ISSN: 2321-7782 (Online)
Volume 3, Issue 11, November 2015
International Journal of Advance Research in Computer Science and Management Studies
Research Article / Survey Paper / Case Study
Available online at: www.ijarcsms.com

Determinants of Performance Appraisal: An Empirical Study

Nameirakpam Chetana[1]
Junior Research Fellow,
Department of Business Administration,
Sambalpur University, Jyoti Vihar,
Burla – 768019, Odisha, India

Lopamudra Pattnaik[2]
Senior Research Fellow,
Department of Business Administration,
Sambalpur University, Jyoti Vihar,
Burla – 768019, Odisha, India

Dr. A. K. Das Mohapatra[3]
Professor & Dean,
Department of Business Administration,
Sambalpur University, Jyoti Vihar,
Burla – 768019, Odisha, India

Abstract: ***Performance appraisal has been viewed as an effective tool for human resource management in the organisations. However, effective appraisal system remains a challenge to the managers and employees as a whole. This paper aims to find out the key factors that influence effective performance appraisal system at OCL Iron and Steel Ltd. (OISL) using factor analysis and measuring correlation among the factors which has been found through factor analysis. Primary data collected online through questionnaires from 95 respondents have been used in the study. The study reveals that 'scope and strategy of performance appraisal' followed by 'appraiser appraise co-ordination', 'approaches to performance appraisal', 'performance based initiatives', 'attributes evaluated in performance appraisal' and 'perception of employees regarding performance appraisal' as the major determinant of effective performance appraisal in order. The study further reveals that there exists a strong positive correlation between the factors of performance appraisal.***

Keywords: Performance appraisal; performance; attributes; factor; principal component; factor analysis

I. INTRODUCTION

Performance appraisal system is a major instrument to measure the effectiveness of employees in an organisation. Performance appraisal aims to assess the work performance of an employee. It is a strategic human resource practice in order to match the individual performance with organisational objectives. There are various dimensions to evaluate performance of an employee. Performance appraisal helps the organisation in achieving its strategic advantages and increasing of effective operational processes through constant improvement of individual employee performance along with focusing on weak improvable areas (Divandari, 2008). The modern performance appraisal approach is based on learning abilities, improvement of skills and future growth aspects of the individuals by aligning it with the organisational needs.

Performance appraisal needs to be the top priority in today's changing environment to encounter competition. High performing organisations gain a distinct competitive advantage by effectively linking employee performance to corporate achievements. Ranking, Graphic Rating Scale, Critical Incident Method, Narrative Essays, Management by Objectives, Assessment Centres, Behaviourally Anchored Rating Scale, 360 Degree and 720 Degree are some of the regularly used schemes of performance appraisal in different organisations.

II. ORIGIN, HISTORY AND RECENT TRENDS

Performance appraisal system originated as simple method of income justification. Appraisal was used to decide whether or not the salary or wage of an individual employee was justified. The process was firmly linked to productivity of an individual. If an employee's performance was found to be less than the target, a cut in pay would follow. On the other hand, if their performance was better than the supervisor's expectations, a pay hike was in order. For example, early motivational researchers were

aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance. In the 1950s in the United States, the potential usefulness of appraisal as a tool for motivation and organisation development was gradually acknowledged. The general model of performance appraisal, as it is known today, began from that time.

The true origin of performance appraisal dates back to the late 1970's when Dr. Aubrey Daniels coined the phrase Performance Management to simply describe a way of getting people to do what you want them to do and like it.

Performance measuring, rating and review systems have become more comprehensive, organised and personalised than before. Performance related pay is being combined in the human resource policies used by the organisations.

II- A. Global Trends

360 Degree Appraisal, Team Performance Appraisal, 720 Degree appraisal and Rank and Yank Strategy are the recent global trends in performance appraisal. Organisations are increasingly using feedback from various sources such as peer input, customer feedback, and input from superiors in 360 Degree appraisal.

