appraisee and appraiser is related to the employee's job performance.

All the appraisers in both organisations and only 75 percent and 67.86 percent of appraisees in Tiwac and Kirloskar respectively have had the favourable opinion regarding the improvement in employees performance. Hence, it is observed that there is difference of opinion between appraiser and appraisee.

(3) Third, opinion is related to the prevention of close supervision and control.

Out of the total sample 77.78 percent appraisers and 42.86 percent appraisees, and 65 percent appraisers and 71.43

percent appraisees in Tiwac and Kirloskar stated that from inception of appraisal system, there has been no need for close supervision and control. Thus, the appraiser and appraisee is different.

(4) This opinion is related to the problem solving system.

77.78 percent and 57.14 percent of appraisers, and 62.5 and 71.45 percent of appraisees in Tiwac & Kirloskar respectively said that the appraisal system is problem solving system.

(5) The last opinion is on salary planning & promotion.

88.89 percent and 71.43 percent appraisers in Tiwac and Kirloskar, and 67.5 percent and 62.86 percent appraisees from Tiwac and Kirloskar respectively, stated that the appraisal system is effective in salary planning & Promotion.

From the above statements, it is observed that the opinion of the appraiser and appraisee differ on performance appraisal system. Hence, the hypothesis formulated in the present study is accepted.

5.5 STUDY OF PERFORMANCE APPRAISAL FORM

The researcher has obtained the performance appraisal forms from Tiwac and Kirloskar to analyse them (See forms in Appendix).



IN TIWAC

The performance appraisal form in Tiwac considers attendance record of the employee, and work ability in terms of Independability, ability to read and understand the drawings, rate of output, and approach towards the job. Further It also considers the work qptitude, which includes the ability to use instruments, quality level of output, consumption of direct and indirect materials, ability to make suggestions, willingness to take additional work and attitude towards the supervisors and co-workers.

After taking into consideration all the above mentioned points, concerned supervisor may recommend the worker for special increment or promotion depending on the merit. Subsequently, the form goes to the departmental incharge, who takes review of the contents and finally it goes to personnel department for the necessary follow-up.

Having considered all the points from the shop floor to personnel department, the Assistant General Manager grants the increment or promotion to the concerned employee according to his performance.

IN KIRLOSKAR

In Kirloskar, the performance appraisal includes performance abilities of employee which includes output according to plan and schedule, quality as per specifications, cost awareness,

cost consciousness, economic resource utilisation, care and maintenance of company property, accuracy of records, effective communication, and use of current data for controlled action.

Secondly, it includes handling of employees grievances, abilities to train and guide others, and interpersonal relations.

Thirdly, the form measures various dimensions such as policies and practices, which includes understanding of operating policies and practices, adherence to standing operating policies and procedures and improvement in the existing operations.

Lastly, it includes personal qualities such as, co-operation with others, loyalty and dependability, decision making ability, maturity of judgement. It also includes the responsibilities and knowledge of job, its fulfilment and attitude towards the job. In spite of the aforesaid points, space is provided for mentioning if any, good or excellent points about the employee performance.

Six columns are provided for measuring each of the above said point on the dimensions very poor, poor, fair, good, very good and excellent. The appraiser is required to put a tick mark in any one column for his performance. The rating is given to each column in the range of 40 percent to 100 percent.

After appraising the performance against each point, the average rate of performance is calculated. The form then goes to the head office for taking further decisions regarding the recommendations made by the appraiser.