

# Bonafide Certificate





**BONAFIDE CERTIFICATE**

Certified that this project report titled “**DEVELOPMENT OF PERFORMANCE APPRAISAL SYSTEM FOR TETRA POWER Ltd**” is the bonafide work of **Ms. S. DIVYA PRABHA** who carried out the project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

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# Declaration





## DECLARATION

I hereby declare that the summer project titled “DEVELOPMENT OF PERFORMANCE APPRAISAL SYSTEM” with special reference to Tetra Power Ltd, Singanallur, Coimbatore. Submitted to Anna University in partial fulfillment for the award of the degree of Master of Business Administration, is a record of original research submitted by me under the guidance of **Dr. Kirupa Priyadarshini** during the period of study in KCT Business School, Coimbatore.

I also declare that this project is the report of my own effort and has not been submitted to any other university or institution for the award of any degree or diploma.

**Place: Coimbatore**

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# Organization Certificate



# Acknowledgement



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## **SYNOPSIS**

The Performance appraisal system is developed for twenty five employees of this company. Since it is developed for the improvement of an employee. With the help of performance appraisal system, the employee can able to perceive their skill set and knowledge. The significance of performance appraisal system is to identify the level of employee performance at work. Based on the level of employee performance, the employee will be rewarded or in order to improve the level of employee performance the company will give the appropriate guidance needed. The performance appraisal system helps the employee to improve their performance which leads to the company growth. The employee will be rated by the appraiser. It uses the review process to identify training and development and reward outcomes. The whole process will be evaluated to improve effectiveness of the employee.

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.1 INTRODUCTION TO THE STUDY**

Performance management is a fairly imprecise term, and performance management processes manifest themselves in many different forms. Every organization is effective in its own particular way within its own particular context. Performance management is about managing the organization. It is a natural process of management within the context of the business. Performance management concerns everyone in the business – not just managers. It rejects the cultural assumption that only managers are accountable for the performance of their teams and replaces it with the belief that responsibility is shared between managers and team managers. In a sense, managers should regard the people who report to them as customers for the managerial contribution and services they can provide. Managers and their teams are jointly accountable for results and are jointly involved in agreeing what they need to do and how they need to do it, both in monitoring performance and in taking action.

Performance management is concerned with outputs-the achievement of results – and with outcomes – the impact made on performance. But it is also concerned with the processes required to achieve these results and the inputs in terms of capabilities expected from the teams and individuals involved.

Performance appraisal has been considered as the most significant and indispensable tool of an organization. It is highly useful in making decisions regarding various personal aspects such as promotion and merit increase. Performance measures also link information gathering and decision making process which provide a basis for judging the effectiveness of personnel's functions.

In the eyes of the employees, the purpose of performance appraisal system is to describe their level of performance to determine the required output from them and also to provide them constructive suggestions which eventually improves their performance. From the organization's view point, one of the most important reasons for having a system of performance appraisal is to establish and maintain the 'principle of accountability'. Performance appraisal system was started as a method for the justification of salary and wages. Every organization desires to develop a performance appraisal system, which consists of an established procedure for evaluating the work of employees on a regular basis. It is the part of the ongoing management process which purposes:

- To provide systematic planning by allowing the manager to identify critical job elements and objectives.
- To conduct a systematic review of employees' overall performance and provide constructive feedback.
- To provide objective information to guide management decisions on promotions and other issues pertaining to the same.
- To establish an objective basis for determining annual performance.

Effective appraisal system serves not only to determine how well an employee is working at his or her job, but also to decide on the ways to improve his/ her performance. It describes the general policies and factors for the administration of performance in an agency. An appraisal program is a combination of specific procedures, methods, and requirements for planning, monitoring and rating performance.

- Performance Appraisals serve as a yardstick to plan promotions, salary revisions, promotions, empowerments, training and development, and also demotions and terminations.

- They also help superiors to narrate an employee about his performance and suggesting or guiding needed changes in his behavior, attitude, skills, knowledge, and dedication.
- Performance Assessment reports are always a basis for the coaching and counseling of individuals by the organization, and also they act as a self-monitoring tool.

Concern of performance management with planning: Performance management is concerned with planning ahead to achieve future success. This means defining expectations expressed as objective and in business plans.

Concern for communication: Performance management is concerned with communication. This is done by creating a climate in which a continuing dialogue between managers and the members of their teams takes place to define expectations and share information on the organization's mission, values and objectives.

Concern for stakeholders: Performance management is concerned with satisfying the needs and expectations of all the organization's stakeholders – owners, management, employees, customers, and the general public. Ideally, employees are treated as partners in the enterprise whose interests are respected, whose opinions are sought and listened to, and who are encouraged to contribute to the formulation of objectives and plans for their team and for themselves.

Performance management should respect the needs of individuals and teams as well as those of the organization, recognizing that they will not necessarily coincide. Performance appraisal can provide an indication of employees with leadership potential or leadership development needs. In both cases, the manager and HR department then can develop programs and interventions to either offer employees an opportunity to exercise their leadership competencies or build skills. Performance appraisal can serve as an input to succession planning by identifying employees with specific competencies that the organization knows it will need in the future due to turnover and retirement; it can highlight

external factors affecting the need for new skills. To maximize the use of performance appraisals in this manner, it is important that the appraisals be standardized and that appraisal results are reviewed, assessed and analyzed to identify competencies and development needs across all departments. Employee performance evaluation provides legal, ethical, and visible evidence that employees were actively involved in understanding the requirements of their jobs and their performance. The accompanying goal setting, performance feedback, and documentation ensure that employees understand their required outputs. While employee performance evaluation systems take many forms from organization to organization, these are the components likely to be included. Some are more effective than others. But the goals for the employee performance evaluation system, or the appraisal process, or the performance management process are similar. The differences appear in the approach and the details. And, that can make all the difference in how the system is perceived by and carried out by employees.

The true goal of performance appraisal is employee's development & organizational improvement. Employee's competencies can be achieved through performance appraisal system which can improve overall performance of an organization. Performance appraisal is the systematic assessment and a vital component for the development of a company and an individual employee. The system of performance appraisal motivates the employees to benefit the company, which improves organizational productivity.

The increase rapport between management and employees, increase job satisfaction and improve employees sense of loyalty toward the company. Performance appraisals also assist the employee in monitoring his/her role contribution to the company's overall success. All of these lead to higher productivity among employees. This bridges the gap between employees and the organization. The systematic assessment of performance appraisal is the measure against factors as job knowledge, quality and quantity of output, initiative, leadership abilities, supervision, dependability, co-operation, judgment, versatility.

The goals of the best employee performance evaluations are also employee development and organizational improvement. The employee performance evaluation helps

employees accomplish both personal development and organizational goals. The act of writing down the goals takes the employee one step closer to accomplishing them. Since goals, deliverables and measurements are negotiated in an effective employee performance evaluation, the employee and the supervisor are committed to achieving them.

## **1.2 ORGANISATION PROFILE**

Tetra Power is a social responsible company to promote non conventional / renewable energy such as Solar Power, Wind Power and combination of both calling it as Hybrid Power globally. The Solar Power Systems, Small Wind Power Systems and Hybrid Power generators produce Eco-Friendly green power which is cost effective and the best alternate power solution for domestic and commercial applications. Tetra Power, a young and a growing company one among solar & small wind power generation systems manufacturer in the world is founded in India by a team of qualified and experienced experts with 20 to 30 years of expertise in Wind, Solar and Hybrid power.

### **1.2.1 VISION**

Tetra Power, a proud Manufacturer and promoter of Solar, wind and hybrid power generators for domestic, commercial and public utility applications, with a vision to promote eco-friendly, clean and green energy for the

next generation society.

### **1.2.2 PRODUCTS**

Tetra Power manufactures Solar Power generators, Wind Power Generator, Blades, Control Systems, Charge Controllers, and Inverters and associated power generation

systems. The expertise engineering team could provide various wind energy solutions for different customers.

The products manufactured and supplied by Tetra Power

- Solar Power Generators from 50W up to MW power plants
- Horizontal Axis Wind Generators and Vertical Axis Wind Generators from 200w to 50kw for domestic and industrial power usage
- Hybrid Power Systems from 500W to 100KW
- Inverters and Charge Controllers are also manufactured in house at Tetra Power facility. The capacity of Charge controllers vary from 10A to 150A for smaller range applications. 150A and above charge controllers are manufactured for solar farms and solar power plants. The capacity of inverters varies from 500W and above based on the size of the power project the company under take.
- Tetra Power also manufactures Lead Acid and GEL batteries with the following ratings at various out sourced facilities

Lead Acid Batteries 100AH/12VDC, 150AH/12VDC

Gel Batteries 400AH/24VDC, 600AH/24DC

The above products can be utilized for Off-Grid / Standalone applications, On-Grid/Grid Tie applications, Captivity Plant and Larger Power Plants

Some of the other highlights of the Renewable Energy Industry,

Renewable energy is a form of energy that is produced from natural resources like wind, geo-thermal heat, sunlight, and tides. Renewable energy sources currently contribute to approximately 18% of total global energy consumption. Renewable energy generating projects can be principal sources of power or act as supplementary power generating units.

The alternative energy source is suitable for rural areas where transmission and distribution of energy can be expensive and even difficult. Renewable energy is particularly suitable for farmers and small business persons who require electrical power at certain predetermined intervals.

During the five-years from the end of 2004 through 2009, worldwide renewable energy capacity grew at rates of 10–60 percent annually for many technologies. In 2011, UN under-secretary general Achim Steiner said: "The continuing growth in this core segment of the green economy is not happening by chance. The combination of government target-setting, policy support and stimulus funds is underpinning the renewable industry's rise and bringing the much needed transformation of our global energy system within reach." He added: "Renewable energies are expanding both in terms of investment, projects and geographical spread. In doing so, they are making an increasing contribution to combating climate change, countering energy poverty and energy insecurity".

. Wave power systems generate electrical energy from ocean waves.

- Renewable capacity now comprises about a quarter of total global power-generating capacity and supplies close to 20% of global electricity, with most of this provided by hydropower.
- Developing countries (collectively) have more than half of global renewable energy power.
- Solar PV capacity was added in more than 100 countries.
- The top five countries for non-hydro renewable power capacity were the United States, China, Germany, Spain, and India.

- The EU exceeded all its 2010 targets for wind, solar PV, concentrating solar thermal power, and heating/heat pumps. Countries including Finland, Germany, Spain, and Taiwan raised their targets, and South Africa, Guatemala, and India, among others, introduced new ones.
- Developing countries, which now represent more than half of all countries with policy targets and half of all countries with renewable support policies, are playing an increasingly important role in advancing renewable energy.

Indian Renewable Energy Industry is Exploding. The fast growing renewable energy sector in India presents lucrative business opportunities for foreign, international companies to enter the Indian renewable energy market. India is the most developed renewable energy market in South Asia, with annual revenue of about \$185 billion. India is the third most attractive country to invest in renewable energy. The expansion of the overall energy demand-supply gap is due to the increase in the population's standard of living. The demand-supply gap in power is currently at 10.3% and is one of the key drivers of renewable energy. The utilization of renewable energy sources is still relatively low in India, thus presenting excellent business potential. The Indian Government expects the renewable energy sector to grow to \$19 billion from 2008 to 2012, with renewable making up 20% of the 70,000 MW of total additional energy planned from 2008-2012. India has been attracting over \$3 billion every year in renewable sector. India is emerging as one of the largest potential sources of Certified Emission Reduction (CER) and Renewable Energy Certificates (REC).

