

PERFORMANCE APPRAISAL AT MB WHEELERS (GORAKHPUR)

¹Mohd Ariz Siddiqui, ²Dr. Syed Shahid Mazhar, ³Dr. Farhina S.Khan

¹Assistant Professor, Integral University Lko

²Associate Professor-Integral University Lko

³Assistant Professor, Integral University Lko

ABSTRACT

This Research paper on "Performance Appraisal" in Human Resource Management is an attempt to understand the concept of Recruitment in an organization or a company in a broad and executive manner. Recruitment plays a very important role in an organization; it is a continuous process of filling up vacancies in a company occurring in regular intervals. It includes the process of recruitment revolving in a company and its positive and negative outcomes towards the same. This Research aims to know and study obstacles in the proper functioning of the recruitment process. Increase its effectiveness and try to suggest remedial measures wherever possible.

Keywords: performance appraisal, recruitment, effectiveness etc.

INDUSTRIAL PROFILE

- The automotive industry is a wide range of companies and organization involved in the design, development, manufacture, marketing, and selling of motor vehicles.
- It is one of the world's most important economic sectors by revenue. The automotive industry does not include industries dedicated to the maintenance of automobiles following delivery to the end-user, such as automobile repair shops and motor fuel filling stations.
- The term automotive was created from Greek autos (self), and Latin motus (of motion) to represent any form of self-powered vehicle. This term was proposed by SAE members Elmer Sperry.

COMPANY PROFILE

- MB Group popularly known as MB WORLD, is a group of Dealerships, representing leading Auto brands in east UP. This group was formed in 1976 and the first brand was Swaraj Tractors. In the year 2001, MB Group started representing Hero Honda brand which is now Hero Moto Corp.
- It was a revolutionary step in the progress of the group. The group reached the turnover of 200 carore in the financial year of 2004 – 2005.
- In the year 2007, again a landmark, took, hence MB group started representing TATA Motors commercials business unit.

- Currently MB group is representing leading auto brands which are mentioned below, and have reached turnover of Rs.650 crosses approx.
- There are almost 600 satisfied employees are working in the group.

PRODUCT PROFILE

MB group is representing following brands:

- Honda cars
- Hyundai cars
- Hero Motors
- Ford India
- Tata Motors commercials
- MB logistice
- Piaggio

BRIEF HISTORY

The **history of the automobile** begins as early as 1769, with the creation of steam engined automobiles capable of human transport. In 1807, François Isaac de Rivaz designed the first car powered by an internal running on fuel gas (hydrogen and oxygen), which -- although not in itself successful -- led to the introduction of the ubiquitous modern gasoline- or petrol-fueled internal combustion engine in 1885. The year 1886 is regarded the year of birth of the modern automobile - with the Benz Patent-Motorwagen, by German inventor Karl Benz. Cars that are powered by electric power briefly appeared at the turn of the 20th century but largely disappeared from use until the turn of the 21st century. The early history of the automobile can be divided into a number of eras, based on the prevalent means of propulsion. Later periods were defined by trends in exterior styling, size, and utility preferences.

PERFORMANCE APPARAISAL

Performance appraisal (PA) is the process through which an individual employee's behavior and accomplishments for a fixed time period are measured and evaluated. The major purpose of measuring and evaluating it to assess the worth of value.

According to HEYEL

"It is a process of evaluating the performance and qualification of the employee's in terms of the requirements of the job for which he is employee, for purposes of administration including placement, selection for promotion, providing financial rewards and other actions."

According to SCOTT & SPRIEGEL

“Performance appraisal is a step where the management finds out how effective it has been at hiring and placing employees”

Performance appraisal is thus the process of reviewing an individual’s performance and progress in a job and assessing his potential for future improvement. Conducting performance appraisal on employee’s performance should be more than a simple checklist or “do’s and don’ts” Performance evaluation should serve as a vital component, one that is of interest to both the organization and employee. From the organizational perspective, sound performance appraisal can assure that correct work is being done, work that assist in meeting department goals. In a simple rendition, each employee’s work should support the activities on his boss’s performance objective.

