INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

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    INTRODUCTION

    REVIEW OF LITERATURE

    NEED/IMPORTANCE OF THE STUDY

    STATEMENT OF THE PROBLEM

    OBJECTIVES

    HYPOTHESES

    RESEARCH METHODOLOGY

    RESULTS & DISCUSSION

    FINDINGS

    RECOMMENDATIONS/SUGGESTIONS

    CONCLUSIONS

    SCOPE FOR FURTHER RESEARCH

    ACKNOWLEDGMENTS

    REFERENCES

    APPENDIX/ANNEXURE

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BOOKS

*   Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
*   Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

*   Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

*   Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

*   Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES

*   Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

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WEBSITES

*   Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

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EMPLOYEES PERCEPTION OF PERFORMANCE APPRAISAL SYSTEM: A STUDY ON HIGHER EDUCATION INSTITUTES IN JALANDHAR

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ABSTRACT

Performance appraisal is one of the important component of human resource management. It plays a very important role in the job satisfaction of employee in the organisation. This study is based on the Performance Appraisal System of different higher education institutes in Jalandhar. The Purpose of the study is to measure the satisfaction level of employees with their current Performance Appraisal System and to compare the satisfaction level of employees with respect to Performance Appraisal System of their institutes. This comparison is done on the basis of demographic variables (Gender, Marital Status, Age, Year of Service and Monthly Income). In this study employees are faculty members of higher education institutes in Jalandhar. Three variables are used to achieve the objectives of the study that variables are Fairness of the Performance Appraisal System, Incentives of Performance Appraisal System and Reduction of Rater Errors. A sample of 200 respondents from different higher education institutes are taken to conduct the study. The findings revealed that out of 200 respondents maximum no. of respondents are satisfied with their Performance appraisal system, some respondents are highly satisfied and few respondents are those who are dissatisfied with their appraisal system. The findings also revealed that there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to demographic variables. Some suggestion has been made on the basis of findings of the study.

KEYWORDS

Performance Appraisal System, Higher Education Institutes, Fairness of the System, Incentives, Reduction of Rater Errors.

INTRODUCTION

Performance Appraisal System is an important component of Human Resource Management. It is a system which is used to evaluate the performance of an employee in the organisation. The organisation may be a company, industry or any institute. There are many appraisal methods which are used to evaluate the performance of employees. It depends on the organisation which method they are using to evaluate their employees.

In higher education institutes performance assessment and appraisal are often for students. The performance of student is appraised by taking test, assignments, by observing students' behaviour, how well they perform academically, their participation in extracurricular activities, how well they are adapting to their social environment in higher education. Faculty are the most important part of every college and university. The faculty are hired to enable the institution to help accomplish the goals for which the institution has been established. So it is very important to know that how well the faculty members are performing their duties, responsibilities. Do colleges and universities know how well their faculty members are performing and is this being conveyed to the faculty members accurately and on timely basis? Are there well developed Performance appraisals that are used on consistent basis? To know the answers of these questions there should be proper Performance Appraisal System.

Employee wants fair dealing in Performance Appraisal System which is an important component of organisation's Human resource management. Understanding Fairness in performance appraisal practices is important for organisation because it completely link with employee's job satisfaction and organisational commitment.

According to Mondy and Noe (2003) Incentives can be divided into two broad categories that are financial Incentives and Non-Financial Incentives. Financial Incentives are in monetary form which deals with increase in the basic salary of the employee and non-financial Incentives are in non-monetary form like providing leave to the employee, promotion of the employee etc. Employee receives these Incentives when they perform well in the organisation and fulfil their responsibility and duties in a good manner. Any increase on the basic salary of employee's link with the financial Incentives.

Rater Error is defined as an inaccuracy that makes its way into an employee's appraisal that results from a bias, either conscious or unconscious, on the part of the rater. Rater Errors represent a significant concern for organizations as they try to equitably evaluate the performance of their employees. Since it is virtually impossible to eliminate rater errors from the performance appraisal process, it is important for organizations to take steps to minimize their impact in misjudging an employee's overall performance. Some of the common Rater Errors are: - Halo effect, Central tendency, Recent Behaviour (the pitchfork effect), Horn Effect, Problem of leniency or strictness, Similarity Error, Status effect, Spill over effect and Contrast effect.

