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# Assessing the Role of Performance Appraisals in Shaping Employee Job Satisfaction and Performance

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**Abstract:** *This study was conducted to investigate the performance appraisal system of employees working at the Dr. L.V. Prasad Eye Institute using Human Resource methods and methodologies. The goal was to implement a feasible and employee-beneficial appraisal system within the organization. To assess the existing appraisal system at the institute, a detailed questionnaire was prepared, and employee feedback was gathered. After a thorough analysis, a commitment was made to implement the best employee performance appraisals within the institute. To achieve this, secondary data was collected from the institute's accounts and Human Resource departments. The study employed various methods, including past-oriented and future-oriented approaches for a comprehensive examination to give valid conclusions.*

**Keywords:** *Employees, Human resource, Appraisal, Performance, Eye Institute, Knowledge, skill, abilities*

## I. INTRODUCTION

Human resource management consists of a series of integrated decisions that shape employee relationships. This quality contributes to the organization's and employees' ability to achieve their objectives. In other words, Human Resource Management can be defined as a management function that oversees various aspects of human resources, including planning, selection, recruitment, placement, training, development, employee appraisal, and employee welfare within the organization. The HR department must monitor all ongoing activities of employees in all departments of the organization. The role of Human Resource Management in organizations has evolved dramatically in recent times. The days of the personnel department performing clerical duties such as record-keeping, paperwork, and file maintenance are over. Human resources are increasingly recognized as a critical strategic partner, assuming significantly different, transformational roles and responsibilities. Taking a strategic approach to Human Resource Management involves making the management of human assets the top priority in the organization and integrating all Human Resources policies and programs within the framework of the company's strategy. In any organization, effectively utilizing human resources can help the organization achieve competitive advantages. People have always been central to organizations, but their strategic importance is growing in today's knowledge-based industries. An organization's success increasingly depends on the knowledge, skills, abilities, and key areas (KSAs) of its employees, particularly as they help establish core competencies that distinguish the organization from its competitors. With appropriate Human Resources policies, an organization can attract, develop, and utilize the best talent in the market, realize its stated goals, and deliver superior results. One of the primary functions of Personnel Management in industrial organizations is to focus on performance appraisal over a defined period to benefit the organization's employees. Undertaking welfare activities to respond to social changes provides workers with opportunities to access welfare amenities, all of which are overseen by personnel management. There is now a necessity to study employee appraisal after evaluating employee performance through various checkpoints and metrics over time and appraise their performance based on the results. The organization's compensation policies and appraisal procedures need to be studied to determine whether incremental salary increases or promotions will be awarded according to the organization's policies.

## II. REVIEW OF LITERATURE

Employee appraisal system is the assessment of an Individual's of an employee appraisal in a systematic way, the appraisal performance of an Individual should be measured by some factors such as the quality and quantity of output i.e., being produced by him or her, leadership abilities of the employee, his or her knowledge on the job, his or her co-operation, his or her judgment, targets achieved by him or her, etc.

In other words, employee appraisal can be defined as the systematic evaluation of the Individual with respect to their performance on the job and their employee appraisal on the job and their potential for development and his or her objectives reached. Heyel (1973) stated that “Employee appraisal is a, process of evaluating the performance and Qualifications of the employees in terms of the requirements of job for which he is employed, for the purposes of administration including placement, selection for promotion, providing financial rewards and other actions which required differential treatment among the members of a group a distinguished from actions affecting all members equally”. According to Nandini chawla (2002), when a team or organization meets its expected objectives, it is considered a good performance. It results in high-quality output, costs under control, etc. Finally, a good performance means meeting expectations across the standard level of cost, time, and quality repeatedly. Performance management system is essential, when the goals are compound when there is an involvement of large teams and also when there is an essential of job rotation, etc. According to T.V. Rao (2002), Performance improvements should focus on teams besides individuals for a better return on performance management system. It is important to identify and give importance to the team performance management besides the individual performance. Organisations should concentrate equally on the team and individual performance and also it is essential that employees must get feedback for both the individual level and group level. According to Herman Aguinis (2011), Performance Management is a never-ending continuous process, which helps to identify and measure the performance level of each and every individual and teams. It also aligns the performance of employees with the strategic goals of an organisation. Performance management is the system which evaluates the performance level of each and every employee, periodically and provides certain feedback and gives the coach, so that the performance can be improved by adopting the appropriate effective performance management process. Wolff (2008) asserts that “The key to solving underperformance is communication, communication-coupled with clarity about expectations and objectives, early intervention and ensuring that managers have a clear view of the underlying problem before applying a solution”. This employee career development is a process of assessing, summarizing and developing the work performance of an employee.

#### A. *Need for the Study*

The need for the study is due to the following aspects.

- 1) To Provide information about employee appraisal performance ratings.
- 2) Provide feedback information about the level of achievement and behavior of the subordinates.
- 3) To give information that helps to counsel the subordinates.
- 4) To provide information to diagnose deficiencies in the employee regarding skills. Knowledge,
- 5) Determine training and development needs and prescribe the means for employee growth. Provide information about correcting the placement.

