



# PERFORMANCE APPRAISAL IN IMPROVING PRODUCTIVITY AT H & R JOHNSON

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## ABSTRACT

*Managing human resources is more difficult and essential. Since the firm has realised that its people are a valued resource, trends in employee retention, job security, etc. have increased. Using "Performance" is the main theme of the research. The manner in which the business carries out its performance review procedure. Focusing on human resource management is the most important aspect of the organisation. A variety of resources are required by the organisation, but human resources are the most effective. Performance evaluation is one of the important human resource tasks that is universally recognised by all organisations. The primary objective of the report was to provide a realistic understanding of how the performance evaluation process and methods effect the development of an organization's human resources. In this case, the study also served some other crucial purposes, such as giving the organisation a critical assessment so that suggestions could be made regarding any defects that were found. The report has been significant because it covered so many diverse topics. highlighting the primary areas of evaluation, offering applicable critique, and, based on descriptive presumptions, proposing some useful recommendations. Ceramic tiles company in India tracks the long and rich history of ceramic tiles production, the trendy producing method of varied styles of tiles and also the dynamic international ceramic tiles market. The pattern of consumption and production of ceramic tiles is increasing at a robust rate in India. India is the third-largest producer of ceramic tiles worldwide. Employee appraisal is unquestionably necessary on a regular basis throughout one's working life. Performance appraisal is very important for determining staff training and development needs as well as measuring their respective strengths and weaknesses. A performance appraisal system's main objectives are to improve employee growth and staff morale.*

**KEYWORDS :** *Performance Appraisal, H & R Johnson, Improving Productivity, Employees.*

## INTRODUCTION

Throughout one's working career, employee appraisals are undoubtedly required on a frequent basis. It is continuously practised, very desirable, and practical. The task of selecting the traits and attributes to be evaluated for the purpose of calculating employee assessment falls under the purview of the HR department. Performance evaluation is crucial for identifying staff training and development needs as well as for assessing their individual strengths and limitations. The data gathered during the performance appraisal process is quite useful in assessing and evaluating several essential HR issues such as salary, wages, promotion, demotion, retention, transfer, and bonus, among others. These evaluations are based on the present employees accomplishment of goals while working. It is based on the employees personality.

The origin of ceramic tiles is found 7 to 8 thousand years ago. The various sources show that the history of tiles is originated in Egypt in 4000 BC. Ceramics were primarily used for decorations. Earlier these were used in white and blue patterns which is later transformed in various varied patterns. The Shang-Yin dynasty (1523– 1028 BC) saw the production of excellent white ceramic ware in China, the world's foremost hub of ceramic art. These pieces had the earliest Chinese glaze. By 900 A.D., ornamental tiles were widely used in Persia, Syria, Turkey, among other places due to the development of the craft of making and decorating ceramic tiles. With the development of transport and communication its usage was spread in other geographical areas also.

The H and R Johnson company was established in 1958. It is the pioneer company of ceramics in India HRJ has given many innovated products to supply complete solutions to its customers during the past 5 decades. Currently, HR has the distinction of being the only company in India to offer complete solutions for kitchens, sanitary items, bathtub fixtures, marble, quartz, and tiles. H and R offers glazed walls and floor tiles, bathtub products, kitchens, laminate/designed wooden floors, and designed marble and quartz.

An employees excellence in matters relevant to his current job and his potential for a better job are evaluated in a methodical, routine, and objective manner during a performance review. During an employee performance review, managers evaluate an employees overall performance, pinpoint strengths and problems, offer comments, and help the employee develop goals. The majority of the time, employees can ask questions of and give feedback to their bosses. Reviews of each employees performance are conducted. To discuss the review, the manager and employee will have a private meeting. Future goals will be discussed by the employee and the boss.



## OBJECTIVES

The current study focuses on the assessment of performance evaluation methods and strategies, as well as their impact on employees in the ceramics company. The following are the study's specific sub-objectives:

- To identify the Performance Appraisal at H & R Johnson.
- To determine the employees' perception towards the effectiveness of Performance Appraisal at H & R Johnson.