REVIEW OF LITERATURE

Fakhryan et al. (2012) find the relations between performance appraisal satisfaction and outputs of employees with due attention to the role of intrinsic variable. The result showed that there is a positive relationship between performance appraisal satisfaction and work performance and effective commitment of employees and also a converse relation with tendency to quit job position.

Ahmad et al. (2012) determined the relationship between some selected factors of rating dissatisfaction and employee satisfaction on the appraisal decision. Rater attitude, Rater Errors, halo effect, recency effect are some factors of rating dissatisfaction that examine in this study. The findings of this study show that Rater attitude, recency effect and deflation of marks are significantly related to dissatisfaction among employees in performance appraisal decision.

Miah et al. (2012) investigated the effect of employees perception of performance appraisal process on organisational commitment, job satisfaction and employee retention. He concludes that there is a significant relationship between employee retention and performance appraisal Process but organisational commitment indicates a negative but not significant relationship with performance appraisal process.

Shrivastava and purang (2011) studied the differences between public and private sector banks with respect to perception of Fairness of the Performance Appraisal System and performance appraisal satisfaction.. Results indicated that private sector bank employees perceive greater Fairness and satisfaction with their Performance Appraisal System as compared to public sector bank employees

Pathania et al. (2011) find out that Performance Appraisal System is the most important tool for an organization. Performance Appraisal System is important not only to ensure that an organization achieves its objectives, but also to make sure that the employees qualify the organizational requirements on regular basis. Every organization has its own performance appraisal methods which are designed to evaluate the performance of employees in an organization. It also identifies the training and developmental needs. It serve not only to determine how well an employee is does his or her job, but also to decide the ways to improve the performance.

Karimi et al. (2011) showed that there is a positive relationship between Performance Appraisal System and employee satisfaction where Performance Appraisal System is independent variable and employee satisfaction is dependent variable.

Anjum et al. (2011) in his study find different aspects of Performance Appraisal System and how this can play its role in improving the performance of teachers in higher education institutions of Pakistan and found that the appraisal system does not address the important purpose upon which it should. This is used only for promotion purpose and salary increase. The teachers are not allowed to participate in the planning process of the appraisal system. The teachers are in favour of the use of performance appraisal but they have strong desire of transparent and systematic performance appraisal.

Shadrack M. Kamencu (2011) investigated the effectiveness of Performance Appraisal Systems in Kenya Tea Development Agency. The research revealed that employee training, Performance based pay, Management by Objectives, Competence and Assessment and Development all these factors had an effect on employee performance in Kenya Tea development agency. But the factors which are having more influenced on employee performance are employee training, performance based pay, and management by objectives because these factors are rated to great extent by the employees and the other factors could not be ignored because these factors also rated to a moderate extent by the employees that are Competence, assessment and development.

Jack N. Kondrasuk (2011) finds that Performance Appraisal Systems are improved by rectifying common shortcomings eg. Reducing biases, training those involved using formats with research substantiation. The most important changes requires clarifying the goals of performance appraisal, focusing on both results and behaviour appraisals, adding an appraisal category better timing better involving constituencies.

Swiercz et al. (2010) in his study want to know that how employee perceptions of performance appraisal Fairness (procedural, distributive, and interactional) predicted employee reactions to the system including employee performance, organizational commitment, supervisory satisfaction, job satisfaction, and pay satisfaction. Findings show procedural Fairness is a significant predictor of each of the dependent variables, while distributive Fairness predicts performance and organizational commitment. Interactional Fairness predicts supervisory satisfaction and organizational commitment.

Monis (2010) studied and analysed the perception of employees with Performance Appraisal System and also analyse the satisfaction level of employees with Performance Appraisal System and finds that the BPO employees are not highly satisfied with the Performance Appraisal System being practiced by the BPO's Industry.

