

Effectiveness of Performance Appraisal in TTK Prestige, Coimbatore

DIVIA R

(REG NO: 17PBM005)

A major Project Report submitted to

**Avinashilingam Institute for Home Science and Higher Education for Women,
Coimbatore -641043**

In partial fulfillment of the requirements for the degree of

Masters in Business Administration

(IT Organisation Administration)

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CERTIFIED AS BONAFIDE RESEARCH WORK

**Signature of the
Guide**

**Signature of the
Head of the Department**

**Signature of the
External Examiner**

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SYNOPSIS

The project report is the outcome of the study titled **“Effectiveness of Performance Appraisal in TTK Prestige”, Coimbatore**. The primary objective of the study is to assess the effectiveness of an appraisal system and also to know about the opinion of employees about present performance appraisal system.

The study is based on the primary data. The data collected through structured questionnaire from the employees of TTK Prestige. The data collected for the period of December to February.

The simple percentage analysis is used to find the frequencies of the results and mean score value is calculated for factors considered for the performance appraisal system. The analysis of variance is used to find the significant difference between level of satisfaction based on age and educational qualification. Correlation is used to find the relationship between employee’s perception and effectiveness of existing performance appraisal system.

Employees were satisfied with the present appraisal system. There is no significant difference in between level of satisfaction based on age and educational qualification. There is a positive relationship between employee’s perception and effectiveness of existing performance appraisal system. There is a significant impact on employee’s perception and level of understanding towards level of satisfaction. In order to deal with the millennium of employees, an organization may go for the one of the modern method of 360 – degree Performance Appraisal System.

The recommendations are made based on the interpretation and findings.

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CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Performance appraisal is the process of obtaining, analyzing and recording information about the relative worth of an employee. The focus of the performance appraisal is measuring and improving the actual performance of the employee and the future potential of the employee. Its aim is to measure what the employee does.

According to Flippo, a prominent personality in the field of human resources, "Performance Appraisal is the systematic. Periodic and impartial rating of an employee's excellence in the matters pertaining to his present job and his potential for the better job."

Performance Appraisal is a systematic way of reviewing and assessing the performance of an employee during a given period of time and planning for his future. It is powerful tool to calibrate, refine and reward the performance of an employee. It helps to analyze his achievements and evaluate his contribution towards the achievements of the overall organization goals. By focusing the attention on performance, performance appraisal goes to the hurt of personal management and reflects the management's interest in the progress of employees.

The essential component of an effective performance appraisal system consists of understanding its foundations and the essential steps that lay the foundation. It's also necessary to recognize the objectives and benefits of this system. For benefit realization it is necessary to identify the Key Result Area (KRA) i.e. goal setting and monitoring the performance results. Finally a lot of counseling and training is required to attain the better performance of an employee.

1.1.1 Characteristic of Performance Appraisal System

- It is the systematic examination of the strengths and weakness of an employee in terms of his job.
- It is an ongoing and continuous process wherein the evaluations are arranged periodically according to define a plan.
- The main purpose of Performance Appraisal is to secure information necessary for making objective and correct decision of an employee.

1.1.2 Purpose of Performance Appraisal System

The purpose of a Performance Appraisal program is to monitor employee performance, motivates staff and improves company morale. Monitoring employee performance requires routine documentation, which is accomplished through completing a performance appraisal form.

When employees are aware that the company is mindful of the performance and they could be rewarded with merit increases and promotions, they are motivated to work harder. Morale is improved when employees received recognition or reward for their work.

An effective performance appraisal program will assessed the company in achieving its goals and objectives. Not only well training needs be identified and addressed during the performance appraisal review, but the hidden talent can he discovered as well. Through identifying these training needs, staff can performance their jobs at the highest level and be in a better position to address clients, members and customers concerns and questions.

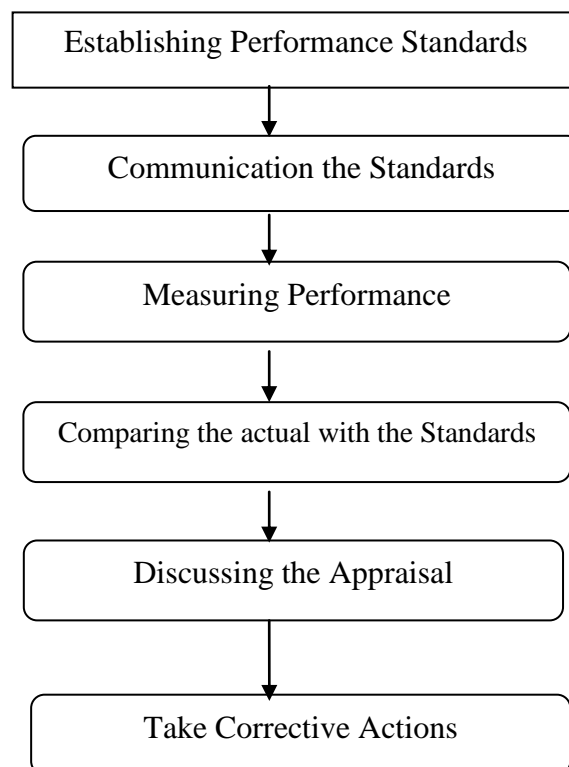
A well — developed staff is more likely to be proactive, productive and resourceful, all of which helps the company a competitive edge, from improved customers relations and increased profits.

1.1.3 Benefits of performance appraisal system

- It enables an appraiser and appraise to provide feedback to an employee and appraise can get feedback from the appraiser.
- The reviewer and employee can work together to establish new goals as well as to develop a plan to reach them.
- Employee appraisals are important for improving communications between the employee and reviewer.
- Performance appraisals can provide key information that can help evaluate recruiting practices.

1.1.4 Performance Appraisal Process

The Performance Appraisal Process is a systematic and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organizational objectives. The Performance appraisal processes are:



1.2 CONSUMER DURABLE INDUSTRY

The nation's appliance and consumer electronics sector is set to grow at a compound annual rate of 13.4%, to touch \$20.6 billion by 2020. Consumer durables accounts for more than 40% of end consumer spending in India. The urban market accounts for a major share of about 65% of total revenues in consumer durables sector, and the remaining 35% accounts for rural market. However the demand from rural market will be in raising trend and there will be huge growth in buyers. Various government policies and increased liberalization has favored inflows of Foreign Direct Investments (FDI) The Indian consumer durables segment can broadly be segmented into consumer electronics and consumer appliances. Consumer electronics are electronic equipment intended for everyday use, most often in entertainment, communications and office productivity.

Consumer Electronics includes various products like TVs Set Top Boxes Smart phones Tablets Audio and Video systems Gaming Products Electronic accessories Personal Computers CD and DVD players Camcorders Digital Cameras etc. Consumer Appliances are household/Domestic appliances which includes, Refrigerators Washing Machines Air Conditioners Microwave Ovens Vacuum Cleaners Grinders Sewing machines Chimney Mixers Cleaning Equipment Electric Fans etc.

Also, the consumer durables market is divided as White Goods, Brown Goods and Consumer Electronics. White goods refers to large household appliances that used to be painted a white enamel finish such as refrigerators, air conditioners, washing machines, and ceiling fans .Brown goods is term for items that were made from Bakelite in the old days, which includes kitchen blenders, grinders, pressure cookers, microwave irons, irons, vacuum cleaners, table fans Consumer electronics including televisions, smart phones, tablets, home computers and home entertainment systems.

1.2.1 Market Overview

- The global electronics industry is at US\$1.8 trillion, of which India consumes around US\$125 billion electronics. This consumption is expected to grow to US\$400 billion by 2020.

- Consumer Durables market was worth \$9.7 billion in 2014 and growing at Compound annual growth rate (CAGR) of 13.9%. Indian Consumer Electronics market has been witnessing sustained double digit growth rate in the past few years.
- Increasing product awareness, affordable pricing, innovative products and the high disposable incomes have in the strong growth in the consumer electronics market in India.
- The growth in the coming years is possibly expected to be driven by the “rural market, as the government increases its focus on rural electrification”.
- Growth in E-commerce will enhance lots of online purchases and the future would go electronic in electronics products sales.

1.2.2 Top Market Opportunities

Increasing levels of disposable income, and urbanization

During 2013–19, per capita income in India is expected to grow at a CAGR of approximately 6.6% to around US\$2,200 in 2019 from ~US\$1,500 in 2013. People with higher disposable income acts as a triggering factor for various purchases of consumer durable products. Increasing trend of working women population will drive demand for home appliances such as washing machines. Thus Purchasing power of consumers increased significantly.

Improved affordability of products, with India centric product introductions

The customer durables companies now a day’s concentrating on customers’ needs and they started manufacturing country centric products that to coming up with an affordable price tag attracting new customers. Product innovation and availability of new variants of products Then there would be CRT TV, now it’s Flat Panel (LED, LCD) and even more UHD, Curved TVs and lot more! Same way then just direct cool refrigerators, but now its frost free refrigerators, single/double door refrigerators etc.

Rise in the share of organized retail

Organized retailing will not only streamline the supply chain, but also facilitate increased demand, particularly for high-end and branded products. Organized retail industry is expected to cover a market share of 15%–18%, from around 3% currently by 2020.

Easy Consumer financing as retailers offer attractive financing options

The demand for so called luxury or high end such as air-conditioners, washing machines and high end color TVs are raising huge, and this growth reflects narrowed price gap. In the case of expensive consumer goods, retailers are providing easy financing or Easy Monthly Installment (EMI) options to consumers by collaborating with banks.

1.2.3 Government Initiatives

- A draft National Policy on Electronics Policy was released by the Ministry of Electronics & Information Technology in October 2018.
- A new Consumer Protection Bill has been approved by the Union Cabinet, Government of India that will make the existing laws more effective with a broader scope.
- The mobile phone industry in India expects that the Government of India's boost to production of battery chargers will result in setting up of 365 factories, thereby generating 800,000 jobs by 2025.
- The Union Cabinet has approved incentives up to Rs 10,000 crore (US\$ 1.47 billion) for investors by amending the M-SIPS scheme, in order to further incentivise investments in electronics sector, create employment opportunities and reduce dependence on imports by 2020.

1.2.4 Industry Challenges

- Huge competition among various players both global and international brands - leading to higher spending in marketing to attract customers
- Increase in raw material prices – major raw materials costs were turned higher thereby increasing the manufacturing costs.
- Technological advancement- Day by day there are new innovations in each and every products, every companies put their heart and soul in bringing up a difference in their product and hence the product lifecycles short. In order to withstand the companies should be up to date and keep on innovating new features.
- Rural distribution – 68% of India's population still lives in rural areas
- Entry of cheap products - as private labels in organized retail

1.2.5 Future Prospects

India is emerging as the third largest internet market and its e-commerce business is likely to touch Rs 40 billion (USD 742.76 million) in 2015 against Rs 12 billion (USD 222.83 million) at present.

Also, with mobiles becoming a major medium for advertising and content delivery, every three out of four users in the country are expected to access the net through a mobile phone by 2015. During 2012-22, cumulatively around USD 500 billion of ad spends is expected to happen on mobile phones, according to industry estimates.

Moreover, companies in the last decade have positioned tea and coffee as recreational products, which have majorly attracted younger population. Growing at a compounded annual growth rate (CAGR) of 20 per cent, it is expected to touch Rs 330 billion (USD 6.13 billion) by 2015 from the current level of Rs 195 billion (USD 3.62 billion) (in 2011). Domestic coffee outlets, which have a lot of appeal for the new generation, are set to double over 2012-15, majorly driven by the foray of global players such Starbucks and Dunkin' Donuts in India.

1.2.6 TTK Group

TTK group is an Indian based manufacturing sector. It consists of several segments of industry including consumer durables, pharmaceuticals, bio-medical devices, etc. The TTK Group was founded in 1928 as an indenting agency by Mr. T.T. Krishnamachari and is largely owned by family. The group has revenues of over US\$450 Million with a presence across India and several international markets.

TTK group is also associated with several charitable and social organizations, such as the TTK Voluntary Blood Bank, the T.T.Ranganathan Clinical Research Foundation (a hospital for alcohol and drug addiction) and TTK Schools for the underprivileged.

Structure of TTK Prestige

- TTK Prestige Limited - Consumer Durables
- TTK Healthcare Limited- Pharmaceuticals, Medical devices, Consumer products and Foods
- TTK Protective Devices Limited- Condoms
- TTK Services private Limited - Non-Resident services and KPO
- TTK Health Insurance Company Limited- Health Insurance JV with Cigna of USA

1.3 COMPANY PROFILE

TTK Prestige limited is an India-based kitchen appliances company. The company caters to home makers in the country. The company operates through two segments, which include kitchen appliances and property & investment. The company operates in the kitchen appliances segment with a range of product categories. The company's product categories consist of pressure cooker's, cookware, gas stoves, mixer grinders, wet grinders, hand blenders, rice cookware's, induction cook- tops, electronic domestics (hobs and hoods), kettles, knives and tools, pop-up toasters and barbeque. The company operates approximately 500 prestige smart kitchen stores all over India.

1.3.1 Brands

TTK Prestige limited has three brands over a period of time.

- Prestige
- Judge
- Mantra.

1.3.2 Vision

“To delight homemakers through innovation”

1.3.3 Mission

“To provide quality consumer products at affordable prices”

1.3.4 Core values

- Quality products at affordable prices
- Trust, Transparency, Knowledge
- Fair dealings with every stakeholder

1.3.5 Core strategy

Providing Total Kitchen Solutions rather than just a product

1.3.6 Strengths of the company:

Manufacturing

- 8 manufacturing units
- Excellent Product development capability
- Strengths in Deep draw of Aluminum and Stainless steel

Sourcing

- Within and outside India
- Dedicated vendors within India to implement our designs

Quality

- India's first ISO 9001: 2000 certified Kitchenware company
- India's only PED:CE certified company
- Pass every relevant global standard on manufactured products.

