

# **A STUDY ON PERFORMANCE APPRAISAL OF EMPLOYEES AT JSW STEEL LTD., SALEM**

Submitted in partial fulfilment of the requirements for the award of

**MASTER OF BUSINESS ADMINISTRATION**

by

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**DEPARTMENT OF BUSINESS ADMINISTRATION  
SCHOOL OF MANAGEMENT STUDIES**

**SATHYABAMA**

**INSTITUTE OF SCIENCE AND TECHNOLOGY**

**(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE**

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**APRIL 2023**



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## DEPARTMENT OF BUSINESS ADMINISTRATION

### BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **PRASANTH B (41410229)** who carried out the Project Training at **"JSW STEEL LTD., SALEM"** under our supervision for a period of 3 months from January 2023 to March 2023.

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## DECLARATION

I **PRASANTH B, (41410229)** hereby declare that the Project work done by me under the guidance of **ROBIN BRAMMA M.Com** (Internal) at “**JSW STEEL LTD., SALEM**” is submitted in partial fulfilment of the requirements for the award of Master of Business Administration.

**DATE: 05.05.2023**

**PLACE: Chennai**

A handwritten signature in black ink, consisting of a stylized 'P' followed by a checkmark-like flourish.

**PRASANTH**

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**PRASANTH B**

## **ABSTRACT**

According to Flippo, a prominent personality in the field of Human resources "performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in the matters pertaining to his present job and his potential for a better job". Performance appraisal is a systematic way of reviewing and assessing the performance of an employee during a given period of time and planning for his future. Performance appraisal is the process of obtaining, analyzing and recording information about the relative worth of an employee. The objective of the study is to analyze the performance appraisal system in JSW Steel Ltd., Salem. The sample of the study is 150. Descriptive research design and probability and non-probability method sampling method is used. Questionnaire is used as a primary data. Percentage analysis, chi-square analysis and correlation statistical tools have been applied. The findings reveals that the respondents are strongly agree towards performance appraisal system is used as a decision making tool for the increasing the performance of employees. It suggest that the performance appraisal system of the organisation must be fair and satisfactory one and it must be connected with rewards in order to motivate them in work place. It concluded that a formal performance review is important as it gives an opportunity to get an overall view of job performance. It is concluded that the performance appraisal is effective in the JSW Steel Ltd., Salem but the company has to improve the existing system, and also it has to take effective measures to improve the standard of appraisal system.

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# CHAPTER-I

## INTRODUCTION

### PERFORMANCE APPRAISAL

A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. Also known as an "annual review," "performance review or evaluation," or "employee appraisal," a performance appraisal evaluates an employee's skills, achievements and growth, or lack thereof. Companies use performance appraisals to give employees big-picture feedback on their work and to justify pay increases and bonuses, as well as termination decisions. They can be conducted at any given time but tend to be annual, semi-annual or quarterly.

### DEFINITION

According to Flippo, a prominent personality in the field of Human resources "performance appraisal is the systematic, periodic and an impartial rating of an employees excellence in the matters pertaining to his present job and his potential for a better job". Performance appraisal is a systematic way of [reviewing](#) and assessing the performance of an employee during a given period of time and planning for his future.

To Maurice, B. Coming performance appraisal means "attempts to recognize and reward for personnel abilities that an individual brings to his job, measured by the extent to which his output or quality of his work exceeds the minimum that is fixed as the basic rate of pay".

According to Martin Fisher performance appraisal is a process for establishing shared understanding about what is to be achieved, and an approach for managing and developing people in a way which increases the probability that it will be achieved in the short or long-term.

### MEANING

[Performance appraisal](#) is the process of obtaining, analyzing and recording information about the relative worth of an employee. The focus of the performance appraisal is measuring and improving the actual performance of the employee and also the future potential of the employee.

A performance appraisal is a regular review of an employee's job performance and overall

contribution to a company. Also known as an "annual review," "performance review or evaluation," or "employee appraisal," a performance appraisal evaluates an employee's skills, achievements and growth, or lack thereof. Companies use performance appraisals to give employees big-picture feedback on their work and to justify pay increases and bonuses, as well as termination decisions. They can be conducted at any given time but tend to be annual, semi-annual or quarterly

Performance Appraisal is carried out to identify the abilities and competencies of an employee for future growth and development. It is aimed at ascertaining the worth of the employee to the organization, in which he/she works.

Historically, performance appraisals have been used by companies for a range of purposes, including salary recommendations, promotion and layoff decisions, and training recommendations. In general, "performance elements tell employees what they have to do, and standards tell them how well they have to do it." This broad definition, however, can allow for appraisals to be ineffective, even detrimental, to employee performance. "Second only to firing an employee, managers cite performance appraisal as the task they dislike the most," and employees generally have a similar feeling. One key item that is often forgotten during the appraisal process (by managers and employees alike) is that the appraisal is for improvement, not blame or harsh criticism.

## **OBJECTIVES OF PERFORMANCE APPRAISAL**

Performance Appraisal can be done with following objectives in mind:

1. To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
2. To identify the strengths and weaknesses of employees to place right men on right job.
3. To maintain and assess the potential present in a person for further growth and development.
4. To provide a feedback to employees regarding their performance and related status.
5. To provide a feedback to employees regarding their performance and related status.
6. It serves as a basis for influencing working habits of the employees.

7. To review and retain the promotional and other training programmes.

We will be discussing the important **performance appraisal tools and techniques** in detail.

## **1. RANKING METHOD**

The ranking system requires the rater to rank his subordinates on overall performance. This consists in simply putting a man in a rank order. Under this method, the ranking of an employee in a work group is done against that of another employee. The relative position of each employee is tested in terms of his numerical rank. It may also be done by ranking a person on his job performance against another member of the competitive group.

### **ADVANTAGES OF RANKING METHOD**

- i. Employees are ranked according to their performance levels.
- ii. It is easier to rank the best and the worst employee.

### **LIMITATIONS OF RANKING METHOD**

- iii. The “whole man” is compared with another “whole man” in this method. In practice, it is very difficult to compare individuals possessing various individual traits.
- iv. This method speaks only of the position where an employee stands in his group. It does not test anything about how much better or how much worse an employee is when compared to another employee.
- v. When a large number of employees are working, ranking of individuals become a difficult issue.
- vi. There is no systematic procedure for ranking individuals in the organization. The ranking system does not eliminate the possibility of snap judgements.

## **2. FORCED DISTRIBUTION METHOD**

This is a ranking technique where raters are required to allocate a certain percentage of rates to certain categories (eg: superior, above average, average) or percentiles (eg: top 10 percent, bottom 20 percent etc). Both the number of categories and percentage of employees to be allotted to each category are a function of

performance appraisal design and format. The workers of outstanding merit may be placed at top 10 percent of the scale, the rest may be placed as 20 % good, 40 % outstanding, 20 % fair and 10 % fair.

### **ADVANTAGES OF FORCED DISTRIBUTION**

- i. This method tends to eliminate raters bias
- ii. By forcing the distribution according to pre-determined percentages, the problem of making use of different raters with different scales is avoided.

### **LIMITATIONS OF FORCED DISTRIBUTION**

- iii. The limitation of using this method in salary administration, however, is that it may lead low morale, low productivity and high absenteeism. Employees who feel that they are productive, but find themselves in lower grade(than expected) feel frustrated and exhibit over a period of time reluctance to work.

## **3. CRITICAL INCIDENT TECHNIQUES**

Under this method, the manager prepares lists of statements of very effective and ineffective behaviour of an employee. These critical incidents or events represent the outstanding or poor behaviour of employees or the job. The manager maintains logs of each employee, whereby he periodically records critical incidents of the workers behaviour. At the end of the rating period, these recorded critical incidents are used in the evaluation of the worker's performance. Example of a good critical incident of a Customer Relations Officer is : March 12 - The Officer patiently attended to a customers complaint. He was very polite and prompt in attending the customers problem.

### **ADVANTAGES OF CRITICAL INCIDENT TECHNIQUES**

- i. This method provides an objective basis for conducting a thorough discussion of an employees performance.
- ii. This method avoids recency bias (most recent incidents are too much emphasized)

### **LIMITATIONS OF CRITICAL INCIDENT TECHNIQUES**

- iii. Negative incidents may be more noticeable than positive incidents.
- iv. The supervisors have a tendency to unload a series of complaints about the incidents during an annual performance review sessions.
- v. It results in very close supervision which may not be liked by an employee.
- vi. The recording of incidents may be a chore for the manager concerned, who may be too busy or may forget to do it.

#### **4. CHECKLISTS AND WEIGHTED CHECKLISTS**

In this system, a large number of statements that describe a specific job are given. Each statement has a weight or scale value attached to it. While rating an employee the supervisor checks all those statements that most closely describe the behaviour of the individual under assessment. The rating sheet is then scored by averaging the weights of all the statements checked by the rater. A checklist is constructed for each job by having persons who are quite familiar with the jobs. These statements are then categorized by the judges and weights are assigned to the statements in accordance with the value attached by the judges.

##### **ADVANTAGES OF CHECKLISTS AND WEIGHTED CHECKLISTS**

- i. Most frequently used method in evaluation of the employees performance.

##### **LIMITATIONS OF CHECKLISTS AND WEIGHTED CHECKLISTS**

- ii. This method is very expensive and time consuming
- iii. Rater may be biased in distinguishing the positive and negative questions.
- iv. It becomes difficult for the manager to assemble, analyze and weigh a number of statements about the employees characteristics, contributions and behaviours.

#### **ADVANTAGES OF PERFORMANCE APPRAISAL:**

##### **A. PROMOTION:**

Performance appraisal can help a lot when it comes to managers and their employees. Not only does it allow the supervisor to chalk out all programmes of promotion but also makes a

lot of work easy for them. In that way, those who don't work hard enough or are inefficient are dismissed or demoted.

## **B. COMPENSATION:**

A second thing that performance appraisal helps in is called **compensations**. Seniors can chalk out the packages for their employees in that way. Merit rating is always possible throughout the appraisal of performance. Several packages of compensation which include high rates of salary, extra benefits bonus, allowances which are very much dependent on the appraisal of performance. The criteria must also be merit instead of seniority.

## **C. DEVELOPMENT OF EMPLOYEES:**

The procedure is also helpful when it comes to the development of employees. It helps them to frame the policies of training and several other programmes alongside. Not just that, it also helps them [analyze their weaknesses and strengths](#) so that all new jobs are given to those who perfectly fit in. It may also allow them to frame the development programmes in the future.

## **D. VALIDATION AND SELECTION:**

Performance appraisal also allows all managers and supervisors to understand what the selection procedure is all about and who deserves a promotion and validity and who doesn't. The supervisors at this point understand their workers and colleagues in a much better way. Future changes made in the methods of selection can be made in such regards.

## **E. COMMUNICATION:**

For all organizations, [effective methods of communication](#) between all employees and employers are needed. Though appraisal of performance is needed, the communication must be sought in several ways such as using the help of performance appraisal where the employers are able to understand the skills and accept them. Second is helping in the maintenance of cordial relationships with other workers, developing team spirit and helping other employees get better. Apart from this, effective communication is also needed.

## **F. MOTIVATION:**

Appraisal of performance can be used as a tool for [inspiration and motivation](#). Through the process of evaluation of the employees, the efficiency of the person can be determined once all targets have been reached. This could motivate a person quite well and also help them

improve their jobs in the upcoming years.

## **1.2. INDUSTRY PROFILE**

### **IRON AND STEEL INDUSTRY**

The iron and steel industry is one of the most important industries in India. During 2014 through 2015, India was the third largest producer of raw steel<sup>[1]</sup> and the largest producer of sponge iron in the world. The industry produced 91.46 million tons of total finished steel and 9.7 million tons of pig iron. Most iron and steel in India is produced from iron ore.<sup>[2]</sup> The Indian Ministry of Steel is concerned with: the coordination and planning of the growth and development of the iron and steel industry in the country, both in the public and private sectors; formulation of policies with respect to production, pricing, distribution, import and export of iron and steel, ferro alloys and refractories; and the development of input industries relating to iron ore, manganese ore, chrome ore and refractories etc., required mainly by the steel industry. Most of the public sector undertakings market their steel through the Steel Authority of India (SAIL).

### **STEEL INDUSTRY IN INDIA:**

Steel has been the key material with which the world has reached to a developed position. All the engineering machines, mechanical tools and most importantly building and construction structures like bars, rods, channels, wires, angles etc are made of steel for its feature being hard and adaptable. Earlier when the alloy of steel was not discovered, iron was used for the said purposes but iron is usually prone to rust and is not so strong. Steel is a highly wanted alloy over the world. All the countries need steel for the infrastructural development and overall growth. Steel has a variety of grades i.e. above 2000 but is mainly categorized in divisions – steel flat and steel long, depending on the shape of steel manufactured. Steel flat includes steel products in flat, plate, sheet or strip shapes. The plate shaped steel products are usually 10 to 200 mm and thin rolled strip products are of 1 to 10 mm in dimension. Steel flat is mostly used in construction, shipbuilding, pipes and boiler applications. Steel long Category includes steel products in long, bar or rod shape like reinforced rods made of sponge iron.

The steel long products are required to produce concrete, blocks, bars, tools, gears and engineering products. After independence, successive governments placed great emphasis on the development of an Indian steel industry. In Financial Year 1991, the six major plants, of which five were in the public sector, produced 10 million tons. The rest of India steel production, 4.7 million tons, came from 180 small 29 plants, almost all of which were in the private sector. India's Steel production more than doubled during the 1980s but still did not meet the demand in the

mid-1990s, the government was seeking private-sector investment in new steel plants.

Production was projected to increase substantially as the result of plans to set up a 1 million ton steel plant and three pigiron plants totaling 600,000 tons capacity in West Bengal, with Chinese technical assistance and financial investment. The commissioning of Tata Iron & Steel Company's production unit at Jamshedpur, Bihar in 1911-12 heralded the beginning of modern steel industry in India. At the time of Independence in 1947 India's steel production was only 1.25 Mt of crude steel. Following independence and the commencement of five year plans, the Government of India decided to set up four integrated steel plants at Rourkela, Durgapur, Bhilai and Bokaro. The Bokaro plant was commissioned in 1972. The most recent addition is a 3 Mt integrated steel plant with modern technology at Visakhapatnam. Steel Authority of India (SAIL) accounts for over 40% of India's crude steel production. SAIL comprises of nine plants, including five integrated and four special steel plants. Of these one was nationalized and two were acquired; several were set up in collaboration with foreign companies. SAIL also owns mines and subsidiary companies.

#### **DEMAND OF STEEL IN INDIA:**

Driven a booming economy and concomitant demand levels, consumption of steel has grown by 12.5 per cent during the last three years, well above the 6.9 percent envisaged in the National Steel Policy. Steel consumption amounted to 58.45 mt in 2006-07 compared to 50.27 mt in 2005-06, recording a growth rate of 16.3 per cent, which is higher than the world average. During the first half of the current year, steel consumption has grown by 16 per cent. A study done by the Credit Suisse Group says that India's steel consumption will continue to grow by 17 per cent annually till 2012, fuelled by demand for construction projects worth US\$ 1 trillion. The scope for raising the total consumption of steel in the country is huge, as the per capita steel consumption is only 35 kgs compared to 150 kg in the world and 250 kg in China. With this surge in demand level, steel producers have been reporting encouraging results. For example, the top six companies, which account for 70 percent of the total production capacity, have recorded a year-on-year growth rate of 13.4 per cent, 15.7 per cent and 11.7 per cent in net sales, operating profit and net profit, respectively, during the second quarter of 2007-08. We expect strong demand growth in India over the next five years, driven by a boom in construction (43%-plus of steel demand in India). Soaring demand by sectors 30 like infrastructure, real estate and automobiles, at home and abroad, has put India's steel industry on the world steel map.

## **STEEL PLANTS**

There are two types of steel plants - mini steel plants and integrated steel plants. Mini steel plants are smaller, have electric furnaces, used steel scrap and sponge iron. They have re-rollers that use steel ingots as well. They produce Carbon steel and Alloy steel of certain specifications. There are around 650 mini steel plants in India.

Integrated steel plants are large, handle everything in one complex - from putting together raw material to steel making, rolling and shaping. Iron ore, coke, and flux are fed into the blast furnace and heated. The coke reduces the iron oxide in the ore to metallic iron, and the molten mass separates into slag and iron. Some of the iron from the blast furnace is cooled, and marketed as pig iron; the rest flows into basic oxygen furnaces, where it is converted into steel. Iron and steel scrap may be added to both to the blast furnace and to the basic iron furnace. There are about five integrated SAIL plants in India.

