



A Study on the Performance Management System of a Public Sector Organization in Tiruchirappalli, Tamil Nadu

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Received 5th April 2017, Accepted 14th May 2017

Abstract

The milliners opt to choose only white collar jobs. But, they are facing more challenges at the organizations like job satisfaction, target completion etc. Employees are expected to perform their task efficiently and effectively as per the demand and expectation of the management. The term performance refers to work done by the employees in the organization towards achieving the goal. Employees' performances are assessed on a regular basis. The present study is conducted on the performance management system in practice of a Public Sector in Tiruchirappalli. The researchers used census method and collected data from 101 respondents belonging to one single unit of the study organization. Present study is descriptive in nature. The majority of respondents are fully aware of the Appraisal system. The major findings are discussed full paper.

Keywords: Public Sector, performance management, Self Appraisal, Opinion Perspective, Effectiveness.

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Introduction

The educators assess the performance of their learners in institutions, workers are assessed by their supervisors or managers in the industry or factory and in other words every one of us also assess our own behaviour from time to time intentionally or unintentionally. An organization consists of various resources such as human resources, money (finance or wealth), materials (raw materials) and machines (machineries and equipment's). But the eminence of an organization highly depends on human resources, because human resource is the only resource which drives and utilizes all the other resources effectively and efficiently in order to achieve the organization goal. So, that the evaluation of performance of human resource is the most vital part of the management in an organization. Performance appraisal helps the organization to determine how the employees help to achieve the goals of the organizations.

It is assumed that performance management is a modern invention, records show that the New York Council were analyzing data and setting targets to report historical activity and forecast future performance in the early 1900s (Williams 2003), although the term "performance management" was not utilized until the 1970s (Armstrong and Baron, 2005). It is now an established aspect of public sector management with journals producing special editions on the subject (Ferlie

and Steane, 2002). Despite this high degree of interest, Brown and Heywood (2005) notes at least seventeen different reasons (some conflicting) for introducing performance management thus providing an indication of the levels of confusion surrounding the subject. Performance management covers all aspects of business. In their citation review, Marr and Schiuma (2003) found contributors from a wide variety of subject areas including management, operations management, marketing, finance, accounting, economics, human resource management, organizational behavior and public sector management.

Concept of Performance Appraisal

Employees are expected to perform their task efficiently and effectively as per the demand of the management. The term Performance refers to work done by the employees in the organization towards achieving the goal. Employees are performing great only when they are productive. Here the word productivity implies both concern for Effectiveness and Efficiency. Effectiveness refers to goal achievement or results encountered. However it does not speak of the costs incurred to complete the task. That is where Efficiency comes in. It assesses the proportion of sources of info expended to yields accomplished. The greater the output for a given input, the greater efficiency.

The Performance likewise incorporates the work force information, for example, measures of mischance, turnover, absenteeism and lateness. Therefore the decent worker is one who performs well as far as efficiency as well as minimizes issues for the

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organization by being to work at time, by not missing days and by minimizing number of business related mishaps. Then the term Appraisal refers to judgments of the qualities, characteristics and performance of others. On the premise of these judgments we measure the price of others and distinguish what is great or awful. In an organization performance appraisal is logical assessment of workers by their Superiors or higher level managers. Thus the performance appraisal is the significant tool to assess what should be accomplished by the individuals or groups in order to achieve the purpose of the job, to meet new challenges, better utilization of upgrade technical skills and characteristics.

Definitions

Performance appraisal may be defined as a procedure manager's use to compare an individual's work performances to standards or objectives established for his or her job. "A Performance Appraisal is the evaluation or appraisal of relative worth to the company of man's services on his job" (Alford, L.P., & Beatty, H.R., 1951). "Performance appraisal is the systematic description of an employee's job relevant strengths and weaknesses" (Zedeck, S., & Cascio, W. F., 1982).

Performance indicators

The use and quality of performance indicators has been evolving (Kennerley and Neely, 2002) as organizations and stakeholders have become more used to the concepts of performance management. Early indicators were primarily financial, but gradually other measures (e.g. quality) have been introduced. This has led to a proliferation of indicators (Modell, 2004) but not always an improvement in the quality of the indicators themselves (Lemieux-Charles, L., et al, 2003). Zineldin (2006) says "Devising good indicators of quality is hard".

