

A  
PROJECT REPORT ON

“PERFORMANCE APPRAISAL EFFECTIVENESS ANALYSIS”

AT

CHAMPION VOYAGER DESIGNERS PVT LTD

SUBMITTED TO  
THE UNIVERSITY OF PUNE  
IN PARTIAL FULFILLMENT OF  
MASTERS IN BUSINESS ADMINISTRATION

BY

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# COMPANY PROFILE

## **Champion Voyager Designers Pvt Ltd**

Champion Voyager Designers Pvt Ltd is the leading pioneer in the large-scale outsourcing of document creation services, with more than 80 years of graphics history. It is also the world's largest and most experienced provider of artwork and embroidery digitizing.

They cater to more than 2,000 clients worldwide with output-ready digital files for all types of printing, computer-generated communications, stitched apparel and product imprinting and work 24 hours / 7 days a week / 365 days a year.

Retail and quick printers, commercial printers, apparel and promotional products suppliers/distributors, advertising agencies and corporations rely on Champion Voyager Designers Pvt Ltd for customized digital graphics solutions that help them generate higher profits, increase productivity and enhance competitive differentiation, without the ongoing costs of equipment, labor, or technology.

### **Production Facility**

Headquartered in Elgin, Illinois, Champion Voyager Designers Pvt Ltd maintains a large Production Center in Pune, India, staffed by 350 highly skilled employees and operating 24/7/365.

### **Quality**

Quality is the top priority at this facility. That's why they apply Six Sigma processes and detailed quality control procedures for every client and every project.

### **Training**

Because they understand how important quality and accuracy are to the customer's business, Champion Voyager Designers Pvt Ltd has created a detailed, comprehensive

approach to training their document creation, artwork and digitizing specialists. Training is ongoing with periodic reassessments, based on the customer's specific needs and Affinity Express' commitment to continuous improvement.

**Technology**

They offer a web-based order entry and management system for maximum convenience and speed. Champion Voyager Designers Pvt Ltd supports PC and Mac platforms and is certified in over 30 software packages to meet the needs of clients.

**Confidentiality and Security**

Champion Voyager Designers Pvt Ltd takes great care to ensure uptime and protect the clients' data through an elaborate security system and set of backup procedures both on- and off-site.

**Support**

Clients have a direct link to customer support 24/7/365 and can get fast answers on the status of their projects, revisions, quotes and other questions. For any issues that require escalation, the Account Services team is available Monday through Friday, from 8:00 A.M. to 6:00 P.M. Central Standard Time.

**Graphic solutions**

Champion Voyager Designers Pvt Ltd offers three categories of graphics services and the function is the same for each: they format the graphics, photos and written copy that the customers submit and produce digital, production-ready files. These files are then used by the customer for printing, posting to web sites, presentations, embroidery on apparel or screen-printing on ad specialty items.

### Document Creation

Taking hard or soft copy input and returning digital files for production—a term originated by Champion Voyager Designers Pvt Ltd that is also known as desktop publishing, digital pre-press or pre-flighting.



### Artwork Creation and Layout



### Embroidery Digitizing

Translating artwork into a series of commands to be read by an embroidery machine for output on various items of apparel, bags, caps, etc.



The world-class, cost-effective document creation, artwork and digitizing services of Champion Voyager Designers Pvt Ltd helps the customer to generate more revenue, enhance profitability, improve productivity and increase focus on their core business. Affinity Express' customized solutions provide the specific capacity and services need by the customer and when they need them. That's why Champion Voyager Designers Pvt Ltd has a proven track record of success with some of the largest, most respected companies in the world.

**In just 1 month...**

Over 350 design and digitizing professionals at Champion Voyager Designers Pvt Ltd create more than 35,000 output-ready digital files using 30-plus software programs on a network with a 99.99% uptime guarantee and backed by 24/7/365 support. They deliver in 24 hours or less and reward clients with as much as 50% in cost savings

**Outsourced graphics services**

- Artwork creation and layout
- Embroidery digitizing
- Document creation

**Professional services**

- System integration
- Custom website creation (for order management)
- Consulting

**Project types**

- Announcements
- Booklets
- Brochures
- Business Cards
- Newsletters



- Postcards
- Presentations
- Programs
- Certificates
- Resumes
- Embroidery Digitizing
- Sales Sheets/Flyers
- Envelopes
- Signs/Banners
- Forms
- Tables, Charts and Graphs
- Invitations
- Table Tents
- Letterhead
- Tabs
- Logos
- Tickets
- Mailing Labels
- Vector Art
- Manuals
- Word Processing
- Menus

**Software Proficiencies**

Champion Voyager Designers Pvt Ltd designers are certified in more than 30 software packages, including:

- Adobe Acrobat
- Macromedia Dreamweaver
- Adobe GoLive

- Macromedia Freehand
- Adobe Illustrator
- Microsoft Excel
- Adobe InDesign
- Microsoft PowerPoint
- Adobe PageMaker
- Microsoft Publisher
- Adobe Photoshop
- Microsoft Word
- AutoCAD
- Microsoft Visio
- CorelDRAW
- Punto
- Gunold
- Pulse
- HTML
- QuarkXPress
- Wilcom

**Partners****Apparel and Promotional Products Suppliers/Distributors**

Champion Voyager Designers Pvt Ltd provides a streamlined, cost-effective process and reliable partnership to enable better focus on selling and supporting customers, as well as higher profit margins.

**Printers**

In the highly competitive printing industry, outsourcing document creation to Champion Voyager Designers Pvt Ltd lets clients drive print revenue, lower fixed costs, improve margins, deploy internal teams on sales and support and leverage the revenue opportunity offered by ancillary services.

### **Advertising Agencies**

As clients demand lower costs, greater value and faster turn times from their agencies, Champion Voyager Designers Pvt Ltd provides a means to better apply highly-talented and costly internal resources to creative projects and client interaction, while handing off straightforward execution and excess demand resulting in higher profit margins.

### **Corporations**

Outsourcing (either off-site or a combination of on- and off-site) to Champion Voyager Designers Pvt Ltd lets internal personnel to focus on their core business, exercise greater control over branding and improve support for internal departments and clients.

# **IMPORTANCE AND PURPOSE OF PERFORMANCE APPRAISAL**

## **Introduction to Performance Appraisal**

Once the employee has been selected, trained and motivated, he is then appraised for his performance. Performance Appraisal is the step where the Management finds out how effective it has been at hiring and placing employees. If any problems are identified, steps are taken to communicate with the employee and remedy them.

**“Performance Appraisal is a process of evaluating an employee’s performance in terms of its requirements.”**

Performance Appraisal can also be defined as **“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 administration including placement, selection for promotions, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally.”**

## Importance and Purpose

Performance Appraisal has been considered as the most significant and indispensable tool for an organization, for the information it provides is highly useful in making decisions regarding various personnel aspects such as promotion and merit increases. Performance measures also link information gathering and decision making processes which provide a basis for judging the effectiveness of personnel sub-divisions such as recruiting, selection, training and compensation. Accurate information plays a vital role in the organization as a whole. They help in finding out the weaknesses in the primary areas.

Formal Performance Appraisal plans are designed to meet three needs, one of the organization and the other two of the individual namely:

- They provide systematic judgments to back up salary increases, transfers, demotions or terminations.
- They are the means of telling a subordinate how he is doing and suggesting needed changes in his behavior, attitudes, skills or job knowledge. They let him know “where he stands” with the Boss.
- Superior uses them as a base for coaching and counseling the individual.

On the basis of merit rating or appraisal procedures, the main objectives of Employee Appraisal are:

- To enable an organization to maintain an inventory of the number and quality of all managers and to identify and meet their training needs and aspirations.
- To determine increment rewards and to provide reliable index for promotions and transfers to positions of greater responsibility.
- To suggest ways of improving the employee’s performance when he is not found to be up to the mark during the review period.

- To identify training and development needs and to evaluate effectiveness of training and development programmes.
- To plan career development, human resource planning based potentials.

**PERFORMANCE APPRAISAL  
STRUCTURE IN THE  
ORGANIZATION**



## Summary of the Performance Analysis System

Setting performance standards, observing and providing feedback, and conducting appraisals enables the Team Leader to achieve the best results through managing employee performance.

To begin the process, the Team Leader and the employee collaborates on the development of performance standards. The Team Leader then develops a performance plan that directs the employee's efforts toward achieving specific results, to support organizational growth as well as the employee's professional growth. Discussion of goals and objectives throughout the year provides a framework to ensure that employees achieve results through One on One and mutual feedback. At the end of the rating period, the Team Leader appraises the employee's performance against existing standards, and establishes new goals together for the next rating period.

As the immediate supervisor, the Team Leader plays an important role; his closest interaction with the employee occurs at this level.