From the employee perspective, performance appraisal systems provide a clear communication of worker’s expectations. Knowing what is expected is the first step in helping one to cope better with the stress usually associated with a lack of clear direction. Secondly, properly designed performance appraisals should also serve as means of assisting an employee’s personal development.

To make effective performance appraisal a reality, five criteria need to be present

- Employee should be actively involved in the evaluation process.
- Bosses need to enter performance appraisals with a constructive and helpful attitude.
- Realistic goals must be mutually set.
- Bosses must be aware and have knowledge of employee’s job and performance.
- Proper feed back should also be given to be employees.

If these criteria are present, the performance appraisal process now becomes a communications meeting. With both parties well prepared for the performance review, the two discuss the total performance of the employee, addressing both the strengths and weakness of the employee, and how these attributes led to the attainment of the mutually agreed goals. While at this stage one is not only addressing past performance, but also areas for continued development have been identified. The next step, then, it is meet and plan for employee’s development.

Performance appraisal need to be stressful or threatening as they are. With proper preparation and the few key criteria in place, the performance appraisal process can be enhanced.

PERFORMANCE APPRAISAL AT MB GROUP

Since MB group is having huge manpower which is about 600 approx so they follow a appraisal policy.

Appraisal Policy of MB-Recognizing the significance of appraisal to employer the exiting manpower and to motivate them MB group has a policy of appraisal which is done at the end of every financial year.

For example- For the financial year of 2013-2014, group has announced to appraise each and every employee according to their performance.

Criteria of appraisal at MB group

MB group follows an appraisal policy made by HR department. Which has following criteria's-

- The employees will be categorized under A, B, C, category.
- A category employee get 15% increment in his/her basic salary.
- B category employee get 10% increment in his/her basic salary.
- C category employee 5% increment in his/her basic salary

CATEGORIZATION METHOD-

This is a categorization sheet which has some basic criteria's over which the categorization is made. Depending upon 4 basic criterias it is decided that whether they will fall under A, B or C category.

| NAME | EMP.CODE | DATE OF JOINING | PRODUCTIVITY | DISCIPLINE | EMP.VINTAGE | ATTENDANCE | FINAL GRADE |
|------|----------|-----------------|--------------|------------|-------------|------------|-------------|
| | | | | | | | |
| | | | | | | | |

Name- Show the name of the employee.

Employee code- Show employee code of the employee in the organization.

Date of joying- Show date of joying of employee. Which helps in calculating employee

Productivity- Show the performance level of the employee.

Discipline- Show employee behaviour towards organization and senior.

Employee vintage- Show the longevity or length of service of employee in the organization.

Attendance- Show the presence of employee for duty.

Final grade- Show the overall grade based on 4 basic criteria's.

PARTICIPANTS OF GRADING

Which assigning the grade following participants give their feedback:

1. Departmental head
2. Dealership head
3. HR head
4. HR executive

ABSOLUTE INCREMENT

There is a provision of absolute increment for those employees whose salary needs to be appraisal because he/she was at lower salary as per minimum wages criteria of the organization, also in case of two similar profile if there is a major gap in that case also MB GROUP goes beyond the limit of 15% increment to provide absolute increment.

OBJECTIVES:

- To find out the awareness of performance appraisal processor among employees.
- To study the satisfaction level of employees regarding performance appraisal.
- To study the feedback level of subordinate from superior.

RESEARCH METHODOLOGY:

➤ RESEARCH:

Research is about the effectiveness of performance appraisal Process of the unit through Descriptive research.

➤ DATA COLLECTION:

The data is collected through primary method & secondary method.

