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A STUDY ON PERFORMANCE REVIEW SYSTEM (WITH SPECIAL REFERENCE TO HALCYON TECHNOLOGY)

Dr. G. PURUSHOTHAMAN

Associate Professor & HoD of Commerce (Accounting & Finance),
 S.A.College of Arts & Science, Thiruverkadu, Chennai

Abstract

Employee performance is compared to predetermined standards through a formal, systematic method called performance appraisal. One of the main performance appraisal techniques is communicating the assessment of job performance to the individuals who are being evaluated. Aspects of performance evaluation techniques are adapted to the workforce, positions, and organisational structure of the company. For the efficient management and evaluation of workers, performance reviews, also known as employee evaluations, are crucial. Evaluations contribute to the growth of people and organisations, as well as to business strategy. By their line manager, each employee is evaluated. According on the size and structure of the organisation, the CEO evaluates the directors, who are then evaluated by the chairman or the business owners. Within businesses, regular reviews of employee performance include performance appraisal as a component of career advancement. Annual performance reviews help with standard management and monitoring, setting expectations and goals, and delegating duties and tasks. The analysis and planning of organisational training needs is made possible by staff performance evaluations, which also identify individual training needs. As a system of highly interactive procedures, performance evaluations should also be seen as involving personnel at all levels to varying degrees in establishing job expectations, creating job descriptions, choosing appropriate evaluation criteria, creating assessment tools and procedures, and gathering, interpreting, and reporting results.

Keywords: *Job performance, Evaluation tools & techniques, Organisational structure, Goals, Task, Training, Business strategy & Career advancement.*

Introduction

Performance appraisal, the process of realistically evaluating employee performance in relation to the established expectations, documenting the review, and verbally communicating the review in a face-to-face meeting, constitutes one phase of the annual performance management cycle. The goal of this phase is to raise performance standards year after year through candid and helpful feedback. The process is intended to help the employee build on their strengths, identify areas for growth so that they may work on

them, and establish challenging goals for the upcoming year. *Paramasivan C & Azhagu Raja R (2014)* Micro enterprises provide employment generation or self employment opportunities with local resources but the micro enterprises are facing lot of problems from its establishment to existing. The main objective of the study is to know the performance of micro enterprises in Thiruvavur District of Tamil Nadu. In-person interactions between supervisors and employees are essential for effective performance management. A supervisor can

guide their staff members toward higher levels of productivity and optimised results by getting to know them. Performance evaluation is a method that long-term successful business owners use to get to know their employees. For an organisation, it is the most important and necessary tool. Information is provided that aids in decision-making that is crucial to the growth of a business and a person. The alignment of personal and organisational goals, as well as the development of strong working relationships between management and staff, all depends on performance reviews. Not simply the abilities needed for the job or the upcoming promotion, but also the growth of the "whole person" must be covered in appraisals. Nobody may be the target of appraisal discrimination based on their age, gender, sexual orientation, race, religion, or handicap, for example. Performance reviews have to be satisfying occasions. Organizations should cultivate a perception that performance appraisals are positive chances in order to get the best out of the people and the process since the appraisals process serves as the foundation for development and motivation.

Objectives of the Study

Halcyon being a start - up company and got the opportunity to design a new Performance Review System under the guidance of HR Manager. The secondary objectives of my study were:

- To develop an effective Performance Appraisal system.
- To know the Requirements of management regarding the designing of new Appraisal system and Review System.
- To help the Employee in understanding the Process of Performance Review.

Research Method

As per the requirement of the management to design a new policy for performance Review system, I basically analyzed the questionnaire given to employees to know their perception regarding the Review System and collected information on websites regarding the various methods of appraisals, the process of Performance Appraisals etc and also referred to books to get the idea of the concepts. The practical approach was by –

- Understanding the perspective of Management.

- Studying the kind of Appraisal suitable for Halcyon environment.
- The time period required for the review to be completed is 10 days.

Limitations of the Study

- The Appraisal Process was designed but it could be a part of only Review Process which was conducted in the month of February.
- Due to time constraint the Post Feedback of Employees regarding the Review Process could not be taken.

Data Analysis and Interpretation

To build a strong work team, companies must conduct performance reviews that provide them the chance to evaluate the contributions that each employee makes to the company. However, in other offices, doctors and practise managers put off conducting performance reviews due to the time commitment and the challenges of giving feedback to people they interact with frequently. However, the advantages of performance reviews outweigh these difficulties. Performance evaluations have the power to enforce the acceptable performance boundaries, encourage staff appreciation and productive communication, and inspire people to give their all for both themselves and the practise when carried out as a part of a performance evaluation system that includes a standard evaluation form, standard performance measures, guidelines for providing feedback, and disciplinary procedures.

The main objectives of a performance evaluation system are to produce accurate appraisal documentation to protect both the employee and employer, to provide an equitable measurement of an employee's contribution to the workforce, and to achieve high levels of both quality and quantity in the work produced.

