



PERFORMANCE APPRAISALS OF EMPLOYEES/WORKERS IN AN INDIAN CEMENT INDUSTRY: A DIAGNOSTIC STUDY

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ABSTRACT

The 'ZED' cements and mineral industries limited was set up in the year 1955 in the most undeveloped region of east while Andhra Pradesh. Subsequently, the company burgeoned as one of the largest cement manufacturing company in southern India. Later, in the year 2005-06 the company absorbed by M/s N.D GROUP OF INDUSTRIES. Since, its takeover, the chairman put abundant efforts to bring the industry into the peak elevation of the corporate world. For the last 64 years, the company is providing employment to the thousands of unemployed youth and illiterate workers in the region. The company started with initial production of 200 mts per day and reached to 4000 TPD after modernization. Now the original founder of the industry is no more now. His heriditatries are looking after the company.

KEYWORDS: *cements, manufacturing industry, workers, company, employee, employer*

INTRODUCTION

The 'ZED' cements and mineral industries limited was set up in the year 1955 in the most undeveloped region of east while Andhra Pradesh. Subsequently, the company burgeoned as one of the largest cement manufacturing company in southern India. Later, in the year 2005-06 the company absorbed by M/s N.D GROUP OF INDUSTRIES. Since, its takeover, the chairman put abundant efforts to bring the industry into the peak elevation of the corporate world. For the last 64 years, the company is providing employment to the thousands of unemployed youth and illiterate workers in the region. The company started with initial production of 200 mts per day and reached to 4000 TPD after modernization. Now the original founder of the industry is no more now. His heriditatries are looking after the company.

IMPORTANCE OF PERFORMANCE APPRAISALS IN CEMENT INDUSTRY

In any manufacturing industry like cement, the employee employer relationship can be assumed as an exchange process of services where employees extend the services such as caliber, talent and professional skills for maximization of the productivity and as a compensatory measure the employees expect remuneration pocket of compensation and proper and scientific appraisal of the performance of employees. The timely appraisal of the performance of employees have an important influence on their day to day life style, standard of living, feeling of security and stature. From the perspective of the managements of these cement industries, the concept

of performance appraisal includes extraordinary expenditure which needs to be regulated and the capital should engender sufficient revenue to meet the employees needs, enhance their skills, modify their attitudes and finally should improve organizational performance. An exclusive attempt is made in this research study on the performance appraisal practices of a cement industry¹.

In ever increasing corporate culture, the cement industries are functioning in an energetic and highly aggressive climate where the operational strategies of the business are required to change from time to time. The procedure followed for evaluation of the employees performance and compensation practices are two ways in the cement industries where can compile scientific competitive strategies to mesmarise and to keep back of employees with the organisation².

The process of performance appraisal goes with dignity, respect and moral encouragement without any scope to ill-treatment for the employees, such organisations will be preferred by the employees for long-term stay.

It is realized that the various kinds of performance appraisal procedures will hold direct impact on the retention of employees in a particular organization. Further, it is stated that, whenever the employees perceives that the performance appraisal procedures are vital and valuable for the career growth of the employees, they can be motivated positively and stay back with the industry. The employees/workers will extensively be motivated and confidently enhances their skills and desirous of tendering their best cantillations to the

organization. The working environment of any organization should provide challenging benefits and competitive advantages to the employees/workers, and also implementation of scientific performance evaluation procedure for long-term retention of employees/workers.

REVIEW OF LITERATURE

Landy and Farr (1986), the authors in this study underlined on the various challenges and objectives of evaluation of performance appraisal management of employees with a special emphasis on judgmental measures. The authors also examined in this study that the final inadequacy for job performance measures lies with the changing nature of skills required for the work. If an employee who operates the machine is substituted with another employee who tends to a machine, the performance levels will be very high and usage of machine also be optimum. The changing nature of work tends to change the method of performance assessment⁽³⁾.

Deming (1986), has emphasized on disfunctional appraisal practices, because it focuses upon the teamwork, fosters mediocrity, special concern on short-term courses and on the differences of individual employees performance. On flip side, the author expressed his criticism on the appraisal as it purely subjective rather than focussing on the process, and it concentrates on the product only. In conversational factory or assembly line, only we can find small propositional differences in individual employees performance. In this study if the employees are working in the same plant or on the same working process than employees working elsewhere can work with better performance.⁽⁴⁾

Murphy and Cleveland (1995), have stated that the performance appraisal of individuals system, emphasis entirely on the psychometric things of validity, consistency, accurateness of performance measures and degree of rater error, appraisal approach, tracking insights, implementation, and results of an annual performance cycle.⁽⁵⁾

Harris and Moran (1996), In their paper the authors laid emphasis on managing of cultural differences and impact on the performances of the employees in organizations. Authors, figured out and identified that there are certain inter and intra personal cultural differences between superior and subordinates concerned to performance appraisal practices by the organizations. Hence, the individual performance appraisal system came into existence to diagnose the job performance of individual employees. Complete individualistic performance evaluation reaps the benefits to the employees for all their endeavors in accomplishments of organizational goals. On the flip side, collective performance appraisal approach impinges on interdependence culture in any organization.⁽⁶⁾

Robert and Angelo (2001) opined that the success or failure of organizations hinges on the ability to attract, develop, retain, empower and reward a diverse array of appropriately skilled people and is the key to improved performance. Hence, the enthronement of democratic governance in 1999 brought some civil service reforms and Anambra State Civil Service Commission got vested with horizontal powers by law to manage the workforce of the civil service for greater efficiency. The authors noticed in this paper that the rewarding system plays significant role in better performance of the employees.⁽⁷⁾

