#### PERFORMANCE APPRAISAL SYSTEM IN A HOSPITAL, THANJAVUR

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#### ABSTRACT

This study is about to know the effectiveness of the existing performance appraisal system practiced in a leading hospital in Thanjavur. The purpose for having a performance appraisal program in hospital is to monitor employees' performance, motivate staff and improve hospital morale. The performance of a hospital professional may be appraised by the appropriate departmental manager, by other professionals in a team or program or by peers, based on prior agreement on expectations. This research concentrated on examining the performance appraisal among employees in the hospital. All the employees (85) have taken for the survey from the hospital. The data used for the study is primary collected through structured questionnaire. The data was evaluated with the help of statistical tools such as Percentage analysis, ANOVA, Regression. The researcher has given proper recommendations as the employees of hospital who are known for saving the life of human being, their work needs to be evaluated properly by introducing a new appraisal system.

Keywords: Performance Appraisal System, Hospital, System Validity, Procedural Justice, Outcomes.

#### **INTRODUCTION**

Performance appraisal provides a periodic review and evaluation of an individual's job performance. Although the appraisal forms may only be completed once a year, the job of performance appraisal is continuous – sometimes daily - and requires effective communication on both the part of the HR manager and the employee's. The HR manager is ultimately responsible to make sure these conversations actually take place and are documented. It is essential that the HR manager hold all performance discussions and documentation in complete confidence. One employee's performance should never be discussed with another employee. This action is one of the best ways for a HR manager to lose the trust of all employees. The completed

Performance Appraisal forms are maintained in the employee's personnel file in Human Resources and are released only to the employee, the supervisor or other persons authorized by law, regulation, or policy. A performance appraisal (PA), also referred to as a performance review, performance evaluation, (career) development discussion, or employee appraisal is a method by which the job performance of an employee is documented and evaluated. Performance appraisals are a part of career development and consist of regular reviews of employee performance within organizations.

#### **REVIEW OF LITERATURE**

Arup Varma: is Indo-U.S. Professor of Management Studies at the Institute of Human Resources and Employment Relations, School of Business, Loyola University, Chicago. His research interests include performance appraisal, and expatriate issues. Pawan S. Budhwar is a Professor of IHRM and Head of Work and Organizational Psychology Group at Aston Business School, U.K. He is the Director for the Aston India Foundation for Applied Business Research and Aston Centre for HR. Angelo DeNisi is Dean of the A.B. Freeman School of Business and Albert Cohen Chair in Business at Tulane University. His research interests include performance appraisal, expatriate management, and work experiences of persons with disabilities. Gerald v. Barrett, Mary c. Kernan: Court cases since the classic Brito v. Zia (1973) decision dealing with terminations based on subjective performance appraisals are reviewed. Professional interpretations of Brito v. Zia are also examined and criticized in light of professional practice and subsequent court decisions. Major themes and issues are distilled from the review of cases, and implications and recommendations for personnel practices were discussed. Clive Fletcher: Performance appraisal has widened as a concept and as a set of practices and in the form of performance management has become part of a more strategic approach to integrating HR activities and business policies. As a result of this, the research on the subject has moved beyond the limited cones of measurement issues and accuracy of performance ratings and has begun to focus more of social and motivational aspects of appraisal. This article identies and discusses a number of themes and trends that together make up the developing research agenda for this eld. It breaks these down in terms of the nature of appraisal and the context in which it operates.

#### **RESEARCH METHODOLOGY**

This study is using both primary and secondary data. The primary data is collected through questionnaire and it is the data which is collected to analyze the findings by directly communicating with the employees. The secondary data is the data which is readily available in sources like Websites, Research reports, Newspaper, Magazines, Journals, books. The total population of employees is 85. And all the employees were considered for the present study and census sampling method was adapted. The Statistical package used in this study is SPSS. In this tool, Reliability Analysis is used to check the understanding of the questionnaire by the samples. Percentage analysis and One- way ANOVA, Regression are used to determine the significant differences between the means of different independent variables

### DATA ANALYSIS AND INTERPRETATION:

The researcher has presented one-way ANOV Analysis with demographic profile of the respondent along with the five factors of performance appraisal system.

