Performance Appraisal–How to Make IT Effective

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ABSTRACT
Performance Appraisal Systems is the main theme of this article. The article tells about how many performance appraisal methods are used by the organizations under consideration and under analysis? It tells about what performance appraisal is according to the organizations? The main purpose of collecting and analyzing this information is to know about organizations performance appraisal methods, to know that how employees are appraised and what kind of criteria is used in this regard? The article covers the whole performance appraisal systems to evaluate the exact output of these methods either these methods are according to the standards and procedures as mentioned by that organization or not? Every organization needs a formal approach to track individual contributions and performance against organizational goals and to identify individual strengths and opportunities for improvement. This article is about the performance appraisal systems of Datapoint globally famous IT Software Solutions provider Company first there is data analysis of Datapoint IT Software Solutions which uses Open System based on MBO Approach in which the KPA’s and objectives are agreed jointly by the superior and the subordinates for Performance Appraisal of its Human Resource Performance Appraisal System of data point which uses Multi-rate assessment (or 360-degree feedback). This method of appraisal gives the employees feedback from the immediate supervisor, peers, subordinates and customers. The supervisor usually does the actual appraising. The HR department serves a policy making and advisory role. The supervisor needs to conduct an appraisal interview in which the written appraisal is presented.

I. INTRODUCTION
Performance Appraisal is an ongoing process of evaluating and managing both the behavior and outcomes of employee’s in the work place. According to Michael Carrel and Frank Kuzmits, in their book titled ‘Personnel’, Performance Appraisal is a method of evaluating the behavior of employee’s on the work spot, normally including both the qualitative and quantitative aspects of job performance. Performance is measured in terms of results and not efforts. Performance appraisal has become a widespread instrument of human resource management. Surveys reported in the 1970s and 1980s already indicated that between 74 percent and 96 percent of U.S. organizations, and a comparable proportion of British firms had a formal performance appraisal system in place. Large, complex organizations are especially likely to conduct formal appraisals (Berry, 2003). According to Jacobs et al. (1980) performance appraisal can be described as a systematic attempt to distinguish the more efficient workers from the less efficient workers and to discriminate among strength and weaknesses an individual has across many job elements. In short, performance appraisal is a measurement of how well someone performs job-relevant tasks (Parrill, 1999). These measurements are normally done by the direct supervisor of the ratee and can serve different organizational purposes. Examples are employee selection, disciplinary action, development/feedback, promotion, training /supervision and personnel planning.

II. METHODS
Performance appraisals need to be effective; otherwise they are a waste of time and money. What makes them effective is their potential to improve employee performance. But performance appraisal will only lead to behavioural change if its users accept the system. In the following the characteristics of performance appraisal which have proven to partly determine the effectiveness by affecting acceptance are introduced and discussed. First, it is started with more general aspects like rating approaches and rating techniques. Second, the impact of tying performance to pay will be presented. Next, the accuracy of ratings and the existence of errors and bias in ratings will be discussed. The fourth part deals with the way performance feedback is given. Fifth, the influence of training will be analyzed. The last section shows how participation of system users affects the later effectiveness.

III. TARGET ORGANIZATION
This part has goal to describe the target organization thus some important point about the business of target organization its structure and historical background will be presented then relevance for this research will be discussed.
Datapoint provides a full range of outsourcing services and solutions to businesses leaders, both large and small. The clients of Datapoint feel confident and secure as Datapoint provides the clients with the best people, the best tools, and the assurance that Datapoint team will be there at every step of the way... until success is achieved.

**IT Consulting & Staffing**

Based on the assignment specifications given by the clients, Datapoint identifies potential sources, gather resumes of suitable candidates, conducts initial screening and redirects the process for the clients to interview the shortlisted candidates.

In Contract Services, Datapoint meets the clients' most specific needs by sourcing and managing the right professionals with the relevant experience and the correct attitudes. Datapoint has successfully assisted many corporate in the IT industry in sourcing contract professionals.

**Hiring Process at Datapoint**

Recruitment is also done through advertisement in Newspapers for people with prior experience. Datapoint has been actively in the profession of sourcing IT professionals from the year 2000. Datapoint has placed candidates from different skill sets with varying levels of experience. Having established a reputation as a good placement organization, Datapoint constantly approaches adept professionals, in pursuit of better opportunities, which helps Datapoint maintain an updated database of present and potential IT connoisseurs in demand at home and in abroad.

Datapoint endeavors to be a pioneer in Recruiting and manpower consulting, thanks to strategic alliances with leading multinational companies in India and US of America. Datapoint’s technically competent, experienced, and certified consultants will help the clientele to get the right manpower at the right time. Datapoint takes pride in having top-notch companies who makes the company enable faith in the future through maintaining high quality in screening, hiring and management.

At this crucial point the company found the gap which needed to be filled by Datapoint to improve the client satisfaction levels. Datapoint is assisting many colleges and Organizations in Training & Recruiting fresher.

Datapoint not only trains extensively on technologies but also on soft skills. Datapoint also motivates the students to implement the projects on their own, which gives them a real-time exposure towards the same.

**Datapoint’s Expertise:**

The company guarantees reliable and productive candidates, which evinced the fact that over 94% of the clientele have done repeat businesses with it.

“Simplifying Opportunities”: It’s more than just a slogan. The entire business is geared towards helping the clients to successfully complete and implement their critical I.T initiatives in a timely and cost-efficient manner. Datapoint’s job is to provide, “Excellent manpower which makes the organization” so that it can be more successful and continue to be the leader in the industry.

**SERVICES**

Datapoint focuses on building and strengthening one-on-one relationship with clients. The company emphasizes personal service. The company’s constant endeavor is to help the clients emerge triumphant in pursuit of goals by manning with true power companies providing required manpower to customers across the globe.

