PERFORMANCE APPRAISAL SYSTEM AS A NEW PRACTICAL APPLICATION OF TRAINING IN AUTOMOBILE INDUSTRY

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ABSTRACT

Today, performance appraisal (PA) has increasingly become part of a more strategic approach to integrating HR activities and business policies and may now be seen as a standard term covering a variety of activities through which organizations seek to assess employees and develop their competence, improve performance and share out rewards. The success of an organization depends on the performance of the employees and it is the human tendency to judge everything and everyone around them. This paper aimed to find out some new practical application of Performance appraisal system & training in Automobile Industry. The study is exploratory in nature.

Keywords: *Performance Appraisal System, Automobile Industry, Training*

INTRODUCTION

Performance appraisal is a process by which organizations evaluate employee performance based on preset standards. Performance appraisals identify performance gaps. As such, they provide an excellent opportunity for a supervisor and subordinate to recognize and agree upon individual training and development needs.

Performance appraisal can significantly help in identifying the training needs of the employees. Performance appraisal helps to reveal the differences and discrepancies in the desired and the actual performance of the employees. The causes of the discrepancies are also found whether they are due to the lack of adequate training or not.

A successful training needs analysis will identify those who need training and what kind of training is needed. It is counter-productive to offer training to individuals who do not need it or to offer the wrong kind of training. A Training Needs Analysis helps to put the training resources to good use.

RELATED STUDY

Nagendra Asha (2008), in the research **"***An Analysis of Performance Appraisal System in the Automobile Industry***"** focused the study conducted to establish the adequacy/inadequacy of the P.A. system in Tata Motors and Bajaj Auto. The result of the study showed that the managers in both the organizations felt that there existed a good performance appraisal system in their organizations. This P.A. system is HRD oriented. However its implementation was found lacking. On comparison Tata Motors scored higher than Bajaj Auto on all aspects revealing that managers in TATA Motors were more satisfied with the existing implementation of the performance appraisal system, in their organization than those in Bajaj Auto.

Rekha Mudkanna, Dr.S.G.Losarwar (2013), Training Practices Followed by Automobile Industries, the study

sheds light on the effectiveness of training activities in the automobile company. The automobile sector is people based industry where the end product is often produced by a number of employees together delivering the end product for organization and customers. Management of labor intensive industries face daunting task to measure the potential variability in the performance of the staff involved in the end product. Therefore the significance of appropriate training activities for all business within the auto sector is of considerable importance. As training practices have the potential to increase the service levels in the industry, organizations want to work out cost and benefits of training.

OBJECTIVE OF STUDY

To study Performance appraisal system as a new practical application of training in automobile industry

RESEARCH METHODOLOGY

The primary data was collected through the structured questionnaire. A total of 50 responses were collected from the employees of Mahindra Two Wheelers Ltd. The collected data was analysed with the help of SPSS 19.

ANALYSIS & FINDINGS

The analysis of the data shows an un-even distribution among the age of the respondents.
Figure 1 shows that majority of the respondents are in the age group of <25 and 26-30 which reveals that majority of the respondents is youngsters and is open to change and development.

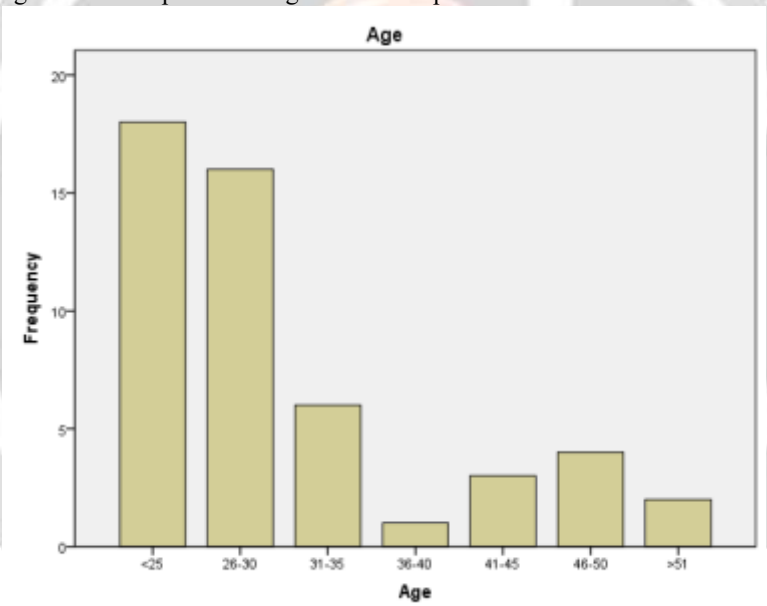

Figure 1: Age distribution

There is a clear cut correlation between the age distribution and the experience distribution. It is clear from the Figure 2 that majority of the respondents fall under the group of <5 years and 6-10 years.

