

A STUDY ON PERFORMANCE APPRISAL AT MANHATTEN REVIEW, HYDERABAD.

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ABSTRACT:

Performance appraisal is a critical organizational process that evaluates employees' job performance, provides feedback, and guides professional development. This paper explores the multifaceted nature of performance appraisal systems, examining their objectives, methods, and implications for both employees and organizations. The primary goals of performance appraisals include enhancing individual performance, fostering employee development, and informing decisions related to promotions, compensation, and training needs. Various appraisal techniques, such as 360-degree feedback, management by objectives (MBO), and rating scales, are analysed for their effectiveness and applicability in different organizational contexts.

The study also addresses common challenges in performance appraisals, including bias, subjectivity, and the potential for negative impacts on employee morale. Through a comprehensive review of existing literature and case studies, this paper highlights best practices for implementing effective performance appraisal systems that align with organizational goals and support a culture of continuous improvement. Ultimately, the research underscores the importance of a well-structured appraisal process in achieving organizational success and fostering a motivated and competent workforce.

KEY WORDS: Employee development, Continuous improvement, Organizational success,
Best Performance appraisal systems.

1. INTRODUCTION:

Performance appraisal is a formal, structured system of measuring and evaluating an employee's job, related behaviours and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee, organization, and society all benefit'.

Performance appraisal is a process of summarizing, assessing and developing the work performance of an employee. In order to be effective and constructive, the performance manager should make every effort to obtain as much objective information about the employee's performance as possible.

In many organizations - but not all - appraisal results are used, either directly or indirectly, to help determine reward outcomes. That is, the appraisal results are used to identify the better performing employees who should get the majority of available merit pay increases, bonuses, and promotions.

A performance appraisal system is a structured process used by organizations to evaluate and document an employee's job performance and contributions. This system aims to provide a clear and objective assessment of an individual's work, aligning their performance with the company's strategic goals. It typically involves setting performance standards, reviewing achievements against these benchmarks, and offering feedback for improvement. Effective performance appraisals help in identifying strengths and areas for development, guiding career progression, and making informed decisions about promotions, compensations, and training needs. By fostering open communication and setting clear expectations, a well-implemented appraisal system enhances employee motivation, productivity, and overall organizational effective.

2. LITERATURE REVIEW:

❖ Pooja Dangol (2021) :

The general objective of the study is to determine the role of performance appraisal and its impact on employee. The study is guided by the following specific objectives: to establish the extent to which performance appraisal process affects employee motivation, to determine the

extent to which appraisers affect staff motivation and to determine the challenges in appraising employee performance. Data is collected using structured questionnaires. The findings stating that Regular ratings may affect the performance and motivation of the employees. Fair assessment of the employee's performance may enhance their motivation.

❖ **Chamila H. Dasanayaka et al(2021) :**

The Research information collected within one of the largest universities in the UK via questionnaires and semi-structured interviews showed that the existing appraisal process majorly aligned with the requirements of the research-excellence-framework of the UK, which is greatly concerned with research rather than teaching. Furthermore, it was found that there is no clear link between promotions, salary increments, and rewards, etc. with staff performance within the current appraisal process.

❖ **Maryam Alsuwaidi et al (2020) :**

Several analysis studies have been carried out with a view to providing valuable knowledge into the existing research outline of the performance appraisal and employee motivation. The current study systematically reviews and synthesizes the performance appraisal and employee motivation. The findings of this review study provide an insight into the current trend of how performance appraisal affects employee's motivation.

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❖ **Vuong and Nguyen (2022) :**

A systematic review on Key Strategies in Performance Appraisal highlights essential methodologies for measuring employee performance. The study emphasizes the importance of a well-structured performance measurement system that assesses employee strengths and weaknesses, thereby motivating them and improving organizational performance. The review found that collaboration initiatives within companies significantly enhance employee

performance, demonstrating a positive relationship between performance evaluation and employee motivation (MDPI).

3. OBJECTIVES OF THE STUDY:

1. To know the performance appraisal system in the organization.
2. To evaluate the effectiveness and satisfaction level of employees towards performance appraisal system in the organization.
3. To understand and evaluate performance appraisal mechanism in operation.
4. To know the various methods in performance appraisal system.
5. To identify the method which will gives best results to the company.

4. METHODOLOGY:

SOURCE OF DATA : This study utilizes Primary and Secondary data taken from legitimate sources like official company websites, Analysis tools, journals etc.