Zhang, Lovegrove (2009) find out that the employees' perception of justice has a positive relationship to their overall satisfaction with both the performance appraisal process and its outcomes. However, statistically significant differences were found in relation to whether employees had received training in performance appraisal or not.

Talukdar (2007) proposed an idea that organisation need to evaluate their employees in a timely manner to determine the lack of rightwardness in the employee's effort. By doing so an organisation can reward its employees by giving promotion and other benefits. This study tries to compare the Performance Appraisal System of local bank with multinational bank. Both banks are using quantitative and qualitative performance appraisal criteria. Judgemental approach is widely used by both banks in their performance evaluation system. Immediate boss plays a significant role in deciding the fate of the appraises. It has been seen that though there exist a good Performance Appraisal System in both cases, good amount of training and counselling is still necessary for both the appraiser and appraises.

Flaniken (2006) studied the satisfaction of performance appraisal process among staff members in American higher education but dissatisfaction was found with the appraisal process due to (a) lack of leadership support, (b) supervisors not being held accountable for the timely completion of appraisals, and (c) the lack of training provided supervisors for doing performance appraisals well.

Cochran (2006) expressed that the 360 degree feedback tool has many positive aspects and its use is becoming more widespread. The power of the 360 degree feedback tool is that it provides clear and important performance appraisal information from a variety of sources.

Veld Kamp et al. (2005) says that factors like 360 degree appraisal, procedural justice, goal setting and performance feedback scored relatively high for the effectiveness of Performance Appraisal System whereas performance based pay received the less score for the effectiveness of Performance Appraisal System.

Moulder (2001) states that performance appraisals are valued for defining expectations and measuring the extent to which expectations are met. He indicates that appraisals are useful in setting goals and in fostering improved communications among work groups and between employees and supervisor.

Janice S. Miller (2001) in his study assessed the self-monitoring characteristics and level of satisfaction with Performance Appraisal System of 12 project team members in five different organisation and conclude that self-monitoring level was negatively associated with appraisal satisfaction.

Cascio (1998) defines performance appraisal as a process to improve employees work performance by helping them realize and use their full potential in carrying out organisation's mission and to provide information to employees and managers for use in making work related decisions.

Maddux (1987) reports that performance appraisal provides a performance appraisal periodic opportunity for communication between the person who assigns the work and the person who performs it, to discuss what they except from others and how well those expectations being met.

NEED AND SCOPE OF THE STUDY

Performance appraisal system plays a very important role in the job satisfaction of employee. If employees are not satisfied with their appraisal system then this will lead to employee attrition. If the appraisal system of the organisation is not fair then this will lead to dissatisfaction of employee with the appraisal system which in future lead to their dissatisfaction with the job and employee will leave the organisation that is increase in employee attrition. Dissatisfaction with the appraisal system is the most important reason of increasing employee attrition day by day. Increase in Employee Attrition is the main reason of doing this study. This study will help in making those strategies which are helpful in reducing employee attrition.

OBJECTIVES OF THE STUDY

➢ To measure the satisfaction level of faculty members with the current Performance Appraisal System of their institute.
➢ To compare the satisfaction level of faculty members with respect to Performance Appraisal System of their institutes.

HYPOTHESES

H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Gender.
H_1 - There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Gender.
H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Marital Status.
H_2 - There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Marital Status.
H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Age.
H_3 -There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Age.
H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Year of Service.
H_4 - There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Year of Service.
H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Monthly Income.
H_5 - There is a significance difference between the satisfaction levels of faculty members with Performance Appraisal System according to Monthly Income.
The hypotheses are made based on the second objective i.e. to compare the satisfaction level of faculty members with respect to Performance Appraisal System of their institutes. This comparison is done on the basis of demographic variables (Gender, Marital Status, Age, Year of Service and Monthly Income).