In the early 1980s, the Indian government established the Ministry of New and Renewable Energy (MNRE) to encourage diversification of the country's energy supply and satisfy the increasing energy demand of a rapidly growing economy. In March 2007 the Indian Government announced a semiconductor policy under its Special Incentive Package Scheme (SIPS). According to this policy, the government or its agencies will provide 20 percent of the capital expenditure during the first 10 years for semiconductor industries,

including manufacturing activities related to solar PV technology located in Special Economic Zones (SEZ), and 25 percent for industries not located in an SEZ.

Some of the other key incentives provided by the government of India for the renewable energy industry are: Feed-in-tariffs, Up to 80 percent accelerated depreciation for renewable energy investments, Relief in customs duty, excise duty and sales tax, Exemption from Central Sales Tax, and customs duty concessions on the import of material, components and equipment used in renewable energy projects Soft loans, Government policies covering wheeling, banking, buy-back, and third-party sale of power, Soft loans, Generation-based incentives for solar and wind power projects. There are no limits to FDI in the RE sector. Foreign companies can hold 100% ownership. The government allows 100% foreign direct investment (FDI) in the renewable energy sector and has put in place conducive policies to attract foreign companies in the sector. With all the above attractive characteristics and potential, India presents a significant market opportunity for renewable energy firms worldwide.

### **1.3 STATEMENT OF THE PROBLEM**

The aim of this work is to identify the performance levels of each employee who are contributing their efforts for the organizational growth. No system does exist to assess the performance of the employees; a need has a raised to appraise the performance of the employees. Due to this reason performance appraisal system is developed to facilitate the organizational growth.

The performance appraisal system is developed among a small team of employees who are employed in the newly established division to promote renewable energy around the globe. The performance appraisal system is implemented with the direct involvement with the employee in different departments and various levels of the organization.

#### **1.4 SCOPE OF THE STUDY**

This study is to understand the performance appraisal system among the employees. It helps the company to make the employee perform well and also make them to understand about the level of their work performance. It also motivates the employees and to benefit the company, which improves the organizational productivity.

## **CHAPTER 2**

### **REVIEW OF LITERATURE**

**The Performance management system of six companies is discussed in this chapter. The Performance management system of six companies are in various sectors like, Automobile association, Bass brewers, BP Exploration, United distillers, Zeneca pharmaceuticals, Southern land.**

#### **2.1 AUTOMOBILE ASSOCIATION**

The Automobile Association operates a comprehensive objectives and competency based approach accompany by 180 – degree feedback for managers. In AA insurance the scheme is geared to the special context of a company in the financial sector. Ratings are incorporated, and there is a strong emphasis on performance development planning.

The AA employs about 12,500 staff, a large proportion of whom are ‘on the road’ or carrying out administrative /clerical duties. There are about 800 managers to whom performance management applies throughout the organization. In AA Insurance there are about 1,750 staff, all of whom are included in the performance management process, which has been specially adapted for that division.

##### **2.1.1 Sequence**

The performance-management sequence is:

- January-February: agreement of objectives
- Mid-year: a ‘stock-check’ review of the personal development plan, but no rating

- End-year: full review and a rating
- The following April: salary review.

The personal performance review covers the following areas:

- What was achieved against the personal objectives set for the period
- An overall view of performance, including strengths and weakness
- Performance rating based on a five-point scale (1 to 5) where a three-rating is seen as commendable and the benchmark for an experienced, capable performer.
- A competence rating based on a five-point scale (A to E), where C is seen as commendable and the benchmark for a competent individual who matches the requirements of the role
- What needs to be done to improve performance and competence, together with the help and support that will be provided
- Direction and objectives for the period ahead.

## **2.2 BASS BREWERS**

The Bass Brewers emphasis developing people to increase the added value they can provide for the business, focuses on competencies, incorporates a powerful personal development planning process and is linked to a broad band pay structure.

The performance management system was developed after a survey of best practice and the translation of the translation of that time into a relevant Bass Brewers approach. The basic aim to enhance performance and to develop individuals in order to increase the added value they can provide for the business.

### **2.2.1 Link to pay**

Bass Brewers has a broadband pay structure in which position in the band depends on market rates for roles and competence ratings of individuals. An incentivized bonus scheme for senior managers has just been introduced, related to the achievement of business objectives.

### **2.3 BP EXPLORATION (BPX)**

BP exploration(BPX) provides a good example of an organization in which the management of performance is more a way of life than a distinct stand-alone system, and of a fully integrated approach to managing performance as a fundamental part of the management ethos which can be adopted in running a business.

In one sense, BPX does not have a distinct performance management 'system'. Instead, it has a number of aligned processes that reflect the principle that 'BPX' will not grow unless its people grow'. The management of performance is therefore not about going through the motions. It is seen as a natural part of the leadership role, which is to:

- Define 'boundaries' e.g. health and safety and cost absolutes
- Provide directions – defining performance expectations, getting people to understand where their part of BPX is going
- Provide space for the individual to perform and therefore to grow.

## **2.4 UNITED DISTILLERS**

The United Distillers is the spirits division of the Guinness group. It employs about 9,000 people, of whom over half are outside the UK.

The United Distillers approach to performance management is another excellent example of the management of performance as a way of life rather than a separate 'system'. The emphasis is on strategic integration and on the improvement of the ways in which manager and individuals can work together to improve performance and personal development.

### **2.4.1 The performance- management process**

As Chris Bones, HR director international, said in a presentation to the Institute of Personnel and Development's annual conference (October 1996):

Performance does not automatically imply delivery, let alone strategically aligned delivery. Those elements of HRM processes that support the management and improvement of performance have to be aligned and integrated with the strategy of the business. A discussion on performance management is not, therefore, a discussion on performance management systems. If anything, the system is the least important element in successful performance management. The whole organizational environment must enable performance to happen and to be measured against key strategic measures.

## **2.5 ZENECA PHARMACEUTICALS**

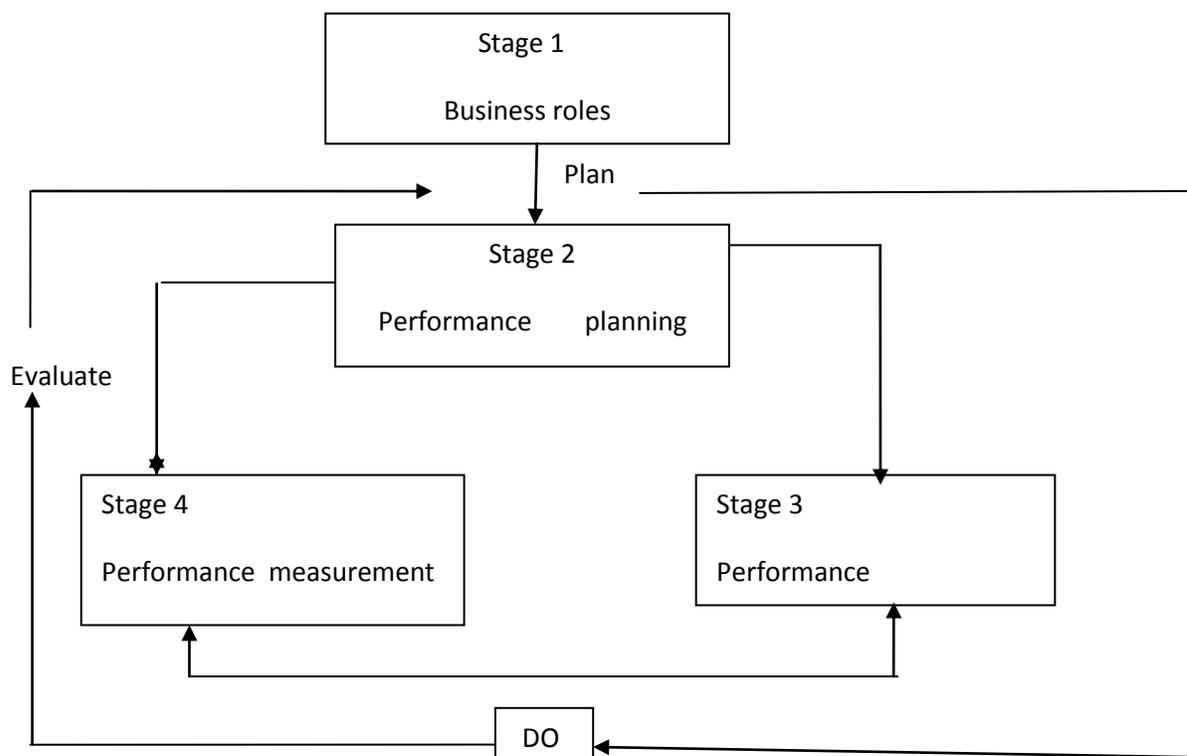
The most significant aspect of the 'Zeneca Pharmaceuticals' approach is that it is a well-established and sophisticated scheme with the emphasis on employee development; it is also linked to reward, although not on a formulaic basis, and there is as much (if not more) emphasis on non-financial rewards. Both objectives/targets and competency elements are incorporated in the process, and therefore is no requirement for ratings. In

addition, line managers are used as performance – management coaches, and individuals can initiate the process with their managers.

Zeneca Pharmaceuticals has about 15,500 employees world-wide, 5,000 of whom are in UK.

The primary objective of performance management is defined as 'to improve business performance by raising each individual's effectiveness. From the start, performance management focused on individual development and improving performance. It was and it perceived as being 'about how we manage people'; it is not regarded as a system. The emphasis is online manager ownership. Acting as a performance management coaches, a selection of line managers played a major part in the introduction of performance management and its further application and development with HR support. 'PM Coaches' have annual seminars to share best practice and help each other with any issues.

### PERFORMANCE MANAGEMENT AT ZENECA PHARMACEUTICALS



### **2.5.1 The four stages of performance management**

These are:

- Business role clarification
- Performance – planning
- Performance development
- Performance measurement

#### **Stage 1: Role clarification**

The aim of this stage is to ensure that each employee has a clear statement of his or her business role, and that they understand and are committed to the objectives of their work group which, in turn, are derived from, and contribute to, overall business objectives.

#### **Stage 2: Performance Planning**

The aim here is for the individual and the line manager to agree targets for the individual for a set period. This stage also encompasses the results of planning ie the 'doing' and 'evaluating' by the individual and line manager in a continuous way the 'plan-do-evaluate' elements of managing performance.

#### **Stage 3: Performance Development**

The aim of this stage is to help the individual achieve the agreed targets by defining and developing the relevant skills. As with performance-planning, there is a 'plan-do-evaluate' cycle associated with performance development.

#### **Stage 4: Performance measurement**

This stage has two distinct aims:

- To provide ongoing feedback during the 'plan-do-evaluate' cycles already described

- To provide an annual summary of an employee's performance to be used as the basis for decisions on financial or non-financial reward.