There are four key elements in the appraisal system:

1. **Set objectives** - Decide what the Team Leader wants from the employees and agree these objectives with them.
2. **Manage performance** - Give employees the tools, resources and training they need to perform well.
3. **Carry out the appraisal** - monitor and assess the employees' performance, discuss those assessments with them and agree on future objectives.
4. **Provide rewards/remedies** - Consider pay awards and/or promotion based on the appraisal and decide how to tackle poor performance.

## **Performance Standards**

How does the Team Leader decide what's acceptable and what's unacceptable performance? The answer to this question is the first step in establishing written standards.

Performance expectations are the basis for appraising employee performance. Written performance standards let the Team Leader to compare the employee's performance with mutually understood expectations and minimize ambiguity in providing feedback.

Having performance standards is not a new concept; standards exist whether or not they are discussed or put in writing. When the Team Leader observes an employee's performance, he usually makes a judgment about whether that performance is acceptable. Standards identify a baseline for measuring performance. From performance standards, the Team Leader can provide specific feedback describing the gap between expected and actual performance.

## **Guiding Principles**

Effective performance standards:

- Serve as an objective basis for communicating about performance.
- Enables the employee to differentiate between acceptable and unacceptable results.
- Increase job satisfaction because employees know when tasks are performed well.
- Inform new employees of your expectations about job performance.

**Key Responsibility Areas (KRA)**

The Team Leaders in association with the Project Manager write performance standards for each key area of responsibility on the employee's job description. The employee actively participates in its development. Standards are usually established when an assignment is made, and they are reviewed if the employee's job description is updated. The discussions of standards include the criteria for achieving satisfactory performance and the proof of performance (methods the Team Leader will use to gather information about work performance).

## Characteristics of Performance Standards

Standards describe the conditions that must exist before the performance can be rated satisfactory. A performance standard should:

- Be realistic, in other words, attainable by any qualified, competent, and fully trained person who has the authority and resources to achieve the desired result
- Describe the conditions that exist when performance meets expectations
- Be expressed in terms of quantity, quality, time, cost, effect, manner of performance, or method of doing
- Be measurable, with specified method(s) of gathering performance data and measuring performance against standards

## Expressing Standards

The terms for expressing performance standards are outlined below:

- **Quantity:** Specifies how much work must be completed within a certain period of time.
- **Quality:** Describes how well the work must be accomplished. Specifies accuracy, precision, appearance, or effectiveness.
- **Timeliness:** Answers the questions, by when? , How soon? , Or within what period?
- **Effective Use of Resources:** Used when performance can be assessed in terms of utilization of resources: money saved, waste reduced.
- **Effects of Effort:** Addresses the ultimate effect to be obtained; expands statements of effectiveness by using phrases such as: so that, in order to, or as shown by.
- **Manner of Performance:** Describes conditions in which an individual's personal behavior has an effect on performance, e.g., assists other employees in the work unit in accomplishing assignments.
- **Method of Performing Assignments:** Describes requirements; used when only the officially prescribed policy, procedure, or rule for accomplishing the work is acceptable.

## Performance Measurements

Since one of the characteristics of a performance standard is that it can be measured, the Team Leader identifies how and where evidence about the employee's performance will be gathered. Specifying the performance measurements when the responsibility is assigned will help the employee keep track of his progress, as well as helping the Team Leader in the future performance discussions.

There are many effective ways to monitor and verify performance, the most common of which are:

- Direct observation
- Specific work results (tangible evidence that can be reviewed without the employee being present)
- Reports and records, such as attendance, safety, inventory, financial records, etc.
- Commendations or constructive or critical comments received about the employee's work.

## **Observation and Feedback (One on One)**

Once performance objectives and standards are established, the Team Leader observes the employees' performance and provides feedback. The Team Leader has a responsibility to recognize and reinforce strong performance by an employee, and identify and encourage improvement where it is needed. The Team Leader provides informal feedback almost every day.

By observing and providing detailed feedback, the Team Leader plays a critical role in the employee's continued success and motivation to meet performance expectations.

## **One On One Sessions**

One on One is a method of strengthening communication between the Team Leader and the employee. It helps to shape performance and increase the likelihood that the employee's results will meet expectations. One on One sessions provide the Team Leader and the employee the opportunity to discuss her progress toward meeting mutually established standards and goals. A One on One session focuses on one or two aspects of performance, rather than the total review that takes place in a performance evaluation.

## **Guiding Principles**

Effective One on One can:

- Strengthen communication between the Team Leader and the employee
- Help the employee attain performance objectives
- Increase employee motivation and commitment
- Maintain and increase the employee's self-esteem
- Provide support

## **Key Elements of One on One**

To make One on One sessions effective, the Team Leader keeps the following key elements of One on One in mind while conducting such a session:

- Observe the employee's work and solicit feedback from others.
- When performance is successful, take the time to understand why.
- Advise the employee ahead of time on issues to be discussed.
- Discuss alternative solutions.
- Agree on action to be taken.
- Schedule follow-up meeting(s) to measure results.
- Recognize successes and improvements.
- Document key elements of One on One session.

## **Questions to Consider during One on One**

To provide effective feedback the Team Leader must understand the elements of performance and analyze marginal performance. These questions are kept in mind:

- How is the employee expected to perform?
- Does the employee understand these expectations? If not, why not?
- Does the employee know what successful results look like? How does the Team Leader know?
- Does the employee know the performance is marginal? How does the Team Leader know?
- Are there obstacles beyond the employee's control? Can the Team Leader remove them?
- Has the employee ever performed this task satisfactorily?
- Is the employee willing and able to learn?
- Does satisfactory performance result in excessive work being assigned?



- Does unsatisfactory performance result in positive consequences such as an undesirable task being reassigned?

### **During the One on One Session**

When the Team Leader conducts a One on One session to provide positive feedback to the employee, he keeps the following points in mind:

- Describe the positive performance result or work habit using specific details.
- Ask the employee's opinion of the same product or behavior.
- Ask the employee to identify elements that contributed to success (adequate time or resources, support from management or other employees, the employee's talent and interest in the project).
- Discuss ways in which the Team Leader and the employee can support continued positive results.
- Reinforce for the employee the value of the work and how it fits in with the goals of the work unit or department.
- Show your appreciation of the positive results and your confidence that the employee will continue to perform satisfactorily.
- If appropriate, document your discussion for the employee's file.

When the Team Leader conducts a One on One session to improve performance, he uses the following format:

- Describe the issue or problem, referring to specific behaviors.
- Involve the employee in the problem-solving process.
- Discuss causes of the problem.
- Identify and write down possible solutions.
- Decide on specific actions to be taken by each of the Team Leader.
- Agree on a follow-up date.
- Document key elements of the session.

## **Follow-Up Discussion**

During a follow-up discussion, the following steps are followed:

- Review the previous discussion(s).
- Discuss insufficient improvement and ask for reasons why.
- Indicate consequence of continued lack of improvement.
- Agree on action to be taken and set a follow-up date, if appropriate.
- Convey confidence in the employee.
- Document the discussion.

# **RESEARCH STUDY**

## **Aim of the Research**

“To ascertain the effectiveness of Performance Appraisal methodology used by the Organization.”

## **Objectives of the study**

The following are the objectives of the study -

- ❖ **To develop my understanding of the subject.**
  - Performance Appraisal System implemented in various Organizations varies according to the need and suitability. Through my research, I have tried to study the kind of Appraisal used in the Organization and the various pros and cons of this type of system.
- ❖ **To conduct a study on social behavior.**
  - Social behavior is a very unpredictable aspect of human life but social research is an attempt to acquire knowledge and to use the same for social development.
- ❖ **To enhance the welfare of employees.**
  - The Appraisal system is conceived by the Management but mostly does not take into consideration the opinion of the employees. This can lead to adverse problems in the Organization. Therefore by this study I have attempted to put forth the opinion of the employee with respect to the acceptability of the Performance Appraisal System.
- ❖ **To exercise social control and predict changes in behavior.**
  - The ultimate object of my research is to make it possible to predict the behavior of individuals by studying the factors that govern and guide them.

## **Research Design**

A research design is a type of blueprint prepared on various types of blueprints available for the collection, measurement and analysis of data. A research design calls for developing the most efficient plan of gathering the needed information. The design of a research study is based on the purpose of the study.

A research design is the specification of methods and procedures for acquiring the information needed. It is the overall pattern or framework of the project that stipulates what information is to be collected from which source and by what procedures.

## Sampling

An integral component of a research design is the sampling plan. Specifically, it addresses three questions

- Whom to survey (The Sample Unit)
- How many to Survey (The Sample Size) &
- How to select them (The Sampling Procedure)

Making a census study of the whole universe will be impossible on the account of limitations of time. Hence sampling becomes inevitable. A sample is only a portion of the total employee strength. According to Yule, a famous statistician, the object of sampling is to get maximum information about the parent population with minimum effort.

