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A Study on Effect of Compensation Management in a Organization towards Shri Amman Steels & Allied Industries Pvt Ltd., with Reference to Trichy

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Abstract: The research purpose is to determine the study of the performance appraisal of employees. Performance appraisal refers to the regular review of an employee's job performance and overall contribution to a company. The objective is to know the effect of performance appraisal on employee motivation. The reveals that performance appraisal leads to improved employees' performance. Which results from increased productivity in the organization? The research design used is descriptive in nature. The data collection instrument is primary data that is collected through questionnaires. In the research of 100 respondents were taken. Employees are satisfied with the current performance appraisal of the company. The majorities of the employees are motivated of the organization through feedback and increased productivity. Furthermore, the general environment of the organization is very friendly, and as a result, the corporation has not imposed any specific measure to address employee performance assessment issues.
Keyword: Performance appraisal, Job satisfaction, Employee motivation, Feedback performance

I. INTRODUCTION

Performance appraisal is the process through which an individual employees. Behaviour and accomplishments for a fixed time period are measured and evaluated. It is a method of evaluating the behavior of employees. It is a work spot. Performance is always measured in terms of result. Under performance appraisal, the company evaluated not only the performance of a worker, but also his/her potential for development. According to Edwin B. Flippo (1984) a prominent personality in the human resource field said performance appraisal is the systematic periodic and an impartial rating of an employee excellence in the matters pertaining to his present job and his potential for a better job. Performance appraisal is the process of obtaining analyzing and recording information about the relative worth of an employee. Its aim is not simply to develop a rational basis for personal decisions.

REVIEW OF LITERATURE:

Venclova Katerina (2013): The article focuses on employee performance appraisal methods used in Czech agricultural enterprises. The first section of the article looks into the theoretical underpinnings of the term "formal appraisal" as well as employee performance appraisal methodologies as described by Czech and international experts. Furthermore, the paper provides staff performance appraisal methodologies that are regarded relevant for agricultural enterprises in the Czech Republic, based on a questionnaire study.

Ashima Aggarwal, Gour Sundar Mitra Thakur (2013): performed a review of performance appraisal methods Ranking, Graphic Rating Scale, Critical Incident, Narrative Essays, Management By Objectives, Assessment Centers, BARS, 360 Degree, and 720 Degree are some of the performance appraisal approaches discussed, as well as their benefits and drawbacks. The traditional method of performance appraisal or the modern methods of performance appraisal are used by the organisations. Organizations utilise a performance appraisal system to assess the efficacy and efficiency of their personnel. Because each individual approaches their task differently, a performance appraisal system is required

Peter R. Scholtes (1993): the research is based on a comparison of total quality or performance appraisals. TQM and performance appraisal, according to the author, are incompatible. Customer awareness, systems thinking, a grasp of variance, teamwork.

A LITERATURE REVIEW ON PERFORMANCE APPRAISAL METHODS / TECHNIQUES PJAEE, 18(8) (2021) 4281 appreciation, mastery of improvement methodologies, and a comprehension of the process of personal motivation and learning are all required for TQM. TQM's very requirements are thwarted by performance appraisal. TQM necessitates that we comprehend, control, and improve processes in order to benefit the consumer. The goal of performance appraisal is to ensure that an individual's behaviour is controlled to the satisfaction of his or her boss. Managers must choose between the two approaches: one or the other, but not both.

Rocio de Andres (2010): looked into Distance function approaches are used to evaluate performance. Some companies use performance appraisal to analyse their employees' efficiency and production in order to plan their promotion, wage, and layoff policies, among other things. Initially, only the executive staff carried out this procedure, but it has since grown into an evaluation process based on the opinions of many reviewers, supervisors, collaborators, consumers, and the employees themselves (360-degree method). Reviewers analyse several signs connected to an employee's performance appraisal in such a process. The authors of this research proposed an evaluation system in which diverse groups of reviewers participate in the evaluation process

Rafiqul (2006): According to this notion, an effective performance evaluation system is a tool for evaluating employee performance and recommending ways to increase individual and organisational efficiency. Employee performance evaluations using the AHP (analytic hierarchy process) on ISMS personnel are the topic of this case study. AHP can be used to assess employee output in terms of quantity and quality of work, planning and organisation, initiative and commitment, collaboration and cooperation, communication, and external influences. The usage of AHP in the ISMS Company has a number of benefits, including the fact that it is quick and easy to adopt due to its standardisation, and it may meet subjective needs.

