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**EPRA International Journal of
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**PERFORMANCE APPRAISAL OF EMPLOYEES IN
INDIAN RAILWAYS – A STUDY OF SOUTH CENTRAL
RAILWAYS**

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ABSTRACT

Performance appraisal of the employee is an essential aspect of human resource management. It is the process for the evaluation of employee's akin to the job requirements and standards plays a crucial role in Human Resource Development. The essential purpose of all appraisal schemes should be to accentuate the human resources. These schemes may be called merit rating. The individual employee after comparing with another are rated as excellent, normal or average. Performance appraisal is a continuous process to secure information necessary for making correct and objective decisions about an employee. Beach observed that the systematic evaluation of the individual with respect to his other performance regarding the job and his or her potential for development. Randall⁴ quoted that the performance appraisal is a formal. Structural, system of measuring and evaluating an employee's job related behavior.

The growth and progress of the present huge network of Indian railways had a modest beginning. The beginning of railways stands out as one of the most fascinating events in the history of India. The vast organization of Indian railways, as the study of annals of Indian railways reveals that they were built not at the demand of Indians but on the initiative of the British government to use India as an effective investment outlet and source of raw materials for British industry.

Indian railways, Asia's largest and the world's fourth largest rail system 'plays crucial role in India's socio economic transformation process by providing vital infrastructure. Infract, the introduction of railways has been historically the most powerful single indicator of take offs in many countries. Indian railways with their national network help to bring unity among the people of different regions with different languages, skills and knowledge by transporting people.

KEY WORDS: *Performance Appraisal, Human Resource Development, Transportation, Indian Railways.*

INTRODUCTION

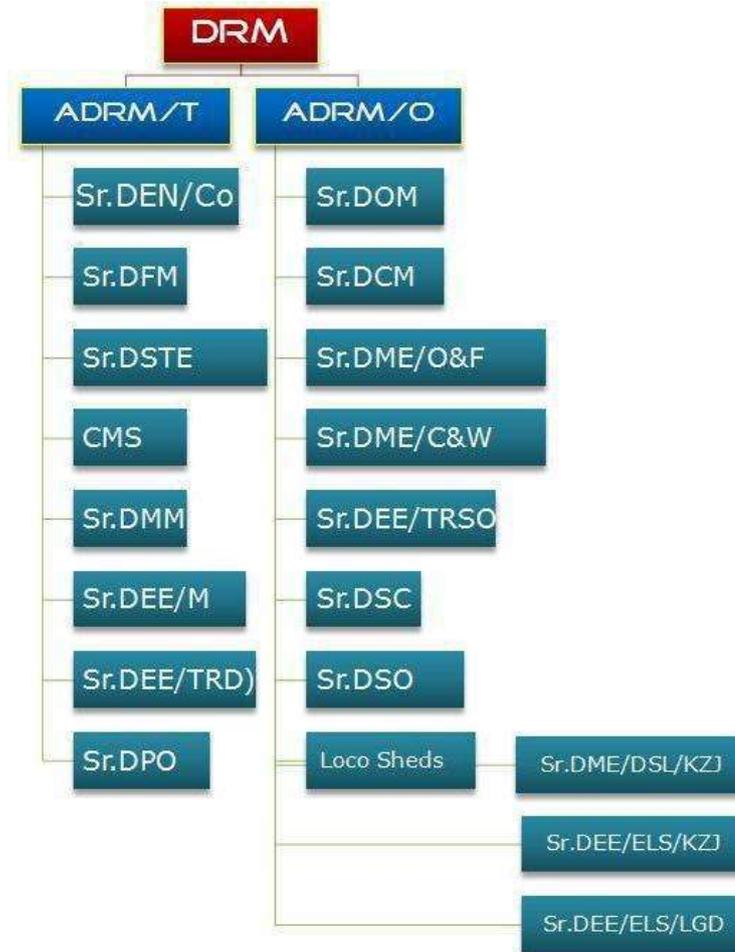
Performance appraisal is a continuous process to secure information necessary for making correct and objective decisions about an employee. Aswathappa analyzed that the Performance appraisal may be understood as the assessment of an individual's performance in a systematic way. The performance being measured against such factors as job knowledge, quality and quantity of output, initiative, leadership, activities, supervision, dependability, cooperation judgment, versatility healthy and the like. Kimball and Kimball⁶ observed that the performance appraisal is concerned with the relative value of men as related to particular jobs. Flippo⁷ defined that performance appraisal is the systematic, periodic and impartial rating of employee's excellence in matters pertaining to his present job and his potential for a better job. Carrel and Kuzmits observed that the performance appraisal is a method of evaluating the behaviour of the employee in the work spot, normally including both the quantitative and qualitative aspects of job performance. Loyed and Rue quoted that 'when properly conducted performance appraisal not only but the employee know- well his performing but should also influence the employee's future level if effort, activities, results and task directions. Heyel¹⁰ observes that the performance appraisal is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for purposes of the administration including placements, selection for promotion, providing financial rewards and other actions which require differential treatment among the members of employee performance appraisal assures a special significance simply stated, it is

systematic evaluation of the personality and performance of each employee by his supervisors or some others qualified persons. It is a systematic and objective way of judging the relative ability of an employee in performing his/her tasks. It helps to identify those who are performing their assigned tasks well and those who are not and the reasons for such performance.

