

# A Study on Effectiveness of Performance Appraisal System at Wonjin Autoparts India Pvt. Ltd

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**Abstract:** The research is on the basis of “A STUDY ON EFFECTIVENESS OF PERFORMANCE APPRAISAL SYSTEM AT WONJIN AUTOPARTS INDIA PVT.LTD”. The purpose of the study is to evaluate the effectiveness and satisfaction level of the employees towards the performance appraisal system in the organization. The study focuses on evaluation of design, implementation, feedback, participation etc. And also, to help the management plan for development growth. The tool used for data collection is Self-Prepared questions which consists of 36 questions. Research has used Descriptive research design. Probability sampling design based on the Simple Random Sampling method, has been used for this research study. Sample size taken for this survey was 50 employees of Wonjin Autoparts India pvt.ltd, employees from every department were selected randomly according to their availability. The statistical test is used to test the hypothesis framed for the study. In this research Percentage analysis and chi square test was used to find the significant relationship between two groups.

**Keywords:** Performance appraisal, Effectiveness, Satisfaction, employees, organisation.

## I. INTRODUCTION

A very good performance appraisal system is needed by an organization that wants to be dynamic and growth oriented. Wonjin Autoparts India Private limited is having a good system of performance appraisal system because it has laid its own philosophy and well-planned procedure in rating the employees which is important for both sides of the coin in the organisation. Management is also providing all the requirements of the employees for the completion of the work and even the system constitutes goal setting, periodic reviews, feedback and finally rating is given as per this review. During these uncertain situations, each employee has been managing multiple professional and personal roles: supporting other employees, ensuring that organizations are operational during a crisis, and fulfilling duties as manager, helper, leader, quality checker, and product sellers. Not to mention the internal struggles faced while managing mental health issues triggered by the pandemic and incidents that make every employee undergo a crisis situation. This is the time for management to support their employee, supervisor and subordinate as well as Manager and leader. This uncertainty is not the right time to evaluate employee performance. Instead of fixating solely on productivity, organisations should concentrate on humanity, hard work, livelihood of employees & their family and also their unbiased evaluation.

## II. REVIEW OF LITERATURE

**MA Khan,A Hussian, J Hussian , MH Khan(2020)** studied the concept of effect of performance appraisal on employee's satisfaction. The purpose of this study is to identify the effect of performance on employee's satisfaction in the University of Peshawar, Pakistan. They collected data from 60 administrative employees of the University of Peshawar using a survey questionnaire. They distributed 100 questionnaires among the employees of the University of Peshawar, out of which 60 were returned back, so the response rate was 60%. The findings of this study revealed that performance appraisal significantly and positively affects employee's satisfaction in the University of Peshawar. It was concluded from this study the fair and accurate performance appraisal keep the employees satisfied and positively affect the efficiency and effectiveness of employees as well as organization.

## III. RESEARCH METHODOLOGY

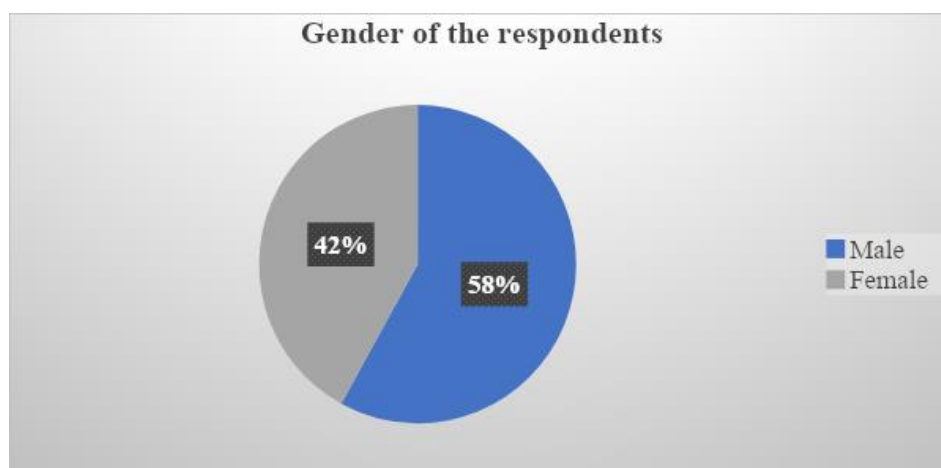
Research methodology is the way in which research problems are solved systematically.it is a science of studying how

research is conducted scientifically. The methodology used in the study involves the collection of primary data. Descriptive research design was adopted by research. The research will describe the effectiveness of the performance appraisal system in the organization. The area of the study is at Wonjin Auto parts India pvt.ltd, The sources of data were collected as primary data as well as secondary methods. The tool used for data collection is a self- Prepared question which consists of 30 questions. The researcher had collected the data from the month of February 2021. Probability sampling design based on the Simple Random Sampling method, has been used for this research study. Sample size taken for this survey was 50 employees of Wonjin Autoparts India pvt.ltd, employees from every department were selected randomly according to their availability. Probability sampling design based on the Simple Random Sampling method, has been used for this research study. The unit comprises employees from all departments of the organisation. The researcher converts the data into tables and charts to analyse the data. The statistical test is used to test the hypothesis framed for the study. In this research Percentage analysis and chi square test was used to find the significant relationship between two groups.

