

# A STUDY OF PERFORMANCE APPRAISAL SYSTEM OF HVPNL

Dr. Kamlesh Rani, Assistant Professor, Department of Commerce  
Ch. Devi Lal University, Sirsa, Haryana, India

**ABSTRACT:** Contemporary business world requires committed and efficient work-people. In return, the workforce demands full support from the employer. Results or outputs always depend on the quality of input and the procedures it applied for it. One of the Inputs is the employees it uses. Performance appraisal system is to analyze the current performance of the employees, to find out the gaps and make an effective plan to fill the gaps. Different factors have different influence on employee performance. Present study deals to find the influence personal characteristics of the employees on the performance appraisal system of Haryana Vidyut Prasaran Nigam Ltd. For the purpose, data are collected from 100 employees through questionnaire based on a five point Likert scale.

**Key Words:** Performance, Performance Appraisal, Employee, HVPNL.

## I. INTRODUCTION

Performance appraisal is a system to evaluate the outcomes of the work performed by employees with reference to job demands. This system helps to identify the gaps, if exists as per the job requirements, and try to suggest an effective plan to remove these gaps. Various management decisions like compensation, promotion, demotion, training and development, etc. also depend on employee performance. Performance appraisal system guides to take these decisions. Performance appraisal system even motivates employees to meet the challenges and significantly improve their performance using their potentials (Idouw, 2017).

Performance appraisal has different methods to evaluate the employees' performance like confidential report, rating methods, ranking method, critical incident method, BARS, MBO, 360<sup>0</sup> appraisals, self-appraisal, etc. Even the appraisal can be conducted monthly, quarterly, biannually and yearly depending their objectives and resources. A government undertaking uses Annual confidential report, Annual qualification report or Self-appraisal report for performance appraisal.

Haryana Vidyut PraNigam Limited (HVPN) was incorporated in August, 1997 and started its business in September, 1997. It was engaged in transmission and distribution of power till August, 1998. On July, 1999, HVPNL segregated in two more corporations, namely, Uttar Haryana Bijli Vitaran Nigam Limited (UHBVNL) and Dakshin Haryana Bijli Vitaran Nigam Limited (DHBVNL). It transferred the power distribution business to UHBVNL and DHBVNL. Presently it is operating in transmission and bulk supply of power in Haryana through transmission lines and power substations.

## II. REVIEW OF LITERATURE

Singh et.al 2011, found a significant effect of performance appraisal on employees and the organization.

Daoanis 2012 found that performance appraisal system strongly affects employees' commitment, loyalty, skills, productivity and output.

Jansirani et.al 2013, employees' contribution and their opinion about the operational function of HRD found a satisfactory performance appraisal system. Employees are aware about the company's policies.

Bagul 2014, employees believe that the performance appraisal system is conducted for salary administration. It also inferred that employees feel biases in performance management system.

Xavier 2015 found that employees are aware about the company's performance appraisal system. I assess the need of it and provide an environment of openness to explain their views. This increases their efficiency. Promotion is based on the performance of the employees. Age, salary, gender, marital status is associated with the overall performance appraisal.

Agyare et.al 2016, performance appraisal significantly affects the job satisfaction and also linked with a promotion, role clarity, and feedback. Employee commitment positively linked with the linkage of performance appraisal with salary, training need identification, clarity of purpose of conducting performance appraisal and employee involvement in designing the performance appraisal tool.

### III. OBJECTIVES

1. To know the effectiveness of Performance appraisal system of HVPNL.
2. To know the linkage of socio-demographic factors and performance appraisal system.

### IV. RESEARCH METHODOLOGY

Simple random sampling has been used to collect the data from 100 respondents. Google form is used to collect the responses online. The questionnaire items are based on a five point Likert Scale, ranging from strongly disagree (1) to strongly agree (5).

### V. ANALYSIS AND INTERPERTATION

Statistical analysis is carried out to draw the results.

**Table 1. Socio-Demographic details of the respondents.**

Description	I	II	III	IV
Age(years)	Below 30 (10%)	30-40 (61%)	40-50 (27%)	Above 50 (2%)
Education	Diploma/ ITI (14%)	Graduation (58%)	Post-graduation (28%)	--
Marital Status	Unmarried (9%)	Married (91%)	--	--
Post status	Officers (58%)	Others (42%)	--	--
Service Length (years)	Below 10 (31%)	10-20 (50%)	20- 30 (15%)	Above 30 (4%)
Monthly salary (Rs.)	Below 40000 (11%)	40000-60000 (24%)	60000-80000 (31%)	Above 80000 (33%)

Source: Primary data

Table1 revealed that most of the respondents lie between 30 to 40 years. 86% are well qualified, 91% are married, 58% are officers and 42% are on other posts. Most employees are drawing salary more than rupees 40000.

