

A Study on Employee Perception towards Performance Appraisal System In HCL Technologies

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ABSTRACT

The present study explores and analyzes the perceptions of employees regarding the performance appraisal systems within the Information Technology (IT) sector. As performance appraisal remains a critical element in managing employee performance and development, understanding employee perspectives is crucial for enhancing the effectiveness of these systems. The research employs a convenience sampling method. The study aims to identify key factors influencing employee perceptions of performance appraisal systems, examining variables such as clarity of performance criteria, fairness in evaluation processes, feedback mechanisms, and overall satisfaction with the system. Findings from the research will contribute valuable insights for HR professionals, managers, and organizational leaders to refine and optimize existing performance appraisal systems.

Key words: Performance appraisal system, Perceptions, Satisfaction.

JEL Classification Code: J24, J28, L2.

I. INTRODUCTION OF THE STUDY

Employee perception refers to how individuals in a work place view and understand various aspects of their job, the company, and their work environment. It involves their opinions, beliefs, and feelings about the organization, colleagues, management, and the overall work experience. Employee perception is crucial because it influences job satisfaction, motivation, and overall well-being. Understanding and managing these perceptions can contribute to creating a positive and productive work environment. Performance appraisal is like a report card for employees, helping us understand how well they are doing in their roles and how we can

support their growth. It is a valuable tool that allows us to recognize achievements, set goals, and improve our overall performance as a team.

The present study aims to assess and understand the employee perception towards the performance appraisal system. We will explore how employees perceive the appraisal process, identify areas of satisfaction and dissatisfaction, and gather insights into their expectations and experiences.

STATEMENT OF THE PROBLEM

The present study aims to investigate and analyze how employees currently perceive the existing performance appraisal system and to assess the levels of satisfaction with the current performance appraisal system, examining their attitudes towards the fairness of evaluations, clarity of the communication during the performance appraisal process, and the perceived impact on professional development. The present study seeks to identify potential areas of improvement in the performance appraisal system to enhance employee engagement.

II. REVIEWS OF LITERATURE

- **Sapna Taneja, Ravikesh, N. Ravichandran (2023)**, conducted in the Indian banking industry among 1000 employees. The study adopted Multi-stage random sampling and the data is collected through questionnaire. The research shows that different aspects of fairness are influenced by various factors, such as the perceived validity of appraisal criteria or the trust in supervisors. Addressing fairness issues can help create a positive work environment.
- **Saleena Simon (2022)**, The study was conducted in CEDAR retail pvt

ltd, Mannuthy. The total population of the study is 200. The study adopted simple random sampling and data is collected through questionnaire. The research shows 90% are satisfied with compensation, and 96% think the performance appraisal system is effective. In summary, a satisfied workforce is crucial for organizational success, and addressing any dissatisfaction through counselling or training is key for overall performance.

- **Aarathy T.S and Dr.D.Venkatramarajukumar (2018)**, analysed with the help of primary data collected from 75 employees using convenience sampling method. This research investigated that Performance appraisals boost employee performance, enhancing both the quality and quantity of their work. They effectively address and reduce problems, stress, anger, and grievances among employees. Progress reviews provide insights into achievements and behavior, while also identifying individuals with high potential for advancement.
- **Sunita Shukla, Bhavana Adhikari (2017)**, examined among 200 employees in leading data recovery company and the data is collected through questionnaire. The research concludes there wasn't a big difference in what employees think, the organization's good work culture, effective leadership, feedback system, growth opportunities, learning environment, and rewarding policies were

identified as key reasons for the positive employee views.

- **Dr.V.Antony Joe Raju and R.Anbu Ranjith kumar (2016)**, The study adopted convenience sampling method and data is collected through questionnaire and secondary data. The study concludes that the company's performance appraisal system is effective but suggests considering factors like seniority and employees' potentials for more effective functioning. The findings provide valuable suggestions, and it's hoped that implementing them will improve the existing annual employee performance appraisal system.

OBJECTIVES OF THE STUDY

- To Assess how employees currently perceive the existing performance appraisal system.
- To assess the satisfaction levels with the current performance appraisal system.

RESEARCH METHODOLOGY

The research methodology is used to get information about the study on employee perception towards performance appraisal system in IT sector. The study is based on primary data and it is collected via Questionnaire. In this research, Descriptive & Analytical research has been applied.

Tools Used

- Simple percentage analysis
- Chi-square analysis

SIMPLE PERCENTAGE ANALYSIS

DEMOGRAPHIC PROFILE

Department		
Variables	Response	Percentage
AS 400	1	1.85
CSC	2	3.70
CHR	1	1.85
Disney	1	1.85
IOC	19	35.18
IT	8	14.81
MIM	6	11.11
Mathematics	5	9.25

Table No.1

Source: Primary data

Position		
Variables	Response	Percentage
Analyst	33	61.11
Developer	4	7.40
GET	4	7.40
Software engineer	11	20.37

Table No.1.1

Source: Primary data

Interpretation

As per the survey the total no of population belongs to IOC Department.

