# A Study on Employees Performance Appraisal With Reference To Tenneco Clean Air India Pvt Ltd

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Abstract- The purpose of this study is to explore performance measurement practices in the context of manufacturing industry. Performance appraisal (PA) is increasingly becoming a part of strategic approach to integrate HR activities and business policies. Performance appraisal refer to all those procedures that are used to evaluate the personality, the performance, and the potential of its group members. Performance appraisal is a powerful tool to provide management valuable information regarding the quality of its to provide management valuable information regarding the quality of its human resource performance appraisal is a key decisive factor of success in manufacturing industy. Wepropose a framework for the selection of appraisal methods and compare some performance appraisal methods in order to facilitate the selection process for organizations.

## I. INTRODUCTION

Appraising the performance of individuals, groups and organizations is a common practice of all societies. While in some instances the appraisal processes are structured and formally sanctioned, in other instances they are an informal and integral part of daily activities. Thus, teachers evaluate the performance of students, bankers evaluate the performance of creditors, parents evaluate the behavior of the children, and all of us, consciously or unconsciously evaluate our own actions from time to time. Performance Appraisal is a method of evaluating the behaviour of employees in the work spot, normally including both the quantitative and qualitative aspects of job performance. Performance here refers to the degree of accomplishment of the tasks the make up an individual's job. It indicates how well an individual is fulfilling the job demands. Often the term is confused with effort, which means performance is always measured in terms of results. Performance appraisal" is a systematic evaluation of present and potential capabilities of personnel and employees by their superiors, superior's superior or a professional from outside.

#### II. OBJECTIIVES

- To know the satisfaction of employees towards the performance appraisal conducted by organizations.
- To find out the different appraisal system followed by the organization.
- To analyze and study the benefits of the appraisal system.
- To study the change caused by performance appraisal system on employee performance.

#### III. SCOPE OF THE STUDY

This study for employee performance appraisal typically includes defining clear job expectations, setting measurable goals, assessing individual skills and competencies, providing constructive feedback, identifying areas for development or improvement, recognizing achievements, and aligning performance with organizational objectives.

#### IV. NEED FOR THE STUDY

The employee's performance is crucial for fair and effective performance appraisals. It helps identify strengths, areas for improvement, and informs decisions on promotions, training, and rewards. Additionally, it fosters employee development and enhances overall organizational performance.

#### V. LIMITATIONS OF THE STUDY

- There was a lack of time to conduct the in depht research.
- Further, there was a lack of sufficient knowledge provided from both ends to conduct the proper research.
- The data collected for the research is fully on primary data given by the respondents .There is chance of personal bias. So the accuracy is not true. Respondents didn't exposed their views frankly

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#### VII. RESEARCH METHODOLOGY

ISSN [ONLINE]: 2395-1052

#### VI. REVIEW OF LITERATURE

Mondy and Noe (2022) claim that most common appraisal errors can be minimised or eliminated by allowing more than one person to evaluate the performance of an employee.

According to Dessler (2021), performance appraisal means evaluating employees ' current and or past performance relative to his or her performance standards.

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Amit Hole and Dr. Ashutosh Misal (2020) found out Employees who work related with sale of insurance policies in private sector general insurance companies is performing good than employees who work related with sale of insurance policies in public sector general insurance companies.

**Armstrong & Baron** (2019), performance is not only a matter of peoples achievement, rather it is how they achieve it. Performance is a multidimensional concept in which its measurement depends on a number of factors.

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**Dr. Prachi Singh et al.** (2017) claimed that an appraisal system's primary goal should be to improve employee and organizational performance. The system must be built on a deep respect for people and acknowledge that employees are the most valuable resource. In theory, performance evaluation is very appealing, but in practice, it rarely produces the desired results. This paper provides evidence that traditional performance appraisals can reduce employees' productivity, satisfaction, and engagement. The suggestion made above will be far more effective in improving individual and organizational performance than individual performance appraisal.

Leila Najafi, et al. (2016) studied that an appraisal is an important tool in human resource management; if done correctly and logically, it can guide organizations to their goal and help employees achieve their goals. In this paper, they investigate the effect of performance appraisal results on employee motivation and job advancement. According to the outcomes of the study, performance appraisal has little effect on increasing motivation.

