

## AN EMPIRICAL STUDY ON EFFECTIVENESS OF PERFORMANCE APPRAISAL IN RELIANCE FRESH LTD, CHENNAI

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**Abstract:** This paper goes for examining results of performance appraisal, considers that can make damage to the Performance Appraisal viability in the point of view of Reliance Fresh Ltd, Chennai. Performance appraisal empowers a worker to know how his/her performance and to recognize zones which require change and appropriate preparing. Viable appraisal framework serves decides how well a worker is functioning at his or her employment furthermore chooses the approaches to enhance his/her performance. The target of the study was to comprehend the adequacy of the performance appraisal framework at Reliance Fresh Limited, Chennai. The examination instrument utilized as a part of our study is principally Questionnaire. The example size is 100. Unmistakable exploration is received in leading this study. The factual apparatus utilized is rate investigation, chi square examination and rank connection technique.

**Key words:** Process of the effective performance appraisal and methods of performance appraisal.

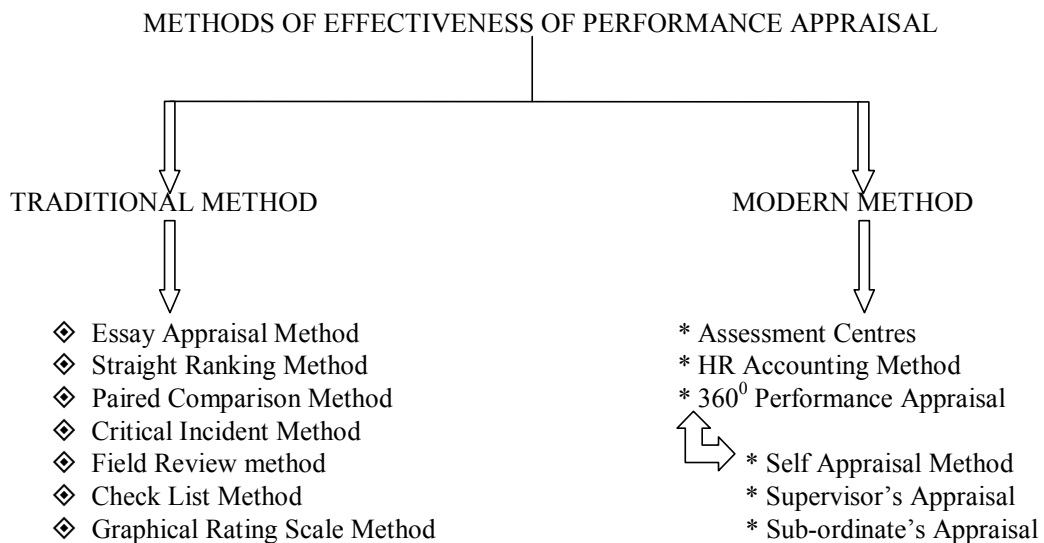
### INTRODUCTION

Verging on each association in somehow experiences an intermittent custom, formally or casually, known as performance appraisal. The formal performance appraisal has been known as an apparatus of administration, a control process, a movement and a basic component in HR portion. Utilizes for performance appraisal have included equivalent business opportunity contemplation, advancements, exchange and compensation increments. Fundamentally performance appraisal has been viewed as a general framework for controlling an association. Performance appraisal has likewise been called a review capacity of an association with respect to the performance of people, gatherings and whole divisions. The concentrate additionally inspected the utilization of performance appraisal for conveying desires of both the association and the representative. Advantages of corresponding

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with one another were noted. There are two main roles of performance appraisal: evaluative and formative. The evaluative reason for existing is expected to educate individuals of their performance standing. The gathered performance information are much of the time used to remunerate superior and to rebuff poor performance. The formative reason for existing is proposed to recognize issues in workers performing the appointed errand. The gathered performance information are utilized to give vital expertise preparing or proficient development. The reason for performance appraisal must be plainly conveyed both to raters and rateres, on the grounds that their responses to the appraisal procedure are fundamentally distinctive relying upon the planned reason. Inability to illuminate about the reason or misdirecting data about the reason might bring about incorrect and one-sided appraisal reports.