This evaluation process has not been well managed in organizations having large number of indicators, many of which are obsolete or irrelevant with no systems for their removal (Kennerley and Neely, 2002). However, Johnson (2005) suggests applying a Cost Benefit Analysis (CBA) to each indicator and only those that are "decision relevant and successfully survive CBA should be used" (p10). Boyne and Gould-Williams (2003) showed that having too many targets has a detrimental effect on performance and quality. Moxham and Boaden (2007) also confirms the same suggestions for the ideal number of indicators range between three and six (DfEE, 2000) through Greatbanks and Tapp (2007) "between seven and nine key performance measures, in the form of an individually tailored scorecard, provides a motivation to deliver the target performance" to the Dutch police who have nine indicators (van Sluis et al, 2008).

There are four types of indicators:

- output (how much is being produced);
- welfare (the value to the final users);
- performance (how the services are being

produced); and

- composite indicators that combine the other three (Stevens et al, 2006).

Furthermore, Macpherson (2001) defines three classes of indicators – the "facts of life", "planning, prediction and budget numbers" which are used to drive continuous improvement and "numerical targets" generally used to judge staff (he advises that this last category tends to be arbitrary and meaningless). Generally, it is only the second category of "planning, prediction and budget numbers" which is useful; whilst the other categories are easier to define and collect, but do not, in themselves, provide usable information. However, indicators regarding intangible resources (which do impact on performance) are rarely considered (Zigan et al, 2008). They need to be fit for purpose and any aggregation methods need to be carefully thought through (Stevens et al 2006; Jacobs and Goddard, 2007).

Review of Literature

Decotiis and Petit (1976) presented the article titled, "The Performance Appraisal Process: Model and some Testable propositions", Rater Motivation, Rater ability and availability of appropriate judgmental norms are the models indicates that the major determinants of accuracy in performance ratings is presented. Finally several propositions and suggestions are derived for further research from the components of this model.

Dorfman, Stephen and Loveland (1986) states that the performance appraisal practices of supervisors and the responses of their subordinates were contemplated in an example of university staffs. A variable investigation uncovered that there were three measurements of formal execution examinations: two formative measurements (being steady; underscoring execution change) and one managerial measurement (talking about pay and progression). Relapse investigations proposed that supervisors reinforced exceptionally evaluated people and focused on change endeavors on poor entertainers. In the wake of controlling for the level of past execution evaluations, results demonstrated that support in the examination audit was connected with more elevated amounts of representative inspiration, while pay and headway was connected with more elevated amounts of worker fulfillment. Sadly, change endeavors by the administrators did not impact the work execution one year later.

Williams and Hummert (1990) in their article titled, "Evaluating Performance Appraisal Instrument Dimensions Using Construct Analysis" stated that performance appraisal assessment has concentrated on psychometric refinements. The study proposes an option strategy for assessment by focusing on the measurements of the appraisal instrument. These measurements are contrasted and association individuals' builds for gainful conduct. To the degree that the develops and the measurements are comparative, the framework will be more powerful in assessing profitable conduct.

Suggestions for the assessment of performance appraisal frameworks are discussed.

Longenecker and Nykodym (1996) in their article titled “Public sector performance appraisal effectiveness: a case study” felt that usage of performance appraisal is growing openly public sector over the US. Organizations utilize the formal evaluation process with the conviction that it gives them a large group of potential human asset benefits. In this study, 254 individuals from a substantial public sector were overviewed to survey the extent to which the organizations formal performance evaluation framework was seen as being successful in serving capacities ordinarily connected with the appraisal procedure. Furthermore, contrasts in director/subordinate recognitions were broke down and recommendations for enhancing the appraisal process were requested. This exploration shows that an appropriately created appraisal process can serve both supervisors and subordinates in various vital ranges. In the meantime, a few basic elements of the evaluation procedure were observed to be not exactly successful. A discourse of the ramifications of these discoveries to both scholastics and professionals is incorporated.

Research Methodology

This logic of the present study surrounds the goodness of opinions on the system of appraisal conducted in a public sector organisation is done using the following techniques of research.

Statement of the problems

The labours are very important to the organization, as the labours sacrifice through truth of their life to the organization. Which necessitates the

organization provide the many facilities to the employees. The performance management system is an approach to study the growth of the employee's productivity. Workers' awareness of the prevalence of the performance management system is important. So this study is conducted in a public sector organization in Tiruchirappalli. The researchers choose one unit of production where 101 supervisors are engaged using census method. This study is descriptive in nature.