The South central railway (SCR) is one of the seventeen zones in Indian Railways. It was created on 2nd October, 1966 as the ninth zone of Indian Railways. South central railway is the 2nd highest revenue earning zone in Indian railways after Northern railway zone. It operates through six divisions namely: Secunderabad, Vijayawada, Guntakal, Guntur, Hyderabad and Nanded.

It serves Andhra Pradesh, Telangana and Maharashtra and to a limited extent, portions of Karnataka, Tamil Nadu & Madhya Pradesh. It was formed when Hubli and Vijayawada divisions of Southern railway and Solapur and Secunderabad divisions of Central railway were carved out and merged into a new zone. Subsequently, Guntakal division of Southern railway was merged with South central railway on 2nd Oct, 1977 and Sholapur division was remerged with Central Railway. Secunderabad division was split into two divisions namely Secunderabad and Hyderabad on 17th Feb, 1978. Following reorganisation of zones and divisions with effect from 1st Apr 2003, two new divisions viz., Guntur and Nanded were operationalised duly transferring Hubli division to newly formed South Western Railway.

ORGANIZATION STRUCTURE



OBJECTIVE

To assess the Human Resource Development - through Performance Appraisal of employees in Indian Railways.

RESEARCH METHODOLOGY

In order to achieve the Objectives stated above both primary and secondary sources of information and data are relied upon.

Primary Data

The primary data was collected through a structured questionnaire. The questionnaire was designed to collect the opinions and attitudes of employees on various aspects such as Manpower Planning, Recruitment, and Selection and Periodic Performance Appraisals.

Secondary Data

The secondary data was collected from the records of the administrative offices and of South

Central Railway zone office and its divisional officers other related offices. The annual administrative reports, periodical performance reports, office files, circulars and orders, relevant acts, service regulations, delegation of powers, recruitment rules and various reports and publication of Indian Railways and south central railway as well as reports of various study teams and consulting agencies were also made use of. Further, various books and journals pertaining to the theory and practice of human resource management, transport management, Indian railways were also studied. Data was also collected from railway institutes, offices of trade unions and railway employees unions, university libraries and institute of public enterprises. The national and regional news papers, brochures, pamphlets and other published and unpublished literature on the subject were also studied.

FINDINGS AND ANALYSIS

Human Resources of SCR at a glance

Department	Group A	Group B	Group C	Group D	Total
Accounts	31	50	1748	233	2062
Administration	28	17	1115	501	1661
Civil	71	117	8671	19713	28572
Mechanical	35	45	16262	4836	21178
Commercial & Operations	46	69	13617	4304	18036
S & T	35	43	2928	1852	4858
Electrical	32	28	5936	3028	9024
Medical	141	09	696	2315	3161
Personnel	12	35	1791	328	2166
Stores	28	25	1118	767	1938
RPF	12		2932	45	2989
Total	471	438	56814	37922	95645

Source: SCR Annual reports.

Statistical Tools for Analysis

In order to process the data collected through Questionnaire SPSS package has been used. For the analysis of the data the researcher applied percentages, weighted averages and standard deviations. The attitude of the employees has been inferred based on the above measures.

Limitations

The present study is based on primary data and secondary data. Hence, the truthfulness of the study to a considerable extent depends upon the exactness of the data published by Indian Railways and various other agencies and organizations. The opinions of employees will change over a period of time. In spite of the above limitations, all efforts have been made to make the study comprehensive and analytical.

Nature and Extent of Performance Appraisal

The nature of performance Appraisal provides the management with a systematic basis for effectively recognizing and evaluating the present and potential capabilities of human resources, related functions of promotion transfer and separation. In Indian Railways periodically evaluate the performance of its employees. The evaluation of employee’s performance is done to know their mentality and how they are performing at their job work.

After performance appraisal the appraisal reports should be properly maintained. When asked whether Indian Railways is maintaining performance records. The employees weighted average is 2.63. It explains that records are maintained but not given much importance. Hence it is suggested the records are maintained to avoid the problems while evaluating.

The report of performance appraisal should be effective because the evaluation of the employee's activities and their job satisfaction. These reports play a vital role in performance appraisal. The respondents given the weighted average rate of 3.66 which is more than moderate extent. It explains that performance appraisal review of the report is effective.