## METHODS OF EFFECTIVENESS OF PERFORMANCE APPRAISAL



## PROCESS OF EFFECTIVE PERFORMANCE APPRAISAL

- Establishing performance standards
- Communicating the standards
- Measuring the actual performance
- Comparing the actual with the standard performance

- Discussing the results
- Decision making

## **RELIANCE RETAIL LIMITED**

### **History**

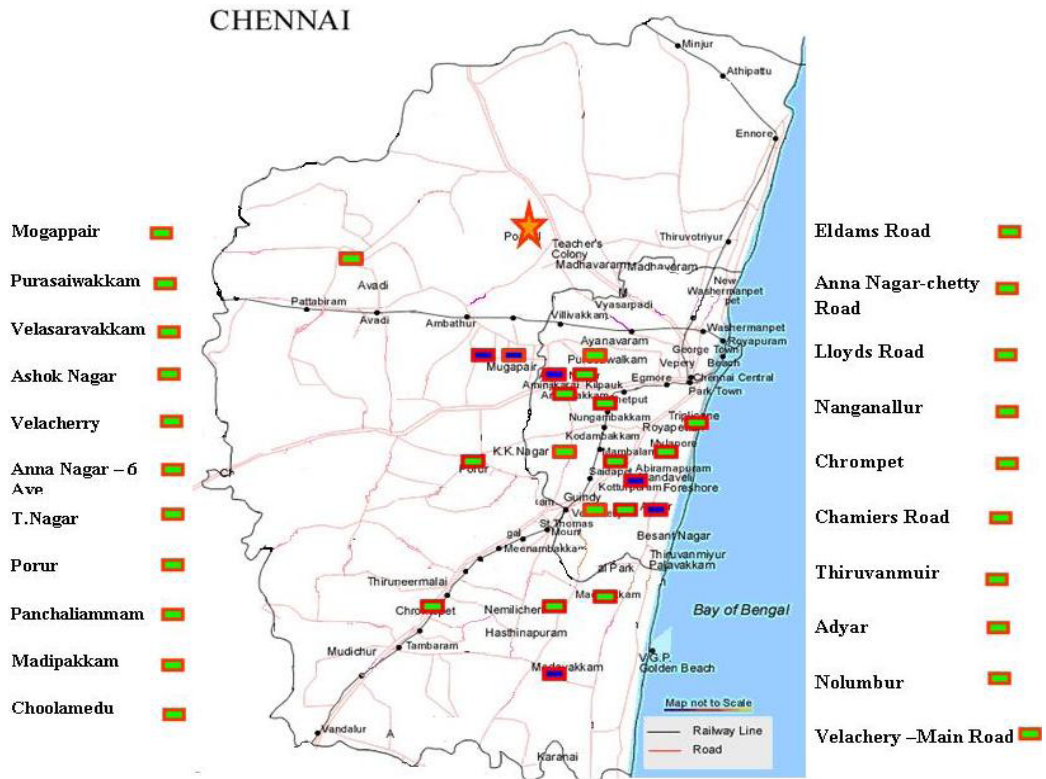
Reliance Retail Limited (RRL) is a backup of Reliance Industries Limited, which is situated in Mumbai. RRL was set up in 2006 and marks the raid of the Reliance Group into composed retail. RRL has been conceptualized to incorporate development for ranchers, seller accomplices, little retailers and buyers. It depends on Reliance's regressive reconciliation system, to fabricate a quality chain beginning from agriculturists to purchasers.