DATA TYPE : This study focuses on both Quantitative (i.e., Numeric) and Qualitative (i.e., Facts & Statements) data for analysis.

TYPE OF ANALYSIS : CONVENIENT SAMPLING ANALYSIS - This study brings a sample is simple one where the units that are selected for inclusion in the sample are the easiest to access.

5. DATA INTERPRETATION:

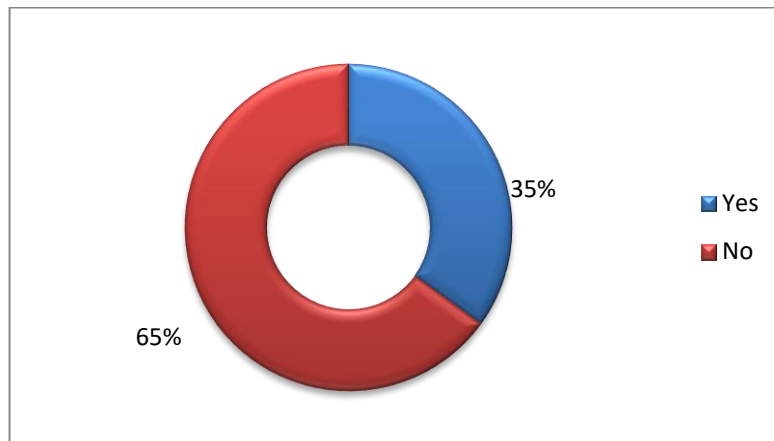
5.1 Have you worked in any other Company prior to joining this Organization?

a. Yes

b. No

FIGURE 5.1:

Worked in another company before



Interpretation:

From the above pie graph, it is observed that 63% of the employees have some amount of prior work experience before the Manhattan Review. The remaining 37% of the employees are fresher's and not having any work experience before joining in this organization.

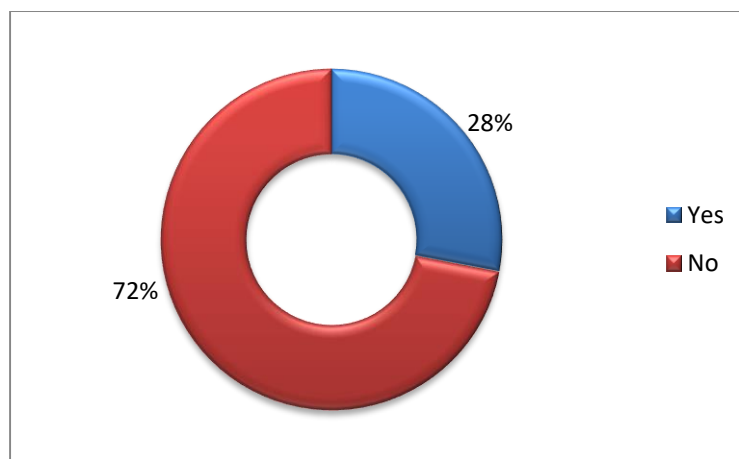
5.2 Were you informed about the Performance Appraisal model, used in the Organization, during your induction?

a. Yes

b. No

FIGURE 5.2:

Induction about Performance Appraisal model



Interpretation:

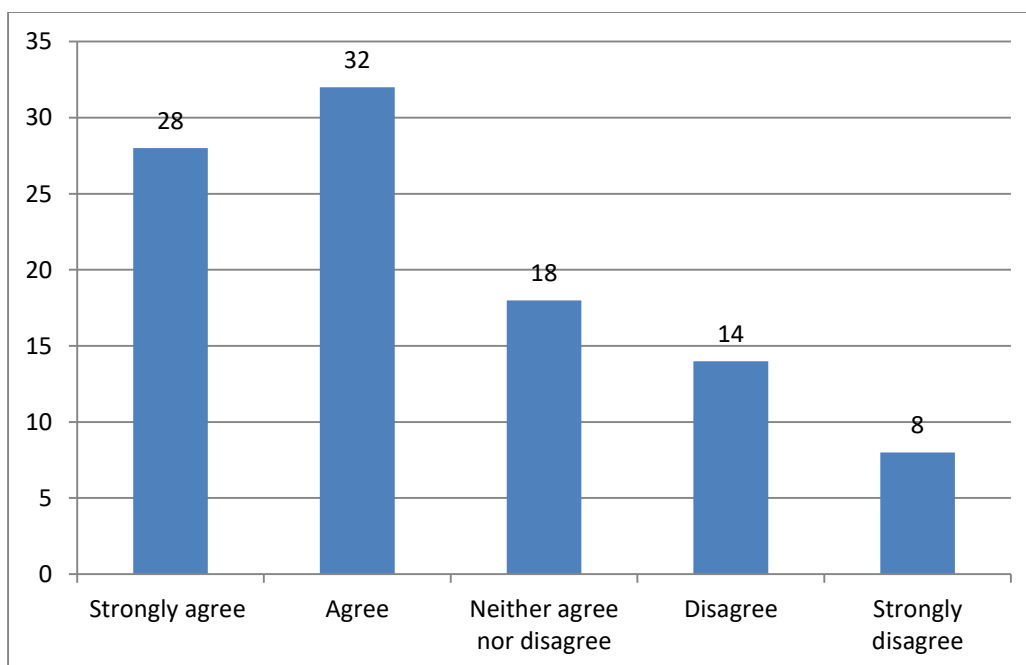
From the above graph, it is observed that 63% of the respondents about the performance appraisal model during the induction to prevent from ambiguities and misunderstanding about what is expected of the employee before he joins the Organization. The remaining 37% of the respondents are not informed about the performance appraisal model.

5.3 “The performance appraisal system is sufficient in assessing goals and objectives of the Organization.” Do you agree with this statement?

- a. Strongly agree
- b. Agree
- c. Neither agree nor disagree
- d. Disagree
- e. Strongly disagree

FIGURE 5.3:

The performance appraisal system is sufficient in assessing goals and objectives of the Organization



Interpretation:

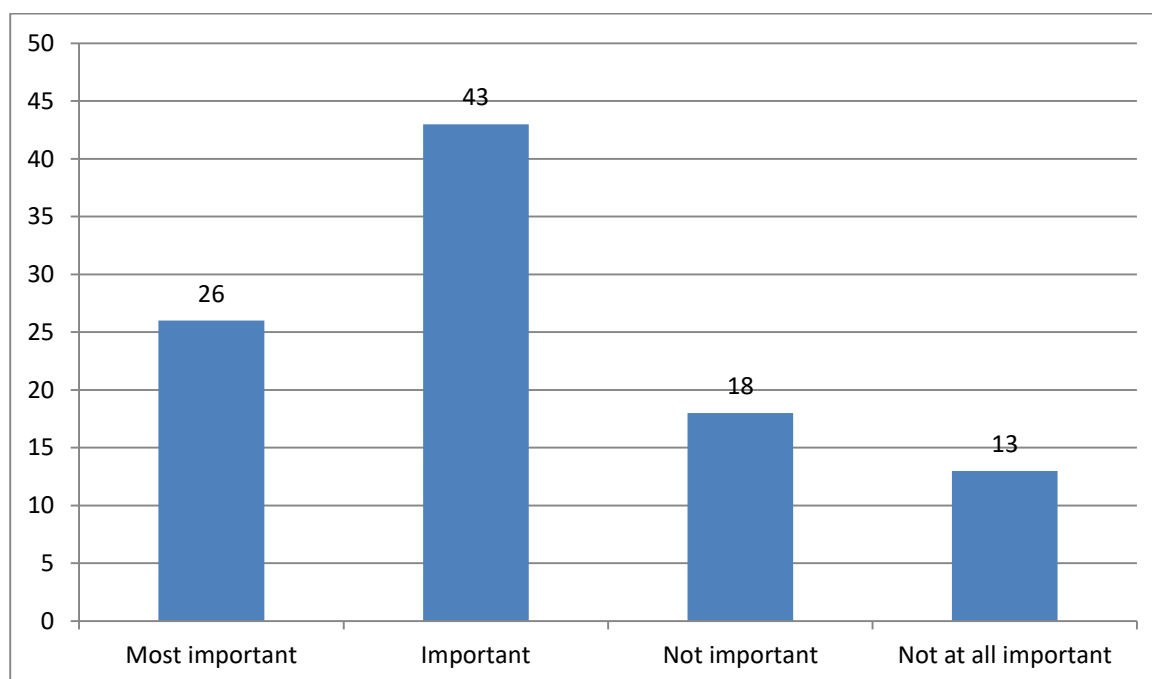
According to the chart, it is mentioned that 28 respondents strongly agree and 32 respondents agree that the performance appraisal system is sufficient in assessing goals and objectives of the organization. 14 respondents disagree and 8 respondents strongly disagree that the performance appraisal system is insufficient in assessing goals and objectives of the organization. The remaining 18 respondents are given neutral response about the performance appraisal system.