## **STRUCTURE**

The iron and steel industry in India is organised into three categories: main producers, other major producers, and secondary producers. In 2004-05, the main producers i.e. SAIL, TISCO and RINL had a combined capacity of around 50% of India's total steel production capacity and production. The other major producers — ESSAR, ISPAT and JVSL — account for around 20% of the total steel production capacity.

Steel is crucial to the development of any modern economy and is considered to be the backbone of human civilization. The level of per capita consumption of steel is treated as an important index of the level of socioeconomic development and living standards of the people in any country. It is a product of a large and technologically complex industry having strong forward and backward linkages in terms of material flows and income generation. All major industrial economies are characterized by the existence of a strong steel industry and the growth of many of these economies has been largely shaped by the strength of their steel industries in their initial stages of development. Steel industry was in the vanguard in the liberalization of the industrial Sector and has made rapid strides since then.

The new Greenfield plants represent the latest in technology. Output has increased, the industry has moved up in the value chain and exports have raised consequent to a greater integration with the global economy. The new plants have also brought about a greater regional dispersion easing the domestic supply position notably in the western region. At the same time,

the domestic steel industry faces new challenges. Some of these relate to the trade barriers in developed markets and certain structural problems of the domestic industry notably due to the high cost of commissioning of new projects. The domestic demand too has not improved to significant levels. The litmus test of the steel industry will be to surmount these difficulties and remain globally competitive.

## **HISTORY OF STEEL:**

Steel was discovered by the Chinese under the reign of Han dynasty in 202 BC till 220 AD. Prior to steel, iron was a very popular metal and it was used all over the globe. Even the time period of around 2 to 3 thousand years before Christ is termed as Iron Age as iron was vastly used in that period in each and every part of life. But, with the change in time and technology, people were able to find an even stronger and harder material than iron that was steel. Using iron had some disadvantages but this alloy of iron and carbon fulfilled all that iron couldn't do. The Chinese people invented steel as it was harder than iron and it could serve better if it is used in making weapons. One legend says that the sword of the first Han emperor was made of steel only. From China, the process of making steel from iron spread to its south and reached India. High quality steel was being produced in southern India in as early as 300 BC. Most of the steel then was exported from Asia only. Around 9th century AD, the smiths in the Middle East developed techniques to produce sharp and flexible steel 26 blades. In the 17th century, smiths in Europe came to know about a new process of cementation to produce steel. Also, other new and improved technologies were gradually developed and steel soon became the key factor on which most of the economies of the world started depending.

## **THE GLOBAL STEEL INDUSTRY:**

The current global steel industry is in its best position in comparing to last decades. The price has been rising continuously. The demand expectations for steel products are rapidly growing for coming years. The shares of steel industries are also in a high pace. The steel industry is enjoying its 6th consecutive years of growth in supply and demand. And there is many more merger and acquisitions which overall buoyed the industry and showed some good results. The supreme crisis has lead to the recession in economy of different countries, which may lead to have a negative effect on whole steel industry in coming years. However steel production and

consumption will be supported by continuous economic growth.

#### **CONTRIBUTION OF COUNTRIES TO GLOBAL STEEL INDUSTRY:**

The countries like China, Japan, India and South Korea are in the top of the above in steel production in Asian countries. China accounts for one third of total production i.e. 419m ton, Japan accounts for 9% i.e. 118 m ton, India accounts for 53m ton and South Korea is accounted for 49m ton, which all totally becomes more than 50% of global production. Apart from this USA, Brazil, UK accounts for the major chunk of the whole growth. During The Year Of 2007-08 Country China 272.5, Japan 112.7, United States 98.9, Russia 65.6, South Korea 47.5, F.R.Germany 46.4, Ukraine 38.7, Brazil 32.9, India 32.6 and Italy 28.4 tons.

#### **MARKET SHARE (IN PERCENTAGE TERMS):**

|        |      |      |
|--------|------|------|
| SAIL   | 13.5 | 32%  |
| TISCO  | 5.2  | 11%  |
| RNIL   | 3.5  | 8%   |
| OTHERS | 14.5 | 30%  |
| TOTAL  | 45.1 | 100% |

## 1.3. COMPANY PROFILE

### JSW STEEL LTD, SALEM

JSW Group is a THEMD 13 billion leading Conglomerate, JSW Group is a part of O.P. Tindal Group and played a key role in India's growth story. Ranked among India's top business houses. JSW's innovative and sustainable forays into the core sectors of Steel, Energy, Cement and Infrastructure are helping build a new nation. The Group continues to strive for excellence with its strengths, differentiated product mix, state-of-the-art technology, excellence in execution and focus on sustainable.

From its humble beginnings with steel, the JSW Group has expanded its presence over the years. Today, it is spearheading growth in the Indian economy's core sectors - steel, cement, energy and infrastructure.

| JSW Steel Ltd.             |                                                                                |
|----------------------------|--------------------------------------------------------------------------------|
| <b>Type</b>                | Public company                                                                 |
| <b>Traded as</b>           | <u>BSE: 500228</u><br><u>NSE: JSWSTEEL</u>                                     |
| <b>Industry</b>            | Steel                                                                          |
| <b>Founded</b>             | 1982                                                                           |
| <b>Founder</b>             | <u>Sajjan Jindal</u><br>(Chairman)                                             |
| <b>Headquarters</b>        | <u>Mumbai</u> , Maharashtra, India                                             |
| <b>Area served</b>         | Worldwide                                                                      |
| <b>Key people</b>          | Sheshagiri Rao MVS, Dr.Vinod Nowal                                             |
| <b>Products</b>            | Steel, flat steel products, long steel products, <u>wire products</u> , plates |
| <b>Revenue</b>             | ₹715.03 billion (US\$10 billion) (2017-18)                                     |
| <b>Net income</b>          | ₹13.34 billion(US\$190 million) (2013-14)                                      |
| <b>Number of employees</b> | 11103 (All plants)                                                             |

## **CORPORATE CITIZENSHIP AT JSW**

Regular engagement with different stakeholder groups forms an integral part of its business strategy. With best of its efforts, it strives towards transforming its stakeholder engagement into an active two-way dialogue. It strives to be a responsible corporate citizen and conduct its business with this aim in mind. Its policies are based on the ideology of maintaining transparency and openness in the Management and Board dealings. Its executives contribute to the ideologies and work towards embedding robust corporate governance principles in their practices. Cutting edge technology combined with its application and customer service skills help them to create value for all its stakeholders.

With growing scarcity of primary and non-renewable sources of energy, it are striving to minimize its energy consumption through process optimization and energy conservation initiatives while deploying new technologies. Since inception, it has consistently aggregated competencies from diverse cultures, educational backgrounds and domain experience with a singular objective: to accelerate growth. It reinforced this focus through an institutionalized multi-hierarchical training extending from steel manufacturing to holistic personality development which commences from day one of employment, colloid by specialized trainings at regular intervals.

It strives to maintain the highest standards for the safety and ill-being of its employees which minimize injuries and casualties during day-to-day operations. Its safety team conducts regular training programmed to instill the concept of maintaining safe operations among its employees and to educate them on the safety norms and procedures to be colloid in case of any incident. The JSW group believes in the policy of 'People First' and the objective of its activities is to make a tangible difference in the lives of the people in the areas surrounding its operations. As a responsible organization, it are committed to investing a minimum of 2 percent of its PAT towards community development. Employees are encouraged to contribute up to 40 hits towards community development activities per employee per year.

Promoting on a wider platform The JSW Earth Care Awards is aimed at highlighting action of direct relevance to tackle challenges posed by climate change. The award extending over SAARC region is for excellence in climate change mitigation and adaptation. JSW is fundamentally committed to sustainable business and the 9 principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of business (NVGs) it has been pursuing in spirit while at JSW Steel Limited reporting on GRI framework assured by third

party independently (since FY 2005) on International Standards for Assurance Engagements (ISAE) 3000. The policies in the context of these principles are Board approved and a Committee of Board comprising 3 Independent and 3 Executive Directors is overseeing the same, quarterly. CSO structure implements the sustainability oversight reporting. All of them at the JSW Group are committed to live by these tenets.

## **AWARDS**

It's important to give back to the Earth, then as much as it takes from it. That's why, the Earth Care Awards (ECAs). An initiative that rewards people, community groups and corporations for their efforts to mitigate climate change. The ECAs, in their 8th edition this year, have gained widespread recognition and respect in the industry and the community. Out of the nearly 250 applicants who sent in their entries, nine were awarded in an event held on 18th April 2018.

## **MEDIA COVERAGE**

Established in 1989, JSW Foundation is the social development arm of JSW group of companies with governing philosophy that every human being has immense potential to flourish given the correct opportunity to thrive.

JSW foundation takes conscious steps to support and empower communities, primarily located around its plants. It is committed to reducing social and economic inequalities by providing better opportunities through health, education, skill development and employment. It is also committed to facilitate potable water to drink and clean air to breathe so that the communities it serve are in the socio-economic mainstream of its community and contributing.

The foundation adopts a collaborative approach where communities are at the centre of all its initiatives. Its attempt is to add value through research and partnerships and scaling up sustainable solutions.

It is working relentlessly to tackle the issue of malnutrition, facilitating to make learning more effective and meaningful, empowering the youth through employable skill programs, ensuring water security through long-term watershed development programs, providing access to sanitation facilities in rural areas to make them open defecation free, preserve and conserve national heritage and promotion of sports. It is firm in the conviction that only by enabling an educated nation, true change can come.

## **VISION**

Empowered communities with the sustainable livelihood.

## **MISSION**

Supporting India's growth in Steel Domain with speed & innovation.

## **OBJECTIVES**

- To provide opportunities to the young Management and Engineering students to transfer their knowledge gained in institutes to JSW group companies.
- To create awareness and build JSW brand among the future engineering and management professionals.

## **PHILOSOPHY**

JSW Foundation follows an organizational philosophy of 'Jana se Janine Take'. This ensures that as an organization, it cover the entire life cycle of a woman through strategic and timed interventions during their most vulnerable stages of pregnancy, up to the age of 6 and during adolescence. The Foundation's intervention with children under the age of six focus on eradicating malnutrition and providing quality education. With Adolescents, the foundation focus on eradication of anemia, continued education and skill development.

During pregnancy, it ensure adequate care during pregnancy and institutional deliveries for all women in its area of operation. At the same time the Foundation ensures the sustain ability of these inputs by working on factors such as clean water, sanitation and better agricultural productivity.

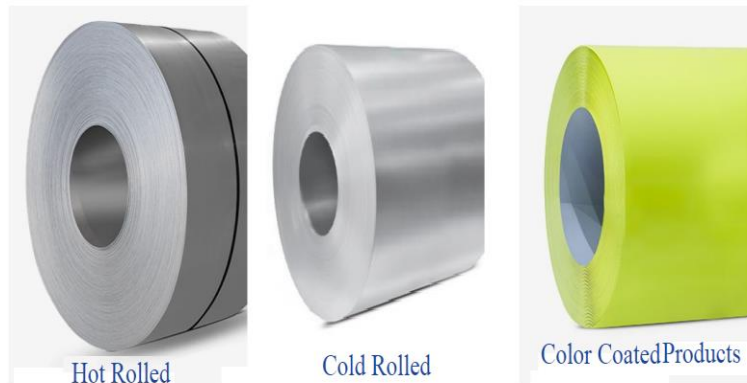
## **STRATEGY FOR SOCIAL INVESTMENT**

- The Foundation ensures a thorough pre-assessment of the field situation before taking up any issue in earmarked area, both directly and involving a third party organization.
- It listens and understands pressing problems of the community that need attention.
- Then it prepares an infallible plan to chalk out phases and interventions to address the issue.
- It does all the work in collaboration with the local CSR team and plant management.
- It ensures a third party impact analysis of all the interventions.

## PRODUCT PROFILE

JSW Steel is recognized worldwide as a purveyor of high-end, value-added steel. We are India's largest exporter of coated products with a presence in over 100 countries.

- Hot Rolled (HR)
- Cold Rolled (CR)
- Color Coated Products
- Galvanized
- Galvalume
- TMT Bars
- Wire Rods



### 1.4 STATEMENT OF THE PROBLEM

Much of literature dealing with Human Resource Management and its issues recognize the importance of performance appraisal system which occurs in the organization. All organization faces the problem of directing the energies of their staff to the task of achieving business goals and objectives. In doing so, organization need to devise means to influence and channel the behaviors" of their employees so as to optimize their contributions. Performance appraisals constitute one of the major management tools employed in this process. The continuous evolution of organization towards the changes creates a great impact in the life of the business still, the business leaders are relying on the capacity of the people and their performance towards their job and roles in the organization. Whether a profitable or non – profitable organization, the people has been essential resources in the organization. Various strategies had been effectively used for the employee according to their different needs and

areas that needs to sustain. However, there is a little attention given in enhancing the employee performance appraisal system. The present study was under taken to clarify certain questions related to the care phase of performance appraisal through regular assessment of progress toward goals focuses the attention and efforts of an employee or a team.

## **1.5. OBJECTIVES OF THE STUDY**

### **Primary objective**

- To study the performance appraisal system in JSW Steel Ltd., Salem.

### **Secondary Objectives**

- To study the demographical profile of the employees.
- To identify the performance appraisal system leads to promotion, training & development of the employees
- To study the various performance appraisal used by the organization
- To find out the problems in performance appraisal system in the organization
- To analyse the ways to improve performance of employees

## **1.6. NEED FOR STUDY**

A performance appraisal is a regular review of a worker's job performance and overall contribution to the company. Performance appraisal is used by companies to provide employees with broad feedback on their work. Performance appraisals can be highly useful for employee development purposes. Appraisals can provide guidance to employees who are doing well and employees who may require improvement. Performance appraisals can help underperforming staff by identifying specific training needs and skill gaps that require focus. With this feedback, an employee can take the necessary training programs or educational classes to improve job performance and achieve greater productivity in the workplace. It helps employees to determine their role in the company and to see their professional future clearer. In other words, it sets them on the path to improving their skills. Bonuses, money always helps. If an employee performance review is positive, it could improve the employee's salary.

## **1.5 SCOPE OF THE STUDY**

The scope of the study is to analyze the effectiveness of performance appraisal JSW Steel Ltd., Salem. The study was conducted for a period of three months covering employees' performance appraisal system in JSW Steel Ltd., Salem and it was conducted properly. Both executives and employees have reported the experience as beneficial and positive. The primary data was collected through questionnaire and secondary data was collected from company website, magazines, journals and books. This study helps to identify the employee's performance level, potential, skills, and technical knowledge about the current job in the organization. This study helps in maintaining the cordial relationship with Superiors, Subordinates and their peers.

## **CHAPTER II**

### **REVIEW OF LITERATURE**

**Shrivastava, A., & Purang, P. (2018). Performance appraisal fairness and its outcomes: A study of Indian banks. Indian Journal of Industrial Relations, 51(4), 660-674.**

Shrivastava & Purang found that employee perceptions of fairness influenced employee assessment outcomes more than the system's intended purpose and design, and that job satisfaction has a positive relationship with employee satisfaction with the evaluation method. Although the performance appraisal method has been recognized as an essential management system for assisting in decision-making, several projects have not achieved prompt outcomes. Performance reviews and the way they are conducted have long been recognized as having significant effects on the final result, including its correctness, precision, and justice. It has pointed out, workplace characteristics, including the goals and responsibilities assigned to employees, are critical.

**Tekalegn Girma, Solomon Lemma Lodesso, Gebre Sorsa (2018), “The Effect of Performance Appraisal On Employee Performance: A Survey On Administrative Staff Of Hawassa Univesity”, IOSR Journal of Business and Management (IOSR-JBM). Volume 18, Issue 3 .Ver. II, PP 36-44**

The study aims to explore the effect of Performance appraisal process on employee performance in Hawassa university administrative staff. The data were collected through structured questionnaires from 320 permanent administrative staff. Then the participants from each campus were selected using simple random sampling technique. The findings revealed that there are positive and significant relationships between independent and dependent variables. That is establishing performance standards, Communicating established standards, measuring actual performance and compare with standards, discussing the appraisal and giving feedback and indicating corrective action with employee performance. Thus, for effective performance appraisal system the management of the university has to make some improvement in the appraisal system practice.

