CHAPTER – VI
SUMMARY OF FINDINGS, SUGGESTIONS & CONCLUSION

The present study reveals the perception of junior, middle and top levels of management towards the effectiveness of performance appraisal system and satisfaction level of junior, middle and top levels of management towards the performance appraisal system. In this chapter an attempt has been made to recapitulate the main findings of the research. Suitable suggestions are made on the basis of the findings on various aspects covered in the present research investigation.

The findings of the study have been summarized as follows:

1. Out of 340 respondents, 11% of the respondents covered in the study are Diploma holders, majority of the respondents representing 56% are Graduates, 21% of the respondents are Post Graduate and remaining 12% of the respondents are holding other degrees which include professional and technical trainings. It is revealed that employees are having technical as well as professional qualifications as far as the units are concerned.

2. The respondents of the study include employees of junior, middle and top level of management. Out of 340 sample respondents,
100(29%) respondents of junior level management have been covered, while 200(59%) respondents of Middle level management have been taken into account and 40 (12%) respondents of Top level Management have been covered.

3. Experience of the employees in job field is very important in cement industry because of technical and mechanical work. It is observed in the present study that out of 340 respondents, with different years of experience, 01 percent of the respondent is having experience of 0-1 year, 28 percent of the respondents are having experience of 2-5 years, 20 percent of the respondents are having experience of 6-10 years, 39 percent of the respondents are having experience of 11-15 years whereas, 12 percent of the respondents are having experience of above 15 years. It can be seen from the present study that majority of the employees are having experience of 11-15 years.

4. Methods of performance appraisal adopted in the cement units exhibits that 157 respondents expressed that the self-assessment method is used. The responses of respondents towards ranking method were found 8.5%. Majority of the respondents expressed that self-assessment method is used regularly.

5. According to survey, 62 percent of the respondents agreed that, performance appraisal takes place biannually as mid-term review and
38 percent of the respondents marked performance appraisal takes place annually. It shows that the units are evaluating performance of the employees twice a year. It helps employees in identifying the areas of improvement.


7. Factor of Relatedness covers job related aspects like performance appraisal system helps in identification of training and development needs, performance appraisal helps in identification of ideas for improvement of employee’s performance.

8. Factor of Objectivity includes statements like performance appraisal system will not allow personal judgement, performance appraisal is ethical, performance ratings are accurate based on actual performance and performance appraisal system used in the company is fair and objective.
9. The third significant factor identified is Growth and Rewards. It includes items like performance appraisal directs employee to work towards the target, performance appraisal system facilitates employee’s individual growth and development and the system is used to decide on promotions and salary rewards.

10. Easiness is the fourth factor. Easiness factor includes variables like Performance appraisal system allows effective supervision, the system is simple and easy to use by evaluators. Performance appraisal helps in improving employees’ retention and Employees can easily participate in performance appraisal process.

11. Evaluation is the fifth factor. Important variables of Evaluation factor are performance appraisal evaluates individual performance of the employees as well as overall performance of an employee.

12. Communication and Co-operation is the last factor. The variables of this factor are performance appraisal helps in developing effective communication between appraiser and appraisee and it also encourages co-operation and team spirit.

13. The mean scores of junior, middle and top levels of management towards the Relatedness factor of performance appraisal with job, training and development and identification of ideas to improve the
employee’s performance ranges from 4.05 to 4.08. It shows that employees of different levels of management are agreed with the statements of Relatedness factor.

14. Perception of junior, middle and top levels of management are mostly agreed with the second factor of Objectivity which includes the variables like performance appraisal system will not allow personal judgement, performance appraisal is ethical, performance appraisal ratings are accurate based on actual performance and Performance appraisal used in the company is fair and objective. The mean scores ranges from 4.06 to 4.21, which shows that, the respondents are agreed with the items of Objectivity.