Rick Gal Breath became dissatisfied with 360 degree appraisal system. He evolved the 720 degree appraisal system for the upper level managers that brings in the viewpoints of their customers or investors, as well as subordinates regarding their performances. 720 degree approach gives people a very different perspective of themselves as leaders and growing individuals.

Most of the performance appraisal techniques are formulated with individuals in mind, i.e., to measure and rate the performance of the individual employee. Therefore, with the number of teams increasing in the organisations, it becomes difficult to measure and appraise the performance of the team and to separate the performance of an individual employee from the performance of the team. Team performance appraisal is a solution to this problem that is being adopted by the organisations to assess both the individual and the team performance.

Another modern performance appraisal technique is Rank and Yank strategy. It is also known as the "Up or out policy". It refers to the performance appraisal model in which best-to-worst ranking techniques are used to categorise and separate the poor performers from the good performers. Then the improvement dimensions for the poor performers are discussed and action plan is designed. Then they are trained to improve their performance in a given time period. After implementing this appropriate HR decisions are taken. Ford, Microsoft and Sun Microsystems are some of the organisations following this strategy.

III. Review Of Literature

Arahunasi (1992) in his study *"A Critical Evaluation of Performance Appraisal in Selected Industrial Organization"* stated that favourable attitude of the employees towards the appraisal system should be created, the performance appraisal system should be treated as 'problem solving' system, every promotion should be made purely on performance basis, organization must bring the participative approach of employees in the Performance Appraisal system, training to appraiser and appraise should be given about the Performance Appraisal system, proper feedback system need to be installed for the employees, and good performance should be linked with special increment, promotion and rewards.

Rao (2005) has narrated his study titled as *"Making Performance Appraisal an Open System."* The organization selected for the study is a public sector unit based at Bangalore. The study covers 50 executives selected randomly out of the total strength 200. The objective of study was to find out how the executives respond to the current appraisal system being made on open system. The result of study showed that the performance appraisal system should consider training needs of personnel. A good performance appraisal system helps in producing result –oriented officers in the highest posts. The performance appraisal system should reflect on individual attributes like his nature, career development, traits, potential for advancement, training needs, drawbacks, overall performance etc. If the performance appraisal is made open, it can lead to competence. This study can

be used for administrative purpose, informative purpose, developmental, informative purpose, developmental purpose, self-appraisal, promotion and training etc.

Kamble (2005) has carried out a research and published the paper titled *as "Performance Appraisal System of Suchet Industries Ltd."*, in which he has discussed the performance appraisal system of Suchet Industries Ltd. . The paper discusses the overall process as well as how the outcomes of performance appraisals are planned. The views of key officials in the organization on the performance appraisal system are also brought out. At Suchet Industries Ltd. performance appraisal system is used as an instrument for improving the work culture, the focus is on personnel and organizational development and a lot of importance is given to performance appraisal system for giving promotions, incentives and increments. There exists a healthy relationship between the appraiser and the appraise, appraiser acting as a friend and a guide. He further adds that there are some changes to be incorporated in the present appraisal system to improve communication, feedback system and levels of motivation through greater role and goal clarity.

Nagendra (2008) in the article entitled as *"An Analysis of Performance Appraisal System in the Automobile Industry"* has shared her experience about the study conducted to establish the adequacy/inadequacy of the performance appraisal system in two companies in the automobile sector, to assess whether it is human resource development oriented and to evaluate whether it is effectively implemented. The study was conducted in Tata Motors and Bajaj Auto. The result of the study showed that the managers in both the organizations felt that there existed a good performance appraisal system in their organizations. This performance appraisal system is human resource development oriented. However, its implementation was found lacking. On comparison Tata Motors scored higher than Bajaj Auto on all aspects revealing that managers in TATA Motors were more satisfied with the existing implementation of the performance appraisal system, in their organization than those in Bajaj Auto. She concludes that performance appraisal still has a long way to go before it reaches a satisfactory acceptance level.