Marketing

- Comprehensive Sales and Marketing network
- Unique model of Exclusive Retail outlets
- Largest service network in the category

1.3.7 Distinct Features

- Two R&D Centers.
- SAP, ERP software.
- Strong distribution centers.
- 18 Regional Sales centers.
- 115 Authorized service centers.
- 500 + Prestige exclusive stores all over INDIA.

1.3.8 Factors Leading to Growth and Sustainability

- Driving growth through Innovation
- Close contact with consumer
- Offering innovated and differentiated products ahead of competition
- Offering of wide range and total kitchen solutions
- Expanding distribution – width, depth and innovative channels

- Innovative marketing and sales promotion strategies
- Ensuring that Dealers enjoy real profits and higher ROI

No.1 Brand in Pressure Cookers	No. 1 Brand in Cookware	No. 1 Brand in Value added Gas stoves
No. 1 Brand in Induction Cook tops	India's only company to offer the complete Induction Cooking solution	India's largest Kitchen appliance company

1.3.9 Awards:

- Marquee Award by Prime Minister Dr. Manmohan Singh for manufacturing excellence.
- TPM excellence award in Category-A from Japan Institute of Plant maintenance in Kyoto Japan on 19/03/2015. (Coimbatore plant was bestowed).
- CII Design Excellence Award in the industrial category for clip on pressure cooker in 2015 for product innovation.
- International Design Excellence Award for hob top in 2016.
- INDIA Design Mark for hob top in 2016.
- CXELA Best after sales service in 2017.
- Icon of the year-2015.
- Master Brand award in 2015.
- Power Brand award in 2016.
- India' most trusted Brand Award in 2016.

1.4 PROBLEM STATEMENT

In every company, effective organisation outcomes depend on employees or workforce. Therefore to motivate the employees, performance appraisal was used. Performance appraisals constitute one of the major management tools employed in this process. Various strategies had been effectively used for the employee according to their different needs and

areas that needs to sustain. The present study was under taken to clarify certain questions related to the performance appraisal through regular assessment of progress towards goal focus, the attention and efforts of an employee. Due to its increasing importance, there is a need for research to find out the regular assessment of employee in order to improve the employee's performance in TTK Prestige. The research questions are as follows

Q1: Is there any relationship between the employee's perception and effectiveness of performance appraisal system?

Q2: What are the factors that influence the level of satisfaction of employee's in TTK Prestige?

Q3: Is there any impact of factors that determine employee's perception towards level of satisfaction?

1.5 OBJECTIVES

- To identify and analyze the factor that influences the level of satisfaction of employee's in TTK Prestige.
- To study the relationship between the employee's perception and effectiveness of performance appraisal system.
- To analyze the impact of performance appraisal factors that determines the employee's perception towards level of satisfaction.

1.6 LIMITATIONS

- The study is conducted for a short period and so in-depth analysis is not possible.
- The study is restricted to TTK Prestige in Coimbatore only and the findings may not be applicable to other organisation.
- Employees are more biased and therefore determination of accurate results is difficult.

1.7 HYPOTHESES

H0: There is no significance difference between age and level of satisfaction.

H0: There is no significance difference between educational qualification and level of satisfaction.

H0: There is no relationship between employee's perception and effectiveness of performance appraisal.

H0: There is no relationship between level of understanding and effectiveness of performance.

H0: There is no significance relationship between employee's perception towards level of satisfaction.

1.8 OPERATIONAL DEFINITION

Performance appraisal:

It is a process of systematic, general and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organizational objectives.

360 Degree Appraisal:

A 360 degree appraisal is a type of employee performance review in which subordinates, co-workers, and managers all anonymously rate the employee. This information is then incorporated into that person's performance review.

Employee's perception:

According to Robbins, perception can be defined as 'a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment'. Most of the times, it is formed by organizational roles, styles of leadership, styles of communication at the workplace etc. and so it is very important that the organization be able to form the correct perception in the minds of its employees.

Key Result Area:

Key Result Area (KRA) is a concept on which the individual performance is measured and these are the activities which have an impact on the bottom line of the business. In general it is very difficult to measure. It is a strategic factor either internal to the organization or external, where strong positive results must be realized for the organization to achieve its strategic goal(s) and therefore, move toward realizing the organization's longer term vision of success.

1.9 CHAPTER SCHEME

This project deals with five chapters.

- **Chapter I** deals with the introduction of the study. This chapter is composed of a description of the introduction, company profile, research objectives, problem statement, research question, limitation of the study, hypothesis and operational definition.
- **Chapter II** deals with literature review. This includes a review of existing studies; evaluation and findings.
- **Chapter III** focuses on methodology. This chapter consists of research design, sources of data, method of data collection, population and tools for analysis.
- **Chapter IV** deals with analysis and interpretation. It consists of various tools for analysis such as percentage analysis, analysis of variance, correlation and regression. To study the employee's perception on performance appraisal system and also to know the satisfaction level of the employee in the organization and also to study the impact of the employee's perception towards effectiveness of existing performance appraisal system.
- **Chapter V** elucidates the major findings of the study, followed by the suggestions and conclusions. The findings are based on demographic characteristics of the respondents and also on hypothesis testing. On the basis of finding, some suggestions are given by the researcher in order to improve the method of performance appraisal system in the organization.

CHAPTER II

REVIEW OF LITERATURE

A review of literature helps the researcher to have a detailed knowledge about the area of the study and enables him to get a clear picture of various aspects of study. Various studies carried out elsewhere by others on the related aspects could be reviewed and the researcher could understand the various dimensions of a particular study undertaken by him. It would also help the researcher in filling up the gap in a particular area of research and would also help him in exploring the possibilities of further research on related aspects of the subject of study. In this chapter, an attempt has been made to discuss the review of past studies. The literature on the subject has been reviewed under the following categories:

1. Performance appraisal
2. Performance appraisal system

P.L.L.C.P.Alwis, 2017 examined the study on impact of perceived fairness on performance appraisal system for academic staff. The main factors in this study is procedural justice, performance feedback and distributive justice are used. The main aim of this study is to investigate the relationship and correlation between procedural justice, performance feedback and distributive justice. Data analysis was conducted by using bivariate correlation and multiple regression method. The survey method by random sampling technique was used to collect the data. The study involves quantitative method to collect the data. Sample size is determined by Krejcie and Morgan method. It is identified that there is a fairness of performance appraisal system and it also involves the success of the organization.

Sruchita Maheswari Rath, 2017 has conducted a study on Study of Performance Appraisal System at IBM, Bangalore. The purpose of a study is to find the impact of performance appraisal to an employee behavior and for salary. The Chi- Square analysis was used to obtain the result. The findings revealed that the company has a very well designed Performance appraisal system, which involves feedback as well as a reward system and the employees, are satisfied with the existing Performance appraisal system. But, more efforts are to be made to make the approach more effective to ensure increased productivity and high morale among the employees, which would lead to further growth of the company in all respects.

K.P.Thooyamani, S. Fabiyola Kavitha, et al. 2017 examined on the effectiveness of performance appraisal system. Performance appraisal is the evaluation of the employees and it is unbiased rating of an employee's performance. The main objective is to study the various

strategies adopted by Human Resource Management and its performance appraisal system. The secondary objective of the study is to evaluate the performance appraisal system. The various factors in this study are attitude towards work, behavior, trait, task and relationship with the authority and the co-workers. To obtain the results, descriptive statistics is used and the data collected from 100 respondents. Data is collected through questionnaire surveys, personal interview was used. The main objective is to find out the difference between experience and average time for performance appraisal process. From statistical tools and technique like chi-square and anova method they have found that performance appraisal system is effective. And also found that there is no significant difference between experience and average time spent for performance appraisal process.

Dr.V.Anthony Joe Raja, et al. 2016 study is conducted on the effectiveness of performance appraisal system in manufacturing industries in India. Performance appraisal is a way of systematic and evaluating the employees performance for the organizational objectives. The study is conducted for the purpose of identifying the employee's strengths and weakness. To obtain the results, descriptive statistics is used and the data collected from 80 respondents. Data is collected through questionnaire surveys, personal interview was used. Performance appraisal depends on the employee's performance and their attitudes towards the job. From statistical tools and technique like chi-square and weighted method they have found that performance appraisal system in manufacturing industry is effective. And also found that there is significant relationship between age and opinion about performance appraisal. Employee training and knowledge transformation are required to improve in that industry.

Hafiz Muhammad Ishaq, Dr.Muhammad Zahid Iqbal, et al. 2016 examined the study on effectiveness of performance appraisal its outcomes and determinants in Pakistani organizations. The research questions are outcomes of effective performance appraisal and the factors that harm the effectiveness of performance appraisal system. The main objective of this study is to analyze the outcomes of effectiveness of performance appraisal and to find the determinants of performance appraisal is used and the data collected from 100 respondents. The research design for this study is five-point scale Likert scale and it is used for all survey questions. Nominal scales were also used for some of the personal information questions. The main variables in the study are outcomes of effective performance appraisal and determinant to effectiveness of performance appraisal. Maximum numbers of respondents are more aware about the outcomes.

Dr.Kalpana Koneru, A.Suhasini, 2016 examined on the effectiveness of performance appraisal system in Educational Institutions. Performance appraisal is a systematic means of ensuring that superior and their staff meets regularly to investigate past and present performance issues. The study of performance appraisal system is to improve the conditions to review the performance of employees. The primary objective of this study is to understand the effectiveness of performance appraisal in educational institutions and secondary objectives of this study are to analyze the effectiveness of present performance appraisal methods being followed. The scope of this study is to analyze some of the advantages and disadvantages in the existing system. Data is collected through primary and secondary data and it collected from 100 respondents. Random sampling method is used for the research. Maximum number of employees says that the review of performance appraisal system takes every year in the institutions. Proper communication of the appraisal system should be improved for the future growth of the institutions.

Patrick Kampkitter, 2016 has conducted a study on "Performance appraisals and job satisfaction". The purpose of the study is to analyze the effect of PAs on employees' overall job satisfaction. A longitudinal sample of 10.500 German employees was taken. The Statistical tools are used and regression is used to measure the job satisfaction. The results demonstrate that performance appraisal system linked to monetary outcomes is a powerful management tool that is appreciated by employees.

Priyanga Anuradha Senadheera, 2016 study is conducted on the evaluation of the effectiveness of employee performance evaluation system at Leeds international school network. Performance appraisal is a systematic process of identifying, measuring, influencing and developing job performance of the employees in the organization. The main factors in this study are quality, commitment and performance of the people who work in the organization. The main objective of this study is to explore the existing performance appraisal of the Leeds international school network and to identify the strengths and weakness of the employees. To obtain the results, exploratory research is used and the data collected from 32 respondents. Data is collected through questionnaire surveys, personal interview was used. It is found that existing performance evaluation system is not appropriate and inadequate for a developing organization.

Mr. Ahammed Jimshad K and P. S. Neemish, 2015 have conducted a study on Performance Appraisal System and its Effectiveness at Flora Hotel, Kerala. The purpose of

the study is to find the attitude of the employee's about present system and providing suggestions for improving the effectiveness of appraisal system. The 50 respondents were considered as sample and the samples are chosen based on simple random sampling technique. The statistical tools were used and percentage analysis was done. The conclusion is that the employees were fully satisfied with the Appraisal System. Performance appraisal can be conducted more effectively by using the right tools and properly reviewing and updating the performance appraisal program. Suggestion from employees and experienced personnel can further enhance and make the performance appraisal an ideal evaluation system.

Nameirakpam Chetana, Lopamudra Pattnaik, 2015, has conducted a study on "Determinants of Performance Appraisal: An Empirical Study" This paper aims to find out the key factors that influence effective performance appraisal system at OCL Iron and Steel Ltd. (OISL) using factor analysis and measuring correlation among the factors which has been found through factor analysis. Primary data collected online through questionnaires from 95 respondents have been used in the study. The study reveals that 'scope and strategy of performance appraisal' followed by 'appraiser appraisal co-ordination', 'approaches to performance appraisal', 'performance based initiatives', 'attributes evaluated in performance appraisal' and 'perception of employees regarding performance appraisal' as the major determinant of effective performance appraisal in order. The study further reveals that there exists a strong positive correlation between the factors of performance appraisal.

Shivali Jindal, Laveena, Navneet, 2015 study is conducted on the effectiveness of performance appraisal system in selected Indian companies. The study is to understand the need of performance management systems, in which appraisals are constructed and the benefits are carried out. To obtain the results, descriptive statistics is used and the data collected from 120 respondents. Data is collected through questionnaire surveys are used. From statistical tools and technique like chi-square and rating method they have found that performance appraisal system in selected Indian companies is effective. Maximum number of employees says that the review of performance appraisal system takes every year and salary also increases due to this appraisal system.

Dr.J.Vinent Xavier, 2015 study is conducted on the effectiveness of performance appraisal system and its influence with the Socio-Demographic factors of the employees of a

manufacturing Industry in Tamil Nadu. Performance appraisal is the step where the organization tries to find out how effective it has been in recruiting and placing the employees. The primary objective of this study is to find out the effectiveness of the performance appraisal system with relevance of the socio demographic factors of the employees. And the study is conducted for the period of 6 months and it is purely based on empirical and descriptive research. The questionnaire is based on the objectives of the research. The main factor in this study is reliability and validity. Data is collected through primary and secondary data and it collected from 200 respondents. This study helps to understand the employee's ability and inability and also it helps the employees to identify the areas of improvement. Maximum number of employees says that there is an increase of job efficiency in the organization. It is concluded that performance appraisal system of the particular industry is good and effective and have a high significant in the demographic factors.

