Conclusion, suggestion and recommendation

This chapter deals with the concluding observations made by the researcher after making a thorough research in the area of executive performance appraisal in the selected IT units/companies in West Bengal. A rigorous attempt has been given to find out the appraisal methods of IT companies in its different organizational structure, size and activities. The period for such research project covers three years from 2010 – 2013 to explore new grounds of measuring peoples performance in such organizations. Different IT companies under study use different methods to ascertain people’s strength and weakness that results in performance outcome. Looking to complexity in performance activities of individuals particularly when project matrix concept operates in the organizational setting, a uniform performance appraisal method may not be easily introduced in a systematic way. People in this sector may require to work in a project for a specific short span period of time and major part of their activities rest on other projects so in such process of activities, a difficult and complicated task is inherent in appraising people’s performance. Not like non-project prone organizations, people’s level of competence makes a very significant contribution to the performance outcome in the changing, technological environment. In such eventuality, a shift in KRA is also predominantly in existence.

The researcher during the personal survey of the executives gathered that performance appraisal systems in the sampled IT companies in West Bengal operate in a haphazard way maintaining no uniform system of appraising
performance that may range from “sophisticated e- performance management system” to almost “no sophistication”. After interviewing the executives as well as the HR personnel of the companies, it comes to the knowledge that, some big companies, working in various projects are required to make frequent assessment of people’s performance for redeployment in other projects as per skill requirement. Such practice of assessing performance for a short period of time (i.e. quarterly, biannually, annually) is very much prevalent in IT sector companies. It is also gathered that small/ medium sized companies generally follow the practice of assessing employee performance annually.

The techniques used by the companies also vary looking to its size and strength of employees. The respondents of some big IT companies informed that they are using a mix of highly sophisticated techniques like MBO, 360° appraisal, and also forced choice method for final rating. Whereas, the executives from small sized IT companies informed that the companies are normally not following these sophisticated and complex appraisal techniques but they are following the traditional confidential reports and rating scale method based on supervisor’s observation. The performance appraisal in the big and some medium sized companies follow the performance appraisal cycle: goal setting → performance review and monitoring → feedback → implementation of the appraisal report. But the HR executives of small companies informed that due to a less number of manpower and heavy work pressure they spend less time on appraisal criticality. High attrition rate also makes it impossible for them to follow the appraisal cycle for every individual continually year after another. The performance appraisal is for them only a yearly ritual often completed based on
supervisor’s observation. Many of the big and medium sized companies follow ‘top-down’ and ‘bottom-up’ approach together in employee assessment. Top-down approach is used by the companies to set mutual goal for acceptance by the subordinates in joint goal setting session. The subordinates are given opportunity to offer their views, comments about their preferences, hindrances/obstacles faced for peak performance through self evaluation system. Self-evaluations of the employees are done electronically through the portals as a part of the bottom up approach. It is very much apparent in IT companies particularly in big sized companies looking to the specific skill requirement in the present project and future need of specific level of competence (KSA), forced choice method is adapted, giving a specification for a particular skill need for redeployment in the required project. In such case it is same that deserving executives having excellent track record of performance and trait attributes may not get the rating, they merited. It happens that such level of KSA may not suit the future project work. Executives of such level of categories, who are obviously committed to the work and the organization, may develop a feeling of “not match able” for IT jobs and consider themselves unworthy, perhaps deadwoods in the present ever changing technological environment.

There is a wide variety in appraisal formats also. The big companies are using balanced scorecard like very complex formats of assessing people. Identified goals includes customer dimensions, internal dimensions, learning and growth dimensions etc., but the sampled SMEs informed that the performance assessment formats in their organizations are quite easy and only measuring the performance of the employees in terms targets achieved. Communication,
punctuality, initiative, proaction etc are the most commonly considered attributes to be measured during the assessment of individual performances in almost all companies irrespective of size. But some of the big organizations are including the complex behavioral dimensions into account while assessing the employees’ performance; those are team skill, continual learning, leadership skills, business acumen, resource management, etc. The ratings/ grades used in appraisal formats in these companies are behaviorally anchored. It reduces the multi rater problem and also reduces the requirement of training for the raters. But it is understood through the interaction with the higher management officials that they feel it cumbersome, difficult, and inconvenient to properly fill in and practically makes it difficult for the rater to formally go through all the performance format and evaluate the employee filling the form properly because of its’ voluminous nature containing numerous points in the format.

With regard to feedback session, it is also gathered through interaction with the executives in different sampled IT units that the weak areas of the ratees are not reinforced through providing infrastructural facilities by the rater/ higher management. This makes the ratee non performer/ under achiever in the next performance activities that results in a remarkable erosion in further generation of skill up gradation.