Responses are analyzed as following:

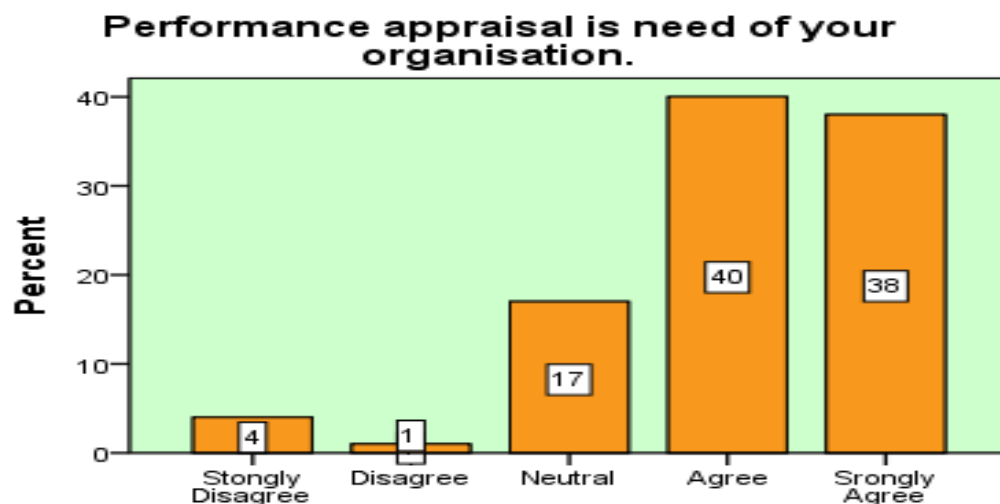


Figure 1

Figure 1 showing that 78 percent of the people in the organization agree that the performance appraisal system is the need of the organization.

**You are aware about performance appraisal system of the organisation**

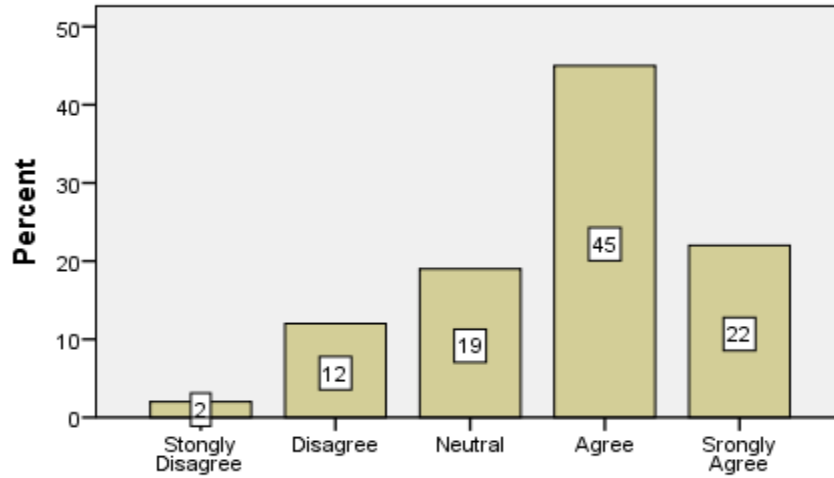


Figure 2

Figure 2 displays that 67 percent employees are aware about the performance appraisal system, whereas 14 percent don't know about the system.

**You are satisfied with present performance appraisal system.**

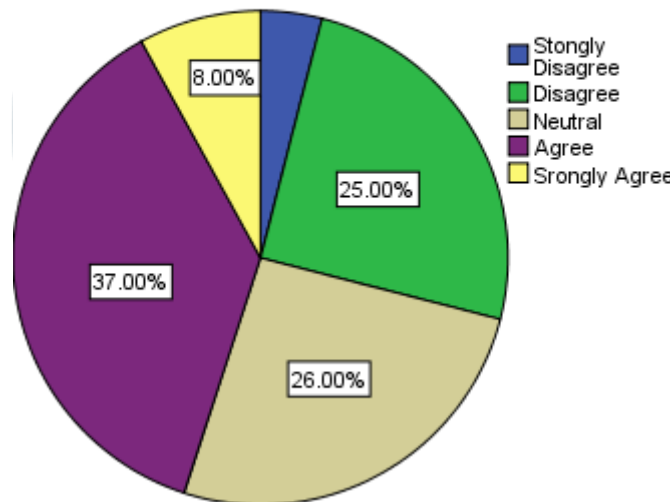


Figure 3

Figure 3 shows a dissatisfaction level of the employees with 29 % for current appraisal system. Only 45% of the employees are satisfied with the system.