**Ramous Agyare, Ge Yuhui (2018) The Impacts of Performance Appraisal on Employees’ Job Satisfaction and Organizational Commitment: A Case of Microfinance Institutions in Ghana, The International Journal of Human Resource Management, 26, 1665-1693.**

Performance appraisal is credited by researchers as a tool for spurring employees towards the attainment of organizational goals. Considering employees' attitudes as a vital component in the attainment of organizational goals, this study investigated the impacts of performance appraisal on the job-satisfaction and commitment of employees. The study used a descriptive research design. A stratified random sampling was used to sample 200 respondents from Microfinance organizations in Ghana. The study revealed that employees' job satisfaction is positively related to and impacted by fairness in the appraisal system, linking appraisals with promotion, clarity of roles and feedback about their performance. The study also revealed that employees' commitment is positively related to and impacted by the linkage of appraisals with salary, identification of training needs, clarity of performance appraisal purpose and employee involvement in the formulation of appraisal tools. The study recommends that organizations comply with rewards systems linked to performance levels, provide training to employees identified to be in need of training.

**Muhammad Patrick (2018), Performance appraisals and job satisfaction, SOEP papers on Multidisciplinary Panel Data Research, No. 672, Deutsches Institute for Wirtschaftsforschung (DIW), Berlin**

Formal performance appraisals (PA) are one of the most important human resource management practices in companies. In this paper, we focus on the reaction of employees to these performance assessments. In particular, we investigate the effect between the incidence of being formally evaluated by a supervisor and job and income satisfaction. Building on a representative, longitudinal sample of more than 12,000 individuals from the German Socio-Economic Panel Study (SOEP), we apply fixed effects regressions and find a significantly positive effect of PA on job satisfaction, which is driven by appraisals that are linked to monetary outcomes. Furthermore, the moderating effects of personality traits (Big Five, locus of control) on the relationship between PA and job satisfaction are explored. We find a negative interaction term between PA without any monetary consequences and both employees scoring high on openness to experience and internal locus of control. This suggests that for these employees appraisals, which induce performance monitoring without any monetary consequences, have a detrimental effect on job satisfaction rates.

**Shewit Tekeste (2019), "The Effect Of Performance Appraisal On Job Satsfaction: The Case Of Zemen Bank S.C.", Human Resource Development Quarterly, 18, 121-138.**

The main purpose of this study was examined the effect of performance appraisal on

employee job satisfaction in Zemen Bank S.C. Explanatory research design was used. As a result to analyze this effect the researcher mainly deployed quantitative type of research design. Among 197 employees, a total of 180 employees responded resulting in a 91.4% response rate using stratified random sampling in each stratum Via self administered questioner. Data collection technique was used and Statistical Package for Social Science (SPSS) software version 20.0 was employed. To analyze and present the data through the statistical tools, namely descriptive and inferential analysis methods were employed. The correlation result implied the major components of performance appraisal have positive relationship with job satisfaction. The study found that 95.7%, of variation in job satisfaction is explained by major components of performance appraisal system where as 4.3% of variance is explained by other factors. The findings indicated that majority of the employees are not satisfied with current performance appraisal system.

**Virender Khanna (2019), "A Study On Impact Of Performance Appraisal On Employee Satisfaction In IT Sector", Delhi Business Review ,Vol. 17, No. 2**

This study is aimed at finding out analytically what factors impact the employee's satisfaction regarding the appraisal processes followed in their organization. To achieve the set objectives, the study used a mixed-methods research design to collect requisite data, which allowed it to collect both qualitative and quantitative data, 112 responses were received. The study has found that there is strong relation between team related factors in the appraisal and employee satisfaction pertaining to performance appraisal. The analysis has also captured the differences in satisfaction across different types of appraisal processes followed across the different organizations.

**Agyare, R., Yuhui, G., Mensah, Aidoo, Z. and L. Ansah, I. O. (2019). The Impacts of Performance Appraisal on Employees' Job Satisfaction and Organizational Commitment: A Case of Microfinance Institutions in Ghana. International Journal of Business and Management 11(9):281**

Agyare investigated the impacts of performance appraisal on the job- satisfaction and commitment of employees of Microfinance organizations in Ghana. The study using Regression Analysis and correlations discovered that the job satisfaction of employees has positive and significant fairness of the appraisal process, connecting appraisals with advancement in career, provides role clarity and feedback about their performance. The current study collected responses from 484 respondents. The analysis found a significant association amid employee

performance, appraisal system and job satisfaction. The probable reason could be that the business nowadays practices the policies in a fair manner due to the strict labour laws. It endorses that performance evaluation system in practice should be fair and transparent in order to the employees satisfied.

**Asad Khan a , Altaf Hussain b , Jawad Hussain c , Mohammad Hanif Khan (2020), “Effect of Performance Appraisal on Employees’ Satisfaction: A Case Study of University of Peshawar, Khyber Pakhtunkhwa, Pakistan”, Review of Applied Management and Social Sciences (RAMSS) Vol. 3, (2) 2020, 131-140**

The purpose of this study is to identify the effect of performance appraisal on employees’ satisfaction in university of Peshawar, Khyber Pakhtunkhwa (KP), Pakistan. We collected data from 60 administrative employees of university of Peshawar using survey questionnaire. We distributed 100 questionnaires among the employees of university of Peshawar, out of which 60 were returned back, so the response rate was 60 %. Findings of this study revealed that performance appraisal significantly and positively affect employee satisfaction in university of Peshawar, KP. It was concluded from this study that fair and accurate performance appraisal keep the employees satisfied and positively affect the efficiency and effectiveness of employees as well as organization. In line with the findings of this study it is recommended for top management of higher education of Pakistan to design such a performance appraisal system which is in accordance with the new challenges and developmental aspect of employees within different universities or organizations. This study has importance for both policy makers and academicians.

**Gurleen Kaur, Dr. Deepti Kiran (2020), “Measuring The Effect Of Performance Appraisal On Job Satisfaction”, International Journal of Management (IJM) Volume 11, Issue 12**

The current study is an effort to study the performance evaluation practices of pharmaceutical companies of Punjab. The variables of performance measure have been identified through literature and were grouped into various factors through factor analysis. The impact of performance appraisal practices has been measured on the job satisfaction of lower and middle level employees through regression analysis. The results suggest a strong association between performance appraisal and job satisfaction. The results also highlight that fair the system of appraisal, more is the job satisfaction which improves the productivity of employees.

**Idowu, Ayomikun. (2021). Effectiveness of Performance Appraisal System and its Effect on Employee Motivation. Nile Journal of Business and Economics, 3. doi: 10.20321/nilejbe.v3i5.88**

Hussain, Yusoff, Banoori, Khan, and Khan employees are considered to be the most important resources that perform fairly and significant work for the success of any organization in both public and private sector. Satisfied employees perform a key role in the better performance of an organization. Employee satisfaction is considered to be the one of the most important factor in the achievement of organizational goals and objectives (Selden, Ingraham, & Jacobson, 2001). Employee satisfaction is related with job and further illustrated that how an employee lines up his hopes at work with outcomes (Karimi et al., 2011; Malik, Bibi, & Rahim, 2010; van der Lippe & Lippényi, 2020). These scholars further argue that employees enjoy jobs and endeavor to work in such organizations that offer good working conditions, where employees laid their focus on the organizational development. It means that organizations put every effort and strive hard to satisfy their valued and worthy employees. The primary goal of performance appraisal is to evaluate employees' performance and positively influence the individual and organizational long lasting effectiveness.

**Saraih, Umami Naiemah, Karim, Khofizoah Mohd, Ahmad, Razli, & Nordin, Norshahrizan. (2021). The development model of performance appraisal satisfaction in relation to organizational justice: Evidences from Public Higher Educational Institution. Journal of Advanced Research in Business and Management Studies, 6(1), 72-85.**

This study suggested that in order to increase employee satisfaction regarding appraisal process, the concerns of employees regarding evaluation process must be addressed. Less research studies have been performed in the area of employee satisfaction particularly in institution of higher education. Although performance appraisals are widely used, there is increasing criticism of their ability to improve performance. It has also been a subject of controversy and continual argument in management research and practice regarding the regularity with which performance reviews must be done in the workplace. Since performance appraisal systems are expensive to implement, some researchers think that resources need to be used better in order to develop precise and well-organized communication methods for assessing performance to reflect work satisfaction, which has led to criticism of their inefficiency or failure/.

**Vander Lippe, Tanja, & Lippényi, Zoltán. (2021). Co-workers working from home and**

**individual and team performance. *New Technology, Work and Employment*, 35(1), 60-79.**

This study stating that employee satisfaction is related to performance appraisal in a way that if employees exhibit satisfaction with the performance appraisal process, their satisfaction reflects in their performance. The utmost critical reaction resulting from the appraisal can be expected to be satisfaction with the performance appraisal system. When the employees perceive evaluation process as to be fair, it produces positive attitude, maximize satisfaction and vice versa, which is purpose of performance appraisal achievement. While Bhatti and Qureshi (2007) is of the opinion that employee satisfaction can be better explained when employees feel happy with their performance appraisal and working environment. The best way to examine and investigate employee's perceptions about the experiences of the employee's satisfaction is their reactions.

**Abdulkarim Alsaqqaf, Prof. Dr. Ahmed Al-Baidhani(2022) , “Investigating the Impact of Performance Appraisal and its Dimension, Directions and Objectives to Staff, on Employees' Job Satisfaction in INGOs in Yemen”, *Human Resource Management Journal*, 23, 241-261.**

This study aims to gain a better comprehension of how employees in INGOs in Yemen perceive performance appraisals in general and specifically directions and objectives to staff and their role in job satisfaction through exploring the impact of performance appraisal and its dimension, directions and objectives to staff, on employees' job satisfaction in INGOs in Yemen. A quantitative method was used, and relevant questionnaires were distributed to these employees. The findings of the study show that there is a positive significant relationship between job satisfaction and performance appraisal and its above-stated construct. They also reveal that performance appraisal and the aforementioned construct have significant positive impacts on employees' job satisfaction. Moreover, the high R<sup>2</sup> of 82% is an indication of the high explanatory power of the test. The proposed framework is developed based on previous literature on performance appraisal emphasizing that no previous study used performance appraisal and the above construct together to measure their impacts on job satisfaction of employees working in INGOs in Yemen.

**Gyawali, Achyut. (2022). Impact of employee participation on job satisfaction, employee fairness perception and organizational commitment: A case of Nepalese commercial banks. *Saptagandaki Journal*, 8, 1-13.**

This study advocated that employee reaction regarding satisfaction of performance appraisal is the area of research which has attracted less attention of the researchers. Another recent study has also emphasized on studying such relationships. Poor and ineffective conducted performance appraisal could lead to staff insecurity and boost dissent and anger in employees of the organizations. Benefits of employee's satisfaction to organizations can be in different forms like increase in productivity and organizational success.

**Dusterhoff, Carrie, Cunningham, J Barton, & MacGregor, James N. (2022). The effects of performance rating, leader–member exchange, perceived utility, and organizational justice on performance appraisal satisfaction: Applying a moral judgment perspective. Journal of business ethics, 119(2), 265-273**

In this study, organizational productivity and customer satisfaction are directly linked with employee satisfaction because satisfied employees are more loyal and productive. Many studies reveal that the equality and fairness perception are significant factors of employee satisfaction, where the performance appraisal is concerned. However, if performance appraisal is not conducted appropriately or the employees perceived that as biased and subjective, ultimately employee satisfaction will be decreased and in turn this will affect employee's work performance and affect organizational productivity.

## CHAPTER-3

### RESEARCH METHODOLOGY

Research for new fact or to modify the existing fact. Research methodology is one of the important chapters which helps the researcher to do the research work in a systematic way. Research is the systematic way of solving the problem. Research is an original contribution to the existing stock of knowledge making for its achievement. Research is the pursuit of truth with the help of study, interpretation & comparison & experimenting.

In research the various steps are generally adopted by a researcher in studying research problems along with the logic behind them. In short the research is the search for knowledge through objective and systematic methods of finding solution of the problem. Research is the process which includes defining and refining problem, formulating hypothesis or suggested solutions collecting, organizing & evaluating data; making deduction & reaching conclusion and at last carefully testing the conclusions to determine whether they fit the formulating hypothesis.

#### DEFINITIONS:

**Redman & Mar** - "Research as a systematic effort to gain new knowledge".

**Advance Learner Dictionary** - "A careful investigation or inquiry especially through search for new fact in any branch of knowledge".

**P.V. Young** - "Research is nothing but an investigation of new facts or verifying old facts with help of scientific knowledge is called research".

#### Type of research

The method of conducting research deals with research design, data collection method, Sampling method. It is explained about the nature of research work to be done as a descriptive nature of research, which is used in this study.

#### Research Design

The research design is the basic framework or a plan for a study that guides the collection of data and analysis of data. In this survey and the design used is Descriptive Research Design. It includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of state of affairs, as it exists at present.

## **Descriptive Research**

The researcher has adapted Descriptive research Design for the purpose of this survey. Descriptive studies are those studies which is concerned with describing the characteristics of a particular individual or of a group.

## **DATA COLLECTION**

### **Primary Data Collection:**

The primary data are those, which are collected a fresh and for the first and thus happen to be original in character. The research has got the primary data through questionnaire surveys, personal interview, telephone and etc., the data, which are collected are first hand data through which the analysis and interpretation would be taken part.

### **Questionnaire**

Here the respondents are asked the question and required to answer by choosing between a number of alternatives. The main advantage of this is that they are easy to complete and easy to analyze. The research has adopted this type of survey.

### **Secondary Data**

The secondary data on the other hand are those which have already been collected by someone else and which have already been passed through the statistical process. The research has to decide which sort of data he would be using for his study and accordingly he will have to select on or the other method of data collection. The researcher has collected the secondary data collection. The researcher has collected the secondary data from the company's records, internet, previous project reports etc.

## **SAMPLING METHOD**

### **Sampling Technique**

Sampling is the process of selecting the sufficient number of elements from the population (the items selected technically are called as Sampling). Here this study adopted the technique of probability Sampling of Simple Random sampling method.

**Sampling Unit:**

Sampling Unit refers to process of defining the target population that will be sample. Hence for the present study, data was collected by means of questionnaire from the employees. Here sampling unit is JSW Steel Ltd., Salem.

**Population**

The aggregate elementary units in the survey are referred to as the population. Here it covers the entire employees of JSW Steel Ltd., Salem.

**Sample size:**

Sample size plays a critical role, because the generability of the conclusion depends on sample size. Sample size for the present study is 150.

**Sampling Method:**

Sampling means the method of selecting a sample from a given universe with a view to draw conclusions about the universe. Sample means representative of universe selected for the study. Sampling is a process of units (e.g. People) from the population of the interest.

Sampling method is divided into two types

1. Probability Method
2. Non-Probability Method

The sampling method that was chosen is entirely non probabilistic in nature. In non probabilistic method the researcher has adopted convinence sampling method. In this method, the researcher select the accessible population members from which to get information and the items selected are easy to approach or to measure.

**HYPOTHESIS FRAMED**

- There is no significant relationship between gender of the respondents and performance appraisal system must be result oriented one.

- There is a no significant relationship between age of the respondents and performance appraisal system is used as a decision making tool
- There is no significant difference between the salary of the respondents and opportunities must be fair and satisfactory.

## TOOLS USED

In this research, the tool such as Research Analysis, Correlation Analysis and Chi-Square Analysis is used.

### Simple Percentage Analysis

Percentage method refers to a special kind of ratio. Percentages are used in making comparison between two or more series of data. Since percentage converts the data to a base which enables for a meaningful comparison. The collected data represented in the form of tables and graph in order to give effective visualization of comparison method. A percentage analysis method is the tools used by the researcher for the analysis and interpretation. Through the use of percentages; the data are reduced in the standard form with base equal to 100 which fact facilitates relative for comparisons purpose. In the percentage analysis, percentage is calculated by multiplying the number of respondents into hundred and it is divided by the sample size.

$$\text{Percentage Analysis} = \frac{\text{No. of Respondents}}{\text{Total No. of respondents}} \times 100$$

### Chi-Square Method

The chi-square test is an important test among the several tests of significance development by statisticians chi-square is a statistically measure used in test of sampling analysis. It can be calculated by using the following formula.

$$\chi^2 = \frac{\sum \frac{(O_i - E_i)^2}{E_i}}$$

Where,  $O_i$  = Observed No. of respondents,

$E_i$  = Expected No. of respondents.

Expected No. of respondents =  $\frac{\text{Row Total} \times \text{Column Total}}{\text{Grand Total}}$

Table value is found at 5% level of significance and for the available degree of freedom.