Table 1: Self Assessment Results of Employees

Self Assessment	Frequency	%
Strongly Agree	70	70
Agree	17	17
Neutral	10	10
Disagree	3	3
Total	100	100

Table 2: Feedback from Managers Helps in improving Working Performance

Feedback	Frequency	%
Strongly Agree	50	50
Agree	25	25
Neutral	15	15
Disagree	10	10
Total	100	100

Table 3: Self Confidence Level of the Employees

Self Confidence Level	Frequency	%
Very High	10	10
High	25	25
Medium	47	47
Low	18	18
Total	100	100

Table 4: Effectiveness of the Training Program

Effectiveness	Frequency	%
To an extent	30	30
Totally	48	48
Partial	16	16
Not at all	6	6
Total	100	100

Table 5: Training in Accordance with the Process Of Performance Review

Training & Performance	Frequency	%
To an extent	36	36
Totally	48	48
Partial	14	14
Not at all	2	2
Total	100	100

Table 6: Belief on Self Rating

Belief	Frequency	Percentage %
Very High	38	38
High	29	29
Medium	22	22
Low	11	11
Total	100	100

Table 7: Change that is Expected on Post Review

Change Expected	Frequency	%
Salary	45	45
Responsibility	15	15
Team Structure	10	10
Promotion	12	12
On Site Opportunity	18	18
Total	100	100

Findings

As the whole Process was designed by the HR department, I was also involved in it from the designing stage to the implementation part of the Review system. In this process I could recognize the benefits derived out of this system as well as observed some drawbacks.

My Findings from the questionnaire were:

1. The perception of employees regarding performance Review was a hike in Salary, which is not the case in reality.
2. After knowing the requirements of employees a training session was conducted to help the employees understand the need and process of Performance Review and Criteria to give Self Rating.
3. They were aware of the fact that the General Work Behavior would play a major role in their Review but were unaware of all the Standards and Aspects used to Evaluate their Performance

Other Findings

1. The process did not take place in the exact time frame as planned and scheduled. A good improvement was seen in the inter-personal relationship between the team leader and subordinates.
2. Many employees could not justify the ratings given by them in the Self Review Form. It helped the employees in understanding their past performance and setting up of targets and goals for future.
3. They got to understand the organizational needs and it helped in developing a sense of belongingness towards the company. It helped the management in identifying the Caliber of employees and encourage the same.
4. The employer and employees got a platform to understand each other in a better manner. The management was too much dependent on team leaders for conducting Reviews.
5. When the Peer Feedback Form was given employees were too hesitant in giving ratings to their colleagues.

Recommendations

After the successful completion of the whole Process of Performance Review under the supervision of the HR Manager I.e. by recognizing the need for Review policy, designing the policy, taking up a presentation to explain the importance and process of Review, attending the meetings with the team

leader, being a part in discussions by the management regarding appraisals and analysis of the feedback given by employees helped me to evaluate the benefits and shortcomings of the Performance Review Process and recommend the measures to improve the same.

The recommendations are as follows

1. Identify the KRA's (Key Resource Areas) and communicate the same to the employees so that he can be judged appropriately based upon it. The employees must be motivated to fill in the self review form appropriately.
2. They must be appreciated for their individual achievements during the period and training/guidance must be given if they lack in some areas. The review must be conducted informally once in every month so that the desired result can be achieved at the time of actual review.
3. The team leader should treat everyone equally without any bias and give appropriate ratings to each member depending upon their performance. The employees must be educated regarding the importance of Peer feedback that the true rating, be it positive or negative will help his colleague in understanding his abilities and drawbacks and he can develop himself on those aspects.
4. To motivate employees for their extra ordinary performance apart from the PLI's there must be some token of appreciation given for him in the form of promotions or a simple gift voucher etc., The token of appreciation should be given to those employees whose performance was extra ordinary as well as who have been in the organization for a longer period of time. The feedback from employees must also be taken regarding the working style of management so that the management functions can also be improved. They must be given the freedom to express their concerns. While conducting the Performance Review the team member must also be given the right to rate his team leader or provide him the feedback because a cordial relation between the team lead and members of the team is very important and the lack of good understanding may hamper the team work.
5. The problems or hindrances which are faced by employees should be taken care of, so that the employee is satisfied and

works enthusiastically. The employees must be informed before – hand that he needs to provide a proper justification for the ratings given by him and it will ultimately help him to recognize his accomplishments and drawbacks. The one to one meeting should be conducted in a peaceful manner so that it does not lead to any argument and the desired objective is achieved. Measures must be taken for effective time management because the delay in the process will lead to distractions.

6. Suggestions must be taken from employees after the review process in order to make it more effective. The career goals and career prospects of an employee must be taken into consideration so that they stay committed to the organization. Efforts must be taken to reduce the communication gap between the employees and management. All the employees of the organization must maintain a personal diary to record their day to day achievements as well as the problems they faced during performing a particular task so that he has a record of all the things and it can be reproduced in front of the team leader or management as and when the need arises.

Conclusion

The director of the Office of Personnel Management and other government policy makers will be assisted in re-evaluating the Personnel Management and Recognition System after conducting a thorough investigation into performance evaluation and pay for performance in the private sector. What we have discovered does not offer a model for pay-for-performance in the government sector or even a specific fix for PMRS's problems. The federal government seems to put just as much work into performance reviews as other organisations. More broadly, improving individual or organisational performance is unlikely to result from the pursuit of more psychometric complexity in the performance rating system utilised by the federal government.

A way must be found by the organisation to ensure that performance requirements are met and goals are realised. Setting organisational goals is another necessary step in future planning. These ought to be attained through the use of personal goals

set throughout the appraisal. The success of the strategy used to accomplish this is crucial if all employees are to maintain a competitive position. This is the purpose of every page in the resource titled "Skills of Appraisal and Performance Review." But there must also be essential managerial ideas, attitudes, and actions underpinning the methodologies, practises, and procedures.

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