#### B. *Objectives of the Study*

##### 1) *General Objectives*

- a) To identify the various problems that the organization can face in measuring performance.
- b) To find out how well an employee performs the job and his role in the company and measure the strengths and weaknesses of the individual employees.

##### 2) *Specific Objectives:*

To identify the measures and make suggestions to improve the capability of the firm.

### III. RESEARCH METHODOLOGY

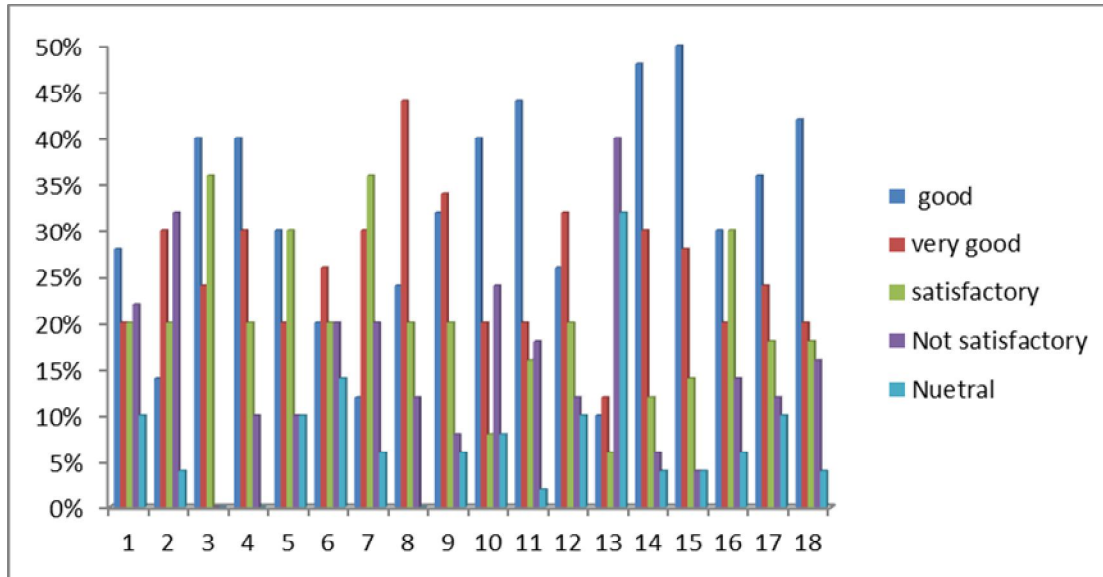
The study uses both primary and secondary sources of information. The secondary sources include company websites, journals, magazines, newspapers, and other online sources. The primary data include a survey of the employees working in the eye institute in different units. For this purpose, a structured questionnaire is used to determine all the questions. The form of the question is of both closed and open type. The questionnaire for the research was framed in a transparent manner such that it enabled the respondents to understand and answer the question quickly. The questionnaire was designed in such a way that the questions are short and simple and is arranged logically. G\*Power was used to estimate the required sample size (Faul, Erdfelder, Buchner, & Lang, 2009). A priori analysis was executed to compute the sample size for one sample means. The input parameters of an alpha of 0.05, a power of 0.85, and a medium effect size of 0.5 revealed a recommended sample size of 50. For analysis, the data is tabulated using frequency and percentages by using SPSS software.

#### IV. DATA ANALYSIS AND INTERPRETATION

The data analysis and interpretation related to perception towards performance system is shown in table-1.

S.No.	Variables	Good	Very Good	Satisfied	Not Satisfied	Neutral
1	Do you think present list of KRA's cover all aspects of your job	14	10	10	11	5
		28%	20%	20%	22%	10%
2	Your supervisor recognizes your performance	7	15	10	16	2
		14%	30%	20%	32%	4%
3	The present appraisal system is good in the organization	20	12	18	0	0
		40%	24%	36%	0%	0%
4	Evidence on appraisal gathered throughout the year	20	15	10	5	0
		40%	30%	20%	10%	0%
5	Does your appraisal help you in selecting KRA's	15	10	15	5	5
		30%	20%	30%	10%	10%
6	Is promotion purely based on appraisal	10	13	10	10	7
		20%	26%	20%	20%	14%
7	Do you agree that awareness program regarding employee appraisal system should be conducted periodically	6	15	16	10	3
		12%	30%	36%	20%	6%
8	Monetary and non-monetary benefits are given for outstanding performance	12	22	10	6	0
		24%	44%	20%	12%	0%
9	How did you do on the goals set for you during your last employee appraisal	16	17	10	4	3
		32%	34%	20%	8%	6%
10	In this appraisal the most challenging aspects of your work in this past year	20	10	4	12	4
		40%	20%	8%	24%	8%
11	In this appraisal system is identify competencies and develop leadership qualities for future	22	10	8	9	1
		44%	20%	16%	18%	2%
12	This appraisal system helps to identify the strengths and weakness of the employees	13	16	10	6	5
		26%	32%	20%	12%	10%
13	Personal objectives are not aligned to business goals	5	6	3	20	16
		10%	12%	6%	40%	32%
14	The appraisal objectives of the organization is clear	24	15	6	3	2
		48%	30%	12%	6%	4%
15	This appraisal creates a positive relationship	25	14	7	2	2
		50%	28%	14%	4%	4%
16	Are you happy with the institute culture	15	10	15	7	3
		30%	20%	30%	14%	6%
17	In this appraisal has positive impact of the institute treatment of the employees or patience	18	12	9	6	5
		36%	24%	18%	12%	10%
18	Are you satisfied with the existing executives appraisal management system	21	10	9	8	2
		42%	20%	18%	16%	4%