Abhinanda Gautam, 2014 has conducted a study on "performance appraisal system practiced in sugar mills and its impact on employees' motivation". This study focused on measuring the effectiveness of a performance appraisal feedback system. A study through survey was conducted among executives and managers of Simbhaoli Sugar Limited. A survey questionnaire was administered among 42 managerial and subordinate staff. Data collected were analyzed quantitatively using both descriptive and inferential statistical tools. Z-test was used to understand the impact of PAS on employee motivation and it was revealed that PAS has a significant impact on employees' motivation at SSC. Emphasis on training is required after the completion of Performance Appraisal procedure at SSL. Performance Appraisal System of SSL has a profound effect on levels of employee motivation and satisfaction- for betterment and improvement of employee and organizational performance.

Arvinder Kour Mehta, 2014 has revealed a study on "Impact of Performance Appraisal System on Employee Motivation". This study has been done to know the relation of employee motivation and performance appraisal in Cooperative Banking Sector. An empirical study has been carried out among the staff members of Cooperative Bank and data was collected through questionnaire. It is also concluded that employees of Cooperative bank have high Motivational level as majority of the respondents have agreed to the statement asked to evaluate their motivational level.

D.B.Bagul, 2014 examined the study on employee's performance appraisal system in SEMCO electric pvt.ltd in Chakan. Performance appraisal is a method of evaluating the attitude of the employees in the work atmosphere and also it includes both the quantitative and qualitative aspects. The primary objective is to study the employee's performance appraisal system in SEMCO electric pvt.ltd. And the secondary objective of this study is to analyze the effectiveness of present performance appraisal method being followed in the organization. To obtain the results, random sampling method is used and the data collected from 65 respondents. Data is collected through questionnaire surveys, informal discussion was used. From statistical tools and technique like pie-chart and weighted method they have found majority of employees were satisfied with the current performance appraisal system in the organization. More number of employees in the organization is fairly happy with the appraisal system. The suggestions are the company should use 360 degree appraisal system and the company should be more aware of proper communication in the work place.

Edward Markwei Martey and Edward Asante, 2014, "An Effectiveness of Performance Appraisal System: A Case Study of Unilever Ghana Limited" The purpose of this study is to ascertain the fairness of the performance appraisal system of Unilever Ghana Limited. The purposive sampling method was employed in the selection of supervisors of the employees. A total of twelve (12) supervisors were selected for the study. Simple random sampling technique was used to select six hundred (600) employee respondents from all departments of Unilever Ghana Limited. The results from this study show that the appraisal system is not tied to the reward and does not auger well for the organization. Employees that are much productive do not get pay commensurate with their efforts and supervisors/managers are usually interested of the wrongs of employees.

Sualihu, Bintu, 2014, has conducted a study on Effectiveness of a Performance Appraisal System in KNUST. This study therefore investigated the effectiveness of performance appraisal systems in KNUST. The study was descriptive using both primary and secondary data. Data were collected with the help of questionnaires and analyzed with the help of the Statistical Package for the Social Sciences. The study found out that the institution has in place an appraisal system, and this was largely acknowledged by all categories of respondents: junior and senior members. The study noted that there are key performance criteria that have been developed and clearly identified in the appraisal system. Findings showed that to a large extent the criteria have been developed in

consultation with workers and appraisers. Further, respondents indicated general understanding and support from the various stakeholders on the institution's appraisal system. The study found out that most employees show cooperation in the appraisal process.

Dr.S.Jansirani, Mr.R.Hatrikrishnan, et al. 2013 examined the study on Performance appraisal system at Wipro Infrastructure Engineering pvt ltd. The primary objective of this study is to identify the actual performance of the employees and performance standards used in performance appraisal program. The main factors used in this study are opinion, satisfaction, benefit and outcomes. The employees in the organization are directly interviewed and related data are collected through the questionnaire. For evaluating the performance and progress of an employee the various factors are used. They are Knowledge of work, Initiative, Quality of work, Aptitude, Punctuality, Honesty and Crisis management. Data is collected through primary and secondary data and it collected from 700 respondents. Stratified random sampling is used in this research. And also found that there is a communication between the top management and the staff.

KOLAWOLE, Taiwo Olabode, Anthony Abayomi, et al. 2013, this empirical survey focuses on the use of performance appraisal (PA) in most organizations in Nigeria. The study actually exposes the way and manner performance appraisal is done in most organizations in Nigeria which is characterized with bias. The study findings showed that employees have good knowledge of PA but their attitude towards it is not positive because of the way it is done. Also, the effects of performance appraisal on employees and the workplace at large were measured and lastly, the attendant effects of PA in organizations in Nigeria were recorded. It concluded that if all the stakes must benefit from performance appraisal, PA must be carried out without bias always caused demonstrated by the management from Abuja to appraise the staff in the companies. They already meet and conclude on the number of staff to benefit from the exercise each year.

Dr.Lalita Mishra, 2013 examined the study on employee appraisal system in Hongkong and Shanghai banking corporation (Hsbc bank).Performance Management system is used to utilize the overall resources and to implement the performance appraisal system to spread the awareness of performance in the organization. The major factor in this study is employee satisfaction. Data is collected through primary and secondary data and it collected from 150

respondents. Descriptive analysis is used in this research and data is collected through questionnaire surveys, interview was used. Also found that there is a requirement of performance appraisal and also there is a requirement of money for the better improvement of training and development programs.

Renganayaki, 2013 examined the study on the effectiveness of performance appraisal in G.B.Engineering enterprises in Trichy. The main aim of this study is to know the opinion and satisfaction level in the existing performance appraisal. To obtain the results, random sampling method is used and the data collected from 150 respondents. Data is collected through questionnaire surveys, informal discussion, observations, experimentation was used. From statistical tools and technique like percentage analysis, bar diagram, pie diagram, chi-square test and anova method is used. It is found that there is a system of comparison of standard with actual performance and also it is found that half of the respondents have the moderate attitude towards the appraisal system. Major finding in the organization is very much associated with identifying the training and development needs.

Boachie-Mensah, Peter Awini Seidu, 2012, has revealed a study on Employees' Perception of Performance Appraisal System. This study focused on employees' perceptions of performance appraisal biases or errors, and examined the implications for developing and implementing an effective appraisal system in a polytechnic in Takoradi, Ghana. Data was collected from 140 employees of the institution, which included both academic and administrative staff who had worked in the institution for at least two consecutive years, and whose work had been appraised previously. A content validated semi-structured interview schedule was used to interview the respondents. The data collected was analyzed, using descriptive statistics, in order to address the research questions. The results of the study indicate that employees of the institution perceive that the performance appraisal system of the institution is affected by subjectivity, and is influenced by some major errors.

George Ndemo Ochoti, Peter Kibet Ronoh, 2012, has conducted a study on "Factors Influencing Employee Performance Appraisal System: A Case of the Ministry of State for Provincial Administration & Internal Security, Kenya". A target population of 76 employees was surveyed. A structured questionnaire was self-administered to the employees to collect data. Multiple regression analysis technique was used to explain the nature of the relationship between PAS and the factors that influence it. The study

concludes that all the five variables investigated that include the implementation process, rater and rate interpersonal relationship, psychometric rater accuracy, informational factors and employee attitudes all influence the PAS.

Liza Estino Daoani, 2012, revealed a study on Performance Appraisal System; Its Implication to employee's performance. This study examined the status of the performance appraisal system of Nass Construction Company and its implication to employee's performance. The respondents of this study were tenured employees. The purposive sampling technique was used in the selection of respondents. Quantitative and qualitative method of research was utilized in the gathering of data. Interviews, focus group discussion and survey questionnaires were the main instrument used in this study. The result of the study showed that the performance appraisal system of the company are in place, aligned with the vision and mission of the institution, and is accurate in terms of content and purpose. On the other hand, the results reflected that the performance appraisal system of the company has brought about both positive and negative impact on the employees performance. The effectiveness of a system is defined as an external standard "of how well the system is meeting the demands of the various groups and organizations that are concerned with its activities.

Maryam AI Fazari, 2012, has conducted a study on "Performance Appraisal System In Majan Electricity Company (Sohar, Oman) And Its Impact On Employees 'motivation". The Purpose of the study is to investigate whether the performance appraisal system used is in Majan Electricity Company, (Oman), measures the employees' performance accurately and to ensure motivation and satisfaction of its employees. The study was conducted with 106 employees from all the departments of the main office of the company located at Sohar, who were selected on stratified random sampling basis and were contacted through a well-defined questionnaire. The study reveals that even if there is a problem with the accuracy of performance appraisal system in measuring the performance accurately, or due to rater error in the evaluation process, the employees' performance appraisal is not affected by them and has got positive impact on employees' motivation and satisfaction.

Shaemi Barzoki Ali, Abzari Mandi, et al. 2012, has conducted a study on "The Effect of Employees' Performance Appraisal Procedure on their Intrinsic Motivation". The Purpose of this study is to investigate the influence of employees' performance evaluation

process on their intrinsic motivation. Statistical population of this study is 80 employees of transportation organization. Research data has been collected via standard questionnaire, and SPSS software applied for the analysis. The results indicate that the process of evaluating employees' performance affected on their intrinsic motivation (P-Value <0.05) and the effectiveness is positive, equals to 0.414.

Nelda Spinks, Barron Wells, et al. 1999 "Appraising the appraisals: computerized performance appraisal systems", this study examines the role of appraisals as a way of improving productivity and effectiveness within successful organizations. Identifies ways in which appraisals help both employers and employees. Suggests that there is room for improvement in most performance appraisals and discusses various ideas. Computer software is one of the ways in which performance appraisals can be dealt with more proficiently. This article evaluates the three leading software programs available currently and provides a comparison of the features. Concludes that the products do not solve all the problems encountered in performance appraisals, but do give structure to the process and make this sort of appraisal easier to conduct.

Shelley, 1999 the actions and results that are measured will depend on a variety of factors specific to the company and industry. Most importantly, criteria should be selected that will encourage the achievement of comprehensive corporate objectives. This, Moats says, is accomplished by determining the exact role of each job in accomplishing company goals, and which behaviors and results are critical for success in each position. Furthermore, different criteria for success should be weighted to reflect their importance.

David K. Banner, James M. Graber, 1985 has conducted a study on "Critical Issues in Performance Appraisal", The improvement of performance appraisal systems is a matter of sharing a social definition of performance appraisal that is congruent with the original intent decided by the organization. The management development professional can aid the process by being educated about appraisal systems, analyzing the potential benefits to the organization, and accepting that all appraisers need training. To help performance appraisal reach its fullest potential, management development professionals need to be political strategists, appraisal system experts, trainers, salespeople and catalysts in combination.

Meenal and Kriti, 1983 has revealed a study on Effectiveness of Performance Appraisal System and Employee Effectiveness In Punjab Kashmir Finance Ltd. The purpose of the

study was the effectiveness of performance appraisal system and its effect upon employee's effectiveness. They were 50 respondents were taken as a samples and they were answered through questionnaires. The statistical tools were used for an analysis of the collected data. The performance appraisal system is quite effective. Most of the employees satisfied from the current appraisal system most of the employees got opportunities for their career improvement according to the performance appraisal system.

Jaya Rai, 1982 has conducted a study on Performance Appraisal System at 1-1DFC Bank, Luck now. The Purpose of the study is that Performance appraisal system exactly measures the employee performance. The questionnaire was framed and 40 respondents of HDFC Bank were considered as samples. The convenience sampling technique was used in the study. The statistical tool was used and chi —square analysis was done. This study reveals that the Parameters can be improved in order to meet the improvement of the employee performance.

A.Sahana, K.Chandana, 1982 has revealed a study on A Study on the Effectiveness of Performance Appraisal System at India Info line Finance Ltd. A descriptive research was undertaken to study the effectiveness of performance appraisal system. The study focuses on studying the tools and techniques used by the organization for performance appraisal; to find out the effectives of performance appraisal used by the organization and to analyze the effect of the performance appraisal on the employees. The primary data was collected with the help of a structured questionnaire and the sample size was 100 respondents. The outcome of the performance appraisal system in the organization is to maintain and develop employees' quality of work. Performance appraisal can also be used to help in identifying the efficient performers. This reduces controversy and grievances that they may take place in the organization and it will also help the evaluator in guiding the employees to improve their performance.

CHAPTER III

RESEARCH METHODOLOGY

Research is a scientific and systematic research or pertinent information on a specific topic. It includes testing, verification, classification, organization and the orientation which include prediction and application. The aim of the investigator is to find out the effectiveness of performance appraisal system in the organization. This deals with the methodology adopted while conducting this research. It starts with the research purpose, research strategy and research approach.

3.1 RESEARCH DESIGN

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevant data to the research. Research design that has been used for the study is descriptive research design because the study includes survey and facts-findings and enquiries of different kinds. The major purpose of descriptive research is description to state of affairs that exists. Quantitative research was used for data gathering and analysis.

3.2 SOURCES OF DATA

The task of data collection begins after a research problem has been defined and research design has been planned out. Primary data was used in this study. The primary data are collected through well structured questionnaire.

3.3 METHOD OF DATA COLLECTION

- Primary Data was collected by using structured questionnaire from the respondent.
- Secondary Data was collected from published data like various articles from scholarly journals and books are considered.

3.4 PERIOD OF STUDY

The study is an attempt to analyses the effectiveness of performance appraisal in TTK Prestige, Coimbatore conducted for a period of three months (January to March 2019).

3.5 POPULATION

The total population of TTK Prestige covers 600 employees in which both temporary and permanent employees are considered.

The performance appraisal is only for the staffs in the organization which consists of only 51 employees. The entire population was used in this survey. The technique used in the study was **census** method. Census is the process of obtaining responses from each members of the population.