## **2.6 Southernland**

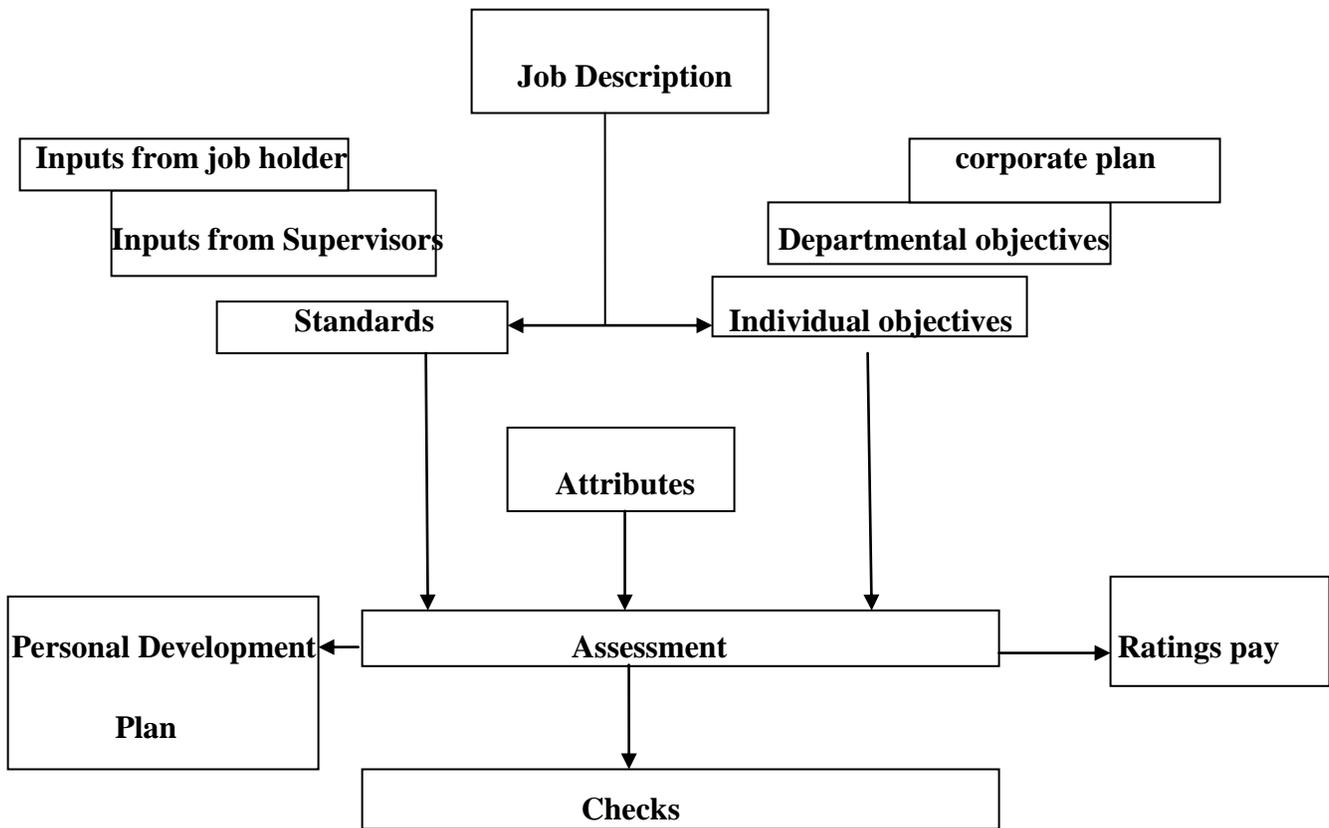
Performance management is defined at the southernland as:

A continuous process involving: agreeing standards and objectives, giving and receiving constructive feedback on performance; and identifying appropriate training and development opportunities in order to contribute to the success of the organization.

The performance management process:

Performance management aims to help in the improvement of performance and the motivation of staff at work.

- Self-assessment, where the assessed is required to review his or her performance against agreed performance standards and objectives and make an objective assessment.
- Encouraging openness between the assessor and the assessed through discussions about achievements expected from the assessed and regular progress reviews
- Identifying training and development opportunities to support the assessed in the job.
- Using the document to record changing circumstances and priorities when they arise
- The assessed retaining the completed document

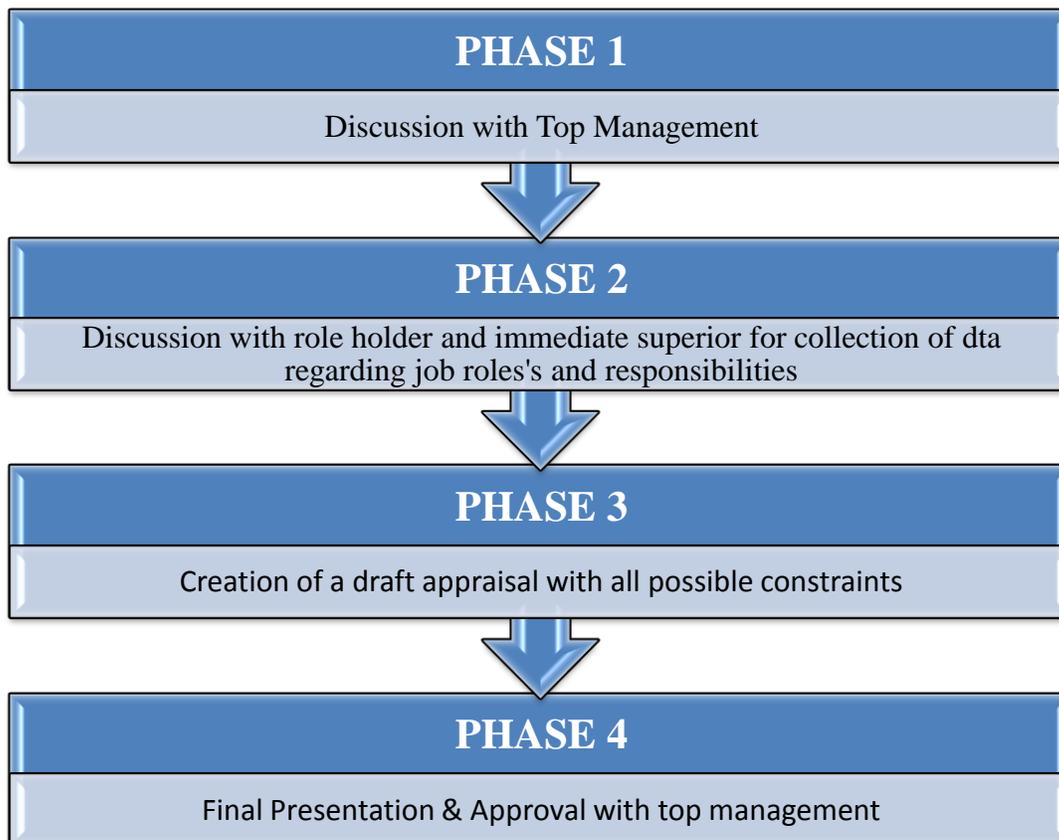
**PERFORMANCE MANAGEMENT AT THE SOUTHERN LAND**

## CHAPTER 3

### METHODOLOGY

#### 3.1 METHODOLOGY

The employee performance appraisal system for tetra power was developed after a series of discussions and deliberation with all the stakeholders concerned like, Top management, Department leads, Role holders etc. The development processes in four phases.



### 3.2 OBJECTIVE OF THE STUDY

- To study the annual planning, goal setting and continuous monitoring performance of the employees.
- To improve the performance levels of employees.
- To bridge employees performance with the organization to achieve organizational goal.

### 3.3 SYSTEM DEVELOPMENT

#### **PHASE 1: Discussion with top management**

The top management consists of three Directors. The discussions held during this phase had come out in creating and implementing the employee performance management system for Tetra Power. As discussed with the three directors the appraisal system shall be implemented for the following levels of employees in various departments.

#### Various Departments and Level

1. Administration  
Administration Assistant
2. Accounts  
Accounts Assistant
3. Design  
Design Engineer
4. Production  
Production Supervisor, Production Engineer, Technician
5. Research & Development  
R&D Engineer Trainee
6. Marketing  
Marketing Assistant

The prospective performance appraisers

The performance appraisal will be done by the production supervisor for the design department, production department and Research & Development along with the two technical directors. The performance appraisal will be done for Administration, Accounts and Marketing by the Marketing and HR director.

**PHASE 2: Discussion with role holder and immediate superior for collection of**

**Data regarding job role and responsibilities**

During the discussion with the supervisor and the directors it was advised to use the roles and responsibilities as mentioned in the employment offer format for each levels of employment, which is as stated below,

**Administration Assistant**

- Assisting all administrative duties
- Attending phone calls
- Maintaining petty cash
- Attendance management

**Accounts Assistant**

- Accounts management
- Cash management
- Ledger maintenance

**Design Engineer**

- Machine Design
- Solar panel
- Wind turbine structure
- Special Purpose Machine design

- Electrical and Instrumentation Wiring Diagram using Auto CADD and Inventor

### **Production Supervisor**

- Supervise all the production related activities for special purpose machineries
- solar power generation systems
- wind power generation systems

### **Production Engineer**

- Machine building as per the specifications, standards and drawings giving by the design department
- Stock maintenance
- Goods inward and outward follow-up
- Material inspection
- Quality check.

### **Technician**

- Assist the production engineer in developing machines,
- Doing welding, grinding, facing, drilling, fitting etc

### **R&D Engineer Trainee**

- Involve in producing new products
- Designing innovative products
- Designing new machinery, solar and wind research and development

### **Marketing Assistant**

- Assisting marketing director in product marketing
- Creating marketing brochures

- Developing innovative marketing tools and strategies
- Meeting customers, liaising with clients

### **PHASE 3: Creation a draft Appraisal with all possible constructs**

At Tetra Power work is planned in advance. This includes setting performance expectations and goals for individuals in order to achieve organizational objectives. Involving employees in the planning process is essential in achieving the goals of the organization. The regulatory requirements for an employee's performance appraisal include seven (7) key elements.

Appraisal draft has been designed based on these key elements such as

- 1. Job Knowledge**
- 2. Time Management**
- 3. Team Work**
- 4. Communication Skills**
- 5. Creativity Skills**
- 6. Attitude**
- 7. Effectiveness**

Using the above components a template has been created to assess the performance levels of each employee at various levels are as attached in the appendix.

There are specific reasons for selecting these six elements. The reason for selection such performance elements are, they are measurable, understandable, verifiable, equitable, and achievable. Through these elements, employees are held accountable as individuals for work assignments and responsibilities of their position. Unsatisfactory performance in the employee's overall performance will result in the employee's reassignment, removal, or reduction in grade.

### **3.3.1 Benchmark Employee Performance Standards**

#### **Exceeds Expectations in all Areas:**

- Employee demonstrates excellent performance of high quality that organizational goals have been achieved.
- The employee demonstrates master technical skills and a thorough understanding of the mission of the organization and has a fundamental impact on the completion of program objectives.
- The employee puts forward positive influence on management practices, operating procedures and program implementation, which contributes substantially to organizational growth and recognition.

#### **Exceeds Expectations in Some Areas:**

- Employee demonstrates unusually good performance that exceeds expectations in some areas and exhibits a sustained support of organizational goals
- The employee shows a comprehensive understanding of the objectives of the job and the procedures for meeting them.
- Effective planning by the employee improves the quality of management practices, operating procedures, task assignments and program activities.
- The employee develops and implements workable and cost-effective approaches to meeting organizational goals.

#### **Meets Expectations:**

- The employee demonstrates good, sound performance that meets organizational goals
- The employee completes all activities in a timely manner and supervisor is kept informed of work issues, alterations and status

- The employee effectively applies technical skills and organizational knowledge to get the job done
- The employee plans and performs work according to organizational priorities and schedules
- The employee communicates clearly and effectively

**Below Expectations:**

- The employee's performance shows serious deficiencies that requires correction.
- The employee's work frequently needs revision or adjustments to meet a minimally successful level
- All assignments are completed, but often require assistance from supervisor and peers
- Organizational goals and objectives are met only as a result of close supervision

**Unsatisfactory**

- The employee's performance is unsatisfactory
- The quality and quantity of the employee's work are not adequate for the position. Work products do not meet the minimum requirements expected
- The employee demonstrates little or no contribution to organizational goals
- The employee fails to meet work objectives
- The employee's inattention to organizational priorities and administrative requirements

**PHASE 4: Final Presentation & Approval with top management.**

Based on the discussion regarding the performance management with the top level management and with the supervisors a performance appraisal form has been created to appraise the performances of all the employees. The presentations regarding the appraisal forms and appraisal process are subjected to some alterations initially and the rectifications

are done as advised by the management. The newly altered appraisal forms and appraisal process are approved by the three directors. The approved process is taken for administration and tests. The appraisal forms are subjected to tests by providing them to all the employees to do appraisal. The employees are first educated about the appraisal system and explained about the appraisal process and procedures. The employees are also explained about the appraisal ratings. So a complete awareness about the performance appraisal has been given to all the employees.