Tools

The researcher used self prepared questionnaire for collecting the data from the respondents for the present study. The questionnaire comprises of the area namely, Socio demographic data, and to collect the opinion and awareness on Performance Management system. The researchers had developed self prepared questionnaire.

Objectives of the study

This study mainly focuses on the following objectives,

1. To study the employees awareness of the Appraisal Management system
3. To know about the objectivity in self appraisal by the respondents
4. To find out the respondents' level of satisfaction about the Appraisal system

Result and Discussion

This study was explained through simple table, Chi-square test was used. The following the tables explain and deeply analyse the various dimension of the variables for the quality of life.

Table 1
Distribution of the respondent's socio demography

S.No	Variables	No. of respondents (n=101)	Percentage (100%)
1	Age group		
	Below 30 age	12	11.9
	31-40 age	12	11.9
	41-51 age	18	17.8
	Above 51 age	59	58.4
2	Gender		
	Male	85	84.2
	Female	16	15.8
3	Educational qualification		
	PG	3	3.0
	Degree	26	25.7
	Diploma	72	71.3
4	Marital status		
	Unmarried	7	6.9
	Married	93	92.1
	Separated	1	1.0
5	Family status		
	Joint family	38	37.6
	Nuclear family	63	62.4

6	No. of dependents		
	1	4	4.0
	2	18	17.8
	3	35	34.7
	4	32	31.7
	5	12	11.9

The table No.1 with six panels indicates that majority (76.2%) of the respondents belongs to age group of forty and above of the total respondents (92%) are married. The dominant family type seen among the respondents is nuclear family (62.4%). The most respondents being baby boomers have more than three children (78.3%). This data reveal that the study organization is old one and the track of company policy

reveals that there had been a rule on recruitment from the year 1980 to 2000. Being a manufacturing organization, it is not surprising to find 84.2% of male respondents than the female respondents. It is also common place for a production oriented organization would naturally go far more of diploma (71.3%) holders than either degree of post graduates.

Table 2
Distribution of the respondents Performance Appraisal Systems related

S.No	Variables	No.of respondents (n=101)	Percentage (100%)
1	Awareness about the Performance Appraisal system		
	Fully aware	68	67.3
	Partially aware	26	25.7
	Not aware	7	6.9
2	Appraisal conducted period		
	Every 3 months	19	18.8
	Every 6 months	47	46.5
	Once in a year	32	31.7
	Don't know	3	3.0
3	No.of Senior officers conducted		
	One		
	Two	19	18.8
	Three	27	26.7
	Four and above	40	39.6
		15	14.9
4	Types of appraisal systems conducted		
	Rating scales		
	Management By Objectives	27	26.7
	Critical incident approach	11	10.9
	Combination of different rating scales	3	3.0
		43	42.6
5	Appraisal System is conducted Transparent		
	Strongly agree	36	35.6
	Agree	33	32.7
	Moderately agree	19	18.8
	Disagree	11	10.9
	Strongly disagree	2	2.0
6	Result of Appraisal		
	Promotion	49	48.5
	Transfers	25	24.8
	Punishment	10	9.9
	Training	14	13.9
	Any other, specify	3	3.0

The understanding from the Table No.2 is that the awareness of performance appraisal system appreciably higher (93%) among the respondents. The period of appraisal the employees seems to place either quarterly (18.8%) or half early (46.5%) or annually (31.7%). The interesting thing is that more than one (81.2%) assessors take up the responsibility of rating the

employees using either one rating scale (26.7%) or combining more than one method of rating (46.2%) is found to be practiced in the study organizations. The respondents are of the opinion than the appraisal system is having transparency (68.3%) and the result of the appraisal is used for promotional purpose (48.5%) but not for primitive purpose (38.7%).

Table 3
Association between the Age group and Objectivity in Self Appraisal

Age group	Objectivity in Self Appraisal (n=101)			Statistical Inference
	Low (24)	Moderate (49)	High (28)	
Below 30 Age	4 (33.3%)	6(50.0%)	2(16.7%)	$\chi^2 = 13.049a$ df= 6 0.042 < 0.05 significant
31-40 Age	1 (8.3%)	8(66.7%)	3(25.0%)	
41-51 Age	5(27.8%)	3(16.7%)	10(55.6%)	
Above 51 age	14(23.7%)	32(54.2%)	13(22.0%)	

The table No.3 reveals that where X² test is applied to see the association between the age group and the objectivity of self appraisal, the age has a significant association with the objectivity in self appraisal. Among

the respondents belonging to 51 years and above, 76.2 per cent of them are positive about the objectivity of self appraisal being practiced in the study organization.