Stephan and Dorfman (1989) in their paper *"Administrative and Developmental Functions in Performance Appraisals: Conflict or Synergy?"* have revealed the outcomes of effective performance appraisal. It results in improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward.

The study of Ochoti, Maronga, Muathe, Nyabwanga and Ronoh (2012) investigated the multifaceted factors influencing employee performance appraisal system in the Ministry of State for Provincial Administration, Nyamira District, Kenya. A target population of 76 employees was surveyed. A structured questionnaire was self-administered to the employees to collect data. Multiple regression analysis technique was used to explain the nature of the relationship between performance appraisal system and the factors that influence it. Results of the study showed that all the five factors: Implementation process, interpersonal relationships, rater accuracy, informational factors, and employee attitudes had a significant positive relationship with the performance appraisal system. It shows that performance appraisal system can be a good performance management tool if these factors are taken into consideration by appraises, appraisers and government policy makers.

Harris (1998) in the paper *"A Comparision of Employee Attitude towards Two Performance Appraisal Systems"* has emphasised that a system must be designed in such a manner that it provides guidance for employees relative to how increased performance is to be achieved. Second, these measures are also contaminated by other factors over which the individual has little or no control.

The paper of Al Bento and Regina Bento (2006) proposes and tests a model to explain three critical outcomes of Performance Management Systems: information quality, effectiveness, and usefulness of the performance management system to managerial decision-making. Drawing from Organizational Information Processing Theory, the paper examined how those three outcomes may be influenced by factors that affect organizational information processing requirements (industry, size, and geographic scope of operations) and by organizational and technological factors that affect organisational information processing capabilities. Organizational factors included management's decision-making style and organizational structure. Technological

factors included the types of technology used in the PMS (Enterprise Resource Planning; specialized tool such as Decision Support System; and generic tools such as Excel, Access and Lotus Notes), and the degree of use of e-commerce and Internet technologies**.**

Mathew (2007) has published his paper in Management Trends, under the title *"360 Degree Performance Appraisal – A scientific way of Assessing Employee Performance and Behaviour"*. The study on which the paper is based is descriptive in nature. He has collected information through review of relevant literature regarding performance appraisal methods and attempts have been made to assess the scientific nature of the process and its implications on the performance and behaviour of the employees. He concludes that 360 degree performance appraisal when executed correctly; meet the criteria for reliability and validity. It is the best way to get accurate feedback about the individual performance of team members, 2007.

IV. Objectives Of The Study

» To study the performance appraisal system followed in OISL in Odisha.

» To study the various factors that influence the performance appraisal system in OISL.

V. Methodology

The following methodology has been adopted for the study:

» **Data Source and method of data collection:** The study has been conducted mainly on primary data collected through our own developed attitude scale. The scale consisting of 19 items were distributed among the respondents selected through convenient sampling from OISL, Rajgangpur, Sundergarh, Odisha and collected back upon being filled up by the respondents.

» **Sample size and sampling:** A total of 100 sets of questionnaires were distributed among the respondents of which 95 questionnaires were included in the study for being complete in all respect.

» **Demographic profile:** Overall response of survey questionnaire ready for further analysis was 95%. 68 out of the 95 respondents were male and 27 were female. 37 respondents were between 0>5 years of experience, 32 were having 5>10 years of experience and rest of the respondents were having more than 10 years of experience in the organisation. 38 respondents were between the age group of 22 to 35, 29 respondents were between the age group of 36 to 45 and rest of the respondents were more than 45 years of age. 43 out of the 95 respondents belonged to executive class and 52 belonged to the non-executive class.