Monitoring system for goal achievement is not vigorously practiced by raters as some of them feel it is exclusively the task of ratees/ subordinates to accomplish their task, their goals and it is not at all higher management’s responsibility that subordinates’ goal is achieved.
Trainings are tailor-made and majorly project need based in these big houses. Training needs are identified on the basis of appraisal reports as well as on the basis of changing technology, and project demands. It comes to the knowledge of the researcher, when the issue of imparting training is asked to executives that some of the deserving career prone executives expressed their unhappiness about training need identification process used by the companies. It is given to understand that most company identify the executives for training looking to the exclusive requirement of the skill for performing the specific task and so skill-need-based training is given priority for selection of the executives. So, it becomes clear that such executives develop their expertise in a specific field of activities which may not be useful for other job requirement. Trainings for overall developments of the executives like managerial skill effectiveness enhancement of qualitative trait requirements of leaders, change management, morale/ motivational aspects have little significance in most IT sector barring a few of these companies. All this generates among some energetic, high profile executives deserving to be recognized in a worthy manner, a feeling of inequality, injustice and irrational in the approach to the management.

The respondents in all companies irrespective of their size have clearly indicated that the appraisal data are mostly used for the administrative purposes. Promotion, performance rewards, salary increments, and salary incentives are some of them. But, as the industry is project based in nature, these decisions are linked to the importance of the project to the company, issue of further continuance of the project by the company and possibility to take the incumbent
in another project. It creates an environment of hard competition. Subsequently some anomalies crop up.

No uniform policy is practiced for developing the impetus, motivation and the positive attitude of executives through sanctioning reward, which generally claims to be individual performance based orientation, but in reality it mostly happens that a highly peak performer who exhibits a continuous track record of excellent performance for some period of time, may not be rewarded by granting special increment, incentive or in other forms in continuous way. It occurs that such a person may have recognition for single occasions or more. The same thing happens in case of promotion of executives. In general promotion is linked to the performance rating system but sometimes it looks the project requirements, companies overall HR needs and also other factors which are not clearly stated.

It is very much apparently clear that many of the small, medium companies and even some of the big organizations do not give proper weightage to performance appraisal system for different purposes for which the system introduces decision on promotion, increment and other reward system are taken on the basis of undefined, unstated norms/ principles which generally do not have any linkage to the performance appraisal systems.

Very few IT organizations give lot of emphasis on employee behavior beyond their job description and development of organizational citizenship behavior among the individual employees in its proper perspective and prepare their strategy for making decisions on various areas like promotion, increment, disciplinary action and other administrative areas, considering this.
A causal linkage between the applications of appraisal and motivation of the employees are clear. ‘Job derivative’, ‘learning culture’, ‘reward administration’, ‘innovation reinforcement’, and ‘autonomy and empowerment decisions’ are found to be more important than pecuniary agreements, which indicates a clear inclination towards ‘Herzberg’s motivator factors’ among the highly educated, skilled young dynamic workforce of the sampled IT companies. This finding clearly indicates that the IT sector companies can increase their business excellence and customer satisfaction in service delivery by emphasizing more on appraisal based long term development of their executives, giving more autonomy and empowerment to their deserving executives and creating an innovation oriented culture.

Finally, respondents from almost all companies informed a heavy reliance of appraisal data in the punitive decision making. The HR personnel from the sampled IT companies informed that if the incumbent show poor performance reports for consecutively in some appraisal sessions, the person can lose the challenging assignments/ projects and can even be retrenched. This creates terrible fear among the employees to lose their job.

With regard to poor rating of executives an appeal system is introduced in most of the big IT companies when the ratee may prefer an appeal to the appellate authority for reconsideration of the rating. This system is practically not used in its real sense, but it gives the idea to the people that such system is in existence. So there remains a chance of evaluating people’s performance whimsically, arbitrarily by the rater as there is no platform for redressal of such grievance related to people’s performance in existence.
The research analysis gives a very clear idea that performance appraisal is not regularly and equally practiced in all IT companies in West Bengal and it focuses picture that the peoples’ assessment process, followed in IT sector, is not adequate and systematic in nature. Different organizations follow different ways to identify performance level of the employees and for this performance appraisal system is adopted and the actual use of performance appraisal systems for various purposes is not properly and keenly followed.

**Suggestions and Recommendation:**

It is now very much pertinent to submit suggestions in the area of performance appraisal systems operating in sampled IT companies in West Bengal. This is made on the basis of examination observations the researcher made after administration of questionnaire to the sampled management personnel and responses obtained from them and also through the interaction had with them during the whole period of survey and analysis of finding has also been made to present suggestion on the research topic.