15. As per the computed mean, it is found that the opinion of junior, middle and top levels of management towards the factor of Growth and Rewards lies between 3.98 to 4.05, which also shows agreement of the employees towards the statements, Performance appraisal directs employees to work towards the targets has a mean score of 3.98. The mean score for the statement the system is used to decide on promotions and salary rewards is 4.05.

16. It is found that the opinion of junior, middle and top levels of management towards the factor of Easiness lies in the range 3.92 to 4.23. From which it can be inferred that, the employees of different
levels of management have positive opinions towards variables of Easiness.

17. In the present study majority of the respondents of junior, middle and top level of management are agreed with the factor of Evaluation which includes performance appraisal evaluates individual performance of the employee with a mean score of 3.99 and the mean score for the variable performance appraisal evaluates overall performance of an employee is 4.30.

18. Majority of the respondents of junior, middle and top level of management under the study have been agreed with the factor of Communication and Co-operation mean score ranges from 4.03 to 4.23. Mean score for the statement performance appraisal process encourages co-operation and team spirit is 4.03 and the mean score for the variable the targets set by performance appraisal system are measurable is 4.23.

19. It is noted that, out of 340 respondents, the average opinions of 30 (9%) respondents of Junior, middle and top level of management were neutral towards the factor of relatedness, No respondent has been disagreed with the factor of relatedness, 272 (80%) respondents of different levels of management were agreed with the factor and 38 (11%) respondents of different levels of management were strongly
agreed with the factor of relatedness. Majority 178 (88%) respondents of middle level of management were agreed with the factor. The chi-square test revealed that there is a significant difference in the opinions of junior, middle and top levels of management towards the factor of relatedness. P= 0.000 is less than 0.05.

20. According to the survey, the average opinions of majority 27 (67.5%) respondents of top level of management were agreed with the factor of objectivity which includes variables, performance will not allow personal judgement, performance appraisal is ethical, performance ratings are accurate based on actual performance and performance appraisal system used in the company is fair and objective. No respondent was found disagreed with the factor. 09 respondents of middle level of management responded neutral towards the factor. Out of 340 respondents, the average opinions of 227 (66%) respondents of different levels of management were agreed with the factor and 92 (27%) respondents of various levels of management were found strongly agreed. The value of chi-square test 11.635 indicates that there is a difference in the opinions of the levels of management towards the factor of objectivity. P= 0.020 is less than 0.05.
21. The study found that, out of 340 respondents, the average opinions of 03 (1%) respondents were disagreed with the factor of growth and rewards. 47 (14%) respondents were neutral towards the factor, 250 (73%) respondents agreed that the growth and rewards is the factor of effectiveness of performance appraisal. 40 (12%) respondents were strongly agreed with the factor. The study revealed that, the average opinions of 157 (76%) respondents of middle level of management showed a high level of agreement towards the factor of growth and rewards as compared to junior and top level of management. At 5% significance level, there is no significant difference in the opinions of levels of management towards the factor of growth and rewards. It means employees of different levels of management have similar opinion towards the factor of growth and rewards, (P = 0.070).

22. Perception of most of the respondents towards the factor of easiness reveals that 77 (77%) respondents of junior level of management have high level of agreement towards the factor of easiness. Average opinions of 25 (7%) respondents were neutral, 253 (75%) respondents of junior, middle and top level of management were agreed with the factor and 62 (18%) respondents of different levels of management were strongly agreed with easiness of performance appraisal. At 5% significance level, levels of management have no significant
difference towards the factor of easiness. $P=0.226$ is greater than 0.05.

23. The survey found that, average opinions of majority 84(84%) respondents of junior level of management were agreed with the variables of evaluation factor. 24(7%) respondents opined nothing about the factor of evaluation. 26 (77%) respondents agreed that the performance appraisal system evaluates individual as well as overall performance of employee. 55(16%) respondents showed strong agreement towards the factor of evaluation. The value of chi-square test 6.23 showed that there is no significant difference in the opinions of levels of management towards the factor of evaluation. $P$ value 0.183 is greater than 0.05.

