

A STUDY ON PERFORMANCE EVALUATION SYSTEM INPHOENIX MOTORS PVT LTD. HYDERABAD

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Abstract

The skills and aptitudes that people possess vary. When two different employees are hired to complete the same task, there will always be some variation in the quality and quantity of their labour. Understanding each employee's skills, knowledge, and relative value to the company is possible only with a thorough understanding of their performance management. Employees are rated according to their performance under performance management. A large portion of society uses performance management. The second world war, when the merit rating was first utilised, is when performance management can be traced back to the 20th century. It's not new for a business to evaluate their workforce. The measuring of performance is not complete without performance managements. Measurement of employee and organisational performance is required to monitor the organization's progress toward its targeted goals and objectives. The phrase "be paid according to what you give" has recently become the motto of organisations all over the world. The focus of these firms is now performance management, and more specifically, individual performance. Employee performance is rated, and their contribution to the organization's goals is assessed, with the aid of performance management. When the performance management process is formal and well-structured, it aids in the employees' understanding of their duties and responsibilities and provides guidance for each person's performance. It is beneficial to review each individual's performance as well as connect it with the company goals. The goal of performance management is to improve employees' future performance while taking into consideration their past performance. The present global trends in performance management have been attempted to be studied.

Keywords: Performance Evaluation, Performance Assessment, Performance Appraisal.

I. Introduction

In the performing arts, a performance is typically an occasion where a performer or group of performers act in a specific style for an audience. Ballet and choral music are two examples. Pre-performance rehearsals are typically attended by the performers. Audience members frequently cheer afterward.

Cultures can have different ways of expressing gratitude. Chinese performers will reciprocate the audience's applause at the conclusion of a performance as a way of saying "thank you." Folk performing arts events are frequently photographed by onlookers in Japan, who will occasionally approach the stage and get as close as possible to the performers' faces.

When audience members participate in a performance, such as in "participatory theatre," the distinction between the performers and the audience can sometimes become hazy.

Daily or at another regular interval, theatrical performances may be held. Performances may take place in formal performance venues (such theatres or symphony halls) or in less formal settings, like subway stations, public places, or private residences.

Are you curious as to why businesses assess the performance of their employees? Both an evaluation procedure and a communication tool, employee performance evaluations. Employee performance reviews conducted the old-fashioned way are generally despised by managers and staff. On the other hand, performance management offers the benefits that businesses are looking for in employee performance appraisal. However, performance management that is carried out well and with the right attitude achieves these objectives as well as more. Additionally, performance management offers benefits to the manager and the employee.

Every organisation should place a high priority on making a constructive contribution to the attainment of its goal. Managerial efficiency and organisational effectiveness are frequently equated. Only by guaranteeing the maximum exploitation of the human resources available through specific personnel under his direction can a manager achieve organisational effectiveness. As a result, a manager must constantly keep an eye on and evaluate staff performance.

Additionally, as the organisation exists to achieve the goals, the degree of success that each person has in achieving this particular goal is crucial in determining the efficacy of the business. An essential component of human resource management is the evaluation of how well people have performed in achieving their unique goals. This results in the performance evaluation idea.

The definitions of performance evaluation are served by a performance evaluation system.

Performance evaluation is a technique for assessing how people behave at work. It takes into account both qualitative and quantitative components of job performance to show how an employee is meeting job requirements, and it is always results-based. Performance evaluations take into account an employee's performance as well as his potential for growth.

“Performance Evaluation is a systematic description of an employee’s job relevant strengths and weaknesses”.

When performing All of the formal processes employed in working organisations to assess the personalities, contributions, and potential group members are referred to as evaluation or merit rating. The employee's merits, such as initiative, dependability, personality, etc., are compared to others and graded to be rated in the evaluation system. Evaluations may take into account an employee's capacity to manage, delegate, undertake responsibility, and exercise leadership as well as their skills in communication, creativity, decision-making, and interpersonal relations.

An evaluation inspires a worker to put forth more effort with the goal of improving the assessment's results. It explains to a worker whose behaviours or characteristics are regarded as desirable by the company.

The following information on an employee must be collected, examined, and recorded in a methodical manner:

For efficient corporate management.

By the jobholder to aid him in assessing his own performance and developing himself; • By the manager to assist him in enhancing the jobholder's performance and planning his career.

By persuading employees that their career advancement is correlated with the company's performance, the evaluation system serves as a tool for enhancing the workplace culture.

