

## Performance Management System at Prism Cement Limited Satna (M.P.)

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**ABSTRACT**

*Performance Appraisal is the important aspect in the organization to evaluate the employee's performance. It helps in understanding the employee work culture, involvement, and satisfaction. It helps the organization in deciding employee's promotion, transfer, incentive and pay increases. A Performance Appraisal is the final stage of the performance, management process (AMP). The entire process of performance management involves round the year association between supervisors and subordinates through stages of planning, coaching and evaluation of the performance at work. This research paper highlights the fact that by stressing effective performance management as a key tool of communication and motivation within organizations provides a competitive edge through strategic change and control. Developing external relationship, communicating this idea to employees and evaluating their commitment levels through structured parameters will help in achieving organizational objectives*

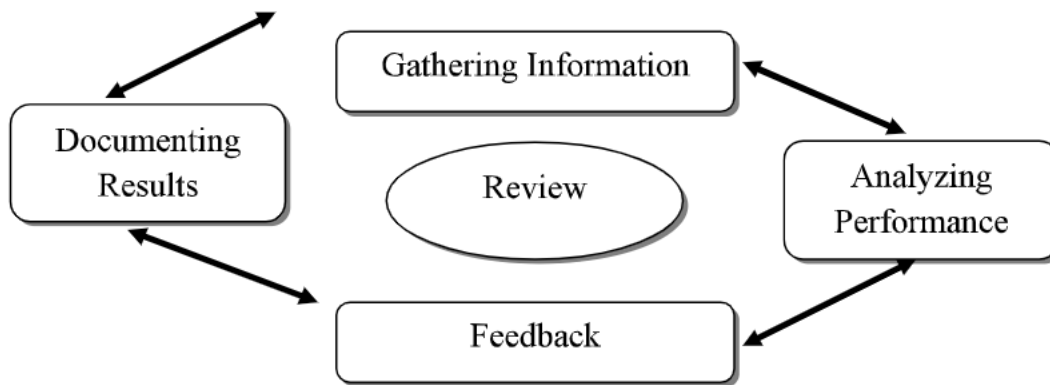
### I INTRODUCTION

Human Resource (or personnel) Management in the sense of getting things done through people is an essential part of every manager's responsibility but many organizations find it advantageous to establish a specialist division to provide an expert service dedicated to ensuring that the human resources function is performed efficiently.

"People are our most valuable asset" is a cliché, which no member of any senior management team would disagree with. Yet, the reality for

many organizations is that this People remain undervalued, under trained and underutilized.

An appraisal is a part of the evaluation stage that follows the successive stages of setting organizational targets, delegating individual responsibilities and importing the requisite training through various learning and development programmers. It is a formal assessment of the level accountability, behavioral patterns and development capabilities demonstrated by an individual within the time assigned to accomplish a task.



**Fig 1 – Appraisal System**

The system of performance appraisal is a 4-tier process that focuses on rendering the requisite support and guidance for the retention and development of the employees (fig 1). The procedure requires collecting, evaluating and disseminating the data regarding the employee's performance during tenure. This process involves a two-way communication between supervisor and employee after which the employee is rated are various performance indicators. The results of

the discussion are further, documented and used to enhance the future performance.

Companies the today's era focus on performance of employees which in turn helps the organization's performance. No doubt that effective performance management has become a core of HR. Organizations should develop employee competencies in a manner aligned with the organization's business goals. This can be achieved through performance management

systems which act as both behavioral change tool and enabler of performance management system improved organizational performance through being instrumental in driving change.

Performance appraisal is the method of evaluating the behavior of an employee at the work place, normally including with quantitative and qualitative aspect of job performance.