## REVIEW OF LITERATURE BOICE AND KLEINER (2020)

Worked on framing the successful performance appraisal systems. They reported that the organizations could have dedicated and committed manpower only when the performance appraisal processes are successful. In the whole process, the assurance and dedications of the top management is required to communicate the organizations policies and procedures to the employees. The researchers also developed a framework to understand effective performance appraisal process. That model identified the requirement for the training of the employees involved in the systems, proper documentation of records and clearly stated objectives were required for the objective system to be more effective.

### Poon (2020)

Studied on the probable consequences of political performance evaluation on job satisfaction and intention to leave and he found that performance's appraisals ratings were generally influenced by political motives. He discussed the effects of employees' views of political goals on their job happiness and intention to leave their respective organisation in performance appraisals. He collected information only through the white collar employees and they were occupationally heterogeneous from various organizations. With the help of regression technique the author found if perceived performance rating of employee are manipulated a per rater's personal prejudice, that brought reduction in job satisfaction and ultimately proved a main reason for quitting their jobs. Moreover it was also observed that there were no effects of manipulations of ratings for motivation, one employee turnover intention and job satisfaction.

### Kuvaas (2019)

Examined the various associations among perception of employees for Work performance and developmental performance evaluation. He found that Positive responses to employee reviews are required. The author examined two different models: mediation and moderation. These models illustrated the relationship between workers self-reported job performance and their perceptions of developmental performance appraisals. In that work the researcher approached four hundred thirty four persons as respondents. It was mainly observed that there was positive relationship among personnel with weak autonomy orientations, poor outcomes for those who had strong autonomy orientations, and adverse outcomes for those who did not. This study relies on self reported questionnaire. The author also suggested that, in order to investigate causality issues, experimental research are needed. Mainly, it was concluded that autonomy orientation mattered for the relationship among the considered factors. Further it was suggested that more effort were required for participative system of performance system.

### Payne (2018)

Compared employees reactions regarding the use of online and traditional performance appraisal systems. Online employees reported significantly lower levels of quality for the PA rating than traditional employees. This was the first study of its kind which used to compare the attitude of the employees of both online and offline. The author considered only one organization.

### Vilela (2017)

Examined the research in the area of Affective context, impression management strategies, and their impact on evaluating sales effectiveness. This study covers 35 organisations of nine industries. The data is derived from the 122 sales employees. It is found showed the supervisors opinion of the salesperson is positively connected with supervisor-focused impression management.

### Spinks (2017)

Studied computerized PAS. The researchers wanted to know whether the effective performance appraisal affects the overall productivity of the system or not. It was also found that the performance appraisal system could be further improved and this crucial aspects definitely helps the management and workforce. Further, it is found that software is quite helpful in conducting the appraisal more effectively. The process could be made easier and more structured with the help of computer software.

## METHODOLOGY

### Type of Research

Descriptive research is what being done right now. The goal of this study is to investigate how performance is evaluated in a company and to address any concerns that workers may have.

### Source of Data Collection

Both primary and secondary data are used in the investigation. While secondary data is gathered via books, journals, research papers, and websites, primary data is gathered through the use of questionnaires.



**Sampling method**

Simple random method is used for the survey. Lower level of management is selected such as supervisors, foremen, section officers as a sampling method for the survey.

**Population and sampling unit**

- Target population : Employees in H & R Johnson, there are 1200 employees in the company.
- Sampling unit : lower level of management such as supervisors, foremen, section officers as a sampling unit for the survey

**Sampling Size**

The respondents for the study is employees of H & R Johnson Ceramic tiles company, there are 1,200 employees working from which the sample size for the study is set to 100 respondents.

**Statistical tools and techniques**

The statistical software SPSS was used to analyse the data. Statistical techniques such as One-way Annova, Chi Square and Descriptive statistics is used to test the responses and information collected from the survey in the study.