Table 4
Association between the Age group and Overall Satisfaction on the Appraisal System

Age group	Perspective (n=101)			Statistical Inference
	Low =24	Moderate =49	High =28	
Below 30 Age	1(8.3%)	8(66.7%)	3(25.0%)	$\chi^2 = 14.138a$ df= 6 0.028 < 0.05 significant
31-40 Age	1(8.3%)	8(66.7%)	3(25.0%)	
41-51 Age	6(33.3%)	3(16.7%)	9(50.0%)	
Above 51 age	16(27.1%)	32(54.2%)	11(18.6%)	

It is elucidated from the Table No.4 that these fourth of the respondents are having higher satisfaction over the general appraisal system practiced in the organizations. Only negligible youngsters are found to

have low level of satisfaction on the overall appraisal system of their organizations. Again age is significantly associated with the overall satisfaction of the employers on the appraisal system found in their organization.

Table 5
Association between the Age group and Overall Effectiveness

Age group	Overall Effectiveness (n=101)			Statistical Inference
	Low	Moderate	High	
Below 30 Age	4(33.3%)	5(41.7%)	3(25.0%)	$\chi^2 = 10.764a$ df= 6 0.096 > 0.05 Not significant
31-40 Age	5(41.7%)	4(33.3%)	3(25.0%)	
41-51 Age	1(5.6%)	8(44.4%)	9(50.0%)	
Above 51 age	16(27.1%)	32(54.2%)	11(18.6%)	

While considering the opinion on the overall effectiveness of the performance management system, it is clear from the Table No.5 that the age does not have

any direct association to influence opinion of the respondents of the study organization.

Table 6
Association between the Age group and Overall Awareness

Age group	Overall Assessor (n=101)			Statistical Inference
	Low	Moderate	High	
Below 30 Age	3(25.0%)	7(58.3%)	2(16.7%)	$\chi^2 = 12.909a$ df= 6 0.045 < 0.05 significant
31-40 Age	3(25.0%)	6(50.0%)	3(25.0%)	
41-51 Age	10(55.6%)	7(38.9%)	1(5.6%)	
Above 51 age	11(18.6%)	27(45.8%)	21(35.6%)	

The awareness of employees about the performance management system practices and prevalence is convincingly higher (73.3%) than too as the age go up the awareness of the employees about the performance management system practices of the organization also go strong. The statistical verification affirms revealing that there is a significantly association between the age and that of the awareness of the performance appraisal system in their organization.

Major findings

The following are the major findings of this study

- ❖ More than half (58.4%) of the respondents' age group is above 51 years old.
- ❖ Vast Majority (84.2%) of the respondents are male
- ❖ Majority (71.3%) of the respondent have studied diploma courses.
- ❖ Vast majority (92.1%) of the employees are married.
- ❖ Being baby boomers 78.3% of them have more than three children
- ❖ More than half (62.4%) of the respondents are living in nuclear family system.
- ❖ More than half (67.3%) of the respondents were fully aware of the appraisal system.
- ❖ Less than half (46.5%) of the respondents opinion of appraisal conducted every 6 month a year.
- ❖ Nearly one fourth (39.6%) of the respondent's statement of three boss are evaluate the Appraisal.
- ❖ Nearly one third (35.6%) of the respondents accepted that the appraisal system is conducted transparently.
- ❖ The result of the appraisal is used for promotional purpose (48.5%) but not for primitive purpose (38.7%).

Suggestions

The study reveals that invaluable more than one fourth of the respondents either are not clear or do not know about the period of performance appraisal done in the study organization. More or less the same strengths of the respondents are not clear and aware about the assessors and numbers of persons assessing this performance.

Hence it is suggested that the people

management department of the study organization should have proper communication system to inform the employees about the programmes and procedures through training programmes stated on a regular basis based on the training need analysis.

Conclusion

The present study on the performance appraisal practices in a government organization reveals that the people management department playing a casual role of maintenance work rather than concentrating on sustainable exercises like people communications, assessing the training need of the workers and training the employees on a regular basis to keep them updated on the day to day happenings of the organization.

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