#### **ONE-WAY ANOVA ANALYSIS:**

H0= There is no significant difference between age and system validity

#### Table No.1

| System validity               | P value | Result   |  |  |  |
|-------------------------------|---------|----------|--|--|--|
| Present performance appraisal | .212    | Accepted |  |  |  |
| Standard and measures         | .218    | Accepted |  |  |  |
| Accurate system               | .838    | Accepted |  |  |  |
| Easy to understand            | .781    | Accepted |  |  |  |
| Enthusiasm                    | .144    | Accepted |  |  |  |

#### Age and system validity- one way ANOVA

Source: primary data (at 5% level of significance)

As p value (.212) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is inferred that there is no significant difference between age of the employee and Present performance appraisal. As p value (.218) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between age of the

employee and system standards and measures. As p value (.838) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and Accurate system. As p value(.781) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and easy to understand. As p value (.144) is higher the (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and easy to understand. As p value (.144) is higher the (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and easy to understand.

|                               | e e     |          |
|-------------------------------|---------|----------|
| System validity               | P value | Result   |
| Present performance appraisal | .931    | Accepted |
| Standard and measures         | .829    | Accepted |
| Accurate system               | .529    | Accepted |
| Easy to understand            | .220    | Accepted |
| Enthusiasm                    | .327    | Accepted |

Table No.2

Educational Qualification and System validity - One Way ANOVA

# Source: primary data (at 5% level of significance)

As p value (.931) is higher than(0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there is no significant difference between educational qualification and Present performance appraisal. As p value (.829) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and system standards and measures. As p value (.529) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it and there no significant difference between educational qualification and Accurate system. As p value (.220) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and Accurate system. As p value (.220) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and easy to understand. As p value (.327) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and easy to understand. As p value (.327) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and easy to understand. As p value (.327) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between educational qualification and easy to understand. As p

#### Table No.3

#### Age and outcomes - One Way ANOVA

| Outcomes                   | P value | Result   |  |  |  |
|----------------------------|---------|----------|--|--|--|
| Compelling linkage         | .780    | Accepted |  |  |  |
| Salary fixed by management | .309    | Accepted |  |  |  |
| Transfer, dismiss are done | .835    | Accepted |  |  |  |
| Training needs             | .170    | Accepted |  |  |  |

#### Source: primary data (at 5% level of significance)

As p value (.780) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there is no significant difference between age of the employee and Compelling linkage. As p value (.309) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and salary rating. As p value (.835) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and salary rating. As p value (.835) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and transfer, dismiss. As p value (.170) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and transfer, dismiss. As p value (.170) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and transfer, dismiss. As p value (.170) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that there no significant difference between age of the employee and transfer, dismiss.

#### Table No.4

#### **Education and Outcomes- One Way ANOVA**

| Outcomes                   | P value | Result   |  |  |  |
|----------------------------|---------|----------|--|--|--|
| Compelling linkage         | .780    | Accepted |  |  |  |
| Salary fixed by management | .309    | Accepted |  |  |  |
| Transfer, dismiss are done | .835    | Accepted |  |  |  |
| Training needs             | .170    | Accepted |  |  |  |

#### Source: primary data (at 5% level of significance)

As p value (.780) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there is no significant difference between education and Compelling linkage. As p value(.309) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between education and salary rating. As p

value (.835) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between education and transfer, dismiss. As p value (.170) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between education and training needs

| Performance feedback               | P value | Result   |  |
|------------------------------------|---------|----------|--|
| Regular and timely feedback        | .367    | Accepted |  |
| Reducing grievances                | .356    | Accepted |  |
| Conflict arising between employees | .327    | Accepted |  |
| Feedback is sufficiently detail    | .256    | Accepted |  |

# Table No.5Age and Performance feedback- One Way ANOVA

Source: primary data (at 5% level of significance)

As p value (.367) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there is no significant difference between age of the employee and Compelling linkage. As p value (.356) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and reducing grievances. As p value (.327) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and reducing grievances. As p value (.327) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between age of the employee and conflict arising. As p value (.256) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between age of the employee and conflict arising. As p value (.256) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between age of the employee and feedback is detailed

# Table No.6

# Experience and performance feedback-one way ANOVA

| Performance feedback               | P value | Result   |
|------------------------------------|---------|----------|
| Regular and timely feedback        | . 714   | Accepted |
| Reducing grievances                | .896    | Accepted |
| Conflict arising between employees | .944    | Accepted |
| Feedback is sufficiently detail    | .967    | Accepted |

# Source: primary data (at 5% level of significance)

As p value (.714) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there is no significant difference between experience and Compelling linkage. As p value (.896) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between experience and reducing grievances. As p value (.944) is higher than (0.05) the null hypothesis is accepted. And hence from the above table inferred it is that there no significant difference between experience and conflict arising. As p value (.967) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between experience and conflict arising. As p value (.967) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between experience and conflict arising. As p value (.967) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between experience and conflict arising. As p value (.967) is higher than (0.05) the null hypothesis is accepted. And hence from the above table it is that inferred there no significant difference between experience and is detailed.