## Methods of Sampling

- **Probability Sampling** is also known as ‘random sampling’ or ‘chance sampling’. Under this sampling design every individual in the organization has an equal chance, or probability, of being chosen as a sample. This implies that the selection of sample items is independent of the persons making the study – that is, the sampling operation is controlled objectively so that the items will be chosen strictly at random.
- **Non Probability Sampling** is also known as ‘deliberate sampling’, purposeful and judgmental sampling. Non-Probability Sampling is that which does not provide every individual in the Organization with a known chance of being included in the sample.

### **Data collection method**

Collection of data is the first step in statistics. The data collection process follows the formulation for research design including the sample plan. The data can be secondary or primary.

- **Collection of Primary Data** during the course of the study or research can be through observations or through direct communication with respondents on one form or another or through personal interviews. I have collected primary data by the means of a Questionnaire. The Questionnaire was formulated keeping in mind the objectives of the research study.
- **Secondary data** means data that is already available i.e., they refer to data, which has already been collected and analyzed by someone else. When a secondary data is used, the researcher has to look into various sources from where he can obtain data. This includes information from various books, periodicals, magazines etc.

## Research Methodology Adopted

**Research Design** : Descriptive research

**Research Instrument** : Structured Questionnaire

### Sampling Plan

i) Sample Method : Non-Probability Sampling  
(Convenience Sampling)

ii) Sample Size : 50

iii) Sample Unit : Employees who do not hold a  
supervisory position

### Sampling Design

**Convenience Sampling**, as the name implies, is based on the convenience of the researcher who is to select a sample. Respondents in the sample are included in it merely on account of their being available on the spot where the survey was in progress.

### Source of Data

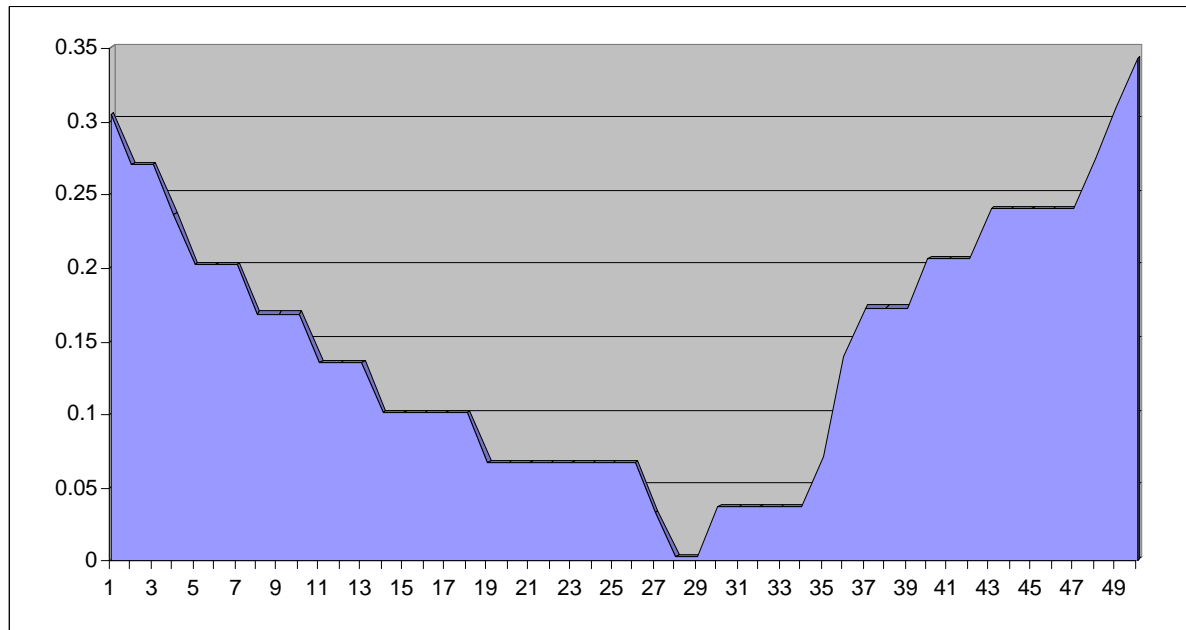
a) Primary Data : Structured Questionnaire

b) Secondary Data : Journals, Booklets, Company Data, etc.



# DATA ANALYSIS

## Median Age Analysis

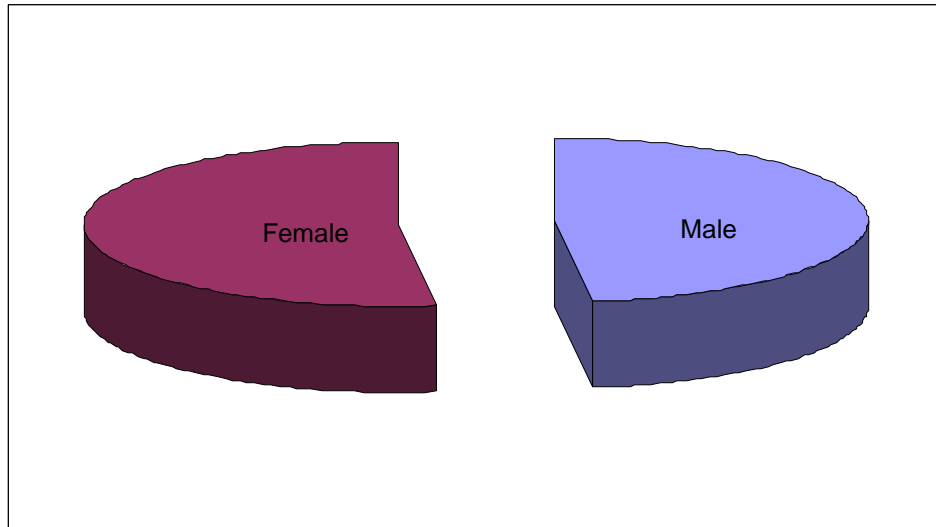


The above graph is a logarithmic representation of the employee age data and clearly shows the median age of the sample population taken for the survey as 29. This is mainly due to the expansion policy of the company that has taken on board a large number of new and young employees to fuel its growth plans.

Due to this a large group of creative employees have been inducted into the Organization. This helps in maintaining the creative talent in the Organization, as the job profile requires them to be creative.

Champion Voyagers Designers Pvt Ltd will be continuing their expansion plans in the coming months and this will lead to a further decrease in the average age of the employees in the Organization.

### Male / Female ratio within the selected sample



#### Data

Males – 24

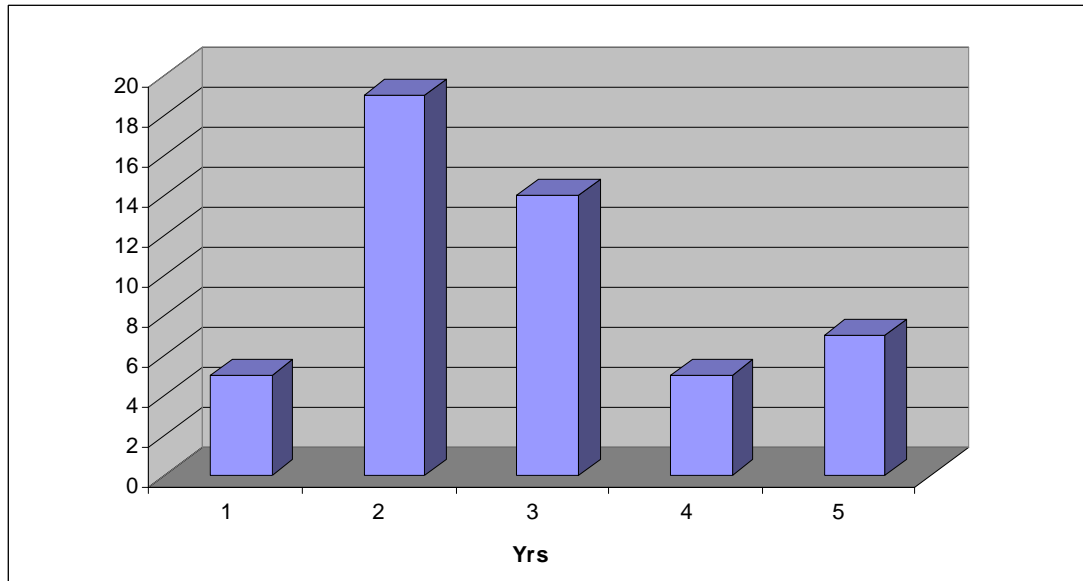
Females – 26

#### Analysis

There is equality in terms of the ratio between males and females in Champion Voyager Designers Pvt Ltd. This can also be ascertained from the fact that the same ratio is present among the total strength of 350+ employees in the company. The sample was carefully chosen to ensure that the study gave an equal opportunity to both the sections to voice their opinion and there gain a truer picture of the conclusions derived by the study. The balance of both the genders in the Organization also gives rise to a good work atmosphere and better understanding between the employees. This trend can also be witnessed in the supervisory ranks of Champion Voyager Designers Pvt Ltd. This helps to remove many barriers that may exist due to various reasons.