## II MAIN OBJECTIVE AND METHODOLOGY

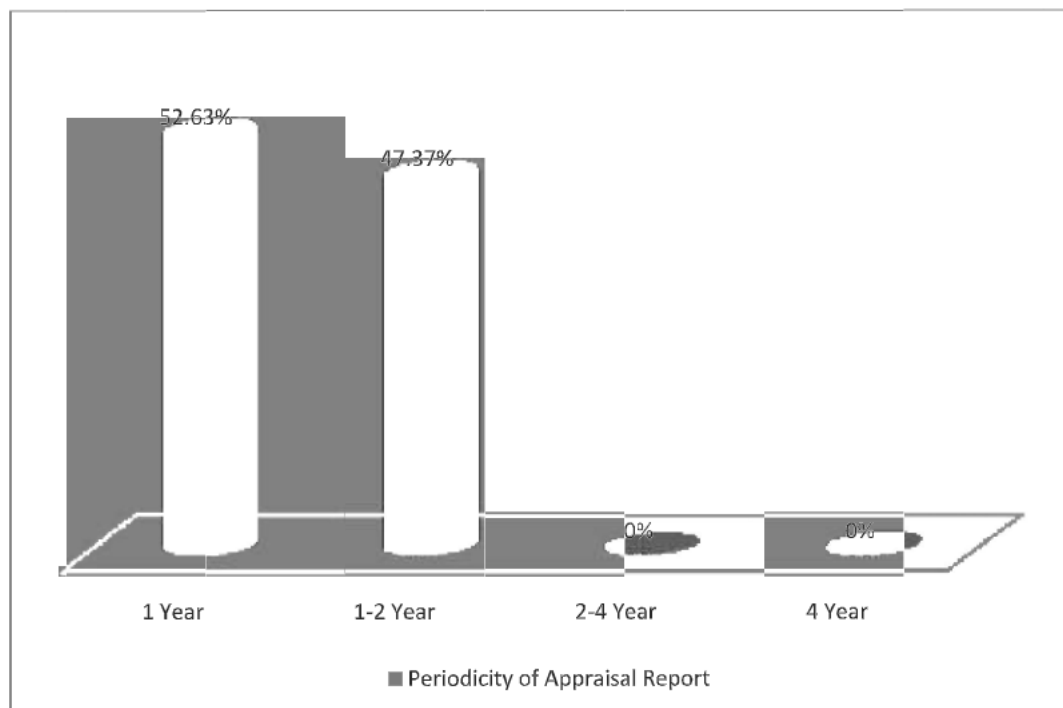
(a) **Objective-** To study the performance appraisal system at Prism Cement Limited, Satna (M.P.)

(b) **Research Methodology** – the method involved collection and analysis of primary and secondary data. Data refers to a collection of natural phenomenon description including the result of experience, observation or experiment. This may consist of numbers, words, or images, particularly a measurements or observations of a set of variables. For this research the primary data was collected through questionnaire using serving employees and personal interaction with them. Secondary data comprised readily available information on various company database, magazines, journal and write ups.