RESEARCH METHODOLOGY

SOURCES OF DATA

For this study both primary as well as secondary data was used. The primary data for the study has been collected with the help of faculty members by using well-structured questionnaire and secondary data was collected from books, journals and various websites. The questionnaire is divided into three parts. The first part deals with the Demographic Profile of the respondents, second part deals with some basic questions related to Performance Appraisal System and the third part deals with the statements related to the variables which are used in the study that variables are Fairness of the Performance Appraisal System, Incentives of the Performance Appraisal System and Reduction of Rater Errors. Third part of the questionnaire deals with statements based on likert scale where 1 means strongly disagree and 5 means strongly agree. The third variable i.e. Reduction of Rater Errors contain some negative statements if respondent view is strongly disagree about the statement that means they rate as no. 5 and if their response is strongly agree they rate as no. 1 here we reverse the score because lesser is the Rater Errors higher they are satisfied with their appraisal system

RESEARCH DESIGN

Descriptive Research Design has been used to achieve the objectives of the study.

SAMPLING SIZE

For this study, 200 employees have been taken as the sample. Here employees are the faculty members of the higher education institutes in Jalandhar. The sample has been collected from four higher education institutes i.e. CT Group of Institutions, Apeejay institute of Fine Arts, D.A.V Institute, Apeejay institute of Management.

SAMPLING TECHNIQUE

Convenience sampling technique has been used in this study. Selection of faculty members and institutes is done according to convenience sampling technique.

RESULT AND DISCUSSION

This section contains the analysis of data collected during the survey. Data is analysed by using MS-Excel and SPSS. Data so collected is being interpreted as per the objectives of the study.

The first objective is to measure the satisfaction level of faculty members with the current Performance appraisal system of their institutes. This objective is achieved with the help of three variables Fairness, Incentives and Reduction of Rater Errors. The average of the responses of respondent is taken according to these three variable (Fairness average, Incentives average and Reduction of Rater Errors average) after that weighted average of these three variables has been taken (Fairness average+ Incentives average+ Reduction of Rater Errors average/3). Now every respondent has a one value for the satisfaction of Performance Appraisal System according to these three variables.

Below is the example of responses of 5 respondents to show that how these calculations was done on excel sheet to know the satisfaction level of respondents.

FAP Stands for Fairness of Performance Appraisal System

Respondent No.	FAP1	FAP2	FAP3	FAP4	FAP5	FAP6	FAP7	FAP8	FAP9	FAP10	FAP11	FAP12	Fairness Average
1	4	4	4	4	4	2	4	4	2	4	5	4	3.8
2	4	4	4	4	4	2	5	5	2	4	4	4	3.8
3	4	4	4	4	4	2	5	4	2	4	4	4	3.8
4	4	4	4	4	4	2	5	4	2	5	4	4	3.8
5	4	4	4	4	4	3	5	4	3	5	5	5	4.2

Here FAP1 to FAP12 represents the 12 statements which is related to fairness of Performance Appraisal System.

IAP Stands for Incentives of Performance Appraisal System

Respondent No.	IAP1	IAP2	IAP3	IAP4	IAP5	IAP6	IAP7	IAP8	Incentives Average
1	4	4	4	3	4	4	4	4	3.9
2	4	4	4	3	3	4	4	4	3.8
3	4	4	4	3	4	4	5	5	4.1
4	4	4	4	3	4	4	5	5	4.1
5	5	5	5	5	5	5	5	5	5.0

Here IAP1 to IAP8 represents the 8 statements which is related to incentives of Performance Appraisal System

RE Stands for Reduction of Rater's Error

Respondent No.	RE1	RE2	RE3	RE4	RE5	RE6	RE7	RE8	RE9	RE10	Reduction of rater's error average
1	2	3	2	3	1	1	1	3	2	2	2.0
2	1	3	1	1	2	1	1	1	2	2	1.5
3	1	3	1	1	1	1	1	1	1	1	1.2
4	3	3	3	2	2	3	1	1	3	3	2.4
5	2	3	2	3	2	3	2	2	2	2	2.3

Here RE1 to RE10 represents the 10 statements which is related to Reduction of Rater Errors.