The Management of Champion Voyager Designers Pvt Ltd strives to be an “equal opportunity employer” and therefore does not try to discriminate on the basis of Gender.

### Years of Experience within the Organization



#### Data

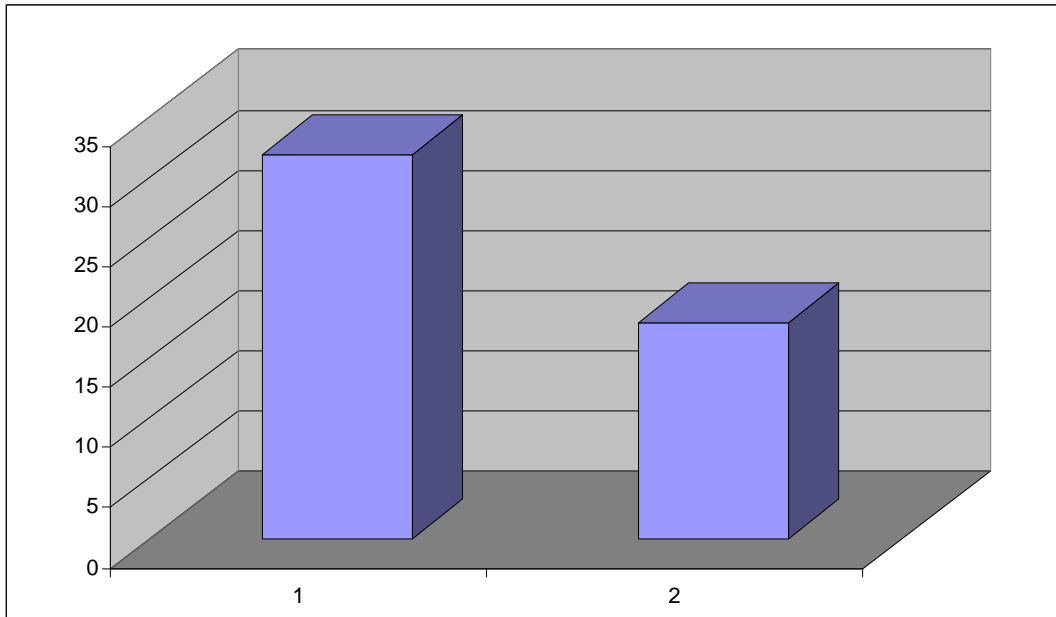
- |                         |                     |                   |
|-------------------------|---------------------|-------------------|
| 1) Less than a Year – 5 | 2) One Year – 19    | 3) Two Years – 14 |
| 4) Three Years – 5      | 5) Four + Years – 7 |                   |

#### Analysis

Most of the employees in the Organization are relatively new because a majority of them (i.e. 66%) have between one and two years of experience in the Organization. This is mainly due to the fact that the Organization is in a constant mode of growth and is therefore recruiting in a big way. The expansion plans are done keeping in mind the proposed growth in business in the near future.

Another reason is the fact that finding new talent for the required skills is a tough task because market awareness about the career growth in this sector is very limited. Due to this, Champion Voyager Designers Pvt Ltd has inducted a lot of employees after providing them with training to ensure that their Human resource requirements are met.

## 1) Have you worked in any other Company prior to joining this Organization?



### Data

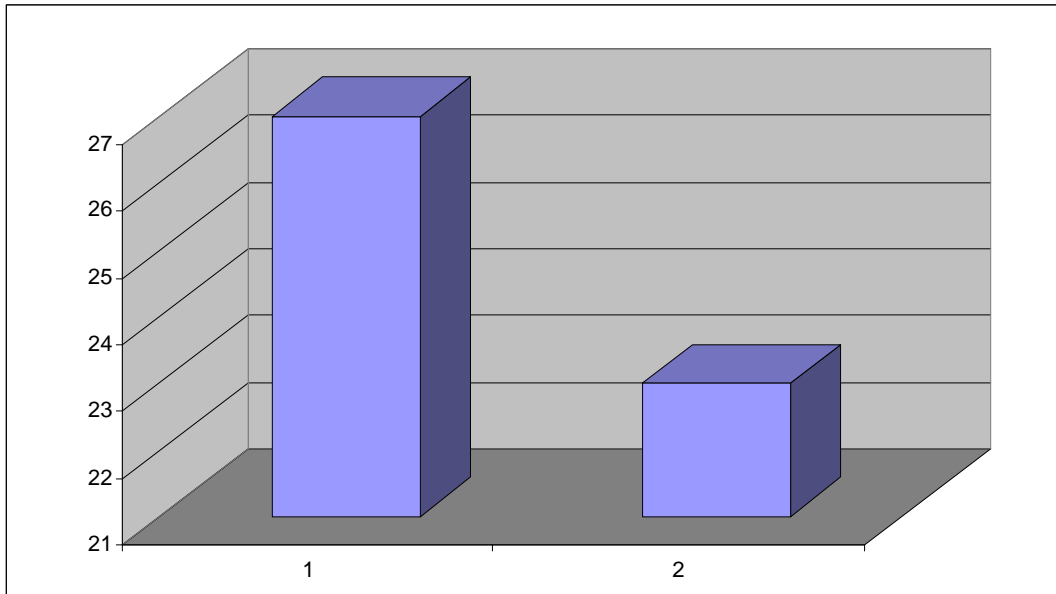
- 1) Yes – 32
- 2) No - 18

### Analysis

Thirty-two employees (i.e. 64%) have some amount of prior work experience before joining Champion Voyager Designers Pvt Ltd. Most of them are diploma holders in animation and were not aware of the existence of such an industry. They came to know about the same only after seeing the advertisements of the company in the newspaper. This also means that even though most of them have worked prior to joining Champion Voyager Designers Pvt Ltd, they do not have any hands-on experience of the kind of work carried out by Champion Voyager Designers Pvt Ltd.

This fact can also be interpreted as having no valid work experience at all prior to joining the Organization.

**2) Were you informed about the Performance Appraisal model, used in the Organization, during your induction?**



**Data**

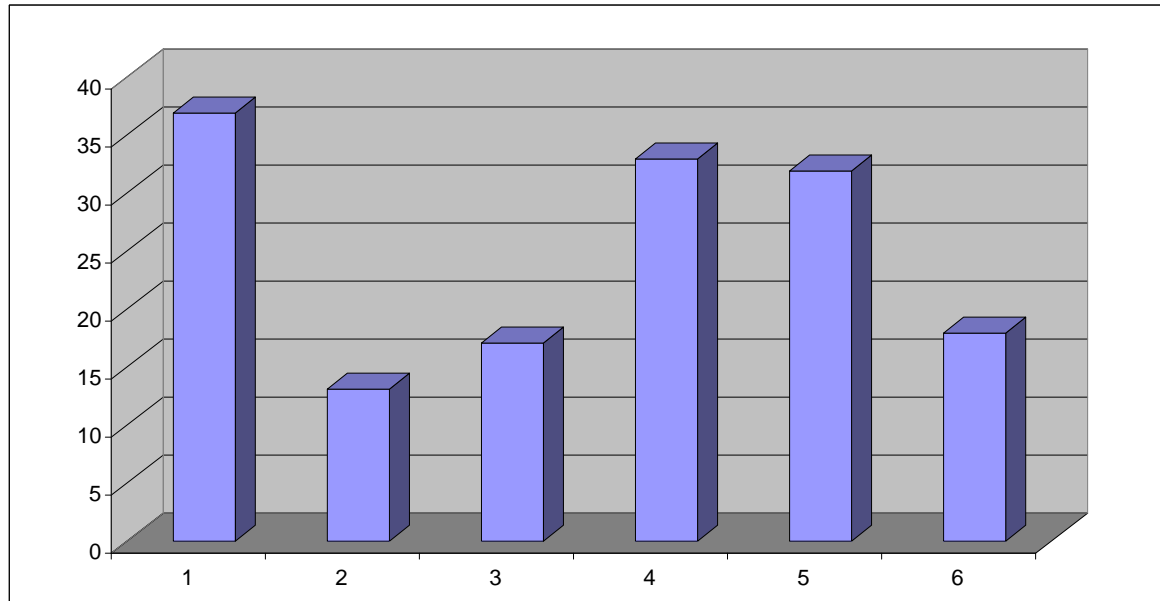
- 1) Yes – 27
- 2) No - 23

**Analysis**

Due to the fact that most of the employees have got no experience in this sector before, they did not ask about the Performance Appraisal model used in the Organization. The respondents that said that they were informed of the model during the interview were told so at the discretion of the interviewer.

The company has however made it a point to inform the employee about the model before he signs the acceptance letter. This prevents any ambiguities and misunderstanding about what is expected of the employee before he joins the Organization.