The employees are also explained clearly about what would the results, outcome and the consequences they will be subjected to after completion of the appraisal.

### **3.4 Implementation**

Newly well developed Performance appraisal system is implemented for twenty five employees of the company at various levels of various departments of the company. The process of implementation is, newly created self appraisal form is handed over to each employee. A one to one discussion is conducted by the appraiser with the employee. The prime seven attributes of the performance appraisal system are explained in detail by the appraiser to each employee. The self appraisal form should be completed by the employee. Ratings of each employee are done under the clear observation. The completed performance appraisal form is taken for analysis. Based on the data collected to appraisal form, an analysis report is prepared for every employee. The analytical chart has prepared for each employee. Based on the performance appraisal report the appraiser will take the necessary action to improve the quality of the employee.

## **CHAPTER 4**

### **ANALYSES & INTERPREATION**

This chapter deals with the individual performance appraisal and overall performance department wise. The Personal Performance Appraisal is done for twenty five employees in a company. The review is done by the Directors.

The performance analysis is done for the entire six departments. This is to identify the level the analysis is done. The significance of analysis is to improve the level of employee performance.

Based on the appraisal score, the employee will be graded. As the attributes are considered to be the measure of performance of each employee, the grades are decided based on the measures of the attributes.

The employee scores tell us, how they perform in their day to day activity. The analysis chart indicates weaker and stronger areas of performances. The weaker performance may be due to various aspects of their day to day activity, which should be considered for improvement. More focus and attention should be given for such areas, which will improve their performances.

The areas of stronger performances shall be appreciated and guided to excel more. The analysis represented with the help of Bar Chart, which is created based on the data collected for the attributes, with the help of a performance appraisal form. From the collected data, the analysis is sampled for I) Individual performance, II) Overall performance department wise as shown below.

Name : SUMATHI

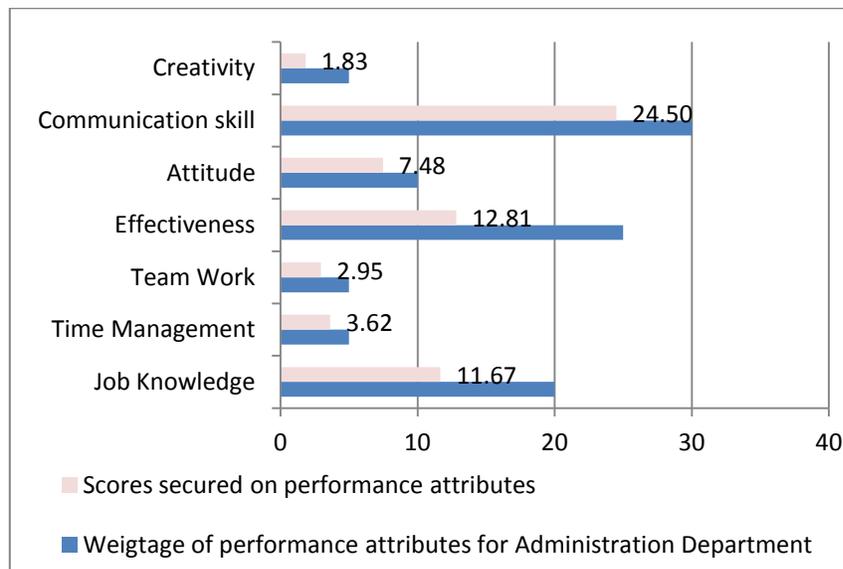
Date of Joining: 1.06.2012

Department : Administration

Time Period : Yearly

**EVALUATION OF PERFORMANCE OF MS. SUMATHI**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored
Job Knowledge	2.92	20	11.67	58.33
Time Management	3.62	5	3.62	72.33
Team Work	2.95	5	2.95	59.00
Effectiveness	2.56	25	12.81	51.25
Attitude	3.74	10	7.48	74.75
Communication skill	4.08	30	24.50	81.67
Creativity	1.83	5	1.83	36.67
TOTAL		100	64.85	

**EVALUATION OF PERFORMANCE OF MS. SUMATHI**

Performance Grade **B** - Exceeds Expectations in Some Areas

**INTERPRETATION:**

The overall performance score of Ms. SUMATHI is 64.85. This indicates that she stands in B – grade which is Exceeds Expectations in Some Areas.

Looking at the seven attributes that are assumed Ms. SUMATHI has done exemplarily well in Communication skill with a score of 81.67%. She is also best in Time Management and Attitude.

The areas that are critical for the Administration Department's functioning is Communication skill, Effectiveness, Job Knowledge. In the above three critical areas Ms. SUMATHI has secured a relatively low score.

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Effectiveness
- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : RAMYA

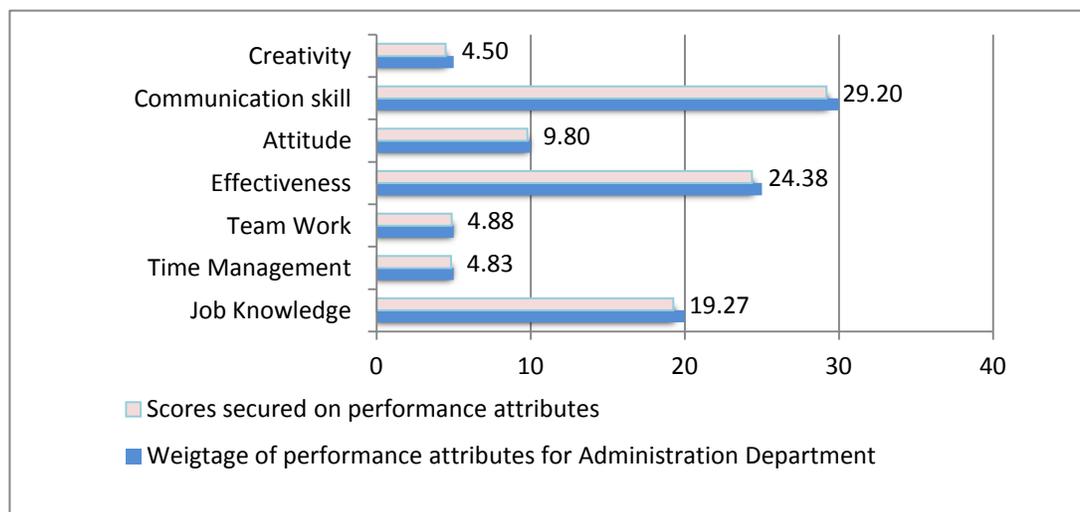
Date of Joining :1.06.2012

Department : Administration

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MS. RAMYA**

Performance Attributes	Mean score	Weight age of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	4.82	20	19.27	96.33
Time Management	4.83	5	4.83	96.67
Team Work	4.88	5	4.88	97.60
Effectiveness	4.88	25	24.38	97.50
Attitude	4.90	10	9.80	98.00
Communication skill	4.87	30	29.20	97.33
Creativity	4.50	5	4.50	90.00
TOTAL		100	96.86	

**EVALUATION OF PERFORMANCE OF MS. RAMYA**

Performance Grade **A** - Exceeds Expectations in All Areas

**INTERPRETATION:**

The overall performance score of Ms. RAMYA is 96.86. This indicates that she stands in A – grade which is Exceeds Expectations in All Area

Looking at the seven attributes that are assumed Ms. RAMYA has done exemplarily well in Attitude with a score of 98%. She is also best in Time Management and Team Work.

The areas that are critical for the Administration Department's functioning is Communication skill, Effectiveness, and Job Knowledge. In the above three critical areas Ms. RAMYA has secured a relatively low score.

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Creativity
- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : DEEPA.P

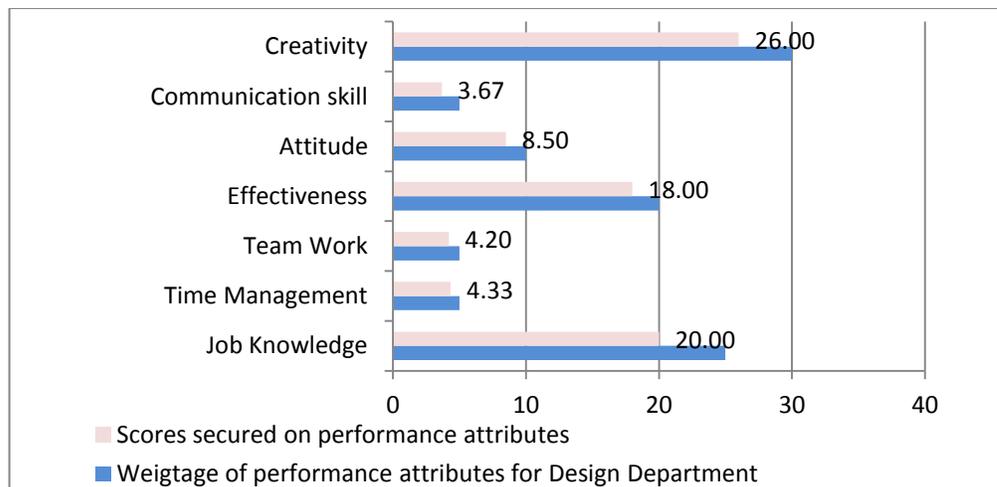
Date of Joining :16.05.2012

Department : Design

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MS. DEEPA**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	4	25	20.00	80.00
Time Management	4	5	4.33	86.67
Team Work	4	5	4.20	84.00
Effectiveness	5	20	18.00	90.00
Attitude	4	10	8.50	85.00
Communication skill	4	5	3.67	73.33
Creativity	4	30	26.00	86.67
TOTAL		100	84.70	

**EVALUATION OF PERFORMANCE OF MS. DEEPA**

Performance Grade

**A**

- Exceeds Expectations in All Areas

**INTERPRETATION:**

The overall performance score of Ms. DEEPA.P is 84.70. This indicates that she stands in A – grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Ms. DEEPA has done exemplarily well in Effectiveness with a score of 90%. She is also best in Time Management and Creativity.

The areas that are critical for the Design Department's functioning is Creativity , Effectiveness, Job Knowledge. In the above three critical areas Ms. DEEPA.P has secured a relatively low score in Job Knowledge.