## IV. DATA ANALYSIS AND INTERPRETATION

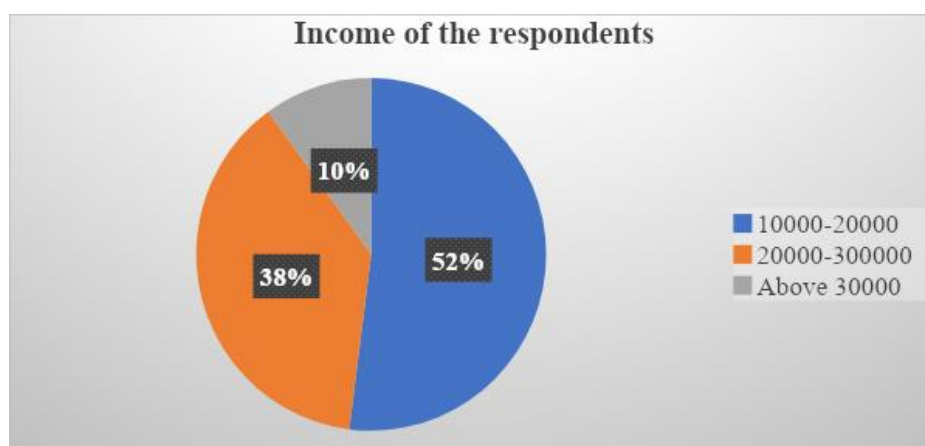
### 4.1 DISTRIBUTION OF THE RESPONDENT'S BASED ON THEIR GENDER

Fig.4.1 Its clearly stated that More than Half of the respondents (58%) are male and rest of the respondents (42%) are female.



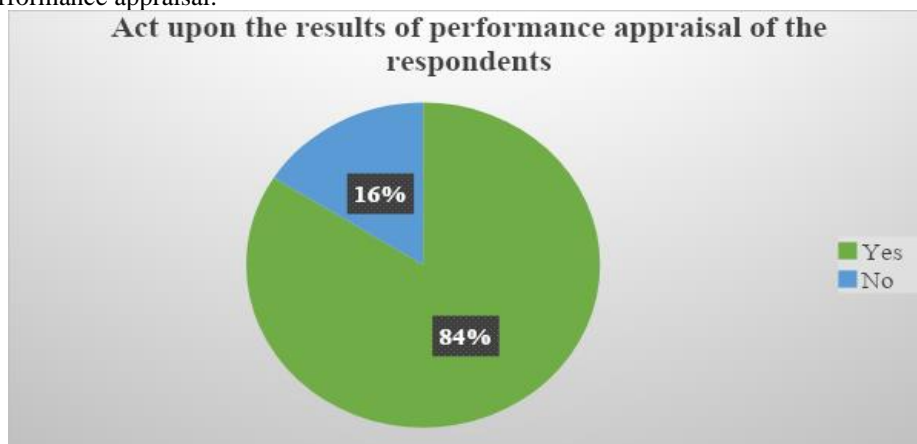
### 4.2 DISTRIBUTION OF THE RESPONDENT'S BASED ON THEIR INCOME

Fig.4.2 shows the income of the respondents. The majority of the respondents belong to income which ranges at 10000-20000 of 52%. 38% of the respondents belong to income which ranges from 20000-30000. 10% of the respondents belong to income which range above 30000



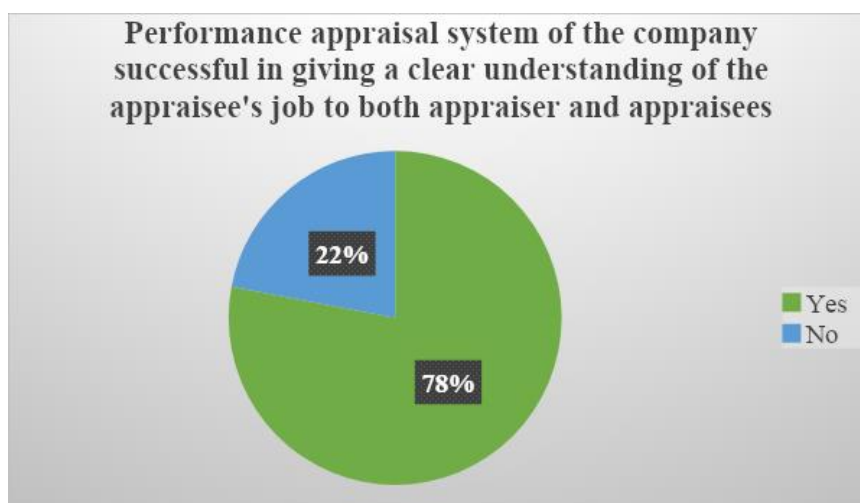
### 4.3 DISTRIBUTION OF THE RESPONDENT'S BASED ON ACT UPON THE RESULTS OF PERFORMANCE APPRAISAL