**3) How do you find the Performance Appraisal Model in this Organization? (Mark all the relevant options)**



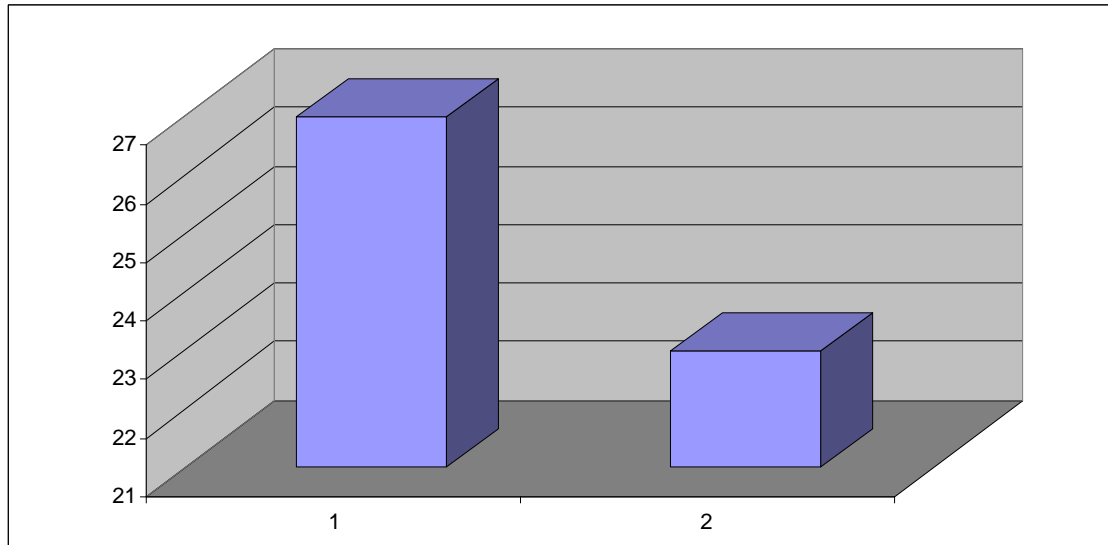
**Data**

- |                    |                     |                     |
|--------------------|---------------------|---------------------|
| 1) Simple – 37     | 2) Complicated – 13 | 3) Objective - 17   |
| 4) Subjective - 33 | 5) Efficient - 32   | 6) Inefficient - 18 |

**Analysis**

From the above chart it can be inferred that, a majority of the sample respondents have found the Appraisal Model to be simple and efficient on one hand but also subjective on the other hand. The Appraisal model has been thoroughly dealt with during the training so the employees know exactly what is expected of them. The HR department follows an “open-door policy” which ensures that any queries regarding the policy can be clarified to the employee’s satisfaction. But the employees are of the opinion that the subjective nature of the Appraisal system is one of the main disadvantages. The fact remains that due to the kind of work carried out by Champion Voyager Designers Pvt Ltd, it becomes quite irrelevant to appraise on an objective basis.

**4) In your opinion, does the Performance Appraisal System give a proper assessment of your contribution to the Organization?**



**Data**

- 1) Yes – 27
- 2) No - 23

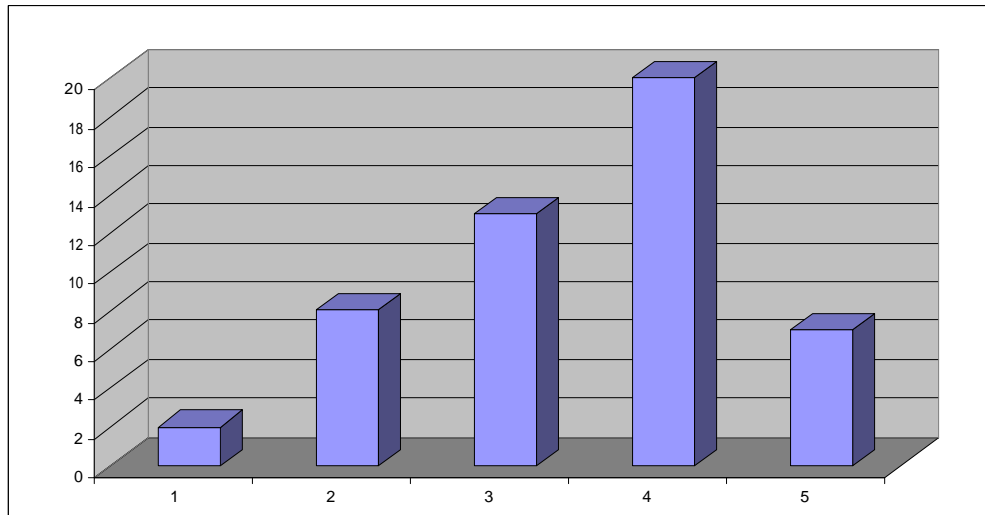
**Analysis**

About 54% of the respondents say that the Performance Appraisal System does give a true and fair view of their contribution to the Organization. This does include employees who think that their rating does not always turn up to be correct as per their opinion.

The group of respondents who have replied in the negative, also include candidates who say that the appraisal does not turn out to be right most of the times but do show a fair view sometimes. Since the appraisal is done on a quarterly basis and most of the candidates have not gone through more than 2-3 rounds of appraisals, the data may not be entirely sufficient to reach any conclusions.



### 5) How often does your Performance assessment match to your expectations?



#### Data

1) Never - 2

2) Rarely - 8

3) Sometimes – 13

4) Often - 20

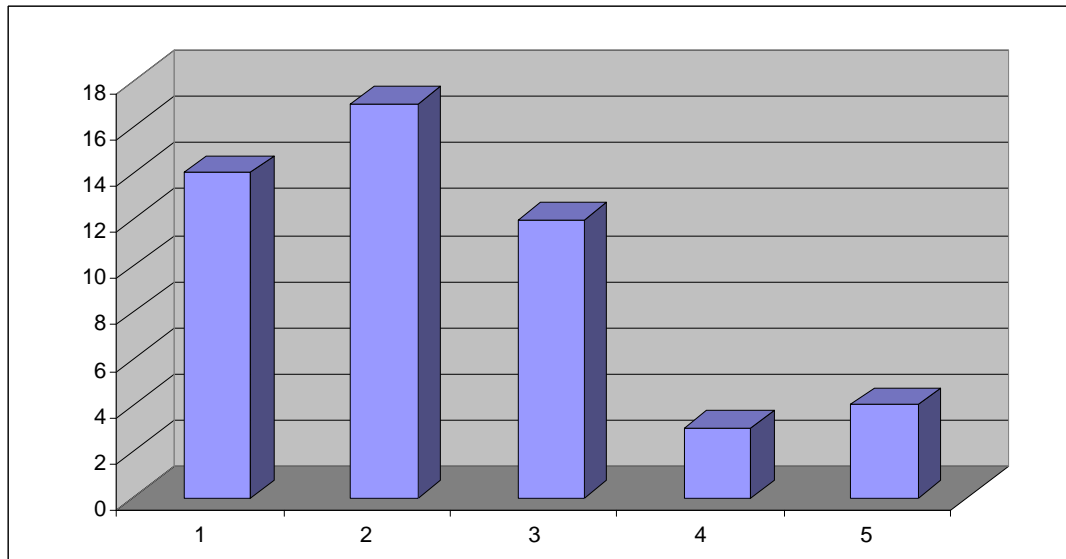
5) Every time - 7

#### Analysis

This question was purposely put into the questionnaire to validate the answers for the previous question. The breakup of the data clearly shows that 4% of the entire sample state that their appraisal have never shown a fair view of their performance. If this can be combined with those who are of the opinion that their appraisal rarely matches up to their expectations, this figure goes up to consist about 20% of the population. That shows that 80% are satisfied with the present system even though this includes satisfaction in varying degrees like the appraisal matches up to the respondents expectations sometimes, often or every time.

This does show that the satisfaction level of the employees in this system is quite high and that there is a general feeling of likeability among the respondents.

## 6) According to you, how often should the Performance Review take place?



### Data

- 1) Once in a week - 14      2) Once a month - 17      3) Every 3 months – 12  
4) Every 6 Months - 3      5) Once a Year - 4

### Analysis

Performance appraisal review is a constant process and lesser the frequency between the appraisals, the better. The majority want (i.e. 86% which includes the first 3 options only) the frequency of the appraisal to less than 3 months. The employees say that the longer the frequency between appraisals, the more the chances of the appraisal not matching up to their expectations because many performances get overlooked. If the appraisal is done on a more frequent basis, the employee has a chance to find out the gaps in his / her performance on a more regular basis which will help them to improve more on their performance and thereby eliminate waste. The appraisal does not necessarily have to be a formal one. Even informal performance appraisals done between formal appraisals but on a more frequent level will most certainly help and go a long way in improving performance.