## Correlation

Correlation is a statistical technique that can show whether and how strongly pairs of variables are related. For example, height and weight are related; taller people tend to be heavier than shorter people. The relationship isn't perfect. There are several different correlation techniques. The Survey System's optional Statistics Module includes the most common type, called the Pearson or product-moment correlation. The module also includes a variation on this type called partial correlation. The latter is useful when you want to look at the relationship between two variables while removing the effect of one or two other variables.

$$\text{Formula for Karl Pearson's coefficient } r = \frac{\sum xy}{\sqrt{\sum x^2 * \sum y^2}}$$

## Correlation Coefficient

The main result of a correlation is called the correlation coefficient (or "r"). It ranges from -1.0 to +1.0. The closer r is to +1 or -1, the more closely the two variables are related.

If r is close to 0, it means there is no relationship between the variables. If r is positive, it means that as one variable gets larger the other gets larger. If r is negative it means that as one gets larger, the other gets smaller (often called an "inverse" correlation).

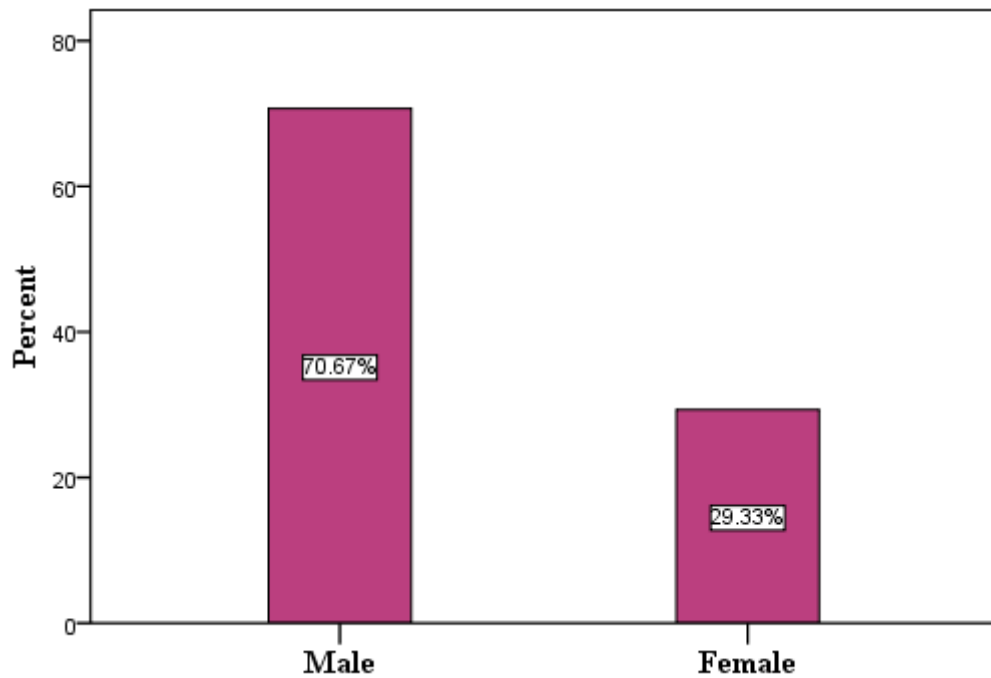
## CHAPTER-IV

### DATA ANALYSIS AND INTERPRETATION

#### 4.1. GENDER OF THE RESPONDENTS

| Gender       | Frequency  | Percent      |
|--------------|------------|--------------|
| Male         | 106        | 70.7         |
| Female       | 44         | 29.3         |
| <b>Total</b> | <b>150</b> | <b>100.0</b> |

#### 4.1 GENDER OF THE RESPONDENTS



#### INTERPRETATION:

The above table shows that 70.7% of the respondents are male and 29.3% of the respondents are female.

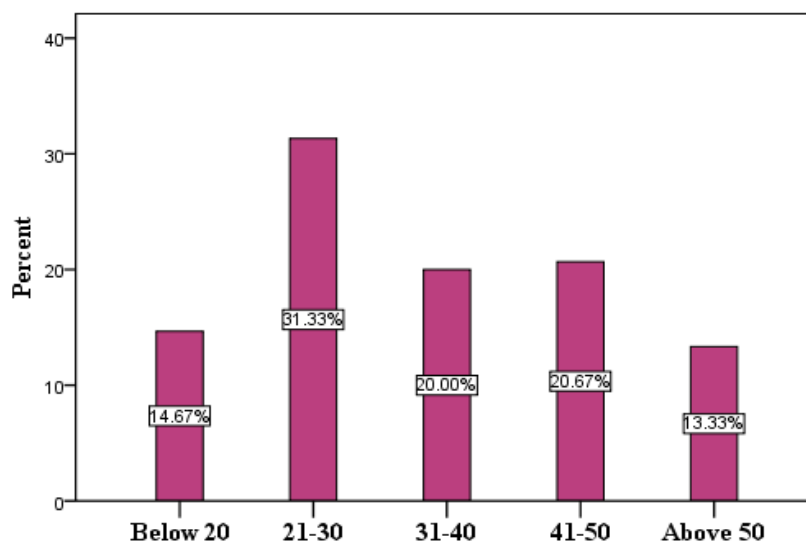
#### INFERENCE:

Thus the table shows that the majority of the respondents are male.

## 4.2 AGE OF THE RESPONDENTS

| Age          | Frequency  | Percent      |
|--------------|------------|--------------|
| Below 20     | 22         | 14.7         |
| 21-30        | 47         | 31.3         |
| 31-40        | 30         | 20.0         |
| 41-50        | 31         | 20.7         |
| Above 50     | 20         | 13.3         |
| <b>Total</b> | <b>150</b> | <b>100.0</b> |

## 4.2 AGE OF THE RESPONDENTS



### INTERPRETATION:

The above table shows that 14.7% of the respondents belong to the age below 20 years, 31.3% of the respondents belong to the age group of 21-30 years, 20.0% of the respondents belong to the age group of 31-40 years, 20.7% of the respondents belong to the age group of 41-50 years and 13.3% of the respondents belong to the age group of above 50 years.

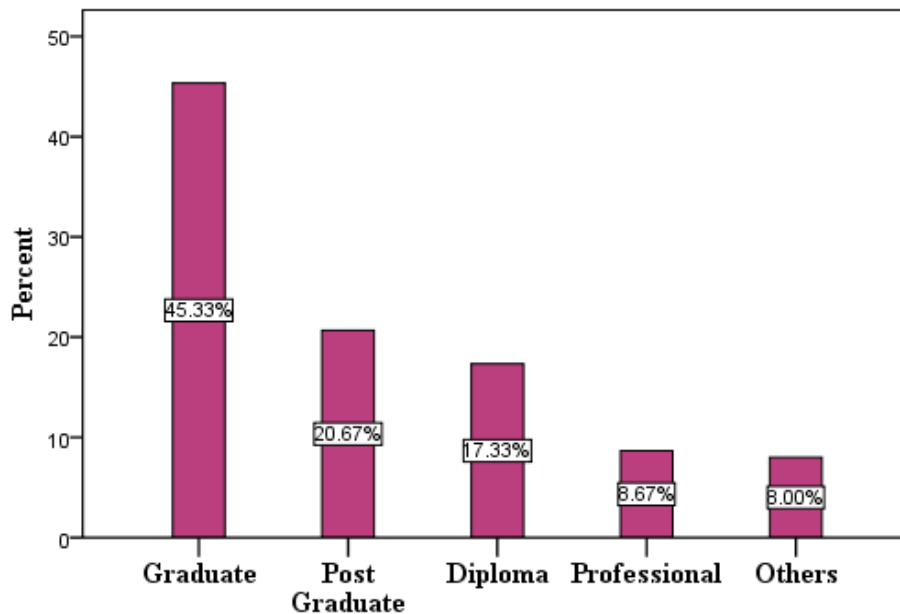
### INERENCE:

Thus the majorities of the respondents belong to the age group of below 21 - 30 years.

### 4.3 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

| Educational Qualification | Frequency  | Percent      |
|---------------------------|------------|--------------|
| Graduate                  | 68         | 45.3         |
| Post Graduate             | 31         | 20.7         |
| Diploma                   | 26         | 17.3         |
| Professional              | 13         | 8.7          |
| Others                    | 12         | 8.0          |
| <b>Total</b>              | <b>150</b> | <b>100.0</b> |

### 4.3 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS



#### INTERPRETATION:

The above table shows that 45.3% of the respondents are graduate, 20.7% of the respondents are post graduate, 17.3% of the respondents are diploma, 8.7% of the respondents are professional and 8.0% of the respondents are others educational qualification.

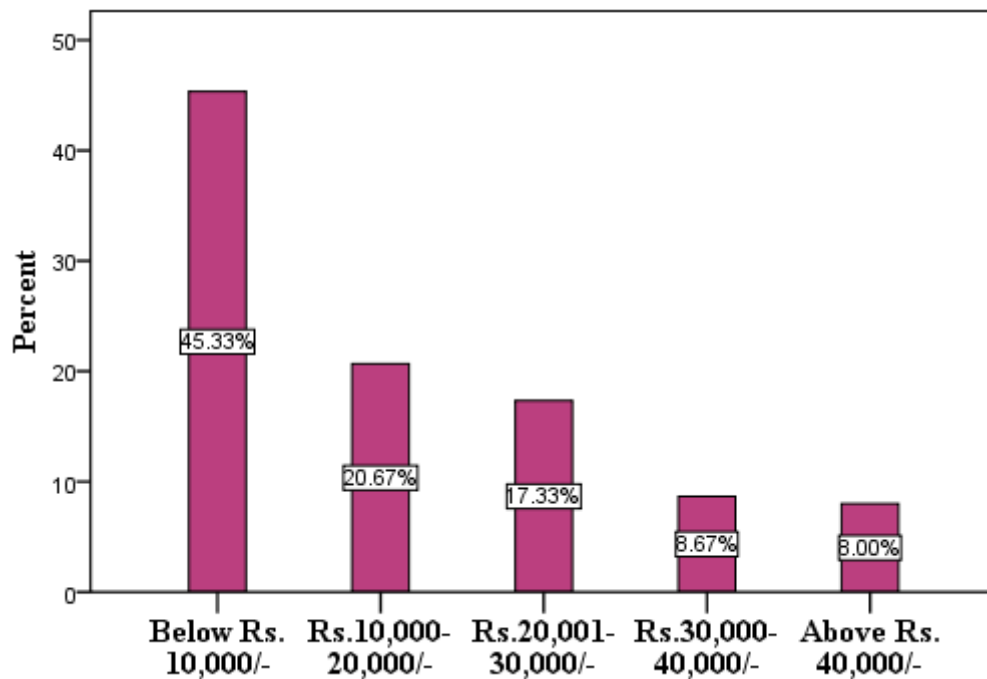
#### INFERENCE:

Thus the majorities of the respondents are graduate

#### 4.4 SALARY OF THE RESPONDENTS

| Salary             | Frequency  | Percent      |
|--------------------|------------|--------------|
| Below Rs.10,000/-  | 68         | 45.3         |
| Rs.10,000-20,000/- | 31         | 20.7         |
| Rs.20,001-30,000/- | 26         | 17.3         |
| Rs.30,000-40,000/- | 13         | 8.7          |
| Above Rs.40,000/-  | 12         | 8.0          |
| <b>Total</b>       | <b>150</b> | <b>100.0</b> |

#### 4.4 SALARY OF THE RESPONDENTS



#### INTERPRETATION:

The above table shows that 45.3% of respondents have below Rs. 10, 000, 20.7% of the respondents have Rs.10, 000 - Rs. 20 ,000, 17.3% of the respondents have Rs.20,001- Rs. 30, 000, 8.7% of the respondents have Rs.30,000 -40,000 and 8.0% of the respondents have above Rs.40,000 as their salary.

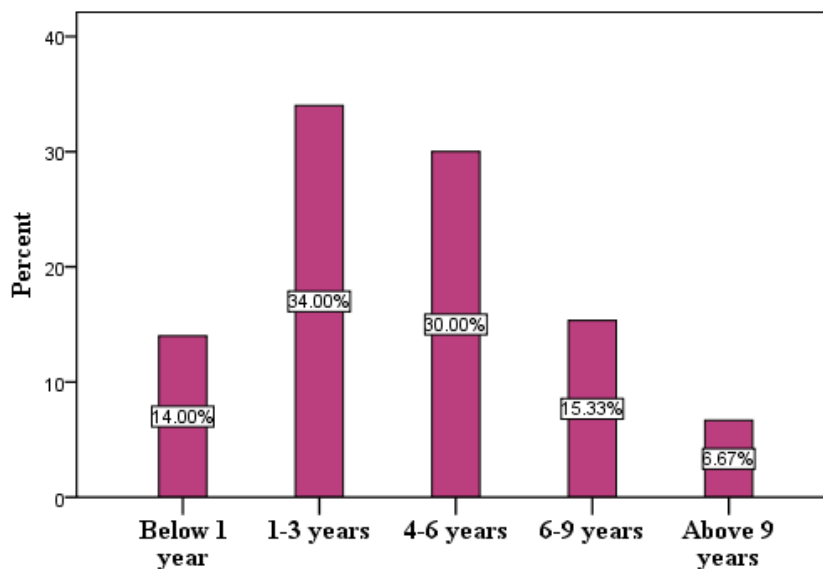
#### INFERENCE:

Thus the majority of the respondents have below Rs.10,000.

#### 4.5 EXPERIENCE OF THE RESPONDENTS

| Experience    | Frequency  | Percent      |
|---------------|------------|--------------|
| Below 1 year  | 21         | 14.0         |
| 1-3 years     | 51         | 34.0         |
| 4-6 years     | 45         | 30.0         |
| 6-9 years     | 23         | 15.3         |
| Above 9 years | 10         | 6.7          |
| <b>Total</b>  | <b>150</b> | <b>100.0</b> |

#### 4.5 EXPERIENCE OF THE RESPONDENTS



#### INTERPRETATION:

The above table shows that 14.0% of the respondents are below 1 year, 34.0% of the respondents are 1-3 years, 30.0% of the respondents are 4-6 years, 15.3% of the respondents are 6-9 years and 6.7% of the respondents are above 9 years.

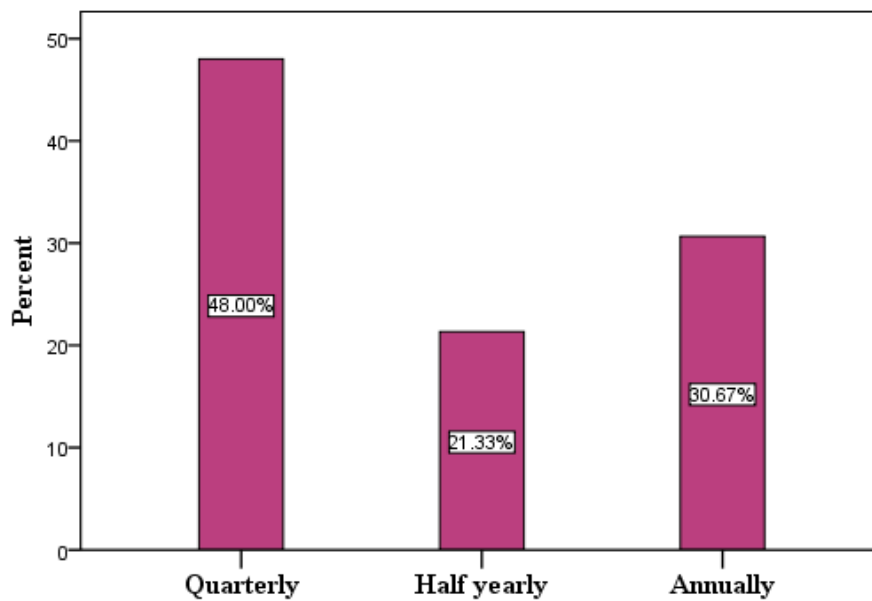
#### INFERENCE:

Thus the majority of the respondents are 1-3 years as their experience.

#### 4.6 FREQUENCY OF PERFORMANCE APPRAISAL

| Particulars  | Frequency  | Percent      |
|--------------|------------|--------------|
| Quarterly    | 72         | 48.0         |
| Half yearly  | 32         | 21.3         |
| Annually     | 46         | 30.7         |
| <b>Total</b> | <b>150</b> | <b>100.0</b> |

#### 4.6 FREQUENCY OF PERFORMANCE APPRAISAL



#### INTERPRETATION:

The above table shows that 48% of the respondents said that quarterly, 21.3% of the respondents said that half yearly, 30.7% of the respondents said that annually as the frequency of performance appraisal done in the organisation.