### **Business Divisions**

Reliance Retail Ltd. has a number of company-owned outlets along with a franchisee format that would be in collaboration with Kirana shop owners. Its various divisions are:

- Reliance Mark
- Reliance Fresh
- Reliance Super
- Reliance Digital
- Reliance Trends
- Reliance Wellness
- Reliance Footprints
- Reliance Jewels
- Reliance Timeout

## Map of Reliance Retail Outlets in Chennai



## OBJECTIVES OF THE STUDY

- To study the effectiveness of the performance appraisal system in Reliance Fresh Ltd.
- To measure the employee satisfaction with the current appraisal system followed in Reliance fresh private limited.
- To identify the helpfulness of training programme in the PA system in Reliance Fresh.
- To offer valuable suggestions to improve the effectiveness of performance appraisal.

## REVIEW OF LITERATURE

HR considered as the most imperative asset in any association since it can work just through individuals. The accomplishment of an association depends up on the capacity of its HR. By, "business houses are represented the deciding factor over the long haul not by business sectors or capital, licenses or gear, but rather men". Of the considerable number of assets, HR are the main asset which does not deteriorate with the progression of time.

In the expansive sense HR can be characterized as "the learning, abilities, innovative capacities, gifts, aptitudes got in the populace. As an association, HR are individuals at work, administration of HR is known as human asset administration".

Human asset administration is worried with the general population's measurement in associations. An association comprises of number of work force. Skillful faculty are to be designated at perfect spot at ideal time. Their exercises are to be co-ordinate and appropriately compensated. A decent friendly environment is to be made to keep up sound mechanical and human relations. Human asset administration is worried with all the previously stated exercises, so human asset administration has a huge part to play in the general advancement of an association. To put in straightforward words human asset administration is an administration capacity that serves to directors to enlist, select, prepare and create individuals for an association.

## DEFINITION

George TMikovich and Jobri.WBoudreau characterizes human asset administration as, "a progression of coordinated choices that frame the occupation relationship; their quality adds to the capacity of the associations and the workers to accomplish their goals".

Decenzo and Stephen P. Robbins<sup>1</sup> 'Execution assessments are a basic part of each association. Legitimately created and actualized the execution assessment can offer an association some assistance with developing so as to achieve its objectives profitable representatives. While there are numerous sorts of execution assessment frameworks, each having its own favorable circumstances and inconveniences, we offer the accompanying recommendations are: assess workers on behaviourally composed measures, utilize various ratter, incorporate associate appraisals, self appraisals, reward precise appraisers or more all, convey the consequences of the assessment to representative. Each association is a social framework, a system of interpersonal connections. A man making a fantastic showing by target norms of estimation might fall flat wretchedly as an accomplice, prevalent, subordinate or associate. The more prominent the accentuation on estimation and evaluation the

more probable the inconspicuous, non-quantifiable components of the undertaking will be yielded. Nature of execution oftentimes misses out to evaluation’.

Memoria and S.V.Gankar, ‘Execution examination is the stride where the administration discovers how viable it has been at procuring and setting workers. On the off chance that any issues are recognized, steps are brought to speak with the representative and to cure them. Execution measures join data gathering and choice making forms which give a premise to judging the adequacy of faculty sub-divisions, for example, enlisting, choice, preparing, pay. Precise data assumes a crucial part in association all in all. They pinpoint frail zones in the essential frameworks. It is less demanding for supervisors to see which workers need preparing or directing, in light of the fact that employments are assembled by the classifications. These classes can be broken into littler and littler gatherings, if vital. On the off chance that substantial execution information are accessible, convenient, precise, objective, institutionalized and significant, administration can reliable advancement and remuneration strategies all through the aggregate frameworks’.

## RESEARCH METHODOLOGY

The study is Descriptive in nature, the research study often involve the description of the extent of association between two or more variables. The study was conducted among the employees of reliance Retail stores residing in and around Chennai city. The research confined study was undertaken using Convenience Sampling. Numbers of respondents were limited to 100. The self administrative Questionnaire was used to collect the data from the respondents. The contact method used in our study is personal interview method. The primary and secondary data are used in the study. The statistical tools such as simple percentage analysis, Chi-square test, Rank Correlation.