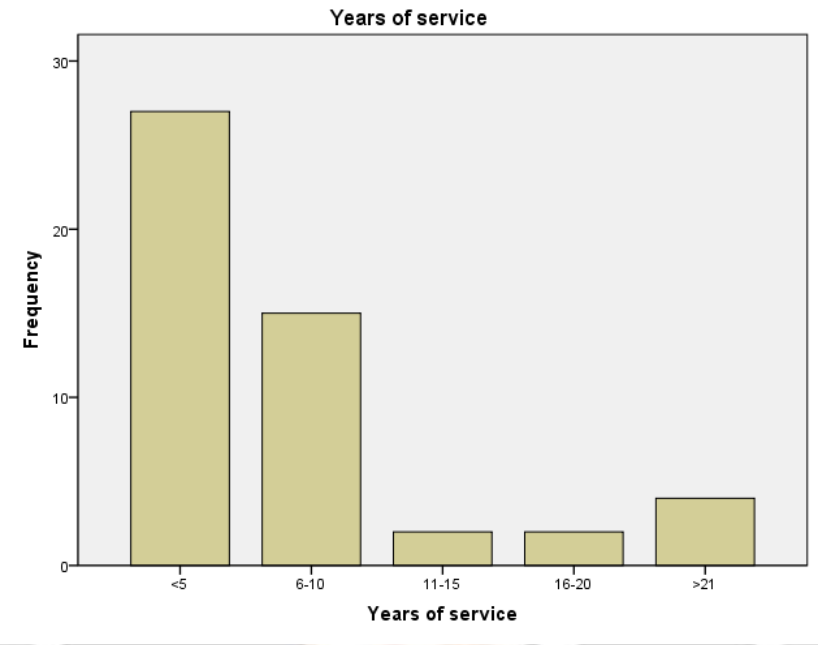

Figure 2: Experience distribution

Table -1: output of data after analysis

Particulars	Mean	Std. Deviation
The appraisal system provides the employees effective feedback regarding their performance.	3.96	.947
The performance appraisal system helps to identify strengths and weakness of employees.	4.10	1.111
The appraisal system helps appraiser to identify the training needs of the employees.	4.20	.990
The senior officers are eager to help their juniors to develop their competencies through training after performance appraisal.	3.80	1.178
The employees are sponsored for training on the basis of carefully identified developmental needs on the basis of performance.	3.84	1.037
Performance appraisal helps in increasing employee's productivity.	3.90	1.216
When employees are sponsored for training on the basis of performance appraisal, they take it seriously and try to learn from the programs they attend.	4.02	.845

I am satisfied with the process of identifying training needs through performance appraisal.	3.90	1.282
I am satisfied with the usefulness of training inputs in improving my current performance.	4.04	1.228

Table 1: Details of Result of the analysis

The analysis showed that the mean value for the statement "The appraisal system provides the employees effective feedback regarding their performance" is 3.96 with a standard deviation of 0.947. This shows that the respondents are having the conviction that the performance appraisal is able to provide a clear understanding about their performance.

The mean for "The performance appraisal system helps to identify strengths and weakness of employees" is 4.10 with a standard deviation 1.11. This reveals that the respondents are of the opinion that the performance appraisal will reveal their strength and weakness. The strength can be used for the career advancement whereas measures can be adopted to overcome the weakness.

Figure 3: Performance Appraisal and Training need identification distribution

The analysis shows a mean of 4.20 to the statement "The appraisal system helps appraiser to identify the training needs of the employees" with a standard deviation of 0.990. The high mean reveals the respondent's approval for this opinion and the lower standard deviation points towards unanimity in this fact.

The statement "The senior officers are eager to help their juniors to develop their competencies through training after performance appraisal" shows a mean of 3.80 which shows that the performance appraisal is properly evaluated and used to improve the shortfalls in the performance by the organization. The standard deviation of 1.178, a bit higher value shows that unanimity in this fact is not very high.

"The employees are sponsored for training on the basis of carefully identified developmental needs on the basis of performance" shows a mean of 3.84 is revealing the fact that the organization is serious about the performance appraisal and its application for overcoming the weaker aspects of the employees. The standard deviation of 1.037 reveals the unanimity of opinion on this point.

The mean value of 4.02 on the statement "When employees are sponsored for training on the basis of performance appraisal, they take it seriously and try to learn from the programs they attend" reveals that the employees are convinced of the seriousness and usefulness of Performance appraisal and follow the steps taken after it. The standard deviation of 0.845 reveals that majority of the respondents are in agreement to this.

Figure 4: Training on the basis of Performance appraisal distribution

The output of analysis reveals a mean of 3.90 to the opinion "I am satisfied with the process of identifying training needs through performance appraisal" which express that majority is in agreement with this fact, whereas the standard deviation of 1.282 shows that there is no flat agreement on this point.