Fig.4.3 shows the Act upon the results of performance appraisal of the respondents. The majority of the respondents (84%) said that they act upon the results of performance appraisal. 16% of the respondents said that they don't act upon the results of performance appraisal.



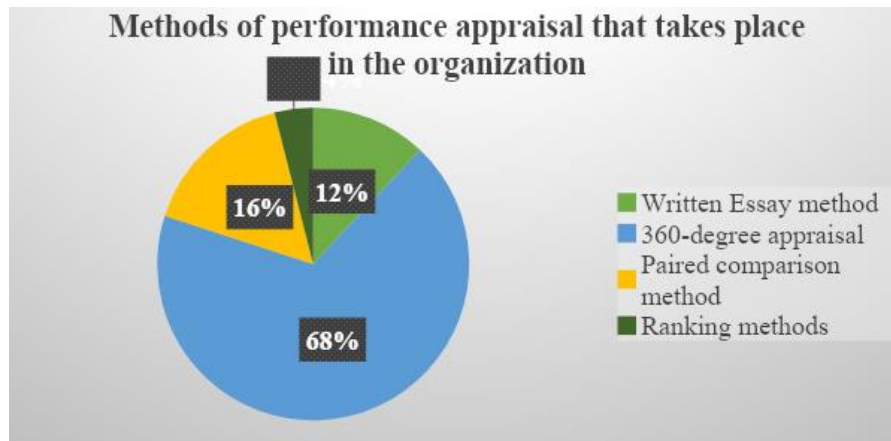
#### 4.4 Distribution of the respondent's based on Performance appraisal system of the company successful in giving a clear understanding of the appraiser's job to both appraiser and appraisees

Fig.4.4 shows the Performance appraisal system of the company successful in giving a clear understanding of the appraiser's job to both appraiser and appraisee. The majority of the respondents (78%) said that Performance appraisal system of the company successful in giving a clear understanding of the appraiser's job to both appraiser and appraisees. 22% of the respondents said that Performance appraisal system of the company is not successful in giving a clear understanding of the appraiser's job to both appraiser and appraisee.



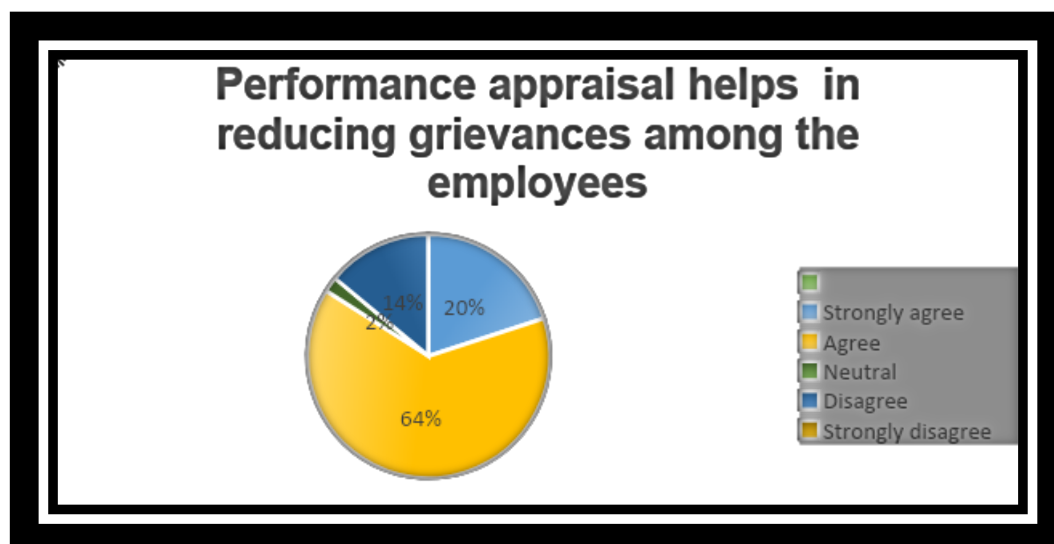
#### 4.5 Distribution of the respondents based on their Methods of performance appraisal that takes place in the organization

Figure 4.5 shows the Methods of performance appraisal that takes place in the organization. The majority of the respondents (68%) said that the Methods of performance appraisal that takes place in the organization was 360-degree appraisal. 16% of the respondents said that the Methods of performance appraisal that takes place in the organization was a paired comparison method. 12% of the respondents said that the Methods of performance appraisal that takes place in the organization was a written essay method. 4% of the respondents said that the method PA system in the organization was a ranking method.