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Communication Skill
- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : KOWSIKA

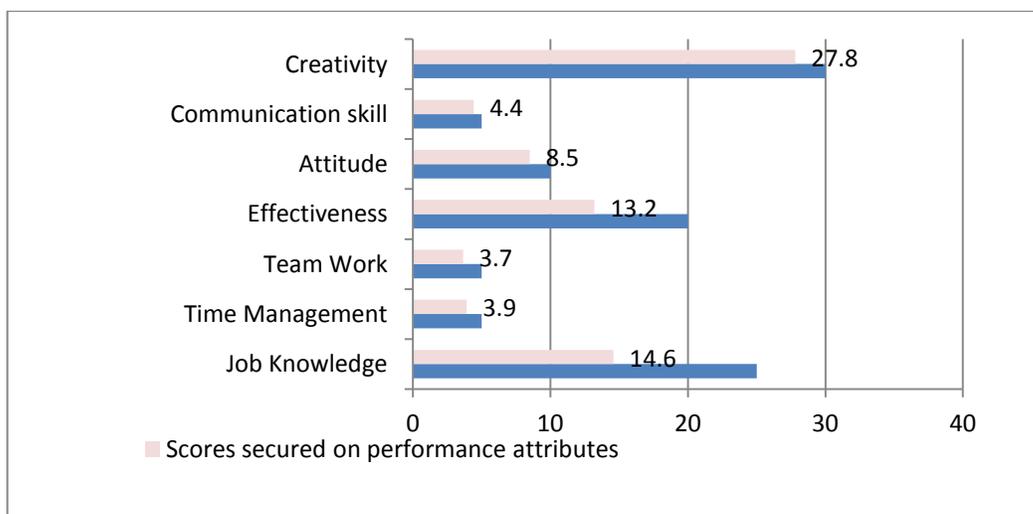
Date of Joining :15.06.2012

Department : Design

Time Period : Yearly

**EVALUATION OF PERFORMANCE OF MS. KOWSIKA**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	2.9	25	14.6	58.33
Time Management	3.9	5	3.9	78.33
Team Work	3.7	5	3.7	73.00
Effectiveness	3.3	20	13.2	66.00
Attitude	4.3	10	8.5	85.00
Communication skill	4.4	5	4.4	88.33
Creativity	4.6	30	27.8	92.67
Total		100	76.1	

**EVALUATION OF PERFORMANCE OF MS. KOWSIKA**

Performance grade

**B**

- Exceeds Expectations in Some Areas

## INTERPRETATION

The overall performance score of Ms. KOWSIKA is 76.1. This indicates that she stands in B – grade which is Exceeds Expectations in Some Areas.

Looking at the seven attributes that are assumed Ms. KOWSIKA has done exemplarily well in Creativity with a score of 92.67%. She is also best in Attitude and Communication Skill.

The areas that are critical for the Design Department's functioning is Creativity , Effectiveness, Job Knowledge. In the above three critical areas Ms. KOWSIKA has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Team Work
- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : SREEDHARAN

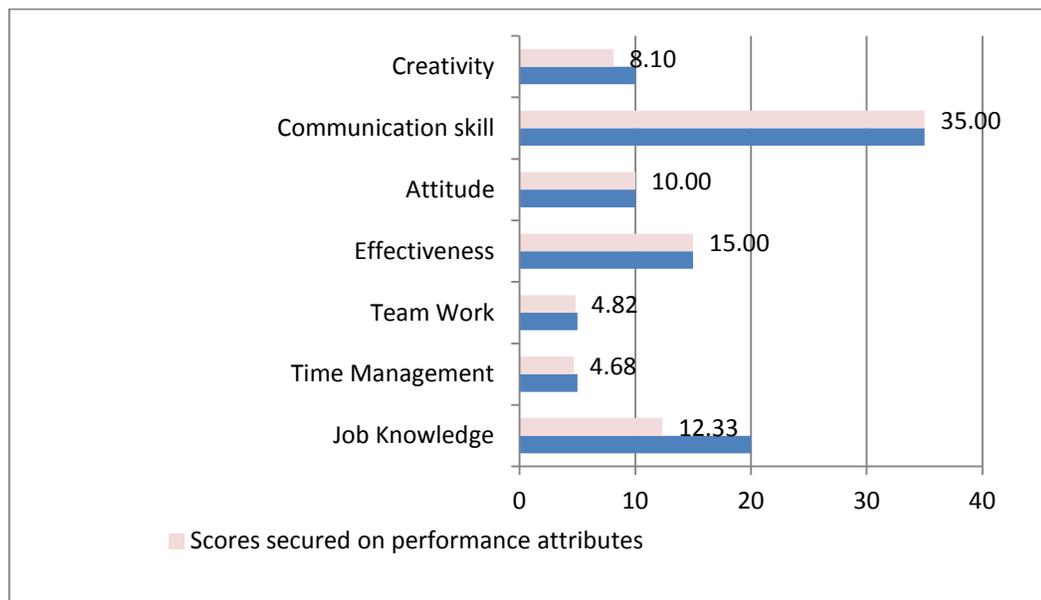
Date of Joining :15.06.2012

Department : Marketing

Time Period : Yearly

**EVALUATION OF PERFORMANCE OF MR.SREEDHARAN**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	3	20	12.33	61.67
Time Management	5	5	4.68	93.67
Team Work	5	5	4.82	96.40
Effectiveness	5	15	15.00	100.00
Attitude	5	10	10.00	100.00
Communication skill	5	35	35.00	100.00
Creativity	4	10	8.10	81.00
TOTAL		100	89.94	

**EVALUATION OF PERFORMANCE OF MR. SREEDHARAN**Performance Grade **A** - Exceeds Expectations in All Areas

**INTERPRETATION:**

The overall performance score of Mr. SREEDHARAN is 89.94. This indicates that he stands in A – grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Mr. SRREDHARAN has done exemplarily well in Effectiveness, Attitude and Communication Skill with a score of 89.94%. He is also best in Team work and Time Management.

The areas that are critical for the Marketing Department's functioning is Communication Skill, Effectiveness, Job Knowledge. In the above three critical areas Mr. SREEDHARAN has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name :MAHESH KUMAR

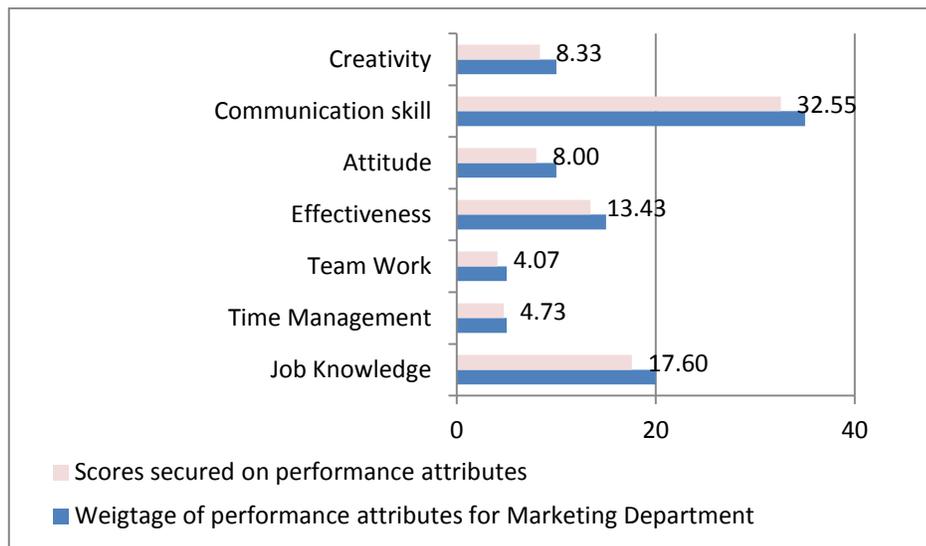
Date of Joining :09.07.2012

Department : Marketing

Time Period : Yearly

**EVALUATION OF PERFORMANCE OF MR. R. MAHESH KUMAR**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	4	20	17.60	88.00
Time Management	5	5	4.73	94.67
Team Work	4	5	4.07	81.40
Effectiveness	4	15	13.43	89.50
Attitude	4	10	8.00	80.00
Communication skill	5	35	32.55	93.00
Creativity	4	10	8.33	83.33
TOTAL		100	88.71	

**EVALUATION OF PERFORMANCE OF MR. R.MAHESH KUMAR**

Performance Grade

**A**

- Exceeds Expectations in All Areas

## **INTERPRETATION**

The overall performance score of Mr. MAHESH KUMAR is 88.71. This indicates that he stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Mr. MAHESH KUMAR has done exemplarily well in Time Management with a score of 94.67%. He is also best in Communication Skill and Effectiveness.

The areas that are critical for the Marketing Department's functioning is Communication Skill, Effectiveness, Job Knowledge. In the above three critical areas Mr. MAHESH KUMAR has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : HEMA CHANDER

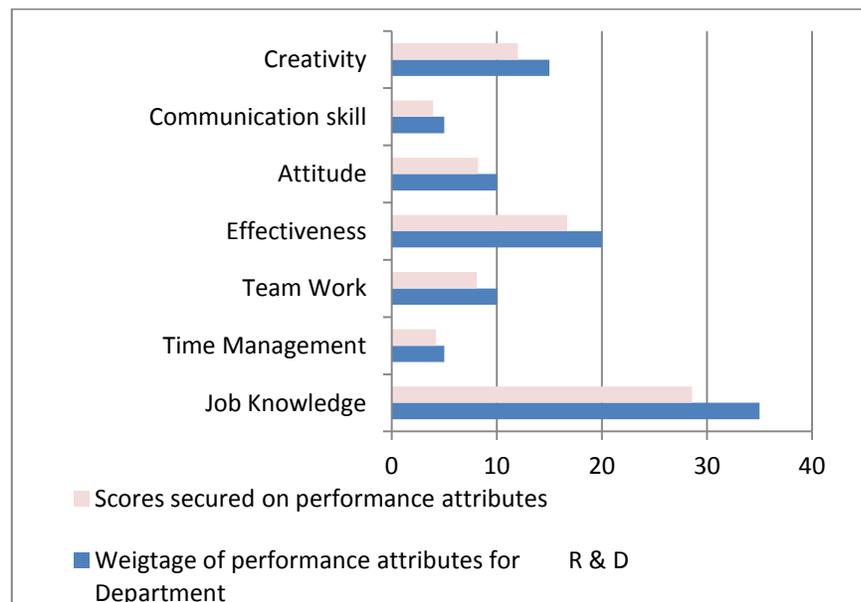
Date of Joining :1.07.2012

Department : Research &amp; Development

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MR. M. HEMA CHANDER**

Performance Attributes	Mean score	Weight age of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	4	35	28.58	81.67
Time Management	4	5	4.22	84.33
Team Work	4	10	8.10	81.00
Effectiveness	4	20	16.70	83.50
Attitude	4	10	8.23	82.25
Communication skill	4	5	3.95	79.00
Creativity	4	15	12.00	80.00
<b>TOTAL</b>		<b>100</b>	<b>81.78</b>	

**EVALUATION OF PERFORMANCE OF MR. M. HEMA CHANDER****Performance Grade****A****- Exceeds Expectations in All Areas**

## **INTERPRETATION**

The overall performance score of Ms. HEMA CHANDER is 81.78. This indicates that she stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Ms. HEMA CHANDER has done exemplarily well in Time Management with a score of 84.33%. She is also best in Attitude and Effectiveness.