Respondent No.	Fairness average	Incentives Average	Reduction of Rater Errors average	Fairness Average+Incentives Average+Reduction of rater errors Average/3	value less than 2.5 dissatisfied more than 3.5 highly Satisfied and the values in between 2.5-3.5 Satisfied	Highly Satisfied Respondent	Satisfied Respondent	Dissatisfied Respondent
1	3.8	3.9	2.0	3.2	Satisfied		Satisfied	
2	3.8	3.8	1.5	3.0	Satisfied		Satisfied	
3	3.8	4.1	1.2	3.0	Satisfied		Satisfied	
4	3.8	4.1	2.4	3.5	Highly Satisfied	Highly Satisfied		
5	4.2	5.0	2.3	3.8	Highly Satisfied	Highly Satisfied		

In this way satisfaction level of 200 respondents is measured. The respondent whose value is less than 2.5 are considered as dissatisfied with their Performance Appraisal System, the respondent whose value is more than 3.5 is highly satisfied with their Performance Appraisal System and the respondent whose value lies between 2.5-3.5 is satisfied with their appraisal system. The result indicate that out of 200 respondents 36 respondents are highly satisfied with their Performance Appraisal System, 161 respondents are those who are satisfied with their Performance Appraisal System and 3 respondents those who are completely dissatisfied with their Performance Appraisal System. The respondent who are highly satisfied with their appraisal system think that their system is fair and free from Rater Errors completely and they are getting proper incentives according to their performance. The respondent who are satisfied with their appraisal system think that their system is fair and free from Rater Errors but not up to the level which they want and they are getting incentives but not appropriate according to their performance they want some changes in the system to be highly satisfied with that and the respondents who are dissatisfied with their appraisal system think that their system is not fair, full of Rater Errors and they are not getting proper incentives according to their performance and if they are getting another opportunity they will leave the job in future.

The second objective of the study is to compare the satisfaction level of faculty members with respect to Performance Appraisal System of their institutes. In this objective comparison is done on the basis of demographic variables like Gender, Marital status, Age, Year of Service and Monthly Income. In order to compare the satisfaction level of respondents two statistical tools are used that are 2 independent sample test and k independent sample test. These are non-parametric test. The non-parametric test is used when the data is not normal. 2 independent sample test is used to compare satisfaction level according to Gender and

Marital status and k independent sample test is used when grouping variable has more than 2 values. So k independent sample test is used to compare satisfaction level according to Age, Year of Service and Monthly Income. The hypotheses based on this objective are as:-

H_0 - There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Gender.

H_1 - There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Gender.

TABLE 1: SHOWS THE DIFFERENCE BETWEEN THE SATISFACTION LEVEL OF FACULTY MEMBERS WITH PERFORMANCE APPRAISAL SYSTEM ACCORDING TO GENDER

TEST STATISTICS	
	Fairness, Incentives and Reduction of Rater Errors average
Mann-Whitney U	4542.500
Wilcoxon W	10213.500
Z	-1.087
Asymp. Sig. (2-tailed)	.277
a. Grouping Variable: Gender	

Table 1 shows that the significance value is .277 which is more than the level of significance value that is .05 so the null hypothesis is accepted and alternative hypothesis is rejected that means there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Gender. The previous study (Karimi, 2011) also supports the result that there is no significance difference between the satisfaction level of male and female respondents with Performance Appraisal System.

H_0- There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Marital status.

H_2- There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Marital status.

TABLE 2: SHOWS THE DIFFERENCE BETWEEN SATISFACTION LEVEL OF FACULTY MEMBERS WITH PERFORMANCE APPRAISAL SYSTEM ACCORDING TO MARITAL STATUS

TEST STATISTICS	
	Fairness, Incentives and Reduction of rater Errors average
Mann-Whitney U	3836.500
Wilcoxon W	14714.500
Z	-.165
Asymp. Sig. (2-tailed)	.869
a. Grouping Variable: Martial Status	

Table 2 shows that the significance value is .869 which is more than the value of level of significance i.e. .05 so the null hypothesis is accepted and alternative hypothesis is rejected that indicates that there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Marital Status. The previous study (Karimi, 2011) also supports the result that there is no significance difference between the satisfaction level of respondents with Performance Appraisal System according to Marital Status.