In the project titled "A Study On Employee Relationship Management," Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In this study the various steps that are generally adopted by a researcher in studying the research problem along with the logic behind him. Research Design is defined as the "arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure"

#### DATA COLLECTION

#### 1.PRIMARY DATA

The research has been collected data with the help of primary way. It includes personal discussion with staff member off concern. Also Researcher has been collected the data with the help of investigation and questionnaires'

#### 2. SECONDARY DATA

The secondary data are collected from information which is used by other. It is not direct information. This information already collected and analysis by other and that information used by others. The various sources of secondary data are Books, magazines, statistical data sources etc.

#### STATISTICAL TOOLS:

## SPSS (STATISTICAL PACKAGE FOR SOCIAL SCIENCE):

Statistical package for social sciences (SPSS) is mean for statistical analysis of data. It has got tools to obtain accurate result. SPSS is a computer program used for survey authoring and deployment, data mining, text analytics, statistical analysis, and collaboration & deployment. The following statistical tools were used in this study:

- Simple Percentage
- Correlation
- Regression
- ANOVA
- CHI-SQUARE

# Percentage analysis:

In case Percentage refers to a special kind of ratio. Percentage is used in making comparison between two or more series of data.

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#### **Correlation:**

Correlation analysis is made to determine the degree of relationship between two or more variables.

#### **Regression Analysis:**

Linear regression is a statistical procedure for calculating the value of a dependent variable from an independent variable

#### ANOVA:

# Analysis of Variance (ANOVA), ONE-WAY AND TWO-WAY

Analysis of variance (ANOVA) has been carried out to compare more than two means at a time.

SI No	Opinion	No of respondents	% of respondents
1	Strongly Agree	48	24%
2	Agree	72	36%
3	Neutral	56	28%
4	Disagree	16	8%
5	Strongly Agree	8	4%
	Total	200	100%

#### **Chi-square Test:**

The chi – square test is also known as non-parametric test or distribution free test is used when it is impossible to make any assumptions about population or when the researcher is unable to estimate the population's parameters.

#### INDUSTRY PROFILE

Industrial production first started in 19th century. It generally replaced the the manufacture of the goods by hand by craftsmen. The 'Industrial Revolution' which discovered its origin in the new production strategies was made conceivable through, among different factors. the inventions of the steam engine and the electric motor. These allowed the mechanization of the power wellspring of production machines.

Government regulations: The automobile industry in India has received extensive government support and this has encouraged a lot of foreign direct investment in the industry. The government permits 100% foreign direct investment in this industry and it is fully delicensed

The outbreak of World War II, India turned into the primary base of supply and production of raw materials for the British a nd the allies' army in east. There were tools, in spite of the fact that, import of machines tools proceeded on a reduced scale. All through 1936 and 1940 the situation ended up expanding more precarious.

The automotive industry is a pillar of Indian economy and a key driver of macroeconomic growth and technological advancement. Currently, the automotive industry contributes more than 7% to the total GDP and provides employment to about 32 million people, directly and indirectly. Strong domestic demand coupled with supportive Government policies have led to the Indian automotive industry climbing up the ranks to be one of the global leaders.

#### VIII. DATA ANALYSIS AND INTERPRETATION

# Table showing Problems faced by Employees during Appraisal Process

# Interpretation

The above table shows that 36% respondents agree and 28% respondents neutral and 24% respondents are strongly agree and 8% respondents are disagree and 4% respondents are strongly disagree problems faced by employees during appraisal process.

# showing Problems faced by Employees during Appraisal Process

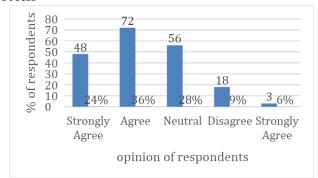


Table showing Employees Receive Feedback after appraisal

SI No	Opinion	No of respondents	% of respondents
1	Strongly Agree	50	25%
2	Agree	65	32.5%
3	Neutral	60	30%
4	Disagree	18	9%
5	Strongly Agree	7	3.5%
	Total	200	100%

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#### Interpretation

The above table shows that 32.5% respondents agree and 30% respondents neutral and 25% respondents are strongly agree and 9% respondents are disagree and 3.5% respondents are strongly disagree employees receive feedback after appraisal.