1. With regard to goal setting for individual subordinates, it is a necessity that he should be involved in such exercise and various areas like obstacles, hindrances likely to be faced, infrastructure required to achieve the goal need to be looked in to by the boss and for such area through discussion, interaction need to be made. It is seen that is most goal setting session the bosses predominates and the goals are set by the bosses themselves and imposed on the subordinates. So the IT companies are required to involve the subordinates in such goal setting activities so that sub ordinate can feel from core heart that their suggestions,
problems, difficulties are given due weightage by the bosses and necessary care is taken before final setting is made.

2. Self evaluation process is not properly and systematically operated in the IT companies. It is very much present in the companies and as a rule the subordinates are required to submit their own thought process over their performance made in the survey period and also to the difficulties inconveniences stood in their ways for their excellent performance. Most IT companies make it a practice that the subordinates have to submit the self evaluation but from the interaction with the executives / management personnel is gathered that the importance of self evaluation is not very much prominent in the final annual review. The casual attitude of higher management over not giving proper weightage to the self evaluation generates a feeling of non-recognition of contribution to the work amongst the subordinates that reduces the degree of morale affecting the work actively. It is therefore suggested that the self evaluation should be given equal importance to performance appraisal by the bosses.

3. It happens that most of the executives particularly the junior executives are not very much aware of Key Results Area (KRA) for which goal setting is made by the management. The personal interaction with most junior executives gives the idea that they are not well aware of such KRA’s vis-à-vis the goals to be set on such KRAs. It is therefore felt that a system may be introduced in IT companies for imparting knowledge understanding of KRAs and the process of goal setting to be made, to the subordinate before the exercise of the final goal
setting. This will make the junior executive enriched with knowledge, understanding and the whole gamut of goal setting activities.

4. It is observed from the personal survey the performance appraisal system is not in existence in its real sense, particularly in the small sized companies where formal appraisal format is not well designed and its use for evaluating people performance is not effective in decision making as and where needed. Some big sized companies have designed performance appraisal which most junior executive feels cumbersome and not cognizanceable in some attribute. Such appraisal format which is in use in companies’ makes a confusion amongst the executives regarding the importance of their performance activities vis-à-vis performance appraisal system. So well designed performance appraisal is required to be made and practice in all IT companies in order to make subordinates feel about the job perform by them and also apprised by their bosses in a proper way.

5. It is very much apparent in IT companies that the executives / management personnel work in different teams, but doing the job of the same nature, are rewarded through various incentive schemes differently, sometimes. This makes the people who are offered comparatively less incentive looking to the importance of the job in the projects, demotivated and in the process, a state of complexity between executives is generated. This affects the performance level of the employees and potential activities of such executives. It is now suggested that the incentive should be given to the people looking to the performance and work activity, not laying emphasis over the importance of the job the people perform.
6. During personal survey in different IT companies the researcher has got to know that when a person after performing excellent work is not satisfied with the rating, makes an appeal before the appellate authority does not get proper treatment and scrutiny of rating made on various activities / factors. This makes it very clear to the subordinate that appraiser’s ratings are the final despite a system of preferring appeal is in existence with the company. A system of thorough and proper examination of ratings by the appellate authority helps the subordinates (executives/management personnel) create a good image about the company and the top management that tend towards accomplishment of a team goals and project goals vis-à-vis the company. So the appellate system in all the IT companies need to be introduced and practiced effectively in order to win over the people perceptions about the performance appraisal practiced in the companies.

7. Executives in the IT companies are deployed in various jobs looking to the need of the project after taking step to design the job to which people will be assigned in such job design and redesign process, executive expertise competence level of education, experience are not taken in to account particularly when junior executives are taken and assigned the job. At the entry point, the executives in the most IT companies such areas, of skills etc. are ignored and the people are given the task not suiting their high profile exposures, academics distinction. The executive though process, desirability, potentiality start eroded and a state of mental instability that hinders peak performance. It is suggested that when an executive is hired his qualitative attributes, needs, attitudes should be given due weightage to enhance the people’s performance, capabilities and also potentiality.
8. During the personal survey the researchers gather an idea through interaction with the sample executive, personnel regarding the training activities operated in the IT companies. Most of the executives expressed their feeling about the training to be imparted to them with the objective of making their all round development necessary for taking up higher responsibilities in the companies. Since, it is a project prone/linked job, top management looks to the immediate training required to excel performance ignoring the potential area to be reinforced for the future activities. In the process the executives working with the present portfolio can delivered peak performance for time bound period, That cannot make an effort to give their best in the higher responsibility in future so it is suggested that a proper plan and well designed training program should be practiced with the great emphasis on developmental training for enhancing potentials of the executives in IT companies in West Bengal.

