CHAPTER 5

FINDINGS & SUGGESTIONS

5.1 Findings

Performance appraisal is an essential element in each company. It is an important tool of measuring the efficiency and potency of each employee for which several policies and plans are prepared by the management. The banking sector is also an important source of measuring performance of employees because of majority of work efficiency is managed by the human resources. Followings are the main findings of the study:

- It has been found that 198 (66%) respondents are males and 102 (34%) respondents are females during the period of study.
- 76% respondents are found in less than 40 years of age group which shows that the respondents are aware about the latest trend and policies of performance appraisal.
- Majority of the respondents (63.33%) are post graduate during the period of study.
- 85% of the respondents are earning good income i.e. more than Rs. 30,000 per month. Hence they are more aware about the system of performance appraisal system.
- It is found that in SBI Bank 25.33% (38) respondents are cashier, 14% (21) respondents are clerk, 50% (75) respondents are assistant manager, and
10.67% (16) respondents are managers. Similarly, in HDFC Bank 14% (21) respondents are cashier, 24.67% (37) respondents are clerk, 35.33% (53) respondents are assistant manager, and 26% (39) respondents are managers.

- It is also found in the present study that employees having experience one to five years having more weight at 37.67%.

- 93 percent of the respondents are agreed that the performance appraisal system is available at workplace during the period of study. During survey it has been also found that majority of respondents are agree that existence performance appraisal is very important in each and every organization. Through performance appraisal employees can come to know where they stand and can improve their performance according to their requirement.

- 89.33 percent of respondents are agreed that the existence of performance appraisal system is essential for organisational growth.

- 95.67% respondents are in favour that the performance appraisal system is very important for employee’s growth.

- Overall 88.33% of the respondents agreed that the performance appraisal system is essential for employee’s motivation at workplace.

- During survey it has been found that majority of respondents are agreed that performance appraisal system is based on techniques in organization. Technique based performance appraisal system is more effective to test the effectiveness of recruitment, selection, placement and induction program etc.
Findings and Suggestions

• During survey it found that majority of employees are agreed that performance appraisal system is different for all banks.

• During survey it has been found that majority of respondents are agreed that monetary benefits make the difference in performance appraisal system in all banks. Many firms grant part or all of their pay increases and bonuses based upon merits which are determined mostly through performance appraisal.

• During survey it found that majority of employees are agreed that parameter used for performance appraisal system is different for all banks.

• in SBI bank 59.33% (89) respondents are strongly agree, 30% (45) respondents are agree, 4.67% (7) respondents are neutral, 3.3% (5) respondents are disagree , 2.67% (4) respondents are strongly disagree. Similarly, in HDFC bank 48% (72) respondents are strongly agree, 36% (54) respondents are agree, 3.33% (5) respondents are neutral, 8% (12) respondents are disagree , 4.67% (7) respondents are strongly disagree.

• During survey it has been found that majority of respondents are agreed that performance appraisal system is effective in all banks.

• During survey it has been found that majority of respondents are agreed that performance appraisal system is mandatory for promotion in banks.

• During survey it has been found that majority of respondents are agreed that fair assessment of performance appraisal should be made by higher authority. Many times personal biasness may create between employer and employee.
• In SBI bank 86% (129) respondents are strongly agree, 8% (12) respondents are agree, 1.33% (2) respondents are neutral, 3.33% (5) respondents are disagree, 1.33% (2) respondents are strongly disagree. Similarly, in HDFC bank 74% (111) respondents are strongly agree, 21.33% (32) respondents are agree, 2.67% (4) respondents are neutral, 1.33% (2) respondents are disagree, 0.67% (1) respondents are strongly disagree. During survey it has been found that majority of respondents are agreed that performance appraisal system is mandatory for promotion in banks.

• During survey it has been found that 81.33% of respondents are agreed that fair assessment of performance appraisal should be made by higher authority. Many times personal biasness may create between employer and employee.

• During survey it has been found that 94% respondents are concerned about performance appraisal because it helps in judging the potential of employees for better job.

• 91.66% respondents are agreed that the PAS is designed by the employer according to their policies.