H_0— There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Age.

H_3—There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Age.

TABLE 3: SHOWS THE DIFFERENCE BETWEEN THE SATISFACTION LEVEL OF FACULTY MEMBERS WITH PERFORMANCE APPRAISAL SYSTEM ACCORDING TO AGE

TEST STATISTICS	
	Fairness, Incentives and Reduction of rater Errors average
Chi-Square	3.302
Df	3
Asymp. Sig.	.347
a. Kruskal Wallis Test	
b. Grouping Variable: Age	

Table 3 shows that the significance value is .347 which is more than level of significance i.e. .05 so the null hypothesis is accepted and alternative hypothesis is rejected that means there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Age. The previous study (Karimi, 2011) also supports the result that there is no significance difference between the satisfaction level of respondents with Performance Appraisal System according to Age.

H_0- There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Year of Service

H_4-There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Year of Service.

TABLE 4 SHOWS THE DIFFERENCE BETWEEN THE SATISFACTION LEVEL OF FACULTY MEMBERS WITH PERFORMANCE APPRAISAL SYSTEM ACCORDING TO YEAR OF SERVICE

TEST STATISTICS	
	Fairness, Incentives and Reduction of rater Errors average
Chi-Square	3.533
Df	3
Asymp. Sig.	.317
a. Kruskal Wallis Test	
b. Grouping Variable: Year of service	

Table 4 shows that the significance value is .317 which is more that the level of significance .05 so the null hypothesis is accepted and we reject the alternative hypothesis that means there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to

Year of Service. The previous study (Karimi, 2011) also supports the result that there is no significance difference between the satisfaction level of respondents with Performance Appraisal System according to Year of Service.

Ho- There is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Monthly Income.

H_5- There is a significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Monthly Income.

TABLE 5: SHOWS THE SIGNIFICANCE DIFFERENCE BETWEEN THE SATISFACTION LEVEL OF FACULTY MEMBERS WITH PERFORMANCE APPRAISAL SYSTEM ACCORDING TO MONTHLY INCOME

TEST STATISTICS	
	Fairness, Incentives and Reduction of rater Errors average
Chi-Square	4.153
Df	3
Asymp. Sig.	.245
a. Kruskal Wallis Test	
b. Grouping Variable: Monthly Income	

Table 5 shows that the significance value is .245 which is more than level of significance i.e. .05 so null hypothesis is accepted and alternative hypothesis is rejected that means there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to Monthly Income. The previous study (Karimi, 2011) also supports the result that there is no significance difference between the satisfaction level of respondents with Performance Appraisal System according to Monthly Income.

FINDINGS

➢ The findings of the study indicate that out of 200 respondents 36 respondents are highly satisfied with their Performance Appraisal System, 161 respondents are those who are satisfied with their Performance Appraisal System and 3 respondents are those who are completely dissatisfied with their Performance Appraisal System.

➢ The findings revealed that there is no significance difference between the satisfaction level of faculty members with Performance Appraisal System according to demographic variables (Gender, Marital status, age, year of service, monthly income).

SUGGESTIONS

Based on the findings some suggestions has been made. The institute has to make some strategies so that faculty members are highly satisfied with their appraisal system. For the satisfaction of faculty members the institute has to make the Performance Appraisal System Fair and free from Rater Errors. For this there is no partial behaviour from the side of Rater. The system should free from Rater Errors all the employees are treated equally. Every employee should be rated on the basis of current performance no one should be rated on the basis of their previous performance. Every employee should get incentives according to their work done that means proper incentives should be given to the employee according to their performance. Proper feedback is provided to the employees after the rating of their performance that in which area they need improvement and in which area they are good. Proper training is provided to the employees for their improvement. Proper motivation is given to the employees to perform well in future. By using these strategies employee feel satisfied with their Performance Appraisal System and if employees feel satisfied with their Appraisal System that means they are also satisfied with their job. With the help of these strategies employee attrition may be reduced up to some extent.

