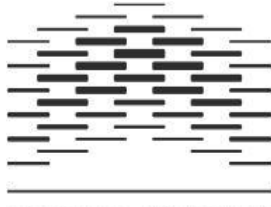




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## PERFORMANCE APPRAISAL OF BRAINDIGIT IT SOLUTIONS

Master thesis  
Performance Appraisal of Braindigit IT Soutions  
2015



## **Abstract**

Performance Appraisal System and procedures has been considered as the most important and significant in an organization. It is an indispensable tool for any organization. The information it generates and provides are highly valuable in making various decisions regarding different level of employees and its aspects such as promotion/demotion, reward/punishment and any other update in Human Resource Inventory System. Performance measurement provide information for the purpose of decision making processes which provide a basis for judging the effectiveness of personnel sub-divisions such as recruiting, selection, training and compensation. This research will focus on examining the performance appraisal system and method of evaluating work performance done by employees of the organization. The sample size of 51 has been chosen from the Braindigit IT Solutions Pvt. Ltd, situated at Kathmandu, Nepal. The data used for the study is primary data which is collected through the help of questionnaire and survey method filled by the sample employees from different backgrounds. The samples are drawn from administrative and technical staffs including managerial and non-managerial employees of the organization. The data was evaluated with the help of statistical tools i.e., descriptive analysis with the help of statistical tools are used. Bar Diagram, Pie Charts are mostly used in the data analysis of the collected information from the questionnaires. The findings of the research show that there is good performance appraisal system. Even though, the employees have good financial facilities been provided, the research has shown that employees are found less motivated due to the absence of recognition and decision making power. The research has found the emphasis on work performance should be done to appraise employees' performance.

Thank You.

Sincerely,

Rahul Panjiyar

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## 1: INTRODUCTION

This chapter deals with the purpose of doing the research with background of the study, statement of the problem, research objectives, research questions, the significance of the study and research methodology used in the study followed by the definitions and the delimitation of the research.

The enormous transformation processes that take place in the social, political and economic aspects drive the need for organizations to become more responsive to the rapid development of the global strategies and the local operational levels. Human Resource Management focuses on personnel related mostly areas such as job design, resource planning, performance management system, recruitment, selection, compensations and employee relations. Out of these one function plays a critical role for the global success of the organization and this is performance evaluation. It is more significant than other processes because its outcomes indicate the success of the realization of the other areas in the field of Human Resources (recruitment, selection, placement, adaptation, training of the employees and other personnel activities). One of the areas of management which has developed most in recent years is the area of human resources management. To manage employees as the most significant resource of the

Organization is a very complex and multidimensional process. The transition process, in which we are, with involvement in contemporary integration processes, etc., requires a different approach to people. Traditional models of human resources management are giving way to more modern, more flexible, more practical and more humane forms of governance and development.

Human resources are the most important resources of the organization and they must be considered with the highest level of attention and interest. People, their development, their abilities, motivation and the manner in which they are managed, become a decisive factor of competitiveness and development of each organization.

Human resources management is constantly changing and improving thereby abandoning traditional management models, giving way to more modern, more flexible, more practical and more humane forms of management that characterize humanization of the relations of production expressed through increased motivation, satisfaction and adequate

stimulation. There are various meanings presented by authors about human resources management but two different meanings are mainly adapted. One meaning describes the activities of management and personnel management, and the other term is used to designate a specific approach to people management as for human resources management (Torrington et al., 2004).

### **Personnel Management**

Personnel management activities are implemented by organizational units for Human Resources which are required to meet certain goals in the name of the organization, namely: 1) Objectives relating to employees, 2) goals related to work, 3) objectives relating to management changes, and 4) administrative goals (Torrington et al., 2004).

### **Human Resource Management**

In the last two decades of the twentieth century, the shift from personnel management to human resources management led to some changes which resulted in differences of opinions.

The first opinion indicates that the personnel management focuses on the labor force, while the human resources management is focused on resources. Personnel Manager directs his work on his employees, finding and training them, deals with their problems, satisfies the needs of employees in relation to work and takes care of their wages.

Human Resources Management is mainly directed toward the needs of management for the provision and use of human resources (this may not always be employees). Activities are carried out with other members of management who deal with human resources, rather than directly with employees, and the emphasis is on planning, monitoring and control, not on mediating (Torrington et al., 2004).

## **1.1 Background of the study**

### **1.1.1 Company Profile:**

Since its inception in 2008, BRAINDIGIT IT SOLUTION has been one of the major contributors to the global market in Business Application Development, Enterprise Content Management, and Mobile Apps Development and Collaborative ecommerce

BRAINDIGIT IT Solution provides one of the best services globally to meet all the IT needs of your business. With extensive analytical research and the best heads working for providing solutions.

Its development center is located at Kathmandu, Nepal with contact offices in Canada and the Philippines. The development center is equipped with resources to cater to the needs of the team, the projects and the clients. The resources range from, but are not limited to, latest hardware and network facilities to a highly skilled workforce. This in turn allows BRAINDIGIT to come up with world class web applications and software.

BRAINDIGIT have highly dedicated and expert IT team providing world class solutions and support. Starting from the data analysis to development stage and finally from testing to the implementation phase, our expert team pays close attention to the minutest of details allowing us to provide an optimum solution for your business. Whilst many consider the work is done once the final output is ready, we take time to provide excellent support round the clock.

### **1.1.2 Performance Appraisal:**

A performance appraisal is a review and discussion of an employee's performance of assigned duties and responsibilities. A well-developed and correct type of performance appraisal allows evaluating the right competence required for the accomplishment of a particular task in a project by allocating a suitable person to that given task (Avey et al., 2009).

The appraisal is based on results obtained by the employee in his or her job, not on the employee's personality characteristics. According to Thomas F. Patterson, (1987) appraisal

or performance review is a method by which the job performance of an employee is evaluated (generally in terms of quality, quantity, cost and time) typically by the corresponding manager or supervisor.

Again, performance appraisal is a part of guiding and managing career development as well as the process of obtaining, analyzing and recording information about the relative worth of an employee to the organization. Performance analysis can also be termed as an analysis of an employee's recent successes and failures, personal strengths and weaknesses and suitability for promotion or further training. The appraisal again measures skills and accomplishments with reasonable accuracy and uniformity. It provides a way to help identify areas for performance enhancement and to help promote professional growth. It should not however be considered the supervisor's only communication tool.

According to Beer, M. et al, (1984) performance appraisal serves a two-fold purpose generally, thus, to improve the work performance of employees by helping them realize and use their full potential in carrying out their firm's mission and also to provide information to employees and managers for use in making work-related decisions. More specifically according to them, appraisals serve some purposes.

Firstly, they support personal decisions to promote outstanding performers in order to weed out marginal or low performers and train, transfer or discipline others as well as to justify merit increases. In short, appraisal serves as a key input for administering a formal organizational reward and punishment system.

Secondly, appraisals provide feedback to employees and thereby serve as vehicle for personal and career development. Again once the development needs of employees are identified, appraisals can help establish objectives for training programs.

In every organization personnel are the most vital resource, for without its effort and knowhow no organization can function properly (Beer, M. et al, 1984).

According to Kauhanen (2010) it is substantial to consider the next factors:

- How is personnel managed and lead on a daily basis?

- How is the organization's and employees' performance evaluated?
- How are the employees encouraged for self- development?
- How is the personnel rewarded for good work performances?

In the thesis, different tools related to performance evaluation are presented for the case company. The company may not need a rewarding system but is offered more information on how to develop a good performance management system and support the strategies in use at the moment or the ones that are possibly established in the future to motivate employees for better performance.

According to the Mansis Development Corporation (2001), many organizations do not have clearly established corporate objectives for undertaking performance reviews. Many managers particularly in large organizations routinely complete the required forms which are then filed and the subject not mentioned again until the next review period, usually a year hence. Also another problem in many organizations is that the process of performance evaluations lacks credibility. This is due to the failure of management to spell out clearly what aspects of the job are to be evaluated and to define the standards against which performance is to be measured. Lack of clearly defined measurements can lead to intellectual dishonesty in the evaluation, unfair ratings and loss of credibility of management and the appraisal process.

A performance appraisal is a way to give feedback and define behaviours for improvement. Managers committed to the success of their team, take the time to frequently coach and mentor employees. Providing guidance and input on employee performance encourages positive behavior. The key to performance improvement begins with recognizing employee contributions while helping plan for future development and growth. Also performance discussions should be timely, informative and comprehensive.

## **1.2 Research Problem**

Obviously, performance appraisal is one of the most important activities of human resource manager, and it is important to an organization, if it is properly appraised, in bringing to handle employees successfully to make effective and efficient on their job. The reason for

focusing on BRAINDIGIT is to study the practice being used in the company, and to identify performance appraisal functions carried and feedbacks associated with it in the organization. Then, comparative analysis will be made in light of private institutions employees with the standard performance management approaches.

Moreover, the researcher was initiated to focus on BRAINDIGIT IT Solutions Pvt. Ltd. because of the continuous rumors of complainants of administrative employees from the inside and customers from the outside. Inside employees are heard complaining about their pay, working environment, promotion, job assignment, demotion, job description, transfer, placement, lay off, and separation.

Areas that are mostly being focused on in the thesis are performance management, rewarding and human resource management in the business. The main research questions are:

- What is human resource management specifically in private business?
- What is performance management in a private business?
- What is rewarding and what are its effects in case of private business?

The research problem in the thesis is that the case company does not possess enough rewarding tools at the moment according to employees of the organization.

The main objective for the thesis is to prepare and present different elements that help the case company to build a successful re-warding package. Therefore, in addition to previously mentioned questions, some sub-questions need to be asked:

- What elements create efficient rewarding entity?
- In what way does rewarding methods affect employees' motivation and job performance?
- What elements create employee commitment to the rewarding methods that are chosen?

### **1.3 Research Objectives**

The objectives of the study are categorized into general and specific objectives. The general objective of the study is to evaluate the performance appraisal system and its effect on employee performance of the BDIS.

The following are the specific objectives of the study.

- To examine the performance appraisal processes and procedures.
- To identify the main reasons for conducting performance appraisal.
- To determine the main problems associated with the conduct of PA.
- To evaluate the effect of PA on employee performance.
- To identify the use of performance appraisal records.

### **1.4 Significance of the Study**

Performance appraisal has become a very vital Human Resource Management instrument owing to its immense contribution to organizations today. There is therefore the need to study and evaluate the system on employee performance at the BDIS. As a result of this, the research will help all the stakeholders and related all the members in the field of Information Technology solutions and even students identify the need for performance appraisals to be made a regular feature in schools.

Again, the research is intended to assist authorities of the private IT software based company to identify the specific training and development needs of the staff as well as the essence of motivating them. Besides, the research is expected to help the BDIS authorities to identify the strengths and weaknesses inherent in the conduct of performance appraisals and how to improve upon the system.



Ultimately, the research is also designed to help become a scholarly document for further studies by students who might have the opportunity of making further findings on PA.

### **1.5 Scope of the Study**

The research seeks to shed more light on the ineffective conduct of performance appraisal system in the Brain Digit IT Solutions Pvt. Ltd. and its effects on employee performance. The research therefore covers employees of the BDIS specifically the administrative and technical staff of selected departments in the company.

### **1.6 Overview of Research Methodology**

The researcher used case study as the design for the research and selected departments in the Brain Digit IT Solution Pvt. Ltd. were used as study areas.

Again, a non-random sampling procedure (Judgmental) was used by the researcher in obtaining information for the research.

Also, the researcher used both the primary and the secondary sources of data to collect the needed data. The primary sources used for the data collection were interview and questionnaires which comprised both the close-ended and the open-ended questionnaires.

The secondary sources for the data collection included the internet, books, magazines, e-books, journals newspapers etc. Methods such as Frequency Distribution Tables, editing and coding were used by the researcher for the data analysis.

### **1.7 Limitations of the study**

The researcher will be facing with the problem of finance because of the long distances the researcher has to cover to administer the questionnaires to respondents.

The researcher will have hard pressed with time due to the fact that the researcher has been working doing the research.

The researcher may face the problem of the unwillingness of some staff of the selected organization to answer questions on the questionnaires. Even though some of the respondents may accept the questionnaires, some of the spaces provided may leave unfilled.

Financial as well as time constraints have been faced by the researcher.

### **1.8 Organization of the Study**

The study consists of five chapters in all. Chapter one comprises the introduction which looks at the background to the study, statement of the problem, objectives of the study, the research questions, and significance of the study, scope of the study, overview of research methodology, limitations of the study and the organization of the study. Chapter two consists of the review of related literature which embodies the various books, articles and the internet which will help the researcher in extracting the relevant information to examine the concept of performance appraisal. Chapter three is the methodology. It highlights on the research design, research paradigm, research population, sample and sampling procedures, sources of data, data gathering instruments and the data analysis. It also provides a brief outline on the organizational profile of the Brain Digit IT Solution Pvt. Ltd. Chapter four comprises the data presentation, discussions and data analysis. Chapter five highlights on the summary of findings, conclusion and recommendations for the study as well as suggestions for further research.

### **1.9 Conclusion**

This introductory chapter provided background information to this research and discussed the initial motivation for the project. The research problem was presented and the research questions outlined. The methodology was briefly described and definitions and limitations as they apply to this study were addressed. An overview of how this thesis will progress was also provided. The following chapter reviews the literature as it pertains to this study.

## 2: LITERATURE REVIEW

This chapter explores works by previous researchers that are related to the subject under investigation. The chapter starts with a explanation of the difference between performance appraisal and performance measurement and their affinity. Also, different performance management theories are manifested including their efficiency and deficiency. The conclusion of the argument is the chosen framework to apply at BDIS.

### 2.1 Performance Measurement and Appraisal

Performance is about deploying and managing well the components of the casual model that lead to the timely attainment of stated objectives with constraints specific to the firm, and to the situation.(Lebas, 1995, p.29). This definition seems as little bit convoluted but when it is break down, the ambition becomes fair. The reason is to accomplish stated objectives that are distinct. Performance is the apparatus that assures that appropriate use and management of the fundamental necessary to achieve the goals of the organizations in a determinant and response relationship.

#### 2.1.1 Performance Measurement

Performance measurement was devised to adviser and maintain organizational control of processes (Amaratunga & Baldry, 2002, p. 217). In relation to the above definition of performance, the objective of performance measures can be seen as goal-directing people towards a desired goal (Jakobsen, et al., 2011, p. 3). In other words, a performance measure is a metric whereas performance measurement is a process.

#### 2.1.2 Performance Management

Performance management is the strategic use of performance standards, measures, progress reports, and ongoing quality improvement efforts to ensure an agency achieves desired result (Kyle, 2005, p. 1).

#### Table 1: Performance Measures vs. Performance Management

Source: Adapted from (Lebas, 1995)

<b>Performance measures</b>	<b>Performance managment</b>
Measures based on key success factors	Training

Measures to track past achievements	Team Work
Measures to describe the status potential	Dialouge
Measures for detection of deviations	Management Style
Measures of output	Attitudes
Measures of input	Shared Vision
	Statistical Process control
	Employee involvement
	Multicompetence
	Incentives, rewards

Table 1 helps illustrating the differences between the processes of performance management and performance measurement. Performance Management and performance measurement are not similar, but support each other – in example could an incentive system be placed on dimension of output, However the dimension feeds the incentive system to bounty employees. Moreover, a finding of compelling deviations could results new initiatives to train employees. This adjustment of the context, as the employees become more competence and as a decision, the measure for exposure of fluctions should crumb.

In today's workplace, performance improvement and the role of performance management is an increasingly popular topic. Why the intense focus on performance management now? Business pressures are ever-increasing and organizations are now required to become even more effective and efficient, execute better on business strategy, and do more with less in order to remain competitive. While human resources professionals clearly understand the importance of optimal performance management, they often face significant internal obstacles. When someone mentions performance management or reviews at your organization, what is the typical response? Do employees and managers alike cringe? Do they avoid performance management related tasks? Do visions of tracking down incomplete appraisal forms come to mind? Forward thinking companies are taking steps to successfully address this negative view of performance management. They are implementing innovative

solutions that ensure processes deliver real results and improve performance. The purpose of this guide is to provide concrete guidelines and practical steps that can be used to improve the performance management processes at your organization. In addition, a new class of automated performance management solutions has emerged to specifically address small- and medium-sized businesses. It is concluded for selecting an automated performance management system to implement best practices across a company.

(Aileen, MacMillan, 2015).

Business Dictionary has defined Performance Appraisal is the process by which a manager or consultant examines and evaluates an employee's work behavior by comparing it with preset standards, documents the results of the comparison, and uses the results to provide feedback to the employee to show where improvements are needed and why. Performance appraisals are employed to determine who needs what training, and who will be promoted, demoted, retained, or fired.

Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. Performance appraisal is generally done in systematic ways which are as follows:

1. The supervisors measure the pay of employees and compare it with targets and plans.
2. The supervisor analyses the factors behind work performances of employees.
3. The employers are in position to guide the employees for a better performance.

It is said that performance appraisal is an investment for the company which can be justified by following advantages:

1. **Promotion:** Performance Appraisal helps the supervisors to chalk out the promotion programs for efficient employees. In this regards, inefficient workers can be dismissed or demoted in case.
2. **Compensation:** Performance Appraisal helps in chalking out compensation packages for employees. Merit rating is possible through performance appraisal. Performance Appraisal tries to give worth to a performance. Compensation packages which include bonus, high salary rates, extra benefits, allowances and pre-requisites are

dependent on performance appraisal. The criteria should be merit rather than seniority.

3. **Employees Development:** The systematic procedure of performance appraisal helps the supervisors to frame training policies and programs. It helps to analyze strengths and weaknesses of employees so that new jobs can be designed for efficient employees. It also helps in framing future development programs.
4. **Selection Validation:** Performance Appraisal helps the supervisors to understand the validity and importance of the selection procedure. The supervisors come to know the validity and thereby the strengths and weaknesses of selection procedure. Future changes in selection methods can be made in this regard.
5. **Communication:** For an organization, effective communication between employees and employers is very important. Through performance appraisal, communication can be sought for in the following ways:
  - a. Through performance appraisal, the employers can understand and accept skills of subordinates.
  - b. The subordinates can also understand and create a trust and confidence in superiors.
  - c. It also helps in maintaining cordial and congenial labor management relationship.
  - d. It develops the spirit of work and boosts the morale of employees.

All the above factors ensure effective communication.

6. **Motivation:** Performance appraisal serves as a motivation tool. Through evaluating performance of employees, a person's efficiency can be determined if the targets are achieved. This very well motivates a person for better job and helps him to improve his performance in the future.

## 2.2 Objectives of Performance Appraisal.

Performance Appraisals is the assessment of individual's performance in a systematic way. It is a developmental tool used for all round development of the employee and the organization. The performance is measured against such factors as job knowledge, quality and quantity of output, initiative, leadership abilities, supervision, dependability, co-operation, judgment,

versatility and health. Assessment should be confined to past as well as potential performance also. The second definition is more focused on behaviors as a part of assessment because behaviors do affect job results.

<b>Job Analysis</b>	<b>Performance Standards</b>	<b>Performance Appraisals</b>
Describe the work and personnel requirement of a particular job.	Translate job requirements into levels of acceptable or unacceptable performance	Describe the job relevant strengths and weaknesses of each individual.

**Table 2: Performance Appraisals and Job Analysis Relationship**

Source Adapted from: *Human Resource Management, Performance Appraisal Methods. (2010-2015).*

### **2.3 Performance appraisal process**

A performance appraisal, or performance review, is a formal interaction between an employee and her manager. This is when the performance of the employee is assessed and discussed in thorough detail, with the manager communicating the weaknesses and strengths observed in the employee and also identifying opportunities for the employee to develop professionally.

Here is the process involved in performance appraisal:

#### ***1. Establishing Performance Standards***

In this we use as the base to compare the actual performance of the employees. In this step it requires to set the criteria to judge the performance of the employees as successful or unsuccessful and the degrees of their contribution to the organizational goals and objectives. The standards set should be clear, easily understandable and in measurable terms. If employee doesn't come up to expectance, then it should be taken extra care for it.

#### ***2. Communicating the standards***

It is the responsibility of the management to communicate the standards to all the employees of the organization. The employees should be informed and the standards should be clearly explained. This will help them to understand their roles and to know what exactly is expected from them.

### ***3. Measuring the actual Performance***

The most difficult part of the performance appraisal process is measuring the actual performance of the employees that is the work done by the employees during the specified period of time. It is a nonstop process which involves monitors the performance all over the year. This stage requires the watchful selection of the suitable techniques of measurement, taking care that individual bias does not affect the outcome of the process and providing assistance rather than interfering in an employees work.

### ***4. Comparing the Actual with the Desired Performance***

In this the actual performance is compared with the desired or the standard performance. The comparison tells the deviations in the performance of the employees from the standards set. The result can show the actual performance being more than the desired performance or, the actual performance being less than the desired performance depicting a negative deviation in the organizational performance. It includes recalling, evaluating and analysis of data related to the employees' performance.

### ***5. Discussing Results***

The result of the appraisal is communicated and discussed with the employees on one-to-one basis. The focus of this discussion is on communication and listening. The results, the problems and the possible solutions are discussed with the aim of problem solving and reaching consensus. The feedback should be given with a positive attitude as this can have an effect on the employees' future performance. The purpose of the meeting should be to solve the problems faced and motivate the employees to perform better.

### ***6. Decision Making***

The last step of the process is to take decisions which can be taken either to improve the performance of the employees, take the required corrective actions, or the related HR decisions like rewards, promotions, demotions, transfers etc.



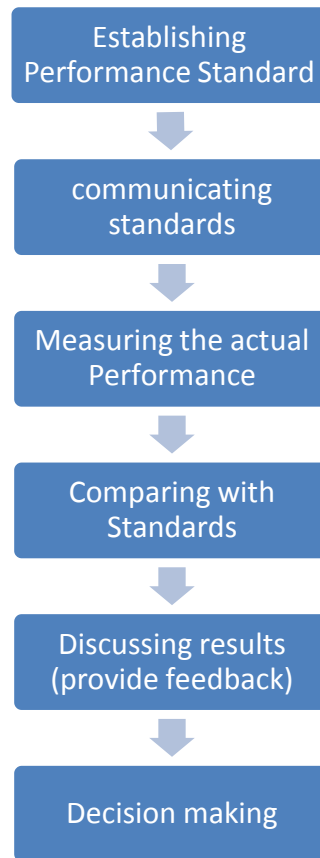


Figure 1: The Performance Appraisal process

*Source adapted from: Performance Appraisal – Process. (2013).*

The above steps provide a framework for the study to evaluate the performance appraisal system on the employees of the BDIS.

#### **2.4. Effective performance appraisal process**

Employees and employers often think of the performance appraisal as a once a year, one hour long (or less) meeting. However, the most effective program is one that is administered throughout the year and is a process rather than just a review.

The performance appraisal process will be more effective if you understand its underlying purpose—to provide feedback to employees. Yes, performance appraisals are important for documenting performance history. Many organizations also use appraisals as the basis for compensation decisions. But its primary purpose and value is to provide performance feedback.

**Performance Planning** is the first step in an effective performance appraisal process. Simply stated, performance planning is setting guidelines and clarifying expectations for the employee. After all, if an employee does not know your expectations, how can he be expected to perform up to your standards? And how can you successfully appraise her performance when you have no basis for comparison?

**Performance Management** is ongoing. As the employee completes job assignments or works toward goals, the supervisor leads and directs these efforts by providing feedback and additional direction or clarification, if necessary.

**Performance Assessment** occurs just prior to the formal performance review. At this time, the employee's supervisor gathers the documentation generated throughout the review period. This documentation could include positive feedback, such as a "job well done" letter from a customer or notes from ongoing performance discussions, to name a few.

**Performance Review** is the formal process of reviewing performance with the employee. The employee and supervisor meet to review and discuss the formalized assessment and then begin the process again by setting goals and standards for the next year.

There are several advantages for establishing a performance appraisal process rather than merely reviewing performance annually or only when there is a problem:

1. It can reduce or eliminate common appraiser errors such as:
  - **Recency** occurs when recent performance becomes the basis of the review as opposed to evaluating performance for the entire year
  - **Halo Effect** where the appraiser ranks an employee high in all categories regardless of actual performance, and
  - **Horn Effect** which results in ranking a less productive employee low in all categories.
2. It encourages an objective review process.
3. It can boost employee motivation, enhance job satisfaction, and improve performance. This creates a win/win situation for your company by increasing productivity and, ultimately, profits.

### **Regular Feedback**

Regular feedback is also important because, for many employees, the absence of feedback creates ambiguity, uncertainty, and anxiety. However, to encourage good performance and effectively develop people, it is important to understand the proper use of feedback.

In its simplest form, feedback may be viewed as one of two types. Taken together, these two types of feedback help the employee achieve their performance goals.

1. **Supportive feedback** reinforces and encourages your employees to continue doing what they are doing well
2. **Corrective feedback** points out behavior that needs to be changed.

Many managers think that good performance and appropriate behavior are to be expected and the only time employees need feedback is when they are doing something wrong. Corrective feedback is necessary at times. In fact, a good manager addresses inappropriate and ineffective behavior and work performance issues in a timely fashion. However, an effective manager also provides supportive feedback and focuses on what employees are doing well. Behavior that is reinforced and encouraged tends to be repeated and become stronger.

Effective feedback is specific and observable. Continue to provide corrective feedback when necessary but increase your use of supportive feedback. Your employees will appreciate it and will repay you with successful performance. Throughout the year, look for something your employees are doing right—and tell them so.

Finally, the formal performance review meeting should **not** be the time to surprise your employee with a litany of performance issues. To the contrary, it should be a mutually beneficial discussion that summarizes the review period's events, improves or encourages continued good performance, identifies areas that need development or improvement, sets goals for the future, and validates the fact that your employee is an important part of your organization (Patricia Wirthlin).

## 2.5 Performance appraisal methods

Numerous methods have been devised to measure the quantity and quality of performance appraisals. Each of the methods is effective for some purposes for some organizations only. None should be dismissed or accepted as appropriate except as they relate to the particular needs of the organization or an employee.

Broadly all methods of appraisals can be divided into two different categories.

- Past Oriented Methods
- Future Oriented Methods

### 2.5.1 Past Oriented Methods

1. **Rating Scales:** Rating scales consists of several numerical scales representing job related performance criterions such as dependability, initiative, output, attendance, attitude etc. Each scales ranges from excellent to poor. The total numerical scores are computed and final conclusions are derived. Advantages – Adaptability, easy to use, low cost, every type of job can be evaluated, large number of employees covered, no formal training required. Disadvantages – Rater’s biases
2. **Checklist:** Under this method, checklist of statements of traits of employee in the form of Yes or No based questions is prepared. Here the rater only does the reporting or checking and HR department does the actual evaluation. Advantages – economy, ease of administration, limited training required, standardization. Disadvantages – Raters biases, use of improper weighs by HR, does not allow rater to give relative ratings
3. **Forced Choice Method:** The series of statements arranged in the blocks of two or more are given and the rater indicates which statement is true or false. The rater is forced to make a choice. HR department does actual assessment. Advantages – Absence of personal biases because of forced choice. Disadvantages – Statements may be wrongly framed.
4. **Forced Distribution Method:** here employees are clustered around a high point on a rating scale. Rater is compelled to distribute the employees on all points on the scale. It is assumed that the performance is conformed to normal distribution. Advantages– Eliminates Disadvantages – Assumption of normal distribution, unrealistic, errors of central tendency.
5. **Critical Incidents Method:** The approach is focused on certain critical behaviors of employee that makes all the difference in the performance. Supervisors as and when they occur record such incidents. Advantages – Evaluations are based on actual job behaviors, ratings are supported by descriptions, feedback is easy, reduces recency biases, chances of subordinate improvement are high. Disadvantages – Negative incidents can be prioritized, forgetting incidents, overly close supervision; feedback may be too much and may appear to be punishment.

6. **Behaviorally Anchored Rating Scales:** statements of effective and ineffective behaviors determine the points. They are said to be behaviorally anchored. The rater is supposed to say, which behavior describes the employee performance. Advantages – helps overcome rating errors. Disadvantages – Suffers from distortions inherent in most rating techniques.
7. **Field Review Method:** This is an appraisal done by someone outside employees' own department usually from corporate or HR department. Advantages – Useful for managerial level promotions, when comparable information is needed, Disadvantages – Outsider is generally not familiar with employees work environment, Observation of actual behaviors not possible.
8. **Performance Tests & Observations:** This is based on the test of knowledge or skills. The tests may be written or an actual presentation of skills. Tests must be reliable and validated to be useful. Advantage – Tests may be apt to measure potential more than actual performance. Disadvantages – Tests may suffer if costs of test development or administration are high.
9. **Confidential Records:** Mostly used by government departments, however its application in industry is not ruled out. Here the report is given in the form of Annual Confidentiality Report (ACR) and may record ratings with respect to following items; attendance, self-expression, team work, leadership, initiative, technical ability, reasoning ability, originality and resourcefulness etc. The system is highly secretive and confidential. Feedback to the assessee is given only in case of an adverse entry. Disadvantage is that it is highly subjective and ratings can be manipulated because the evaluations are linked to HR actions like promotions etc.
10. **Essay Method:** In this method the rater writes down the employee description in detail within a number of broad categories like, overall impression of performance, promoteability of employee, existing capabilities and qualifications of performing jobs, strengths and weaknesses and training needs of the employee. Advantage – It is extremely useful in filling information gaps about the employees that often occur in a better-structured checklist. Disadvantages – It is highly dependent upon the writing skills of rater and most of them are not good writers. They may get confused success depends on the memory power of raters.

11. **Cost Accounting Method:** Here performance is evaluated from the monetary returns yields to his or her organization. Cost to keep employee, and benefit the organization derives is ascertained. Hence it is more dependent upon cost and benefit analysis.

12. **Comparative Evaluation Method (Ranking & Paired Comparisons):** These are collection of different methods that compare performance with that of other co-workers. The usual techniques used may be ranking methods and paired comparison method.

- **Ranking Methods:** Superior ranks his worker based on merit, from best to worst. However how best and why best are not elaborated in this method. It is easy to administer and explanation.
- **Paired Comparison Methods:** In this method each employee is rated with another employee in the form of pairs. The number of comparisons may be calculated with the help of a formula as under.

$$N \times (N-1) / 2$$

### 2.5.2 Future Oriented Methods

1. **Management by Objectives:** It means management by objectives and the performance is rated against the achievement of objectives stated by the management. MBO process goes as under.

- Establish goals and desired outcomes for each subordinate
- Setting performance standards
- Comparison of actual goals with goals attained by the employee
- Establish new goals and new strategies for goals not achieved in previous year.

Advantage – It is more useful for managerial positions.

Disadvantages – Not applicable to all jobs, allocation of merit pay may result in setting short-term goals rather than important and long-term goals etc.

2. **Psychological Appraisals:** These appraisals are more directed to assess employees potential for future performance rather than the past one. It is done in the form of in-depth interviews, psychological tests, and discussion with supervisors and review of other evaluations. It is more focused on employees emotional, intellectual, and motivational and other personal characteristics affecting his performance. This approach is slow and costly and may be useful for bright young members who may have considerable potential. However

qualities of these appraisals largely depend upon the skills of psychologists who perform the evaluation.

3. **Assessment Centers:** This technique was first developed in USA and UK in 1943. An assessment center is a central location where managers may come together to have their participation in job related exercises evaluated by trained observers. It is more focused on observation of behaviors across a series of select exercises or work samples. Assesses are requested to participate in in-basket exercises, work groups, computer simulations, role playing and other similar activities which require same attributes for successful performance in actual job. The characteristics assessed in assessment center can be assertiveness, persuasive ability, communicating ability, planning and organizational ability, self-confidence, resistance to stress, energy level, decision making, sensitivity to feelings, administrative ability, creativity and mental alertness etc.

**Disadvantages** – Costs of employees traveling and lodging, psychologists, ratings strongly influenced by assessee's inter-personal skills. Solid performers may feel suffocated in simulated situations. Those who are not selected for this also may get affected.

**Advantages** – well-conducted assessment center can achieve better forecasts of future performance and progress than other methods of appraisals. Also reliability, content validity and predictive ability are said to be high in assessment centers. The tests also make sure that the wrong people are not hired or promoted. Finally it clearly defines the criteria for selection and promotion.

4. **360-Degree Feedback:** It is a technique which is systematic collection of performance data on an individual group, derived from a number of stakeholders like immediate supervisors, team members, customers, peers and self. In fact anyone who has useful information on how an employee does a job may be one of the appraisers. This technique is highly useful in terms of broader perspective, greater self-development and multi-source feedback is useful. 360-degree appraisals are useful to measure inter-personal skills, customer satisfaction and team building skills. However on the negative side, receiving feedback from multiple sources can be intimidating, threatening etc. Multiple raters may be less adept at providing balanced and objective feedback.

Usually, all employees are rated on / near the same date in a company.

In many companies there is one evaluation in a year. However, more and more organizations shift to quarterly evaluations; this is convenient especially in fast moving organizations, because a more frequent up-date of the objectives is possible.