Table No. - I.I: Demographic profile

Selected Categories	Sub Categories	No. of respondents	Percentage
Age group	22>35 years	38	40%
	36>45 years	29	30.5%
	Above 45 years	28	29.5%
Total		**95**	**100%**
Gender	Male	68	71.5%
	Female	27	28.5%
Total		**95**	**100%**
Workgroup	Executive	43	45.3%
	Non-executive	52	54.7%
Total		**95**	**100%**
Experience	0>5 years	37	39%
	5>10 years	32	33.6%
	Above 10 years	26	27.4%
Total		**95**	**100%**

Tools and techniques used: The important statistical technique used in the study is Factor Analysis with the calculation of Kaiser-Meyer-Olkin measure of sampling adequacy, Bartlett's test for sphericity and Principal Component Analysis. Principal

Component Analysis has been used to identify the important factors influencing performance appraisal. SPSS 20.0 version package has been used for all the statistical calculations.

Sample Unit: OISL was established in the year 2001-02 as coal based Direct Reduced Iron (DRI) production unit at Rajgangpur, District Sundergarh, Odisha. It is strategically located in the Iron Ore and Coal rich belt of Eastern India with Government allocated Iron Ore and Coal blocks in proximity.

OISL's HR policy is focused on optimizing human capital through restructuring ethics with a strong commitment to business and society. 360 degree performance appraisal is mainly adopted as a technique to access the performance of the employees in OISL. OISL has created a culture of rewards and recognition through various schemes. Every month cash reward of Rs. 1000 is given to the executive level with a title of "employee of the month" based on the outstanding performance. A day is fixed every month whereby the title of "quality man of the month" is chosen based on their performance as Mutual Admiration Day (MAD). A policy of reverse mentoring is followed in OISL whereby the junior level trained the senior level of executives in a specific task or projects.

Hypothesis:

$H_{0:}$ Factors influencing performance appraisal system in OISL do not differ significantly

VI. Data Analysis And Interpretation

Factor analysis to find out favourable components of performance appraisal

Table No. I.II. KMO and Bartlett's test

KMO and Bartlett's test for favourable components of performance appraisal		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.503
Bartlett's test for sphericity	Approx. Chi Square	343.544
	Df	190
	Sig	.000

Inference: Table No. I.II. shows the KMO and Bartlett's test. It is found that the sampling adequacy value 0.503 and the chi-square value 343.544 are statistically significant 5% level. This implies that the twenty variables of the performance appraisal are adequate in explaining the concept and the sampling distribution is also normal to explain the characteristic features of population of employees regarding favourable components of performance appraisal.

The following communality table explains the variances in the favourable components of performance appraisal

Table No. – I.III: Communalities for favourable components of performance appraisal

	Initial	Extraction
VAR00001	1.000	.612
VAR00002	1.000	.572
VAR00003	1.000	.634
VAR00004	1.000	.591
VAR00005	1.000	.430
VAR00006	1.000	.386
VAR00007	1.000	.502
VAR00008	1.000	.559
VAR00009	1.000	.651
VAR00010	1.000	.453

VAR00011	1.000	.551
VAR00012	1.000	.566
VAR00013	1.000	.537
VAR00014	1.000	.583
VAR00015	1.000	.614
VAR00016	1.000	.444
VAR00017	1.000	.457
VAR00018	1.000	**.710**
VAR00019	1.000	.511
VAR00020	1.000	.549

From Table No. – I.III it is found that the variance of twenty variables of favourable components to performance appraisal of employees ranges from 0.386 to 0.710. This implies that the favourable components to performance appraisal vary from 38% to 71%. The upper limit of the variance is statistically significant and as the implication of properly segregated predominant factors as expressed in the table below.