#### 4.6 Distribution of the respondents based on helps in reducing grievances among the employees

Fig 4.6 shows the Performance appraisal helps in reducing grievances among the employees. The majority of the respondents (64%) agree that the Performance appraisal helps in reducing grievances among the employees. 20% of the respondents strongly agree that the Performance appraisal helps in reducing grievances among the employees. 14% of the respondents disagree that the Performance appraisal helps in reducing grievances among the employees. 2% of the respondents are neutral that the Performance appraisal helps in reducing grievances among the employees.



#### FINDINGS

- More than half of the respondents (58%) are male.
- 52% of the respondents have completed diploma or ITI
- 52% of the respondents have 10000-20000 as their income.
- Less than half of the respondents (48%) are unmarried.
- Majority (36%) of the respondents are from the production department.

#### Finding related to research:

- Majority (88%) of the respondents said that the organization operates a formal PA system
- Majority (52%) of the respondents said that the performance appraisal review takes place monthly
- Majority (50%) of the respondents said that the level with the current appraisal system of the respondent is satisfied
- Majority (86%) of the respondents have stated that they are aware of performance ratings in the organization
- Majority of the respondents (60%) are clearly stated that the technique that are used in the organization was observation & checklist method
- Majority of the respondents (84%) have said that they act upon the results of performance appraisal of the respondents
- Majority of the respondents (78%) have quoted that the Performance appraisal system of the company successful in giving a clear understanding of the appraisee's job to both appraiser and appraisee

- Majority of the respondents (68%) said that the Methods of performance appraisal that takes place in the organization was 360-degree appraisal
- Less than half of the respondents (48%) have agreed that the Performance appraisal is very important to improve one's performance
- Majority of the respondents (64%) have agreed that the Performance appraisal helps in reducing grievances among the employees
- Majority of the respondents (66%) agreed that the Follow -up procedure after performance appraisal is satisfactory
- Majority of the respondents (66%) agree that the Management fixes salary through performance appraisal rating
- More than half of the respondents (52%) have strongly agreed that the Performance appraisal is a way to discuss progress openly, honestly & motivate employees to perform better
- More than half of the respondents (58%) have strongly agreed that the Performance appraisal helps to integrate individual & organization goals.
- Majority (58%) of the respondents agreed that the Performance appraisal helps to win co-operation & team works
- More than half of the respondents (52%) have agreed that the Appraisal system keeps on the major achievement and failure or success

### **Suggestion**

- The performance appraisal system must be conducted based on outcome/result and should not be biased.
- Training programmes should be conducted frequently to the employees, in order to increase their capacity and knowledge to perform better.
- A better performance appraisal system can also be adopted by the organization to create stability and sustainability in the organization.
- For every organization the awareness of performance appraisal is important, so that the organization needs to create 100% awareness about the performance appraisal system.
- The feedback plays a major role in the process of communication between the superior and subordinate. So that the organization should to provide frequent feedback to its employees that will help them to reduce their weakness and concentrate on friendly based goal accomplishment,
- Through performance appraisal, the authority can understand and accept the ability, skills and potential of employees.
- The employee or leader can also understand and develop trust and confidence in the manager and their frontline supervisor.
- Performance appraisal will help employees to maintain cordial and congenial management relationships.
- It cultivates the spirit of enthusiasm to work and boosts the morale of employees.
- Good performance appraisal will create prompt communication and work ethics.
- Performance appraisal serves as a motivation tool to combine programmes under one roof.
- Through performance appraisal merit rating and opportunities for advancements is possible.
- Through performance appraisal, the management creates or develops an accepted or pleasant work climate within the organisation.

### **V. CONCLUSION**

All the results observed and achieved during the project indicate the importance and need of effective performance appraisal in the organization. Effective Performance appraisal may be understood as the assessment of an individual's performance in a systematic way. The performance might be measured against such factors as job related knowledge, quality of result, self-initiative and self-acceptance, leadership quality, monitoring ability, non-judgmental attitude, versatility, analyzing capacity, health etc. Employees in the organization were cooperative and fully supported the performance appraisal in the institution and it was found to be highly effective in the employee's performance. Wonjin has created a good reputation and good will among its customers and society. People with a poor background are given training with placement. Quality performance cum suggestions can make the employee more effective.

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