Chart showing Employees Receive Feedback after appraisal

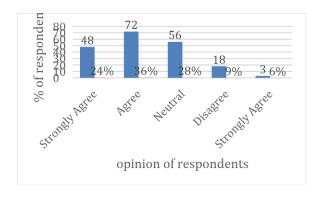


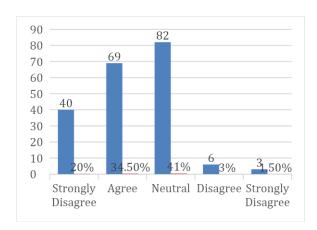
Table showing performance appraisal communicating top management

SI No	Opinion	No respondents	of % of respondents
1	Strongly Disagree	40	20%
2	Agree	69	34.5%
3	Neutral	82	41%
4	Disagree	6	3%
5	Strongly Disagree	3	1.5%
	Total	200	100%

# **Interpretation:**

The above table 41% of respondents are neutral and 34.5% of respondents are agree and 20 % of respondents are strongly agree and 3% of respondents are disagree, 1.5% of respondents are disagree performance appraisal communicating top management.

# Chart showing performance appraisal communicating top management



#### **CORRELATION:**

CORRELATION DIFFERENCE BETWEEN APPRAISAL SYSTEM HELP EMPLOYEES AND APPRAISAL SYSTEM HELPS IN EXPLORING STRENGTHS & WEAKNDESS.

#### NULL HYPOTHESIS(H0):

There is no significant difference between appraisal system help employees and appraisal system helps in exploring strengths & weakness

#### ALTERNATIVE HYPOTHESIS(H1):

There is a significant difference appraisal system help employees and appraisal system helps in exploring strengths & weakness

# STATISTICAL TEST

Correlation was used the above hypothesis

#### **Correlations**

		Apprial system	
		of the	apprisal of the
		responent	respondent
Apprial system	Pearson	1	.355**
of the responent	Correlation		
	Sig. (2-tailed)		.000
	N	200	200
apprisal of the respondent	Pearson Correlation	.355***	1
	Sig. (2-tailed)	.000	
	N	200	200

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

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#### ISSN [ONLINE]: 2395-1052

#### INTERPRETATION:

The correlation analysis shows a significant positive relationship between the appraisal system of the respondent and the respondent's appraisal ( $r=0.355,\ p<.01$ ). This suggests that as the appraisal system becomes more favorable, the respondent's appraisal tends to increase.

#### RESULT:

The correlation analysis revealed a significant positive association between the appraisal system of the respondent and the respondent's appraisal (r = 0.355, p < .01, two-tailed).

#### REGRESSION

# REGRESSION DIFFERENCE BETWEEN GENDER OF THE RESPONDENT AND UNION INVOLVEMENT DURING APPRAISAL PROCESS

#### NULL HYPOTHESIS(H0):

There is no significant difference between gender of the respondent and union involvement during appraisal process.

## ALTERNATIVE HYPOTHESIS(H1):

There is a significant difference between gender of the respondent and union involvement during appraisal process.

#### STATISTICAL TEST

Regression was used the above hypothesis.

#### Variables Entered/Removeda

Model	Variables Entered	Variables Removed	Method
1	apprisal process of the respondent <sup>b</sup>		Enter

- a. Dependent Variable: gender of the responent
- b. All requested variables entered.

#### **Model Summary**

R	Adjusted	R Std. Error of
Square	Square	the Estimate
.037	.032	.41183

a. Predictors: (Constant), apprisal process of the respondent

#### **ANOVA**<sup>a</sup>

	Sum of				
Model	Squares	df	Mean Square	F	Sig.
1 Regression	1.293	1	1.293	7.621	.006 <sup>b</sup>
Residual	33.582	198	.170		
Total	34.875	199			

- a. Dependent Variable: gender of the responent
- b. Predictors: (Constant), apprisal process of the respondent

#### Coefficientsa

	Unstandardized Coefficients		Standardized Coefficients		
		Std.			
Model	В	Error	Beta	t	Sig.
1 (Constant)	1.044	.072		14.546	.000
apprisal process of the respondent	.074	.027	.193	2.761	.006

a. Dependent Variable: gender of the responent

### INTERPRETATION:

The regression analysis suggests that the appraisal process of the respondent significantly predicts the gender of the respondent ( $\beta=0.193$ , p=0.006). For each unit increase in the appraisal process rating, there is a 0.193 unit increase in the likelihood of the respondent being male, controlling for other variables.