There are many possibilities which is use to gather data such as

- Rating by a committee of several superiors,
- Rating by the employee's peers,
- Rating by the employee's subordinates,
- Rating by someone outside the immediate work situation,
- Self-evaluation.



### 3: RESEARCH METHODOLOGY

#### 3.1. Introduction

The purpose of this chapter is to describe and illustrate on the methods applied throughout the thesis as well as to acquit the data acquisition.

The thesis is written based on qualitative and quantitative research. The term qualitative analysis is defined by Corbin & Strauss (2008, p.1) as a process of interpreting and examining data for eliciting meaning, increase understanding and develop empirical knowledge. The empirical section consists of theme interviews directed at the case company's personnel as well as the management level. The interviews investigate how rewarding and performance management are experienced in the case company. The results received from the different organization levels are examined and analyzed after the interviews and will be founded on to the theoretical part of the thesis.

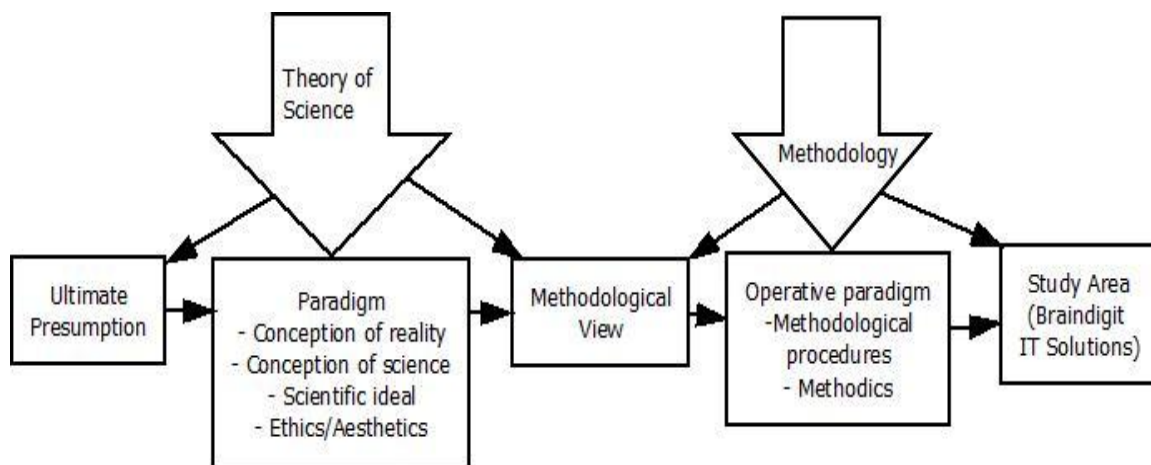


Figure 2: Paradigm and operating paradigm, Arbnor and Bjerke (2009)

This thesis has accommodated the methodological framework of Arbnor and Bjerke (1997, 2009), allegorized in fig 1 under, which consist of two central fields- theory of science and methodology. The first operation, theory of science dwell of philosophical anticipation (ontology) - how the researcher design himself or herself in alliance to the environmental surroundings and philosophical presumptions (epistemology) - how to drive about to achieve

knowledge. Arbnor and Bjerke (1977) assign to ontology and epistemology, as the researcher's decisive presumptions. Arbnor and Bjerke have classified a sequence of six various paradigms in affiliation to business research methodology (Arbnor and Bjerke, 1977, 2009).

### **3.2 Paradigm and Methodological View**

A paradigm binds the understanding of reality and theory of science (Johansen and Laursen, 1933, pp 6-7). Arbnor and Bjerke (2009) accomplish with three various business paradigms;

1. the analytic view
2. the system view
3. the actor view

The analyzing is docked in the ideas of the systems aspect which is made up by three overlying philosophies, namely system theory, holism and structuralism (Arbnor and Bjerke (2009) p.102). The inquisitor is interested in the wholeness in antithesis to the analytic view; where the inquisitor is adapt to cast at desperate parts of a system with no affair for the relationship to its circumferential.

This guide the integrated part of a system views; it is uniformly significant to check over the different parts of the system as well as the affiliation between the sub element and their alliance (Johansen and Lauersen, 1993, pp, 15-16).

Although the basis that systems appearance behold a system as a number of sub elements, the absoluteness is not apprehend as the amount of these elements (Arbnor and Bjerke, 2009, p39).

This is the consequence of the earlier declared synergies among the elements. Synergies can be one and the other absolute as well as adverse and hereby be the aim of a complication. Assassinating a abstraction following the system views craves systematic and accurate preparation in aligning to find abeyant issues in the system as well as approving the achieved system ability through theory (Heldberg, 2006, pp.44-46). The band of cogitations illustrate is in congruence with the analyst's approach of the reality and assist as the natural exceptional of paradigm.

This abstraction is basically oriented against advising new initiatives and augumentation of

the performance appraisal in Braindigit IT solutions Pvt Ltd through adapted theory. Braindigit IT Solutions is the software company where performance appraisal is investigated. Existing abstracts and acquaintance assist as the outset dot for research engaged under system views and the complication allegation is consecutively evolved as new knowledge is accomplished along the course.

### **3.3 Research design**

According to Y.K Singh (2006), research design is essentially a statement of the object of the inquiry and the strategies for collecting the evidences, analyzing the evidences and reporting the findings.” The purpose of this research is to study the practice and problems of employees’ performance appraisal and rewarding system: the case of Brain Digit IT Solutions, focusing on permanent administrative staff.

The Brain Digit IT Solutions was selected by using purposive sampling method by assuming their potential representativeness in light of Information Technology firm of Nepal. The same method was replicated to select Administrative employees of the company.

Therefore, to make this practical both quantitative and qualitative research methods were used to approach the study subjects. The quantitative method was used by considering 30% of the population by using simple random sampling method under the study employees, and questionnaires have been distributed to the respondents. Qualitative method was used by conducting interview with human resource department heads of the company under the study. After the required data were collected, it was processed, and analyzed by using Statistical Package.

### **3.4 Sources of data**

Data was obtained from both the primary and the secondary sources.

### **3.2.1 Primary data**

The primary data was obtained by the conduct of interview and the administration of questionnaires to the various respondents.

### **3.2.2 Secondary data**

The secondary data are data which already exist and have been preserved for further use and studies. These data were got from sources such as books, journals, internet and textbooks. The secondary sources of data are very important because they give insight to future researchers on the subject matter and how to improve upon the earlier findings.

### **3.5 Research population**

The population in research means the entire group of persons that have the characteristics that interest the researcher. The researcher considered a population of about 100 administrative staff of the selected Brain Digit Solutions Pvt. Ltd. in the Kathmandu District. This population was chosen by the researcher because of the assurance of obtaining the relevant information from them.

### **3.6 Sample size**

The sample size is a given portion drawn out of the population to represent them. The sample size for the study was 30 made up of administrative staffs of the selected company.

### **3.7 Sampling techniques**

A non-random sampling technique (Judgmental) was used by the researcher in obtaining information for the research. In judgmental sampling, the selection of the sample is based on judgment of the researcher that those selected are the key individuals who can give the information required for the study. In this case, the researcher chose some managers and non-managers of selected company in the Kathmandu District as the sample size for the research.

### **3.8 Data Gathering Methods**

The researcher used interview as well as questionnaires (open-ended and close-ended) to obtain data for the study. The researcher used the structured interview format which was formal and standardized. It followed a pattern of questions which the researcher used to obtain the required data. The questionnaires used by the researcher were related to the objectives as well as the research questions of the study. The researcher used close-ended questionnaires in which the questions permitted only certain responses such as “Yes or No”. Also, open-ended questionnaires were used. This made individual respondents make any responses they wished in their own words.

### **3.9 Interview Method**

Considering that the researcher sought to obtain qualitative descriptive in-depth data that is specific to the individual subjects, the interview data collection technique was adopted. The purpose of an interview is to access what is in and on the interviewee’s mind (Patton, 2002).

Except for the administered questionnaire, all other interviews allow for some degree of interaction between the researcher and the subject (Pickard, 2007). This helped provide an ample opportunity for the researcher to interact with the subject which interaction led to the construction of meaning and provided substantial information about the phenomenon under investigation.

The interviews were in-depth and open ended but guided by an interview guide that had been prepared earlier. This was helpful in keeping focus of the phenomenon while creating sufficient space and time for the interviewees to control the process as they answered question pertaining to the interview. Patton (2002) indicates that the interview guide is meant to provide topics or subjects areas within which the interviewer is free to explore, probe, and ask questions that will elucidate and illuminate that particular subject area.

The interview was set in such a way that the researcher used a basic checklist to make sure that all relevant areas of the topic were covered while allowing space for him to explore, probe, and ask a question not previously specified when something seemed relevant to the

study.

### **3.9.1. Administration of questionnaires**

The researcher prepared and administered the questionnaires by hand to the respective respondents. In all questionnaires were issued out to respondents to fill. Because time was limited, the researcher adopted the technique of incessantly calling and reminding the respondents to promptly fill the questionnaires.

### **3.9.2 Methods and Tools for data analysis**

The researcher used both the quantitative and the qualitative analysis of the data got from the study. The quantitative analysis was carried out using simple tables, bar charts and pie charts to establish the relationship between the various variables. The qualitative analysis was also done by discussing the data collected by the researcher.

### **3.10 Limitations**

While using snowball sampling, the first key initial informant was purposively selected. The principle data collection tool was verbal interviews and therefore some interviewees could have painted positive pictures of some situations, thinking that that's what the researcher wanted to hear. To suppress bias that could have accrued as a result of such responses, whenever overly positive responses were heard from an interviewee, the researcher probed them with the next interviewee to get a balanced picture or confirm such claims. Likewise, overly negative responses underwent the same process of confirmation to reduce bias. This was done with utmost care in order not to reveal the source of such claims while seeking their confirmation.

### **3.11 Ethical Matter Considerations**

The interviewees were sent an e-mail message before the interview indicating the purpose of the interview. This was followed with a promise that the interview was being done for purely academic research purposes just before each interview began. The interviewees were

promised anonymity during the presentation and discussion of findings and this was followed through to ensure ethical values.

### **3.12 Data Quality Assurance**

According to Kothari, (2004), sound measurement must meet the tests of validity, reliability and practicality. In fact, these are the three major considerations one should use in evaluating a measurement tool. “Validity refers to the extent to which a test measures what we actually wish to measure. Reliability has to do with the accuracy and precision of a measurement procedure ... Practicality is concerned with wide range of factors of economy, convenience, and interpretability ...” Therefore, we briefly take up the relevant details concerning these tests of sound measurement. To ascertain the data quality and reliability questionnaire used was simplified and communicated in order to make respondents comfortable in understanding the essence of the questionnaire. In addition face to face interview was conducted with the two human resource heads of the company understudy. Therefore, the validity, reliability and practicality of this study are ascertained.

## 4: DATA COLLECTION, PRESENTATION AND ANALYSIS

This chapter focused on the data presentation, analysis and discussion and the two groups of respondents were managerial and non managerial administrative and technical staffs of the selected Brain Digit IT Solutions Pvt. Ltd. This chapter also seeks to present the discussions on the analysis of the data generated from the study. This is to establish if the results support an existing knowledge on the subject matter of the study or provide a new knowledge and ways of improving upon the already existing performance appraisal in the BDIS.

The general distribution pattern of the questionnaires was as follows: A set of questionnaires were distributed to managerial and non managerial administrative and technical staffs of the selected company. In all, 49 questionnaires were retrieved from respondents. The retrieval rate for the questionnaires used in the study was 80% and this could be seen as worthwhile given the reluctance of some respondents to respond to questionnaires on a study like this.

### 4.1. What is your gender status?

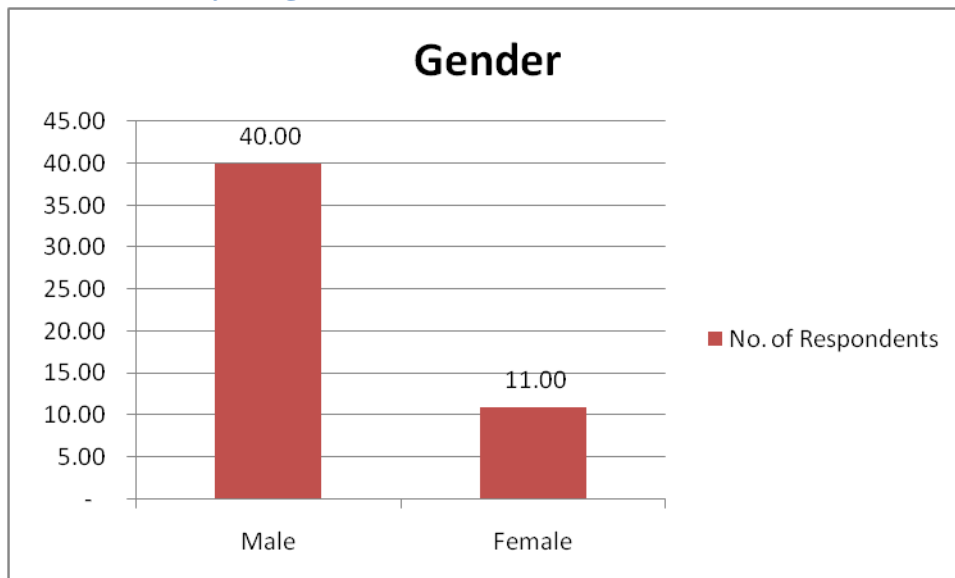


Figure 3: Gender of respondents



<b>Gender</b>	<b>No. of Respondents</b>	<b>Weight</b>
Male	40.00	78%
Female	11.00	22%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 3: Gender of respondents

Figure 3 shows that 40 staffs of the company representing 78% of the total number of staffs sampled were males while 11 teachers representing 22% of respondents were females.

In analyzing the data, the study revealed that there were more male respondents than females.

This goes to confirm the fact that there are few female staffs at the BDIS as compared to their male counterparts.

#### 4.2. How old are you?

<b>Age</b>	<b>No. of Respondents</b>	<b>Weight</b>
20-25	10.00	20%
25-30	21.00	41%
30-35	8.00	16%
35-40	7.00	14%
40 Above	5.00	10%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 4: Age profile of respondents

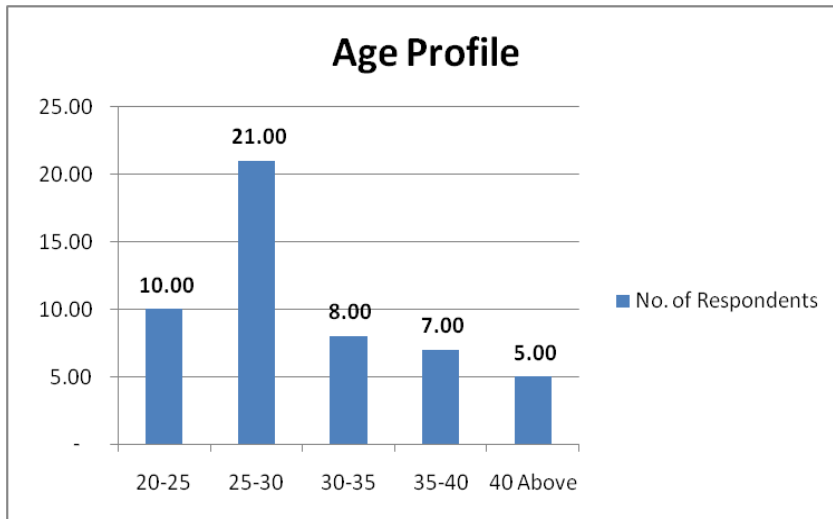


Figure 4: Age profile of respondents

In Figure 4, the age distribution revealed that 5 respondents representing 10% of the total number of 51 fell within the age group of 40 above; 7 respondents fell within the age group 35-40 representing 14%; 8 respondents representing 16% fell within the age group of 30-35. Also, 21 respondents representing 41% fell within the group 25-30 and 10 respondents fell within the age group, 20-25 representing 20% of the total number.

In analyzing the data, the study showed that the highest number of respondents fell within the age group of 25-30 with the lowest falling within the group 40 and above.

Following from the age distribution of the administrative staffs sampled, the study revealed that the highest numbers came from those who fell within age groups 25-30 and 20-25 years respectively.