Interpretation

As per the survey the total no of population belongs to Analyst position.

RESPONDENT REGARDING PERFORMANCE APPRAISAL

Table No 1.2

Clarity of performance expectations communicated		
Variables	Response	Percentage
very satisfied	21	38.88
Satisfied	26	48.14
Neutral	5	9.25
dissatisfied	2	3.70
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the clarity of performance is satisfied.

Table No 1.3

Contribution of (PAS) to a positive work environment		
Variables	Response	Percentage
Highly effective	20	37.03
Moderately effective	25	46.29
Minimally effective	9	16.66
Ineffective	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on Contribution of (PAS) is moderately effective.

Table No 1.4

Recognition and Reward for High Performers		
Variables	Response	Percentage
Highly effective	26	48.14
Somewhat effective	25	46.29
Ineffective	3	5.55
Not applicable	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the recognition and reward for high performers is Highly effective.

Table No 1.5

Career Aspirations and Development Goals During Performance Appraisals		
Variables	Response	Percentage
Very comfortable	17	31.48
Comfortable	32	59.25
Uncomfortable	5	9.25
very uncomfortable	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the development goals during performance appraisals is comfortable.

Table No 1.6

Overall Organizational Goals and Objectives		
Variables	Response	Percentage
Completely Aligned	22	40.74
Partially aligned	31	57.40
Not Aligned	1	1.85
Unsure	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Overall organizational goals and objectives is partially aligned.

Table No 1.7

Fairness and Objectivity of the Performance Appraisal Ratings		
Variables	Response	Percentage
very satisfied	16	29.62
Satisfied	33	61.11
Neutral	3	5.55
dissatisfied	2	3.70
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Fairness and objectivity of the performance appraisal ratings is satisfied.

Table No 1.8

Constructive Feedback That Helps You Improve Your Performance		
Variables	Response	Percentage
Frequently	22	40.74
occasionally	25	46.29
rarely	7	12.96
never	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Constructive feedback that helps you improve your performance is occasional.

Table No 1.9

Diversity and Inclusion Aspects In The Workplace		
Variables	Response	Percentage
Excellently	17	31.48
Adequately	34	62.96
Poorly	3	5.55
No opinion	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Diversity and inclusion aspects in the workplace is adequate.

Table No 1.10

Frequency of performance feedback provided		
Variables	Response	Percentage
Extremely satisfied	18	33.33
satisfied	31	57.40
unsatisfied	5	9.25

Table No 1.11

Performance Appraisal System Contributions to Job Satisfaction		
Variables	Response	Percentage
Significantly	21	38.88
Moderately	28	51.85

very unsatisfied	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Frequency of performance feedback provided is satisfied.

Minimally	5	9.25
Not at all	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Performance appraisal system contributions to job satisfaction is moderate.

Table No 1.12

Collaboration And Teamwork Within Your Department		
Variables	Response	Percentage
Very well	21	38.88
Moderately Well	28	51.85
Not well	5	9.25
Not Applicable	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Collaboration and teamwork within your department is moderately well.

Table No 1.13

Training And Support Provided To Achieve Performance Goals		
Variables	Response	Percentage
very satisfied	14	25.92
satisfied	36	66.66
neutral	4	7.40
dissatisfied	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Training and support provided to achieve performance goals satisfied.

Table No 1.14

Recommendation For Improvements To Current Pas		
Variables	Response	Percentage
Very likely	16	29.62
Likely	33	61.11
Unlikely	5	9.25
Very unlikely	0	0
Total	54	100

Source: Primary data

Source: Primary data

Table No 1.15

Consideration Of External Factors Such as Market Conditions And Industry Trends		
Variables	Response	Percentage
Very well	16	29.62
Adequately	37	68.51
Poorly	1	1.85
not considered	0	0
Total	54	100

Interpretation

As per the survey the total no of population on the Recommendation for improvements to current PAS is likely.

Table No 1.16

Ratings of the Overall Satisfaction With The Performance Appraisal System		
Variables	Respondence	Percentage
1(Low)	6	11.11
2(Moderate)	36	66.66
3(High)	10	18.51
4(Very high)	2	3.70
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Ratings of the overall satisfaction with the performance appraisal system is moderate.

Table No 1.18

Work-Life Balance Considerations		
Variables	Response	Percentage
Very well	17	31.48
Moderately Well	34	62.96
Not well	3	5.55
Not applicable	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Work-life balance considerations is moderate.

Interpretation

As per the survey the total no of population on the Consideration of external factors such as market conditions and industry trends is adequate.

Table No 1.17

Professional Growth and Skill Development		
Variables	Response	Percentage
Excellently	19	35.18
Adequately	32	59.25
Poorly	3	5.55
No opinion	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Professional growth and skill development is adequate.

Table No 1.19

User-Friendliness of the Tools And Platforms Used		
Variables	Response	Percentage
very satisfied	14	25.92
satisfied	34	62.96
neutral	5	9.25
dissatisfied	1	1.85
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population User-friendliness of the tools and platforms used is satisfied.