PERFORMANCE APPRAISAL

Definition: According to Dale yoder "performance appraisal includes all formal procedures used to evaluate personalities and contributions and potentials of group members in working organisations. It is a continuous process to secure information necessary for making correct and objective decision on employees". The performance appraisal is an important stage in this process. It shows as per planning of objectives, performance standards and behaviour the communication, counseling, coaching, motivation and feedback have been given or not. Finally to see what is the impact of these planning and action on the performance of the employees. The performance standards regarding quality, quantity, cost and behaviour have been achieved or not. So it becomes necessary to carry out the performance appraisal of every one for smooth working of the organisation. As a basis of reward allocation such as salary increments, promotion and other rewards etc. In performance appraisal systems slow and fast working employees are identified. Under compensation, rewards and recognition plans the employees are given higher pay scales, higher incentives for better performance and appreciation for the work. Some time the cases of good performers are recommended for further promotion. It leads to development and motivation of employees.

Methods of Performance Appraisal

There are a number of methods that are used to evaluate employee's performance. It may be evaluated on the basis of his traits and attributes as well as on the basis of his work or results and objectives achieved by him. Thus his performance may be measured in terms of standards of his traits and general behaviour on the job or in terms of results and goals. Some of the common techniques are given below. Each method has its merits and demerits but one thing is clear that the technique employed has to evaluate mainly his job related performance. The appraisal methods can be classified as follows:

(a) Individual appraisal, group appraisal and other methods

(b) Traditional and modern methods

HUMAN RESOURCE DEPARTMENT

Company target is to place the right person to right job, to evaluate efficiently our human resources, to contribute to training and development, to increase loyalty and pave the way to career opportunities. Equal opportunity policy we treat everybody equally regardless of religion, language, race, gender, age, ethnicity distinction. By providing equal opportunities to all candidates in our recruitment process, we aim to employ the right person for the right job.

Recruitment Policy: The recruitment policy is to provide equal opportunities to candidates and allow and process of the company and their process of the opportunity to accurate way to employee. Human resource management is very useful in this company of the organization.

Training and Development Policy: Education is an important element in the development of our employees and our company; we continuously invest in our human resources. Our education policy, our employees, is to support training needs to enable them to continue their task with high motivation and performance. With this approach personal development training and job.

SCOPE OF THE STUDY

The present research study has a very wide scope. It covers aspects which is useful several ways

- The scope of the study is very wide since appraisal of the performance of various employees have greater impact over the growth of the industry
- To improvement the level of job satisfaction of employees.
- To understand the attitude of employee towards the job 4. It is to find out the opinion of respondents regarding performance appraisal system in the organization

OBJECTIVES OF THE STUDY

- The primary objectives of the research is to identify the study on employee performance appraisal system of king refinery private limited
- To identify the employee awareness of existing performance appraisal system
- To study the impact of a performance appraisal system towards the performance of employees in terms of commitment, skills and responsibility.

AN IMPACTFUL APPRAISAL SYSTEM

RESEARCH METHODOLOGY

Meaning

Research methodology is a way to systematically value the research problem. At may understood as of studying how research is scientifically done research and academic and a such the term should be used in technical sense.

Research design

A research design is the arrangement of conditions for collection and analysis of data manner that aims to combine relevance purpose with economy in procedure. The archer used descriptive research for this research study. The major purpose of study is description of this study is description of the state of affairs as it exist at present.

Source of data

- The sources are both primary and secondary sources. Primary data were collected by means of administered questionnaire.
- The questionnaire consists of particulars like recognition, opportunity, training, communication, etc.
- A great deal to primary and secondary data was collected through direct survey.

CH-SQUARE TEST

$$\text{Chi-square test } (x^2) = \sum \frac{(Oi - Ei)^2}{Ei}$$

Degrees of freedom =(R-1 (C-1) Where as, O= observed frequency , E= expected frequency, R=number of rows, C=number of columns. **Null Hypothesis (Ho)**

There is no significance relationship between work experience and promotion process.

Alernative Hypothesis(H1)

There is significance relationship between work experience and promotion process

ANOVA TEST

1. Correction Factor (C.F) = $(\sum x)^2$/No.of Observation = T^2 /N
2. Sum of Square of Total Variance: (SST) = $\sum x^2$-C_x
3. Sum of Squares between rows (SSR) =SSR^2-CF
4. Sum of Squares between the columns (SSC)=SSC^2-CF
5. Error Sum of Squares = SST - (SSR+SSC)

CORRELATION TEST

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

DATA ANALYSIS AND INTERPRETATION

TABLE – 1 THE TABLE SHOWING AGE WISE CALCULATION OF THE RESPONDENTS

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE (%)
Less than 20 yr	5	4.16
20-30 years	44	36.66
30-40 years	47	39.16
More than 40 years	24	20
TOTAL	120	100

INTERPRETATION

From the above table, it I identified that 36.66 percentages of the respondents are in the age group of 20-30 years, 39.16 percentages of the respondents of the respondents are in the age group of 30-40 years, 4.16percentages of the respondents of the respondents are in the age group of less than 20 years and remaining 20 percentages of the respondents are in the age group of more 40 years. Thus the table clearly shows the majority39.16 percentage of the respondents are between the age group of 30-40 years.