The areas that are critical for the Research & Development Department's functioning is Creativity, Effectiveness, Job Knowledge. In the above three critical areas Ms. HEMACHANDER has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : SELVA KUMAR

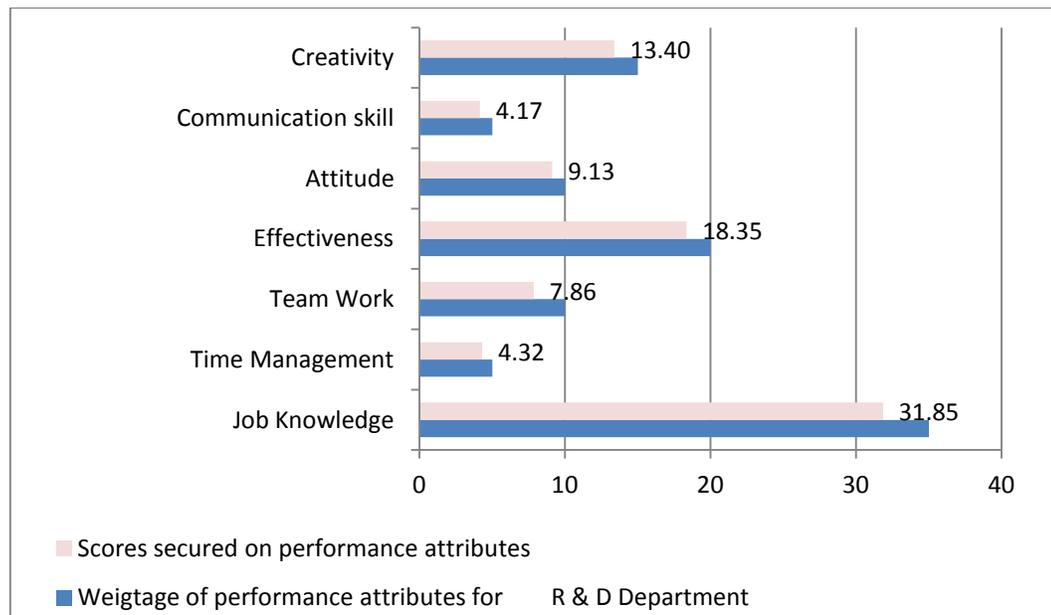
Date of Joining :17.07.2012

Department : Research &amp; Development

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MR. SELVAKUMAR**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	5	35	31.85	91.00
Time Management	4	5	4.32	86.33
Team Work	4	10	7.86	78.60
Effectiveness	5	20	18.35	91.75
Attitude	5	10	9.13	91.25
Communication skill	4	5	4.17	83.33
Creativity	4	15	13.40	89.33
TOTAL		100	89.07	

**EVALUATION OF PERFORMANCE OF MR. SELVAKUMAR**
**Performance Grade** **A** - Exceeds Expectations in All Areas

## **INTERPRETATION**

The overall performance score of Mr. SELVA KUMAR is 89.07. This indicates that she stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Mr. SELVA KUMAR has done exemplarily well in Effectiveness with a score of 91.75%. He is also best in Attitude and Job Knowledge.

The areas that are critical for the Research & Development Department's functioning is Creativity, Effectiveness, Job Knowledge. In the above three critical areas Mr. SELVAKUMAR has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Team Work

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : VAISHNAVI

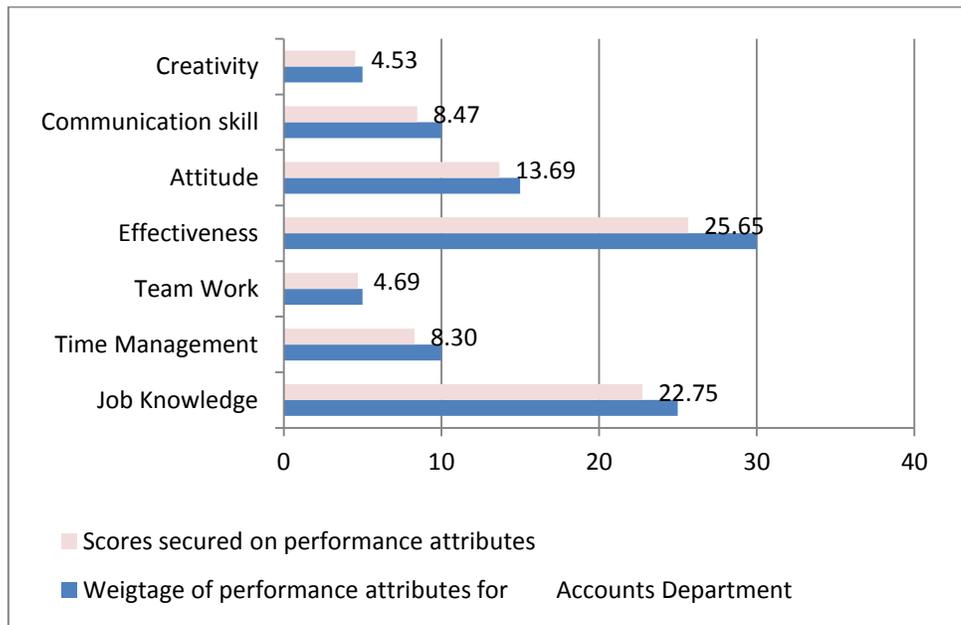
Date of Joining :16.05.2012

Department : Accounts

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MS.VAISHNAVI**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	5	25	22.75	91.00
Time Management	4	10	8.30	83.00
Team Work	5	5	4.69	93.80
Effectiveness	4	30	25.65	85.50
Attitude	5	15	13.69	91.25
Communication skill	4	10	8.47	84.67
Creativity	5	5	4.53	90.67
TOTAL		100	88.08	

**EVALUATION OF PERFORMANCE OF MS. VAISHNAVI**

Performance Grade **A** - Exceeds Expectations in All Areas

**INTERPRETATION:**

The overall performance score of Ms. VAISHNAVI is 88.08. This indicates that she stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Ms. VAISHNAVI has done exemplarily well in Team Work with a score of 93.80%. She is also best in Attitude and Job Knowledge.

The areas that are critical for the Research & Development Department's functioning is Attitude, Effectiveness, Job Knowledge. In the above three critical areas Ms. VAISHNAVI has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Time Management
- Communication Skill

Specific plans of action for the same shall be developed by the Technical Director and Employee.

Name : ARUN

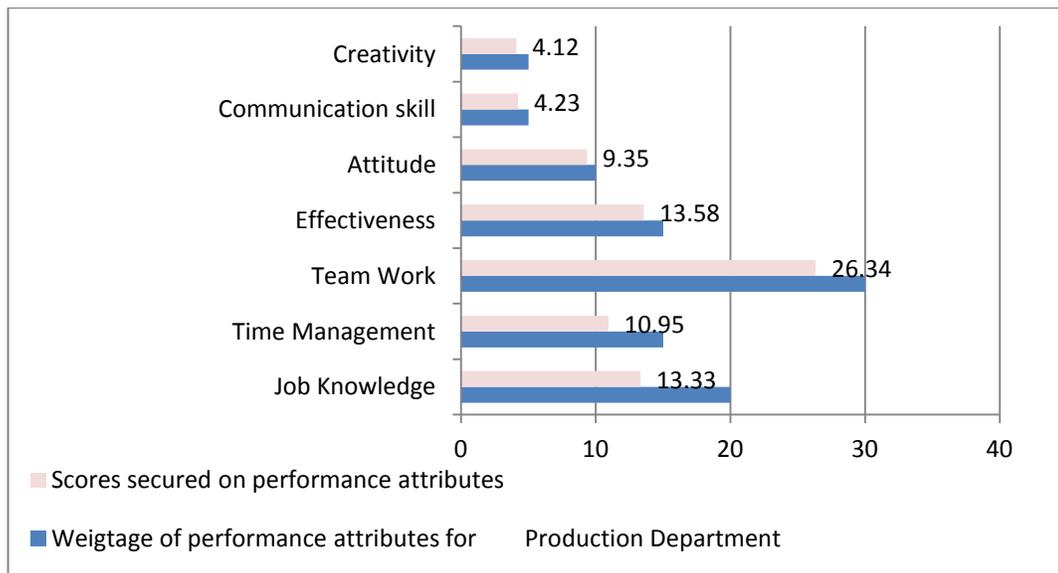
Date of Joining :1.06.2012

Department : Production

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MR. ARUN**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	3	20	13.33	66.67
Time Management	4	15	10.95	73.00
Team Work	4	30	26.34	87.80
Effectiveness	5	15	13.58	90.50
Attitude	5	10	9.35	93.50
Communication skill	4	5	4.23	84.67
Creativity	4	5	4.12	82.33
<b>TOTAL</b>		<b>100</b>	<b>81.90</b>	

**EVALUATION OF PERFORMANCE OF MR. ARUN**

**Performance Grade** A - Exceeds Expectations in All Areas

**INTERPRETATION:**

The overall performance score of Mr. ARUN is 81.90. This indicates that she stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Mr. ARUN has done exemplarily well in Attitude with a score of 93.50%. He is also best in Effectiveness and Team Work.

The areas that are critical for the Production Department's functioning is Team Work, Effectiveness, Job Knowledge. In the above three critical areas Mr. ARUN has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

- Job Knowledge

Specific plans of action for the same shall be developed by the Technical Director and Employee

Name : NAVEEN KUMAR

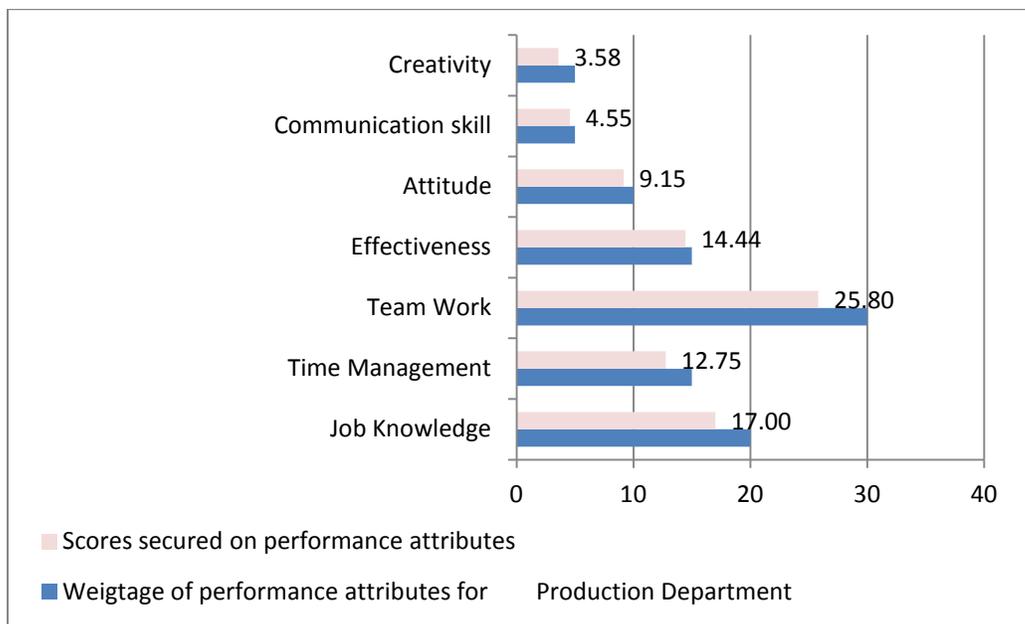
Date of Joining :1.06.2012

Department : Production

Time Period :Yearly

**EVALUATION OF PERFORMANCE OF MR. NAVEEN KUMAR**

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage
Job Knowledge	4	20	17.00	85.00
Time Management	4	15	12.75	85.00
Team Work	4	30	25.80	86.00
Effectiveness	5	15	14.44	96.25
Attitude	5	10	9.15	91.50
Communication skill	5	5	4.55	91.00
Creativity	4	5	3.58	71.67
<b>TOTAL</b>		<b>100</b>	<b>87.27</b>	

**EVALUATION OF PERFORMANCE OF MR. NAVEEN KUMAR**

Performance Grade

**A**

- Exceeds Expectations in All Areas

## **INTERPRETATION**

The overall performance score of Mr. NAVEEN KUMAR is 87.27. This indicates that she stands in A – Grade which is Exceeds Expectations in All Areas.