24. It is found that, the average responses of 02 (1%) respondents were disagreed with the factor of communication and co-operation, 38 (11%) respondents were neutral, 251(63%) respondents of different levels of management were agreed towards the last factor of communication and co-operation. 85(25%) respondents of various levels of management have been strongly agreed with the factor. The average responses of majority 140 (70%) respondents of middle level management have been agreed with the statements of communication and co-operation factor. The value of chi-square
16.74 indicates that there is a significant difference between the opinions of the levels of management towards the factor of communication and co-operation. P value 0.010 is less than 5% significance level.

25. At 5% significance level, levels of management do not have significant difference with the factor of Growth and Rewards (P=0.070), Easiness (P=0.226) and Evaluation (P=0.183). The value of chi-square test 29.91, 11.63 and 16.74 revealed that there is a significant difference between the opinions of levels of the management towards the factor of Relatedness (P=0.000), Objectivity (P=0.020) and Communication and Co-operation (P=0.010).

26. At 5% significance level, levels of management do not have significant difference towards the factors of effectiveness of performance appraisal. P value for the factor of growth and rewards, easiness and evaluation found above 0.05. This implies that, employees of different levels of management expressed similar views towards the factor of growth and rewards, easiness and evaluation factors.

27. It is found that, average opinions of majority 118 (90%) respondents having experience of 11-15 years have shown high level of
agreement towards the variables of relatedness. Among the 340 respondents, average responses of 30(9%) respondents were found neutral, No respondent has been disagreed with the factor. 272(80%) respondents with different years of Experience were agreed with the factor and 38(11%) respondents having different years of Experience have shown strong agreement towards the factor of relatedness. At 5% significance level, there is a significant difference in the opinions of the employees’ Experience towards the factor of relatedness, $P = 0.000<0.05$. It means that employees with varied years of Experience have different opinions towards the factor of relatedness.

28. The study found that, average opinions of majority 49(71%) respondents with the experience of 6-10 years were agreed with the factor of objectivity. Out of 340 respondents, average responses of 227(67%) respondents with different years of experience were agreed with the factor of objectivity, 21(6%) respondents were neutral with the factor and 92(27%) respondents with the different years of experience were strongly agreed with the factor. The value of chi-square test 15.693, indicates that there is a significant difference in the opinions of the employees with varied years of Experience towards the factor of objectivity, $P= 0.047<0.05$. It clearly indicates that the employees of varied years of Experience have different views towards the factor of objectivity.
29. The study finds, out of 340 respondents, average responses of 03 (1%) respondents with different years of Experience were disagreed with statements of growth and rewards, 47 (14%) respondents responded as neutral, 250 (73%) respondents with different years of experience have shown agreement towards the statements of growth and rewards factor and 40 (12%) respondents with different years of Experience were strongly agreed with the factor. Chi-square test revealed that there is a significant difference between the opinions of employees’ Experience towards the factor of growth and rewards. P = 0.000 is below 5% significance level.

30. The survey revealed that, average opinions of 253 (75%) respondents with different years of Experience were agreed towards the variable of easiness factor, 62 (18%) respondents with different years of experience have strong agreement towards the factor of easiness. 25 (7%) respondents were neither agreed nor disagreed with the factor. No respondent was disagreed with the factor. 03 (100%) respondents having experience of 0-1 year are more satisfied with the variables of easiness factor. At 5% significance level there is no significant difference in the opinions of employees of varied years of Experience towards the factor of easiness, P= 0.358 > 0.05. It implies
that employees with different years of Experience feel similar towards the factor of easiness.

31. According to the survey, average opinions of 24(7%) respondents with different years of Experience were neutral towards statements of evaluation factor. The opinions of 261(77%) respondents having different years of Experience were agreed with evaluation factor and 55(16%) respondents with varied years of Experience opined strongly agreed. Majority 82(84%) respondents having experience of 2-5 years have been agreed with the factor. At 5% significance level, there is a significant difference between the employees’ Experience towards the factor of evaluation. P= 0.001 < 0.05.