## III DATA ANALYSIS & INTERPRETATION

(a) **Performance Appraisal – Periodicity :**

Periodicity	Score
1 Year	52.63%
1-2 Year	47.37%
2-4 Year	0%
4 Year	0%

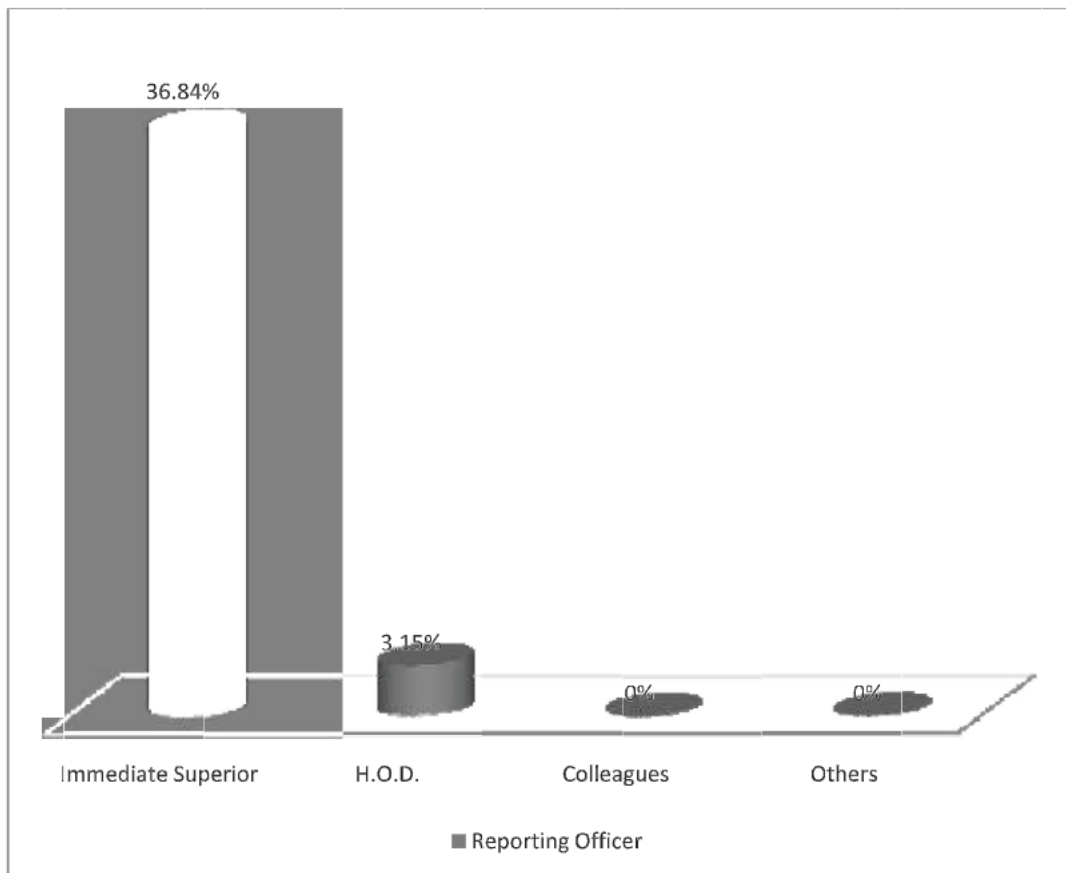


**Fig 1 Periodicity of Appraisal Report**

The data collected tabulated shows that performance of the employees of prism cement is appraised once or twice in a year.

**(b) Performance Appraisal – Reporting Person**

Who is Reporting Officer	Response
Immediate Superior	36.84%
H.O.D.	3.15%
Colleagues	0%
Others	0%



**Fig 2 – Reporting Officer doing the Appraisal**

The analysis of data as shown in fig 2 brings out the fact that performance of employees is mostly appraised by their HOD but in case of newly

recruited employees the performance is appraised by their immediate supervisor.

(c) Time taken to appraise

How much Time taken to write report	Response
< 1 Day	36.84%
1 Day	31.57%
2 Days	21.05%
< 2 Days	10.52%