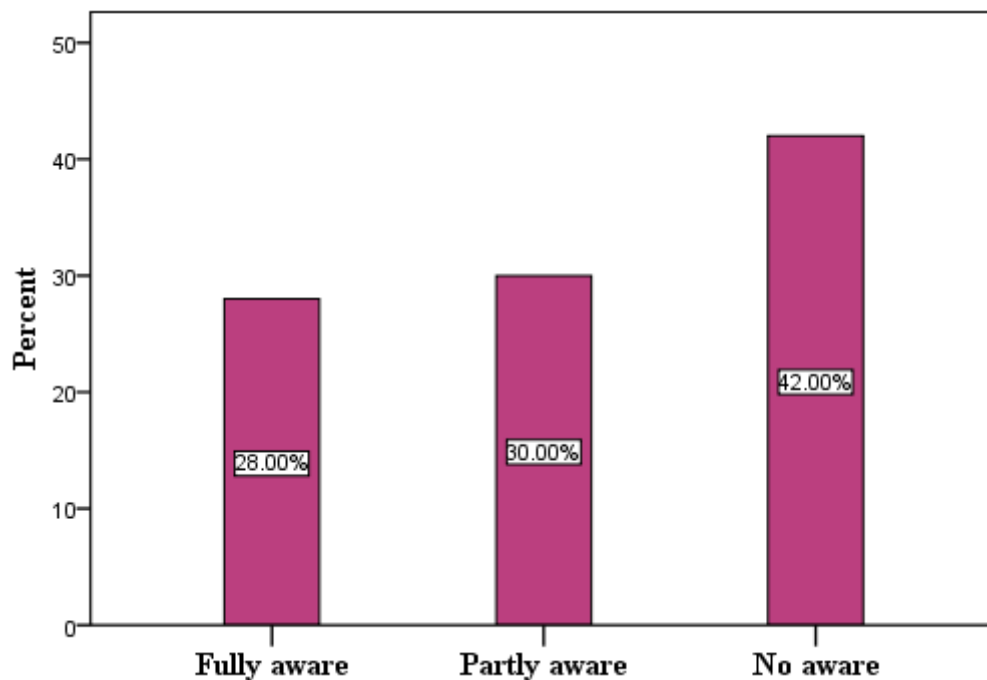
#### INFERENCE:

Thus the majority of the respondents said that quarterly as the frequency of performance appraisal done in the organisation.

#### 4.7 AWARENESS IN PERFORMANCE APPRAISAL SYSTEM

| Particulars  | Frequency  | Percent      |
|--------------|------------|--------------|
| Fully aware  | 42         | 28.0         |
| Partly aware | 45         | 30.0         |
| No aware     | 63         | 42.0         |
| <b>Total</b> | <b>150</b> | <b>100.0</b> |

#### 4.7 AWARENESS IN PERFORMANCE APPRAISAL SYSTEM



#### INTERPRETATION:

The above table shows that 28% of the respondents said that fully aware, 30% of the respondents said that partly aware and 42% of the respondents said that no aware in performance appraisal system in the organisation.

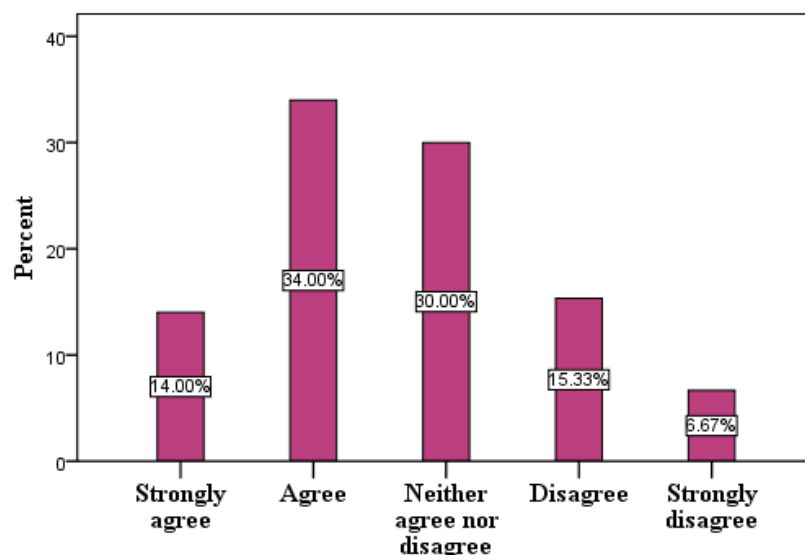
#### INFERENCE:

Thus the majority of the respondents said that no aware in performance appraisal system in the organization.

#### 4.8 PERFORMANCE APPRAISAL MOTIVATES THE EMPLOYEES TO ENHANCE THEIR SKILLS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 21         | 14.0         |
| Agree                      | 51         | 34.0         |
| Neither agree nor disagree | 45         | 30.0         |
| Disagree                   | 23         | 15.3         |
| Strongly disagree          | 10         | 6.7          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.8 PERFORMANCE APPRAISAL MOTIVATES THE EMPLOYEES TO ENHANCE THEIR SKILLS



#### INTERPRETATION:

The above table show that 14% of the respondents are strongly agree, 34% of the respondents are agree , 30% of the respondents are neither agree nor disagree, 15.3% of the respondents are disagree and 6.7% of the respondents are strongly disagree towards performance appraisal motivates the employees to enhance their skills.

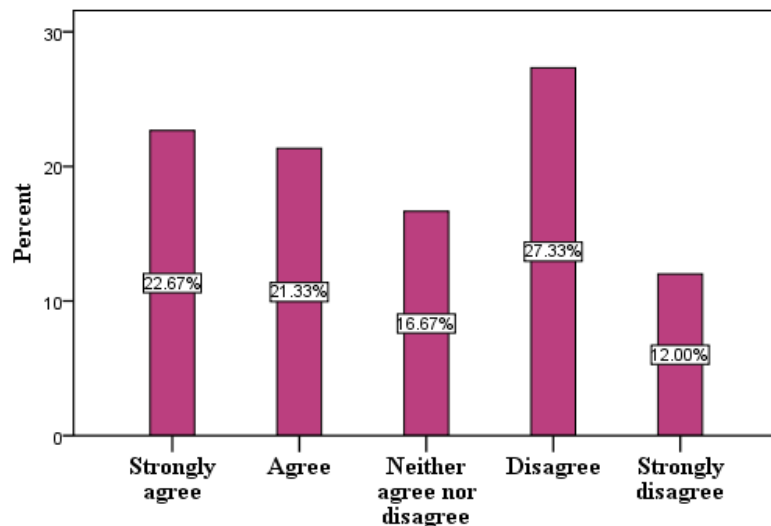
#### INFERENCE:

Thus the majorities of the respondents are agree towards performance appraisal motivates the employees to enhance their skills.

#### 4.9 PERFORMANCE APPRAISAL SYSTEM DEVELOPS THEIR CAPABILITIES OF THE EMPLOYEES

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 34         | 22.7         |
| Agree                      | 32         | 21.3         |
| Neither agree nor disagree | 25         | 16.7         |
| Disagree                   | 41         | 27.3         |
| Strongly disagree          | 18         | 12.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.9 PERFORMANCE APPRAISAL SYSTEM DEVELOPS THEIR CAPABILITIES OF THE EMPLOYEES



#### INTERPRETATION:

The above table show that 22.7% of the respondents are strongly agree, 21.3% of the respondents are agree , 16.7% of the respondents are neither agree nor disagree, 27.3% of the respondents are disagree and 12% of the respondents are strongly disagree towards performance appraisal system develops their capabilities of the employees.

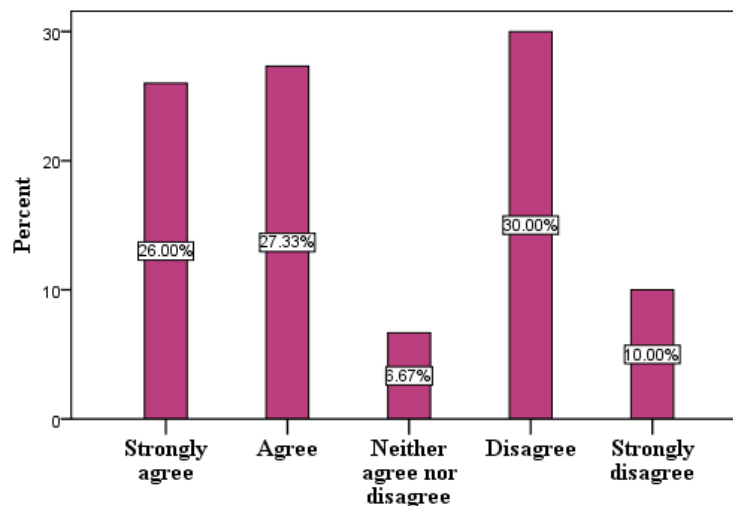
#### INFERENCE:

Thus the majorities of the respondents are disagree towards performance appraisal system develops their capabilities of the employees.

#### 4.10 PERFORMANCE APPRAISAL SYSTEM PROVIDES SELF AWARENESS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 39         | 26.0         |
| Agree                      | 41         | 27.3         |
| Neither agree nor disagree | 10         | 6.7          |
| Disagree                   | 45         | 30.0         |
| Strongly disagree          | 15         | 10.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.10 PERFORMANCE APPRAISAL SYSTEM PROVIDES SELF AWARENESS



#### INTERPRETATION:

The above table show that 26% of the respondents are strongly agree, 27.3% of the respondents are agree , 6.7% of the respondents are neither agree nor disagree, 30.0% of the respondents are disagree and 10% of the respondents are strongly disagree towards performance appraisal system provides self awareness to enrich their knowledge in our organisation.

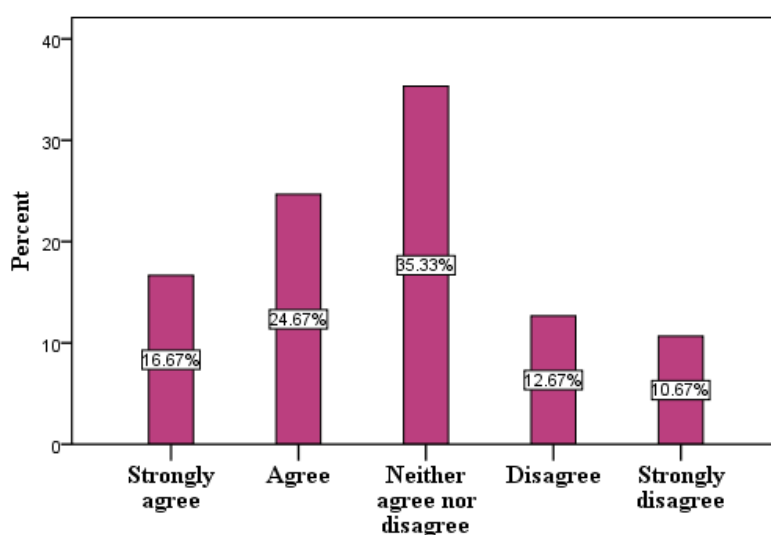
#### INFERENCE:

Thus the majorities of the respondents are disagree towards performance appraisal system provides self awareness to enrich their knowledge in our organisation.

#### 4.11 GIVES OPPORTUNITIES FOR PROMOTION

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 25         | 16.7         |
| Agree                      | 37         | 24.7         |
| Neither agree nor disagree | 53         | 35.3         |
| Disagree                   | 19         | 12.7         |
| Strongly disagree          | 16         | 10.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.11 GIVES OPPORTUNITIES FOR PROMOTION



#### INTERPRETATION:

The above table show that 16.7% of the respondents are strongly agree, 24.7% of the respondents are agree , 35.3% of the respondents are neither agree nor disagree, 12.7% of the respondents are disagree and 10.7% of the respondents are strongly disagree towards it gives opportunities for promotion in their career.

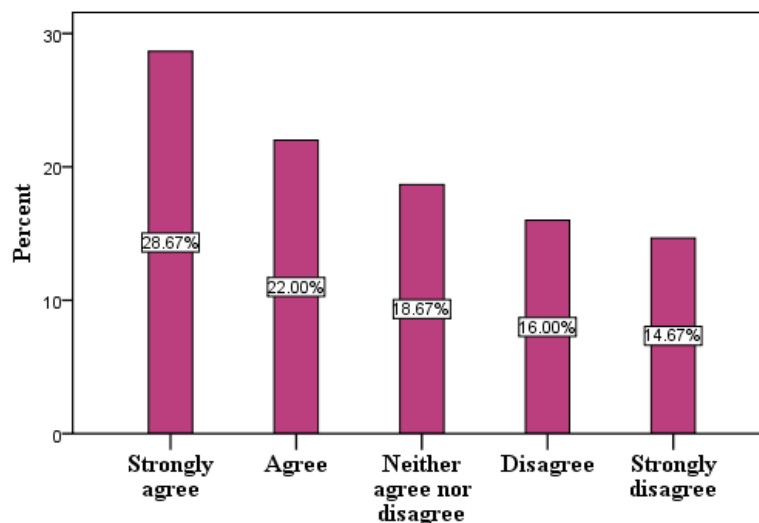
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards it gives opportunities for promotion in their career.

#### 4.12 INCREASES LEADERSHIP SKILLS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 43         | 28.7         |
| Agree                      | 33         | 22.0         |
| Neither agree nor disagree | 28         | 18.7         |
| Disagree                   | 24         | 16.3         |
| Strongly disagree          | 22         | 14.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.12 INCREASES LEADERSHIP SKILLS



#### INTERPRETATION:

The above table show that 28.7% of the respondents are strongly agree, 22% of the respondents are agree , 18.7% of the respondents are neither agree nor disagree, 16.3% of the respondents are disagree and 14.7% of the respondents are strongly disagree towards it increases leadership skills in the organization .

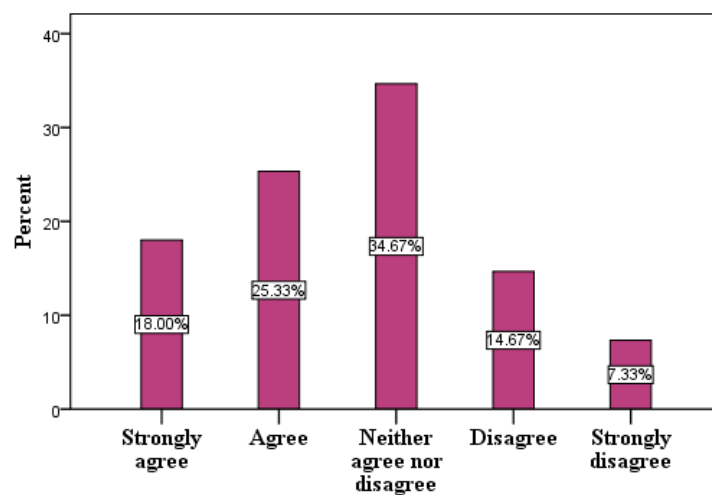
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards it increases leadership skills in the organization .

#### 4.13 AFFECTS EMPLOYEES PERFORMANCE

| Statement                  | Frequency | Percent |
|----------------------------|-----------|---------|
| Strongly agree             | 27        | 18.0    |
| Agree                      | 38        | 25.3    |
| Neither agree nor disagree | 52        | 34.7    |
| Disagree                   | 22        | 14.7    |
| Strongly disagree          | 11        | 7.3     |
| Total                      | 150       | 100.0   |

#### 4.1 AFFECTS EMPLOYEES PERFORMANCE



#### INTERPRETATION:

The above table show that 18% of the respondents are strongly agree, 25.3% of the respondents are agree , 34.7% of the respondents are neither agree nor disagree, 14.7% of the respondents are disagree and 7.3% of the respondents are strongly disagree towards it affects employees performance.

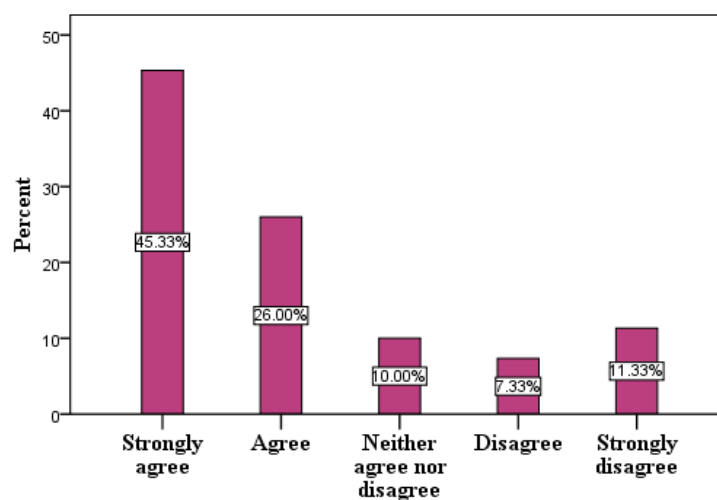
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards it affects employees performance.