Table No 1.20

Innovation and Creative Contributions In Role		
Variables	Response	Percentage
Significantly	19	35.18
Moderately	28	51.85
Minimally	6	11.11
Not at all	1	1.85
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population onthe Innovation and creative contributions in role is moderate.

III. FINDINGS OF THE STUDY

- 90% of the employees belongs to IOC department.
- 60% of the employees belongs to Analyst position.
- 48% Of the employees are satisfied with the Clarity of performance expectations communicated.
- 46% of employees said thatContribution of (PAS) to a positive work environment is moderately effective.
- 48% of the employees told thatRecognition and reward for high performers is highly effective.
- 59% of the employees are comfortable with Discussion of career aspirations and development goals during performance appraisals.
- 57% of the employees told thatOverall organizational goals and objectives are partially aligned.
- 61% of the employees are satisfied with Fairness and objectivity of the performance appraisal ratings.
- 46% of the employees told that Constructive feedback that helps to improve performance is occasional.
- 63% of the employees told that Diversity and inclusion aspects in the workplace is adequate.

Table No 1.21

Feedback Consideration		
Variables	Response	Percentage
Very well	26	48.14
Adequately	25	46.29
Poorly	3	5.55
No Opportunity Given	0	0
Total	54	100

Source: Primary data

Interpretation

As per the survey the total no of population on the Feedback consideration is verywell.

- 57% of the employees are satisfied with the Frequency of performance feedback provided.
- 52% of the employees told that Performance appraisal system contributions to job satisfaction is moderate.
- 52% of the employees told that Collaboration and teamwork within the department is moderately well.
- 67% of the employees are satisfied with the Training and support provided to achieve performance goals.
- 61% of the employees told that Recommendation for improvements to current PAS is likely.
- 68% of the employees told that Consideration of external factors such as market conditions and industry trends is adequate.
- 67% of the employees told that Ratings of the overall satisfaction with the performance appraisal system is moderate.
- 59% of the employees told that Professional growth and skill development is adequate.
- 63% of the employees told that Work-life balance considerations is moderately well.
- 63% of the employees are satisfied with User-friendliness of the tools and platforms used.
- 52% of the employees told that the Innovation and creative contributions is moderate.
- 48% of the employees told that Feedback consideration is very well.

CHI-SQUARE TEST

Department/to what extent do you think the performance appraisal system aligns with the overall organizational goals and objectives?

Table No 1.22

	Completely Aligned	Partially Aligned	Not Aligned	Unsure	Total	x ²	df	P-value
AS 400	1	0	0	0	1	14.90254	27	0.970777
CSC	1	0	0	0	1			
CHR	0	1	0	0	1			
Disney	1	0	0	0	1			
IOC	9	9	1	0	19			
IT	2	6	0	0	8			
MIM	1	6	0	0	7			
Mathematics	4	1	0	0	5			
EEE	3	7	0	0	10			
Sap	0	1	0	0	1			
Total	22	31	1	0	54			

Source: Primary data

Interpretation

The above table No.1.22 displays alignment data across different categories, indicating instances of complete, partial, or no alignment. For example, IOC shows 9 complete alignments, 9 partial alignments, and 1 non-alignment out of 19 instances. The overall distribution suggests 22 complete alignments, 31

partial alignments, and 1 non-alignment out of 54 instances. The chi-square test indicates no significant association between the categories (p-value = 0.970777).

Position/ How satisfied are you with the training and support provided to help you achieve your performance goals?

Table No 1.23

	very satisfied	satisfied	neutral	dissatisfied	total	x ²	df	P-value
Analyst	7	23	3	0	33	13.3263	15	0.577111
GET	0	3	0	0	3			
Software engineer	6	5	0	0	11			
L1	0	1	0	0	1			
Supporting engineer	0	1	1	0	2			
Developer	1	3	0	0	4			
Total	14	36	4	0	54			

Source: Primary data

Interpretation

The above table No 1.23 represents satisfaction levels among different job roles, with categories including "very satisfied," "satisfied," "neutral," and "dissatisfied." Analysts show a majority of satisfaction, and overall, satisfaction is prevalent across roles. The chi-square test indicates no significant association between job roles and satisfaction levels (p-value = 0.577111).

IV. SUGESSTIONS OF THE STUDY

- Performance appraisal system should Implement regular feedback mechanisms for continuous improvement.
- Improve the communication transparency during performance appraisal system.
- Be clear and open in how performance appraisal is evaluated towards employees.
- Performance appraisal system should boost the employee and encourage them to achieve their organizational goals.

V. CONCLUSION

The study concluded that the employees are satisfied with the current performance appraisal system. The study suggests that clear communication, regular feedback, and connecting performance to career are the growth keys and creating a positive work culture not just during reviews but in everyday moments makes them to work more comfortably and it will also help to improve the organization to achieve its goals.

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