3.6 Tools for analysis

The data collected through questionnaire has been analyzed using the following tools:

- Percentage analysis
- Mean and Standard Deviation
- ANOVA
- Correlation
- Regression

3.6.1 Percentage analysis

Simple percentage analysis is carried out for all the questions given in the questionnaire. This analysis describes the classification of the respondents falling under each category. The percentage analysis is used to find out the average number of the respondents.

$$\text{Percentage} = (\text{No of respondents}/\text{Total respondents})*100$$

3.6.2 Mean and Standard Deviations

To find the mean of a set of scores, add them all together and then divide this total by the number of scores.

$$X = \frac{\sum X}{N}$$

Standard deviation is the measure of dispersion a set of data from its mean. It measures the absolute variability of distribution; the higher the variability, the greater is the standard deviation and greater will be the magnitude of the deviation of the value from their mean. S denotes Standard deviation.

$$s = \sqrt{\frac{\sum(X - \bar{X})^2}{n - 1}}$$

3.6.3 One-Way Analysis of Variance

The One-way ANOVA treated the dimension of dependent variables and independent variables separately. This is a way to recognize whether there is a significant relationship between variables or not. It is a collection of statistical models used to analyze the differences between group means and their associated procedures (such as "variation" among and between groups).

$$F \text{ (ANOVA Coefficient)} = \frac{\text{Estimate of population variance between samples}}{\text{Estimate of population variance within samples}}$$

3.6.4 Correlation: Correlation is a statistical measure that indicates the extent to which two or more variables fluctuate together. A positive correlation indicates the extent to which those variables increase or decrease in parallel; a negative correlation indicates the extent to which one variable increases as the other decreases.

$$\text{Correlation} = \frac{\sum xy}{\sqrt{\sum x^2 \sum y^2}}$$

$$x = X - X_1$$

$$y = Y - Y_1$$

X₁ = Sample size / No of options

Y₁ = Sample size / No of options

3.6.5 Regression:

A statistical measure attempts to determine the strength of the relationship between series dependent variable (usually denoted by Y) and a series of other changing variable (known as independent variable)

Linear regression: $y = a+bx$

Where, **x** is the independent variable, **y** is the dependent variable, **a** is the intercept and **b** is the slope of line.

CHAPTER IV

ANALYSIS AND INTERPRETATION

INTRODUCTION

The study attempts to analyze the effectiveness of performance appraisal system in TTK Prestige. The main aim of this study was to study the relationship between employee's perception and effectiveness of existing performance appraisal system and also to know the impact of employee's perception towards the level of satisfaction and also to know the impact of the effectiveness of existing performance appraisal system

Analysis means the computation of certain choices of certain indices or measures along with searching for patterns of relationship that exists among the data groups. Analysis, particularly in case of survey or experimental data, involves estimating the values of unknown parameters of the population.

Interpretation is essential to find out usefulness and utility of research finding. It is considered to be the base components of research process. The researcher can well understand the abstracts principles that work the findings through interpretation of what the findings are and why they are needed. The data collected has been processed and analyzed in accordance with the outline laid down for the purpose at the time of developing the research plan. This is essential for a study and for ensuring that we have all the relevant data for making comparisons and analysis. Thus it has been tabulated, analyzed, interpreted and presented in this chapter.

The data collected were analyzed through Mean and standard deviation, Percentage analysis, ANOVA, Correlation, Regression analysis.

4.1 Age of the Respondents

Age of the employees shows the number of employees working in the organization with in a particular age group. Age indicates the level of maturity in each individual. For the purpose of the study, age of the respondents has been classified into four categories such as 20-25 years, 25-30 years, 30-35 years and above 35 years.

Table 4.1
Age of the respondents

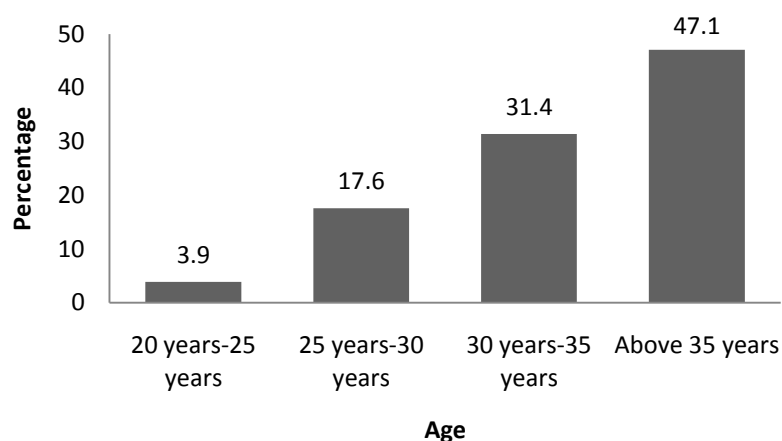
S. No	Age	Number of respondents	Percentage (%)
1	20 years-25 years	2	3.9
2	25 years-30 years	9	17.6
3	30 years-35 years	16	31.4
4	Above 35 years	24	47.1
	Total	51	100

Source: Primary Data

The table 4.1 indicates that maximum number of respondents lies in the age group of above 35 years and minimum number of respondents was in the age group of above 20 years -25 years. Hence majority belong to the age group of above 35 years.

Chart 4.1

Age of the respondents



4.2 Marital Status of the Respondents

A person's marital status indicates whether the person is married. Marital status indicates the requirement to plan their performance growth. For the purpose of the study, marital status is classified into two categories such as married and unmarried

Table 4.2

Marital status of the respondents

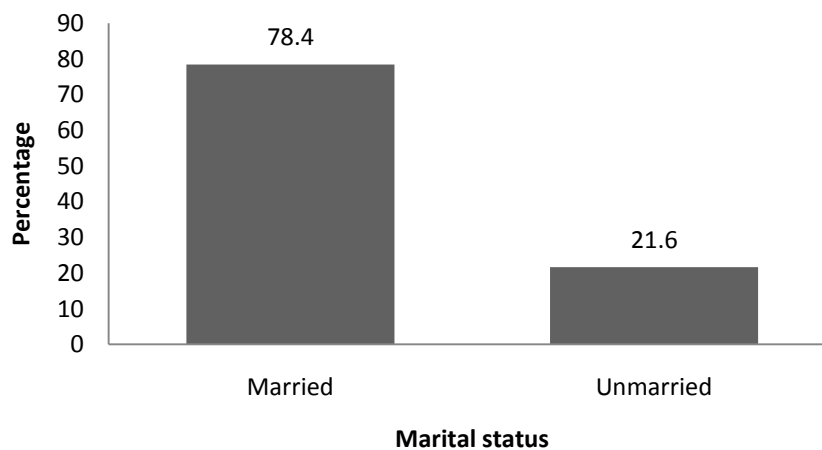
S. No	Marital status	Number of respondents	Percentage (%)
1	Married	40	78.4
2	Unmarried	11	21.6
	Total	51	100

Source: Primary Data

The above table 4.2 interpreted that, 78.4% of the respondents belong to married category and 21.6% of respondents belong to unmarried category. Majority (78.4%) of the respondents belong to the married category.

Chart 4.2

Marital status of the respondents



4.3 Size of the Family

For the purpose of the study, size of the family was classified into three categories such as 2-4 members, 4-6 members and above 6 members in the family.

Table 4.3

Size of the family

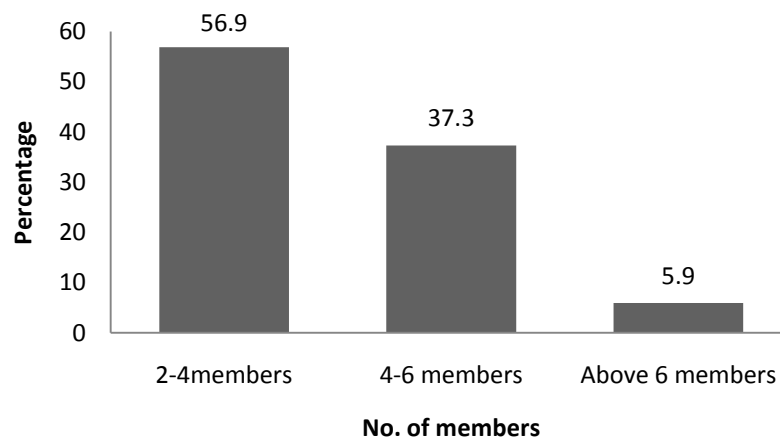
S. No	Size of the family	Number of Respondents	Percentage (%)
1	2-4 members	29	56.9
2	4-6 members	19	37.3
3	Above 6 members	3	5.9
	Total	51	100

Source: Primary Data

The above table 4.3 interpreted that, majority of the respondents (56.9%) belong 2-4 members and minimum number of respondents (5.9%) belong to above 6 members in the family. Majority (56.9%) of the respondents belong to the 2-4 members in a family.

Chart 4.3

Size of the family



4.4 Family type of the Respondents

The family type of the respondents are classified and summarized as follows

Table 4.4

Family type of the Respondents

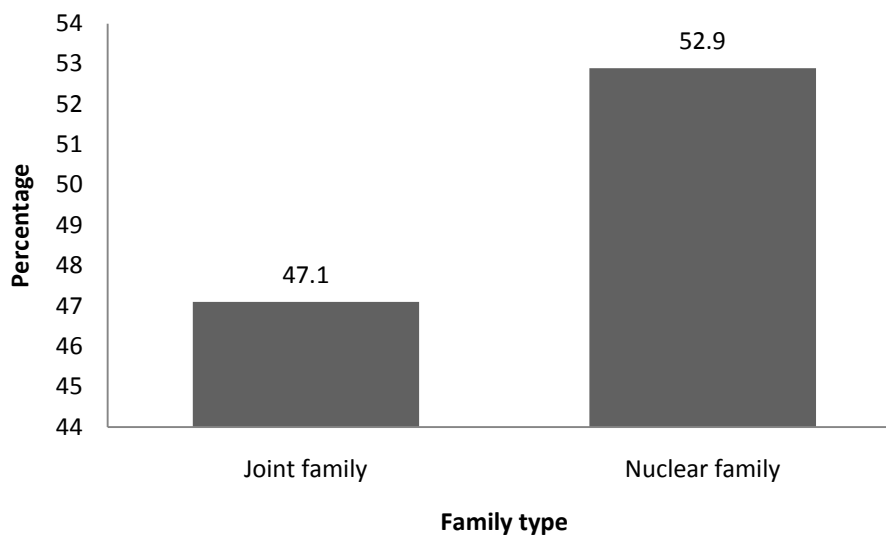
S. No	Family type	Number of respondents	Percentage (%)
1	Joint family	24	47.1
2	Nuclear family	27	52.9
	Total	51	100

Source: Primary Data

The above table 4.4 interpreted that, maximum number of respondents (52.9%) are nuclear family and minimum number of respondents (47.1%) are joint family. Majority (52.9%) of the respondents belong to the nuclear family.

Chart 4.4

Family type of the Respondents



4.5 Educational Qualification of the Respondents

Good education helps a person to improve his or her quality in the work life. It can utilize the knowledge for innovation and research as and when the company needs. The educational qualification helps a person to improve the personal position in the company from time to time.

Table 4.5
Educational qualification

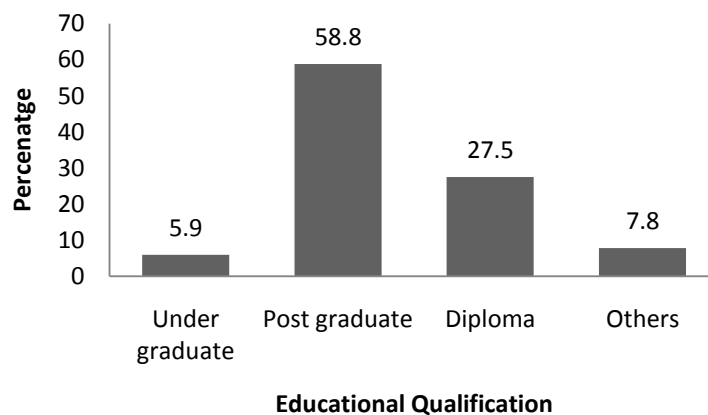
S. No	Educational qualification	Number of respondents	Percentage (%)
1	Under graduate	3	5.9
2	Post graduate	30	58.8
3	Diploma	14	27.5
4	Others	4	7.8
	Total	51	100

Source: Primary Data

The table 4.5 indicates that majority 58.8 % of the respondents are Post Graduate is their qualification and minimum 7.8% of the respondents are others is their qualification. Majority (58.8%) of the respondents are post graduate in their qualification.

Chart 4.5

Educational qualification



4.6 Experience wise classification of the Respondents

Experience improves the skills of the employee. A person gain knowledge through their experience. An experienced person can perform better than an inexperienced person by avoiding the unnecessary task attached to a job.

Table 4.6

Experience wise Classification of the respondents

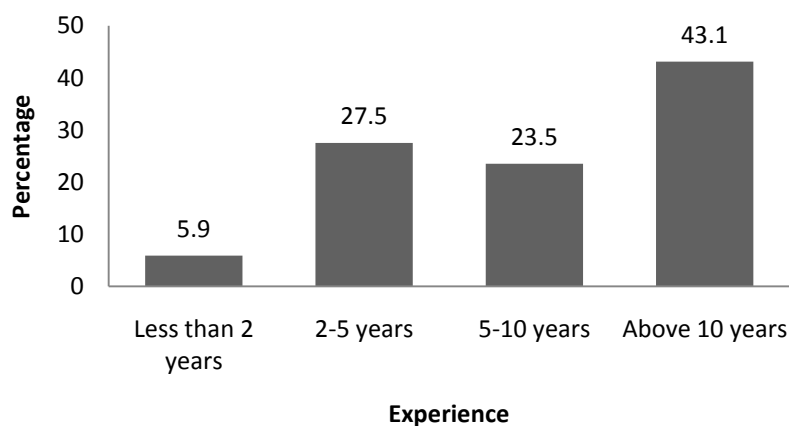
S.No	Experience	Number of Respondents	Percentage (%)
1	Less than 2 years	3	5.9
2	2 years-5 years	14	27.5
3	5 years-10 years	12	23.5
4	Above 10 years	22	43.1
	Total	51	100

Source: Primary Data

The table 4.6 indicates that maximum 43.1% of employees have above 10 years of work experience and minimum 5.9% of employees have less than 2 years of work experience. The majority of the employees have above 10 years of work experience.