9. People in the IT organizations, like non-IT organization work with peers and bosses in a group/team and also with the people in the other departments and projects to achieve the individual goals, team goals, project goals vis-à-vis organization goals. This is a fact the people can achieve all these goals provided they can have the peers with empathetic attitude, facilitating supporting boss to develop congenial dyadic relationship and also helping assisting members in the other teams to promote collaborative understanding atmosphere amongst them. So hiring process need to be strengthen laying emphasis on looking to the attitudinal behaviour of the people when final selection is made. A reservoir of people with positive attitude, values, belief is a necessity to make the people
achievers, performers. It is suggested a recruitment process has to be restructured for acquiring value added human resources.

10. In some IT companies mostly the small sized companies the people develop a feeling of fear psychosis; even when they excel their performances, surpass their goals, because of the culture of the organization developed in respect of retention of the executives. In such eventuality people drive to exert their best for growth & development of the companies gets a great jolt that affects the company’s mission and objectives. It is suggested that when the companies operate simultaneously in various project that need human resources with different skills and attributes, the systems of re deployment should be introduced in such a way that the executives who are committed competent having job fit skill requirement should be redeployed in a proper manner so that such executive needs for security and also the esteem needs are satiated. Alternatively, some measures should be taken by the IT companies to develop executive skill competence suitable for the other jobs in the same company or in the other company, and also to make them prepared to set up their own company with necessary entrepreneurial development training.

11. It is gathered from the field studies that the most of the executives working in BPOs have expressed their difficulties working with such organization in respect of excessive workloads, working environment in night shifts, risks of working during night, compensation package and job insecurity. In such organization performance appraisal systems, self evaluation systems are not apparently working. It is suggested that a strategic policy to look in to the executive problems, difficulties etc. should be formulated in order to obtain
maximum results from such executives. Since in such organization the attrition rate is very much on the higher side this strategy formulation will help to promote the morale executives and reduce the rate of attrition.

12. The nature of work, internal environment also working conditions of the executives working in the IT companies and BPOs are adverse to maintain/promote quality of work life that very affects performance results and quality service by the executives. It is a great necessity to maintain balance between work life and family life to make the people committed, contented and satisfied. All these help the companies to attain business excellence and goal achievement. So, company should make a suitable policy that will ensure to promote a sustainable balance between work life situation and family life situation through reinforcing QWL measures in a company.

13. It is observed that most IT companies – small or medium size and BPOs, that a climate of distrust, disharmony, misunderstanding prevails amongst boss and subordinates that affect people performance as well as the organizational performance with its consequential results in achievement of organizational goals, objectives. It is suggested that the culture of Openness, Confrontation, Trust, Empowerment, Proacting, Authenticity, Collaboration, Experimenting and Continuous interaction (OCTEPACEC) should be introduced.

14. It is a general feeling of executives attached to various sampled IT companies that their promotions, increments, incentives, decisions are not exclusively made on the basis of their performances. Sometimes in some occasions executives are promoted, special increments are sanctioned not looking to their performance criteria. It means a defined transparent policy in this area of
activities is not prevalent and also not practiced. Such indiscriminate action of higher management particularly in the motivational area makes the executive unhappy and dissatisfied that affects the quality in product and delivery in service. Today in the changing situation where fierce and steep competition prevails in the market particularly a change in departure from controlled, regulated and protected (CRP) economy to liberalized, privatize, globalized (LPG) economy customer delightment is prerequisite to survive grow and develop in a market place in order to face challenge and sustain with competitive advantage. In such case customer delightment can be provided only when a dynamic committed human resource workforce is present in the companies and such workforce can give their best provided their all hierarchical need – physiological, security, social, esteem needs are fulfilled. So it is suggested that IT companies should take proper measure to make the people dynamic contented and committed so that they can drive themselves to delight customers for obtaining sustainable competitive advantages.

15. It is very much found by visiting different sample IT companies and through interaction by the researchers with the IT executives that some companies’ particularly big IT companies are very much prompt and regular to take punitive action on the basis of performance appraisal report as a controlled mechanism. This is definitely as negate area for the IT companies to look to. But with disregard to other positive areas, this action generates a feeling of negative approach of the behaviour towards higher management. It is suggested that the IT companies should meticulously follow and practice the performance appraisal report towards taking decision against / for the executives. It is not desirable that
action on the negative areas only should be taken without giving cognizance of positive attribute and activities by the executives as manifested in performance appraisal report.

16. Some of the executives working with sampled IT companies have expressed their feeling not being involved in the project activities and also not being giving opportunity to help the peers work as & when need arrival. Such executives also stated that scope of participation in decision making process is nearly absent. It is fact today for any organization particularly IT organization that have to face very steep competition needs people with creative and innovative ideas urging to produce some results through a process of involvement and participation an Organizational Citizenship Behaviour (OCB). So it is suggested that a congenial and conducive culture should be created to maintain and ensure involvement participation and OCB of the people in the company. This will undoubtedly help the company to face competition and sustainability in the market.