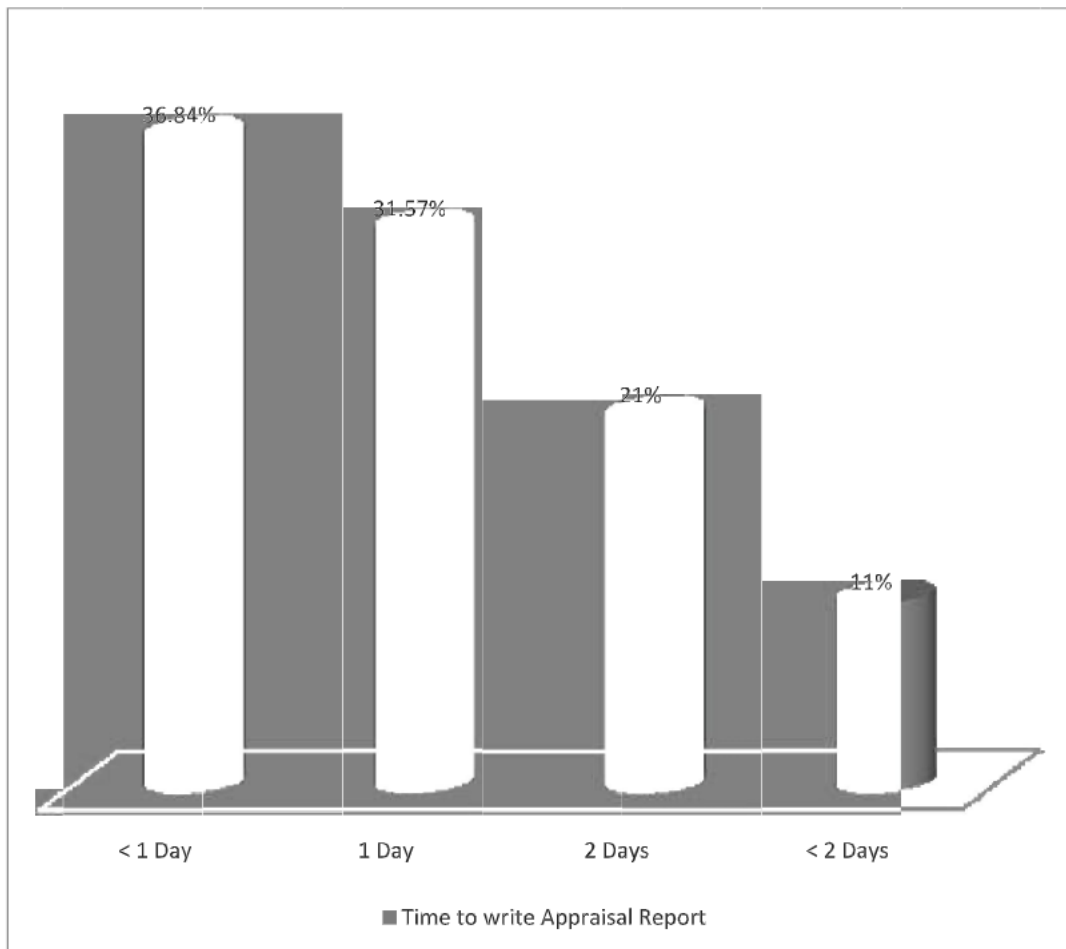


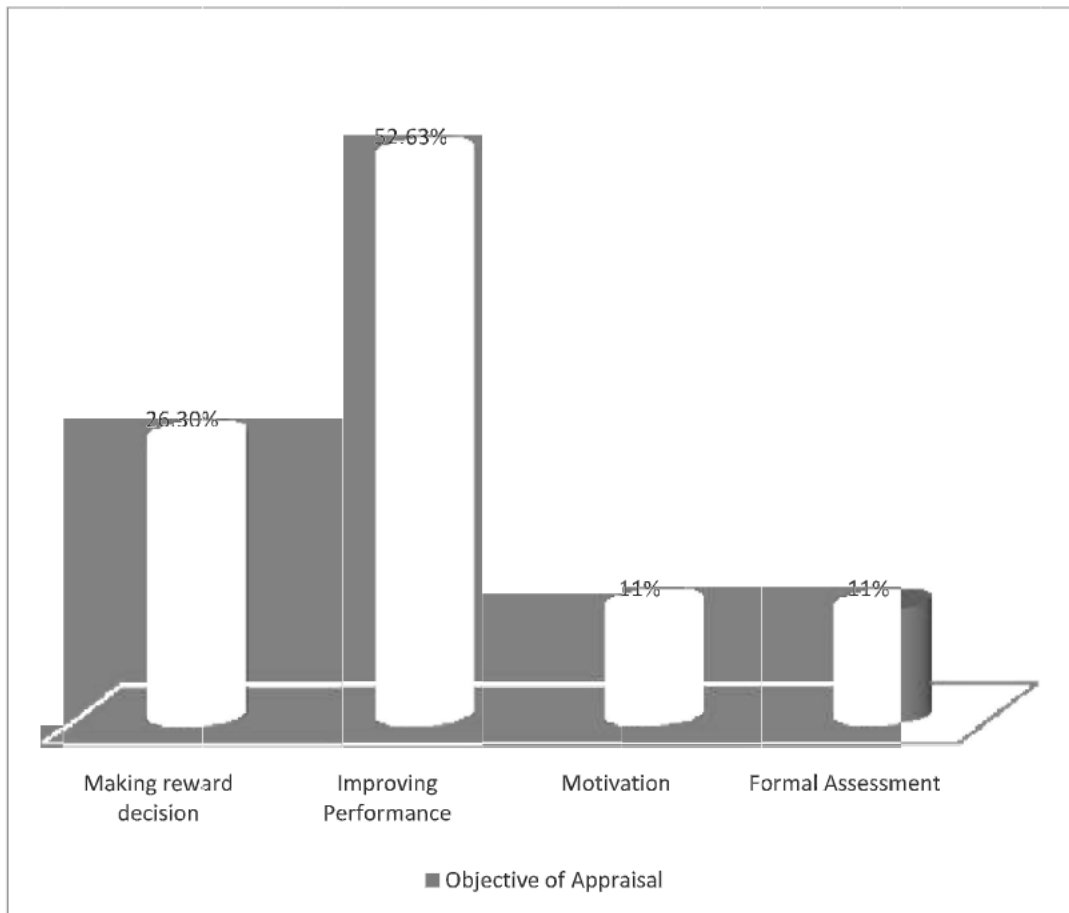
Fig 3 – Appraisal Report writing duration

The above data at fig 3 shows that there is no fixed criterion for the timings of performance appraisal of the employees of Prism Cement

Limited depending upon the recruitment it may vary from few hours to 2 days.