II. Need for the study:

- The purpose of evaluation is to decide which parts of performance need to be examined.
- To determine who is doing their assigned duty well and who is not, as well as the cause of such performance.
- To share data on the performance rankings that are used as the foundation for decisions about wage fixing, conformation, promotion, demotion, and transfer.
- To provide feedback on an employee's behaviour and degree of accomplishments.
- To give the employee advice and information.
- To assess variations between standards and actual performance (positive and negative)
- To establish and keep up a high standard of performance.
- To avoid complaints and disciplinary action.
- To enable equitable and fair pay.
- To make sure the organisation is effective. It ensures accurate information on workers and the nature of their responsibilities.

III. Scope of the study

- The goal of the current study is to learn more about how performance evaluation approaches are actually used in the workplace, as well as related topics such worker awareness and the effectiveness of the performance evaluation system.
- Evaluation-based estimates for human resources are valid. Employees can advance their careers and get ready for more responsibility by upgrading their job abilities.
- The management will be able to identify any shortcomings by conducting a thorough review of the performance evaluation system. Additionally, it assists the business in determining whether or not performance assessment strategies are fully utilised, allowing the researcher to comprehend how the performance evaluation system should be implemented.

IV. Objectives of the study

- The goal is to determine how effectively Hero MotoCorp Ltd.'s PHOENIX MOTORS PVT LTD., Hyderabad, is operating its evaluation system.
- The main goal of most performance evaluation programmes is to examine how each employee sets his own goals for the upcoming period after considering his prior performance.
- To adopt various performance levels on an objective basis and to find executives with room for advancement inside the company.
- To properly assess each employee's strengths and shortcomings and determine how best to help them develop to reach their maximum potential in keeping with the company's objectives and goals.

V. Limitations of the Study

- In this instance, the superior only evaluates the individual on their positive traits. The shortcomings are not taken into account. Such an evaluation won't paint an accurate portrait of the employee. Additionally, employees who don't deserve promotions occasionally do so.
- In this instance, the employee's only flaws are taken into account, and an evaluation is made as a result. Again, this won't be helpful to the company because the employee may not be accurately represented in the appraisal.
- In this instance, the superior provides an evaluation by outlining key values. As a result, some individuals who don't deserve any promotions may also receive them, while a very exceptional person is prevented from receiving the advancements he deserves.
- Some employers are forgiving when it comes to assigning grades, while others are extremely strict. Employee who genuinely deserves advancements may lose the opportunity owing to severe employers while those who may not deserve may obtain benefits due to lenient boss.
- Depending on their prior performance, the employer will either give this employee a positive or negative evaluation. Therefore, even if the employee's performance has improved, he can still not receive the benefit.
- Many supervisors do not want to sour their relationship with their employees. As a result, they can end up awarding higher scores than necessary when they evaluate the employee. This is unfair to the truly worthy workers.
- A overly strict evaluation can occasionally harm the relationship between the senior and junior. Comparing individuals also becomes particularly challenging when various departments within the same organisation utilise various techniques of evaluation.

VI. Review of literature:

(Ashima Aggarwal & Gour Sundar Mitra Thakur-2013) Performance appraisal system is used in the organizations to measure the effectiveness and efficiency of their employees. Performance Appraisal system is needed because every employee has a different attitude to handle the work. Performance Appraisal tends to improve the work performance, communication expectations, determining employee potential and aiding employee counseling. In this paper we present the review of some popular performance appraisal techniques along with their pros and cons. Ranking,

Graphic Rating Scale, Critical Incident, Narrative Essays, Management By Objectives, Assessment Centers, BARS, 360 Degree and 720 Degree are some performance appraisal techniques.

(Sang-Bing TSAI and Kai WANG²,2019)The essence of low-carbon logistics is to make logistics capacity grow moderately to meet the requirements of social and economic developments and the goals of energy conservation and carbon reduction through logistics planning and policies, logistics rationalization and standardization, logistics informationization, low-carbon logistics technologies, etc. This study evaluates the performances of human resources in low-carbon logistics enterprises from three assessment facets: work ability, work performance, and work attitude. It adopts the AHP method to reasonably determine an indicator system of performance evaluation and its weight to avoid certain human-caused bias. According to the results herein, the low-carbon work attitude of the case company in recent years has produced good performance, but its low-carbon work performance and low-carbon work ability are both poor. The case company should practically implement and strengthen these indicators so as to enhance human resource performance in low-carbon logistics enterprises. This study establishes a human resources performance evaluation system for low-carbon logistics enterprises to measure the low-carbon working ability, work performance, and working attitude of their general staff. In this way, enterprises may understand their development status, improve development plans, and formulate the best human resources management and development decisions, thus positively guiding their future development.