➤ RESEARCH INSTRUMENT:

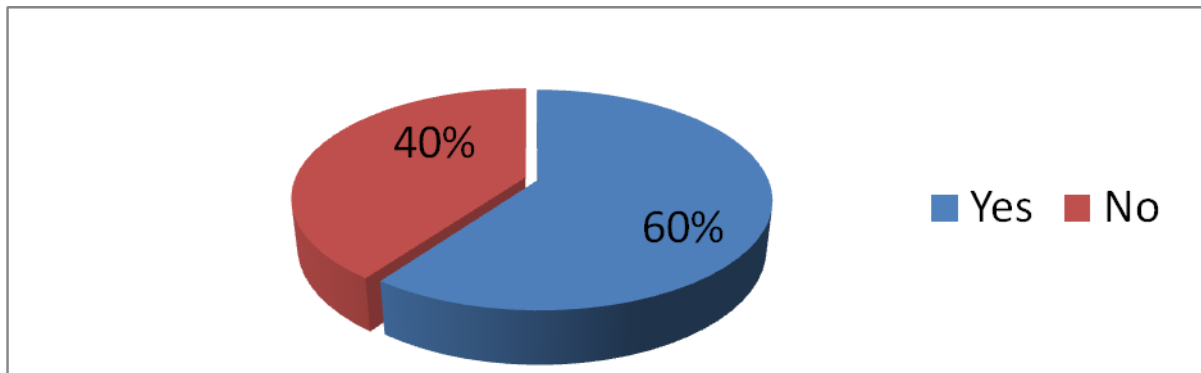
Questionnaire Method.

➤ SAMPLE SIZE: 60

DATA ANALYSIS AND INTERPRETATION

Q.1 Are you completely aware of performance appraisal procedure in your organization?

| OPTIONS | NO | NO OF RESPONDENT | PERCENTAGE |
|---------|----|------------------|------------|
| YES | | 36 | 60% |
| NO | | 24 | 40% |

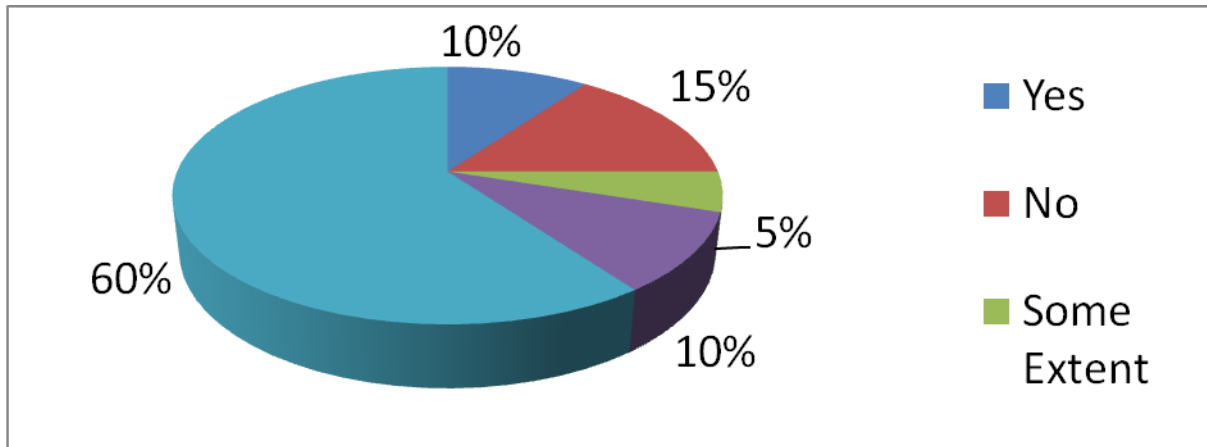


INTERPRETATION:

60% employees are aware whereas 40% employees are not aware of performance appraisal.

Q.2 Are you satisfied with the procedure of performance appraisal?

| OPTIONS | NO. OF RESPONDENTS | PERCENTAGE (%) |
|-------------|--------------------|----------------|
| YES | 6 | 10 |
| NO | 9 | 15 |
| SOME EXTENT | 3 | 5 |
| NO IDEA | 6 | 10 |
| LITTLE | 36 | 60 |