#### **RESULT:**

The regression analysis indicates that the appraisal process of the respondent significantly predicts the respondent's gender ( $\beta$  = 0.193, p = 0.006). Specifically, for each unit increase in the appraisal process rating, there's an estimated increase of 0.074 units in the likelihood of being a certain gender.

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#### **CHI-SQUARE:**

# CHISQUARE DIFFERENCE BETWEEN AGE OF THE RESPONDENTS AND EMPLOYEES PERFORMANCE APPRAISAL TEST

### NULL HYPOTHESIS(H<sub>0</sub>):

There is no significant difference between age of the respondents and employees performance appraisal test

## ALTERNATIVE HYPOTHESIS(H<sub>1</sub>):

There is a significant difference between age of the respondents and employees performance appraisal test

#### STATISTICAL TEST

Chi-square was used the above hypothesis.

# **Case Processing Summary**

	Cas	es				
	Val	id	M	lissing	Tota	al
	N	Percent	N	Percent	N	Percent
age of the responent * apprisal of the respondent		100.0%	0	0.0%	200	100.0%

# age of the responent \* apprisal of the respondent Crosstabulation

#### Count

		apprisal of the respondent					
		strongly				strongly	
		agree	agree	neutral	disagree	disagree	Total
	18-24	46	0	0	10	8	64
the responent	29-38	0	57	7	14	0	78
F	39-48	0	0	40	0	0	40
	above 58	0	0	18	0	0	18
Total		46	57	65	24	8	200

## **Chi-Square Tests**

	X / 1	16		Significance
	Value	_	(2-sided)	
Pearson Chi-Square	329.259 <sup>a</sup>	12	.000	
Likelihood Ratio	359.314	12	.000	
Linear-by-Linear	25.144	1	.000	
Association				
N of Valid Cases	200			

a. 7 cells (35.0%) have expected count less than 5. The minimum expected count is .72.

#### INTERPRETATION:

The chi-square tests indicate significant associations between variable (p < .001). the likelihood ratio and pearson chi-square tests both confirm this significance. The linear-by-linear association suggests a strong linear trend (p < .001).

#### **RESULT:**

The chi-square tests revealed significant associations between variables ( $\chi^2(12) = 329.259$ , p < .001).

#### IX. FINDINGS

- Majority (41%) of the respondents are between 29 to 38 years.
- Majority (77.3%) of the respondents are male
- Majority (57%) of the respondents are 10-15 years of experience
- Majority 70% of the respondents are married
- Majority (46.5%) of the respondents are PG completed
- Majority(41%)of the respondents are checklist-method type of appraisal do you prefer
- Majority (37.6%) of the respondents are agree you clear about what is meant by performance appraisal
- Majority (40%) of the respondents are strongly agree do you think performance appraisal system helps you to develop your skills
- Majority (38%) of the respondents are neutral the employee informed about the performance appraisal test
- Majority (31%) of the respondent are strongly agree do you experience co-operations from all levels management to achieve your standards
- Majority (32.3%) of the respondents agree are do you face any problems during appraisal process
- Majority (36.2% )of the respondents are agree do you satisfy level of the current appraisal process.

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#### X. SUGGESTIONS

- The industry is found mainly using in a routinistic manner old and unrevised performance appraisal methods. They need to be replaced by more contemporary techniques, but before opting the new technique first of all the purpose of the appraisals should be defined by the establishments.
- It is better to customise and use different appraisal methods for different groups in the organization.
   Employees be conveniently categorised into groups managerial and non-managerial, or as employees with high customer contact and those relatively less in contact.
- The employees should know who is going to evaluate their performances. Under the current practice multiple raters are involved in the process. This may be acceptable, as it reduces the disturbing results of the prejudiced appraisals.
- The most important part of any performance appraisal system is the use of the results of the appraisal. The good performer should be rewarded.

#### XI. CONCLUSION

Performance appraisal is a vital process by which an employee's contribution to the organization during a specified period of time is assessed. Performance appraisal is a tool that helps management to better know the quality of its human resource and how good they convert their qualities into performance. Performance appraisal, when used correctly can provide management with valuable information that may provide basis for important decisions.

The scope of this study was two-fold purpose: 1st, to explore performance appraisal practices within the manufacturing industry and to research whether these practices are depended on the demographic characteristics of organizations. In general, it emanates that performance appraisal practices are slightly bit utilized in the industry but the thought is widely talked within the manufacturing industry rather it has a profound impact on the human resource management.

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