#### 4.3. Do you get notice of Performance Appraisal?

Age	No. of Respondents	Weight
Yes	-	0%
No	51.00	100%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 5: Notice of Performance Appraisal

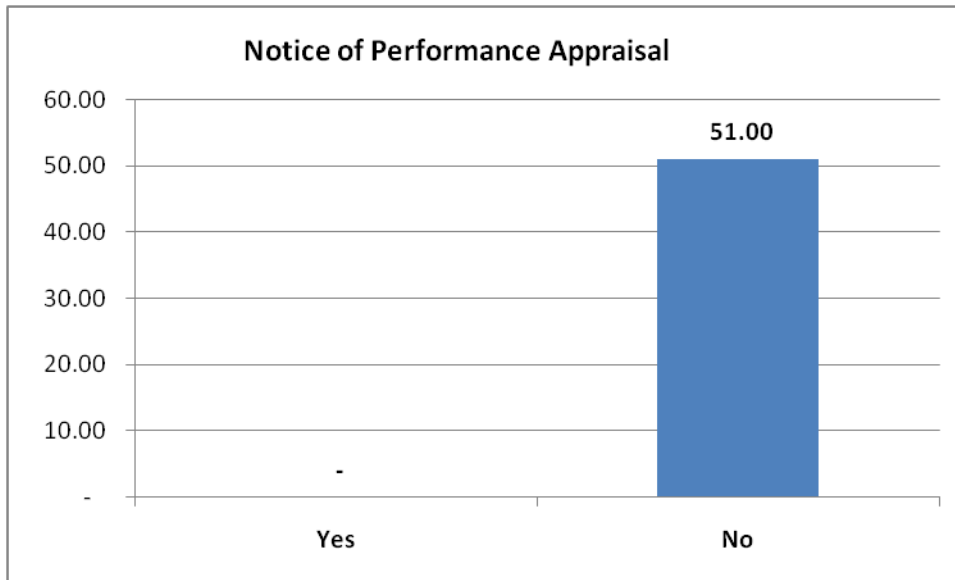


Figure 5: Notice for performance appraisal

Figure 5 revealed from the study that, when asked about any notice being given to respondents before the appraisals were done, no one respondents answered in the affirmative and all 51 respondents who represented 100%.

In analyzing the data, a revelation of the study was that performance appraisals were done without the prior notice to the appraise even though it is always appropriate that notices precede all appraisals.

#### 4.4. How often employees are appraised?

Age	No. of Respondents	Weight
Every Year	51.00	100%
Every Two Year	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 6: How often employees are praised?

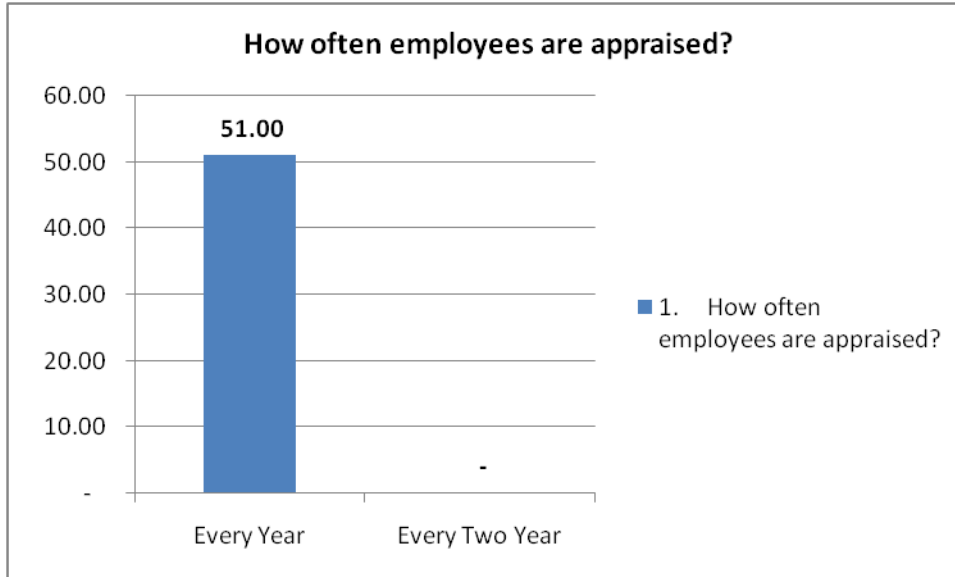


Figure 6: How often employees are praised?

The study showed from figure 6, that on the issue of how often employees were appraised, 51 respondents representing 100% said they were appraised once every year; In analyzing the data, it was revealed from the study that staffs of BDIS were appraising periodically i.e., each year.

#### 4.5. What is your designation at work?

Designation	No. of Respondents	Weight
Managerial	10.00	20%
Non Managerial	41.00	80%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 7: What is your designation at work?

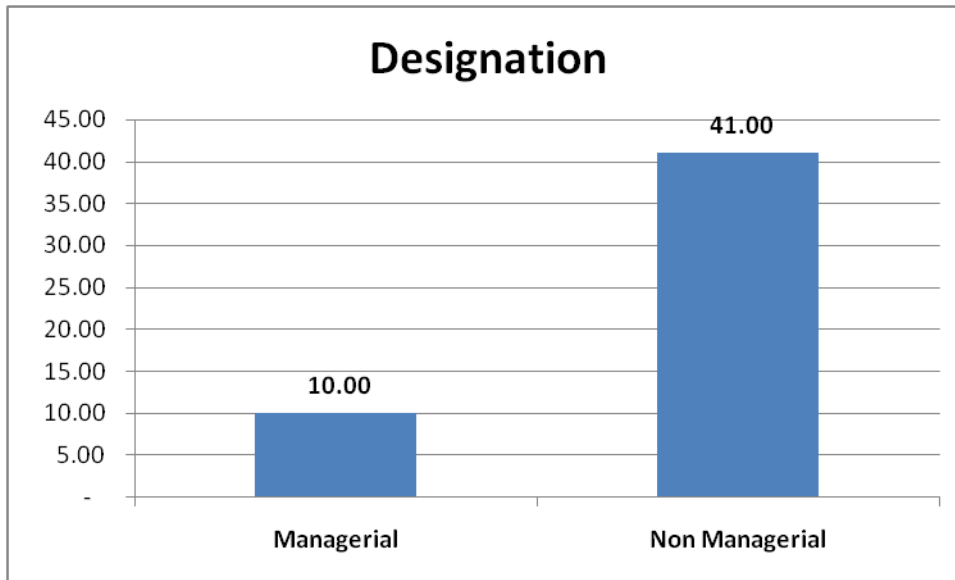


Figure 7: what is your designation at work?

Figure 7 revealed from the study that, when asked about the designation at work being performed to respondents before the appraisals were done, 80% of the total 51 respondents were found non managerial and remaining managerial of the all 51 respondents who represented 20%.

In analyzing the data, the study showed that the managerial respondents found only 10 whilst non managerial represented huge percentage of 80% i.e. 41 number of respondents.

#### 4.6. What are your educational qualifications?

Qualification	No. of Respondents	Weight
Computer Engineer	15.00	29%
MBA	6.00	12%
Graduates and Other	30.00	59%

<b>Total</b>	<b>51.00</b>	<b>100%</b>
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Table 8: What are your educational qualifications?

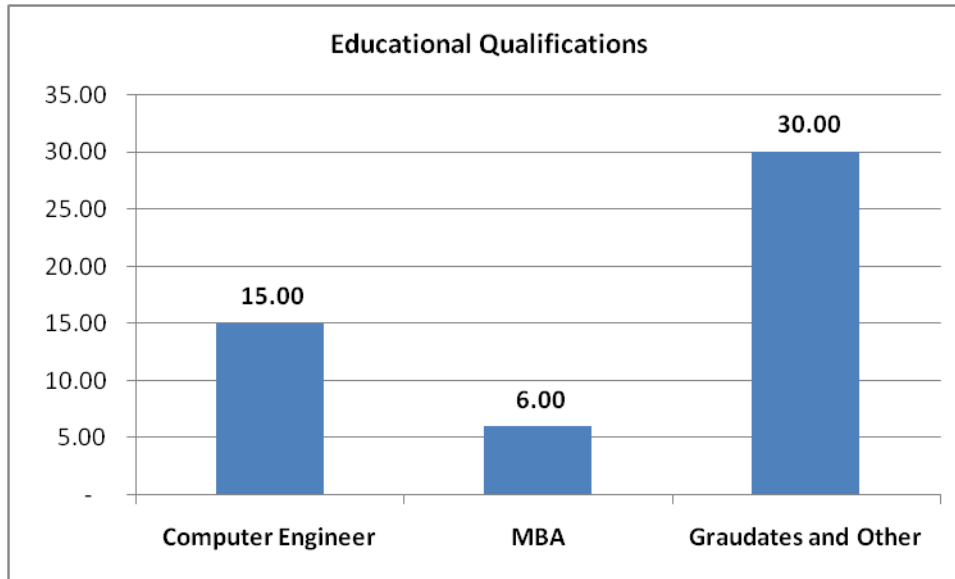


Figure 8: what are your educational qualifications?

In Figure 8, the educational qualifications of the respondents revealed that 15 respondents representing 29% of the total number of 51 found as Computer Engineer in the field of technical; 6 respondents found MBA with management background representing 12%; and 30 respondents found Graduates, below graduates and other within representing the most 59% of the total number.

In analyzing the data, the study showed that the highest number of respondents found with qualification of Graduates and Other with the lowest number of respondents found with MBA.

#### 4.7. In what location do you work?

Location	No. of Respondents	Weight
Home Distance within 4 Km	15.00	29%
Home Distance within 8 Km	26.00	51%
Home Distance within 10 Km	10.00	20%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 9: In what location do you work?

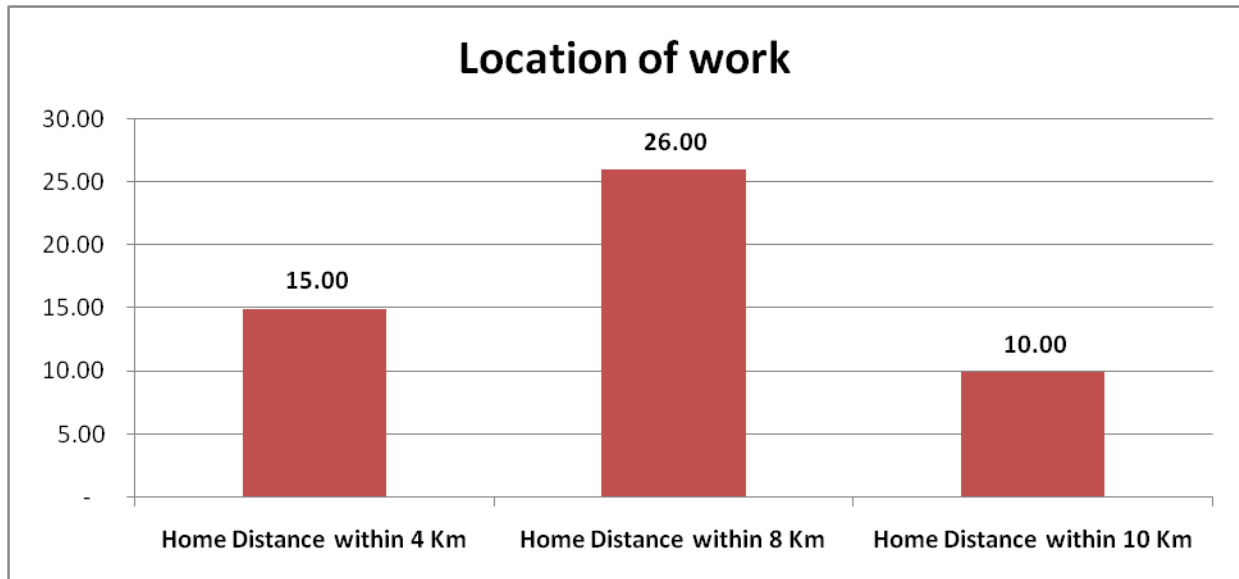


Figure 9: In what location do you work?

Figure 9 revealed from the study that, when asked about location of work putting more emphasis on the distance covered to travel to work to respondents during the time of survey, 29% of the respondents answered in the bracket of home distance 4km from office, 51% answered 8km from office and remaining 20% of the respondents answered 10km far from office.

In analyzing the data, a revelation of the study was that performance motivation factor can be the distance of home to work or work to home. More distance covering can create fatigue and boredom. The highest number of respondents found within 8km distance.

#### 4.8. How many employees work in your department?

No.of Employees	No. of Respondents	Weight
Less than or equal to 3	20.00	39%
Upto 7	25.00	49%
Above 7	6.00	12%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 10: How many employees work in your department?

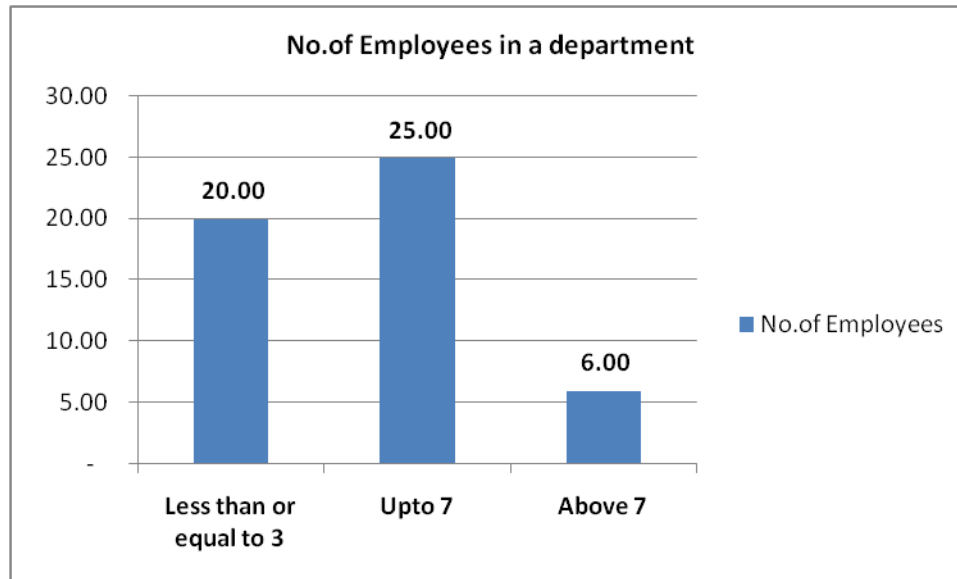


Figure 10: How many employees work in your department?

Figure 10 revealed from the study that, when asked about the number of employees/colleagues work in your department to respondents during the time of survey, 39% of the respondents found performing their jobs with less than 3 number of employees in their department, 49% answered 4-7 number of employees in their department and remaining 12% of the respondents answered above 7 employees in their department.

In analyzing the data, a revelation of the study was that the highest numbers of employees in the department are found 4-7.



#### 4.9. What kind of project do you mostly enrolled in?

Kind of Projects	No. of Respondents	Weight
Technical	15.00	29%
Non Technical	25.00	49%
Both	11.00	22%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 11: What kind of project do you mostly enrolled in?

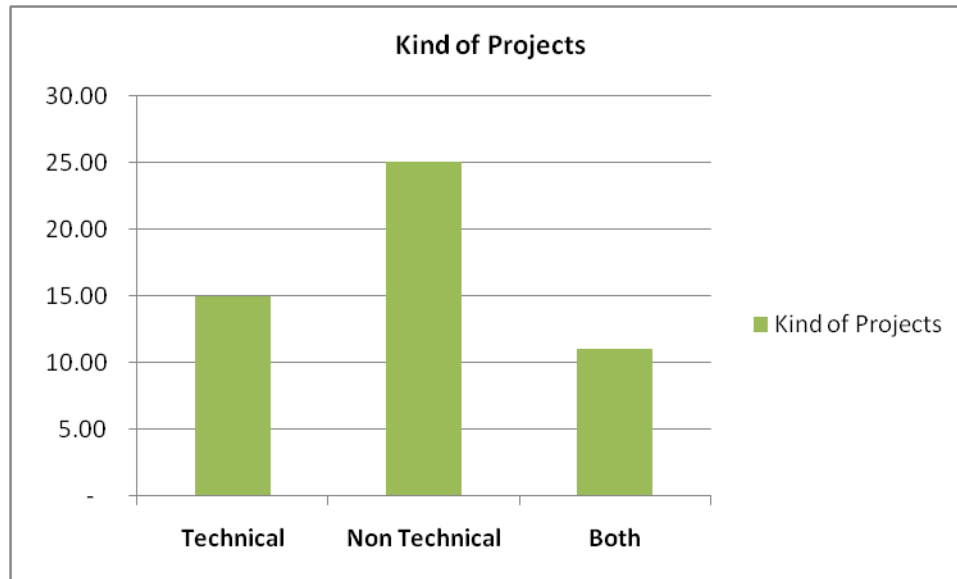


Figure 11: What kind of project do you mostly enrolled in?

In Figure 11, the employees enrollment with the kind of projects revealed that 15 respondents representing 29% of the total number of 51 fell within the group of technical; 25 respondents fell within the group non-technical representing 49% and 11 respondents representing 22% fell within the group of both technical and non technical.