Table No. – I.IV: Total variance explained for favourable components of performance appraisal

Components	**Initial Eigenvalues**			**Extraction Sum of Squared Loadings**			**Rotation Sums of Squared Loadings**		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	2.498	12.492	12.492	2.498	12.492	12.492	1.961	9.805	9.805
2	1.912	9.559	22.051	1.912	9.559	22.051	1.880	9.398	19.203
3	1.845	9.224	31.275	1.845	9.224	31.275	1.819	9.094	28.297
4	1.695	8.475	39.750	1.695	8.475	39.750	1.811	9.054	37.352
5	1.591	7.953	47.703	1.591	7.953	47.703	1.751	8.753	46.104
6	1.370	6.850	54.553	1.370	6.850	**54.553**	1.690	8.449	**54.553**
7	1.187	5.934	60.487						
8	1.030	5.149	65.636						
9	1.011	5.053	70.689						
10	.905	4.525	75.214						
11	.841	4.207	79.421						
12	.661	3.303	82.724						
13	.578	2.889	85.613						
14	.561	2.803	88.416						
15	.523	2.615	91.031						
16	.440	2.199	93.230						
17	.425	2.126	95.356						
18	.334	1.671	97.027						
19	.317	1.583	98.610						
20	.278	1.390	100.00						

Extraction Method: Principal Component Analysis

The Factor Analysis in the study has been extracted by fix number of factors, i.e. 6, instead of Eigen values greater than 1. Cumulative frequency of the extracted sum of squared loadings with six factors is 54.553. Whereas the cumulative frequency of

the initial Eigen values greater than 1 is 70.689. From the above table it is found that the twenty variables are reduced into six major factors with Eigen values 1.961, 1.880, 1.819, 1.811, 1.751 and 1.690 are statistically significant. The six major factors also possess significant individual values 9.805, 9.398, 9.094, 9.054, 8.753 and 8.449 with total cumulative variance 54.553. This clearly indicates the very existence of six major factors with their respective variable loadings.

Table No- I.V: Rotated Component Matrix

	Components					
	Scope and strategy of performance appraisal	**Appraiser appraise co-ordination**	**Approaches to performance Appraisal**	**Performance based initiatives**	**Attributes evaluated in performance appraisal**	**Perception of employees regarding performance appraisal**
Performance appraisal provides an opportunity for self-review and re-flection.	**.672**	.225		-.219	.207	-.107
Performance appraisal procedure allow appraise to express their devel-opment needs.	**.597**		.125		-.113	.203
Appraisal system is fair and transparent in my organisation.	**.524**	-.197		.230	-.130	
Performance gradation system is a standard one in our organisation**.**	**-.484**	-.232	.456			
Appraiser encourages development for the appraise.		**-.683**			.239	.117
Appraisal system provides a frank discussion between the appraiser and appraise.		**.660**				
Appraiser and appraise mutually design the performance appraisal sys-tem.	.154	**.597**		.233		.326
IT applications are effectively used for performance appraisal system in my organisation.	-.117	.195	**-.730**			
360 degree appraisal is followed appropriately in my organisation.		.174	**.616**	-.282	.305	.220
Performance appraisal is conducted annually in my organisation.	.438		**-.474**	.170		-.107
Increment in salary and promotion are designed basing on the results of performance appraisal.				**.739**	.143	
Non-financial rewards and recognition are given basing on performance.	.296		.242	**.635**		-.127
Training needs are grounded on the performance appraisal outcomes.	-.195	.117	-.258	**.662**	-.130	.120
Team based ranking is based on the performance appraisal system.		.194	.275	**-.376**	-.352	.351
Employee productivity is assessed properly in performance appraisal system of my organisation.	.143	-.128			**.814**	
Employee's interpersonal skill is evaluated appropriately in our perfor-mance appraisal system.	-.256	.198			**.671**	
Adaptability and flexibility are valued correctly in my organisation.		-.368	.164	.169	**.446**	.229
All level of employees have positive perception towards performance appraisal system.	-.306					**.704**
Employees feel contented regarding the performance appraisal system of in my organisation.	.289	-.148	.211		-.116	**.698**
Employees participate with enthusiasm in measures taken to improve the weak areas after performance appraisal.	-.104	.359	.403	.115		**-.501**