32. It is found that, the average responses of 02 (1%) respondents having different years of Experience were disagreed with the variables of communication and co-operation factor, 38(11%) respondents opined nothing about the factor, 215(63%) respondents with different years of Experience were agreed towards the factor and 85(25%) respondents with varied years of Experience were strongly agreed. 49(71%) respondents with the experience of 6-10 years have shown high level of agreement as compared to other respondents. At 5% significance level, there is no significant difference in the opinions of
employees’ Experience towards the factors of communication and co-operation.

33. At 5% significance level, employees’ Experience has significant differences in terms of perception towards the critical factors of effectiveness of the performance appraisal system. P value for the factors of relatedness, objectivity, growth and rewards and evaluation was found below 0.05. This means that employees with different years of Experience expressed different views towards the factors of relatedness, objectivity, growth and rewards and evaluation. The P value for two factors easiness and communication and co-operation was found above 0.05. This clearly shows that employees with different years of Experience expressed similar views towards above factors.

34. Employees’ Experience have significant differences with the factor of Relatedness (P= 0.000), Objectivity (P= 0.047), Growth and Rewards (P= 0.000) and Evaluation (P= 0.001). Factor of Easiness (P= 0.358) and communication and co-operation (P= 0.96) do not show significant differences with the employees’ Experience.

35. Majority of the respondents representing 66.8% of the sample population were satisfied with the performance appraisal process followed by the company. 0.3% of the respondents were highly
dissatisfied. It shows that the most of the employees are satisfied with the performance appraisal process.

36. The study revealed that, majority 78.6% of the respondents were satisfied with the targets set by the appraiser and 1.2% of the respondents were dissatisfied with the targets set by the appraiser. It can be inferred that most of the employees are satisfied with the targets set by the appraiser.

37. The study found that, 71% of the respondents were satisfied with the transparency and objectivity of performance appraisal system and 2% of the respondents were highly dissatisfied with the transparency and objectivity of performance appraisal system. It clearly shows that units have maintained transparency and objectivity in their performance appraisal system.

38. According to the survey, 55.3% of the respondents were satisfied with the appraiser’s treatment and 0.6% of respondents were highly dissatisfied with the appraiser’s treatment. It shows that appraiser is treating appraisee in a friendly and cordial way during performance appraisal process.

39. It is found that, 72.1% of the respondents are satisfied with the communication about the performance appraisal system provided by
the company. 0.3% of the respondents were highly dissatisfied with communication about the performance appraiser system. It shows that the units have maintained good communication system.

40. As per the mean computed, it is found that the opinion of the respondents towards the statement satisfaction towards the performance appraisal process followed by the company is closed to scale of four 3.98, which means employees are satisfied with the above statement.

41. It is inferred from the mean score of the respondents 4.14 that the employees are satisfied with the targets set by the appraiser. The ratings of the respondents of different levels of management lie in the scale of four for the above statement.

42. Majority of the respondents under study have rated in scale closed to four towards the statement satisfaction towards the transparency and objectivity of performance appraisal system, 3.91. It means that the employees of different levels of management have expressed satisfaction towards transparency and objectivity of performance appraisal system.

43. It is examined from the mean score of respondents 4.12, that appraiser’s treatment towards the appraisee during the performance
appraisal process is friendly and cordial. Hence, majority of the respondents are satisfied with the appraiser’s treatment towards the appraisee during the performance appraisal process.

44. It is found that the opinion of the respondents towards the statement ‘satisfaction with the communication about the performance appraisal provided by the company’ rated by the respondents of different levels of management is 4.19. It shows that the units are providing proper communication to the employees.

45. Among the 340 respondents, opinion of 01 respondent of middle of management was highly dissatisfied with the statement satisfaction with the performance appraisal process. 28(8%) respondents of junior, middle and top levels of management were dissatisfied with the performance appraisal process and 16(5%) respondents were neutral. 227 (67%) respondents with different levels of management were satisfied. 68 (20%) respondents were highly satisfied. Majority 148 (74%) respondents of middle level of management were satisfied with the performance appraisal process. At 5% significance level, levels of management have significant difference towards the performance appraisal process. P value 0.000 is less than 0.05.