Table-1: Perception towards Performance Appraisal System



Fig(1) graph of the variables

The table describes that 28 % of employees are good about the present list of KRA's covering all the aspects of their job. 20 % of employees agreed very good that the current list of KRA's, while 20% of employees are satisfied. And 22% are very satisfied employees. The remaining 10% of employees are neutral with the above statement. It can be observed by the percentage of the supervisor recognizing the employees. While 14% responded with a good idea, 30% of the very good statement can be agreed with the employees. 20% of the satisfied and 32% of not satisfied remaining are neutral 4% employees. While the present appraisal system is good in the organization, results show that 40% agreed, and 24% of employees stated very good. The evidence of the appraisal of the year 40% employees is good. While other employees are very good at 30% and 20% are satisfied, 10 % are unsatisfied.

Neutral, there is a null response.

The appraisal help you in selecting KRA's 30% employees is good. While other employees are very good at 20%. 30% of the employees were satisfied, and 10% were not satisfied. Neutral can be the response of the employees is 10%. Regarding promotion purely based on appraisal, 20% of employees are good, while other employees are very good at 26%. Satisfied employees were 20%, and the additional 20% were not satisfied. The neutral response of the employees is 14%. Awareness program regarding employee appraisal system periodically 12% are good, 36% are satisfied, 20% are not satisfied, and 6% are neutral. Monetary and non-monetary benefits for outstanding performance: 24% of employees are good, while other employees are very good at 44%, 20% are satisfied, and 12% of employees are not satisfied. The neutral response of the employees is 3 %.

Concerning goals set for the last employee appraisal, 32% employees are good, and the remaining 34% opted for very good. 20% are satisfied, and 8% are not satisfied. The neutral can be the response of the employees is 6%. Regarding the competence and development of leadership qualities in the future appraisal of the year, 44% of the employees agreed that it was good, the other 20 employees decided that it was very good, and 16% were satisfied. The remaining 18% were not satisfied. The Neutral can be the response of the employees is 2%. The appraisal helps to identify strengths and weaknesses of the employees of the year; 26% of employees are good. While other employees are very good at 32%. 20% of the employees employees are satisfied, and 12% are not satisfied. Neutral can be the response of the employees is 10%. The personal objectives are not aligned with business goals; 10% of employees are good, while others are very good at 12%. And the other employees were 6% satisfied, and 40% were not satisfied. Neutral can be the response of the employees is 32%. The appraisal organization is straightforward: 48% employees are good. 30% of employees are very good, 12% are satisfied, and 6% are not satisfied. Neutral can be the response of the employees is 4%.

The appraisal creates a positive impact relationship between the employees; 50% of employees are good. While other employees are very good at 28%. Of the other employees, 14% are satisfied, and 4% are unsatisfied. Neutral can be the response of the employees is 4%. The evidence of the appraisal institute of employees is happy with the culture 30% of employees are good. While other employees are very good at 20%. In other employees, 30% employees are satisfied, and 14% are not satisfied. Neutral can be the response of the employees is 6%.

The positive impact of the treatment is equal to the employees or patience of the 36% of employees. At the same time, other employees are very good at 24%. And in other employees, 18% of employees are satisfied, and 12% are not satisfied. Neutral can be the response of the employees is 10%. In the exiting executive's appraisal management system, 42% employees reported good. In contrast, other employees are very good at 20%. 18% of employees were satisfied, and 16% were not satisfied. Neutral can be the response of the employees is 4%. These results shown graphically in fig(1)

## V. CONCLUSION

This research highlights the critical role of Human Resource Management in contemporary organizations. It emphasizes that HR management is no longer confined to administrative tasks but has evolved into a strategic partner that significantly influences an organization's success. By focusing on performance appraisal and employee welfare, HR management can contribute to employees' well-being and help the organization achieve competitive advantages. Furthermore, this study underscores the growing strategic importance of human resources, particularly in knowledge-based industries, where employees' knowledge, skills, and abilities play a pivotal role in establishing core competencies that differentiate organizations from their competitors. This research has also shed light on the need to align Human Resource policies and programs with the organization's overarching strategic goals. By integrating HR strategies within the company's strategic framework, organizations can better utilize their human assets and enhance their overall performance. This study emphasizes the critical role of HR management in driving employee satisfaction and performance and achieving the organization's long-term objectives. The findings suggest that HR management should be seen as a strategic function that shapes the organization's future in the ever-evolving landscape of the modern workplace.

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