**ANALYSIS AND INTERPRETATION**

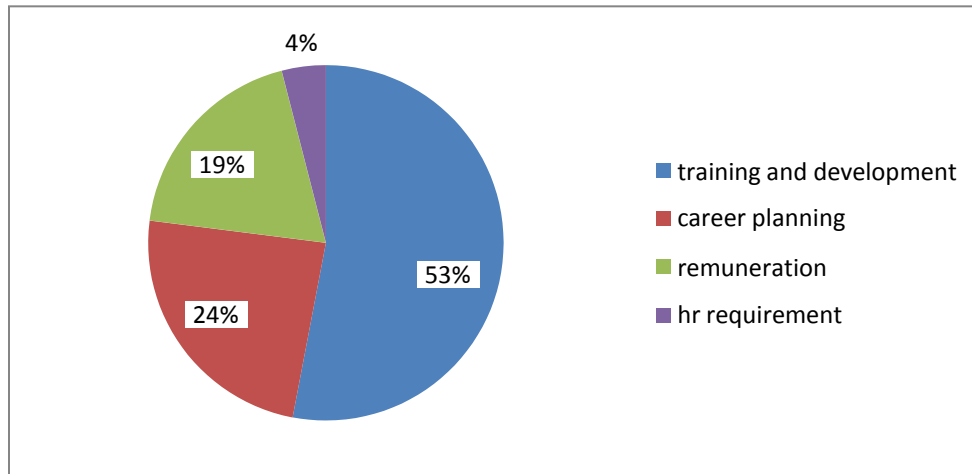
**Table - 01 Purpose of Performance Assesment**

Purpose	No. of respondents	Percentage
Training and development	53	53%
Career Planing	24	24%
Remuneration	19	19%
HR requirement	4	4%
Total	100	100%

**Analysis**

From the above table it shows that Out of 100 respondents 53% of the respondents have opted the purpose of Performance assessment for training and development, 24% of the respondents for career planning, 19% of the respondents for remuneration and 4% of respondents for HR requirement.

**Graph - 01**



**Interpretation**

The above graph shows the purpose of performance assessment. It shows the majority of the respondents haveopted the purpose of Performance Assesment for Training and development.

**Table – 02 Does the Appraiser need Training**

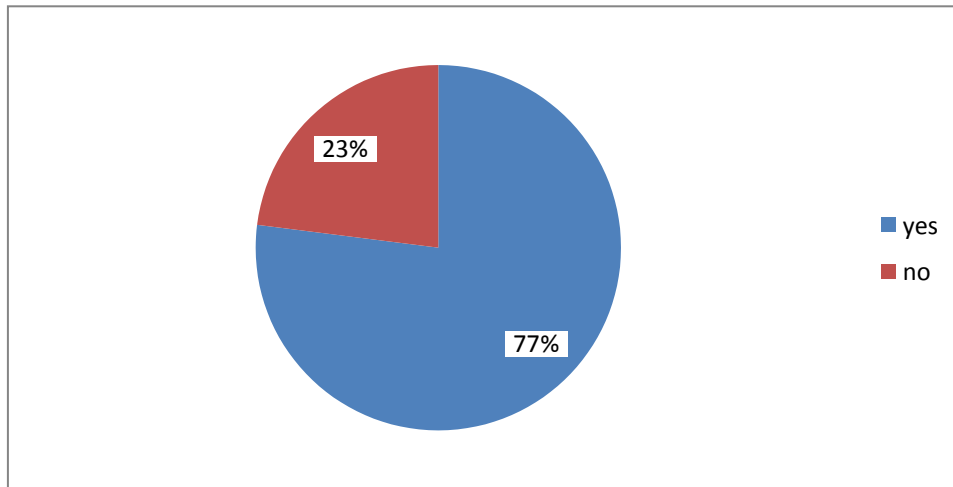
Training	No. of respondents	Percentage
Yes	77	77%
No	23	23%
Total	100	100%



**Analysis**

The above table shows that, Out of 100 respondents 77% of respondents have opted for yes the appraiser need training and 23% of respondents for no.

**Graph - 02**



**Interpretation**

The above graph shows that does the Appraiser need Training for conducting Performance Appraisal in the company. The majority of the respondents have opted for YES the Appraiser need Training for conducting Performance Appraisal.