In analyzing the data, the study showed that the highest number of respondents fell within the group of Non-Technical with the lowest falling within the group Both.

#### 4.10. How many projects at a time you are working on?

No. of Projects	No. of Respondents	Weight
Only one	30.00	59%
Two	20.00	39%
More than two	1.00	2%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 12: How many projects at a time you are working on?

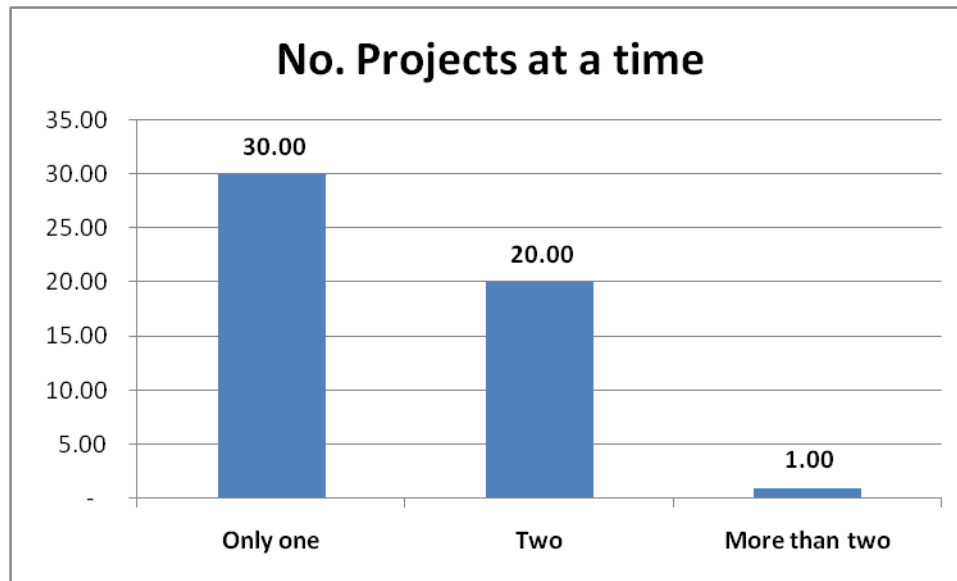


Figure 12: How many projects at a time you are working on?

In Figure 12, the employees working in the number of projects at a time revealed that 30 respondents representing 59% of the total number of 51 found working in only one; 20 respondents found working in two representing 39% and one respondent representing 2% found working in more than two.

In analyzing the data, the study showed that the highest number of respondents found working only one project at a time and only 2 % of the total respondents found working more than two projects at a time.

#### 4.11. How many project managers do you have?

Project Manager	No. of Respondents	Weight
1	30.00	59%
2	20.00	39%
3	1.00	2%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 13: How many project managers do you have?

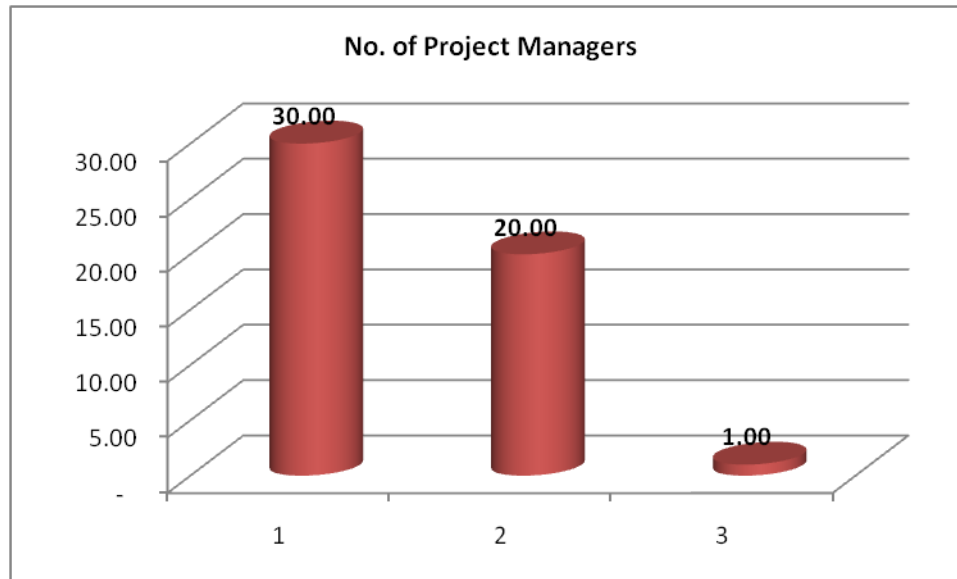


Figure 13: How many project managers do you have?:

In Figure 13, data related with the number of project managers have revealed that 30 respondents representing 59% of the total number of 51 found working with only one; 20 respondents found working in two representing 39% and one respondent representing 2% found working with three project managers.

In analyzing the data, the study showed that the highest number of respondents found working with only one project manager and only 2 % of the total respondents found working with three project managers.

#### 4.12. Do you have close contact with the client during your work on the project?

Close Contact with Client	No. of Respondents	Weight
Yes	26.00	51%
No	25.00	49%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 14: Do you have close contact with the client during your work on the project?

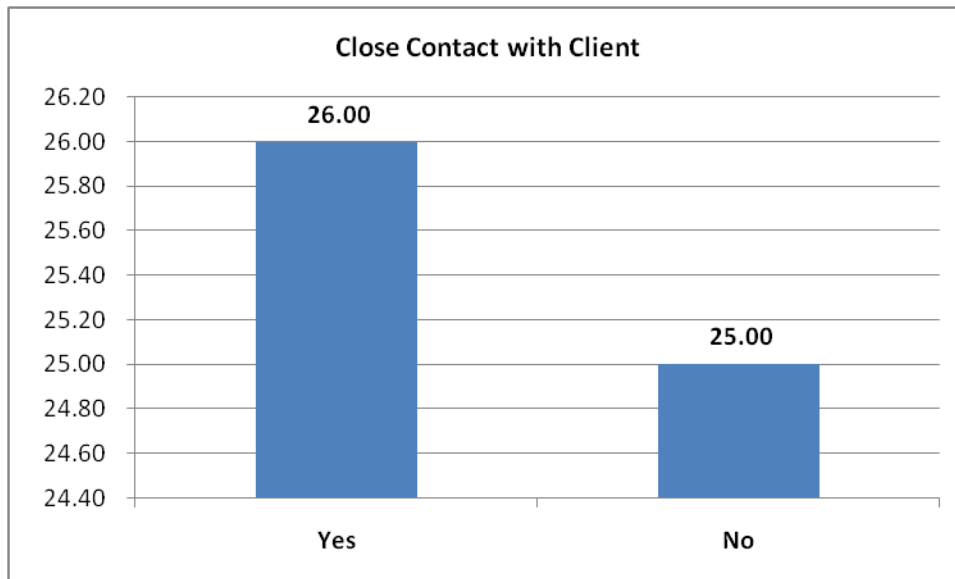


Figure 14: Do you have close contact with the client during your work on the project?

In Figure 14, data related with any close contact have been made during work on the project have revealed that 26 respondents representing 51% of the total number of 51 found maintaining close relation with their client and 25 respondents found not maintaining the close contact with clients for their self interest in the future representing 49%.

**4.13. Have you ever considered to search for job opportunities with your client during or after you finished your work on the project?**

<b>Job opportunities from clients</b>	<b>No. of Respondents</b>	<b>Weight</b>
Yes	5.00	10%
No	46.00	90%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 15: Have you ever considered to search for job opportunities with your client during or after you finished your work on the project?

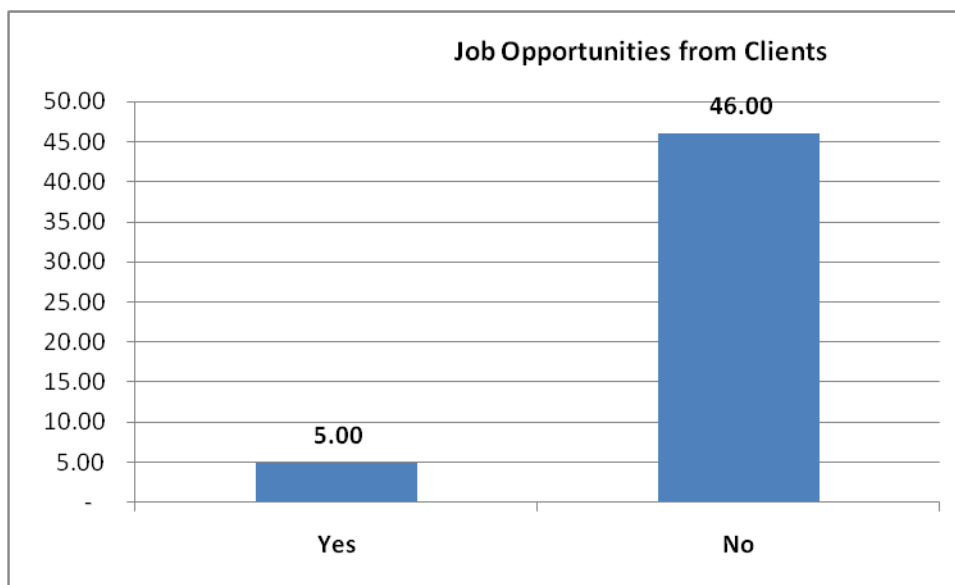


Figure 15: Have you ever considered to search for job opportunities with your client during or after you finished your work on the project?

In Figure 15, data related with any consideration to search for job opportunities with the clients during or after finishing work on the project have revealed that 5 respondents representing 10% of the total number of 51 found getting job opportunities from their client and 46 respondents found not searching jobs from the clients representing 90%.

In analyzing the data, the study showed that the highest number of respondents found not considered searching for job opportunities with their clients during or after finishing their work with representing 90%.

#### 4.14. Do You Think That Positive Performance Appraisal Should Lead To Increase the Salary?

Positive PA should lead to increase salary	No. of Respondents	Weight
Yes	46.00	90%
May Be	5.00	10%
No	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 16: Do You Think That Positive Performance Appraisal Should Lead To Increase The Salary?

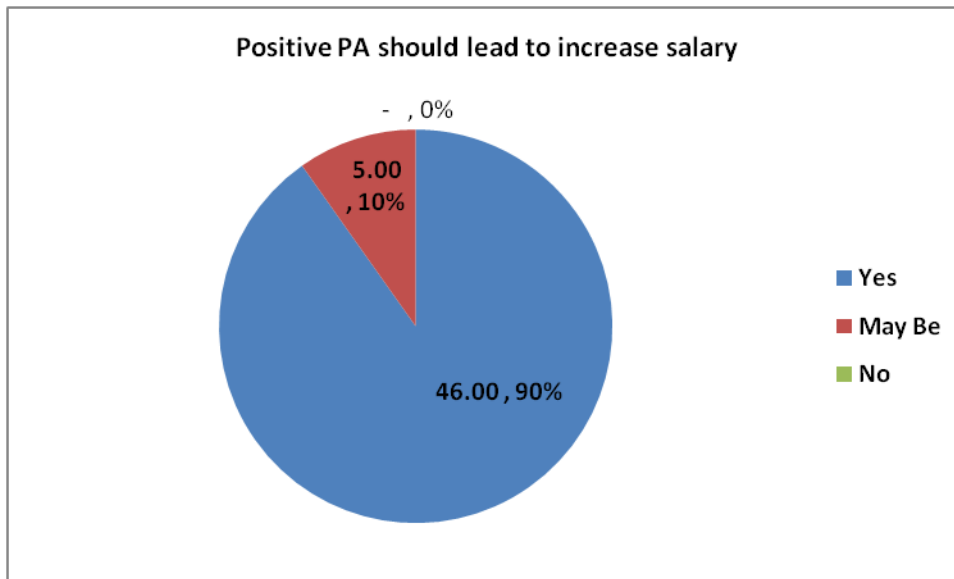


Figure 16: Do You Think That Positive Performance Appraisal Should Lead To Increase The Salary?

In Figure 16, data related with positive performance leading to increase the salary have revealed that 46 respondents representing 90% of the total number of 51 found within the group of 'Yes' and 5 respondents found within the group of 'May be' representing 10%. In analyzing the data, the study showed that the highest number of respondents i.e. 90% found in the favor of positive performance must be related with increasing the salary amount of the employees.

#### 4.15. Do You Think That Positive Performance Assessment Influences Employee Promotion?

Positive PA influence employee promotion	No. of Respondents	Weight
Yes	30.00	59%
May Be	21.00	41%
No	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 17: Do You Think That Positive Performance Assessment Influences Employee Promotion?

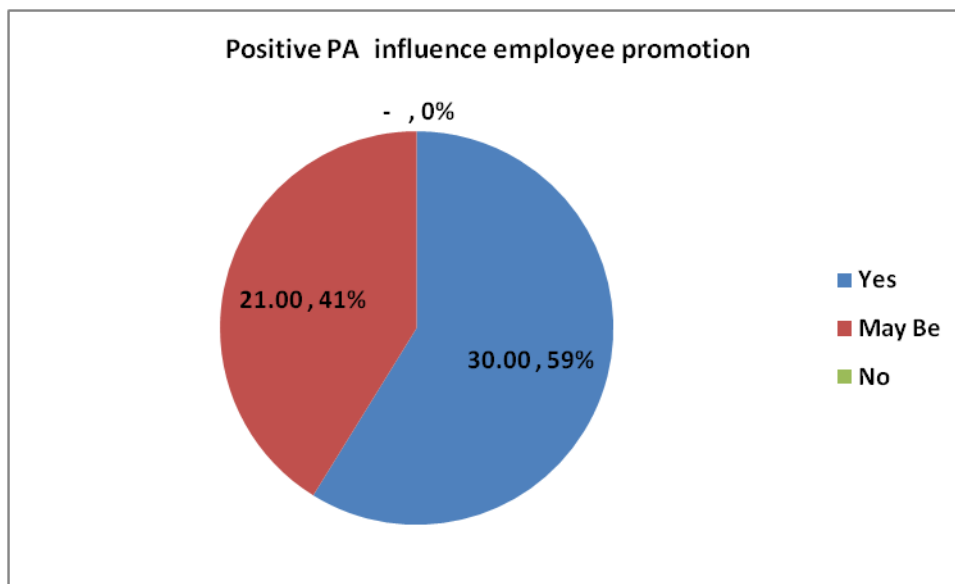


Figure 17: Do You Think That Positive Performance Assessment Influences Employee Promotion?

In Figure 17, the study of positive performance assessment influences employee promotion have revealed that 30 respondents representing 59% of the total number of 51 found within the group of 'Yes' and 21 respondents found within the group of 'May be' representing 41%. In analyzing the data, the study showed that the highest number of respondents i.e. 59% found in the favor of positive performance must be related with influencing the employee

promotion.

#### 4.16. Do You Think That Your Results Are Linked To the Profitability Of The Company

<b>Results are linked with profitability</b>	<b>No. of Respondents</b>	<b>Weight</b>
Yes	40.00	78%
May Be	11.00	22%
No	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 18: Do You Think That Your Results Are Linked To The Profitability Of The Company

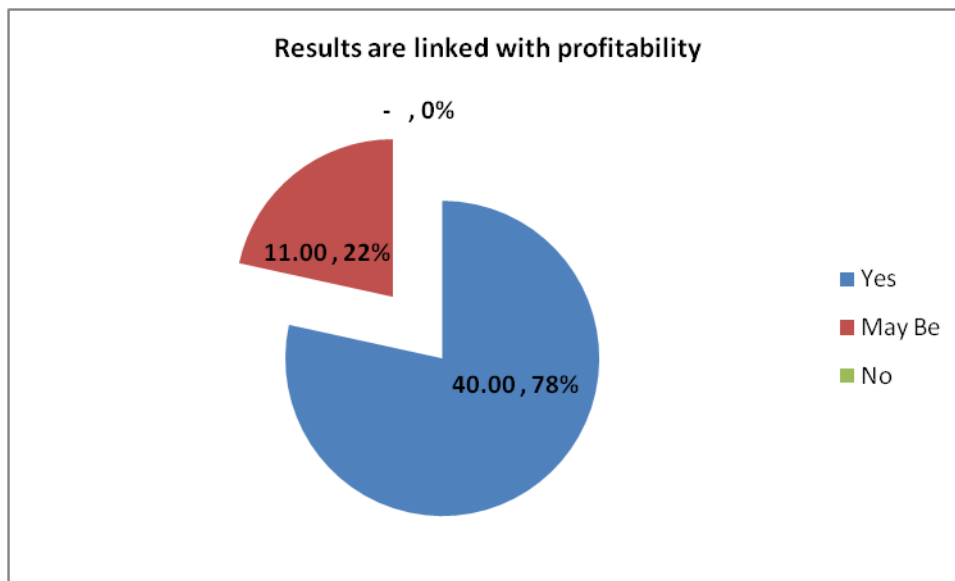


Figure 18: Do You Think That Your Results Are Linked To The Profitability Of The Company

In Figure 18, the study of the employees performance are related with the profitability of the company have revealed that 40 respondents representing 78% of the total number of 51 found within the group of 'Yes' and 11 respondents found within the group of 'May be' representing 22%.



