A Study on Performance Appraisal System at Bloom Hospitals

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Abstract: The Performance Appraisal System is a very significant Human Resource Development sub system within all types of organizations. It is not only an important tool for review and appraisal of individual performances, but it helps a great deal in identification and appraisal of future potential as well. Appraisal has tremendous motivational impact on people through meaningful feedback and is a powerful tool for recognition. The objective of this study is to know the impact of performance appraisal on nurses and their satisfaction towards appraisal system at Bloom Hospitals. The study is conducted by the survey method using structured questionnaire with a sample size of 80 using simple random sampling. The findings shows that there is a noticeable effect of performance appraisal on nurses. By the data reviewed it shows that the performance appraisal process presently utilized is very effective.

Keywords: Performance, Appraisal, motivation, Satisfaction, Recognition.

I. INTRODUCTION
A performance appraisal (PA) or performance evaluation is a systematic and intermittent process that assesses or surveys an individual employee’s job performance and productivity, in connection to certain pre-built up criteria and organizational objectives. Other aspects of individual employees are also considered, such as organizational citizenship behaviour, achievements, potential for future improvement, qualities and shortcomings. However, the frequency of an evaluation, and policies concerning them, differs from working environment to working environment. Sometimes an assessment will be given to a new employee when a trial period closes, after which they may be conducted on a regular basis. Today’s performance appraisal process has evolved into a more planned and formal process. It is used as a means which helps identify and compare employees’ performances. The appraisals data are frequently being used to review several Human Resources decisions. It can determine any need for career developments and trainings. For issues such as raise in salaries, rewards and promotions, employers are more and more making use of the appraisals’ results.

II. OBJECTIVES OF THE STUDY
A. To understand the performance appraisal system at Bloom Hospitals.
B. To know the impact of performance appraisal on employees in their performance.
C. To assess whether the employees are satisfied with performance appraisal system in the organisation.

III. NEED AND IMPORTANCE OF STUDY
Performance Appraisal has been considered as the most important tool for an organization. In making decisions regarding various personnel aspects such as promotion and merit increases the information it provides is very useful. It can be used for identifying areas where development efforts like training and development are needed. Performance appraisal helps in identifying those deficiencies where development is needed.

IV. SCOPE OF THE STUDY
The study focuses on finding out the factors affecting performance of employees in Blooms hospital. The study identifies the various measures that are to be followed by the organization to improve the performance of employees and provide a motivational environment in which employee are highly satisfied.

V. RESEARCH METHODOLOGY
1) Primary Data: The primary data has been collected through the questionnaire method with a sample size of 80. In this method, a questionnaire was made consisting of a number of questions to be answered filled by the respondents on their own. This method was used in order to enable the respondents to answer the questionnaire as per their convenience and to provide those adequate to give well thought out answers. The questionnaire was prepared and distributed among the employees of middle level.
2) **Secondary Data**: Secondary data is the data that have been already collected by someone and available from other sources like literature reviews, websites and textbooks.

### VI. REVIEW OF LITERATURE

Robert W.D. Zondo (2018) in his article titled “The influence of a 360-degree performance appraisal on labour productivity in an automotive manufacturing organisation” explained that the 360-degree performance appraisal creates a working environment that encourages worker participation. He further says that it is an appropriate system for succession planning, training and professional development. It is an approach that takes advantage of a focused organisational strategy to combine employee appraisal and participation. O. Ayomikun (2017) in his article titled “Effectiveness of performance appraisal system and its effects on employee motivation” explained that performance appraisal systems should be created in such a way that they create perception of fair treatment relative to other employees as well as employee’s own expectations. That can contribute significantly towards positive attitudes, which have been shown in the study to be significant determinant of employee’s level of motivation and consequently work performance. His study shows that employees differ in their preference for rewards following a performance appraisal. He also says that organisations should therefore adapt a more personal approach in linking performance appraisal results to rewards and incentives which could contribute significantly towards boosting of employee motivation as a result of improved levels of satisfaction. Rinku Sanjeev & Sanjeev Kumar Singh (2014) in their article titled 'Employee Perception towards Performance Appraisal Program in Packaging Industry' propose that the representatives have both positive and negative recognition towards the Performance Appraisal Programs in bundling industry. The workers likewise trust that it isn't useful in lessening complaints among the general population. Worker’s observations additionally shift as per their statistic contrasts. The Performance Appraisal Programs require straightforwardness and all-around clarified parameters for the acknowledgment and fulfilment of representatives as this effect the general authoritative execution.