46. The study revealed that, 04(1%) respondents of middle level management were dissatisfied towards the variable, satisfaction with
the targets set by the appraiser, 10(3%) respondents are neutral, majority 261(77%) respondents of junior, middle and top levels of management were satisfied with the targets set by the appraiser and 65(19%) respondents with different levels of management were highly satisfied. There is a significant difference in the opinions of levels of management towards the targets set by the appraiser. P=0.001 < 0.05. It implies that the levels of management have different opinions towards the above statement.

47. The study found that, out of 340 respondents of junior middle and top levels of management 05(1%) respondents of middle level management were highly dissatisfied with the transparency and objectivity of performance appraisal system, 20(6%) respondents of different levels of management were dissatisfied, 25(7%) respondents were neutral. 241(71%) respondents of different levels of management have shown satisfaction towards the above statement. 49(15%) respondents were highly satisfied. Majority 153 (76%) respondents of middle level of management were satisfied with above variable. At 5% significance level, there is a significant difference in the opinions of the levels of management towards the transparency and objectivity of performance appraisal system, P=0.003 < 0.05. It shows that levels of management have expressed different opinions about the above statement.
48. According to the survey, 02(1%) respondents of middle of management have shown high dissatisfaction, 29(9%) respondents of different levels of management were dissatisfied with the appraiser’s treatment, 08(2%) respondents of middle levels of management were neither satisfied or dissatisfied, 188(55%) respondents were satisfied with the appraiser’s treatment. 113(33%) respondents were highly satisfied. Majority 28(70%) respondents of top level of management were satisfied with the above statement. The chi-square test revealed that there is no significant difference in the opinions of levels of management towards the appraiser’s treatment, \( P = 0.086 > 0.05 \).

49. It is found that, 01 respondent of middle level management was highly dissatisfied with the communication about the performance appraisal system, 09(3%) respondents were dissatisfied and no respondent has been neutral towards the communication about the performance appraisal system. Majority 245(72%) respondents of junior, middle and top levels of management were satisfied with the communication about the performance appraisal system and 85 (25%) respondents of different levels of management were highly satisfied. Majority 34(85%) respondents of top levels of management have shown satisfaction towards the communication about the performance appraisal system. At 5% significance level, there is no
significant difference in the opinions of the levels of management towards the communication about the performance appraisal system, P = 0.099 > 0.05.

50. At 5% significance level, levels of management have significant differences towards satisfaction with the performance appraisal process (P = 0.000), satisfaction with the targets set by the appraiser (P = 0.001), satisfaction with the transparency and objectivity of performance appraisal system (P = 0.003). This implies that different levels of management have different opinions towards the variables of performance appraisal.

51. At 5% significance level, levels of management have no significant differences towards the satisfaction with appraiser’s treatment (P = 0.086), satisfaction with the communication about the performance appraisal system (P = 0.099). This means that the employees of different levels of management have similar views towards these statements.

52. The study revealed that, 01 respondent having experience of 6 to 10 years was highly dissatisfied, 28(8%) respondents having different years of experience were dissatisfied towards the performance appraisal process and 16(5%) respondents were neutral. Majority 227 (67%) respondents with varied years of Experience were satisfied.
249 respondents were highly satisfied with the variable. 03 (100%) respondents having experience of 0-1 year have shown high level of satisfaction towards the performance appraisal process. At 5% level of significance level, there is a significant difference in the opinions of employees’ Experience towards the performance process. P value 0.000 is less than 0.05.

53. It is noted that, 04 (1%) respondents with varied years of Experience were dissatisfied with the targets set by the appraiser, 10(3%) respondents were neutral. Majority 261(77%) respondents with different years of Experience opined satisfaction towards the targets set by the appraiser and 65(19%) respondents were highly satisfied with the variable. 03(100%) respondents having experience of 0 to 1 year were satisfied with the above statement. At 5% significance level, there is a significant difference between the opinions of employees’ Experience towards the targets set by the appraiser, P value 0.003 is less than 0.05.