In analyzing the data, the study showed that the highest number of respondents i.e. 78% found in the favor of their performance are linked with the profitability of the company.

#### 4.17. Have you ever got any employment offer from the client organization?

Job offer from client organization	No. of Respondents	Weight
Yes	10.00	20%
No	41.00	80%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 19: Have you ever got any employment offer from the client organization?

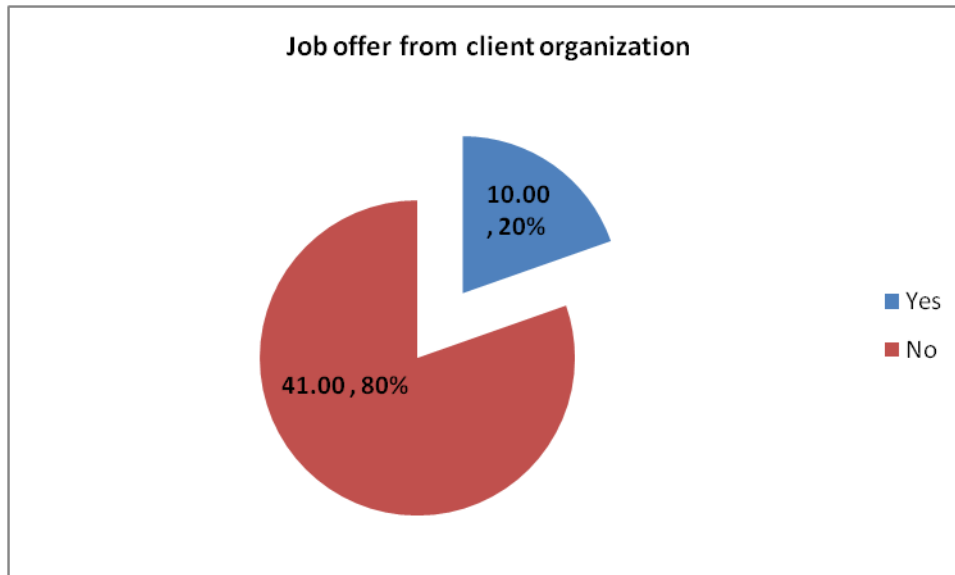


Figure 19: Have you ever got any employment offer from the client organization?

In Figure 19, the study of the employees getting any employment offer from the client organization have revealed that 10 respondents representing 20% of the total number of 51 found having job offer from their client organization and 41 respondents found not getting job offer from the client organization representing 80%.

In analyzing the data, the study showed that the highest number of respondents i.e. 80% found not getting job offer from their client organization.

#### 4.18. Do you regularly check for career opportunities with other organizations?

Regularly check career opportunities	No. of Respondents	Weight
Yes	41.00	80%
No	10.00	20%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 20: Do you regularly check for career opportunities with other organizations?

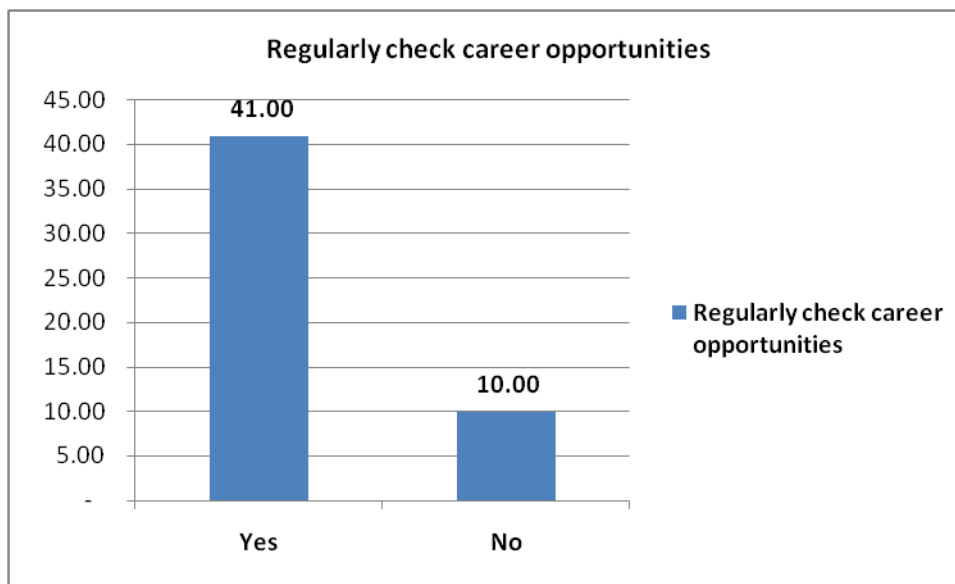


Figure 20: Do you regularly check for career opportunities with other organizations?

In Figure 20, the study of the employees regularly checking for career opportunities with other organizations have revealed that 41 respondents representing 80% of the total number of 51 found within the group of 'Yes' and 10 respondents found within the group of 'No' representing 20%.

In analyzing the data, the study showed that the highest number of respondents i.e. 80% found in regularly checking the career opportunities with other organizations.

#### 4.19. Are you satisfied with your current position and work you do?

Satisfied with current position and work	No. of Respondents	Weight
Yes	16.00	31%
No	35.00	69%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 21: Are you satisfied with your current position and work you do?



Figure 21: Are you satisfied with your current position and work you do?

In Figure 21, the study of the employees satisfaction with their current position and work they do have revealed that 16 respondents representing 31% of the total number of 51 found within the group of 'Yes' and 35 respondents found within the group of 'No' representing 69%.

In analyzing the data, the study showed that the highest number of respondents i.e. 69% found dissatisfied with current position and work they have been doing.

**4.20. In your opinion are there a lot of job opportunities for the employee with your type of work specialization in the region you are working in?**

<b>Job opportunities with your type work</b>	<b>No. of Respondents</b>	<b>Weight</b>
Yes	35.00	69%
No	16.00	31%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 22: In your opinion are there a lot of job opportunities for the employee with your type of work specialization in the region you are working in?

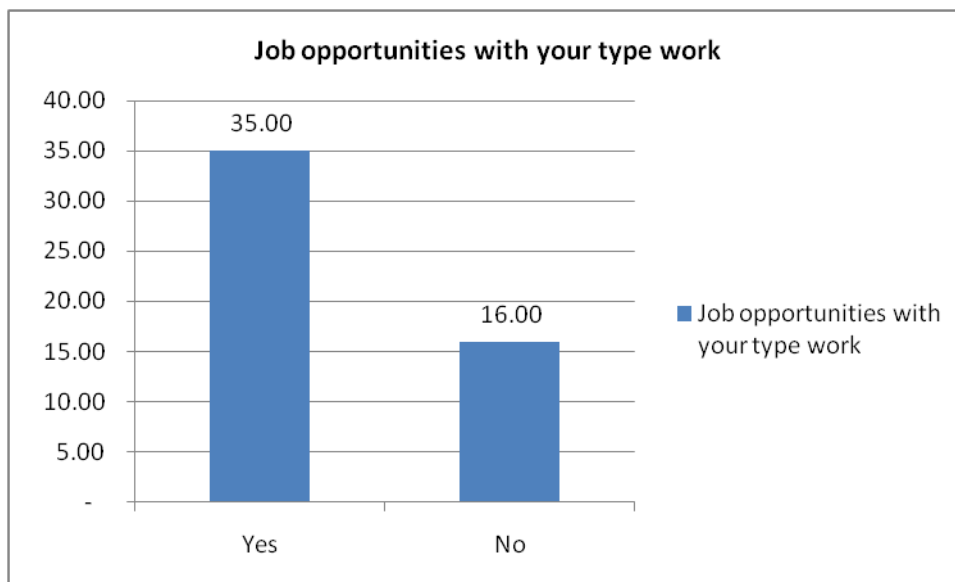


Figure 22: In your opinion are there a lot of job opportunities for the employee with your type of work specialization in the region you are working in?

In Figure 22, the study of the employees job opportunities in the field or region they are working in have revealed that 16 respondents representing 31% of the total number of 51 found within the group of 'No' and 35 respondents found within the group of 'Yes' representing 69%.

In analyzing the data, the study showed that the highest number of respondents i.e. 69% found having opinion of there are lot of job opportunities for their type of work specialization in the region they are working in.

**4.21. Please kindly indicate your preference among alternative answers for each question by ticking in the appropriate box:**

In the table 23 below, there are several short questions to understand the employees job satisfaction level, attitude towards their managers or appraisers, level of motivation and work performance with possible flexibility in their answers are tabulated to have selected. The study has revealed the following results from the tabulated short questions. The point system basis has been applied for the answers flexibility from 1 to 5. Weighted average point results of the all questionnaire are tabulated below to show the employees behaviors and performances are positive or not.

**Table 23: Job Satisfaction and Motivation Survey Results**

<b>Particulars</b>	<b>Point System</b>	<b>Weighted Point</b>
Strongly Agree	<b>5.00</b>	<b>39</b>
Agree	<b>4.00</b>	<b>41</b>
Neither Agree Non Disagree	<b>3.00</b>	<b>7</b>
Disagree	<b>2.00</b>	<b>3</b>
Strongly Disagree	<b>1.00</b>	<b>-</b>

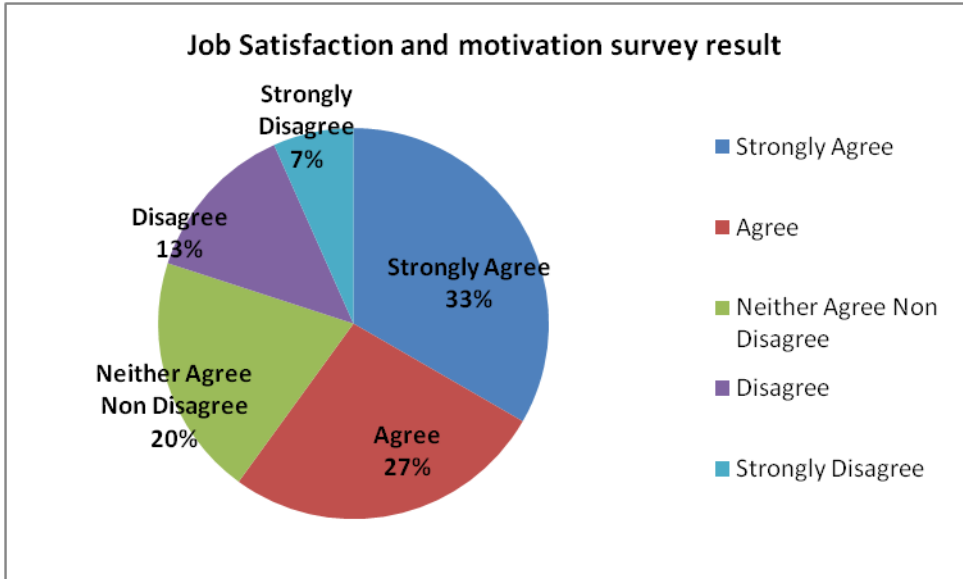


Figure 23: Job Satisfaction and Motivation Survey Results

In Figure 23, the study of the employees job satisfaction and their motivation level survey have revealed that 33 % of the answers from the respondents were found with strong positive answers under ‘Strongly Agree’, 27% of the answers from the respondents were found with positive answers under ‘Agree’, 20% of the answers from the respondents were found Neutral under ‘Neither Agree nor Disagree’, 13% of the answers are towards negative under ‘Disagree’ and 7% of the answers from the respondents were found with strong negative answers under ‘Strongly Disagree’.

In analyzing the data, the study showed that the highest number of respondents were answering with positive level of job satisfaction and motivation towards the current job they are doing.

24: Please kindly indicate your preference among alternative answers for each question by ticking in the Appropriate box:

			<b>Neither</b>		
<b>Particulars</b>	<b>Strongly</b>		<b>agree</b>		<b>Strongly</b>
	<b>Agree</b>	<b>Agree</b>	<b>nor</b>	<b>Disagree</b>	<b>disagree</b>
			<b>disagree</b>		

1. My manager discuss regularly my job performance with me			6.00	45.00	
2 .I clearly understand my manager's comments and opinion during the feedback		40.00	11.00		
3. My manager recognizes me when I do a good job	50.00	1.00			
4. My manager plays a significant role in my career development	5.00	25.00	15.00	6.00	
5. I am satisfied from the relationship with my manager/supervisor	5.00	40.00	6.00		
6. My manager/supervisor is highly capable as manager					
7. My manager gives me fair feedback	7.00	38.00		6.00	
8. My manager/supervisor has reasonable expectations from my work	40.00	11.00			
9. My manager/supervisor is well informed about my work	40.00	6.00	5.00		
10. My job is fulfilling my needs	5.00	42.00	4.00		
11. I feel proud to work for my company	3.00	40.00	2.00	6.00	
12. Performance management can		6.00			

help	45.00				
people understand the organization's strategic priorities					
13. I receive adequate training and information about the performance appraisal cycle before it starts	10	20	16	5	
14. I clearly understand the purpose of performance appraisal	5	40	6		
15. Performance appraisal in my company is fair	10	40	1		
16. Performance appraisal reflects objectively my performance	5	30	7	9	
17. Performance appraisal makes me better understand what should be doing	40	11			
18. Performance appraisal process helps manager/supervisor to manage people better	40	11			
19. Performance appraisal process encourages co-operation & team spirit	20	31			
20. Performance appraisal influences positively individual performance	20	15	16		
21. I rank my company higher compared to other employers	10	25	10	6	
22. I would recommend my company to all	10	25	10	6	



my friends					
23. The salary is adequate reflection of my performance	25	20	6		

**4.22. Do you think you developed yourself as a professional a lot through work in current organization?**

Development as professional	No. of Respondents	Weight
Yes	20.00	39%
No	31.00	61%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 25: Do you think you developed yourself as a professional a lot through work in current organization?

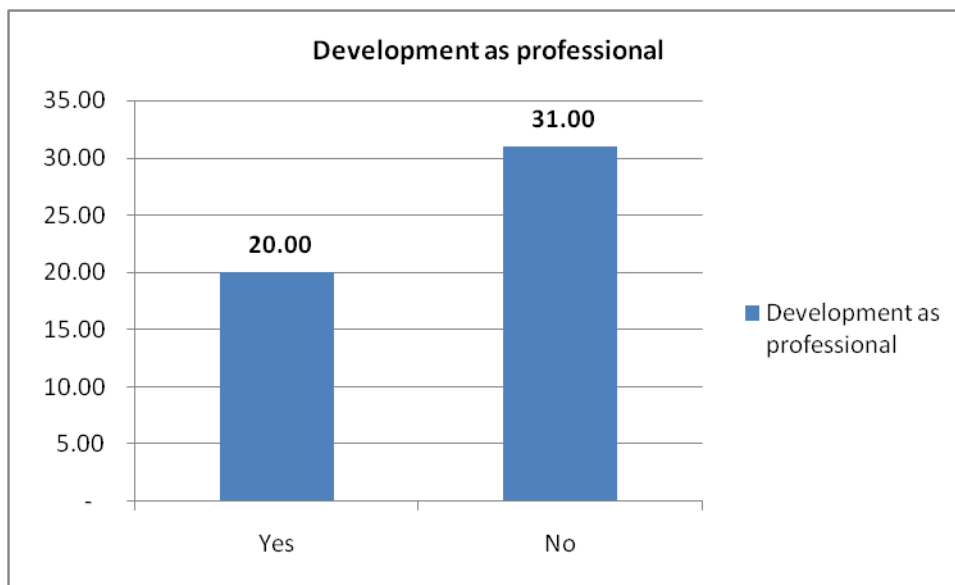


Figure 24: Do you think you developed yourself as a professional a lot through work in current organization?

In Figure 24, the study of the employees development as a professional a lot through work in current organization have revealed that 20 respondents representing 39% of the total number of 51 found within the group of ‘Yes’ and 31 respondents found within the group of ‘No’ representing 61%.

In analyzing the data, the study showed that the highest number of respondents i.e. 61%

found having thought of they have not developed themselves as a professional through job in current organization.

**4.23. When you participate in different projects do you do the same kind of work in every project you are assigned?**

Same Work in different projects	No. of Respondents	Weight
Yes	51.00	100%
No	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 26:When you participate in different projects do you do the same kind of work in every project you are assigned?