Performance Appraisal Feedback to Employees

In Indian Railways the superiors/managers give feedback to their employees, regarding their performance. In the table 3 the respondents rated 1.92 which is below small extent. It means that the feedback is not given by the managers to the employees. It is suggested that the employees feedback should be given to them so as they will know about their performance in their job.

The purpose of feedback helps to know the strong and weak areas of performance to plan for improvement. In order to know how far the purpose of feedback is given to employees. In the survey, the respondent rated 2.15 which is just above to small extent. It explains that feedback to employees is not given to by managers. Hence, it is suggested feedback should be given to employees so that they will know the weak and strong area of their jobs. It helps in the improvement of employee performance.

To achieve the targets of Indian Railways performance discussions should be held between manager and employees. In an enquiry it is found that the respondents rated as 1.10 which is below the small extent. It explains that performance discussions are not discussing between the superiors. Hence it is suggested that performance should be discussed between the employees and managers for the Indian Railways achievement in various strategies.

Employee Potential and Development

The employees of any organization may have some potential. This should be recognized by management and develop for the well being of organization. Employee potential and development:

Employee development is not just the responsibility of the employee. In today's diverse workforce, business practices have evolved to reflect economic competitiveness in developing and retaining talented employees. Organizations are continually seeking new solutions to assess, understand, and strategize employee development. One of the greatest challenges faced by managers is the strategic personal development of their employees in order to ensure effective use of their talent. To properly manage this vital resource, they must identify their challenges and then implement employee development and training for improvement. Profiles International's employee development solutions will help managers effectively manage, motivate, and empower employees.

Whether Indian Railways opportunities for the utilization of inner potentials of the employees is assessed for the achievement. To know how far this is considered in Indian Railways the respondents rated 1.89 which is just below to small extent. It explains that Indian Railways is not utilizing the inner potentials of the employees. Hence it is suggested Indian Railways to recognize inner potential of employees and utilize the knowledge to implement in various sectors for the growth and the development of Indian Railways.

Performance Appraisal and Promotion Policy

An opportunity for academic staff to summarize their performance, proposes objectives for the following year, and discusses personal career development, personal development and advancement, the provision of effective feedback about performance, the provision of clear expectations regarding duties, and the provision of clear guidance for academic staff on what is expected of them in terms of performance, Guidance for probationary staff during their probationary period and towards their mid-term review, Recommendations regarding continuing appointment, promotion, mid-term review, Special Studies Program (SSP) and incremental progression, the enhancement of individual and organizational performance, the aligning of individual objectives with the strategic objectives of the Organization Unit, and workload requirements, the identification of organizational and/or operational changes which might be necessary to enable individuals to enhance their performance, and to enable the Organizational Unit and hence the whole University, to enhance its efficiency and effectiveness, the furthering of University's equal opportunity objectives.

In Indian Railways performance appraisal system for employees is to meet the requirement under promotion policy. This has to be implemented and executed for doing better performance in their job work. This is to be done to know the employees requirements. In the survey the respondents related 1.59 in table 6 for the question whether performance appraisal system for employed meets the requirement of promotion policy. The rating is below small extent. It means that the requirement of promotion policy is not taken care properly under performance appraisal. Hence it is suggested that performance appraisal should be designed in such a way that it will meet the requirement of promotion policy.

In Indian Railways performance Appraisal is to identify the development needs of employees. While evaluating the employees the basic needs should be identified and implemented for the development of employees. The respondents asked whether Performance appraisal is identifying developmental needs the employees rated 1.79 which is just below to small extent; it assumes that performance appraisal is not identifying developmental needs of employees. Hence, it is

suggested that the performance appraisal should identify the developmental needs of employees. This will help the organization for the design of training.

SUGGESTION

In Indian Railways periodically evaluate the performance of its employees. The employees are asked to rate whether Indian Railways is periodically evaluating the performance. The research reveals that the respondents rated 3.34 which are more than moderate extent. It reveals that the performance of employees is evaluated periodically. The evaluation of employee's performance is done to know their mentality and how they are performing at their job work.

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The Indian Railways should spend time and resources for the development of employees. The employees rated as 1-79 for this. This is below small extent. It explains that Indian Railways is spending less time with employees for their development. It is suggested that for the development of Indian Railways services the railways should spare time and resource for the development of employees to achieve the goals of the employees.

Performance Appraisal and Promotion Policy

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The promotion in Indian Railways linked to work performance and the achievements done by the employees. In order to know whether promotions are linked to work performance a question is asked. The respondents given weighted average of 1.56 which is less than small extent. As such it explains promotion is not linked with work performance. It is linked with service of the employee. Hence it is suggested that promotion of employee should link with performance of work because the talented employees would lose the opportunity of promotion to higher cadres.

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