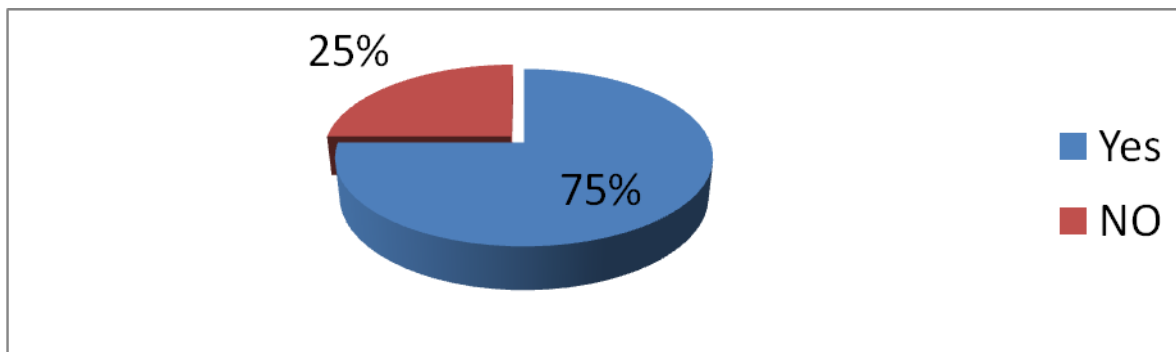


INTERPRETATION:

10% respondents are satisfied with the procedure of the performance appraisal, majority of the employees (60%) said that on little extent they are satisfied, 15% said no, 10% have no idea, 5% said that on some extent they are satisfied with the procedure of performance appraisal.

Q3. Is your performance ranking/grading communicated to you?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 45 | 75% |
| NO | 15 | 25% |

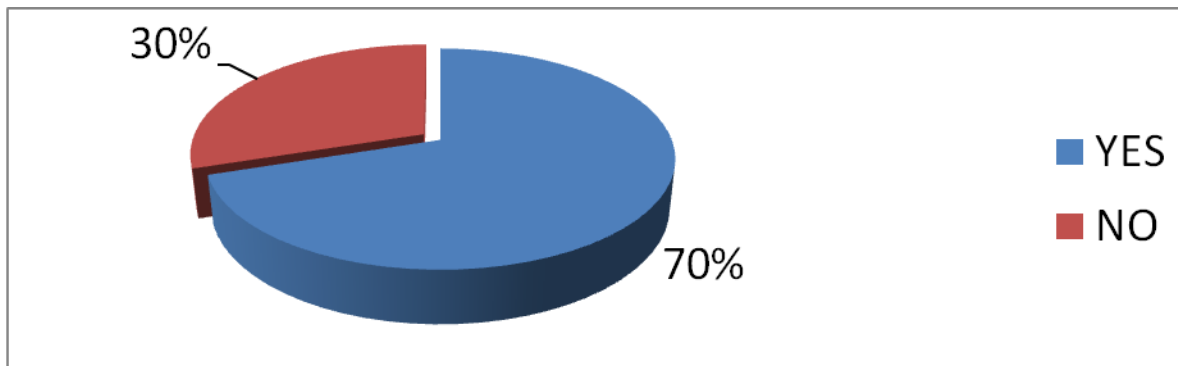


INTERPRETATION:

25% people said no whereas 75% said yes that they are always communicated about their performance ranking.

Q4. Do you receive from regular guidance from senior/supervisor regarding career development plans?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 42 | 70% |
| NO | 18 | 30% |