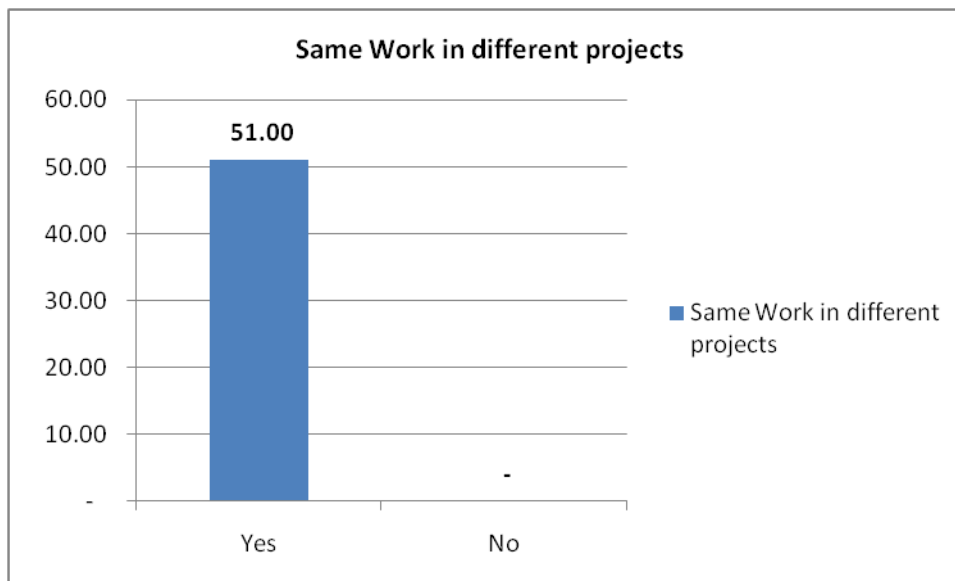


Figure 25: When you participate in different projects do you do the same kind of work in every project you are assigned?

In Figure 25, the study of the employees participation in different projects and doing the same kind of work in every project they are assigned have revealed that all of the respondents representing 100% of the total number of 51 found within the group of ‘Yes’ and no one respondent found within the group of ‘No’ representing 0%.

In analyzing the data, the study showed that the all of the respondents i.e. 100% found doing same kind of work in different projects in the same organization.

4.24. In your opinion salary level in your organization is lower than in other organizations within the same field offering the same type of services?

Salary Level	No. of Respondents	Weight
Yes	6.00	12%
No	45.00	88%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 27: In your opinion salary level in your organization is lower than in other organizations within the same field offering the same type of services?

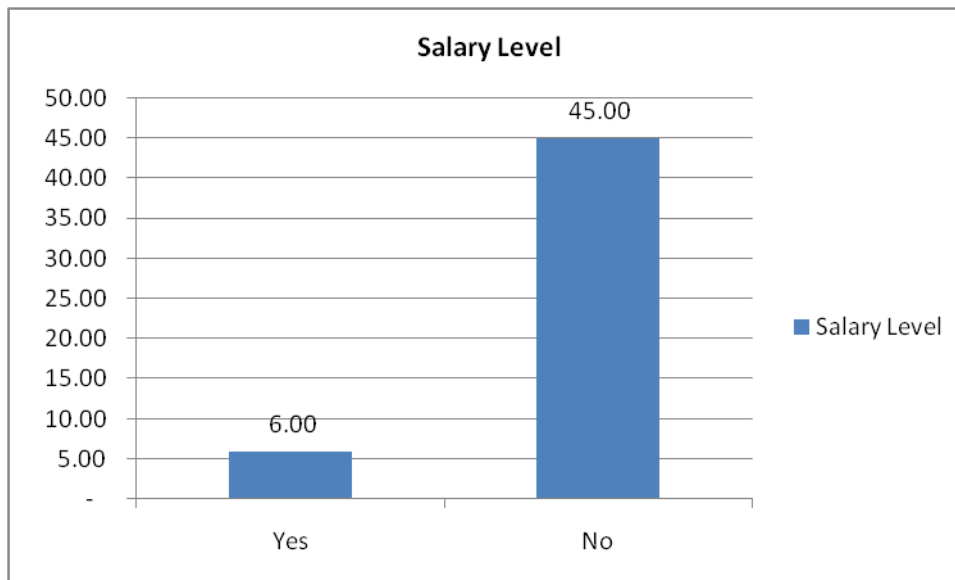


Figure 26: In your opinion salary level in your organization is lower than in other organizations within the same field offering the same type of services?

In Figure 26, the study of the salary level in the organization is lower than in other organizations within the same field offering the same type of services of the employees have revealed that 6 respondents representing 12% of the total number of 51 found within the group of 'Yes' and 45 respondents found within the group of 'No' representing 88%.

In analyzing the data, the study showed that the highest number of respondents i.e. 88%

found having opinion of they have got higher salary than the other same type of services offering organization.

**4.25. What could be the strongest factor for you to quit your current organization in case you will decide so?**

<b>Factor to Quit job</b>	<b>No. of Respondents</b>	<b>Weight</b>
Money	5.00	10%
Recognition	15.00	29%
Position	5.00	10%
Decision Making Power	15.00	29%
Increased other facilities	5.00	10%
Working Environment	6.00	12%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 28: What could be the strongest factor for you to quit your current organization in case you will decide so?

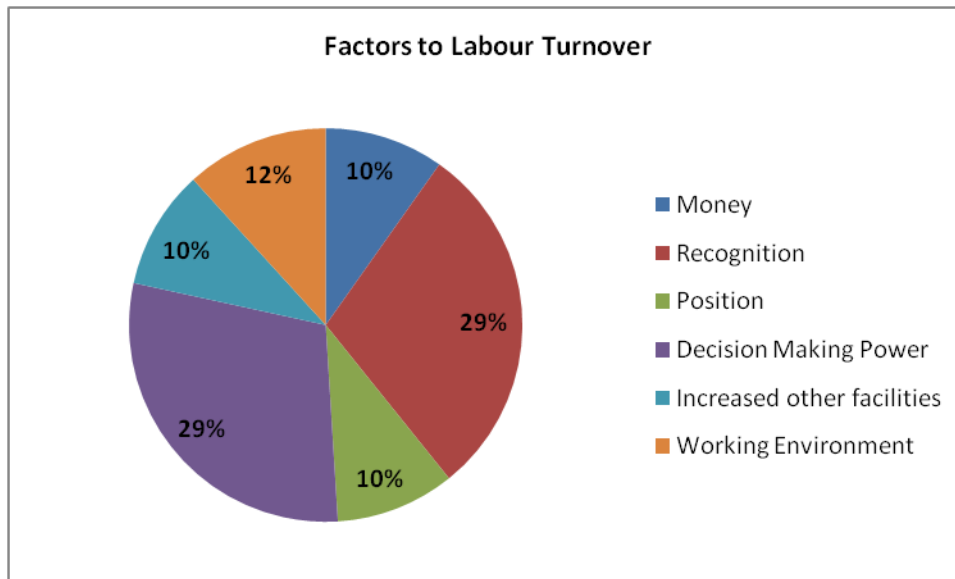


Figure 27: What could be the strongest factor for you to quit your current organization in case you will decide so?

In Figure 27, the study of the strongest factors that persuade or motivate to quit the current job have revealed that 5 respondents representing 10% of the total number of 51 fell within the factor group of Money; 15 respondents fell within the factor group of Recognition representing 29%; 5 respondents representing 10% fell within the factor group of Position.

Also, 15 respondents representing 29% fell within the factor group of Decision making and power %; 5 respondents representing 10% fell within the factor group of Increased Other Facilities and 6 respondents fell within the factor group of Working Environment representing 12% of the total number.

In analyzing the data, the study showed that the highest number of respondents fell within the factor group of Recognition and Decision Making Power with the lowest falling within the factor group of money, position and other facilities.

**4.26. What could be the strongest factor for you to stay with your current organization?**

<b>Factor to stay</b>	<b>No. of Respondents</b>	<b>Weight</b>
Money	28.00	55%
Recognition	5.00	10%
Position	5.00	10%
Decision Making Power	5.00	10%
Other facilities	5.00	10%
Working Environment	3.00	6%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 29: What could be the strongest factor for you to stay with your current organization

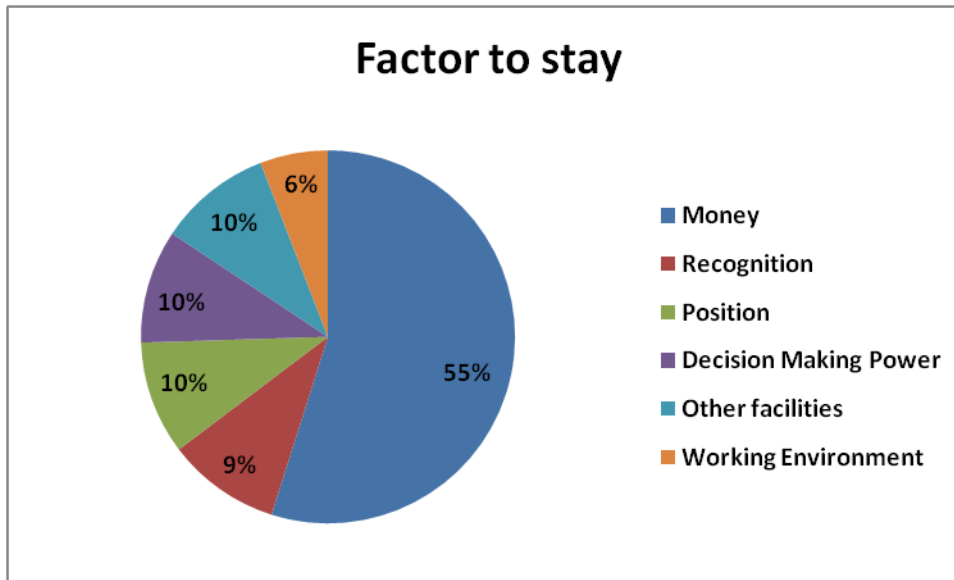


Figure 28: What could be the strongest factor for you to stay with your current organization

In Figure 28, the study of the strongest factors that persuade or motivate to stay in the current job and organization have revealed that 28 respondents representing 55% of the total number of 51 fell within the factor group of Money; 5 respondents fell within the factor group of Recognition representing 10%; 5 respondents representing 10% fell within the factor group of Position. Also, 5 respondents representing 10% fell within the factor group of Decision making and power %; 5 respondents representing 10% fell within the factor group of Increased Other Facilities and 3 respondents fell within the factor group of Working Environment representing 6% of the total number.

In analyzing the data, the study showed that the highest number of respondents fell within the factor group of Money with the lowest falling within the factor group of working environment

The study has revealed that the highest motivating factor to stay in the current organization has become Money to compromise the position/recognition and decision making power they lacked.

#### 4.27. How your personal performance is measured in your opinion?

Performance Measurement	No. of Respondents	Weight
Work Level and Job Performance	41.00	80%
Education and Experience	5.00	10%
Tenure of the working position	5.00	10%
others	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 30: How your personal performance is measured in your opinion?

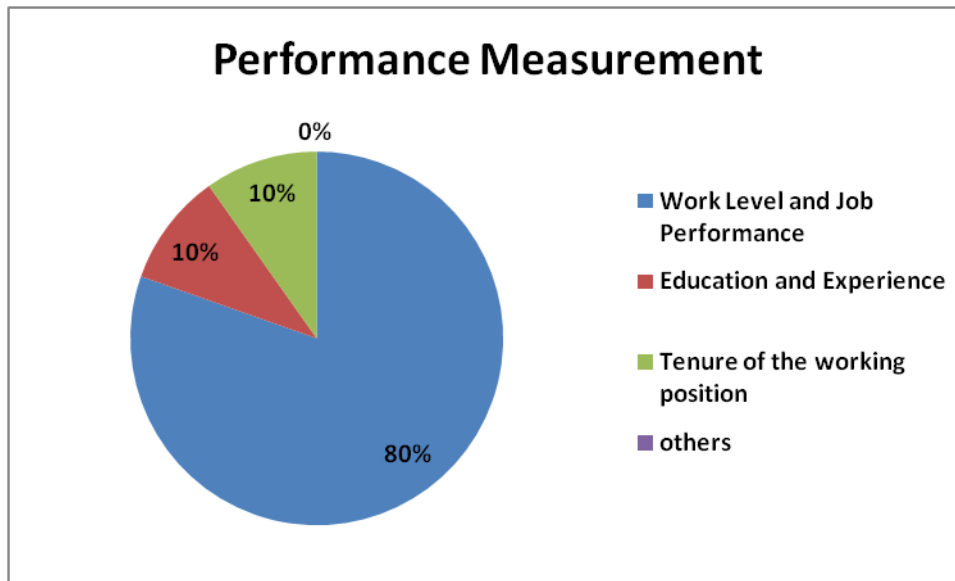


Figure 29: How your personal performance is measured in your opinion?

In Figure 29, the study of the factors that measure personal performance have revealed that 41 respondents representing 80% of the total number of 51 fell within the factor group of Work Level and Job Performance; 5 respondents fell within the factor group of Education and Experience representing 10% and 5 respondents representing 10% fell within the factor group of Tenure of the working position only.

The study has revealed that the highest performance measuring factor of the employees are found Work Level and Job Performance.

#### 4.28. Who evaluates your "appraisal" form?

Evaluator	No. of Respondents	Weight
Immediate Supervisor	10.00	20%
Department Head	36.00	71%
Top Level Management	5.00	10%
Board of Directors	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 31: Who evaluates your "appraisal" form?

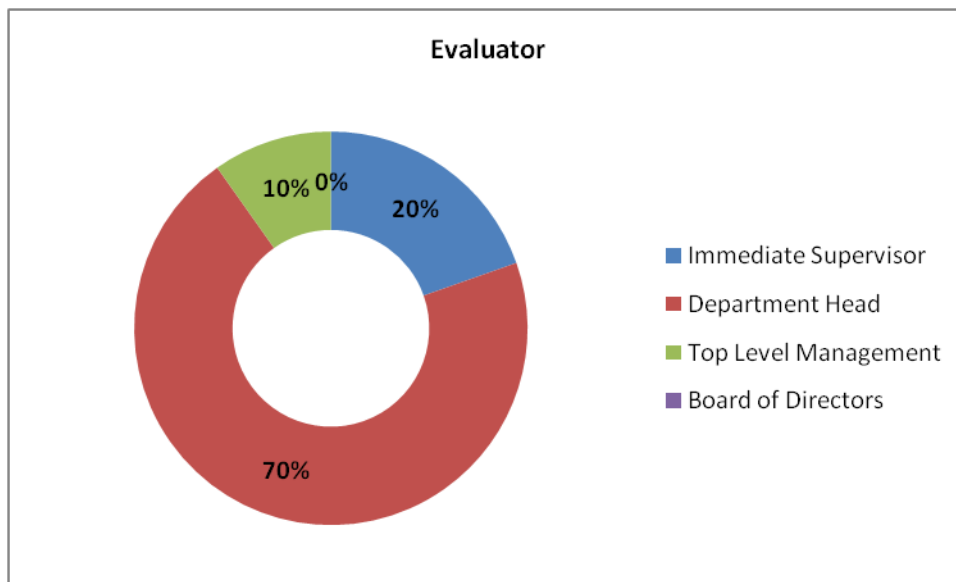


Figure 30: Who evaluates your "appraisal" form?

In Figure 30, the study of the evaluators who evaluates the employees appraisal form have revealed that 10 respondents representing 20% of the total number of 51 fell within the evaluator of Immediate Supervisor; 36 respondents fell within the evaluator of Department Head representing 71%; 5 respondents representing 10% fell within the evaluator group of Top Level Management.

In analyzing the data, the study showed that the highest number of respondents fell within the group of Department Head as evaluator of the performance appraisal form with the lowest falling within the group of Top Level Management representing only 10%.



4.29. In your opinion who should be responsible for your competence development with offering you various trainings?

Responsible for competence development	No. of Respondents	Weight
Self	5.00	10%
Human Resource Department	40.00	78%
Management	6.00	12%
Organization	-	0%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 32: In your opinion, who is be responsible for your competence development with offering you various trainings?