**(d) The main aim of the appraisal**

What is Aim of Appraisal	Response
Making reward decision	26.3%
Improving performance	52.63%
Motivation	10.52%
Formal Assessment	10.52%



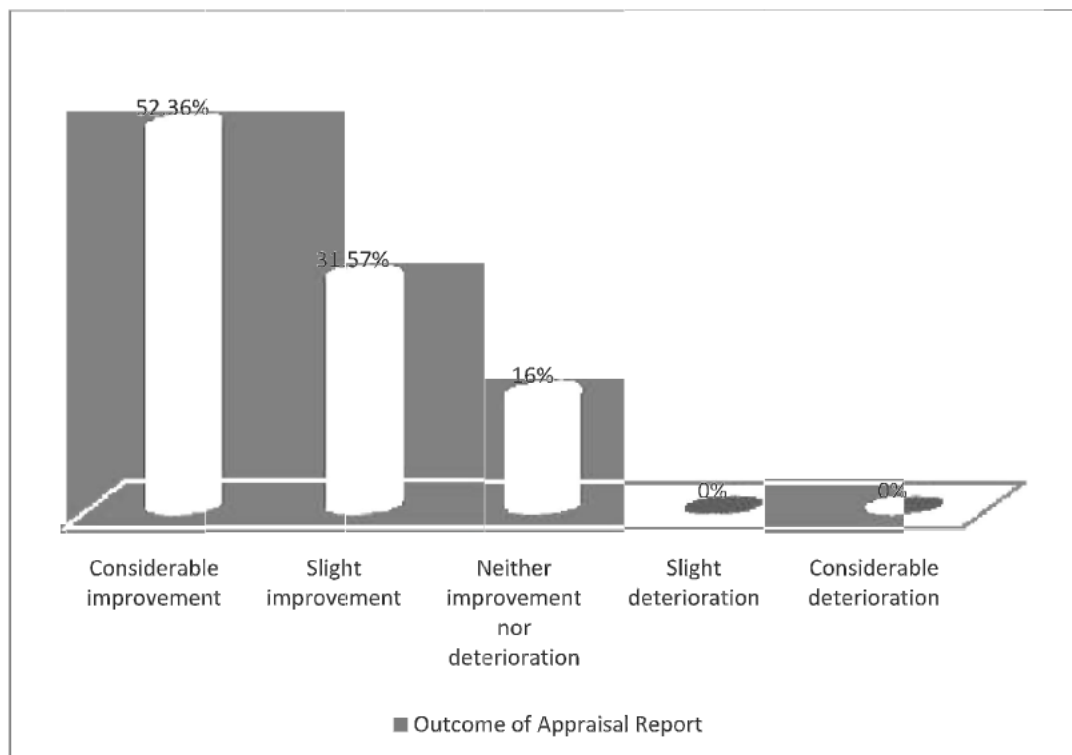
**Fig 4 Objective of Appraisal**

On the basis of the response fig 4 it is concluded that the main aim of appraisal is improving performance as stated by most of the employees,

while minorities felt that the objectives were like making reward decision, motivation and formal assessment.

**(e) Outcome of Appraisal Reports**

Outcome	Response
Considerable improvement	52.63%
Slight improvement	31.57%
Neither improvement nor deterioration	15.7%
Slight deterioration	0%
Considerable deterioration	0%