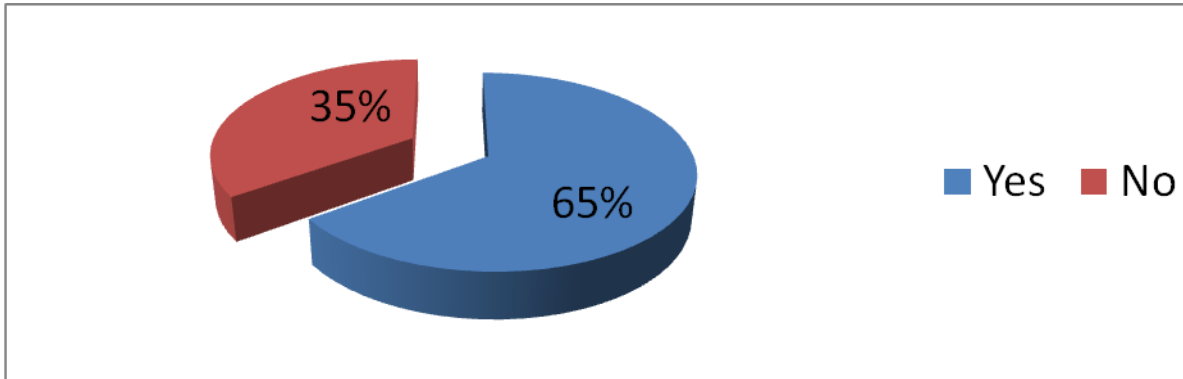


INTERPRETATION:

30% respondents said that they never received guidance from seniors whereas 70% said yes that they are always received guidance from seniors.

Q5. Do you feel self appraisal should be included in performance appraisal system?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 39 | 65% |
| NO | 21 | 35% |

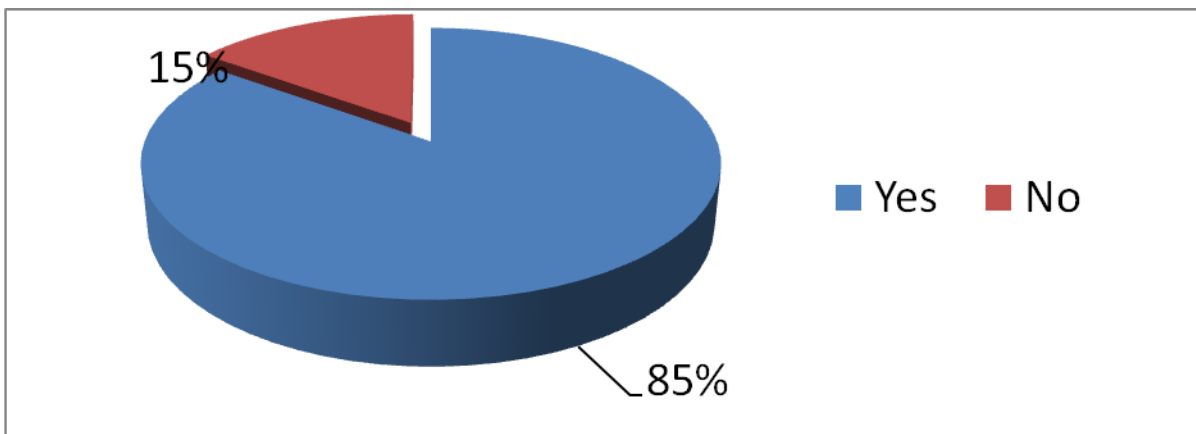


INTERPRETATION:

65% respondents said that yes they feel that self appraisal is necessary, 35% said no.

Q6. Does performance appraisal system needs improvement?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 51 | 85% |
| NO | 9 | 15% |

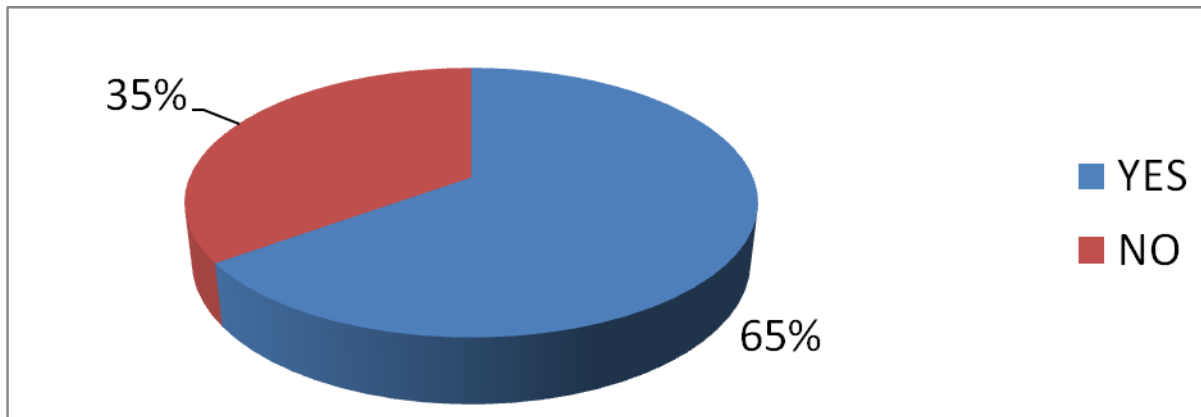


INTERPRETATION:

85% employees said that performance appraisal process evaluated and improved every year whereas 15% said no.

Q7. Is there any action plan provided for improvement of poor performing employees?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 39 | 65% |
| NO | 21 | 35% |

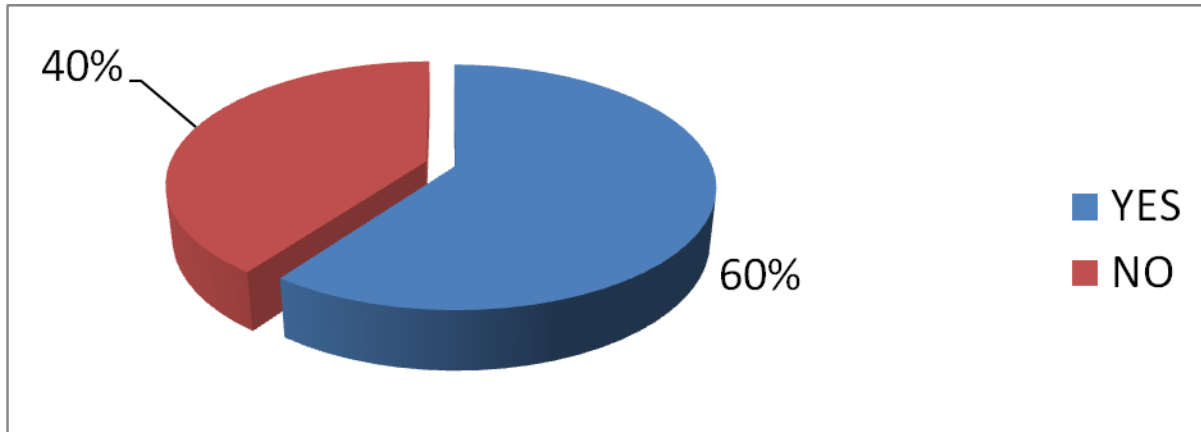


INTERPRETATION:

65% respondents said that organization provides action plan for improvement of poor performing employees, 35% said no.

Q8. Does performance appraisal contribute to meet employees reward expectations?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 36 | 60% |
| NO | 24 | 40% |

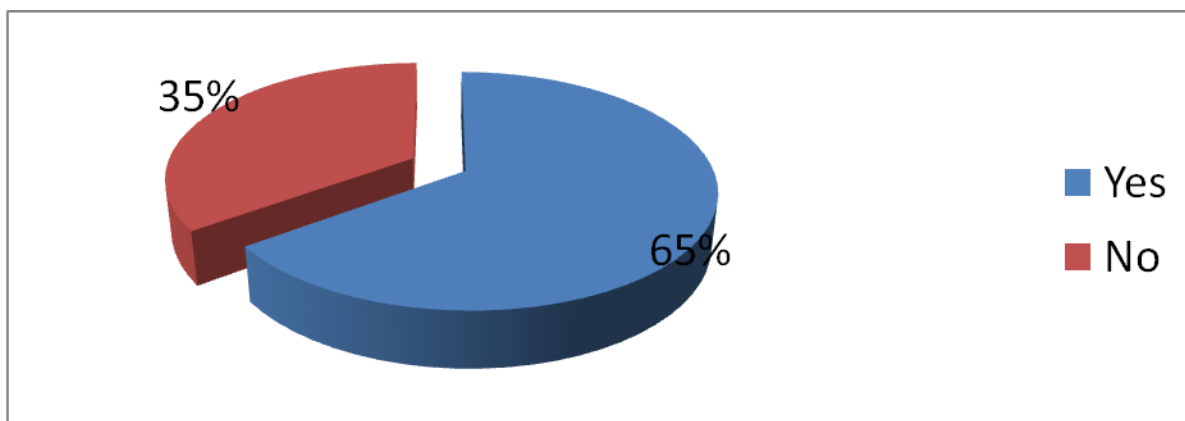


INTERPRETATION:

60% respondents said yes that performance appraisal contributes to meet rewards expectations whereas 40 % said no.