CHART-1

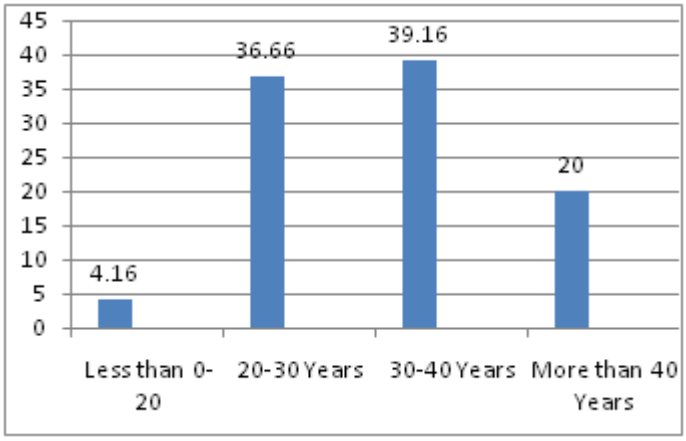


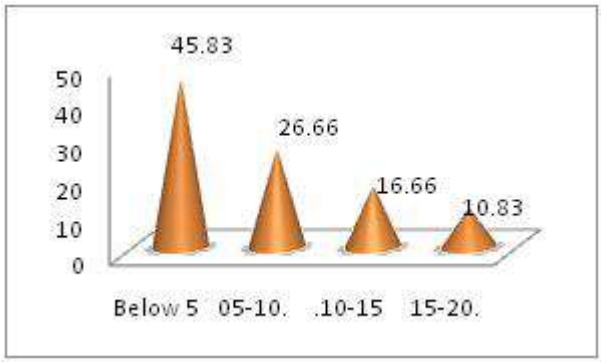
TABLE- 2: THE TABLE SHOWING WORK EXPERIENCE WISE CLASSIFICATION OF RESPONDENTS

PARTICULAR	NO.OF.RESPONDENTS	PERCENTAGES(%)
Below 5 years	55	45.83
5-10 years	32	26.66
10-15 years	20	16.66
15-20 years	13	10.83
Above 20 years	0	0
TOTAL	120	100

INTERPRETATION

From the above table it is inferred that 45.83percentages of the respondents have below 5 years of working experience. 26.66 percentage of the respondents are 5-10 years of working experience 16.66 percentage of the respondents are 10-15 years of working experience. Thus the table clearly shows that majority 45.83 percentages of the respondent have below 5 years of working experience.

CHART-2



FINDING

- Respondents are highly strongly agree with managing my time and skills.
- Respondent are somewhat agree with your manager should have set these goals collaboratively as a part of your performance
- Respondents are somewhat is neutral with whether it is your responsibility to achieve your individual goal.
- Respondents are highly strongly agree with your working conditions.
- Respondents are somewhat agree with you are satisfied with the stress of your current job.
- Respondents are somewhat is neutral with my skill utilized.

SUGGESTIONS

- To give more training to the worker to realize their strength.
- To encourage the worker through prizes and awards for the performance improved.

- The comment is not known to the individual so that the individual has taken no steps to improve himself about his weakness.
- The appraisal system should be known to the individual for the purpose of self development, to eradicate the previous negative things and to improve the attitude in efficiency.
- Counselling programme for employees can be arranged after the completion of performance appraisal.

CONCLUSION

Performance appraisal provides feedback informations about the level of achievement and behavior of subordinates, rectifying performance deficiencies and to set new standards of work, if necessary. It also identifies individuals with high potential who can be groomed for higher positions. The company should make arrangement for performance appraisal committee. If the mode of appreciation method is in award and prizes, employees can be easily motivated. After the performance appraisal by the company, the corrective measures be taken the immediately. It must be revised its appraisal system as to ensure the company increase its productivity basis on the overall analysis, it is here by concluded that the employees of king refinery private Ltd., are satisfied with the present appraisal system which serves as a means for evauating the effectiveness of devices used for the selection and classification of employees in this company.

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