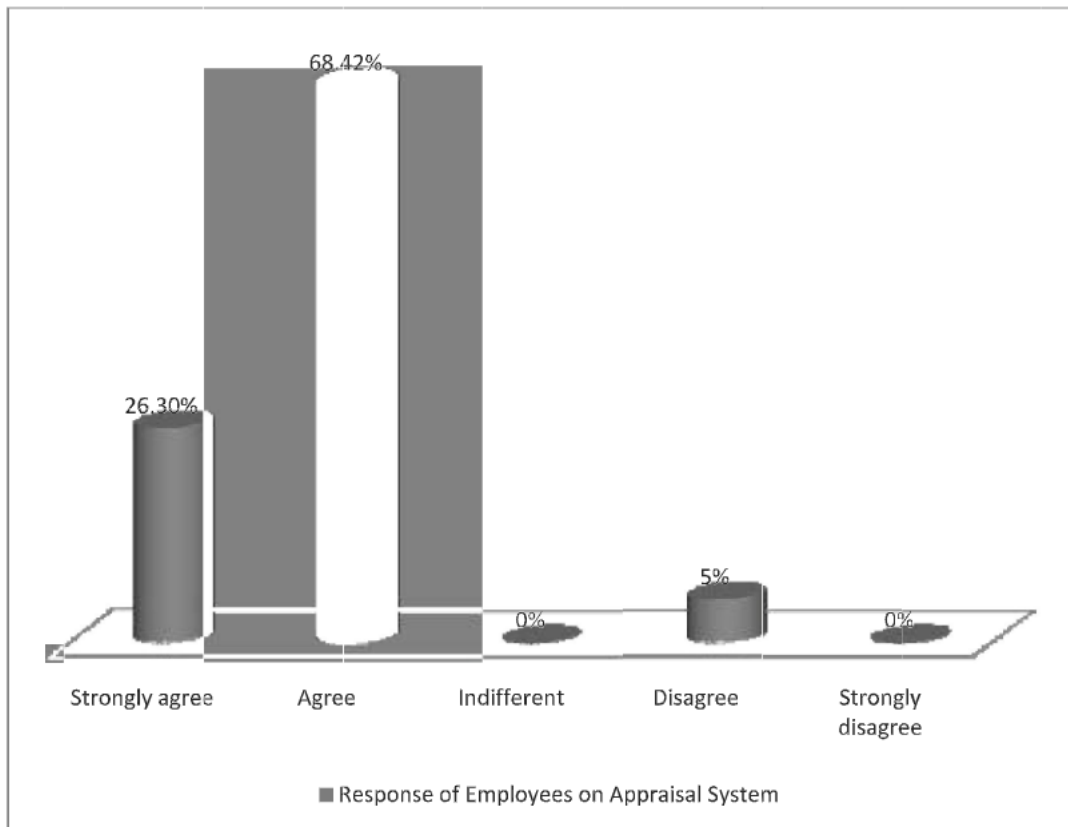
**Fig 5 : Employees perception on Out come**

Maximum numbers of employees feel that considerable improvement comes in their performance after their performance evaluation,

while some finds slight improvement but a few think that performance evaluation neither improves nor deteriorates their job performance

**(f) Acceptability of Employees for Appraisal System**

Acceptability	Employees Response
Strongly agree	26.30%
Agree	68.42%
Indifferent	0%
Disagree	5.26%
Strongly disagree	0%



**Fig 6. Appraisal System acceptability of employees**

Maximum number of the employees agreed with the performance appraisal system at Prism Cement Limited while a few disagreed.

**(g) Response by employees to some other questions**

**(i) Has your Supervisor given you prior notice of appraisal**

Response	Percentage of responsibility
Yes	84.21%
No	10.52%
Can't Say	5.26%

The response shows that most of the employees are satisfied with, while 10% are dissatisfied and

only a few of the employees are neither completely satisfied nor dissatisfied with.

**(ii) Do you feel appraiser has a fair idea of your performance**

Response	% of respondents
Yes	84.21%
No	10.52%
Can't Say	5.26%

The above data shows that maximum number most of the employees are satisfied with, while second majority are neither completely satisfied

nor dissatisfied with, when asked whether they feel that their appraiser have a fair idea of their performance.

**(iii) Has employee been appraised on the matters other than the actual performance.**

Response	% of respondents
Yes	26.31%
No	63.15%
Can't Say	10.52%

The above Analysis showed that most of the employees are dissatisfied with, while 26% are satisfied and only few of the employees have not commented.

**(iv) Is employee satisfied with the parameters an which his/her performance has been appraised.**

Response	Respondant
Yes	74.94%
No	21.06%
Can't Say	0%

The analysis shows that most of the employees are satisfied with, while 21% are completely dissatisfied with.

framework for performance management system design has its core element as improving individual performance in accordance with the organizations performance, keeping in mind employee's personal good overcoming barriers to change through winning the psychological battle of employee involvement by effective performance and evaluating parameters has become the need of the hour. The KRA's (Key Result Areas) that determine the effectiveness of a PMS are –

**IV CONCLUSION**

The performance appraisal is normally done on annual basis in Prism Cement. The superior of the employees carries, out the appraisal and the superior's superior does the further revision. The dept is responsible for the administration of the performance appraisal system.

The process of appraisals for each category of the employees is as follows –

- Appraisal for the staff and middle management MBO.
- Appraisal for the top management – 360 degree appraisal.

It is we concluded that by stressing effective performance management as a key tool of communication and motivation within organizations a competitive edge through strategic change and control can be achieved. The

- (a) **Building organizational capabilities –** This KRA contributes in enhancing skill based performance for quality work.
- (b) **Taking a selective and focused approach and maintain quality research –** This KRA provides a transparent system for evaluation of employees' performance in terms of job description.
- (c) **Service and education output –** This KRA contributes in managing talent in the organization.



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