• During survey it has been found that majority of employees are agreed that performance appraisal may create stress among employees. In PAS employees come to know that they are going to be examined by their top management and due to this reason they come under stress.

• Overall, 70 percent of the respondents believe that the performance appraisal system is also affected by the several secondary variables.
• 60 percent respondents believed that the performance appraisal system helps employees for constructive criticisms.

• During survey it has been found that majority of respondents are agreed that performance appraisal helps in finding the barriers of promotion. Through performance appraisal employees can come to know that where they are doing mistakes or why they are not achieving there goals. It is a process of accessing the performance and progress of employees.

• During survey it has been found that majority of respondents are agreed that performance appraisal system helps in creating diversity. Some respondents are not agreed it might be due to their lack of knowledge or they may be the lower class labour.

• During survey, it has been found that majority of employees are agreed that performance appraisal helps in identifying best employees. Performance appraisal is a systematic examination and the main objective of it is to test the effectiveness of recruitment, selection, and placement and induction program.

• During survey it has been found that majority of employees are agreed that performance appraisal change the behavior of employees. In this appraisal employees know that they are going to be examined by their superior so they behave in good manner and do the work effectively and efficiently so that they can get promotion.

• During survey it has been found that some respondents are agreed that performance appraisal creates conflict among employees. It might be due
their lack of knowledge or they are not receiving proper gain of appraisal system. Many time appraisal may create conflict due to their personal biasness.

- During survey it has been found that majority of respondents are agreed that performance appraisal system motivates the employees and provides job satisfaction to employees.

- Majority of respondents are agreed that performance appraisal help in monetary benefits. Performance appraisal system serves as the basis of suitable personnel policies and provides valuable information for personnel decision such as pay increases, promotion, demotion, transfer and termination.

- During survey it has been found that majority of respondents are agreed that performance appraisal leads to healthy competition at work place. Through PAS employees can come to know about their strength and weakness and identified for further training needs and develop positive superior subordinate relationship and there by reduces grievances.

- Some respondents has been agreed about this that performance appraisal should be online but some respondents are not agreed that it should be online. They are disagree might be due to lack of knowledge.

- Majority of respondents were agreed that there should be training program after appraisal. Performance appraisal will be success full after providing coaching, counseling, career planning and motivation to subordinates otherwise there is no use of appraisal.
Findings and Suggestions

- Majority of respondent are agreed that there should be external reviewer for performance appraisal. External reviewer may decreases personal biasness and decreases stress of employees.

- During survey it has been found that majority of employees of agreed that 360 degree appraisal technique should be used. 360 degree system involves evaluation of managers by everyone above, alongside and below him.

- It is clear from the above table that performance appraisal should be on monthly bases and majority of respondents are agreed about this. Appraisal on monthly basis provides valuable information for personal decision and motivation and encourages employees to perform better.

- The SPSS result shows that the weighted mean of stress is marked highest at 662.59 which is marked as rank I; while the weighted mean of satisfaction is ranked II at 616.39 and the weighted mean of career development is ranked III as its weighted mean is 575.41. Thus, the result shows that in public sector bank (SBI) the employees suffered more stress due to several policies and plans of government. While, the employees are more satisfied by the workplace of public sector and they are not worried about the career development. The employees are least found least interested in career advancement due to the permanency of their jobs.

- The weighted mean of career advancement is marked highest at 714.66 which is marked as rank I; while the weighted mean of stress is ranked II at 662.59 and the weighted mean of satisfaction is ranked III as its weighted mean is 595.26. Thus, the result shows that in private sector bank (HDFC)
the employees are more concerned about their career development. And they believe that the PAS is a major factor of stress at the workplace. While, the private sector employees are satisfied at the workplace.

- The SPSS shows that null hypothesis is rejected as the assumed significance value (P value) of the all the factors of the study is less than 0.05 (@ 5% level of significance) i.e., 0.0000 which indicate that there is a significant difference between performance appraisal systems in the public and private sector banks.

- The independent sample t test shows the group statistics which describes the mean difference, standard deviation difference and the standard error of the difference. On the basis of the above table, it can be conclude that there is a difference in the mean and standard deviation between public and private sector banks.