**7) What is your Satisfaction level with the current Appraisal System?****Data**

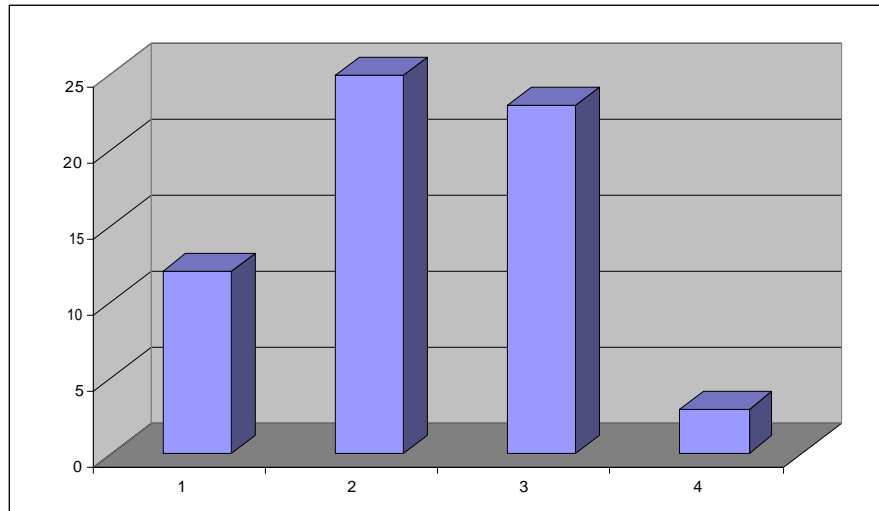
- 1) Very Low - 0                      2) Low - 4                      3) Average – 13  
4) High - 28                      5) Very High - 5

**Analysis**

The satisfaction level of the Appraisal system is quite high as can be seen from the graph. This is a good sign as increased level of satisfaction is the main emphasis of any appraisal system. The curve tops at the rating of “high” and this includes about 56% of the population. The bell curve shows that 92% have rated the Appraisal system as “average”, “high” or “very high”. The high Satisfaction level in the System could also be due to various reasons like monetary or non-monetary incentives or growth parameters.

The satisfaction level also brings to light the efficiency of the management in devising an acceptable Appraisal system.

## 8) Which are the areas that should be improved upon?



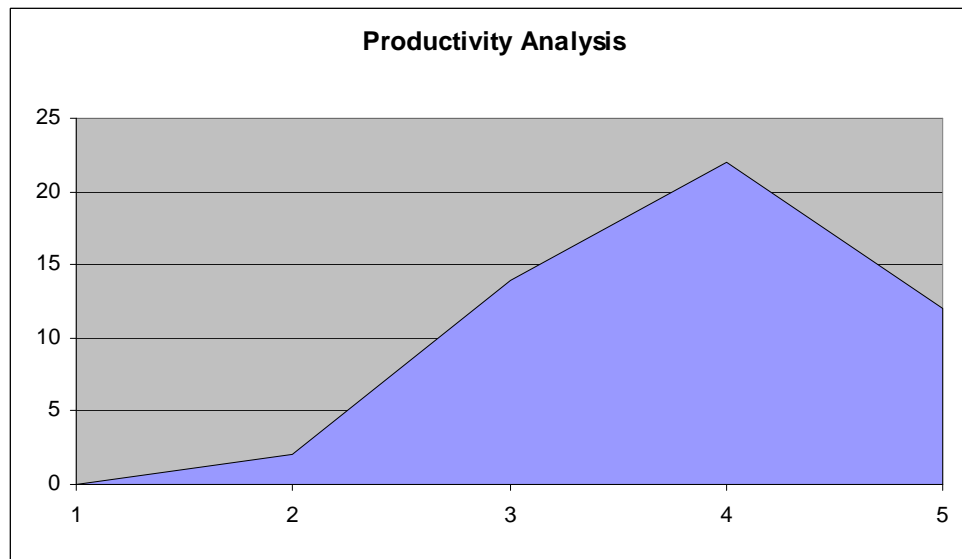
### Data

- 1) Standards - 12      2) Monetary Incentives - 25      3) Freq of Appraisal – 23  
4) Appraiser - 3

### Analysis

This question breaks up the different phases of the appraisal system and tries to come to derive a conclusion as to the areas of improvement in the process of evaluation. Fifty percent of the respondents say that there should be a change on the aspect of monetary incentives. This does not refer to an increase in the monetary incentives but a more reasonable incentive structure that will properly reward increased and efficient performance. The frequency of appraisal is another aspect that needed review. The present system is a quarterly one and the general opinion is that informal appraisals should be held on a more regular basis. Standards of performance (i.e. benchmarks) should be improved according to 24% of the respondents. Only 6% have stated the there should be change in the appraiser, which is an inevitable sign of the operational efficiency of the system.

### 9) How important do you think is Performance Appraisal to your Performance?



#### Data

- 1) Not Important - 0                      2) Less Important - 2                      3) Important – 14  
4) Very Important - 22                      5) Most Important - 12

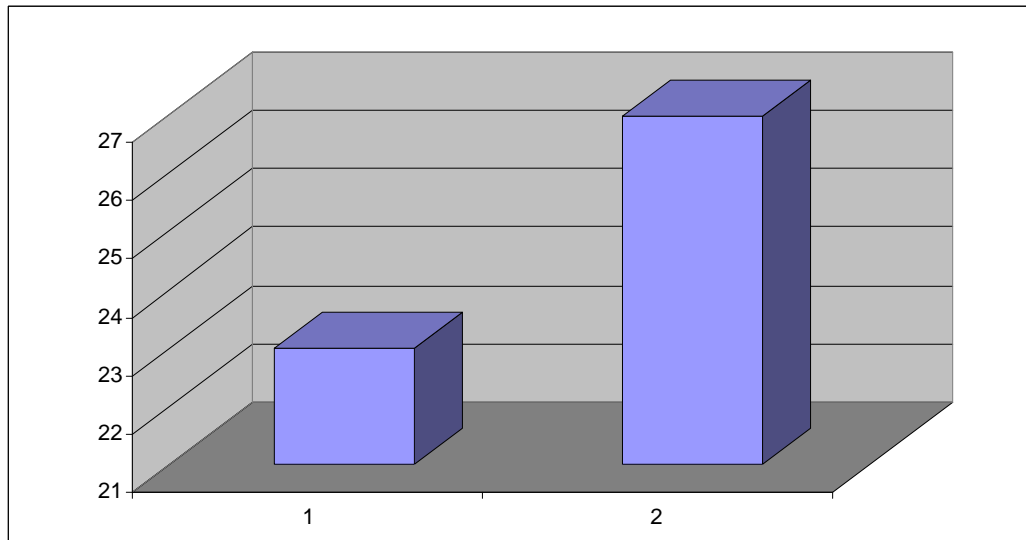
#### Analysis

This question was put in to find out and analyze the importance of the Appraisal system to the productivity of the employee. The data clearly shows that the recognition of the employee's performance does have a direct impact on his / her efficiency.

A vast majority of the respondents (i.e. 68% which includes ratings of “very important” or “most important”) affirm that their performance is directly influenced by recognitions of their performance by the appraisal system. None of the respondents have stated that the appraisal system had no effect on their productivity.

This points out to the fact that the Appraisal system goes a long way in determining the productivity of the employees in an Organization. Therefore it is very important for any Organization to devise their Performance Appraisal System carefully.

### 10) Do you think the One on One sessions are effective in ironing out problems in the work environment?



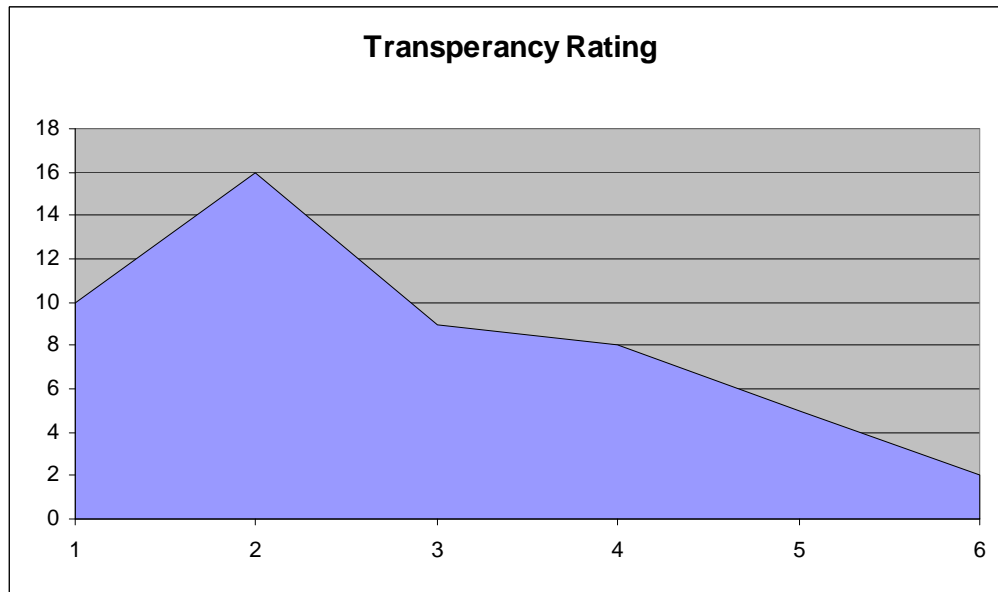
#### Data

- 1) Yes – 23
- 2) No - 27

#### Analysis

One on one sessions are conducted by Champion Voyager Designers Pvt Ltd during the appraisal system phase to tell the employee on an individual level as to the rating given to him / her. Each session lasts between 10 – 30 minutes. The team leader tries to justify his reasons on why he had given a particular rating to an employee. Sixty four percent of the employees responded by saying that the one on one sessions are not efficient in ironing out problems mainly because since they are done on a formal basis so most employees consider it just as a formality which the appraiser uses to impose the rating he has already given to an employee. The employee therefore does not expect the rating to change after a one on one session with the supervisor.