(Kevin R. Murphy, 2019)A wide range of systems for evaluating performance have been used in organizations, ranging from traditional annual performance appraisals to performance management systems built around informal, real-time evaluations, and these systems almost always fail. Rather than continuing to make cosmetic adjustments to this system, organizations should consider dropping the practice of regularly evaluating the performance of each of their employees, focusing rather on the small subset of situations in which evaluations of performance and performance feedback are actually useful. Four barriers to successful performance evaluation are reviewed: (a) the distribution of performance, (b) the continuing failure to devise reliable and valid methods for obtaining judgments about performance, (c) the limited utility of performance feedback to employees, and (d) the limited utility of performance evaluations to organisations. In this paper, I propose ways of managing performance without relying on regular performance evaluation, refocusing managers' activities from performance management to performance leadership.

(Wu,2005) mentions performance measurement is a complex problem and it involves various kinds of judgment about which performance measure to use. Indeed, for any kind of evaluation, it is necessary to have a well-defined set of criteria. Evaluation scores depend upon these criteria heavily.

(Sidin et al.2003) have stressed on identification of the relevant and important criteria for any kind of evaluation exercise.

(Roberts 2003) has highlighted the importance of employee participation in the appraisal process. In his article, he has summarized the conceptual foundation of participation including its intrinsic motivational value, the expansion of available information, and the opportunity to interject employee voice. He argues that if employees are confident in the fairness of the appraisal process, they are more likely to accept performance ratings, even adverse ones, if they perceive fair decision making process. In any case, if the employees perceive the process as unfair and not systematic and thorough, it is unlikely that they will accept the outcome of the appraisal exercise.

(Suwignjo et al.,2000) have developed Quantitative Models for Performance Measurement Systems (QMPMS), a model for measuring performance with respect to a factor. The model

utilizes cognitive maps and analytic hierarchy process to identify factors affecting performance and their relationships, quantify the effect of the factors on performance, and express them quantitatively. However, the model has the limitation to be used as an evaluation tool.

(**Meyer 1995**) describes the employee evaluation procedure adopted by a nursing home. The criteria considered are: employee's job attitude, communication skills, and clinical skills. The evaluators used the scoring key for each criterion: Excellent = 4, Good = 3, Fair = 2, and Poor = 1. However, the author did not elaborate on how the ratings on various criteria were synthesized and converted into a percentage score.

(**Vallance,1999**) describes the performance appraisal methods used in Singapore, Thailand and Philippines (in the context of appraising civil servants) and examines the role of organizational culture on the appraisal process in those countries. Singapore adopts the Potential Appraisal System (PAS) developed originally by Shell Petroleum Company in 1960s. In its present form, it has the following criteria: 'helicopter quality' (meaning that an individual's ability to examine the problems or issues taking all important factors into account), 'intellectual qualities' (power of analysis, imagination and sense of reality), 'results orientation', 'leadership quality' (capacity to motivate, delegate and communicate). In the Thai context, the criteria used are: output of work in terms of quality, quantity and application of work outputs; the ability to manage and perform the work in terms of planning and implementation; the ability to direct and make decisions including meeting deadlines, taking control, coordinating efforts with other organizations, solving problems and resolving conflicts and helping to accomplish the goals of the organization; ability to improve work and services, demonstrating new ideas and solutions, identifying and addressing problems and performing work efficiently and effectively. In the Philippines setting, the criteria consists of six areas: management of work, management of people, management of resources, management of linkages, management of constraints and innovativeness.

VII. Research methodology

Without the research technique, the researcher might not be able to get the facts and statistics from the workers. The research methodology is a methodical approach to solving the problem.

SOURCE OF DATA:The study is based on primary as well as secondary data collected from different sources:

A). Primary Data: Using surveys with a total of 20 questions each, the primary data is gathered. The choice of questionnaires was made due to their reliability and simplicity. The questions can be expected to have straightforward responses. The significance of the study is explained to the respondents, who are then asked for their honest comments.

B). Secondary Data: Secondary data is collected through the documents provided by the personnel department. The documents include personnel manuals, books, reports, journal, etc.

SAMPLING PROCESS:

A). Sample Unit: The executives and employed at **PHOENIX MOTORS PVT LTD.**, Hyderabad constitute 'universe' of the present study. A part of it is taken as sample unit for the present study. It includes JGMS, AGMS, manager and other employees of **PHOENIX MOTORS PVT LTD** Hyderabad.

B). Sample Size: The sample size consists of 100 respondents employed in **PHOENIX MOTORS PVT LTD**, Hyderabad. Of these 30 are executives, 20 are senior executives and the remaining 50 are employees.

PERIOD OF THE STUDY: Since so many years **PHOENIX MOTORS PVT LTD** Hyderabad has been following the same procedure of evaluation s for their executives and employees and for the study of my project last on-year data has collected on performance

evaluations.