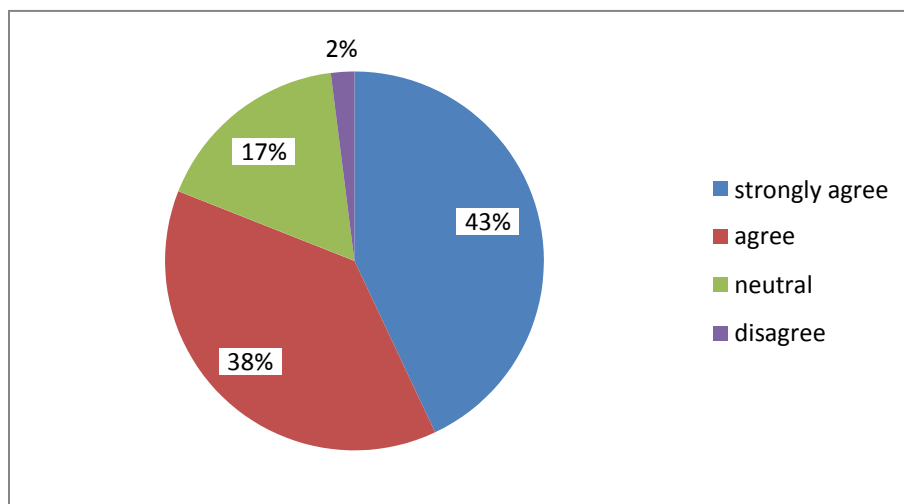
**Table – 03 Work Appreciation**

Appreciation	No. of respondents	Percentage
Strongly agree	43	43%
Agree	38	38%
Neutral	17	17%
Disagree	2	2%
Total	100	100%

**Analysis**

From the above table it shows that, Out of 100 respondents 43% of respondents strongly agree for getting appreciated for their work, 38% of the respondents agree, 17% of the respondents opted for neutral and 2% of respondents opted disagree.

**Graph - 03**





**Interpretation**

The above graph shows the appreciation for the work performed by the employees. It shows that majority of the respondents opted for getting appreciation for their work and few members opted for not getting appreciation for their work.

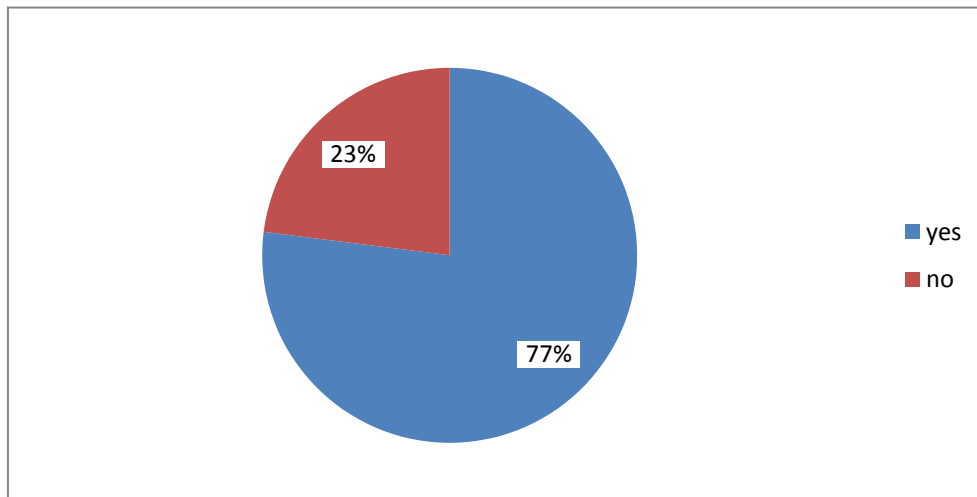
**Table – 04 Receive Salary or Increment after Performance Appraisal**

Salary or Increment	No. of respondents	Percentage
Yes	77	77%
No	23	23%
Total	100	100%

**Analysis**

The above table shows that, Out of 100 respondents 77% of the respondents have opted Yes they receive salary and increment after Performance Appraisal, 23% of the respondents have opted No.