- An independent t-test has been used to compare the performance appraisal system (PAS) of public sector bank and private sector bank with respect to selected parameters. The above table shows that the parameter of stress has a sig. value 0.119 and career advancement has a sig. value 0.471 which is more than P value 0.05 which shows that null hypothesis is accepted, it means there is a significant difference between the performance appraisal system in public sector and private sector banks.

- The parameter satisfaction has a sig. value 0.005 which is less than 0.05 indicates that null hypothesis is rejected, it means there is no significant
difference between the performance appraisal system in public sector and private sector banks.

- In public sector bank (SBI), the sig. value (0.000) of all the selected factor viz. stress, satisfaction and career advancement is less than as compared to the p value 0.05 which shows that the null hypothesis is rejected it means there is a significant relationship between components of performance appraisal.

- In private sector bank (HDFC), the calculated p value (0.000) of the selected variables viz. satisfaction and career advancement is less than as the assumed significance value(p value) of all these variables 0.05(@ 5% level of significance) which indicated that the null hypothesis is rejected it means there is a significant relationship between components of performance appraisal.

- The calculated p value of variables stress .789 is more than the assumed significance value (p value) 0.05(@ 5% level of significance) which indicated that the null hypothesis is accepted hence there is no significant association.

- The table that correlation value of stress in public sector bank (SBI) is 0.386 and calculated p value is 0.000 while in HDFC bank the correlation value is 0.027 and p value is 0.789 shows that privat sector employees are suffered more stress as compared to the public sector.

- The correlation value of variable satisfaction in SBI is 0.492 and p value is 0.000 and in HDFC the value is .548 and p value is 0.000 which shows that
the public sector bank employees are more satisfied as compared to private sector banks.

- The correlation value of variable career advancement in SBI is 0.469 and p value is 0.000 and in HDFC bank the value is .508 and p value is 0.000 shows that the private sector bank employees are more concern about the career advancement.

- The private sector employees are more aware about PAS and they feel more stress at workplace as compared to the public sector employees.

5.2 Suggestions

Followings are the main suggestions on the basis of the above findings the present study:

- The public sector banks must develop good performance appraisal system for their workforce.

- A performance appraisal cell must be established at workplace of public sector and private sector banks to understand the concept of performance appraisal system by every employee.

- Proper communication system should be implemented in the public sector banks so that employees can be educated about the performance appraisal system.

- There should be an equal opportunity cell to protect the employee’s rights towards performance appraisal system.
• Proper training sessions should also be provided at the workplace for understanding performance appraisal system.

• The companies must develop performance appraisal police department to resolve conflicts after PAS among employees at workplace so that the performance can be increased.

• Some staff welfare facilities should also be provided at the workplace so that the performance of employees can be increased.

• Weekly or monthly training programmes should be introduced during working hours for PAS awareness.

• The management should take expert advice from external members regarding PAS in the companies.

• The management should implement a common PAS at workplace to reduce stress.

• The management of public sector should include career advancement programmes in operating procedures and should educate the employees about the same during induction programme.

• Some spiritual session should be organised by the management of public sector and private sector banks so that the stress of the employees can be reduced.

• The public sector and private sector employees must attend some external career advancement programmes for stress burst and their development.
Findings and Suggestions

- The management should promote some extra off side activities such as game area, play area, mini theater and some other stress bursting activities at workplace.

5.3 Scope for the Future Research

Research is an infinite process which cannot be accomplished by a human being or on a particular topic. The present research study has made an attempt to evaluate the role of performance appraisal system at workplace in selected public sector and private sector banks in India; still there is a realistic viewpoint for future research. Following are the main range for the future research:

1. The present research focuses only performance appraisal of SBI and HDFC banks of public sector and private sector banks further research can be in different sector also.
2. Performance appraisal system is a major concern for organisation; this can be studied in detail for future studies.
3. An in-depth study of channels for PAS in different atmosphere can be undertaken.
4. The various ways to resolve stress arising due to PAS can be studied.
5. Management perspective on PAS can be studied.
6. Some techniques of career advancement can be studied.