# REGRESSION ANALYSIS- OVERALL SATISFACTION TOWARDS PRESENT PERFORMANCE APPRAISAL SYSTEM

Regression was carried out to find out the association between the overall satisfaction with present performance appraisal system and the distributive analysis. The general form of the regression model for the present study is given below

Y=a+a1 x1+a2 x2+a3 x3+a4 x4+a5 x5

Y=satisfaction on performance appraisal system

X1=system validity

X2=distributive justice

X3=procedural justice

X4=performance feedback

X5=outcomes

# Table No.7

#### Satisfaction on Performance Appraisal-Regression analysis

| Categories   | Size | Constant         | x1                       | x2                   | x3                   | x4                   | x5                        | R square change | F         |
|--|------|------------------|--------------------------|----------------------|----------------------|----------------------|---------------------------|-----------------|-----------|
| Overall<br>perception of<br>performance<br>appraisal | 85   | 0.000<br>(3.694) | 0.9<br>60<br>(1.4<br>63) | 0.146<br>(0.19<br>6) | 0.028<br>(0.14<br>9) | 0.032<br>(0.14<br>9) | 0.1<br>70(-<br>1.3<br>83) | 0.651           | 1.11<br>7 |

Source: Primary Data (at 5% level of significance)

Indicates 5% level of siginificant, figures in the parenthesis are "t" values. The computed F value (1.117) indicates that the regression model is fitted for analyzing the employee satisfaction towards existing performance appraisal system was siginificant. The R square value(0.650) explains 65% variation on distributive justice. The regression co-efficient reveals that components such as procedural justice and performance feedback have significant impact over the existing performance appraisal. The regression co-efficient reveals that on such as system validity, distributive justice, outcomes have no significant impact over the existing performance appraisal.

#### FINDINGS AND DISCUSSION

The one-way ANOVA analysis for the demographic variable age with system validity, outcomes and performance feedback was revealed that the null hypothesis is accepted. It is inferred that there is no significant difference between age of the respondent with system validity and outcomes and performance feedback of performance appraisal system. The one-way ANOVA analysis for the demographic variable education with system validity, outcomes was revealed that the null hypothesis is accepted. It is inferred that there is no significant difference between age of the respondent with system validity and outcomes and of performance appraisal system. The one-way ANOVA analysis for the demographic variable experience with performance feedback was revealed that the null hypothesis is accepted. It is inferred that there is no significant difference between age of the respondent with system validity and outcomes and of performance appraisal system. The regression co-efficient reveals that components such as procedural justice and performance feedback have significant impact over the existing performance appraisal. The regression co-efficient reveals that on such as system validity, distributive justice, outcomes have no significant impact over the existing performance appraisal The system should be able to guide in identifying employees training needs, their execution and evaluation on whether they achieve their intended objectives. The system should be used to employees who are ready for promotion, motivation rewards, deployment, transfers or new assignments. Performance appraisal should be evaluating the employees which are ready to match individual and organizational goals. Performance appraisal is not a onetime affair, for better results the company should do the appraisal in frequent intervals. This study is conducted among the employees of hospital who are known for saving the life of human being, their works needs to be evaluated properly by introducing a new appraisal system.

# CONCLUSION

Human resources are the vital source of every organization. Every employee in an organization increases the productivity and goodwill of every company. An employee, being an individual is treated as assets in the organization. So the organization should mainly emphasis performance appraisal techniques and its development programme. The performance appraisal technique prevailing in the organization is fair. Employees are satisfied with the present performance appraisal system that is a traditional on. As many new appraisal techniques are emerged, the organizational can implement modern technique which would be more effective. If the suggested measures are taken into consideration it will help to increase the effectiveness of performance appraisal. Based on the findings the study, the employees are at present have positive opinion towards present appraisal system.

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