Looking at the seven attributes that are assumed Mr. NAVEEN KUMAR has done exemplarily well in Effectiveness with a score of 96.25%. He is also best in Attitude and Communication Skill.

The areas that are critical for the Production Department's functioning is Team Work, Effectiveness, Job Knowledge. In the above three critical areas Mr. NAVEEN KUMAR has secured a relatively low score .

Therefore the areas of improvement before the next performance appraisal meeting shall be

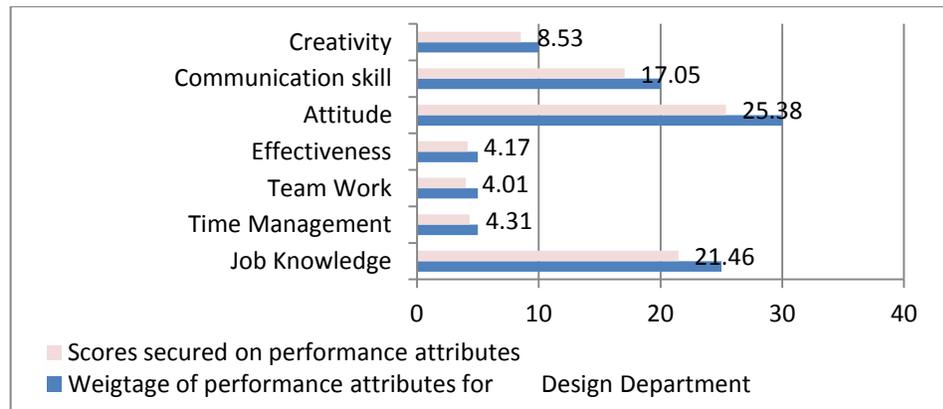
- Job Knowledge
- Team Work

Specific plans of action for the same shall be developed by the Technical Director and Employee

### OVERALL EVALUATION PERFORMANCE FOR DESIGN DEPARTMENT

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage	Rank
Job Knowledge	4.29	25	21.46	85.86	II
Time Management	4.31	5	4.31	86.29	I
Team Work	4.01	5	4.01	80.29	VII
Effectiveness	4.17	5	4.17	83.34	VI
Attitude	4.23	30	25.38	84.61	V
Communication skill	4.26	20	17.05	85.24	IV
Creativity	4.26	10	8.53	85.29	III
TOTAL		100	84.92		

### OVERALL EVALUATION PERFORMANCE FOR DESIGN DEPARTMENT



### INTERPRETATION

The performance evaluation of Design department reveals that, this department has done well with an overall score of 84.92 based on the average score of seven attributes as above.

Looking at the seven attributes, the Design department ranks 1<sup>st</sup> in Time Management with a score of 86.29%. Creativity, Communication Skills and Job Knowledge has done well

The areas that are critical for the Design Department's functioning are Team Work, Effectiveness, and Job Knowledge. In the above three critical areas, the DESIGN department has scored relatively low.

Therefore the DESIGN department has to improve in the following attributes,

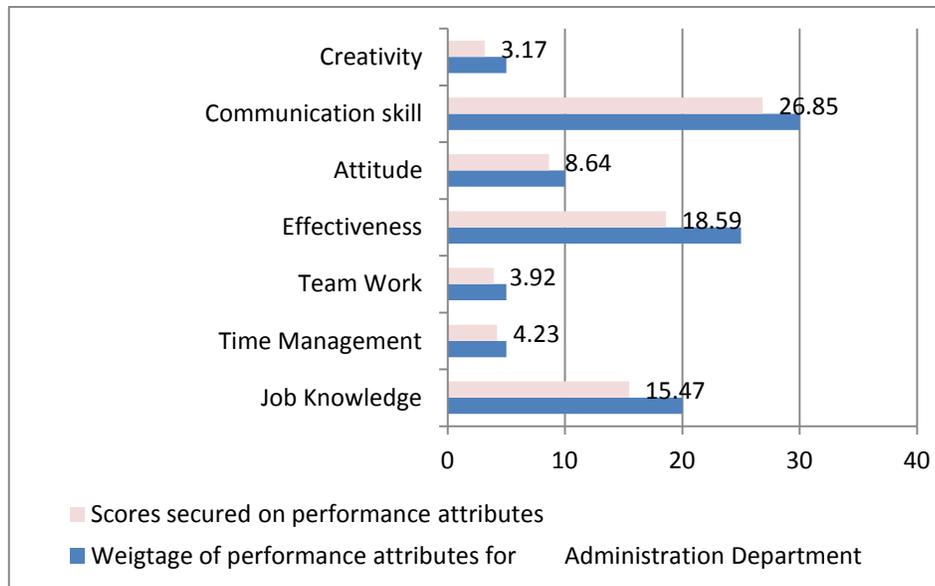
- Team Work
- Effectiveness

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

#### **OVERALL EVALUATION PERFORMANCE FOR ADMINISTRATION DEPARTMENT**

<b>Performance Attributes</b>	<b>Mean score</b>	<b>Weightage of performance attributes</b>	<b>Scores secured on performance attributes</b>	<b>Percentage scored based on weightage</b>	<b>Rank</b>
Job Knowledge	3.87	20	15.47	77.33	V
Time Management	4.23	5	4.23	84.50	III
Team Work	3.92	5	3.92	78.30	IV
Effectiveness	3.72	25	18.59	74.38	VI
Attitude	4.32	10	8.64	86.38	II
Communication skill	4.48	30	26.85	89.50	I
Creativity	3.17	5	3.17	63.33	VII
<b>TOTAL</b>		<b>100</b>	<b>80.85</b>		

## OVERALL EVALUATION PERFORMANCE FOR ADMINISTRATION DEPARTMENT



### INTERPRETATION:

The performance evaluation of Administration department reveals that, this department has done well with an overall score of 80.85 based on the average score of seven attributes as above.

Looking at the seven attributes, the Administration department ranks 1<sup>st</sup> in Communication Skill with a score of 89.50%. Attitude, Team Work, Time Management has done well.

The areas that are critical for the Administration department's functioning are, Communication Skill Effectiveness, and Job Knowledge. In the above three critical areas, the Administration department has scored relatively low.

Therefore the ADMINISTRATION department has to improve in the following attributes,

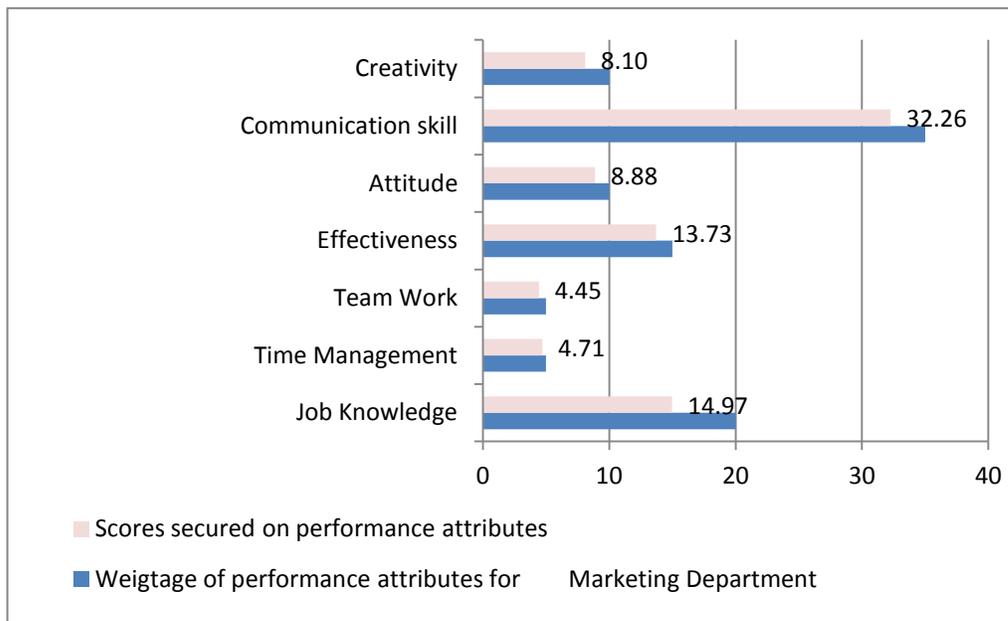
- Creativity
- Effectiveness

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

### OVERALL EVALUATION PERFORMANCE FOR MARKETING DEPARTMENT

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage	Rank
Job Knowledge	3.74	20	14.97	74.83	VII
Time Management	4.71	5	4.71	94.17	I
Team Work	4.45	5	4.45	88.90	IV
Effectiveness	4.58	15	13.73	91.50	III
Attitude	4.44	10	8.88	88.75	V
Communication skill	4.61	35	32.26	92.17	II
Creativity	4.05	10	8.10	81.00	VI
TOTAL		100	87.08		

### OVERALL EVALUATION PERFORMANCE FOR MARKETING DEPARTMENT



## **INTERPRETATION**

The performance evaluation of Marketing department reveals that, this department has done well with an overall score of 87.08 based on the average score of seven attributes as above.

Looking at the seven attributes, the Marketing department ranks 1<sup>st</sup> in Time Management with a score of 94.17%. Effectiveness, Team Work, Communication skill has done well.

The areas that are critical for the Marketing department's functioning are, Communication Skill Effectiveness, and Job Knowledge. In the above three critical areas, the Marketing department has scored relatively low.

Therefore the Marketing department has to improve in the following attributes,

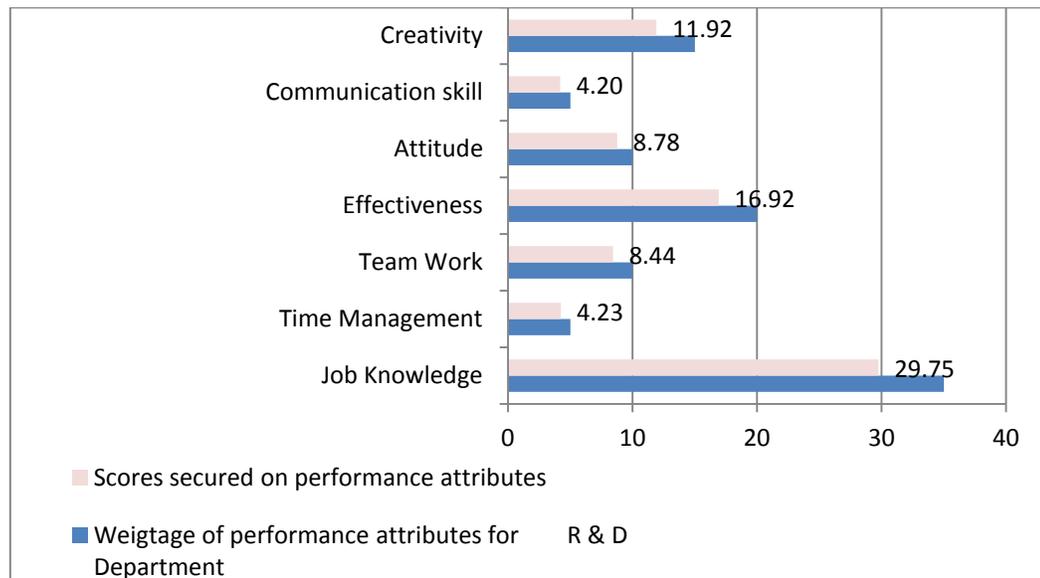
- Creativity
- Job Knowledge

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

### OVERALL EVALUATION PERFORMANCE FOR R&D DEPARTMENT

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage	Rank
Job Knowledge	4.25	35	29.75	85.00	II
Time Management	4.23	5	4.23	84.67	III
Team Work	4.22	10	8.44	84.40	V
Effectiveness	4.23	20	16.92	84.60	IV
Attitude	4.39	10	8.78	87.75	I
Communication skill	4.20	5	4.20	83.93	VI
Creativity	3.97	15	11.92	79.47	VII
TOTAL		100	84.24		

### OVERALL EVALUATION PERFORMANCE FOR R&D DEPARTMENT



## INTERPRETATION

The performance evaluation of Research & Development department reveals that, this department has done well with an overall score of 84.24 based on the average score of seven attributes as above.