CONCLUSION

The study concludes that Performance appraisal system plays a very important role for the satisfaction of employee with the job. If employee is satisfied with their appraisal system then they are satisfied with their job so satisfaction of employee with Performance Appraisal System is very important. Now it is concluded that for the satisfaction with Performance Appraisal System the system should be Fair, free from Rater Errors and the employees are getting proper incentives according to their performance so that they are motivated to perform better in future.

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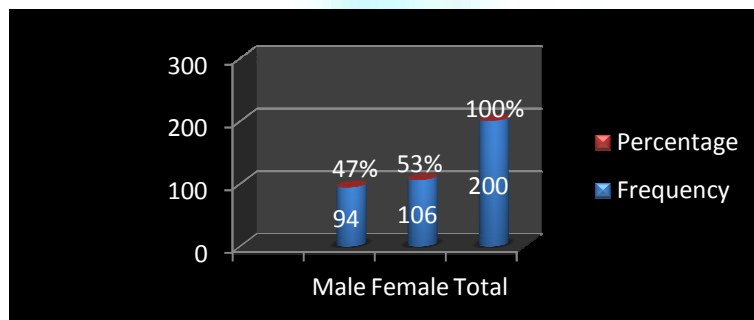
ANNEXURE
DEMOFRAPHIC PROFILE OF RESPONDENTS

TABLE 6: SHOWS THE GENDER OF RESPONDENTS

	Frequency	Percentage
Male	94	47%
Female	106	53%
Total	200	100%

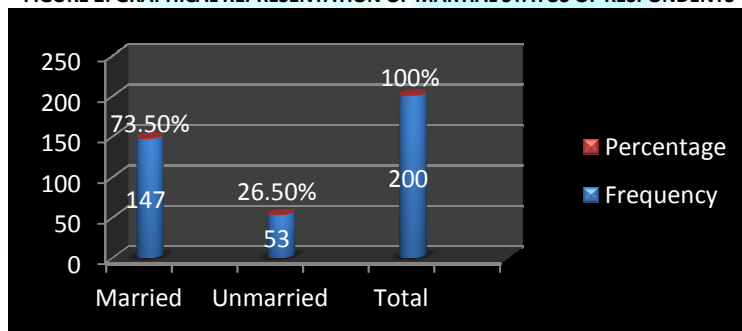**FIGURE 1: GRAPHICAL REPRESENTATION OF GENDER OF RESPONDENTS**

Above Table and Figure shows that in the study out of 200 respondents 47% respondents are male and 53% respondents are female

TABLE 7: SHOWS THE MARITAL STATUS OF THE RESPONDENTS

	Frequency	Percentage
Married	147	73.5%
Unmarried	53	26.5%
Total	200	100%

FIGURE 2: GRAPHICAL REPRESENTATION OF MARTIAL STATUS OF RESPONDENTS

Above Table and Figure Shows that out of 200 respondents 73.5% respondents are married and 26.5% respondents are unmarried

TABLE 8: SHOWS THE AGE OF RESPONDENTS

	Frequency	Percentage
Less than 30 years	86	43%
Between 30-40 years	94	47%
Between 40-50 years	14	7%
Above 50 years	6	3%
Total	200	100%