#### 4.14 RESULTS IN EMPLOYEE EMPOWERMENT AND DEVELOPMENT

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 68         | 45.3         |
| Agree                      | 39         | 26.0         |
| Neither agree nor disagree | 15         | 10.0         |
| Disagree                   | 11         | 7.3          |
| Strongly disagree          | 17         | 11.3         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.14 RESULTS IN EMPLOYEE EMPOWERMENT AND DEVELOPMENT



#### INTERPRETATION:

The above table show that 45.3% of the respondents are strongly agree, 26% of the respondents are agree , 10% of the respondents are neither agree nor disagree, 7.3% of the respondents are disagree and 11.3% of the respondents are strongly disagree towards it results in employee empowerment and development.

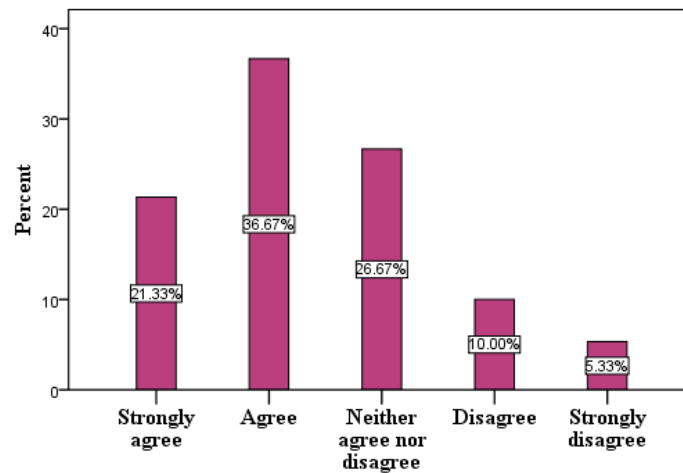
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards it results in employee empowerment and development.

#### 4.15 APPRAISAL SYSTEM IS FOLLOWED IN THE COMPANY

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 32         | 21.3         |
| Agree                      | 55         | 36.7         |
| Neither agree nor disagree | 40         | 26.7         |
| Disagree                   | 15         | 10.0         |
| Strongly disagree          | 8          | 5.3          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.15 APPRAISAL SYSTEM IS FOLLOWED IN THE COMPANY



#### INTERPRETATION:

The above table show that 21.3% of the respondents are strongly agree, 36.7% of the respondents are agree , 26.7% of the respondents are neither agree nor disagree, 10% of the respondents are disagree and 5.3% of the respondents are strongly disagree towards self appraisal system is followed in the company.

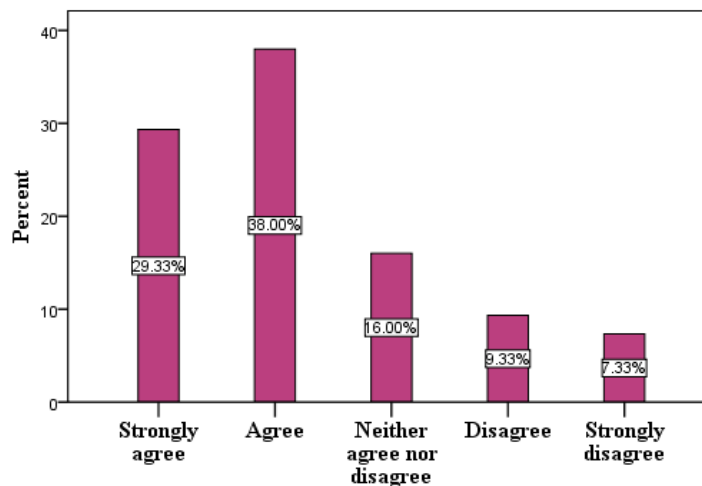
#### INFERENCE:

Thus the majorities of the respondents are agree towards self appraisal system is followed in the company.

#### 4.16 MANAGERIAL REVIEWS IS FOLLOWED IN THE COMPANY

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 44         | 29.3         |
| Agree                      | 57         | 38.0         |
| Neither agree nor disagree | 24         | 16.0         |
| Disagree                   | 14         | 9.3          |
| Strongly disagree          | 11         | 7.3          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.16 MANAGERIAL REVIEWS IS FOLLOWED IN THE COMPANY



#### INTERPRETATION:

The above table show that 29.3% of the respondents are strongly agree, 38% of the respondents are agree , 16% of the respondents are neither agree nor disagree, 9.3% of the respondents are disagree and 7.3% of the respondents are strongly disagree towards managerial reviews is followed in the company.

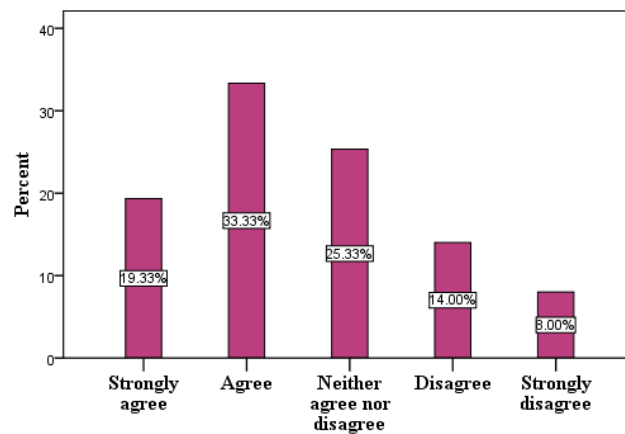
#### INFERENCE:

Thus the majorities of the respondents are agree towards managerial reviews is followed in the company.

#### 4.17 THERE IS PEER REVIEWS YO ASSESS THE EMPLOYEES

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 29         | 19.3         |
| Agree                      | 50         | 33.3         |
| Neither agree nor disagree | 38         | 25.3         |
| Disagree                   | 21         | 14.0         |
| Strongly disagree          | 12         | 8.0          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.17 THERE IS PEER REVIEWS YO ASSESS THE EMPLOYEES



#### INTERPRETATION:

The above table show that 19.3% of the respondents are strongly agree, 33.3% of the respondents are agree , 25.3% of the respondents are neither agree nor disagree, 14% of the respondents are disagree and 8% of the respondents are strongly disagree towards there is peer reviews to assess the employees.

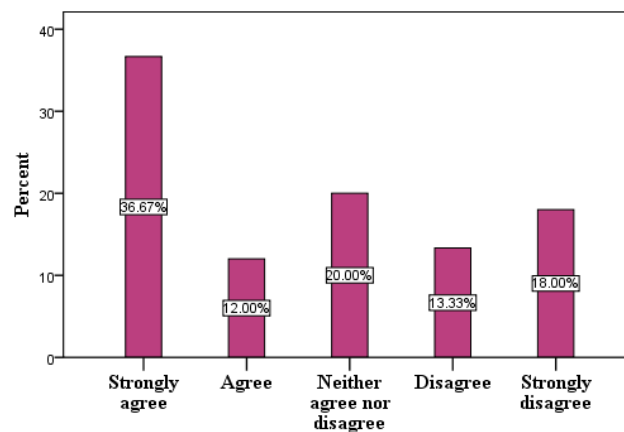
#### INFERENCE:

Thus the majorities of the respondents are agree towards there is peer reviews to assess the employees.

#### 4.18 SUPERIORS ARE APPRAISED BY THE SUBORDINATES

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 55         | 36.7         |
| Agree                      | 18         | 12.0         |
| Neither agree nor disagree | 30         | 20.0         |
| Disagree                   | 20         | 13.3         |
| Strongly disagree          | 27         | 18.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.18 SUPERIORS ARE APPRAISED BY THE SUBORDINATES



#### INTERPRETATION:

The above table show that 36.7% of the respondents are strongly agree, 12.0% of the respondents are agree , 20% of the respondents are neither agree nor disagree, 13.3% of the respondents are disagree and 18% of the respondents are strongly disagree towards superiors are appraised by the subordinates.

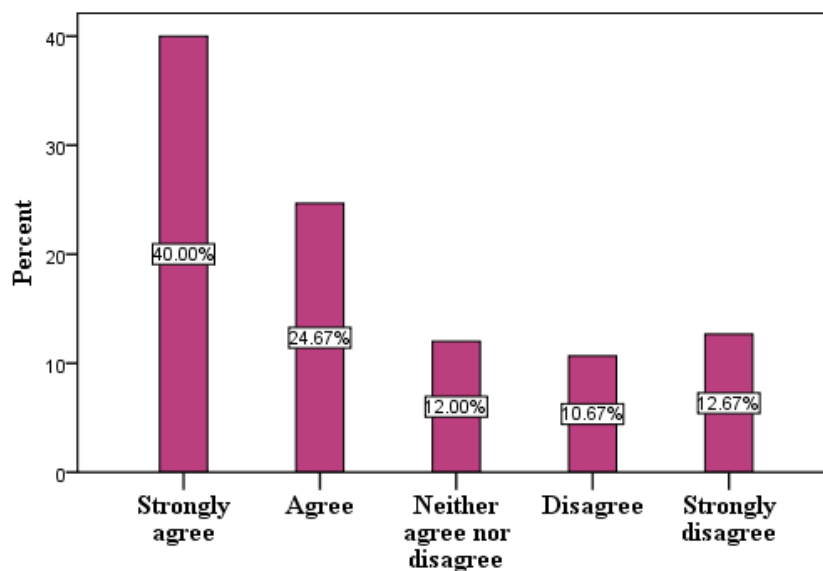
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards superiors are appraised by the subordinates.

#### 4.19 EMPLOYEES ARE REVIEWED BY CUSTOMERS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 60         | 40.0         |
| Agree                      | 37         | 24.7         |
| Neither agree nor disagree | 18         | 12.0         |
| Disagree                   | 16         | 10.7         |
| Strongly disagree          | 19         | 12.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.19 EMPLOYEES ARE REVIEWED BY CUSTOMERS



#### INTERPRETATION:

The above table show that 40% of the respondents are strongly agree, 24.7% of the respondents are agree , 12% of the respondents are neither agree nor disagree, 10.7% of the respondents are disagree and 12.7% of the respondents are strongly disagree towards employees are reviewed by customers.

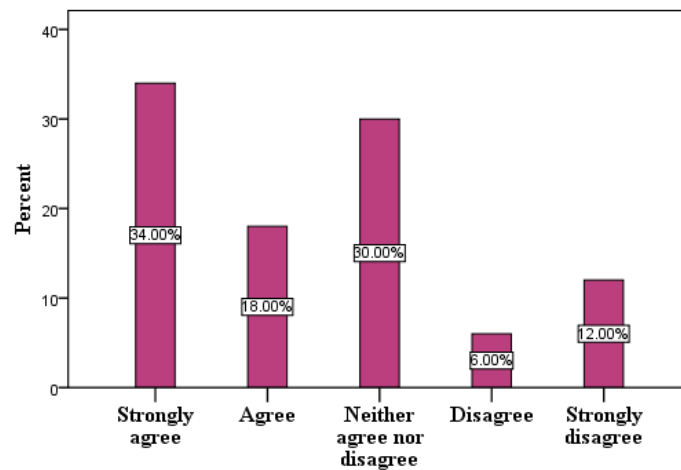
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards employees are reviewed by customers.

#### 4.20 EMPLOYEES ARE NOT AWARE IN THE PERFORMANCE APPRAISAL SYSTEM

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 51         | 34.0         |
| Agree                      | 27         | 18.0         |
| Neither agree nor disagree | 45         | 30.0         |
| Disagree                   | 9          | 6.0          |
| Strongly disagree          | 18         | 12.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.20 EMPLOYEES ARE NOT AWARE IN THE PERFORMANCE APPRAISAL SYSTEM



#### INTERPRETATION:

The above table show that 34% of the respondents are strongly agree, 18% of the respondents are agree , 30% of the respondents are neither agree nor disagree, 6% of the respondents are disagree and 12% of the respondents are strongly disagree towards employees are not aware in the performance appraisal system.

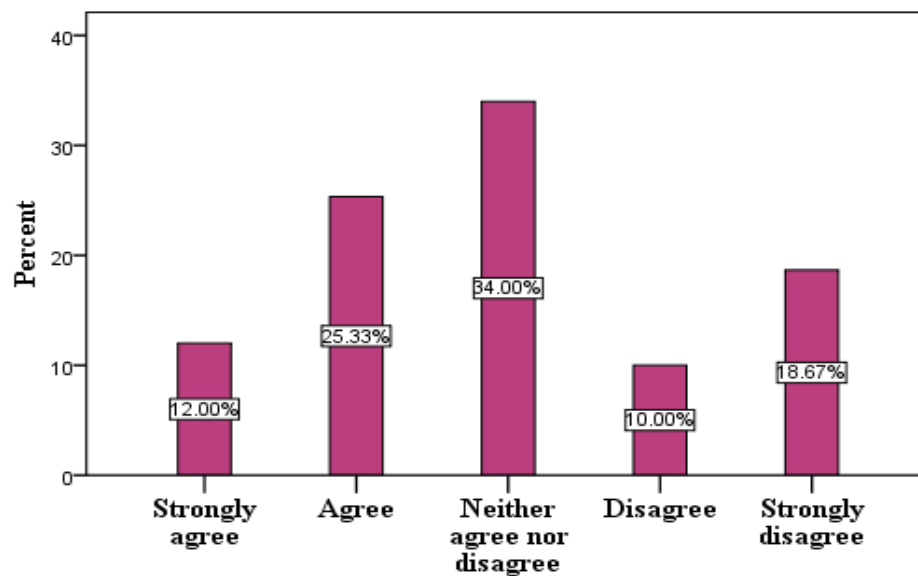
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards employees are not aware in the performance appraisal system.

#### 4.21 THERE IS PARTIALITY IN APPRAISING METHOD

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 18         | 12.0         |
| Agree                      | 38         | 25.3         |
| Neither agree nor disagree | 51         | 34.0         |
| Disagree                   | 15         | 10.0         |
| Strongly disagree          | 28         | 18.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.21 THERE IS PARTIALITY IN APPRAISING METHOD



#### INTERPRETATION:

The above table show that 12% of the respondents are strongly agree, 25.3% of the respondents are agree , 34% of the respondents are neither agree nor disagree, 10% of the respondents are disagree and 18.7% of the respondents are strongly disagree towards there is partiality in appraising method.

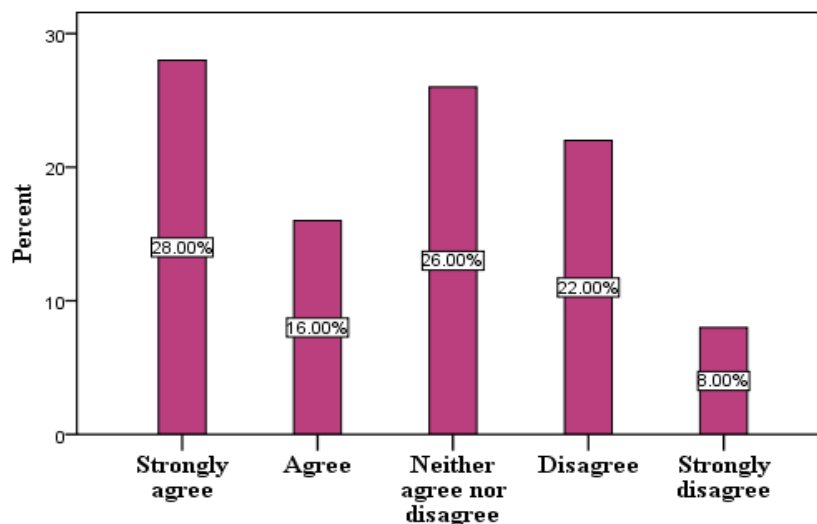
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards there is partiality in appraising method.