Talya and Berim (2010) in the publication “International journal of advanced research in management (IJARM)” explained that the performance appraisal system is not only an important tool of human resource management to develop their employees, but is also used by different companies to reward their employees in form of bonuses, promotions, and pay raise etc. Usage of performance appraisal to reward or compensate employees is also used by different theories of motivation like reinforcement theory etc.

### VII. DATA ANALYSIS AND INTERPRETATION

1) **Q1. In your opinion performance appraisal is**

| VARIABLES          | EVALUATION OF EMPLOYEES | PROMOTION OF EMPLOYEES | JOB SATISFACTION OF EMPLOYEES | MOTIVATION |
|--------------------|-------------------------|------------------------|-------------------------------|------------|
| RESPONDENTS        | 17                      | 36                     | 2                             | 25         |
| PERCENTAGE         | 21%                     | 45%                    | 3%                            | 31%        |

Figure No 1: Graphical representation on Employee opinion towards performance appraisal
Interpretation

a) From the above graph it is observed that 45% of employees says that performance appraisal is for promotion of employees.

b) 31% of employees says that performance appraisal is for motivation.

c) 21% of employees says that performance appraisal is for evaluation of employees whereas 3% of employees says that it is for job satisfaction of employees.

2) Q2. Which method you are using for evaluating performance?

a. MBO  b. 360 degree  c. BARS  d. Any other

| Variables | MBO | 360 degree appraisal | Bars | Any other |
|-----------|-----|-----------------------|------|-----------|
| Respondents | 0   | 80                    | 0    | 0         |
| Percentage | 0%  | 100%                  | 0%   | 0%        |

Figure No 2: Graphical representation on methods used for evaluating performance

Interpretation

a) From the above graph we can observe that 100% of employees says that the method used for evaluating performance is 360-degree appraisal.

3) Q3. Does the performance appraisal is helping to achieve the required objectives of organization?

a. Yes  b. No

| Variables | Yes | No |
|-----------|-----|----|
| Respondents | 71  | 9  |
| Percentage  | 89% | 11%|
Figure No 3: Graphical representation on performance appraisal helps in achieving the objectives

![Bar graph showing 89% yes and 11% no.]

Interpretation

a) From the above graph we can observe that 89% of employees say that the performance appraisal is helping to achieve the required objectives of organization.

b) 11% of employees say that performance appraisal is not helping in achieving the required objectives of organization.

4) Q4. Which method is taken to improve the employee performance?
   a. Training    b. Mentoring    c. Counselling    d. All the above

Table No 4: particulars of methods taken to improve employee performance

| Variables         | Respondents | Percentage |
|-------------------|-------------|------------|
| Training          | 32          | 40%        |
| Mentoring         | 0           | 0%         |
| Counselling       | 0           | 0%         |
| All the above     | 48          | 60%        |

Figure No 4: Graphical representation on methods taken to improve employee performance

![Bar graph showing 40% training, 60% all the above.]

Interpretation

a) From the above graph we can observe that 40% of employees say that training method is taken to improve the employee performance.

b) 60% of employees say that training, mentoring and counselling methods are used for improving employee performance.
5) Q5. Are you satisfied with the present appraisal system being followed?
   a. Satisfied                                                   b. Highly satisfied
   c. moderately satisfied                                d. Not satisfied

   Table No 5: Employee satisfaction towards present appraisal system

| Variables   | Satisfied | Highly satisfied | Moderately satisfied | Not satisfied |
|-------------|-----------|------------------|----------------------|--------------|
| Respondents | 48        | 29               | 3                    | 0            |
| Percentage  | 60%       | 36%              | 4%                   | 0%           |

Figure No 5: Graphical representation on Employee satisfaction towards present appraisal system

Interpretation

a) From the above graph we can observe that 60% of employees are satisfied with the present appraisal system that is being followed in the organization.

b) 36% of employees are highly satisfied whereas 4% of employees are moderately satisfied.

VIII. FINDINGS AND CONCLUSION

A. Findings

1) In Bloom Hospitals it is observed that most of the employees agree that Performance Appraisal system is for motivating employees.

2) All the Employees are aware of the 360-degree appraisal method used for evaluating the performance.

3) Most of the employees believe that performance appraisal is helping to achieve the required objectives of organization.

4) Most of the employees says that training, mentoring and counselling methods are taken to improve the performance whereas few junior nurses says that only training method is used for improving the performance.

5) Most of the employees expressed their satisfaction towards existing Performance Appraisal System in the organization.

B. Conclusion

Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. From this study, it is identified that maximum number of employees are satisfied with the performance appraisal system in the organisation. It is concluded from the survey that maximum number of respondents are aware about the implementation of performance appraisal system.
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