**Graph – 04**



**Interpretation**

The above graph shows the employees receives salary or increment after Performance Appraisal. It proves that majority of the respondents receive salary and increment after Performance Appraisal in the company they are working.

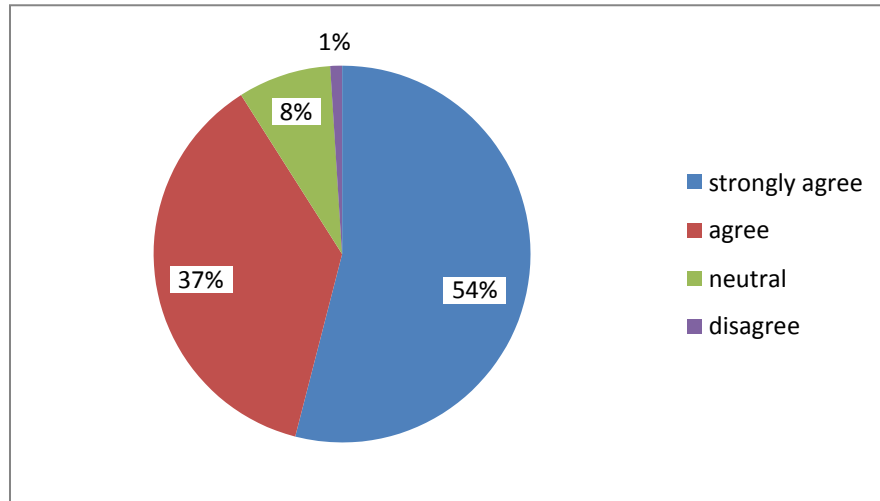
**Table – 05 Performance Appraisal improves motivation and job satisfaction**

Motivation and job Satisfaction	No. of respondents	Percentage
Strongly agree	54	54%
Agree	37	37%
Neutral	8	8%
Disagree	1	1%
Total	100	100%

**Analysis**

From the above table it shows that, Out of 100 respondents 54% of the respondents have strongly agreed that it improves employee motivation and job satisfaction, 37% of respondents have agreed, 8% of the respondents have opted neutral and 1% of the respondent have disagreed.

Graph - 05



**Interpretation**

The above graph shows Performance Appraisal improves employee motivation and job satisfaction. It shows that majority of the respondents strongly agree that Performance Appraisal improves employee motivation and job satisfaction.

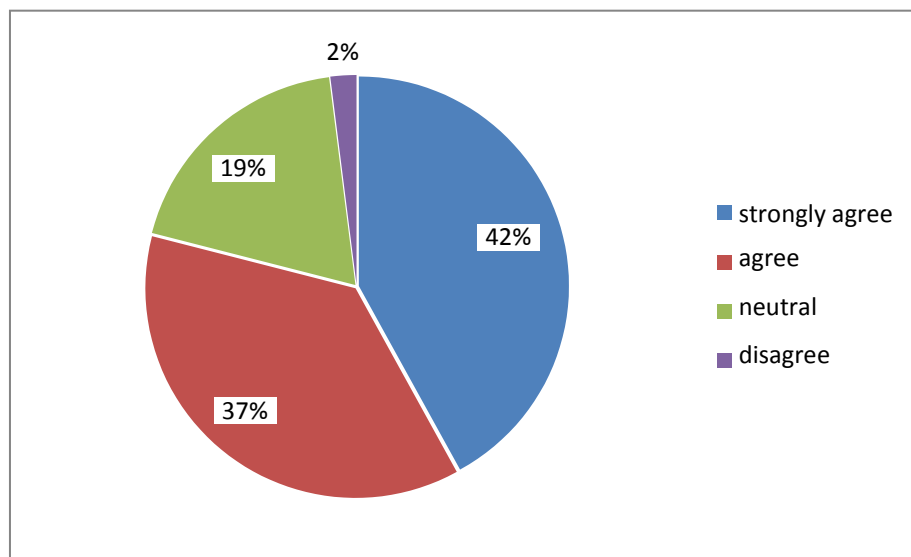
**Table – 06 Performance Appraisal change the behavior of the employees**

Behavioral change	No. of respondents	Percentage
Strongly agree	42	42%
Agree	37	37%
Neutral	19	19%
Disagree	2	2%
Total	100	100%

**Analysis**

From the above table it shows that, Out of 100 respondents 42% of the respondents strongly agree for the changes in the behavior, 37% of the respondents only agree to it, 19% of the employees opted for neutral and 2% of the respondent disagreed.