## 11) Transparency Rating of the Performance Appraisal system



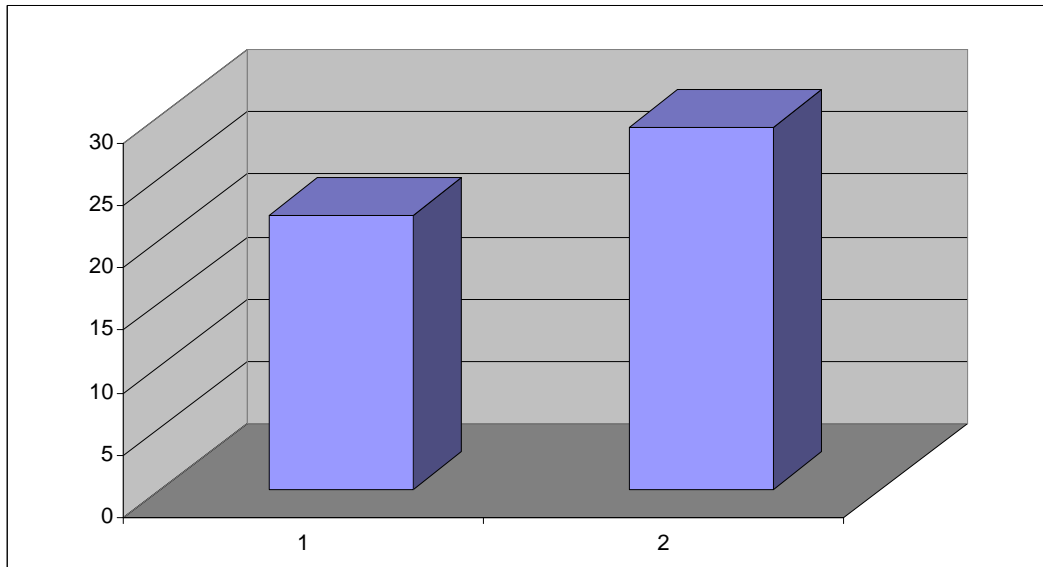
### Data

- |                  |                  |                 |
|------------------|------------------|-----------------|
| 1) 4 Points – 10 | 2) 5 Points – 16 | 3) 6 Points – 9 |
| 4) 7 Points – 8  | 5) 8 Points – 5  | 6) 9 Points - 2 |

### Analysis

This question is an attempt to analyze the perceived transparency of the rating among the employees of the Organization. A majority of the employees have given a transparency rating of 5. The perception of the employees is since the appraisal is done on a quarterly basis, the employee is not in a position to actually evaluate the basis of the rating he / she has received. This causes a lot of ambiguity in the ratings. This is the primary concern due which almost 70 % have given a rating of 6 and below. The respondents who have given a rating of 7 and above have mostly given this rating because they have got good ratings in the past and feel that there is not much required in terms of transparency as long as they get good ratings themselves.

**12) Do you feel comfortable discussing any difference of opinion about your Performance Rating with your appraiser?**



**Data**

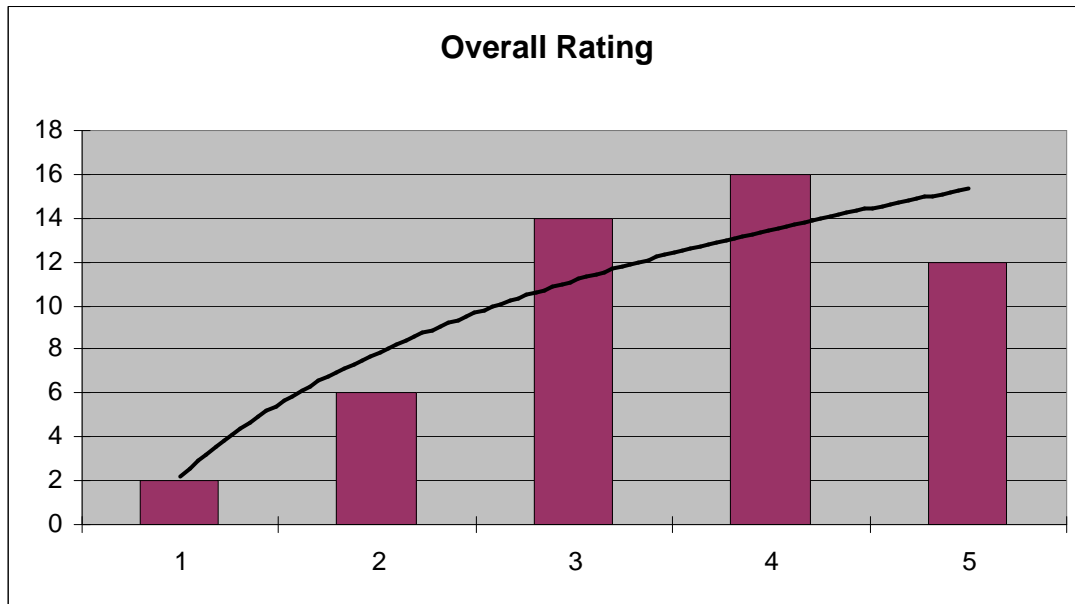
- 1) Yes – 21
- 2) No - 29

**Analysis**

The major reason for the decreased transparency rating might be due to the fact that 58 % of the respondents did not feel free to express their displeasure, if any, to the rating given to them. This can be due to decreased comfort levels with the appraiser. The appraisal system can only be efficient if it takes into consideration the employee's side of the appraisal. There might be various aspects that the appraiser might have accidentally overlooked or certain circumstances misinterpreted which can be clarified if the employee is more open and comfortable with the employer.



### 13) Performance Appraisal Model Rating



#### Data

1) 5 Points – 2

2) 6 Points – 6

3) 7 Points – 14

4) 8 Points – 16

3) 9 Points - 12

#### Analysis

The respondents were specifically told to rate the Appraisal system by setting aside any kind of human intervention present in it by just evaluating its inherent structure and not efficiency in its execution. This helps to ascertain whether there are any flaws in the Performance Appraisal system. About 80 % of the sample has given a rating of 7 points and above. This shows the system is generally acceptable to the employees and is a good sign for Champion Voyager Designers Pvt Ltd. The concern of the Organization should be to find out why the remaining 20 % are not very highly satisfied with the system and find out ways and means to increase their acceptability of the system.

# LIMITATIONS

## Limitations

The following are the limitations faced by me during the course of the study

- The sample consisted only of employees in the day shift. Employees of the night shift were not considered for the purpose of study.
- There is no concrete basis to prove the response given is a true measure of the opinion of all the employees as a whole.
- Convenient sampling was used as the mode of conducting the research.
- The questionnaire contained mostly multiple-choice questions; therefore many respondents may not have given a proper thought before answering the questions.
- The response of the respondents may not be accurate thinking that the management might misuse the data.
- Almost all of the questionnaires had the open-ended question no. 11, left unanswered.
- Sensitive company information cannot be displayed in the project report.
- Most respondents might be influenced by their peers in answering the questions.
- Due to the fact that most of the respondents were young, the questions might not have been answered with due sincerity.

# **FINDINGS AND CONCLUSIONS**

## **Findings and Conclusions**

The following are the suggestions and conclusions derived from this particular research study

- **Objectivity**

One manager's idea of "self-starting ability" can be quite different than another's idea. The question then arises as to how does one objectively evaluate "creativity"? If greater amount of objectivity can be infused into the Appraisal system, it can help to bring more transparency.
  
- **Effective Communication**

One function of performance appraisals is to help employees develop so they can contribute more effectively. In order for the employees to develop and learn they need to know what they need to change, where (specifically) they have fallen short, and what they need to do. If a manager assigns a 1 (unsatisfactory) on a scale of 5, it does not convey much information to an employee. It just says the manager is dissatisfied with something. In order to make it meaningful and promote growth, far more information must be added to the appraisal process and the related information should be transparently shared with the employee.
  
- **Fairness**

Most employees resist being classified at the low end of the scale. Employees who are low rated are more likely to resist the evaluation of the superior and argue, claiming that personal bias was involved in the ratings.
  