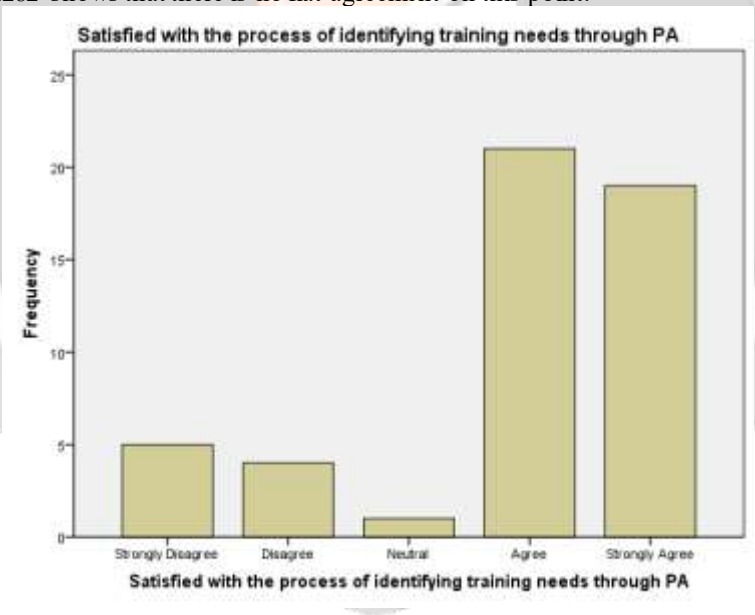

Figure 5: Response of employees on Training Need Identification through Performance Appraisal

DISCUSSIONS

Performance appraisal is a scale with which one can measure the current level of the organization and the gap between the current level and the expected level. One of the major applications of performance appraisal is to identify the strength and weakness of the employee.

The present study focuses that good organizations share the outcome of the performance appraisal with its employees so that they can be ready to adopt measures to overcome it. Organizations with better vision keep employee on top priority, analyse the data of performance appraisal with a view to improve the calibre of them so that the organization will gain out of it. The researcher from the study found that in the present auto sector HR must begin with the employee performance appraisal, analysis of their work, pinpoint the weakness, plan the modalities to overcome it, identify the persons required improvement, communicate it to every employee, identify the areas where training is required, identify the methods of training, identify the resource persons, finalise the schedule, evaluate the training and outcome, do the performance appraisal, compare it with the previous one and asses the growth.

Though it is a long process, there are no much extra activities. The only thing is to change the outlook. Do the on-going activities with a different perspective. Link performance appraisal with training need analysis, then new dimensions will evolve out of it spontaneously. Because in a globe local market continuous improvement is need of the time, every sector is working for employee branding and customer delight so that sustainability won't be a problem.

CONCLUSION

Apart from the traditional application of performance appraisal like pay rise, promotion, and incentives, modern applications like employee strength and weakness identification, skill gap analysis, training need analysis can be incorporated in the performance appraisal armpit, which will give a new dimension to the performance appraisal process. The modern workforce is trying to be multitasking capable so as to achieve new heights in their career. As the study reveals the modern workforce is in favour of using performance appraisal for training need analysis and are showing keen interest to undergo training to overcome the lack of skills to prove their calibre.

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Annexure - Analysis

Parameters	**Designation**	**Age**	**Gender**	**Years of service**
Valid	50	50	50	50
Mean	1.30	2.50	1.20	1.82
Median	1.00	2.00	1.00	1.00
Mode	1	1	1	1
Std. Deviation	.463	1.787	.404	1.207
Variance	.214	3.194	.163	1.457
Skewness	.900	1.274	1.547	1.667
Kurtosis	-1.241	.505	.407	1.920

Parameters	**Q1**	**Q2**	**Q3**	**Q4**	**Q5**	**Q6**	**Q7**	**Q8**	**Q9**	**Q10**
Valid	50	50	50	50	50	50	50	50	50	50
Mean	4.16	3.86	4.02	3.88	3.96	4.10	4.20	3.88	3.80	3.84
Median	4.50	4.00	4.00	4.00	4.00	5.00	5.00	4.00	4.00	4.00
Mode	5	4	4	4	4	5	5	4	4	4
Std. Deviation	1.057	.904	1.020	.940	.947	1.111	.990	1.100	1.178	1.037
Variance	1.117	.817	1.040	.883	.896	1.235	.980	1.210	1.388	1.076
Skewness	-1.089	-1.096	-1.484	-.521	-.820	-.855	-.816	-.904	-1.155	-.581
Kurtosis	-.043	1.474	2.621	-.517	-.025	-.720	-.689	-.108	.910	-.755
Parameters	**Q11**	**Q12**	**Q13**	**Q14**	**Q15**	**Q16**	**Q17**	**Q18**	**Q19**	**Q20**
Valid	50	50	50	50	50	50	50	50	50	50
Mean	3.90	3.80	3.90	3.64	3.66	3.58	3.68	4.02	3.90	4.04
Median	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50
Mode	5	4	4	4	4	4	4	4	4	5
Std. Deviation	1.216	1.212	1.035	1.191	1.255	1.126	1.077	.845	1.282	1.228
Variance	1.480	1.469	1.071	1.419	1.576	1.269	1.161	.714	1.643	1.509
Skewness	-1.077	-1.031	-.943	-.687	-.798	-.341	-1.152	-.250	-1.260	-1.249
Kurtosis	.434	.264	.307	-.139	-.186	-.943	1.118	-1.043	.519	.767