**Graph - 06**



**Interpretation**

The above graph shows Performance Appraisal change the behavior of the employees. It proves that majority of the respondents strongly agree for Performance appraisal change the behavior of the employees.



## HYPOTHESIS TESTING

### 1. One way Anova

Performance appraisal change the behaviour of the employee

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.956	1	3.956	6.310	.014
Within Groups	61.434	98	.627		
Total	65.390	99			

## CONCLUSION

P value is 0.014

Level of significance = 0.05(5%)

From the above anova table “F” calculated at a degree of freedom is 6.310 where P value is 0.014.

At the level of significance of 5% i.e 0.005, from the output P value is greater than 0.005. Therefore, null hypothesis is accepted and alternative hypothesis is rejected.

Hence there is no significant difference between Performance Appraisal change the behavior of the employee and receiving salary or increment after Performance Appraisal.

### 2. Chi square analysis

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Performance appraisal change the behaviour of the employee * Do you receive salary or increment after performance appraisal	100	98.0%	2	2.0%	102	100.0%

Performance appraisal change the behaviour of the employee \* Do you receive salary or increment after performance appraisal

### Crosstabulation

Count

		Do you receive salary or increment after performance appraisal		Total
		yes	no	
Performance appraisal change the behaviour of the employee	Strongly Agree	35	7	42
	Agree	30	7	37
	Neutral	12	7	19
	Disagree	0	2	2
Total		77	23	100

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.050 <sup>a</sup>	3	.018
Likelihood Ratio	9.107	3	.028
Linear-by-Linear Association	5.989	1	.014
N of Valid Cases	100		

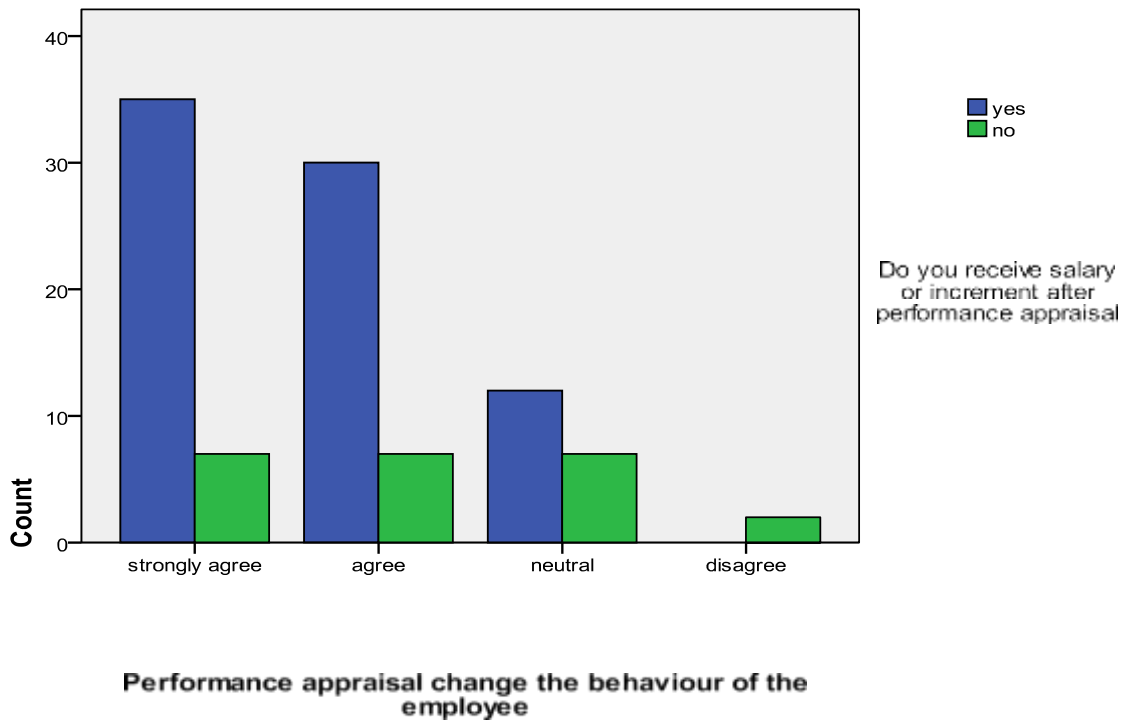
a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .46.