- **Managerial Efficiency**

The implementation of a Performance Appraisal System rests on the shoulders of the manager and he must ensure that it is done properly. A good manager can make an average appraisal system work and vice-versa.

# **ANNEXURE**

## **Performance Appraisal Form**

org/division/dept:		location/based at:	
name:	position:	age:	
year or period covered:	time in present position:	length of service:	
appraisal date & time:	appraisal venue:	appraiser:	

**Part A** Appraisee to complete before the interview and return to the appraiser by (date)

**A1** State your understanding of your main duties and responsibilities.

**A2 Discussion points:**

1. Has the past year been good/bad/satisfactory or otherwise for you, and why?

2. What do you consider to be your most important achievements of the past year?

3. What do you like and dislike about working for this organisation?

4. What elements of your job do you find most difficult?

5. What elements of your job interest you the most, and least?



6. What do you consider to be your most important tasks in the next year?

7. What action could be taken to improve your performance in your current position by you, and your boss?

8. What kind of work or job would you like to be doing in one/two/five years time?

9. What sort of training/experience would benefit you in the next year?

**A3** List the objectives you set out to achieve in the past 12 months (or the period covered by this appraisal) with the measures or standards agreed - against each comment on achievement or otherwise, with reasons where appropriate. Score the performance against each objective (1-3 = poor, 4-6 = satisfactory, 7-9 = good, 10 = excellent):

objective	measure/standard	score	comment
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**A4** Score your own capability or knowledge in the following areas in terms of your current role requirements (1-3 = poor, 4-6 = satisfactory, 7-9 = good, 10 = excellent). If appropriate bring evidence with you to the appraisal to support your assessment. The second section can be used if working towards new role requirements.

1. commercial judgement	<input type="text"/>	others (for current or new role):	<input type="text"/>
2. product/technical knowledge	<input type="text"/>		<input type="text"/>
3. time management	<input type="text"/>		<input type="text"/>
4. planning, budgeting and forecasting	<input type="text"/>		<input type="text"/>
5. reporting and administration	<input type="text"/>		<input type="text"/>
6. communication skills	<input type="text"/>		<input type="text"/>
7. delegation skills	<input type="text"/>		<input type="text"/>
8. IT/equipment/machinery skills	<input type="text"/>		<input type="text"/>
9. meeting deadlines/commitments	<input type="text"/>		<input type="text"/>
10. creativity	<input type="text"/>		<input type="text"/>
11. problem-solving and decision-making	<input type="text"/>		<input type="text"/>
12. team-working and developing others	<input type="text"/>		<input type="text"/>
13. energy, determination and work-rate	<input type="text"/>		<input type="text"/>
14. steadiness under pressure	<input type="text"/>		<input type="text"/>
15. leadership and integrity	<input type="text"/>		<input type="text"/>
16. adaptability, flexibility, and mobility	<input type="text"/>		<input type="text"/>
17. personal appearance and image	<input type="text"/>		<input type="text"/>

**A5** In light of your current capabilities, your performance against past objectives, and your future personal growth and/or job aspirations, what activities and tasks would you like to focus on during the next year.



**Part B** To be completed during the appraisal by the appraiser - where appropriate and safe to do so, certain items can be completed by the appraiser before the appraisal, and then discussed and validated or amended in discussion with the appraisee during the appraisal.

**B1** Describe the purpose of the appraisee's job. Discuss and compare with self-appraisal entry in A1. Clarify job purpose and priorities where necessary.

**B2** Review the completed discussion points in A2, and note the points of and action.



**B3** List the objectives that the appraisee set out to achieve in the past 12 months (or the period covered by this appraisal - typically these objectives will have been carried forward from the previous appraisal record) with the measures or standards agreed - against each comment on achievement or otherwise, with reasons where appropriate. Score the performance against each objective (1-3 = poor, 4-6 = satisfactory, 7-9 = good, 10 = excellent). **Compare with the self-appraisal in A3. Discuss and note points of significance, particularly training and development needs and wishes, which should be noted in B6.**

objective	measure/standard	self-score/app'r score	comment
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objective	measure/standard	self-score/app'r score	comment

**B4** Score the appraisee's capability or knowledge in the following areas in terms of their current (and if applicable, next) role requirements (1-3 = poor, 4-6 = satisfactory, 7-9 = good, 10 = excellent). If appropriate provide evidence to support your assessment. The second section can be used for other criteria or if the appraisee is working towards new role requirements. **Compare scores with the self-appraisal in B4. Discuss and note agreed points training/development needs and wishes (to B6).**

1. commercial judgement			others (for current or new role):		
2. product/technical knowledge					
3. time management					
4. planning, budgeting and forecasting					
5. reporting and administration					
6. communication skills					
7. delegation skills					
8. IT/equipment/machinery skills					
9. meeting deadlines/commitments					
10. creativity					
11. problem-solving and decision-making					
12. team-working and developing others					
13. energy, determination and work-rate					
14. steadiness under pressure					
15. leadership and integrity					
16. adaptability, flexibility, and mobility					
17. personal appearance and image					

**B5** Discuss and agree the appraisee's career direction options and wishes, and readiness for promotion, **and compare with and discuss the self-appraisal entry in A5.** (Some people do not wish for promotion, but everyone is capable of, and generally benefits from, personal development - development and growth should be available to all, not just people seeking promotion). **Note the agreed development aim(s):**





**B6** Discuss and agree the skills, capabilities and experience required for competence in current role, and if appropriate, for readiness to progress to the next role or roles. **Refer to actions arising from B3 and the skill-set in B4, in order to accurately identify all development areas, whether for competence at current level or readiness to progress to next job level/type.)** Note the agreed development areas:

**B7** Discuss and agree the specific objectives that will enable the **appraisee to reach competence and to meet required performance in current job**, if appropriate taking account of the coming year's plans, budgets, targets etc., and that will enable the appraisee **to move towards, or achieve readiness for, the next job level/type, or if no particular next role is identified or sought, to achieve the desired personal growth or experience.** These objectives must adhere to the SMARTER rules - specific, measurable, agreed, realistic, time-bound, enjoyable, recorded.

**B8** Discuss and agree (as far as is possible, given budgetary, availability and authorisation considerations) the training and development support to be given to help the appraisee meet the agreed objectives above.

Appraisers should note that personal development and support must be offered to all employees, not just those seeking promotion. Also, training isn't restricted to sending someone on an external course - it includes internal courses, coaching, mentoring (mentoring someone else and well as being mentored), secondment to another role (eg deputising for someone while they are away on holiday), shadowing, distance-learning, reading books, watching videos, attending meetings and workshops, workbooks, manuals and guides, researching, giving presentations; anything relevant and helpful that will help the person develop towards the standard and agreed task. Avoid committing to training expenditure before suitable approval, permission or availability has been confirmed - if necessary discuss likely training requirements with the relevant authority before the appraisal.

**B9** Any other issues (to be covered separately outside of this appraisal):

Signed and dated by appraisee:

and by appraiser:

Grade/recommendation/summary as applicable:

Distribution of copies/confidentiality/accessibility details:

## QUESTIONNAIRE

Dear Respondent,

I would be grateful if you could spare some of your time to respond to the following questions. Your response will be treated as confidential and would only be used for the purpose of study.

Gender - Male  Female

Age 21-25  25-30  30-35  35+

Yrs of experience in this Organization

Less than a Year  1 yr  2 yrs  3 yrs  4 yrs+

1) Have you worked in any other Company prior to joining this Organization?

Yes  No

2) Were you informed about the Performance Appraisal model, used in the Organization, during your induction?

Yes  No

3) How do you find the Performance Appraisal Model in this Organization? (Mark all the relevant options)

Simple  Complicated  Objective

Subjective  Efficient  Inefficient

4) In your opinion, does the Performance Appraisal System give a proper assessment of your contribution to the organization?

Yes  No

5) How often does your Performance assessment match to your expectations?

Never  Rarely  Sometimes

Often  Every time

6) According to you, how often should the Performance Review take place?

Once a week  Once a month  Every 3 months

Every 6 months

Once a year

7) What is your Satisfaction level with the current Appraisal System?

- Very low                                       Low                                       Average   
High                                       Very High

8) Which are the areas that should be improved upon? (Mark all the relevant options)

- Standards                                       Monetary incentives   
Frequency of Appraisal                                       Appraiser

9) How important do you think is Performance Appraisal to your Performance?

- Not Important                                       Less Important   
Important                                       Very Important   
Most Important

10) Do you think the One on One sessions are effective in ironing out problems in the work environment?

- Yes                                       No

11) If you were given an opportunity to rate the transparency of the Appraisal System, what marks would you give? (On a scale of 1 to 10 with 1 being the lowest and 10 being the highest)

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12) Do you feel comfortable discussing any difference of opinion about your Performance Rating with your appraiser?

- Yes                                       No

13) How do you rate the Performance Appraisal System in your Organization? (On a scale of 1 to 10 with 1 being the lowest and 10 being the highest)

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14) Any Suggestions

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