Table No. I.VI: Significant components based on Principal Component Analysis

Factors	Sub components	Factor loadings	Statements Significant(+)/ Insignificant(-)
Scope and strategy of performance appraisal	Self-review and reflection.	**.672**	+
	Expression of development needs.	**.597**	+
	Fairness and transparency	**.524**	+
	Standard performance gradation system	**-.484**	-
Appraiser appraise co-ordination.	Encouragement for appraise development	**-.683**	-
	Frank discussion	**.660**	+
	Mutually designing performance appraisal	**.597**	+
Approaches to performance appraisal	Effectively IT applications are effectively	**-.730**	-
	360 degree appraisal	**.616**	+
	Annual performance appraisal	**-.474**	-
Performance based initiatives	Salary and promotion policy	**.739**	+
	Non-financial rewards and recognition	**.635**	+
	Training needs design	**.662**	+
	Team based ranking	**-.376**	-
Attributes evaluated in performance appraisal	Employee productivity	**.814**	+
	Interpersonal skill	**.671**	+
	Adaptability and flexibility	**.446**	+
Perception of employees regarding performance appraisal	Positive perception	**.704**	+
	Contentment on performance appraisal system	**.698**	+
	Enthusiasm for improvement	**-.501**	-

Factor 1: Scope and strategy of performance appraisal

Scope and strategy governing performance appraisal is the most important factor effecting performance appraisal in OISL. Out of four sub factors three were found significant in the study. The first sub-factor is self-review and reflection (.672), second major sub-factor is Expression of development needs (.597) and the last significant sub component is fairness and transparency (.524) in performance appraisal system. The only sub-factor which was found insignificant was standard performance gradation system (-.484).

Factor 2: Appraiser appraise co-ordination

Appraiser appraise co-ordination is the second major factor influencing performance appraisal. Out of three sub variables considered in the study two were found significant. Frank discussion between appraiser and appraise (.660) and mutually de-signed performance appraisal (.597) were found as the positively influencing sub variables. Encouragement for the appraisee by the appraiser (-.683) was found as an insignificant sub-variable.

Factor 3: Approaches to performance appraisal

Approaches to performance appraisal system was found as the third major variable which has significant role in perform-ance appraisal system in OISL. Out of three sub variables only one was found significant, i.e. 360 degree appraisal (.616).

Factor 4: Performance based initiatives

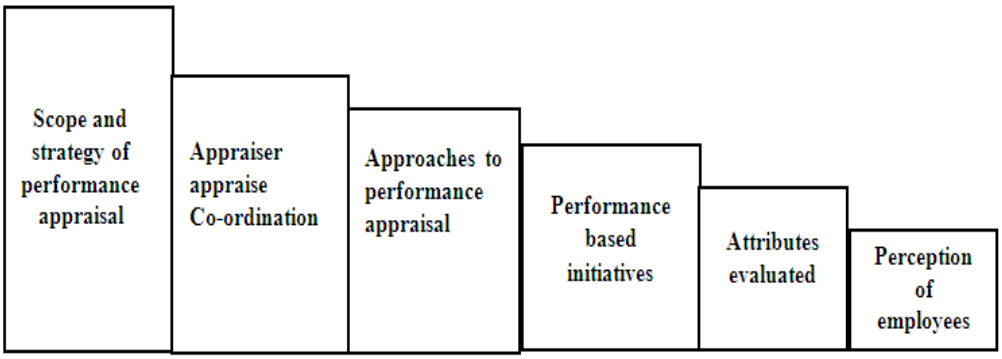
Performance based initiatives was found as the fourth factor influencing performance appraisal. Out of the four sub variables three sub variables namely salary and promotion policy (.739), non-financial rewards and recognition (.635), training needs design (.662) was found to be significant and team based ranking (-.376) was insignificant.

Factor 5: Attributes evaluated in performance appraisal

Attributes evaluated in performance appraisal was found to be the fifth variable. Three sub variables was found to be significant namely employee productivity (.814), interpersonal skills (.671) and adaptability and flexibility (.446).