#### 4.22 IT IS NOT TRANSPARENCY ONE

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 42         | 28.0         |
| Agree                      | 24         | 16.0         |
| Neither agree nor disagree | 39         | 26.0         |
| Disagree                   | 33         | 22.0         |
| Strongly disagree          | 12         | 8.0          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.22 IT IS NOT TRANSPARENCY ONE



#### INTERPRETATION:

The above table show that 28% of the respondents are strongly agree, 16% of the respondents are agree , 26% of the respondents are neither agree nor disagree, 22% of the respondents are disagree and 8% of the respondents are strongly disagree towards it is not transparency one.

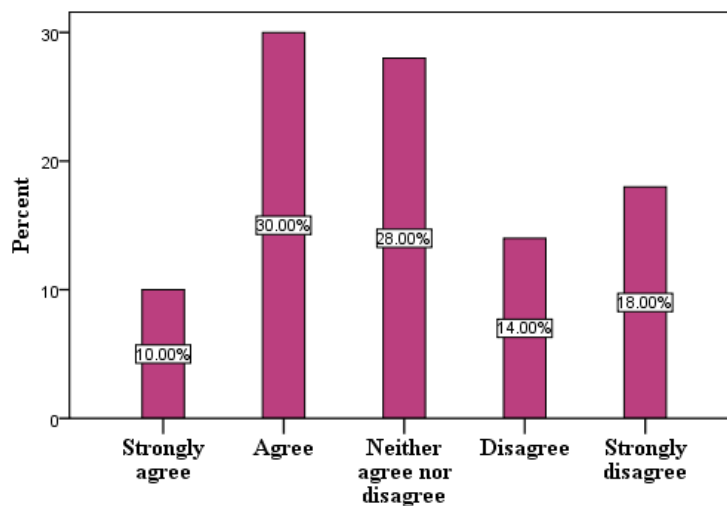
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards it is not transparency one.

#### 4.23 LACK OF EFFECTIVENESS IN METRICS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 15         | 10.0         |
| Agree                      | 45         | 30.0         |
| Neither agree nor disagree | 42         | 28.0         |
| Disagree                   | 21         | 14.0         |
| Strongly disagree          | 27         | 18.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.23 LACK OF EFFECTIVENESS IN METRICS



#### INTERPRETATION:

The above table show that 10% of the respondents are strongly agree, 30% of the respondents are agree , 28% of the respondents are neither agree nor disagree, 14% of the respondents are disagree and 18% of the respondents are strongly disagree towards lack of effectiveness in metrics.

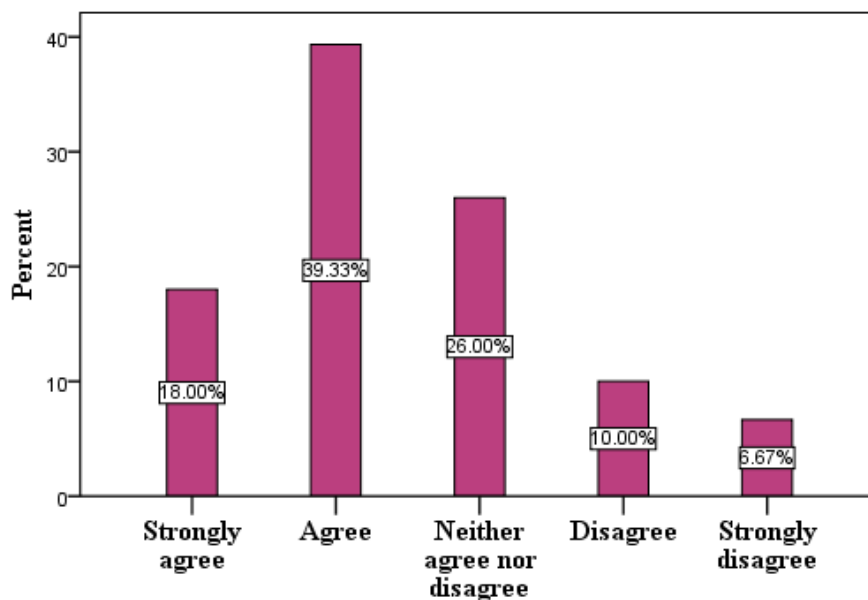
#### INFERENCE:

Thus the majorities of the respondents are agree towards lack of effectiveness in metrics.

#### 4.24 DISCONNECTED FROM JOB DESCRIPTION

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 27         | 18.0         |
| Agree                      | 59         | 39.3         |
| Neither agree nor disagree | 39         | 26.0         |
| Disagree                   | 15         | 10.0         |
| Strongly disagree          | 10         | 6.7          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.24 DISCONNECTED FROM JOB DESCRIPTION



#### INTERPRETATION:

The above table show that 18% of the respondents are strongly agree, 39.3% of the respondents are agree , 26% of the respondents are neither agree nor disagree, 10% of the respondents are disagree and 6.7% of the respondents are strongly disagree towards disconnected from job description.

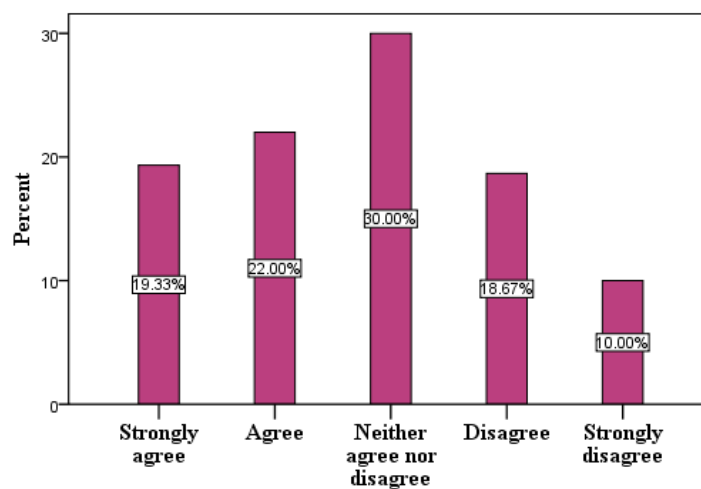
#### INFERENCE:

Thus the majorities of the respondents are agree towards disconnected from job description.

#### 4.25 PERFORMANCE APPRAISAL SYSTEM MUST BE RESULT ORIENTED ONE

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 29         | 19.3         |
| Agree                      | 33         | 22.0         |
| Neither agree nor disagree | 45         | 30.0         |
| Disagree                   | 28         | 18.7         |
| Strongly disagree          | 15         | 10.0         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.25 PERFORMANCE APPRAISAL SYSTEM MUST BE RESULT ORIENTED ONE



#### INTERPRETATION:

The above table show that 19.3% of the respondents are strongly agree, 22% of the respondents are agree , 30% of the respondents are neither agree nor disagree, 18.7% of the respondents are disagree and 10% of the respondents are strongly disagree towards performance appraisal system must be result oriented one.

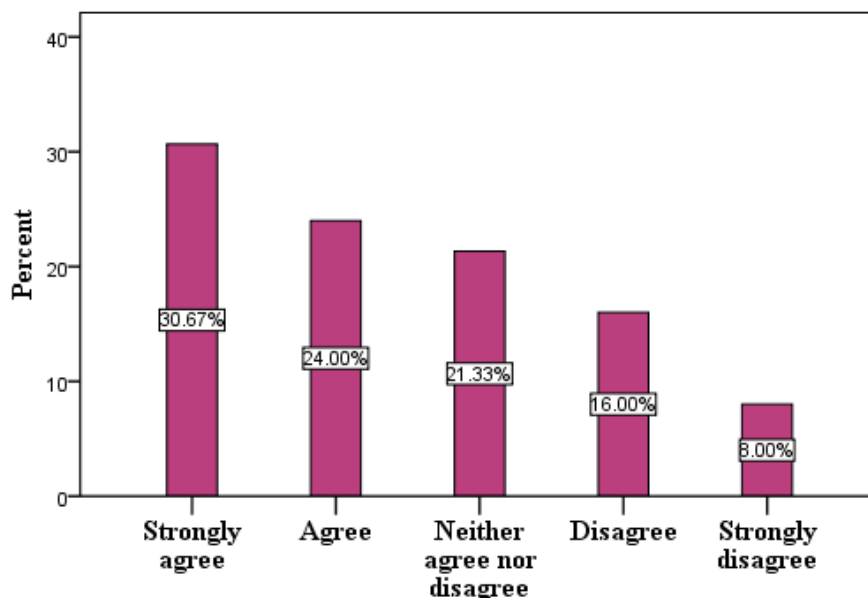
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards performance appraisal system must be result oriented one.

#### 4.26 PERFORMANCE APPRAISAL IS USED AS A DECISION MAKING TOOL

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 46         | 30.7         |
| Agree                      | 36         | 24.0         |
| Neither agree nor disagree | 32         | 21.3         |
| Disagree                   | 24         | 16.0         |
| Strongly disagree          | 12         | 8.0          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.26 PERFORMANCE APPRAISAL IS USED AS A DECISION MAKING TOOL



#### INTERPRETATION:

The above table show that 30.7% of the respondents are strongly agree, 24% of the respondents are agree , 21.3% of the respondents are neither agree nor disagree, 16% of the respondents are disagree and 8% of the respondents are strongly disagree towards performance appraisal system is used as a decision making tool for the increasing the performance of employees.

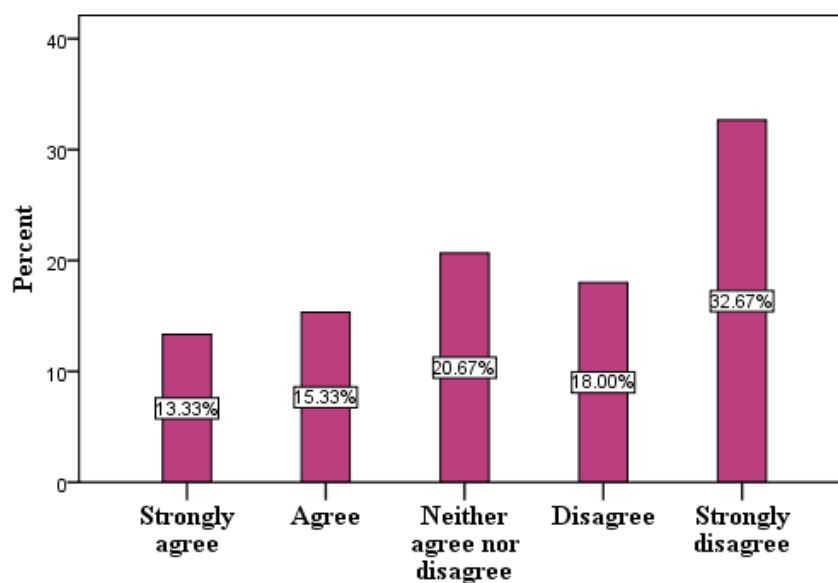
#### INFERENCE:

Thus the majorities of the respondents are strongly agree towards performance appraisal system is used as a decision making tool for the increasing the performance of employees.

#### 4.27 MUST BE A STANDARDIZED ONE

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 20         | 13.3         |
| Agree                      | 23         | 15.3         |
| Neither agree nor disagree | 31         | 20.7         |
| Disagree                   | 27         | 18.0         |
| Strongly disagree          | 49         | 32.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.27 MUST BE A STANDARDIZED ONE



#### INTERPRETATION:

The above table show that 13.3% of the respondents are strongly agree, 15.3% of the respondents are agree , 20.7% of the respondents are neither agree nor disagree, 18% of the respondents are disagree and 32.7% of the respondents are strongly disagree towards it must be a standardized one.

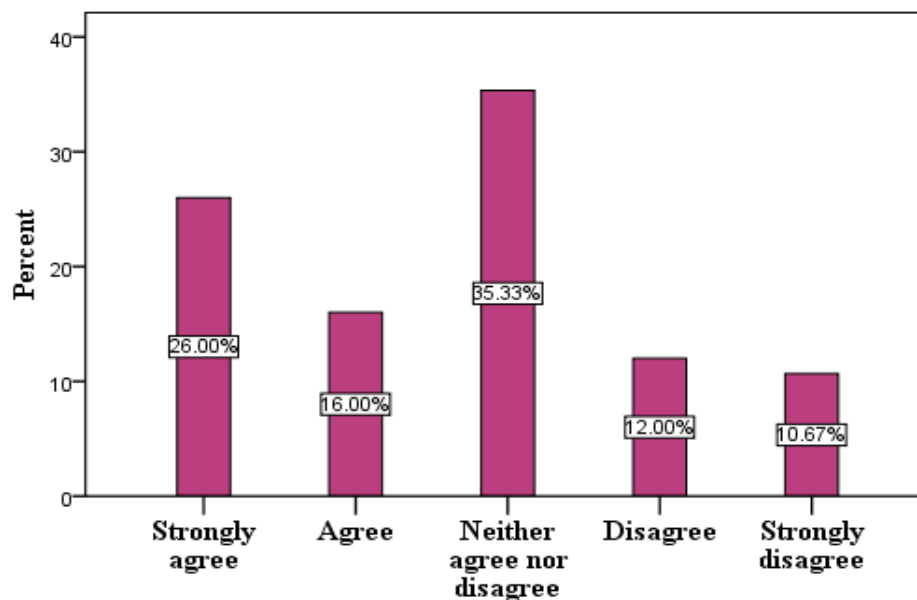
#### INFERENCE:

Thus the majorities of the respondents are strongly disagree towards it must be a standardized one.

#### 4.28 MUST BE REVISED OFTEN

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 39         | 26.0         |
| Agree                      | 24         | 16.0         |
| Neither agree nor disagree | 53         | 35.3         |
| Disagree                   | 18         | 12.0         |
| Strongly disagree          | 16         | 10.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.28 MUST BE REVISED OFTEN



#### INTERPRETATION:

The above table show that 26% of the respondents are strongly agree, 16% of the respondents are agree , 35.3% of the respondents are neither agree nor disagree, 12% of the respondents are disagree and 10.7% of the respondents are strongly disagree towards it must be revised often.

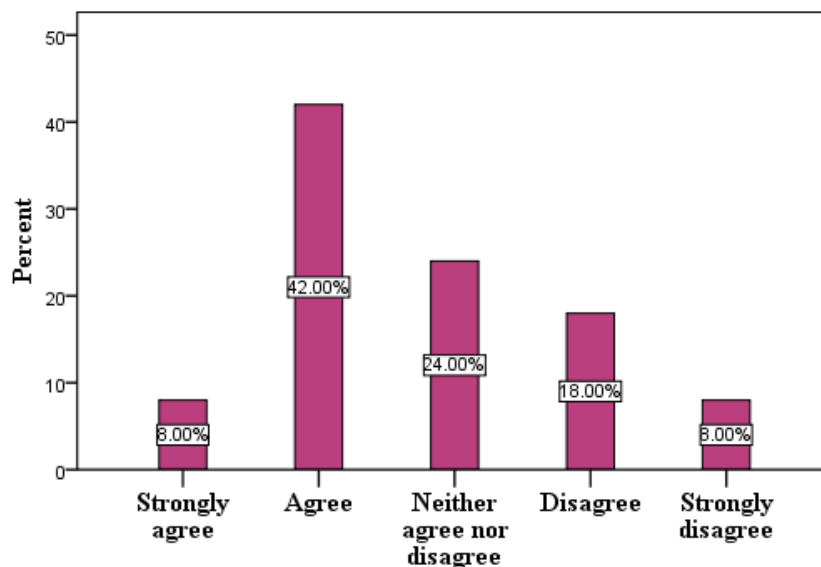
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards it must be revised often.

#### 4.29 PROMOTION OPPORTUNITIES MUST BE FAIR AND SATISFACTORY

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 12         | 8.0          |
| Agree                      | 63         | 42.0         |
| Neither agree nor disagree | 36         | 24.0         |
| Disagree                   | 27         | 18.0         |
| Strongly disagree          | 12         | 8.0          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.29 PROMOTION OPPORTUNITIES MUST BE FAIR AND SATISFACTORY



#### INTERPRETATION:

The above table show that 8% of the respondents are strongly agree, 42% of the respondents are agree , 24% of the respondents are neither agree nor disagree, 18% of the respondents are disagree and 8% of the respondents are strongly disagree towards promotion opportunities must be fair and satisfactory.