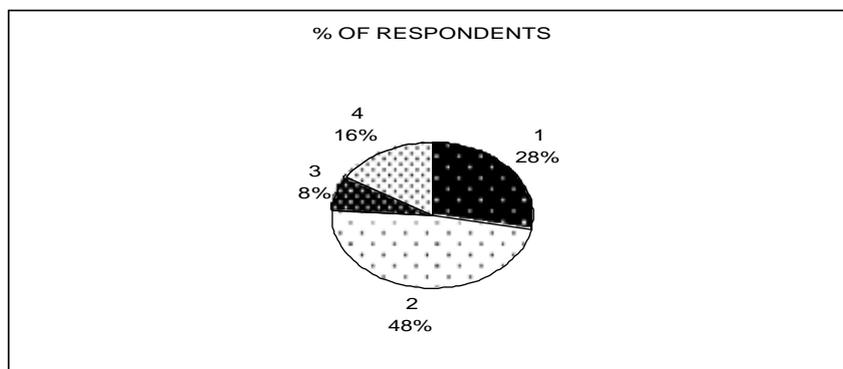
VIII. Empirical Results

Data analysis was completed by presenting the data in a straightforward tabular format and computing percentages. Where applicable, charts have been drawn to represent the quantitative data

Ratings from performance evaluations are employed to

- (a) Identify areas for improvement
- (b) Determine the level of quality for a given unit of work
- (c) Setting performance goals
- (d) All of the above

s.no	Options	No. of Responses	Percentage
1	Identify areas of improvement	28	28
2	Identify areas of training & development	48	48
3	Set performance target	8	8
4	All the above	16	16
	Total	100	100



Interpretation

Regarding the usefulness of the performance evaluation system, 28 percent of respondents said it helped them identify areas for improvement, 48 percent said it helped them identify training and development needs, 8 percent said it helped them set performance goals, and 16 percent said it was helpful in all of the aforementioned ways. As a result, we can conclude that P.A. benefits employees in some way.

IX. Findings, Suggestions and Conclusion

Findings

- It is made known that the executive receives performance feedback so they can assess their own performance. Sort out the issues so you can go through the challenges.
- The management is keen to address worker issues as they arise and has a clear grasp of the issue that the workers are the best at resolving.
- Workers were receiving the necessary training from management in their weak areas.

- The percentage of employees who were aware that the evaluation was one of the criteria for promotion was 100%.
- Performance assessment systems are seen as a way to create performance goals for the future, highlight areas that need improvement, and identify training and development needs.
- The management wants friendly relations with the workforce so that they can have discussions together.
- The performance evaluation system is now in place and has been correctly developed. This was evident from the majority of employees' opinions..

Suggestions

Following are some potential comments and recommendations based on the study's findings and direct conversations with various executives and workers at PHOENIX MOTORS PVT LTD., Hyderabad:

- It is recommended that staff be informed right away.
- The evaluation's findings, especially when they are unfavourable.
- It is advised that the manager make an effort to assess an employee's strengths and limitations and offer advice on how to improve the flaws.
- Appropriately addressing the employees' strengths and limitations and assisting in their development to reach their full potential in line with the company's objectives are encouraged.
- The top management is steadfastly committed to using the current performance evaluation system. The performance evaluation system is regarded as a crucial tool for closing the communication gap between executives and top management; as a result, it aids in the growth of amicable relationships and mutual understanding.
- It is advised that the employee receive feedback on his performance, confirm his acceptance of it, and, if necessary, develop a plan for future improvement.
- It is advised that the rater be extremely knowledgeable about the concept and rating system. The definition, analysis, and discussion of factor sales must be in-depth.
- In order to reinforce the system, it is crucial to immunise against issues or obstacles.

Conclusion

- The rating instruments are generated from job analysis, which should aim for simplicity rather than complexity.
- Managers and all staff are given training on how to use the systems.
- The appraisal is based on truthful job descriptions, and the scores themselves are determined by demonstrable performance.
- Evaluations are carried out in accordance with standards and are risk-free.
- The rate is informed of the preliminary findings.
- There are mechanisms in place to prevent a single manager from having complete control over a worker's career, such as an appeals process.
- Services for corrective assistance and performance counselling are available.

Even though many systems might not perform well in comparison to these benchmarks, keep in mind that system architecture is not the main source of the assessment issue. The difficulty lies in how the strategy and the data it produces are employed, as evaluation is a matter of human judgement. Personnel evaluation will either get more or less complex as we look into the next century.

Downsizing of organisations and changes in the workforce are likely to make evaluations more difficult if the long-standing preference for person-centered evaluations continues. It's likely that the time and space-free virtual office will make things worse.

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