Q9. Do you think present performance appraisal system in MB Wheelers is effective?

| OPTIONS | NO OF RESPONDENTS | PERCENTAGE |
|---------|-------------------|------------|
| YES | 39 | 65% |
| NO | 21 | 35% |



INTERPRETATION:

65% respondents said yes for effectiveness of present performance appraisal system at MB Wheelers whereas 35% said no.

FINDINGS

- 60% employees are aware whereas 40% employees are not aware of performance appraisal.
- 60% employees are little satisfied with the procedure of performance appraisal.
- 25% people said no whereas 75% said yes that they are always communicated about their performance ranking.
- 30% respondents said that they never received guidance from seniors whereas 70% said yes that they are always received guidance from seniors.
- 65% respondents said that yes they feel that self appraisal is necessary, 35% said no.
- 85% employees said that performance appraisal process evaluated and improved every year whereas 15% said no.
- 65% respondents said that organization provides action plan for improvement of poor performing employees, 35% said no.
- 60% respondents said yes that performance appraisal contributes to meet rewards expectations whereas 40 % said no.
- 65% respondents said yes for effectiveness of present performance appraisal system at MB Wheelers whereas 35% said no.

CONCLUSION:

- Performance Appraisal is formal exercise in which the contributions made by the employees towards achieving the organization objectives are evaluated in a document forms.
- The employees personal strength and weakness (areas for improvement) and attributes and behaviour demonstrated in course of meeting the organizational objectives are also assessed.
- During the course of study I had interaction with various level of employees belonging to different department and performing various functions. For this a questionnaire was formed through the deep study of subject matter.
- As a result of this survey primary data was collected which was unorganized and unsystematic so collected which was interpreted in the form of pie charts to have a clear understanding of the data.

RECOMMENDATIONS:

In my view following recommendation may be considered while designing the performance appraisal system.

- Performance appraisal system should be viewed as an instrument for development. Hence, company should be more focus on the performance appraisal of their employees.
- Company should be more focus to create the awareness of the performance appraisal system.
- Company should also be improved & evaluated the performance appraisal system in every year.
- Management must be aware and have knowledge of employee's job and performance.
- Proper feedback should also be given to the employees.

QUESTIONNAIRE

Q.1 Are you completely aware of performance appraisal procedure in your organization?

a) Yes

b) No

Q.2 Are you satisfied with the procedure of performance appraisal?

a) Yes

b) No

c) Some Extent

d) No Idea

e) Little

Q3. Is your performance ranking/grading communicated to you?

a) Yes

b) No

Q4. Do you receive from regular guidance from senior/supervisor regarding career development plans?

a) Yes

b) No

Q5. Do you feel self appraisal should be included in performance appraisal system?

a) Yes

b) No

Q6. Does performance appraisal system needs improvement?

a) Yes

b) No

Q7. Is there any action plan provided for improvement of poor performing employees?

a) Yes

b) No

Q8. Does performance appraisal contribute to meet employees reward expectations?

a) Yes

b) No

Q9. Do you think present performance appraisal system in MB Wheelers is effective?

- a) Yes
- b) No

REFERENCES

- Dr. V.S.P. Rao:**HUMAN RESOURCE MANAGEMENT**
- C.R. Kothari:**RESEARCH METHODOLOGY**
- DR. Suleman:**RESEARCH METHODS**
- TIMES OF INDIA
- ECONOMIC TIMES
- HINDUSTAN TIMES

www.google.com

www.wikipedia.com

www.hal-india.com