Chart 4.6

Experience wise Classification of the respondents



4.7 Department of the Respondents

The jobs in the organization are grouped together into department based on the similarity of their function. Department of the entire organisation form to organize people, reporting relationship and work in a way that best supports the accomplishment of the organization's goals.

Table 4.7

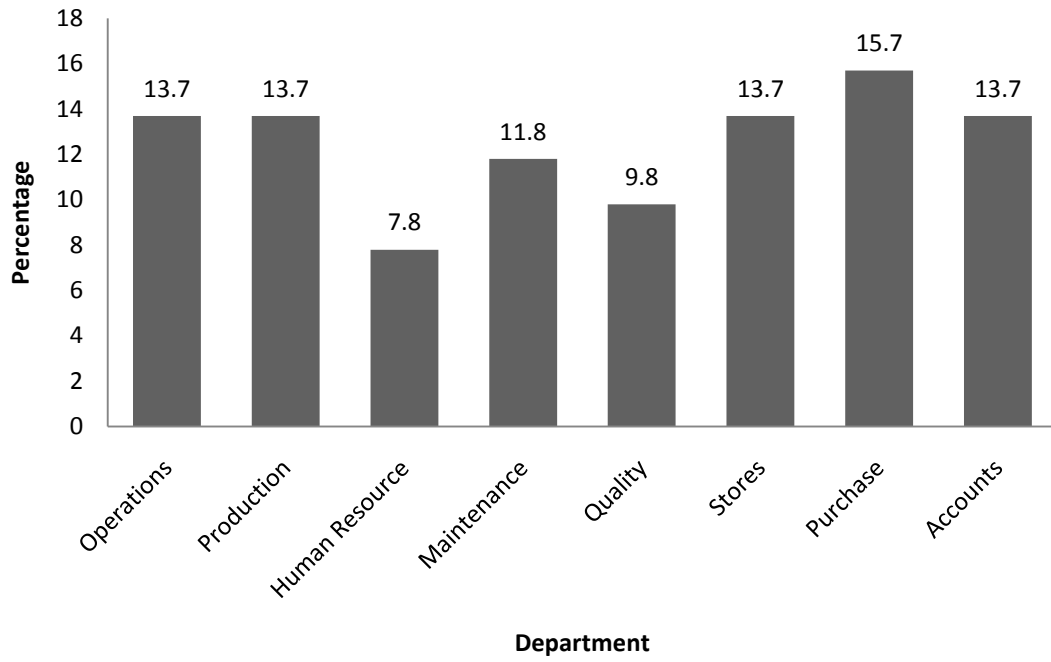
Department of the Respondents

S. No	Department	Number of respondents	Percentage (%)
1	Operations	7	13.7
2	Production	7	13.7
3	Human Resource	4	7.8
4	Maintenance	6	11.8
5	Quality	5	9.8
6	Stores	7	13.7
7	Purchase	8	15.7
8	Accounts	7	13.7
	Total	51	100

Source: Primary Data

The table 4.7 indicates that majority maximum number of respondents 15.7% belong to purchase department and minimum of the respondents 7.8% belong to Human Resource department. Thus, the majority of the employees are from purchase department.

Chart 4.7
Department of the Respondents



4.8 Awareness about Performance Appraisal

Every employee in the organization should be aware of the current performance appraisal system. It leads how the employees are aware about the present appraisal system followed in the organization.

Table 4.8

Awareness about Performance Appraisal

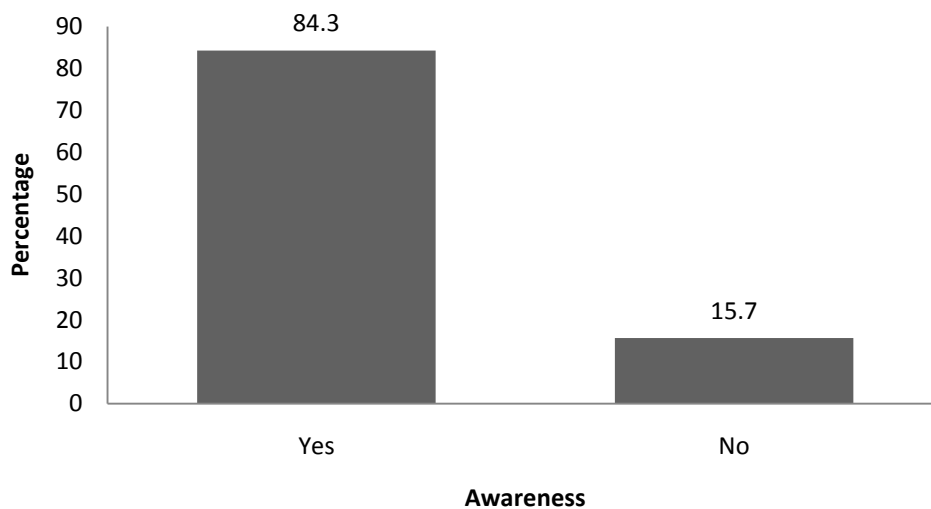
S. No	Awareness	Number of respondents	Percentage (%)
1	Yes	43	84.3
2	No	8	15.7
	Total	51	100

Source: Primary Data

The above table 4.8 interpreted that, 84.3% of the respondents are aware of the current performance appraisal system and 15.7% of the respondents are not aware of the current performance appraisal system. Majority (84.3%) of the respondents are aware of the current performance appraisal system.

Chart 4.8

Awareness about performance appraisal



4.9 Performance Review

Performance review was considered to be a main factor in performance appraisal system in the organization. Performance review means reviewing the overall performance of the employee.

Table 4.9

Performance review

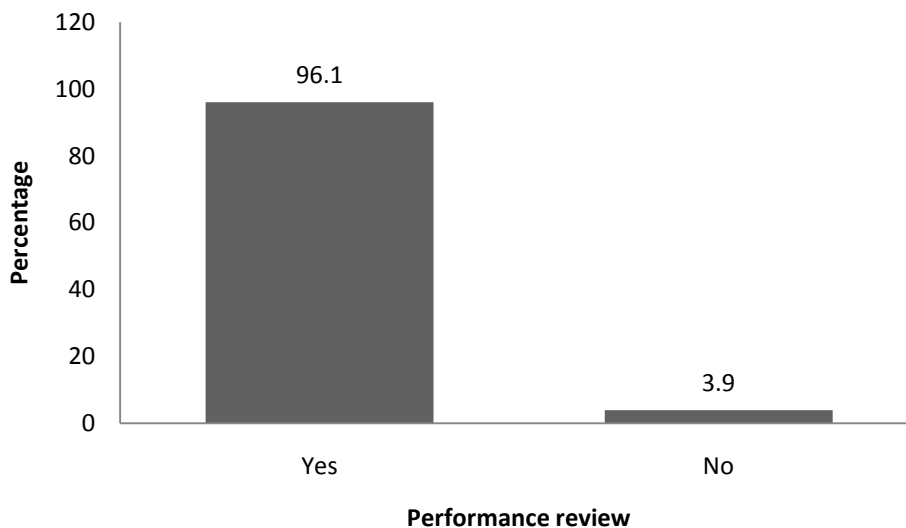
S. No	Performance review	Number of respondents	Percentage (%)
1	Yes	49	96.1
2	No	2	3.9
	Total	51	100

Source: Primary Data

The above table 4.9 interpreted that, 96.1% of the respondents are gone through a performance review in the organization and 3.9% of the respondents are not gone through a performance review in the organization. Majority (96.1%) of the respondents are gone through a performance review in the organization.

Chart 4.9

Performance Review



4.10 Duration of Performance Review

The performance review has been important tool in evaluating the performance of the individual in the organization. It consists of two categories such as within 6 months and within 12 months.

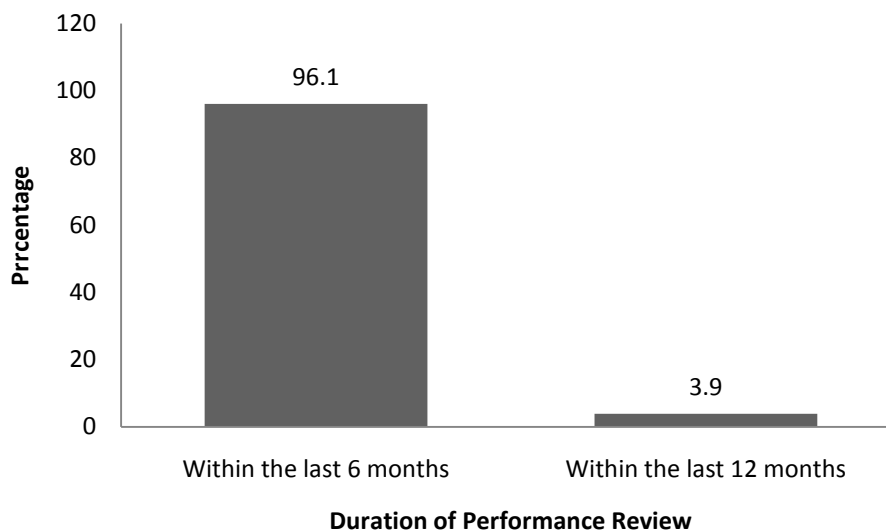
Table 4.10
Duration of Performance Review

S. No	Duration of performance review	Number of respondents	Percentage (%)
1	Within the last 6 months	49	96.1
2	Within the last 12 months	2	3.9
	Total	51	100

Source: Primary Data

The above table 4.10 interpreted that, maximum number of respondents (96.1%) had performance review in the last 6 months and minimum number of respondents (3.9%) had performance review in within the 12 months. Majority (96.1%) of the respondents had performance review in the last 6 months.

Chart 4.10
Duration of Performance Review



4.11 Frequency of Performance Appraisal

The performance appraisal in the organization is carried between every six months or once in a year. The performance appraisal should take into consideration for the development of the employee’s performance and overall growth of the organization.

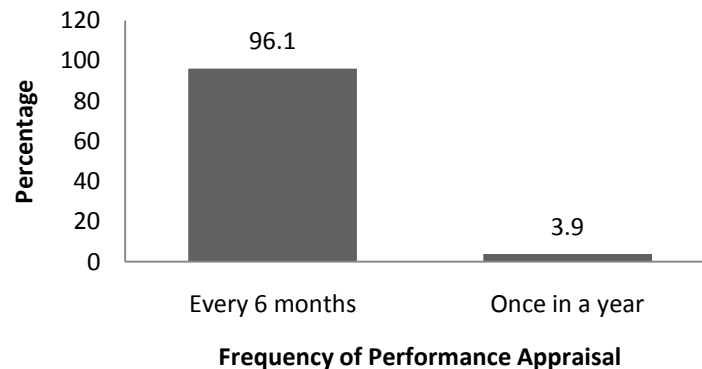
Table 4.11
Frequency of Performance Appraisal

S. No	Frequency of Performance appraisal	Number of respondents	Percentage (%)
1	Every 6 months	49	96.1
2	Once in a year	2	3.9
	Total	51	100

Source: Primary Data

The above table interpreted that, maximum number of the respondents (96.1%) had their performance appraisal in every 6 months and minimum number of the respondents (3.9%) had their performance appraisal in once in a year. Majority (96.1%) of the respondents had their performance appraisal in every 6 months

Chart 4.11
Frequency of Performance Appraisal



4.12 Employees satisfied with the Current Performance Appraisal (PA)

The performance appraisal system should satisfy the employees working in the organization. If the employee feels satisfied, they will work for the growth of the organization.

Table 4.12

Employees satisfied with the Current Performance Appraisal

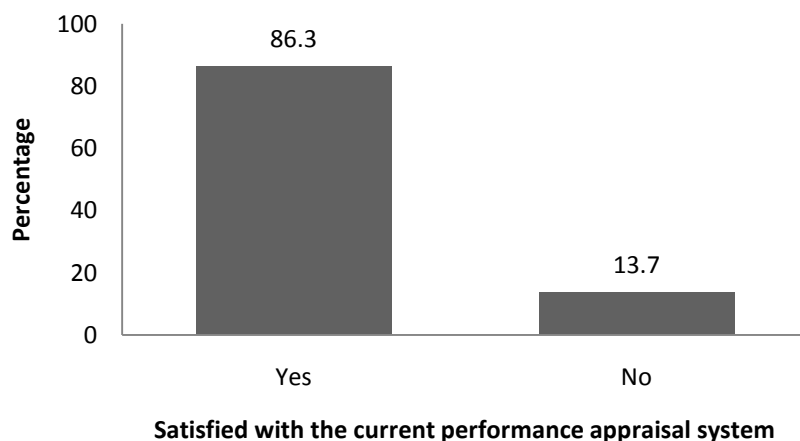
S. No	Satisfied with current PA	Number of Respondents	Percentage (%)
1	Yes	44	86.3
2	No	7	13.7
	Total	51	100

Source: Primary Data

The above table interpreted that, maximum number of the respondents 86.3% are satisfied with the current performance appraisal system and minimum number of the respondents 13.7% are not satisfied with the current performance appraisal system. Majority (86.3%) of the respondents are satisfied with the current performance appraisal system.

Chart 4.12

Satisfied with the current Performance Appraisal



4.13 Outcome of Performance Appraisal

Each employee in the organization has a different opinion on performance appraisal system. The outcome of the performance appraisal differs from one another.