Factor 6: Perception of employees regarding performance appraisal

The perception of employees regarding performance appraisal was found out to be the last factor that influenced the performance appraisal system. Two sub variables were found to be significant, i.e. positive perception (.704) and contentment on performance appraisal system (.698).



The analysis indicates that the factors influencing performance appraisal system in OISL differ significantly. Thus, the null hypothesis is rejected.

Correlation between performance appraisal system and its factors

Through the correlation analysis in the Table No. 1.7, it was found that there exists a positive significant correlation among the factors of performance appraisal systems of OISL, Rajgangpur. The correlation coefficient ranges from 0.971 (Strategy of performance appraisal* Appraiser appraise co-ordination) to 0.878 (Attributes evaluated*Perception of employees).

Table No. I.VII: Correlation between performance appraisal system and its factors

	Scope and strategy of performance appraisal	**Appraiser appraise co-ordination**	**Approaches to performance appraisal**	**Performance based initiatives**	**Attributes evaluated**	**Perception of employees**
Scope and strategy of performance appraisal	1	0.971725	0.938873	0.89428	0.924097	0.919552
Appraiser appraise co-ordination	**0.971725**	1	0.934717	0.892709	0.915994	0.881595
Approaches to performance appraisal	0.938873	**0.934717**	1	0.940133	0.956695	0.899878
Performance based initiatives	0.89428	0.892709	**0.940133**	1	0.933989	0.910404
Attributes evaluated	0.924097	0.915994	0.956695	**0.933989**	1	0.878753
Perception of employees	0.919552	0.881595	0.899878	0.910404	**0.878753**	1

VII. FINDINGS

- Performance appraisal is a regular process in OISL, which is conducted annually.
- 360 degree performance appraisal system is followed in OISL.
- Most of the respondents are satisfied with the current performance appraisal system in the organisation.
- Performance appraisal in OISL provides opportunity for self-review and expression of development needs.
- Fairness and transparency performance appraisal are maintained properly in OISL.
- Performance appraisal is more effective in OISL because it is mutually designed and it allows frank discussion between appraisers and appraise.
- Salary and promotion policy, non-financial rewards and recognition and training needs design based on performance appraisal results, motivate employees to cooperate in appraisal system.
- Employees' positive perception and contentment on performance appraisal system effects performance appraisal positively.

VIII. SUGESSIONS

- Performance appraisal system is to serve different purposes. It should be designed in customised way for different grades of employees.
- Regular informal discussions with the immediate superior should be held and feedback on performance should be given to the employees on a quarterly basis to maintain the flow of effective appraisal.

IX. CONCLUSION

The main objective of the study was to test the key factors that are having a strong significance on performance appraisal system with special reference to OISL. Majority of the employees in OISL are aware about the performance appraisal system and its various aspects. Performance appraisal has a positive and significant relationship with employees' motivation in OISL.

References

1. Arahunasi U. H., "A Critical Evaluation of Performance Appraisal in Selected Industrial Organization" Unpublished M.phil Dissertation, Shivaji University, Kolhapur, 1992
2. Bento, A., Bento, R., "Factors affecting the Outcomes of Performance Management Systems", Journal of Information Technology Management, XVII (2), 23-32, 2006
3. Divandari, A. , "Providing comprehensive system design and performance appraisal of staff banking system (bank samples nation)", Journal of Industrial Management Science Department, Azad University of Sanandaj, Vol. 3(5), 103-115, 2008
4. Ochoti, G.N., Maronga,E., Muathe, S., Nyabwanga, R.N., and Ronoh,, P.N.,"Factors influencing Employee Performance Appraisal System: A Case of the Ministry of State for Provincial Administration and Internal Security, Kenya" ,International Journal of Business and Social Science Vol.3(20) , 37-46, 2012.
5. Harris, C., "A Comparision of Employee Attitude Towards Two Performance Appraisal Systems", Public Personnel Management, Vol.17 (4), 443-456, 1998.
6. Kamble S. S.,"Performance Appraisal System of Suchet Industries Ltd.", SCMS Journal of Indian management, January-March, Vol.2, No.1, 37-47, 2005.
7. Mathew R. V.," "360 Degree Performance Appraisal – A scientific way of Assessing Employee performance and Behavior", Management Trends, Vol.4 (1), 2007.
8. Nagendra A.,"An Analysis of Performance Appraisal System in the Automobile Industry", Rai Management Journal, Vol.5 (1), 40-44, 2008.
9. Rao, R.V.,"Making Performance Appraisal an Open System." HRM Review, 48-57, 2005.
10. Stephan, W., and Dorfman, P., "Administrative and Developmental Functions in Performance Appraisals: Conflict or Synergy?", Basic & Applied Social Psychology, 10(1),27-41, 1989.