Looking at the seven attributes, the Research & Development department ranks 1<sup>st</sup> in Attitude with a score of 8.78%. Job Knowledge, Time Management, Effectiveness has done well.

The areas that are critical for the Research & Development department's functioning are, Creativity, Effectiveness, and Job Knowledge. In the above three critical areas, the Research & Development department has scored relatively low.

Therefore the Research & Development department has to improve in the following attributes,

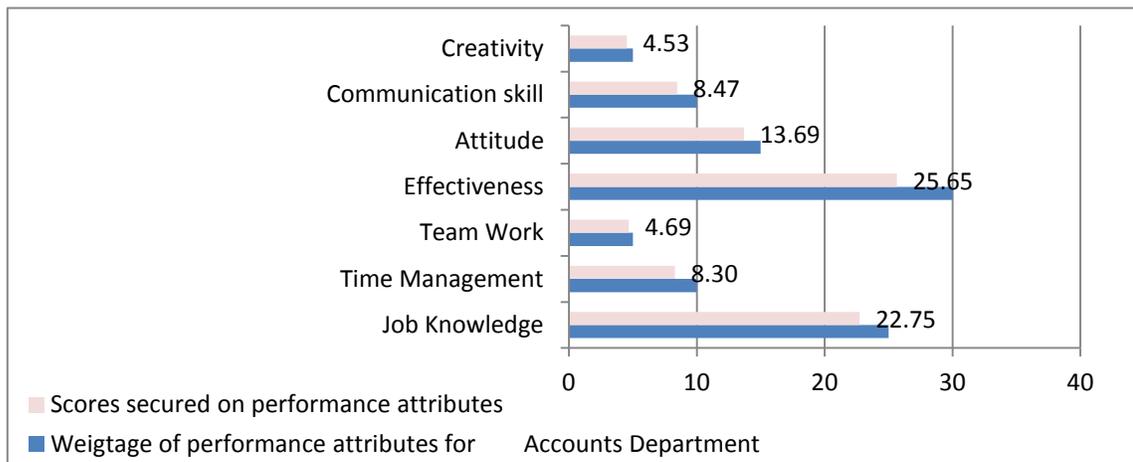
- Creativity

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

### OVERALL EVALUATION PERFORMANCE FOR ACCOUNTS DEPARTMENT

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage	Rank
Job Knowledge	5	25	22.75	91.00	III
Time Management	4	10	8.30	83.00	VII
Team Work	5	5	4.69	93.80	I
Effectiveness	4	30	25.65	85.50	V
Attitude	5	15	13.69	91.25	II
Communication skill	4	10	8.47	84.67	VI
Creativity	5	5	4.53	90.67	IV
TOTAL		100	88.08		

### OVERALL EVALUATION PERFORMANCE FOR ACCOUNTS DEPARTMENT



### INTERPRETATION

The performance evaluation of Accounts department reveals that, this department has done well with an overall score of 88.08 based on the average score of seven attributes as above.

Looking at the seven attributes, the Accounts department ranks 1<sup>st</sup> in Team Work with a score of 93.80%. Job Knowledge, Attitude has done well.

The areas that are critical for the Accounts department's functioning are, Attitude, Effectiveness, and Job Knowledge. In the above three critical areas, the Accounts department has scored relatively low.

Therefore the Accounts department has to improve in the following attributes,

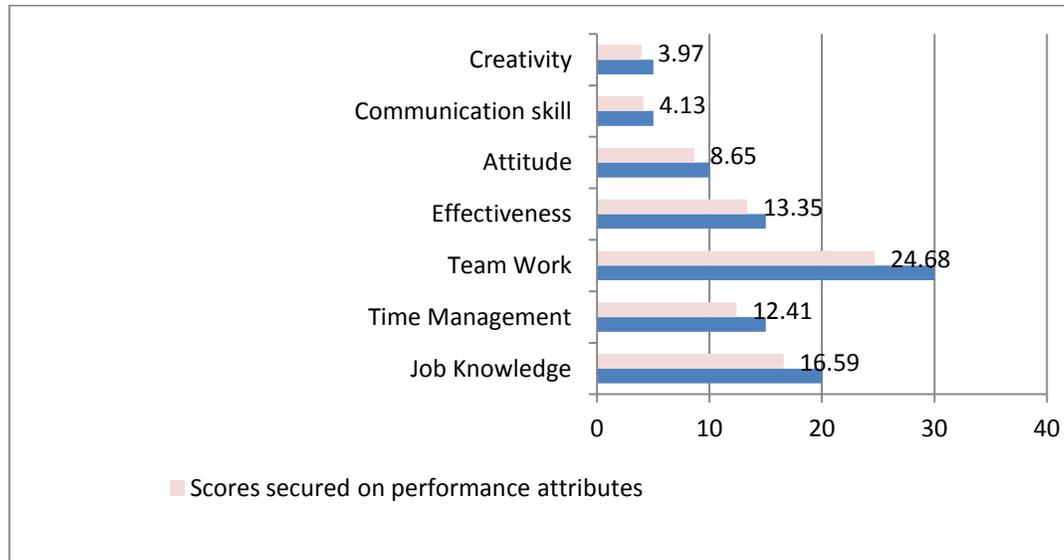
- Time Management
- Creativity

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

#### OVERALL EVALUATION PERFORMANCE FOR PRODUCTION DEPARTMENT

Performance Attributes	Mean score	Weightage of performance attributes	Scores secured on performance attributes	Percentage scored based on weightage	Rank
Job Knowledge	4.15	20	16.59	82.96	III
Time Management	4.14	15	12.41	82.71	V
Team Work	4.11	30	24.68	82.28	VI
Effectiveness	4.45	15	13.35	89.03	I
Attitude	4.33	10	8.65	86.50	II
Communication skill	4.13	5	4.13	82.54	IV
Creativity	3.97	5	3.97	79.38	VII
TOTAL		100	83.78		

## OVERALL EVALUATION PERFORMANCE FOR PRODUCTION DEPARTMENT



### INTERPRETATION

The performance evaluation of Production department reveals that, this department has done well with an overall score of 83.78 based on the average score of seven attributes as above.

Looking at the seven attributes, the Production department ranks 1<sup>st</sup> in Effectiveness with a score of 89.03%. Job Knowledge, Attitude has done well.

The areas that are critical for the Production department's functioning are, Time Management, Team Work and Job Knowledge. In the above three critical areas, the Production department has scored relatively low.

Therefore the Production department has to improve in the following attributes,

- Team Work
- Creativity

Specific plans of action for the improvement shall be developed by the Technical Director and Employees by agreeing mutually for the self-development and for the development for the company.

## CHAPTER 5

### FINDINGS, SUGGESTIONS AND CONCLUSION

#### 5.1 FINDINGS

Individual appraisal was done; the report along with feedback was circulated among employees. Findings of implementing performance appraisal system at department level.

- Employees of Administration department were competent in Communication Skill with a score of 89.50%
- They have predominately done well towards Attitude, Team work and Time management of attributes.
- Employee of Administration department has to improve on Creativity and Effectiveness attributes.
- Employees of Accounts department were competent in Team work with a score of 93.80%
- The overall performance score for Accounts department is 88.08 which is based on the average score of seven attributes.
- They also done their best towards Job knowledge, Attitude attributes.
- More focus and attention should be given towards Time management and Creativity
- The overall performance score for Accounts department is 84.92 which is based on the average score of seven attributes.
- Employees of Design department were exemplary done well in Time management with a score of 86.29%
- They have done their best in Creativity, Communication skill and Job Knowledge.

- Employees of Design department have to improve on Team work and Effectiveness
- The Analysis of Production department reveals, the employees of Production department were competent in Effectiveness with a score of 89.03%
- They have done predominately well on Job knowledge and Attitude.
- The Production department employee has to improve on the Team work and Creativity attributes.
- Employee of Research & Development department were competent in Attitude with a score of 84.24%
- They have done their best on Job knowledge, Time management and Effectiveness
- The overall performance score for Research & Development is 84.24%
- The employee of Production department have to improve on Creativity
- Employee of Marketing department were competent in Time management with a score of 94.17%
- They have done their best on Effectiveness, Team work and Communication skill.
- More focus should be given on Job knowledge and Creativity.

## **5.2 SUGGESTIONS**

The proven results from the analysis of personal performance appraisal has indicated that every employee in the various departments have to improve in certain areas taken into consideration for appraisal analysis. Each and every employee is advised and suggested to follow the below suggestions to improve themselves and for the betterment of the organization.

- Always forecast a job before start of each process.

- Interact with other departments to finalize the complete process before start, which will help to minimize errors and wastage of resources
- Interpersonal and communicational skills to be maintained to a set level of standards to establish an error free communication among, peers, co-workers and with other departments
- Excellent liaising skills need to be developed while interacting both internally and externally.
- A good relationship with the team members to be maintained to avoid disputed while doing performing a job.
- Time management constraints are based on both internal and external forces. Certain external constraints relating to late coming to work are unavoidable like, road blocks, vehicle break down etc. Certain external constraints can avoided by starting early from home.
- Internal time constraints can be reduced to minimal if proper planning is done. Plan the lead times with a buffer in time. This will lead to very good time management solutions. Always discuss with your other departments, vendors and suppliers to finalize the process schedule before committing the lead time.
- Effectiveness can be improved by proper understanding of the job and process before start of a job. If required trainings can be done in the areas where lack of knowledge is felt.
- Improving concentration skills while working also will prove effectiveness.
- Developing listening skills will improve efficiency.
- Creativity is an in born talent. Employees who lag in this can improve by get trained by coworkers who are competent in creative skills or consider to get trained by a professions training institute relating to jobs.
- Performances can also be improved by continuous learning process while in the job and contributing that learning skills to an associated job.

- Hard working alone doesn't help to perform well in a job, smart work as well add value to your performances. Both hard word and smart work will contribute for an excellent performance
- Team work should improve.
- The team work can be improved by clubbing the right person to the right job into the right team.
- Monotonous job should not be allotted between the teams.
- Time management has to improve by changing the existing process
- Plan. Know where you want to go and plan accordingly. Use daily "to do" list
- Learn to procrastinate effectively. Respond only to real needs, preferably yours. Put off until tomorrow that which by tomorrow may not
- Attract employees by offering incentives for high performance. You can give monetary awards, trip tickets or certificates to acknowledge a job well done. These incentives can motivate them more to perform well in order to receive the award. Giving incentive is a good technique to let employees know that they are being appreciated by the management.
- Hand-written notes, personal comments or phone calls to employees are effective methods for improving internal attitudes.

### **5.3 CONCLUSION**

The study depicts that an organization needs performance appraisal system for evaluating the level of employee performance. Since, it helps the employee to improve, as well as to know where they are positioning in their level performance. Performance appraisal system acts as a bridge between the employee and the employer. It delivers the quality feedback about the employee performance which helps them to develop and increase his skills over time. The study concludes that the implementation of performance appraisal system will minimize the errors in an organization and improves productivity.

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