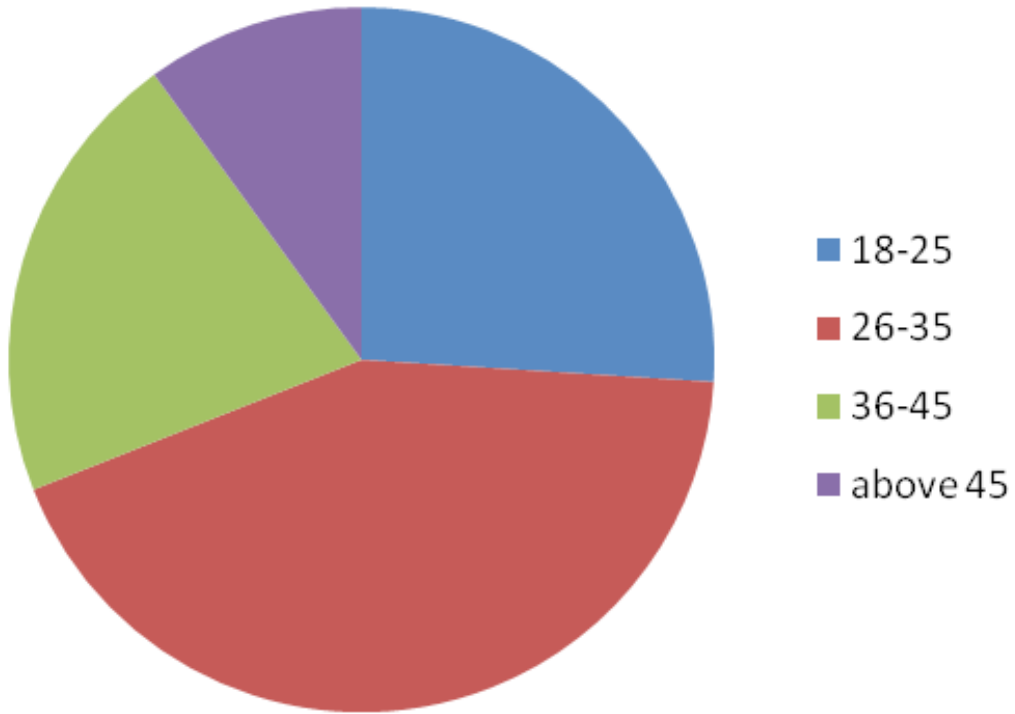
## ANALYSIS AND INTERPRETATION

### Simple Percentage Age of the Respondents

<i>Age</i>	<i>No of Respondents</i>
18-25	26
26-35	43
36-45	21
>45	10
<b>TOTAL</b>	<b>100</b>

*Source:* Primary data (survey) **Inference:** Most of the employees are in the age group 26 to 35.

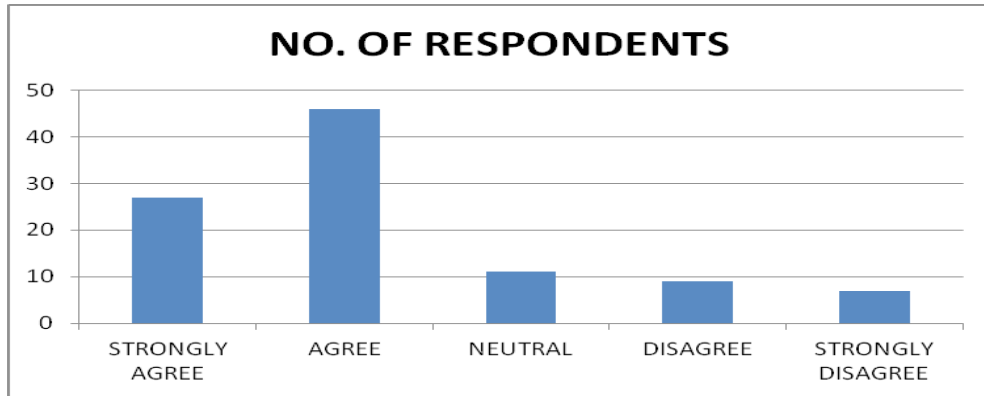
**NO. OF RESPONDENTS (%)**



**EFFECTIVENESS OF CURRENT PERFORMANCE APPRAISAL**

<i>Effectiveness of Current Appraisal System</i>	<i>No of Respondents</i>
Strongly Agree	27
Agree	46
Neutral	11
Disagree	9
Strongly Disagree	7
<b>Total</b>	<b>100</b>