54. It is found that, out of 340 respondents with different years of Experience, 05 (1%) respondents with different years of Experience were highly dissatisfied with the transparency and objectivity of performance appraisal system, 20(6%) respondents were dissatisfied, 25(7%) respondents responded neutral towards the transparency and
objectivity of performance appraisal system, majority 241(71%) respondents with varied years of Experience were satisfied with the above statement and 49(15%) respondents were highly satisfied with variable. 53(76%) respondents having experience of 6-10 years are more satisfied. At 5% significance level, there is a significant difference in the opinions of employees’ Experience towards the transparency and objectivity of performance system, P value 0.020 < 0.05.

Among the 340 respondents, 02(1%) respondents with the experience of 11-15 years were highly dissatisfied with the appraiser’s treatment, 29(9%) respondents were dissatisfied with the appraiser’s treatment, 08(2%) respondents with various years of Experience responded neutral. Majority 188(55%) respondents having different years of Experience have shown satisfaction towards the appraiser’s treatment and 113(33%) respondents were highly satisfied with the above statement. It is revealed that 28(70%) respondents having experience of above 15 years were more satisfied as compared to other respondents. From the value of chi-square test 22.61, it can be concluded that there is no significant difference between the opinions of employees’ Experience towards the appraiser’s treatment during performance appraisal process, P value 0.125 > 0.05.
According to the survey, 01 respondent having experience of 11-15 years was highly dissatisfied with the communication about the performance appraisal system. 09(3%) respondents having different years of Experience were dissatisfied with the communication about the performance appraisal provided by the company. No respondent has been neutral. Majority 245(72%) respondents with varied years of Experience were satisfied with the above statement and 85(25%) respondents having different years of Experience were highly satisfied with the communication about the performance appraisal. 34(85%) respondents having experience of above 15 have shown more satisfaction. At 5% significance level, there is a significant difference between the opinions of employees’ Experience towards the satisfaction with the communication about the performance appraisal system. P value 0.013 is than 0.05.

At 5% significance level, Employees’ experience have significant differences towards the statements, satisfaction with the performance appraisal process followed by the company (P= 0.000), satisfaction with the targets set by the appraiser (P= 0.003), satisfaction with the transparency and objectivity of performance appraisal system (P= 0.020), satisfaction with the communication about the performance appraisal system provided by the company (P= 0.013). This means
that the employees of varied years of Experience have different opinions towards these variables.

58. At 5% significance level, Employees’ Experience have no significant difference towards the statement ‘satisfaction with the appraiser’s treatment during performance appraisal process P= 0.125 which is above 0.05. It means that employees with varied years of Experience have similar views towards above statement.
SUGGESTIONS

In this section an attempt is being made to suggest some important aspects in the light of the findings of the present study to improve the effectiveness of performance appraisal system.

1. Targets setting exercise is done at the beginning of the year, few respondents of both the units have mentioned that, review of targets should be done quarterly to know the quantum of the targets achieved by them. It helps employees to overcome hurdles in achieving the targets. Hence, it is recommended that review of targets should be done quarterly. This will also help management in identifying the problems of employees as more often as compared to Annual Appraisal.

2. Few respondents of Rajashree Cements Works were dissatisfied towards the training of appraisal process. Therefore, it is suggested that appraisee should be given sufficient training regarding the process of performance appraisal so, that the employees can easily participate in performance appraisal process and employees will be aware of the process of performance appraisal.

3. Sufficient training towards the process of performance appraisal will help employees in identifying themselves with performance
appraisal. This will help in creating a positive attitude in the minds of employees towards the performance appraisal system.

4. For maintaining transparency in performance appraisal, it is important to explain the logic of rating to appraisee. Appraiser should act in positive, unbiased manner and judge the employee of the appraisal period only. It is a best practice that rating given by appraiser should be reviewed by a committee where logic is again discussed. This mechanism brings the transparency.