Table 4.13

Outcome of Performance Appraisal

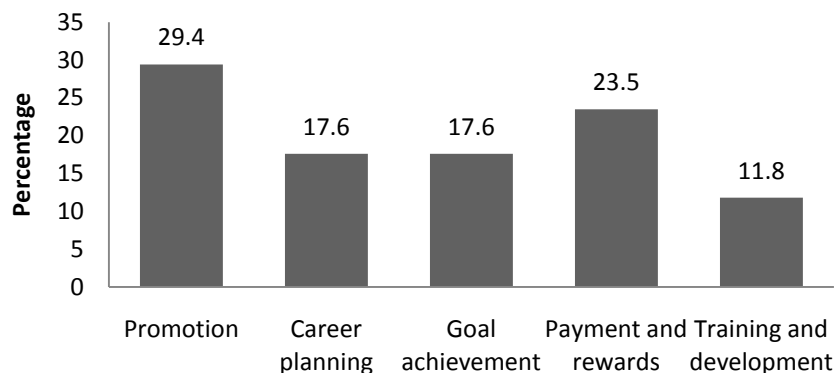
S. No	Outcome of performance appraisal	Number of respondents	Percentage (%)
1	Promotion	15	29.4
2	Career planning	9	17.6
3	Goal achievement	9	17.6
4	Payment and rewards	12	23.5
5	Training and development	6	11.8
	Total	51	100

Source: Primary Data

The above table interpreted that, majority 29.4% of the respondents give preference to promotion and minimum 11.8% of the respondents give preference to training and development followed by 23.5% of the respondents give preference to payment and rewards, 17.6% of the respondents give preference to goal achievement, and 17.6% of the respondents give preference to training and development. Majority (29.4%) of the respondents give preference to promotion.

Chart 4.13

Outcome of Performance Appraisal



Outcome of Performance Appraisal

4.14 Impact on Performance Rating

There are some errors in performance rating in which the supervisor or boss has an opinion towards each individual.

Table 4.14

Impact on performance rating

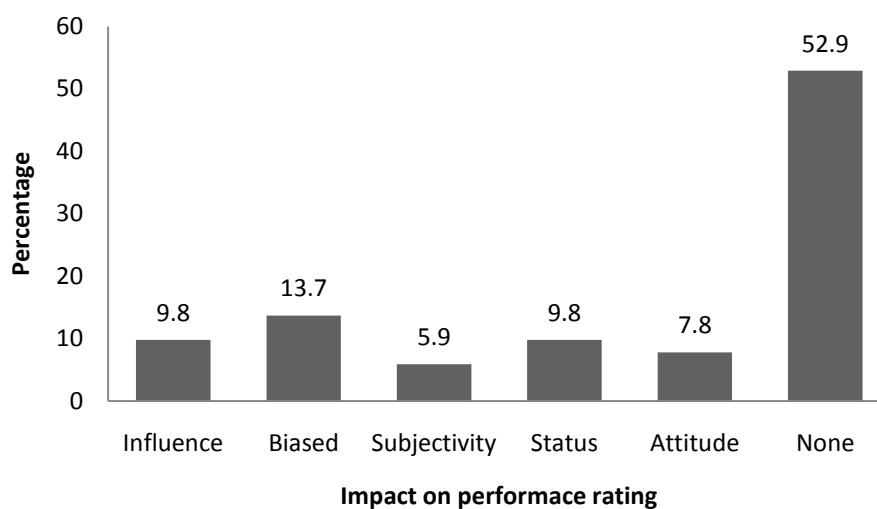
S. No	Impact of performance rating	Number of respondents	Percentage (%)
1	Influence	5	9.8
2	Biased	7	13.7
3	Subjectivity	3	5.9
4	Status	5	9.8
5	Attitude	4	7.8
6	None	27	52.9
	Total	51	100

Source: Primary Data

The above table interpreted that, majority 52.9 % of the respondents feels no error in performance rating and minimum 5.9% of the respondents feels error in subjectivity followed by, 13.7% of the respondents feels error in biased, 9.8% of the respondents feels error in status, 7.8% of the respondents feels error in attitude and. Majority (52.9%) of the respondents have no impact on performance rating in organization.

Chart 4.14

Impact on performance rating



4.15 Mean Score Value for the Treatment of Employee's during of Performance Review

In this factor, it consists of five variables. The variables are how the manager treats employee during the performance review, the manager is open and honest in the performance review and whether the manager listens to the opinion of the employees and does the manager was supportive at the time of performance review.

Table 4.15

Results for the Treatment of Employee's during of Performance Review

S. No	Employee treatment	Mean	SD
1	Manager treats employees fairly.	4.43	.671
2	Manager is open and honest in performance review.	3.86	.939
3	Manager handles performance appraisal in a consistent and professional manner.	3.86	.825
4	Manager always listens to our opinion about work.	3.82	.910
5	Manager is very supportive.	3.98	.860
Average Mean Score Value=3.99			

Source: Primary Data

The above table shows the overall average mean score is 3.99. The table interpreted that manager treats employees fairly has the highest mean score value of 4.43 with the less standard deviation of 0.671. Manager listens to the opinion about work has the lowest mean score value of 3.82 with the highest standard deviation of 0.860. So the employees agreed that the manager treats fairly during performance review.

Manager treats employees fairly have the highest mean score of 4.43 with the lowest standard deviation of 0.671.

4.16 Mean Score Value for the Level of Understanding about the Performance Appraisal

Level of understanding about the performance appraisal consists of five variables. It includes performance appraisal helps to identify the strength and weakness of the employees and helps in the assessment of each employee in the organization and also performance appraisal helps in training and development needs of the employee in the organization.

Table 4.16

Result showing on Level of Understanding about the Performance Appraisal

S. No	Level of understanding	Mean	SD
1	Performance appraisal helps in the assessment of individual potential.	3.80	.917
2	Performance appraisal helps to assess the training and development needs of employee.	3.82	.817
3	Performance appraisal helps to identify the strength and weakness of the employee.	3.84	.766
4	Performance appraisal helps to recognise the competence.	3.75	.821
5	Performance appraisal helps to improve the performance.	3.67	1.027
Average Mean Score=3.77			

Source: Primary Data

The above table 4.16 shows the overall average mean score is 3.77. The table interpreted that performance appraisal helps to identify the strength and weakness of the employee has the highest mean score value of 3.84 with the standard deviation of 0.766. Performance appraisal helps to improve the performance has the lowest mean score of 3.67 with the highest standard deviation of 1.027.

Performance appraisal helps to identify the strength and weakness of the employee has the highest mean score of 3.84. Majority of the employees are agreed that performance appraisal helps to identify the strength and weakness of the employee in the organisation.

4.17 Mean Score Value of Employee's Perception towards Performance Appraisal

Perception can be defined as 'a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment'. Employee's perception has eight variables. The variables are current performance appraisal was fair and unbiased; it deals with the way the performance appraisal system was used to evaluate and rate the performance. Employee feel more satisfied with the organization provide feedback. It also deals with the organization are good at providing recognition for good performers.

Table 4.16

Result showing the Mean Score Value of Employee's Perception towards Performance Appraisal

S. no	Employee's perception	Mean	SD
1	Employee satisfied with the way the performance appraisal system is used to evaluate and rate the performance	4.47	.504
2	Current performance appraisal is fair and unbiased	3.98	.860
3	Manager takes my performance appraisal review discussion seriously	4.20	.775
4	Performance appraisal process help me to find out about level of performance	4.35	.770
5	Employee satisfied with the way the organization provides feedback	4.35	.868
6	Organization is good at providing recognition for good performers	4.39	.777
7	Organization attempts to conduct performance appraisal the best possible way	4.36	.799
8	Performance appraisal is valuable	4.00	.721
Average Mean Score=3.76			

Source: Primary Data

The above table shows the overall average mean score is 3.76. The table interpreted that the employee satisfied with the way the performance appraisal system used to evaluate and rate the performance has the highest mean score value of 4.47 with the standard deviation of 0.504. Current performance appraisal was fair and unbiased has the lowest mean score value if 3.98 with the standard deviation of 0.860. Majority of the respondents are satisfied with the way the performance appraisal system used to evaluate and rate the performance.

4.18 Mean Score Value of Level of Satisfaction towards Performance Appraisal

Level of satisfaction consists of eight variables. The variables are manager recognizes the employee when they do a good job and manager plays an important role in career development and also the employee feel satisfied with the relationship between the manager and the job is fulfilling the employee needs.

Table 4.18

Level of Satisfaction towards Performance Appraisal

S. No	Level of satisfaction	Mean	SD
1	Manager recognizes me when I do a good job	4.06	.651
2	Manager plays a significant role in my career development	3.71	.756
3	Employee satisfied with the relationship with the manager	3.75	.891
4	Manager gives fair feedback	3.82	.684
5	Manager has reasonable expectations for the work	3.73	.918
6	Manager is well informed about the work	3.53	1.084
7	Job is fulfilling my needs	3.82	.953
8	Employee feel proud to work in the company	3.75	1.074
Average Mean Score=3.77			

Source: Primary Data

The above table shows the overall average mean score is 3.77. The table interpreted that manager recognizes employee when they do a good job has the highest mean score value of 4.06 with the standard deviation of 0.651. Manager was informed about the work has the lowest mean score value of 3.53 with the standard deviation of 1.084. It was inferred that manager recognizes a good job has the highest mean score value of 4.06 with the standard deviation of 0.651. Most of the respondents agreed that manager recognizes the employee when they do a good job.

4.19 Mean Score Value of existing Performance Appraisal System

Effectiveness of existing performance appraisal system consists of ten variables. The variables are employee take greater understanding of the results expected, employee receives specific and accurate feedback from manager on past performance and also it feels more motivated for the employee after the performance review and employee feels more comfortable and time spent on performance review was well worthwhile.

Table 4.19

Result showing the Mean Score Value of existing Performance Appraisal System

S. No	Existing Performance Appraisal System	Mean	SD
1	Employee take greater understanding of the results expected	4.22	.923
2	Employee receives specific and accurate feedback from manager on past performance.	3.61	.874
3	Employee gain more knowledge about strengths and weakness	3.65	.913
4	Feedback is used for developing individual development program.	4.18	.888
5	It gives an opportunity to discuss work problems and opportunity.	3.84	1.155
6	Employee feel more motivated after performance review.	4.16	1.027
7	All the information obtained from performance appraisal is confidential.	3.84	.987
8	It improves the relationship with the manager.	4.43	.806
9	Employee feel that the time spent on performance appraisal is well worthwhile.	4.45	.610
10	Highly subjective process and lacks transparency.	2.43	1.118
Average Mean Score=3.88			

Source: Primary Data

The above table shows the overall average mean score is 3.88. The table interpreted that the employee feel that the time spent on performance appraisal was well worthwhile has the highest mean score value of 4.45 with the standard deviation of 0.610. Performance

appraisal lacks transparency has the lowest mean score of 2.43 with the high standard deviation of 1.118. Majority of the respondents feels that the time spent on performance appraisal was well worthwhile.

4.20 Table showing the One-Way ANOVA between Age and Level of Satisfaction

To identify whether there exists any significance difference between age and level of satisfaction, one-way ANOVA was performed and summarized as below. The dependent variable was level of satisfaction and independent variable was age of the respondents. Level of satisfaction has several variables. The variables are manager recognize the employee when they do a good job, employee satisfied with the relationship between the manager and also employee feel proud to work in the organization.

Table 4.20 anova

Table showing the One-way ANOVA between Age and Level of Satisfaction

Factor	Age	N	Mean	SD	F	Significance
Level of satisfaction	20-25 years	2	4.06	0.088	2.218	.098
	25-30 years	9	3.77	0.384		
	30-35 years	16	3.61	0.304		
	Above 35 years	24	3.84	0.308		
	Total	51	3.76	0.330		

H0-There is no significance difference between educational qualification and level of satisfaction.

The above table represents the One Way Analysis of Variance (ANOVA) which has been used to check whether there is any significant variation in the level of satisfaction based on Age. The 'F' value is 2.218 and significance value (p) is 0.098 which is greater than 0.05 (95% confidence interval) which indicates alternate hypothesis is rejected. Therefore it is clear that there is no significant difference between the level of satisfaction and age. Therefore it is clear that there is no significance difference between age of the respondents and level of satisfaction.

4.21 One-Way ANOVA between Educational Qualification and Level of Satisfaction

To identify whether there exists any significance difference between educational qualification and level of satisfaction, one-way ANOVA was performed and summarized as below. The dependent variable was level of satisfaction and independent variable was educational qualification of the respondents. Level of satisfaction has several variables. The variables are manager recognize the employee when they do a good job, employee satisfied with the relationship between the manager and also employee feel proud to work in the organization.

Table 4.21 anova

Table showing the One-way ANOVA between Educational Qualification and Level of Satisfaction

Factor	Educational Qualification	N	Mean	SD	F	Significance
Level of satisfaction	Under graduate	3	3.66	0.832	0.493	0.689
	Post graduate	30	3.74	0.327		
	Diploma	14	3.85	0.229		
	Others	4	3.71	0.187		
	Total	51	3.76	0.330		

H₀-There is no significance difference between educational qualification and level of satisfaction.

The above table represents the One Way Analysis of Variance (ANOVA) which has been used to check whether there is any significant variation in the level of satisfaction based on Educational Qualification. The 'F' value is 0.493 and significance value (p) is 0.689 which is greater than 0.05 (95% confidence interval) which indicates alternate hypothesis is rejected. Therefore it is clear that there is no significant difference between the level of satisfaction and Educational Qualification.