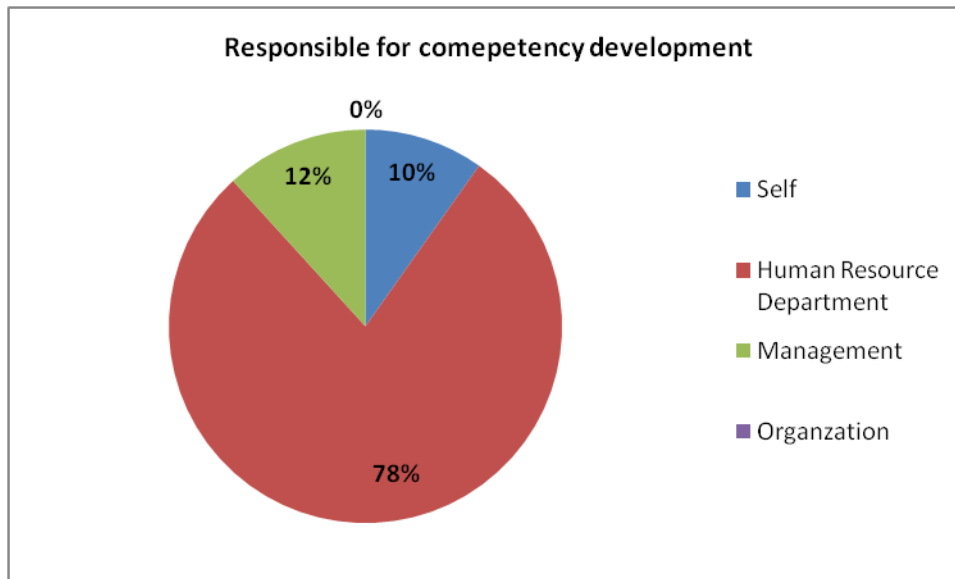


Figure 31: In your opinion, who is be responsible for your competence development with offering you various trainings?

In Figure 31, the study of the responsibility for competence development with offering various trainings to the employees have revealed that 5 respondents representing 10% of the total number of 51 felt self responsible for the development of competencies; 40 respondents fell within the group of Human Resource Department as to be responsible for the development representing 78% and 6 respondents representing 12% fell within the group of

organization as whole system should be responsible.

In analyzing the data, the study showed that the highest number of respondents fell within the group of Human Resource Department as a responsible department to develop competencies and providing various training to the employees.

#### 4.30. Are you satisfied with the pay you have now?

Pay Satisfaction	No. of Respondents	Weight
Yes	45.00	88%
No	6.00	12%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 33: Are you satisfied with the pay you have now?

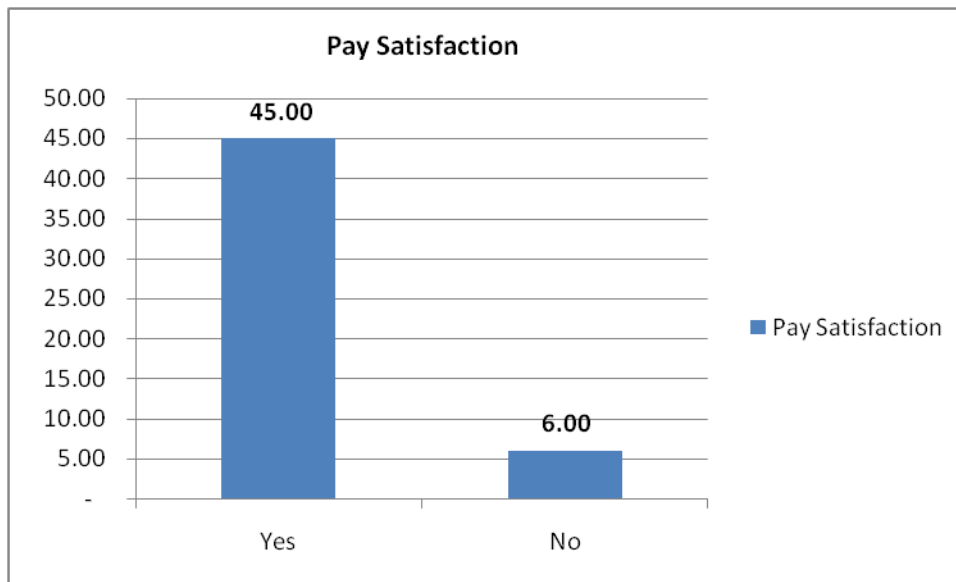


Figure 32: Are you satisfied with the pay you have now?

In Figure 32, the study of the satisfaction from the current pay or not of the employees have revealed that 45 respondents representing 88% of the total number of 51 found within the group of 'Yes' and only 6 respondents found within the group of 'No' representing 12%.

In analyzing the data, the study showed that the highest number of respondents i.e. 88% found

having opinion of they have got good amount of salary in the current organization.

#### 4.31. Are you satisfied with the performance evaluation and promotion opportunities in your organization?

PA and Promotion Satisfaction	No. of Respondents	Weight
Yes	25.00	49%
No	26.00	51%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 34: Are you satisfied with the performance evaluation and promotion opportunities in your organization?

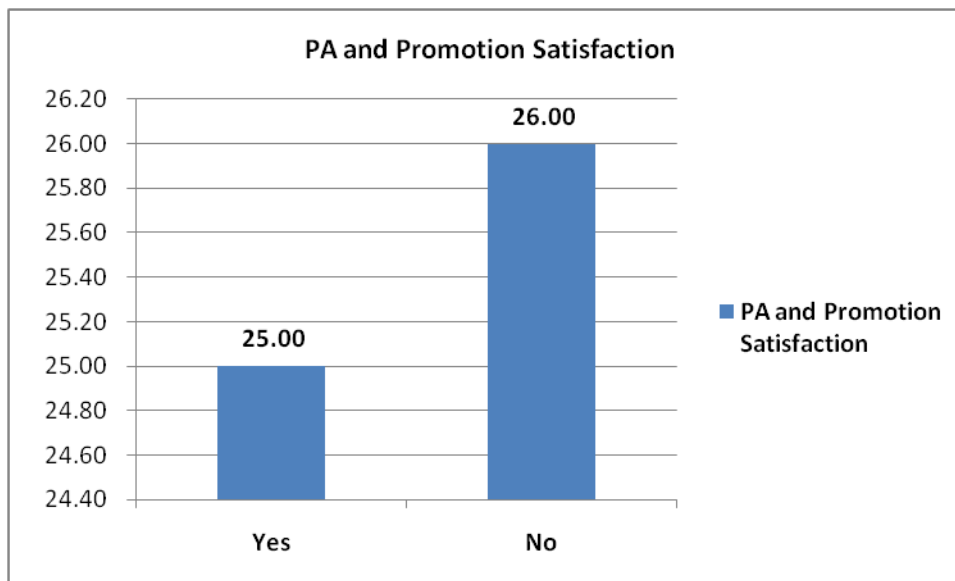


Figure 33: Are you satisfied with the performance evaluation and promotion opportunities in your organization?

In Figure 33, the study of the satisfaction from the current performance evaluation and promotion opportunities in the organization have revealed that 25 respondents representing 49% of the total number of 51 found within the group of 'Yes' and remaining 26 respondents found within the group of 'No' representing 51%.

In analyzing the data, the study showed that the almost equal numbers of respondents i.e. 49% and 51% are found with satisfied and not satisfied.

#### 4.32. What Would You Recommend To Be Done Differently In The Performance Appraisal?

Recommendation in PA	No. of Respondents	Weight
More weightage to Work Performance	35.00	69%
Weightage average appraisal from chain of authorities	10.00	20%
Experience Basis Only	6.00	12%
<b>Total</b>	<b>51.00</b>	<b>100%</b>

Table 35: What Would You Recommend To Be Done Differently In The Performance Appraisal?

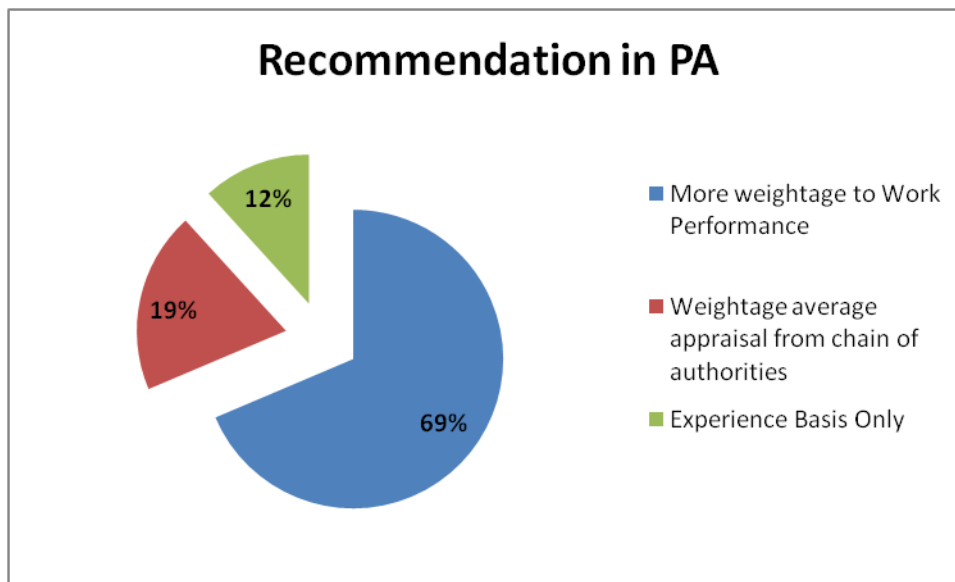


Figure 34: What Would You Recommend To Be Done Differently In The Performance Appraisal?

In Figure 34, the study of the possible recommendation to be done differently in the performance appraisal by the employees have revealed that 35 respondents representing 69% of the total number of 51 felt the factor Work Performance should have more weight. Weight on chain of authorities appraisal form should be used has been recommended by 20% and 6 respondents representing 12% recommended on experience basis only while doing performance appraisal of the employees.

In analyzing the data, the study showed that the highest number of respondents fell within the group of work performance as recommendation to do effective performance appraisal.

In this way from the different corners of questionnaires data are collected and analyzed to understand the Performance Appraisal System, Job Satisfaction, Level of Motivation, Employees Turnover and Possible Improvements that can be done to minimize dissatisfaction and de-motivation in the employees of the BDIS. In the next chapter summary, conclusion and recommendations are presented.

## **5: SUMMARY, CONCLUSION AND MAJOR FINDINGS OF THE STUDY**

This chapter presents the summary of the study, the conclusion and the recommendations comprehensively. The main objective of the study was to evaluate the performance appraisal system and its effect on performance of employees at the BDIS. The study has covered behavioral and practical and realistic analysis of the data collected through questionnaire survey method to understand performance appraisal and employee motivation in the organization.

The data presentation, analysis and discussion and the groups of respondents were managerial, non-managerial, administrative and technical staffs of the selected Brain Digit IT Solutions Pvt. Ltd. (BDIS). By the help of a survey through questionnaires data was collected and analyzed thoroughly to conclude different results as follows: A set of questionnaires were distributed to managerial and non-managerial administrative and technical staffs of the selected company. In all, 49 questionnaires were retrieved from respondents.

The study has revealed the following major findings:

The study has revealed that there were more male respondents than females. This goes to confirm the fact that there are few female staffs at the BDIS as compared to their male counterparts. Following from the age distribution of the administrative staffs sampled, the study revealed that the highest numbers came from those who fell within age groups 25-30 and 20-25 years respectively. In analyzing the data, a revelation of the study was that performance appraisals were done without the prior notice to the appraisee even though it is always appropriate that notices precede all appraisals. It was revealed from the study that staffs of BDIS were appraising periodically i.e., each year. It was also revealed from the study that the managerial respondents found only 10 whilst non-managerial represented huge percentage of 80% i.e. 41 number of respondents. In analyzing the data, the study showed that the highest number of respondents found with qualification of Graduates and other with the lowest number of respondents found with MBA. Only 15 numbers of technical persons are involved in the survey. In analyzing the data, a revelation of the study was that performance motivation factor can be the distance of home to work or work to home. More distance covering can create fatigue and boredom. The highest number of respondents found within 8km distance as average distance. In analyzing the data, a revelation of the study was

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that the highest numbers of employees in the department are found 4-7. The study has showed that the highest number of respondents fell within the group of Non-Technical with the lowest falling within the group both. The study has showed that the highest number of respondents found working only one project at a time and only 2 % of the total respondents found working more than two projects at a time. In analyzing the data, the study has showed that the highest number of respondents found working with only one project manager and only 2 % of the total respondents found working with three project managers. The study has revealed that 26 respondents representing 51% of the total number of 51 found maintaining close relation with their client and 25 respondents found not maintaining the close contact with clients for their self-interest in the future representing 49%. In analyzing the data, the study has showed that the highest number of respondents found not considered searching for job opportunities with their clients during or after finishing their work with representing 90%.The study has showed that the highest number of respondents i.e. 90% found in the favor of positive performance must be related with increasing the salary amount of the employees. In analyzing the data, the study has showed that the highest number of respondents i.e. 59% found in the favor of positive performance must be related with influencing the employee promotion. In analyzing the data, the study has showed that the highest number of respondents i.e. 78% found in the favor of their performance is linked with the profitability of the company. The study has also shown that the highest number of respondents i.e. 80% found not getting job offer from their client organization. In analyzing the data, the study showed that the highest number of respondents i.e. 80% found in regularly checking the career opportunities with other organizations. In analyzing the data, the study showed that the highest number of respondents i.e. 69% found dissatisfied with current position and work they have been doing. The study has revealed that the highest number of respondents i.e. 69% found having opinion of there are lot of job opportunities for their type of work specialization in the region they are working in. In analyzing the comprehensive twenty three questionnaire answers, the study showed that the highest numbers of respondents were answering with positive level of job satisfaction and motivation towards the current job they are doing. The study has revealed that the highest number of respondents i.e. 61% found having thought of they have not developed themselves as a

professional through job in current organization. In analyzing the data, the study showed that the all of the respondents i.e. 100% found doing same kind of work in different projects in the same organization. In analyzing the data, the study showed that the highest number of respondents i.e. 88% found having opinion of they have got higher salary than the other same type of services offering organization. In analyzing the data, the study showed that the highest number of respondents fell within the factor group of Recognition and Decision Making Power with the lowest falling within the factor group of money, position and other facilities. In analyzing the data, the study showed that the highest number of respondents fell within the factor group of Money with the lowest falling within the factor group of working environment. The study has revealed that the highest motivating factor to stay in the current organization has become Money to compromise the position/recognition and decision making power they lacked. The study has revealed that the highest performance measuring factors of the employees are found Work Level and Job Performance. In analyzing the data, the study showed that the highest number of respondents fell within the group of Department Head as evaluator of the performance appraisal form with the lowest falling within the group of Top Level Management representing only 10%. In analyzing the data, the study showed that the highest number of respondents fell within the group of Human Resource Department as a responsible department to develop competencies and providing various training to the employees. In analyzing the data, the study showed that the highest number of respondents i.e. 88% found having opinion of they have got good amount of salary in the current organization. In analyzing the data, the study showed that the almost equal numbers of respondents i.e. 49% and 51% are found with satisfied and not satisfied. In analyzing the data, the study showed that the highest number of respondents fell within the group of work performance as recommendation to do effective performance appraisal.

In this way from the different corners of questionnaires data are collected and analyzed to understand the Performance Appraisal System, Job Satisfaction, Level of Motivation, Employees Turnover and Possible Improvements that can be done to minimize dissatisfaction and de-motivation in the employees of the BDIS. The study has revealed that the performance appraisal system is seemed good and need to be updated with taking



feedback from the employees. Employees are found motivated with the level of salary and facilities but de-motivated from the view point of decision making power and recognition. Employees are required to appraise themselves with more emphasis on work performance rather than other factors.

The following are the recommendations given by the study. It was revealed from the study that the organization did not conduct performance appraisal based on the strategic objectives of the organization as this was evident in the absence of a policy on the conduct of performance appraisal. Therefore it is recommended that the BDIS should develop a clear cut policy on the conduct of performance appraisal which would be in harmony with the strategic objectives of the organization. Also in order for the BDIS to get the full participation of all employees in the performance appraisal process, education should be intensified on the relevance and purposes of performance appraisal on employee performance. The study revealed that appraisers did not give feedbacks to appraise anytime performance appraisal was conducted on the appraisees' performances. The study therefore recommends that there should be effective communication and information dissemination to appraise immediately after the performance appraisal is conducted. In this case, feedback should be promptly given and properly discussed with superiors, a move that would enable them identify their strengths and weaknesses and the opportunities available for continuous improvement. This would also serve as a motivation to staffs who would in turn give off their best in their area of work.

The study again revealed that performance appraisal was not linked to training, promotions and rewards mainly because there was no policy to that effect. It is therefore recommended that as a way of effectively utilizing performance appraisal results, PA should directly link to training, promotions and rewards. By this, the BDIS is expected to use performance appraisal results to train employees whose performances are below expectation in their area of specialization.

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