**Conclusion**

**P Value** = 0.018

**Level of Significance** = 0.05(5%)

As the level of significance is lesser than P value, null hypothesis is accepted and alternate hypothesis is rejected. Therefore there is no significant relationship between receiving salary or increment after Performance Appraisal with Performance Appraisal change the behaviour of the employees.







### 3. Descriptive

#### *Descriptive Statistics*

	N	Minimum	Maximum	Mean	Std. Deviation
<i>Do you think performance appraisal helps people set and achieve meaningful goal</i>	100	1	3	1.33	.711
<i>Purpose of performance assessment</i>	100	1	4	1.74	.906
<i>Performance appraisal give constructive criticism in a friendly and positive manner</i>	100	1	3	1.58	.843
<i>Performance appraisal improves motivation and jobsatisfaction</i>	100	1	4	1.56	.686
<i>Performance appraisal change the behaviour of the employee</i>	100	1	4	1.81	.813
<i>Do you receive salary or increment after performance appraisal</i>	100	1	2	1.23	.423
<i>Valid N (listwise)</i>	100				

### CONCLUSION

**Highest Mean** is 1.81

**Lowest Standard Deviation** is 0.423

**Highest Mean** : Performance Appraisal is highly influencing the change in behavior of the employees.

**Lowest Standard Deviation** : Receiving salary or increment is slightly influencing the employees after Performance Appraisal.

### FINDINGS

It has been discovered that most of the employees consider the best purpose of Performance Assessment is Training and Development. It demonstrates that most of the employees say that the appraiser need training before conducting Performance Appraisal in the company. It is analysed that most of the staff strongly agree that their work is appreciated in the company they are working. As per the analysis it was found that most of the staff receive salary or increment after Performance Appraisal. Majority of the employees strongly agree that Motivation and job satisfaction are increased through performance appraisals. It was found that many of the respondents strongly agree that the practice of Performance Appraisal in the company change the behavior of the employees. According to anova testing it shows that, At the level of significance of 5% i.e 0.005, from the output P value is greater than 0.005. Therefore, We accept the null hypothesis and reject the alternative. Hence there is no significant difference between Performance Appraisal change the behavior of the employee and receiving salary or increment after Performance Appraisal.

### SUGGESTIONS

- Performance Appraisal should be considered as the top HR priority. The management should consider it as an employee's growth tool.
- Management should have to create free and fair environment where employees could communicate with anybody in the company.
- Performance Appraisal should be treated as 'Psychological Development Tool' for employees. It bridges the gap between appraiser and appraise.
- To make Performance Appraisal more effective the management should take the following steps like : recognize the employee as an individual in the organization : health, safety and welfare measures should be maintained; salary should be fair in accordance with the roles and the responsibilities assigned to employees; and retention methods should be suitable and meaningful for the growth of the company.



## CONCLUSION

Performance Appraisal assess a personal staff efficiency and effectiveness in the light of specific predetermined criteria and structural goals. Performance Appraisal plays a very important role in the company because it improves job performance and it helps to know where the employees stand in their performance. From the study it conclude that Performance Appraisal provides the opportunity to set personal goals. Performance Appraisal is mainly the recognition, reward to an employee and helps in reducing the grievance among the employees.

Employees was fairly satisfied with salary rating was increased by performance rating and was happy with the present appraisal system. Overall, this project work helps to know every aspects of performance appraisal system.

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