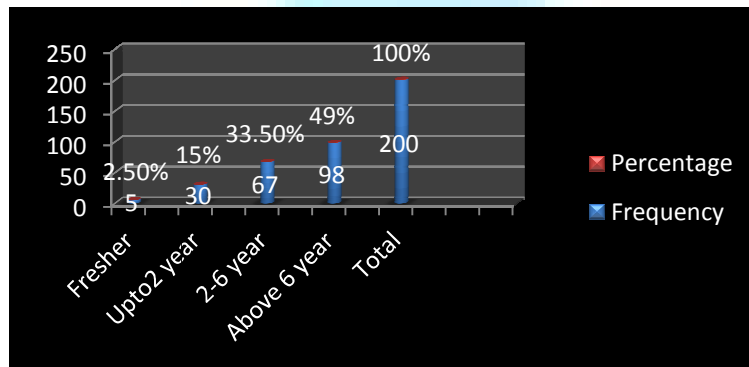**FIGURE 3: GRAPHICAL REPRESENTATION OF AGE OF RESPONDENTS**
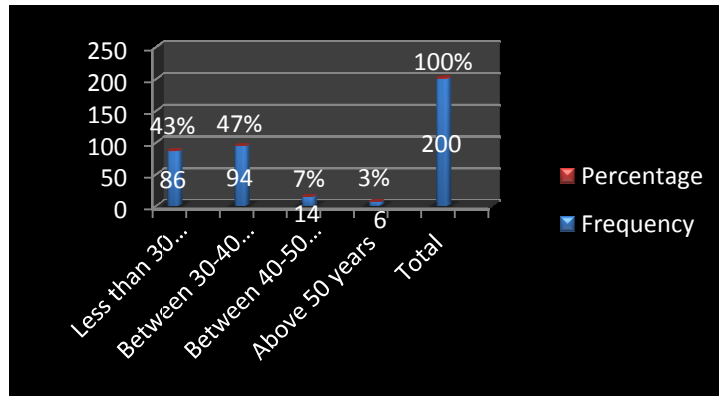
Above Table and graph shows that out of 200 respondents 43% respondents are those whose age is less than 30 year, 47% respondents are those whose age lie between 30-40 years , 7% respondents are those whose age lie between 40-50 years and 3% respondents are those whose age is above 50 year.

TABLE 9: SHOWS THE YEAR OF SERVICE OF RESPONDENTS

	Frequency	Percentage
Fresher	5	2.5%
Upto2 year	30	15%
2-6 year	67	33.5%
Above 6 year	98	49%
Total	200	100%

**FIGURE 4: GRAPHICAL REPRESENTATION OF YEAR OF SERVICE OF RESPONDENTS**

Above Table shows that out of 200 respondents 2.5% respondents are fresher, 15% respondents having an experience of 2 year, 33.5% respondents are those having an experience of 2-6 year, and 49% are those with experience more than 6 years.

TABLE 10: SHOWS THE MONTHLY INCOME OF THE RESPONDENTS

	Frequency	Percentage
Below 15,000	3	1.5%
15,000-20,000	58	29%
20,000-25,000	76	38%
Above 25,000	63	31.5%
Total	200	100%

FIGURE 5: GRAPHICAL REPRESENTATION OF MONTHLY INCOME OF RESPONDENTS
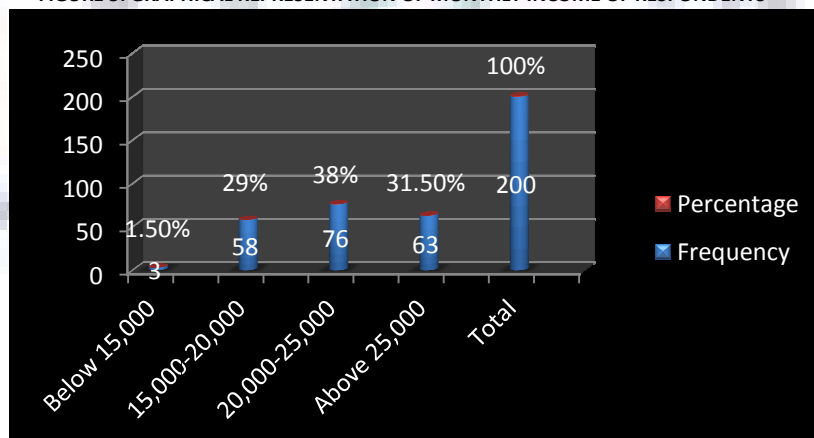
Above Table shows that out of 200 respondents 1.5% respondents having Monthly Income below 15,000, 29% respondents having Monthly Income lie between 15,000-20,000, 38% respondents having Monthly Income lie between 20,000-25000 and the remaining 31.5% respondents having Monthly Income above 25,000.

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