4.22 Correlation between Employee’s Perception and Effectiveness of Performance Appraisal

Correlation is the degree of relationship between two variable and it is represented in terms of coefficient is known as correlation coefficient. It ranges between -1 to 1 .Correlation shows the relationship between employee’s perception and effectiveness of performance appraisal. To find out whether there is relationship between Employee’s Perception and Effectiveness of existing Performance Appraisal in TTK Prestige. The variables used for Employee’s Perception factors are Employee satisfied with the way the performance appraisal system is used to evaluate and rate the performance, Manager takes performance appraisal review discussion seriously and Performance appraisal process helps to find out about the level of performance

Table 4.22

Correlation

Result showing the relationship between Employee’s Perception and Effectiveness of Performance Appraisal

Correlations		Employee’s Perception	Effectiveness of Performance appraisal
Employee’s Perception	Pearson Correlation	1	.453**
	Sig. (2-tailed)		.001
Effectiveness of Performance appraisal	Pearson Correlation	.453**	1
	Sig. (2-tailed)	.001	

H0-There is no relationship between employee’s perception and effectiveness of performance appraisal.

It can be interpreted that there is relationship between Employee’s Perception and Effectiveness of Performance Appraisal since p-value is less than 0.05 which indicates hypothesis **H₀** rejected. Therefore there is a positive relationship between Employee’s Perception and Effectiveness of Performance Appraisal.

4.23 Correlation between Level of Understanding and Effectiveness of Performance Appraisal

Correlation is the degree of relationship between two variable and it is represented in terms of coefficient is known as correlation coefficient. It ranges between -1 to 1 .Correlation shows the relationship between level of understanding and effectiveness of performance appraisal. To find out whether there is relationship between Level of Understanding and Effectiveness of existing Performance Appraisal in TTK Prestige. The variables used for level of Understanding factors are Performance appraisal helps in the assessment of individual potential, Performance appraisal helps to assess the training and development needs of employee, Performance appraisal helps in the assessment of individual potential and Performance appraisal helps to improve the performance.

Table 4.23
Correlation

Result showing the relationship between Level of Understanding and Effectiveness of Performance Appraisal

Correlations		Level of Understanding	Effectiveness of Performance appraisal
Level of Understanding	Pearson Correlation	1	.559**
	Sig. (2-tailed)		.000
Effectiveness of Performance appraisal	Pearson Correlation	.559**	1
	Sig. (2-tailed)	.000	

H0-There is no relationship between level of understanding and effectiveness of performance appraisal.

It can be interpreted that there is relationship between Level of Understanding and Effectiveness of Performance Appraisal since p-value is less than 0.05 which indicates hypothesis **H₀** rejected. Therefore there is a positive relationship between Level of Understanding and Effectiveness of Performance Appraisal.

4.24 Regression between Employee’s Perception Towards Level Of Satisfaction

To test whether there is any significant impact of Employee’s perception in terms of level of satisfaction in TTK Prestige. From the hypothesis Employee’s Perception has been taken as independent variable and Level of Satisfaction as a dependent variable. The variables used for Employee’s Perception factors are Employee satisfied with the way the performance appraisal system is used to evaluate and rate the performance, Manager takes performance appraisal review discussion seriously and Performance appraisal process helps to find out about the level of performance.

The variables used for Level of Satisfaction factors are Manager recognizes the employee when they do a good job, Employee satisfied with the relationship with the manager, Manager gives fair feedback and Manager is well informed about the work. The Regression is performed and the results are summarized below.

Table 4.24
Table Showing the Regression Result for Employee’s Perception and Level of Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.180	.556		5.722	.000
Employee’s Perception	.140	.131	.150	1.065	.292
R Square	0.023				
Adjusted R Square	.003				
F	1.134				

H₀. There is no association between Employee’s Perception and Level of Satisfaction.

From the above table, R² value shows the association between two variables. The R² value is .023 which means that there is 2% of the variance in having an impact of Employee’s Perception in terms of Level of Satisfaction. The table shows the p-value (“sig” for significance) is less than .05 which is generally considered as “statically significant”. Therefore it is clear that there is association between Employee’s Perception and Level of Satisfaction.

CHAPTER V

FINDINGS AND SUMMARY

5.1 FINDINGS

The findings of percentage analysis shows that

- Majority of the respondents belongs to the age group of above 36 years.
- Majority of the respondents belong to the married.
- Majority of the respondents belong to the 2-4 members in a family.
- Majority of the respondents belong to the nuclear family.
- Majority of the respondents are post graduate is their qualification.
- Majority of the respondents are above 10 years of experience.
- Majority of the respondents belong to Purchase department.
- Majority of the respondents are aware of the current performance appraisal system.
- Majority of the respondents are gone through a performance review in the organization.
- Majority of the respondents had performance review in the last 6 months.
- Majority of the respondents had their performance appraisal in every 6 months
- Majority of the respondents are satisfied with the current performance appraisal system.
- Majority of the respondents give preference to promotion.
- Majority of the respondents have no impact on performance rating in organization.

Findings of Hypothesis testing

- The Analysis of Variance between Age and level of satisfaction shows that there is no significant difference between the age of the respondents and satisfaction.
- The Analysis of Variance between educational qualification and level of satisfaction shows that there is no significant difference between the educational qualification and level of satisfaction.
- Correlation between employee's perception and effectiveness of performance appraisal shows that there is significant relationship between employee's perception and effectiveness of performance appraisal.
- Correlation between level of understanding and effectiveness of performance appraisal shows that there is significant relationship between level of understanding and effectiveness of performance appraisal.
- Regression between employee's perception towards level of satisfaction shows that there is positive impact on level of satisfaction.

5.2 SUGGESTIONS

- The techniques used for performance appraisal are very traditional which is to be modernized in future prospects of the employees.
- Increase the awareness level of employees during performance appraisal period.
- Performance appraisal system should motivate the employees and increase performance level in their work.
- It also improves the personal skills and potential of each employee in the organization.
- All the organizations aim at developing higher rate of employee satisfaction and openness in the working environment. So 720 degree appraisal can be implement to analyze each employees potentials.

5.3 CONCLUSION

Human resource plays an important role in every organization. The main motto of every organization is to keep the employees more comfortable and secured way. The objective of this research is to analyze the “effectiveness of performance appraisal system”. The data are collected from the employees through questionnaire. It consists of awareness, opinion of performance appraisal, level of satisfaction, employee’s perception and effectiveness of performance appraisal system. The study is concluded that the performance appraisal in organization is effective. Based on the findings, some suggestions are given to make future reference.

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Effectiveness of Performance Appraisal in TTK Prestige, Coimbatore

1. Age:

- a) 20 yrs-25yrs b) 25yrs- 30 yrs c) 30 yrs-35yrs d) Above 35yrs

2. Marital status:

- a) Married b) Unmarried

3. No of members in the family:

- a) 2-4 members b) 4-6 members c) Above 6 members

4. Family type:

- a) Joint Family b) Nuclear Family

5. Educational Qualification:

- a) UG b) PG c) Diploma d) Others

6. Experience:

- a) Less than 2 years b) 2yrs -5 yrs c) 5 yrs-10 yrs d) Above 10 yrs

7. Department:

- a) Operations b) Production c) Human Resource d) Maintenance
e) Quality f) Stores g) Purchase h) Accounts

8. Are you aware of the current performance appraisal system?

- a) Yes b) No

9. Have you ever gone through a performance review in the company?

- a) Yes b) No

10. If yes, when did you have the performance review last time?

- a) Within the last 6 months b) Within the last 12 months

11. How often is appraisal carried out in your organization?

- a) Every 3 months b) Every 6 months c) Once in a year

12. Are you satisfied with the current performance appraisal system in the organization?

- a) Yes b) No

13. Performance appraisal helps you in

- a) Promotion
 b) Career Planning
 c) Goal Achievement
 d) Payment and rewards
 e) Training and Development

14. What type of errors has impact on performance rating in the organization?

- a) Influence b) Biased c) Subjectivity
 b) Status effect e) Attitude f) None

15. State your opinion towards how the manager treats employee during performance appraisal system in the organisation. (5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1= Strongly Disagree)

S.No	How manager treats employee during performance review	SA	A	N	DA	SDA
1	Manager treats employees fairly.					
2	Manager is open and honest in performance review.					
3	Manager handles performance appraisal in a consistent and professional manner.					
4	Manager always listens to our opinion about work.					
5	Manager is very supportive.					

16. State your opinion towards the performance appraisal system in the organisation(5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1= Strongly Disagree)

S.No	Level of understanding	SA	A	N	DA	SDA
1	Performance appraisal helps in the assessment of individual potential					
2	Performance appraisal helps to assess the training and development needs of employee					
3	Performance appraisal helps to identify the strength and weakness of the employee					
4	Performance appraisal helps to recognise the competence and potential of an individual					
5	Suggestions are given to the employees during the appraisal process					

17.State your opinion towards the employees perception about the existing performance appraisal practice in the organisation (5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1= Strongly Disagree)

S.No	Employee's perception	SA	A	N	DA	SDA
1	Employee satisfied with the way the performance appraisal system is used to evaluate and rate the performance					
2	Current performance appraisal is fair and unbiased					
3	Manager takes my performance appraisal review discussion seriously					
4	Performance appraisal process help me to find out about level of performance					
5	Employee satisfied with the way the organization provides feedback					
6	Organization is good at providing recognition for good performers					
7	Organization attempts to conduct performance appraisal the best possible way					
8	Performance appraisal is valuable					

18. State your opinion towards the level of satisfaction of the employees in the existing performance appraisal system in the organisation (5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1= Strongly Disagree)

S.No	Level of satisfaction	SA	A	N	DA	SDA
1	Manager recognizes me when I do a good job					
2	Manager plays a significant role in my career development					
3	Employee satisfied with the relationship with the manager					
4	Manager gives fair feedback					
5	Manager has reasonable expectations for the work					
6	Manager is well informed about the work					
7	Job is fulfilling my needs					
8	Employee feel proud to work in the company					

19. State your opinion towards the effectiveness of performance appraisal system in the organisation(5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree, 1= Strongly Disagree)

S.No	Effectiveness of existing performance appraisa system	SA	A	N	DA	SDA
1	Employee take greater understanding of the results expected					
2	Employee receives specific and accurate feedback from manager on past performance.					
3	Employee gain more knowledge about strengths and weakness					
4	Feedback is used for developing individual development program.					
5	It gives an opportunity to discuss work problems and opportunity.					
6	Employee feel more motivated after performance review.					
7	All the information obtained from performance appraisal is confidential.					
8	It improves the relationship with the manager.					
9	Employee feel that the time spent on performance appraisal is well worthwhile.					
10	Highly subjective process and lacks transparency.					

“Thank you for spending your precious time to fill up this questionnaire”

Effectiveness of Performance Appraisal in TTK Prestige, Coimbatore

ABSTRACT:

A Study on “Effectiveness of Performance Appraisal System in TTK Prestige”, Coimbatore. The need for the study is to assess the effectiveness of performance appraisal system and also to know about the opinion of employees about present performance appraisal system. The study is based on the primary data collected from 17 employees from the organization through a structured questionnaire. The simple percentage analysis is used to find the frequencies of the results and mean score value is calculated for factors considered for the performance appraisal system. The analysis of variance is used to find the significant difference between level of satisfaction based on age and educational qualification. Correlation is used to find the relationship between employee’s perception and effectiveness of existing performance appraisal system. Employees were satisfied with the present appraisal system. There is no significant difference in between level of satisfaction based on age and educational qualification. There is a positive relationship between employee’s perception and effectiveness of existing performance appraisal system. There is a significant impact on employee’s perception and level of understanding towards level of satisfaction. Appraisal system is used to evaluate and improve the performance of the employees.

Keywords: Performance appraisal, Performance Management, 360 Degree appraisal system and Employee’s perception.

INTRODUCTION:

Performance appraisal is the process of obtaining, analyzing and recording information about the relative worth of an employee. The focus of the performance appraisal is measuring and improving the actual performance of the employee and the future potential of the employee. Its aim is to measure what the employee does. According to Flippo, a prominent personality in the field of human resources, "Performance Appraisal is the systematic, Periodic and impartial rating of an employee's excellence in the matters pertaining to his present job and his potential for the better job." Performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of

their abilities. Performance management is a whole work system that begins when a job is defined as needed. It ends when an employee leaves your organization.

A 360-degree feedback (also known as multi-rater feedback, multi source feedback, or multi source assessment) is a process through which feedback from an employee's subordinates, colleagues, and supervisors, as well as a self-evaluation by the employee themselves is gathered. Performance appraisal is much needed for the organizations to measure the performance of the employees and to motivate the employees.

REVIEW OF LITERATURE

P.L.L.C.P.Alwis, 2017 examined the study on impact of perceived Fairness on performance appraisal system for academic staff. The main factors in this study is procedural justice, performance feedback and distributive justice are used. The main aim of this study is to investigate the relationship and correlation between procedural justice, performance feedback and distributive justice. Data analysis was conducted by using bivariate correlation and multiple regression method. The survey method by random sampling technique was used to collect the data. The study involves quantitative method to collect the data. Sample size is determined by Krejcie and Morgan method. It is identified that there is a fairness of performance appraisal system and it also involves the success of the organization.

Sruchita Maheswari Rath, 2017 has conducted a study on Study of Performance Appraisal System at IBM, Bangalore. The purpose of a study is to find the impact of performance appraisal to an employee behavior and for salary. The Chi- Square analysis was used to obtain the result. The findings revealed that the company has a very well designed Performance appraisal system, which involves feedback as well as a reward system and the employees, are satisfied with the existing Performance appraisal system. But, more efforts are to be made to make the approach more effective to ensure increased productivity and high morale among the employees, which would lead to further growth of the company in all respects.

K.P.Thooyamani, S. Fabiyola Kavitha, et.al, 2017 examined on the effectiveness of performance appraisal system. Performance appraisal is the evaluation of the employees and it is unbiased rating of an employee's performance. The main objective is to study the various strategies adopted by Human Resource Management and its performance appraisal system. The

secondary objective of the study is to evaluate the performance appraisal system. The various factors in this study are attitude towards work, behavior, trait, task and relationship with the authority and the co-workers. To obtain the results, descriptive statistics is used and the data collected from 100 respondents. Data is collected through questionnaire surveys, personal interview was used. The main objective is to find out the difference between experience and average time for performance appraisal process. From statistical tools and technique like chi-square and anova method they have found that performance appraisal system is effective. And also found that there is no significant difference between experience and average time spent for performance appraisal process.