5. Transparency is a critical issue of performance appraisal system. Few respondents of Rajashree Cement Works were dissatisfied with the transparency of performance appraisal. It is suggested to the management of Rajashree Cement Works that, calculation should be explained to the employees through which the performance rewards are decided to make appraisal process more transparent.

6. Management of ACC Limited should ensure that performance records of the employees should be followed by career development well in time on universal basis there should not be delay in maintaining performance records it means justice delayed, justice denied.
7. Self-assessment method, Management by Objectives method are regularly used in both the units but, few respondents of both the units have mentioned that Behaviourally Anchored method, 360 Degree method should be used regularly to make performance appraisal system more effective and unbiased.

8. During self appraisal, employees mention the type of training that will help them to perform better. Training need is validated by the appraiser, as the appraiser knows the training needs of appraisee, therefore, it is recommended that HR managers of both the units should gather and use data pertaining to training need assessment and fulfil the training needs of the employees.

9. It is observed from field study that, feedback regarding performance appraisal is provided to the employees at the earliest possible time and on continuous basis so, majority of the respondents of both the units are satisfied with the feedback related to performance appraisal. Such practices should be continued in future also.

10. Management of both the units should see that both appraiser and appraisee hold frequent meetings aimed at developing action plans. During these meetings, matters such as performance expectations should be discussed as well as review of employee performance on
tasks that have been accomplished and also the area that need further improvement.

11. Reactions of the employee towards the performance appraisal depends upon the way performance appraisal results are communicated. Majority of the respondents of both the units are satisfied with the communication about the performance appraisal. As the medium of communication is good. Further, it is recommended that, appraiser should always good to bring in personal touch and use positive language. Instead of discussing weaknesses, appraiser should discuss the strengths and areas of improvements. Employee should be given chance to improve in time bound manner. Keep reassuring the employee about the need of appraisal.

12. Potential and capability plays an important role. Performance rating alone cannot decide the promotions though it is an important constituent of promotion. Potentiality and capability of the employees should also be considered as far as promotion is concern, as higher role requires different set of skills.

13. Management should take care that performance appraisal should identify best performers to create a sense of motivation among
employees. Employees should perceive performance appraisal system as an improvement tool and not as fault finding system.

14. The management should see that appraisee should get increment, compensation as per the targets achieved by him.

15. While setting targets employees should keep in mind target should be (SMART) Specific, Measurable, Achievable, Realistic and Time-bound.

16. It is suggested that, 360 Degree feedback from top and middle levels of management will help to improve the performance. It also brings transparency in the system.
CONCLUSION

Performance Appraisal is a key tool in making of organisations human resource. The purpose of the study was to measure the effectiveness of performance appraisal system. Employees are having different views towards each factor of effectiveness of performance appraisal. Even employees have different opinions towards satisfaction of performance appraisal. For maintaining transparency in performance appraisal system in cement industry 360 degree method of performance appraisal should be adopted. Employees should be given rewards as per their achievements of targets. Employees should be given adequate training so, that they can easily participate in appraisal process.

It can be concluded that factors of effectiveness of performance appraisal should be identified and it should be evaluated. Performance appraisal should not be considered as fault finding. Performance appraisal helps in identification of training needs, which helps in enhancing the productivity of employees. Feedback is an important parameter of effectiveness of performance appraisal, therefore employees should be given voice during the feedback process and they should be allowed to participate in two way communication during feedback.
SCOPE FOR FURTHER STUDIES

1. In present study factors of effectiveness of performance appraisal have been studied. Hence, it can be suggested that in future studies other factors related to effectiveness of performance appraisal can also be undertaken.

2. Similar study can also be undertaken in other industry.

3. Greater focus is given to hiring and retaining talented employees in cement industry. Hence further research can be done on Talent Management in cement industry.

4. Studies can also be undertaken on Job satisfaction, Training and Development and Welfare measures in cement industry.