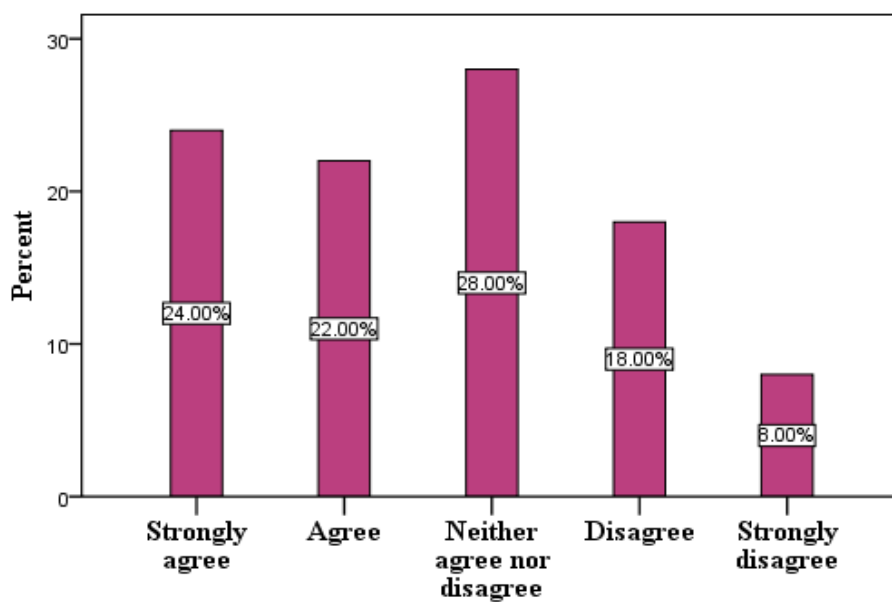
#### INFERENCE:

Thus the majorities of the respondents are agree towards promotion opportunities must be fair and satisfactory.

#### 4.30 MUST BE COMPREHENSIVE TEAM ASSESSMENT

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 36         | 24.0         |
| Agree                      | 33         | 22.0         |
| Neither agree nor disagree | 42         | 28.0         |
| Disagree                   | 27         | 18.0         |
| Strongly disagree          | 12         | 8.0          |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.30 MUST BE COMPREHENSIVE TEAM ASSESSMENT



#### INTERPRETATION:

The above table show that 24% of the respondents are strongly agree, 22% of the respondents are agree , 28% of the respondents are neither agree nor disagree, 18% of the respondents are disagree and 8% of the respondents are strongly disagree towards there must be comprehensive team assessment.

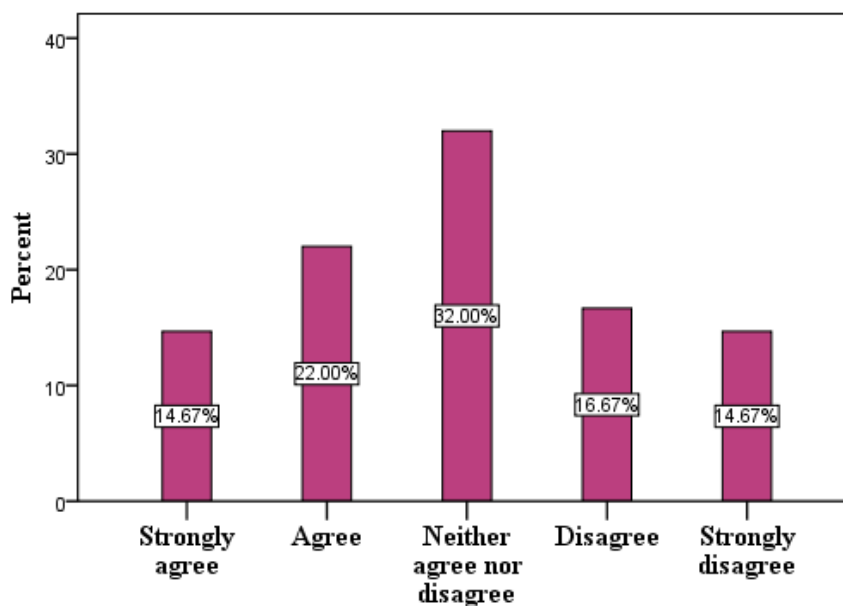
#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards there must be comprehensive team assessment.

#### 4.31 MUST BE CONNECTED WITH REWARDS

| Statement                  | Frequency  | Percent      |
|----------------------------|------------|--------------|
| Strongly agree             | 22         | 14.7         |
| Agree                      | 33         | 22.0         |
| Neither agree nor disagree | 48         | 32.0         |
| Disagree                   | 25         | 16.7         |
| Strongly disagree          | 22         | 14.7         |
| <b>Total</b>               | <b>150</b> | <b>100.0</b> |

#### 4.31 MUST BE CONNECTED WITH REWARDS



#### INTERPRETATION:

The above table show that 14.7% of the respondents are strongly agree, 22% of the respondents are agree , 32% of the respondents are neither agree nor disagree, 16.7% of the respondents are disagree and 14.7% of the respondents are strongly disagree towards it must be connected with rewards.

#### INFERENCE:

Thus the majorities of the respondents are neither agree nor disagree towards it must be connected with rewards.

## CHI SQUARE ANALYSIS

Relation between gender of the respondents and performance appraisal system must be result oriented one

## HYPOTHESIS TESTING

### Null Hypothesis: $H_0$ :

There is no significant relationship between gender of the respondents and performance appraisal system must be result oriented one.

### Alternate Hypothesis: $H_1$ :

There is significant relationship between gender of the respondents and performance appraisal system must be result oriented one.

Relation between gender of the respondents and performance appraisal system must be result oriented one

**Case Processing Summary**

|                                                                                      | Cases |         |         |         |       |         |
|--------------------------------------------------------------------------------------|-------|---------|---------|---------|-------|---------|
|                                                                                      | Valid |         | Missing |         | Total |         |
|                                                                                      | N     | Percent | N       | Percent | N     | Percent |
| GENDER OF THE RESPONDENTS * PERFORMANCE APPRAISAL SYSTEM MUST BE RESULT ORIENTED ONE | 150   | 100.0%  | 0       | .0%     | 150   | 100.0%  |

Gender of the respondents \* performance appraisal system must be result oriented one cross tabulation

| Count                     |        |                                                          |       |                            |          |                   |       |
|---------------------------|--------|----------------------------------------------------------|-------|----------------------------|----------|-------------------|-------|
|                           |        | PERFORMANCE APPRAISAL SYSTEM MUST BE RESULT ORIENTED ONE |       |                            |          |                   | Total |
|                           |        | Strongly agree                                           | Agree | Neither agree nor disagree | Disagree | Strongly disagree |       |
| GENDER OF THE RESPONDENTS | Male   | 19                                                       | 23    | 34                         | 19       | 11                | 106   |
|                           | Female | 10                                                       | 10    | 11                         | 9        | 4                 | 44    |
| Total                     |        | 29                                                       | 33    | 45                         | 28       | 15                | 150   |

#### Chi-Square Tests

|                              | Value              | df | Asymp. Sig. (2-sided) |
|------------------------------|--------------------|----|-----------------------|
| Pearson Chi-Square           | 1.063 <sup>a</sup> | 4  | .020                  |
| Likelihood Ratio             | 1.069              | 4  | .071                  |
| Linear-by-Linear Association | .230               | 1  | .083                  |
| N of Valid Cases             | 150                |    |                       |

a. 1 cells (10.0%) have expected count less than 5. The minimum expected count is 4.40.

#### RESULT:

As per the above table, the minimum expected count is 4.40. Thus null hypothesis is rejected and it is finding that there is significant relationship between gender of the respondents and performance appraisal system must be result oriented one.

## CORRELATION ANALYSIS

Relation between age of the respondents and performance appraisal system is used as a decision making tool

**Correlations**

|                                                         |                     | AGE OF THE RESPONDENTS | PERFORMANCE APPRAISAL IS USED AS A DECISION MAKING TOOL |
|---------------------------------------------------------|---------------------|------------------------|---------------------------------------------------------|
| AGE OF THE RESPONDENTS                                  | Pearson Correlation | 1                      | .087                                                    |
|                                                         | Sig. (2-tailed)     |                        | .292                                                    |
|                                                         | N                   | 150                    | 150                                                     |
| PERFORMANCE APPRAISAL IS USED AS A DECISION MAKING TOOL | Pearson Correlation | .087                   | 1                                                       |
|                                                         | Sig. (2-tailed)     | .292                   |                                                         |
|                                                         | N                   | 150                    | 150                                                     |

## RESULT:

The above table depicts the relation between age of the respondents and performance appraisal system is used as a decision making tool. These two variables have low degree of correlation i.e. 0.087. So there is a positive relationship between age of the respondents and performance appraisal system is used as a decision making tool

## ANOVA

Salary of the respondents and promotion opportunities must be fair and satisfactory

|                | Sum of Squares | df  | Mean Square | F     | Sig. |
|----------------|----------------|-----|-------------|-------|------|
| Between Groups | 9.210          | 4   | 2.303       | 1.379 | .244 |
| Within Groups  | 242.123        | 145 | 1.670       |       |      |
| Total          | 251.333        | 149 |             |       |      |

### INTERPRETATION:

Since the significant difference .244 is greater than 0.05, so accept null hypothesis and reject alternate hypothesis which says, there is no significant difference between the salary of the respondents and opportunities must be fair and satisfactory.

### INFERENCE:

There is no significant difference between the salary of the respondents and opportunities must be fair and satisfactory.

## **CHAPTER 5**

### **FINDINGS, SUGGESTIONS AND CONCLUSION**

#### **5.1 FINDINGS**

- 70.7% of the respondents are male.
- 31.3% of the respondents belong to the age group of below 21 - 30 years.
- 45.3% of the respondents are graduate.
- 45.3% of the respondents have below Rs.10,000.
- 34% of the respondents are 1-3 years.
- 48% of the respondents said that quarterly as the frequency of performance appraisal done in the organisation.
- 42% of the respondents said that no aware in performance appraisal system in the organisation.
- 34% of the respondents are agree towards performance appraisal motivates the employees to enhance their skills.
- 27.3% of the respondents are disagree towards performance appraisal system develops their capabilities of the employees.
- 30% of the respondents are disagree towards performance appraisal system provides self awareness to enrich their knowledge in our organisation.
- 35.3% of the respondents are neither agree nor disagree towards it gives opportunities for promotion in their career.
- 28.7% of the respondents are strongly agree towards it increases leadership skills in the organization .
- 34.7% of the respondents are neither agree nor disagree towards it affects employees performance.
- 45.3% of the respondents are strongly agree towards it results in employee empowerment and development.
- 36.7% of the respondents are agree towards self appraisal system is followed in the company.
- 38% of the respondents are agree towards managerial reviews is followed in the company.
- 33.3% of the respondents are agree towards there is peer reviews to assess the employees.

- 36.7% of the respondents are agree towards superiors are appraised by the subordinates.
- 40.7% of the respondents are strongly agree towards employees are reviewed by customers.
- 34% of the respondents are strongly agree towards employees are not aware in the performance appraisal system.
- 34% of the respondents are neither agree nor disagree towards there is partiality in appraising method.
- 28% of the respondents are strongly agree towards it is not transparency one.
- 30% of the respondents are agree towards lack of effectiveness in metrics.
- 39.3% of the respondents are agree towards disconnected from job description.
- 30% of the respondents are neither agree nor disagree towards performance appraisal system must be result oriented one.
- 30.7% of the respondents are strongly agree towards performance appraisal system is used as a decision making tool for the increasing the performance of employees.
- 32.7% of the respondents are strongly disagree towards it must be a standardized one.
- 35.3% of the respondents are neither agree nor disagree towards it must be revised often.
- 42% of the respondents are agree towards promotion opportunities must be fair and satisfactory.
- 28% of the respondents are neither agree nor disagree towards there must be comprehensive team assessment.
- 32% of the respondents are neither agree nor disagree towards it must be connected with rewards.
- There is significant relationship between gender of the respondents and performance appraisal system must be result oriented one.
- There is a positive relationship between age of the respondents and performance appraisal system is used as a decision making tool
- There is no significant difference between the salary of the respondents and opportunities must be fair and satisfactory.

## 5.2 SUGGESTIONS

- The company should conduct often the performance appraisal for the employees. Then only it will be an effective one.
- The employees must have the awareness about the performance appraisal system in the organisation.
- The performance appraisal system of the company must be to motivate the employees to enhance their skills in the organisation.
- It should be framed to develop the employees' capabilities in the concern.
- It must be designed in order to be useful for their promotion in their career and it must be useful for developing their leadership skill among the employees.
- Every employee must evaluate themselves in order to understand their status in their career.
- There must be peer reviews and managerial reviews in the company in order to assess in 360 degree.
- There should not be any partiality in appraisal system in the organisation. It will discourage the employees in the working place.
- There should be effective metrics in the performance appraisal system and connected with result oriented and job description.
- The performance appraisal system must be a standardised one and it should revise often.
- The performance appraisal system of the organisation must be fair and satisfactory one and it must be connected with rewards in order to motivate them in work place.

### **5.3 CONCLUSION**

This study is an attempt to find out the effectiveness and perception of present appraisal system of employees and to find out the opinion of employees regarding satisfaction level of performance appraisal. I conclude that most of the employees are satisfied with the present appraisal system of the company. The performance appraisal is professionally designed and monitored by HRD. The implementation is the responsibility of each and every employee along with the management. There should be adequate training given to the employees that will help them to answer the qualities of performance appraisal. Performance appraisal is very important tool used to influence employees. A formal performance review is important as it gives an opportunity to get an overall view of job performance. It is concluded that the performance appraisal is effective in the JSW Steel Ltd., Salem but the company has to improve the existing system, and also it has to take effective measures to improve the standard of appraisal system.

## ANNEXURE – I

### QUESTIONNAIRE

A study on performance appraisal of employees at jsw steel ltd., salem

1. Name :

2. Gender :        a) Male        b) Female

3. Age :

a) Below 20        b) 21-30        c) 31-40        d) 41-50        e) above 50

4. Educational Qualification:

a) Graduate        b) Post Graduate        c) Diploma        d) Professional        e) Others

5 .Salary:

a) Below Rs.10, 000/-        b) Rs.10,000-20,000/-        c) Rs.20,001- 30,000/-  
d) Rs. 30,000 – 40,000        e) Above Rs. 40,000/-

6. Experience (in yrs)

a) Below 1 year        b) 1-3 years        c) 4-6 years        d) 6-9 years  
e) Above 9 years

7. How often the Performance Appraisal is done?

a) Quarterly        b) Half yearly        c) Annually

8. How do you have the aware in performance appraisal system in your organization?

a) Fully aware        b) Partly aware        c) No aware

|                                                                                                        | Strongly agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree |
|--------------------------------------------------------------------------------------------------------|----------------|-------|----------------------------|----------|-------------------|
| <b>Leads to promotion, training &amp; development</b>                                                  |                |       |                            |          |                   |
| 9. Performance appraisal motivates the employees to enhance their skills                               |                |       |                            |          |                   |
| 10. Performance appraisal system develops their capabilities of the employees                          |                |       |                            |          |                   |
| 11. Performance appraisal system provides self awareness to enrich their knowledge in our organisation |                |       |                            |          |                   |
| 12. It gives opportunities for promotion in their career                                               |                |       |                            |          |                   |
| 13. It increases leadership skills in the organization                                                 |                |       |                            |          |                   |
| <b>Various performance appraisal used by the organization</b>                                          |                |       |                            |          |                   |
| 16. Self appraisal system is followed in the company                                                   |                |       |                            |          |                   |
| 17. Managerial reviews is followed in the company                                                      |                |       |                            |          |                   |
| 18. There is peer reviews in order to assess the employees                                             |                |       |                            |          |                   |
| 19. Superiors are appraised by the subordinates                                                        |                |       |                            |          |                   |
| <b>Problems in performance appraisal</b>                                                               |                |       |                            |          |                   |

|                                                                                                             |  |  |  |  |  |
|-------------------------------------------------------------------------------------------------------------|--|--|--|--|--|
| 21. Employees are not aware in the performance appraisal system                                             |  |  |  |  |  |
| 22. There is partiality in appraising method                                                                |  |  |  |  |  |
| 23. It is not transparency one                                                                              |  |  |  |  |  |
| 24. Lack of effectiveness in metrics                                                                        |  |  |  |  |  |
| <b>Ways to improve performance of employees</b>                                                             |  |  |  |  |  |
| 26. Performance appraisal system must be result oriented one                                                |  |  |  |  |  |
| 27. Performance appraisal is used as a decision making tool for the increasing the performance of employees |  |  |  |  |  |
| 30. Promotion opportunities must be fair and satisfactory                                                   |  |  |  |  |  |
| 31. There must be comprehensive team assessment                                                             |  |  |  |  |  |
| 32. It must be connected with rewards                                                                       |  |  |  |  |  |

### 33. Suggestions

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