**Performance appraisal tells strong and weak points.**

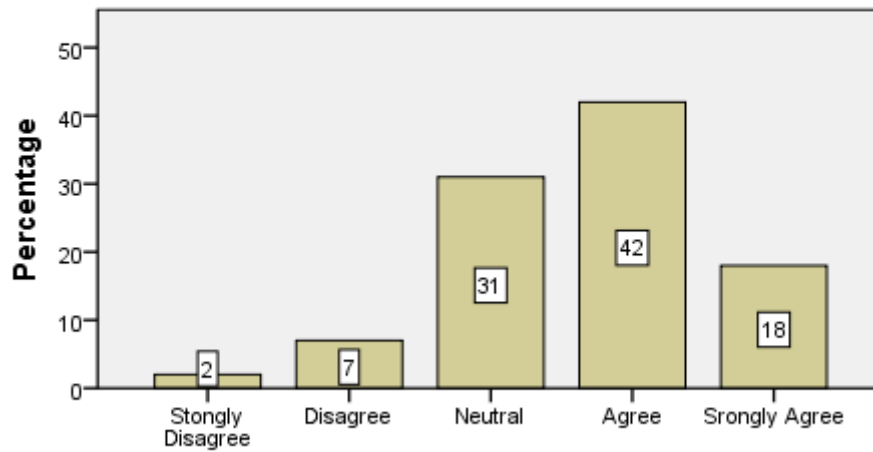


Figure 4

Above figure displays that 60 % people agree with the statement of telling the strong and weak points.

**Salary increments are directly linked with performance appraisal**

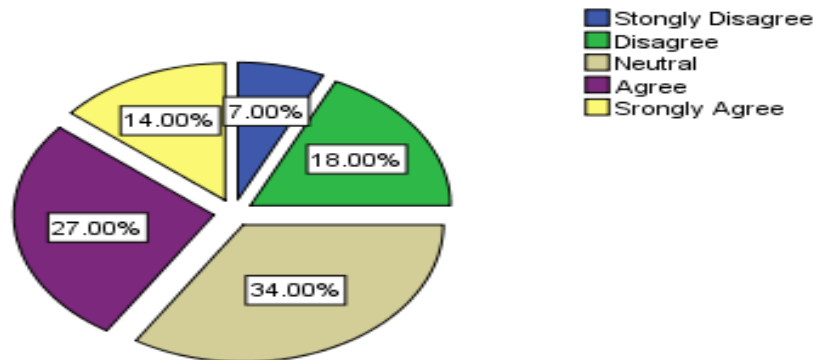


Figure 5

Figure 5 shows that only 41 percent employees believe that there is a direct linkage between salary increments and performance. 34 percent are neutral and 25 percent are disagreeing with the point.

### Performance appraisal reduces grievances and promotes positive employee relations

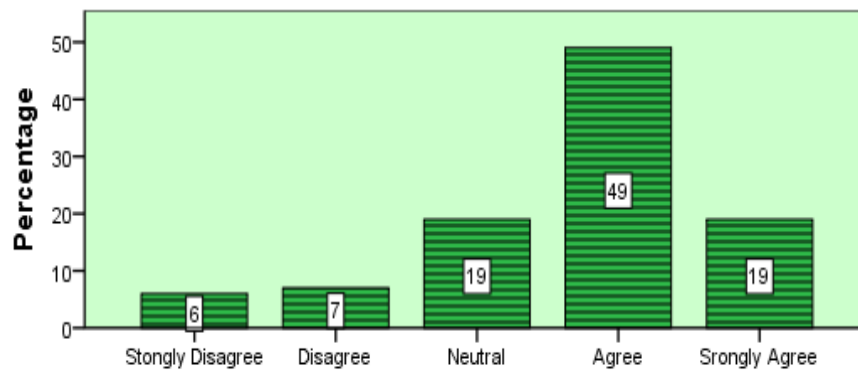


Figure 6

Figure 6 shows that 68 percent employee have agreed with the statement that performance appraisal reduces the rate of grievances and contribute in effective and positive employee relations.

Table 2 shows the correlation matrix

Sr. no.	I	II	III	IV	V	VI	VII	VIII
I	1.000							
II	-.073	1.000						
III	.515*	-.199*	1.000					
IV	.359*	.241*	.340*	1.000				
V	.058	.049	-.079	.212*	1.000			
VI	-.121	.235*	-.065	-.028	.282*	1.000		
VII	-.068	.011	.216*	.084	.257*	.270*	1.000	
VIII	-.064	.052	.078	-.099	.180	.504*	.261*	1.000

Primary data, \* represent the significance.

In the table I, II, III, IV, V, VI, VII, VIII represents age, education, total length of service, gross monthly salary, satisfaction with the present performance appraisal system, telling of strong and weak points, direct linkage of salary with performance appraisal, grievances reduction and promotion of positive employee relations respectively.

### VI FINDINGS

1. The study finds out that performance appraisal is an important function of the organization as it provides feedback to the employees and also helps to sort out the grievances and promotes healthy relations.
2. Age significantly related to the length of the service and salary.
3. Satisfaction with the performance appraisal system is positively correlated with salary.
4. Education is significantly elated with the telling strong and weak point.
5. As the experience increase performance appraisal's linkage with salary also increases.
6. As satisfaction increases more feedback is given and salary linkage also promoted.
7. More feedback promotes linkage of salary and positive relations.

## VII CONCLUSION

Lastly, it can be concluded that performance appraisal is an integral part of the organization and plays a significant role to improve the employee relations.

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