Appendix

About Yourself

This section asks for some details on you, which will help to classify your answer.

1. Designation: _____

2. Grade: [Put a tick (√) mark according to your grade]

(i) Executive ☐ (ii) Non Executive ☐

3. Gender: [Put a tick (√) mark according to your gender]

(i) Male ☐ (ii) Female ☐

4. Age group: [Put tick (√) mark according to your age group]

(i) 22-35 Years ☐ (ii) 36-45Years ☐

(iii) 46 and above ☐

5. Experience: [Put a tick (√) mark according to your duration of job experience]

(i) 0>5 Years ☐ (ii) 5>10 years ☐

(iii) More than 10 years ☐

Section II

There are 20 statements in the following table. Please mark agreed or disagreed with the same on a five point scale of,

1 = Strongly Disagree (SD); 2 = Disagree (D); 3 = Undecided (U);

4 = Agree (A); 5 = Strongly Agree (SA); **(Single Coding Only)**.

S. No.	Statements	Scale
1.	All level of employees have positive perception towards performance appraisal system.	1-----2-----3-----4-----5
2.	Non-financial rewards and recognition are given basing on performance.	1-----2-----3-----4-----5
3.	360 degree appraisal is followed appropriately in my organisation.	1-----2-----3-----4-----5
4.	IT applications are effectively used for performance appraisal system in my organisation.	1-----2-----3-----4-----5
5.	Performance appraisal procedure allow appraise to express their development needs.	1-----2-----3-----4-----5
6.	Appraisal system is fair and transparent in my organisation.	1-----2-----3-----4-----5
7.	Team based ranking is based on the performance appraisal system.	1-----2-----3-----4-----5
8.	Employee's interpersonal skill is evaluated appropriately in our performance appraisal system.	1-----2-----3-----4-----5
9.	Employees feel contented regarding the performance appraisal system of in my organisation.	1-----2-----3-----4-----5
10.	Appraisal system provides a frank discussion between the appraiser and appraise.	1-----2-----3-----4-----5
11.	Appraiser encourages development for the appraise.	1-----2-----3-----4-----5
12.	Employees participate with enthusiasm in measures taken to improve the weak areas after performance appraisal.	1-----2-----3-----4-----5
13.	Training needs are grounded on the performance appraisal outcomes.	1-----2-----3-----4-----5
14.	Increment in salary and promotion are designed basing on the results of performance appraisal.	1-----2-----3-----4-----5

15.	Performance appraisal provides an opportunity for self-review and reflection.	1-----2-----3-----4-----5
16.	Adaptability and flexibility are valued correctly in my organisation.	1-----2-----3-----4-----5
17.	Performance appraisal is conducted annually in my organisation.	1-----2-----3-----4-----5
18.	Employee productivity is assessed properly in performance appraisal system of my organisation.	1-----2-----3-----4-----5
19.	Performance gradation system is a standard one in our organisation.	1-----2-----3-----4-----5
20.	Appraiser and appraise mutually design the performance appraisal system.	1-----2-----3-----4-----5