Armstrong and Brown (2005), the authors stated in this paper that the compensation practice is included in the Human Resources Management approach of any organization. Its

goals and strategies aim to keep focus on the long term problems relating to how the employees should be ranked for their performance and what are their target goals to achieve. Hence, it is integrated with the other functions of HRM with special emphasis on human resources development.⁽⁸⁾

Armstrong (2006), has stated that the objective of performance management is "to get better outcomes for the entire organization, or groups and individuals inside it, with perception and organizing performance appraisal within an established structure of planned goals, principles and with require competence". Performance appraisal management is imperative and concerned with improving the additional process, which implies by improving the efficiency and quality of the liaison between organizational resources, productivities delivered and outcomes attained as the performance relationship.⁽⁹⁾

Hanson and Borman (2006), the authors in their research work emphasized and linked the performance appraisal with motivation and performance improvement. Viewing the same certain behaviours translate the core performance into organizational efficiency. However, there remains a question to be answered.⁽¹⁰⁾

SCOPE OF THE STUDY

The scope of this study is confined to the performance appraisal practices of employees/workers respondents of 'ZED' cements and mineral industries limited only. The outcomes of this study cannot be comparable to any other similar industries or organisations.

OBJECTIVES

The specific objectives of the study are as follows:

- (i) To scrutinise the emerging practices of performance appraisals in 'ZED' cements and minerals industries limited;
- (ii) To appraise the degree of satisfaction/dissatisfaction of employee/worker respondents towards the emerging practices of performance appraisals in 'ZED' cement company;
- (iii) To investigate the grounds for the dissatisfaction of employee/worker respondents in 'ZED' cements towards the emerging practices of performance appraisals and; and
- (iv) To endeavor the viable ways and means to slaughter the animosity prevailed among the employee/worker respondents towards the emerging practices of performance appraisals in 'ZED' cement company.

RESEARCH METHODOLOGY

The methodology consists of data collection from primary as well as secondary sources. Through the survey method the first hand information was collected from 60 employees/worker respondents from the study unit.

SAMPLE DESIGN AND SAMPLE SIZE

A stratified random sampling technique was followed and 25 percent of the core population/employees/workers from the study unit were selected as sample respondents which stood at a sample size of 60 members.

ANALYSIS OF THE DATA

The information extracted from primary sources was scientifically tabulated and analyses several statistical tools such as (i) percentages; (ii) averages; (iii) Weighted mean scores; and (iv) ANOVA are calculated at appropriate levels and the inferences were drawn.

THE LIMITATIONS

- i. The study is confined to only one cement industry which is located in southern India
- ii. The size of sample is 60 only where the number is very meagre.

RESEARCH FINDINGS

1. The challenges involved in the job have not taken into consideration while assessing the performance of employees/workers. Certain jobs are easy to perform while certain other jobs are very difficult to perform. While implementing the group incentives, the performance of all the employees poor or rich is given same weightage (26.66%).
2. There is no disparity in individual performance pay and group incentives performance pay. Certain common methods of performance appraisals are adopted for all the employees/workers (23.33%).
3. Absence of qualified professionals and senior officials to evaluate the performance of employees/workers on scientific basis without any bias. In the absence of qualified and well experienced professionals for evaluation of employees/workers performance, various unhealthy practices such as prejudice, nepotism and red tapism are taking place in evaluating the employees/workers performance (20.00%).
4. Proper H.R. interventions are not employed to identify the suitability of the employees for a particular job. The performance evaluating officers are not keeping in mind, the suitabilities of the competencies, strengths and weaknesses of the particular employees for current openings (18.33%).
5. In the present performance appraisal system, there is no provision to classify the employees/workers as (i) Extraordinary performers (ii) Normal performers; and (iii) Poor performers. In the absence of this classification, the high performers and poor performers all are being equal (11.66%).

SUGGESTIONS

1. A Scientific and rational performance appraisal procedure only be introduced into the organisation to evaluate the performance of the employees/workers. While evaluating the performance of the employees/workers, the challenging job responsibilities that are adhered with the job and are difficult to tackle are to be taken into consideration. Topmost priority and additional advantages should be given to the difficult and hardcore task performers while fixing the incentives.
2. Specific and advantageous pay structure linked with incentives should be developed for evaluating the individual performance of the employees/workers and group performance of them separately.

3. A post-graduate in human resource management from reputed institutes like IIM with at least eight years of experience in evaluating the performance of employees in an corporate undertaking should be appointed as a H.R. Manager to look after the performance appraisals of employees/workers In ZED company. Further, under his direction a team of human resource professionals consisting of at least 4 numbers should be appointed to assist the H.R. Manager. So that the errors of bias and prejudice can be avoided while assessing the performance of the employees/workers.
4. Proper and scientific H.R. mechanism should be developed to explore the suitability of particular employees for particular job. The proposed H.R. manager and his team of H.R. professionals should keep in mind the suitabilities of particular employees for particular jobs, their competencies, strengths and weaknesses for current openings and accordingly they must be given placements.
5. Scientific classification/categorisation of employees/workers should be done basing on their calibre such as (i) extra ordinary performers; (ii) Normal performers; and (iii) Poor performers and accordingly their performance be evaluated depending upon their productivity in the job. The relevant assignments may also be fixed as per the performance in their job.

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