**Database:**

Data point’s Core competence lies in its strong Database. The Database is divided accordingly based on various technologies.

Datapoint feels a Strong sense of pride in having business associates & alliances in India, US, Singapore & Malaysia with 80,000 - strong database of software professionals. The database keeps growing every day.

Datapoint has about 80K Profiles of Various Professional and with various experience levels. About 40%-45% of the profiles are active.

Datapoint do has profiles of IT professionals on various Technologies like- Java/J2EE, Core JAVA, C, C++, VC++, COM, DCOM, Main Frames, EAls, Testing Tools, Dot Net, Oracle, People Soft, SAP etc. with various experience levels.

**IV. IMPLICATIONS AND RELEVANCE FOR THIS RESEARCH**

From the company profile it become clear that target organization is big very professional, serious, and goal-oriented this kind of organization usually have a specific personnel department the target company which employees a business unit human resource which is responsible for all aspects personal related issues further more this professional attitude is likely to be also obvious in the way performance appraisal is designed And implemented.

The it companies not allowed to rely on guaranteed payment it has to face normal economical circumstances and competition for the survival the rating of organization will decided on its own performance how good this rating will be, will decide about the future survival and success of the organization, thus it has very important for the target company to motivate its staff to improve performance or sustain high level performance appraisal is one of the tool to target organization has to measure performance modify behavior and reward high performance. The next important step is now to give an overview and how performance is currently appraised in the target company. this will be done by describing all aspects relating to the literature analysis.

**Performance appraisal at the target company.**
The following are the techniques used in the “DATAPoint IT Consulting and Staffing Company” for the Appraisal System.

- Self Appraisal
- Potential Appraisal
- Performance Appraisal

**Self Appraisal:**
Getting individuals to analyze and assess their own performance, so that they can rectify their mistakes and try to avoid them. Self appraisal is done one they following points as mentioned below, which is filled by executives / officer.

- Targets
  - Accomplishments
  - Constraints
  - Utilization of capabilities
  - Strong points
  - Short comings
  - Suggestion

**Potential Appraisal:**
This is filled by the reporting authority depending upon his observation based on the employee’s performance. Following are the points which are used for preparing the potential appraisal report.

**Performance appraisal process:** The performance appraisal process is an interactive process between the supervisor and the employee meant to assess and summarize the work performance of the employee as well as set new goals and identify new career development plans and training.

1. **Establishing Performance Standards**
   The first step in the process of performance appraisal is the setting up of the standards which will be used to as the base to compare the actual performance of the employees.

2. **Communicating the Standards**
   Once set, 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 to the. 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 continuous process which involves monitoring the performance throughout the year.

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

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.

### V. RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the problem. In it we study the various steps that all generally adopted by a researcher in studying his research problem along with the logic behind them. The scope of research methodology is wider than that of research method. The methodology followed for conducting the study includes the specification of research design, sample design, questionnaire design, data collection and statistical tools used for analyzing the collected data.

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#### VI. SAMPLE SIZE

All the items consideration in any field of inquiry constitutes a universe of population. In this research only a few items can be selected form the population for our study purpose. The items selected constitute what is technically called a sample. Here out sample size is 60 employees from the total population to conduct the study.

- **Data Collection:**
  - The data source: Primary and Secondary
  - The research approach: Survey Method
  - The research instrument: Questionnaire Method
  - The respondents: Executives, Sr. Executives, Assistant Managers, Managers and Top Management of various departments.

- **Questionnaire Schedule:**
  - Questions are framed in such a way that the answers reflect the ideas and thoughts of the respondents with regard to level of satisfaction of various factors of employee satisfaction. The type of questions used in the collection of primary data was closed ended questions.

- **Tools of Analysis:**
  - The collected data analyzed with the help of simple percentage and bar, line and pie-diagrams.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>RESPONDENTS</th>
<th>PERCENTAGE</th>
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<tbody>
<tr>
<td>Excellent</td>
<td>7</td>
<td>11.7%</td>
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<tr>
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<tr>
<td>Not good</td>
<td>6</td>
<td>10%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

1. Are you aware with the particulars of present performance appraisal system?
INTERPRETATION:

81.7% of the employees responded that they are aware with the particulars of present performance appraisal system, 18.3% of the employees responded that they are not aware with the particulars of present performance appraisal system.

How do you rate the present appraisal system in the organization?

VIII. FINDINGS

1. From the project we found that performance appraisal is a motivation factor.
2. We found that most of the employees feel that there is a feedback given to them on their performance.
3. There is a continuous assessment on their performance level and that helps them improving their skills.
4. 90% of the employees feel that they are comfortable with work assigned to them.
   encouraged to overcome and to help them to set their own goals.

IX. CONCLUSION

What became clear is that the performance appraisal system of the target company is not perceived as bad as it could have been, but unfortunately also not as good as it could have been. The effectiveness of the performance appraisal system is as a consequence probably limited. Presently Datapoint is following “Open System” based on MBO Approach in which the KPA’s and objectives are agreed jointly by the superior and the subordinates. Both the appraiser and appraiser see that the objectives are realistic and attainable. If required the objectives can be revised. With MBO, the focus of appraisal processes shifts from the employee’s personal attributes to job performance. Thus, it provides for continuous performance improvement, updating and feedback on the job. Self-appraisal is a useful component of development oriented performance appraisal system. The present system provides for an in-built counseling of the individual by the appraiser which is primary tool for maintaining good superior sub-ordinate relations.

REFERENCES

[1] Stress-free Performance Appraisals by by Sharon Armstrong..