Dr.V.Anthony Joe Raja, et.al, 2016 study is conducted on the effectiveness of performance appraisal system in manufacturing industries in India. Performance appraisal is a way of systematic and evaluating the employees performance for the organizational objectives. The study is conducted for the purpose of identifying the employee's strengths and weakness. To obtain the results, descriptive statistics is used and the data collected from 80 respondents. Data is collected through questionnaire surveys, personal interview was used. Performance appraisal depends on the employee's performance and their attitudes towards the job. From statistical tools and technique like chi-square and weighted method they have found that performance appraisal system in manufacturing industry is effective. And also found that there is significant relationship between age and opinion about performance appraisal. Employee training and knowledge transformation are required to improve in that industry.

Hafiz Muhammad Ishaq, Dr.Muhammad Zahid Iqbal, et.al, 2016 examined the study on effectiveness of performance appraisal its outcomes and determinants in Pakistani organizations. The research questions are outcomes of effective performance appraisal and the factors that harm the effectiveness of performance appraisal system. The main objective of this study is to analyze the outcomes of effectiveness of performance appraisal and to find the determinants of performance appraisal is used and the data collected from 100 respondents. The research design for this study is five-point scale Likert scale and it is used for all survey questions. Nominal scales were also used for some of the personal information questions. The main variables in the study are outcomes of effective performance appraisal and determinant to effectiveness of performance appraisal. Maximum number of respondents is more aware about the outcomes.

Dr.Kalpana Koneru, A.Suhasini, 2016 examined on the effectiveness of performance appraisal system in Educational Institutions. Performance appraisal is a systematic means of ensuring that superior and their staff meets regularly to investigate past and present performance issues. The study of performance appraisal system is to improve the conditions to review the performance of employees. The primary objective of this study is to understand the effectiveness of performance appraisal in educational institutions and secondary objectives of this study are to analyze the effectiveness of present performance appraisal methods being followed. The scope of this study is to analyze some of the advantages and disadvantages in the existing system. Data is collected through primary and secondary data and it collected from 100 respondents. Random sampling method is used for the research. Maximum number of employees says that the review of performance appraisal system takes every year in the institutions. Proper communication of the appraisal system should be improved for the future growth of the institutions.

Priyanga Anuradha Senadheera, 2016 study is conducted on the evaluation of the effectiveness of employee performance evaluation system at Leeds international school network. Performance appraisal is a systematic process of identifying, measuring, influencing and developing job performance of the employees in the organization. The main factors in this study are quality, commitment and performance of the people who work in the organization. The main objective of this study is to explore the existing performance appraisal of the Leeds international school network and to identify the strengths and weakness of the employees. To obtain the results, exploratory research is used and the data collected from 32 respondents. Data is collected through questionnaire surveys, personal interview was used. It is found that existing performance evaluation system is not appropriate and inadequate for a developing organization.

STATEMENT OF THE PROBLEM

In every company, effective organisation outcomes depend on employees/ workforce. Therefore to motivate the employees, performance appraisal was used. Performance appraisals constitute one of the major management tools employed in this process. The present study was under taken to clarify certain questions related to the performance appraisal through regular assessment of progress toward goals focuses the attention and efforts of an employee Due to its increasing

importance, there is a need for research to find out the regular assessment of employee in order to improve the employee's performance in TTK Prestige. The research questions are as follows

Q1: Is there any relationship between the employee's perception and effectiveness of performance appraisal system.

Q2: What are the factors that influence the level of satisfaction of employee's in TTK Prestige.

Q3: Is there any impact of factors that determine the level of understanding and employee's perception towards level of satisfaction.

OBJECTIVES OF THE STUDY

- To identify and analyze the factor that influences the level of satisfaction of employee's in TTK Prestige.
- To study the relationship between the employee's perception and effectiveness of performance appraisal system.
- To study the relationship between the level of Understanding and effectiveness of performance appraisal system.

LIMITATIONS FOR THE STUDY

- The study is conducted for a short period and so in-depth analysis is not possible.
- The study is restricted to TTK Prestige in Coimbatore only and the findings may not be applicable to other organisation.

RESEARCH METHODOLOGY

Descriptive research was used in this study. A primary data was collected using well structured questionnaire from the respondents during the period of December to February. The performance appraisal is only for the staffs in the organization which consists of only 17 employees. The entire population was used in this survey. The technique used in the study was **census** method. Census is the process of obtaining responses from /about each of the members of the population. The data collected through questionnaire has been analyzed using the following tools are Mean and standard deviation, Percentage analysis, ANOVA, Correlation and Regression.

RESULTS AND DISCUSSION

Socio economic profile of the respondents

S. No	Demographic Factors	Particulars	Percentage (%)
1	Age	20 years -25 years	-
		25 years -30 years	41.2
		30 years-35 years	11.8
		Above 35 years	47.1
		Total	100.0
2	Marital Status	Married	82.4
		Unmarried	17.6
		Total	100.0
3	Size of the family	2-4 members	88.2
		4-6 members	11.8
		Above 6 members	-
		Total	100.0
4	Family Type	Joint family	35.3
		Nuclear family	64.7
		Total	100.0
5	Educational Qualification	Under Graduate	29.4
		Post Graduate	47.1
		Diploma	17.6
		Others	5.9
		Total	100.0

6	Experience	Less than 2 years	-
		2 years -5 years	23.5
		5 years -10 years	29.4
		Above 10 years	47.1
		Total	100.0
7	Department	Operations	11.8
		Production	11.8
		Human Resource	17.6
		Maintenance	11.8
		Quality	11.8
		Stores	11.8
		Purchase	5.9
		Accounts	17.6
		Total	100
8	Awareness of performance appraisal	Yes	76.5
		No	23.5
		Total	100.0
9	Performance Review	Yes	100.0
		No	-
		Total	100.0
10	Duration of Performance Appraisal	Within the last 6 months	82.4
		Within the last 12 months	17.6
		Total	100.0
11	Frequency of appraisal	Every 3 months	-
		Every 6 months	82.4
		Once in a year	17.6
		Total	100.0

12	Satisfied with current Performance Appraisal	Yes	76.5
		No	23.5
		Total	100.0
13	Outcome of Performance Appraisal	Promotion	29.4
		Career Planning	17.6
		Goal Achievement	11.8
		Payment and Rewards	23.5
		Training and Development	17.6
		Total	100
14	Impact on Performance Rating	Influence	5.9
		Biased	23.5
		Subjectivity	17.6
		Status effect	5.9
		Attitude	11.8
		None	35.3
		Total	100

From the above table it was interpreted that majority of the respondents belong to the age group of above 36 years, the majority of the respondents belong to the married, maximum number of respondents belong to the 2-4 members in a family, majority of the respondents belong to the nuclear family, majority of the respondents are post graduate is their qualification, Maximum number of respondents are above 10 years of experience, majority of the respondents belong to Accounts department and Human resource department, majority of the respondents are aware of the current performance appraisal system. Everyone in the organization had undergone performance review, majority of the respondents had performance review in the last 6 months, maximum number of respondents had their performance appraisal in every 6 months, majority of the respondents are satisfied with the current performance appraisal system, majority of the respondents give preference to promotion and maximum number of respondents have no impact on performance rating in organization.

Mean Score Value of Treatment of Employee's during Performance Review, Level of Understanding, Employee's Perception, Level of Satisfaction and Effectiveness of Performance Appraisal

S. NO	Treatment of Employee's during Performance Review	Mean	SD
1	Manager treats employees fairly	4.06	.556
2	Manager is open and honest in performance review	4.18	.509
3	Manager handles performance appraisal in a consistent and professional manner	4.06	.748
4	Manager always listens to our opinion about work	3.35	1.057
5	Manager is very supportive	4.06	.899

S. NO	Level of understanding	Mean	SD
1	Performance appraisal helps in the assessment of individual potential	3.71	1.213
2	Performance appraisal helps to assess the training and development needs of employee	3.94	.966
3	Performance appraisal helps to identify the strength and weakness of the employee	4.59	.618
4	Performance appraisal helps to recognise the competence	3.76	1.147
5	Performance appraisal helps to improve the performance	3.53	1.328

S.No	Employees perception	Mean	SD
1	Employee satisfied with the way the performance appraisal system is used to evaluate and rate the performance	4.76	.437
2	Current performance appraisal is fair and unbiased	4.35	.606
3	Manager takes my performance appraisal review discussion seriously	4.65	.493
4	Performance appraisal process help me to find out about level of performance	3.35	.862
5	Employee satisfied with the way the organization provides feedback	3.47	1.463
6	Organization is good at providing recognition for good performers	4.29	.985
7	Organization attempts to conduct performance appraisal the best possible way	4.35	.606
8	Performance appraisal is valuable	4.24	.831

S. No	Level of satisfaction	Mean	SD
1	Manager recognizes me when I do a good job	4.35	.786
2	Manager plays a significant role in my career development	4.71	.470
3	Employee satisfied with the relationship with the manager	4.59	.507
4	Manager gives fair feedback	4.41	.618
5	Manager has reasonable expectations for the work	4.59	.618
6	Manager is well informed about the work	4.65	.493
7	Job is fulfilling my needs	4.47	.624
8	Employee feel proud to work in the company	4.65	.493

S. No	Effectiveness of Performance Appraisal system	Mean	SD
1	Employee take greater understanding of the results expected	4.12	.600
2	Employee receives specific and accurate feedback from manager on past performance.	4.29	.588
3	Employee gain more knowledge about strengths and weakness	4.24	.437
4	Feedback is used for developing individual development program.	4.59	.712
5	It gives an opportunity to discuss work problems and opportunity.	4.59	.618
6	Employee feel more motivated after performance review.	4.59	.507
7	All the information obtained from performance appraisal is confidential.	4.29	.686
8	It improves the relationship with the manager.	4.18	.809
9	Employee feel that the time spent on performance appraisal is well worthwhile.	4.65	.606
10	Highly subjective process and lacks transparency.	2.47	1.007

The above table interprets that the variable manager is open and honest in the performance review has the highest mean score 4.18 with standard deviation 0.509, In Level of Understanding factor the variable performance appraisal helps to identify the strength and weakness has highest mean score 4.59 with standard deviation 0.618. In Employee's Perception factor the variable manager takes performance appraisal review discussion seriously has the highest mean score of 4.65 with standard deviation 0.493. In the effectiveness of Performance Appraisal factor the variable Employee feel that the time spent on performance appraisal is well worthwhile has the highest mean score 4.65 with standard deviation 0.606.

One-Way ANOVA between Age and Level of Satisfaction

Dependent factor	Independent factor Age Group	Mean	Standard Deviation	F	Significance
Level of satisfaction	20 -25 years	-	-	.868	.577
	25-30 years	3.8214	.38768		
	30- 35 years	3.8125	.08839		
	Above 35 years	3.9375	.34718		

Ho: There is no significance difference between Age and Level of Satisfaction

It indicates that P is 0.577 which is greater than 0.05 which indicates (ie) null hypothesis is accepted. Therefore it is clear that there is no significant difference between age and level of satisfaction.

Correlation between Employee's Perception and Effectiveness of Performance Appraisal

Correlations		Employee's Perception	Effectiveness of Performance appraisal
Employee's Perception	Pearson Correlation	1	.601**
	Sig. (2-tailed)		.011
Effectiveness of Performance appraisal	Pearson Correlation	.601**	1
	Sig. (2-tailed)	.011	

H0-There is no relationship between employee's perception and effectiveness of performance appraisal.

It can be interpreted that there is relationship between Employee's Perception and Effectiveness of Performance Appraisal since p-value is less than 0.05 which indicates

hypothesis H_0 rejected. Therefore there is a positive relationship between Employee's Perception and Effectiveness of Performance Appraisal.

Correlation between Level of Understanding and Effectiveness of Performance Appraisal

Correlations		Employee's Perception	Effectiveness of Performance appraisal
Employee's Perception	Pearson Correlation	1	.304
	Sig. (2-tailed)		.235
Effectiveness of Performance appraisal	Pearson Correlation	.304	1
	Sig. (2-tailed)	.235	

H_0 -There is no relationship between level of understanding and effectiveness of performance appraisal.

It can be interpreted that there is relationship between level of understanding and Effectiveness of Performance Appraisal since p-value is greater than 0.05 which indicates hypothesis H_0 accepted. Therefore there is no positive relationship between level of understanding and Effectiveness of Performance Appraisal.

MAJOR FINDINGS

From the tables and charts, the data collected, interpreted and the facts have been presented as findings. The findings from the research will help the organisation to know how the opinion of the employee and can improve the level of performance.

- Majority of respondents belongs to age group above 35 years.
- Majority of the respondents are Married.
- Majority of respondents consists of 2 – 4 members in the family.
- Majority of respondents have experience of above 10 years.

- The Analysis of Variance between age of the respondents and Level of Satisfaction shows that there is no significant difference between the age of the respondents and level of satisfaction.
- Correlation between employee's perception and effectiveness of performance appraisal shows that there is positive relationship between employee's perception and effectiveness of performance appraisal.
- Correlation between level of understanding and effectiveness of performance appraisal shows that there is no relationship between level of understanding and effectiveness of performance appraisal.

CONCLUSION

Human resource plays an important role in every organization. The main motto of every organization is to keep the employees more comfortable and secured way. The objective of this research is to analyze the "effectiveness of performance appraisal system". The data are collected from the employees through questionnaire. It consists of awareness, opinion of performance appraisal, level of satisfaction, employee's perception and effectiveness of performance appraisal system. The study is concluded that the performance appraisal in organization is effective. Based on the findings, some suggestions are given to make future reference.

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