5.4 How important is the Performance Appraisal to improve your Performance, according to you?

- a. Most important b. Important c. Not important d. Not at all important

FIGURE 5.4:

Importance of the performance appraisal to improve performance



Interpretation:

According to graph, 43 respondents believe it is important, 26 respondents believe it is most important that the performance appraisal will encourage and improve performance. 18 respondents believe that it is not so important and 13 respondents believe that it is not all important to improve the performance appraisal to improve performance.

5.5 In your opinion, does the Performance Appraisal System give a proper assessment of your contribution to the organization?

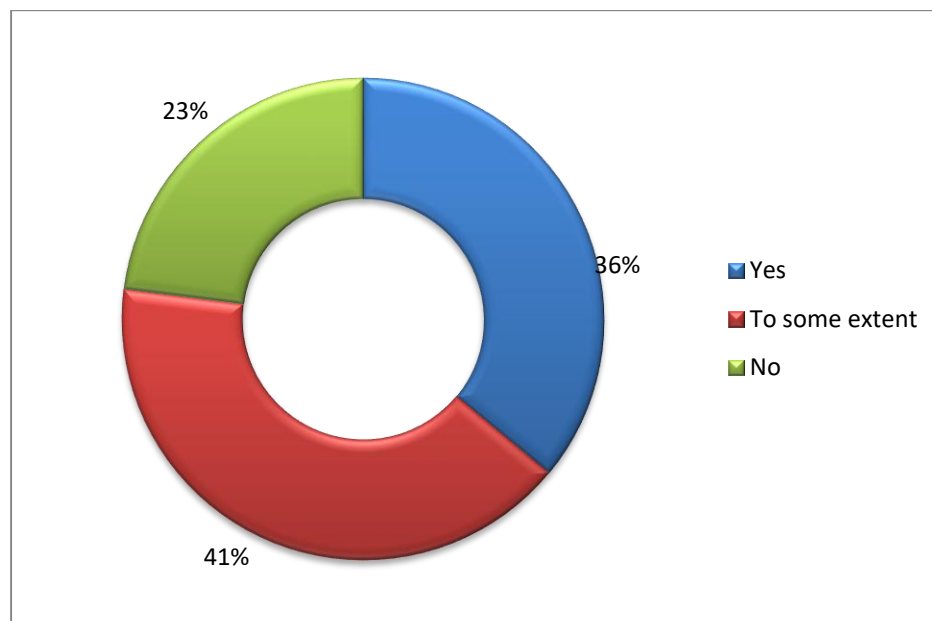
a. Yes

b. To some extent

c. No

FIGURE 5.5:

Performance Appraisal System gives a proper assessment of each employee contribution to the organization



Interpretation:

About 36% of the respondents say that the Performance Appraisal System gives a true and fair assessment of each employee contribution to the organization. While 23% of the respondents feel that, no proper assessment was not done in assessing each employee contribution. 41% of the respondents have shown neutral response regarding the same.

6. RESULTS & DISCUSSIONS:

1. Above 65% of the respondents are fresher's and they are aware of performance appraisal model existing in the organization and they were informed during the induction.
2. Above 60% of the respondents are satisfied with the performance appraisal system in assessing goals and objectives of the organization.
3. 3/4th of the respondents feel that the performance appraisal is not an important factor to improve performance.
4. Only 36% of the respondents feel that performance appraisal system gives a proper assessment to their contribution in the organization.
5. The majority of the respondents (33%) feel there should have a review once in a month regarding the performance.

7. CONCLUSION:

The study on the performance appraisal was undertaken with the objective of getting an insight into the appraisal procedures and the practices in Manhattan Review. Performance appraisal is necessary to measure the performance of the employees and the organization in order to check the progress towards the desired goals and aims. The present study focuses on understanding and evaluating the performance appraisal system in operation. The study aims to find out the impact of the satisfaction levels of the employees towards the appraisal system.

The study is done at Hyderabad in a Manhattan Review with its employees as the respondents of the study. The sampling technique used was convenience sampling. The respondents were asked to fill the

questionnaires and thus the primary data is collected. Secondary data was collected from various sources like books, survey reports, web etc. The study is based on the hypotheses that the performance appraisal system in the organization is not fair and opaque.

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