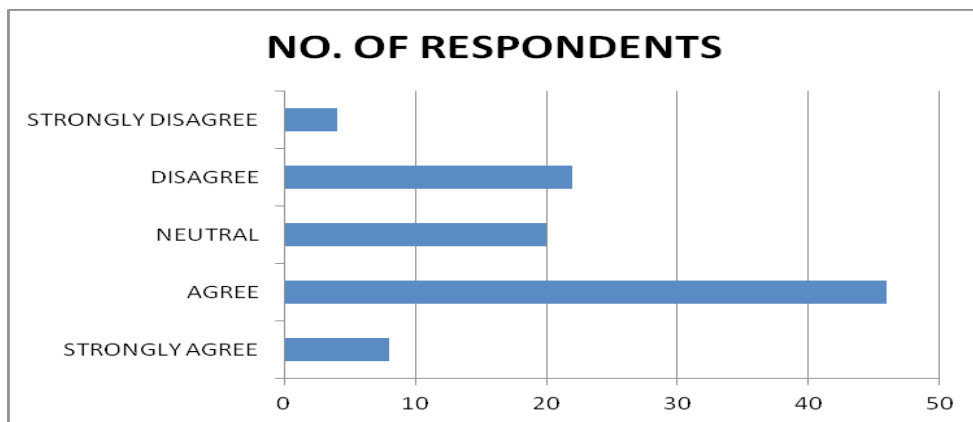
*Source:* Primary data (survey) **Inference:** Majority of the respondent are agree that the effectiveness of current appraisal system.



**CONSISTENT & EQUITABLE SYSTEM OF REWARDS FOLLOWED IN RELIANCE FRESH**

<i>Consistent &amp; Equitable System of Rewards Followed</i>	<i>No. of Respondents</i>
Strongly Agree	8
Agree	46
Neutral	20
Disagree	22
Strongly Disagree	4
<b>TOTAL</b>	<b>100</b>

Source: Primary data (survey) **Inference:** Majority of the respondent are agree that the consistent & equitable system of rewards followed in Reliance Fresh Limited.

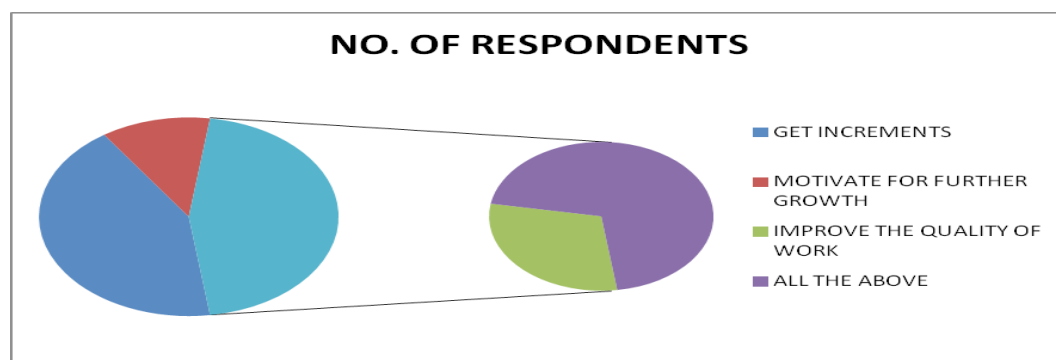




## USEFULNESS OF PERFORMANCE APPRAISAL IN FUTURE GROWTH

<i>Usefulness of Performance Appraisal In Future Growth</i>	<i>No of Respondents</i>
Get Increments	47
Motivate For Further Growth	13
Improve The Quality of Work	15
All The Above	35
<b>TOTAL</b>	<b>100</b>

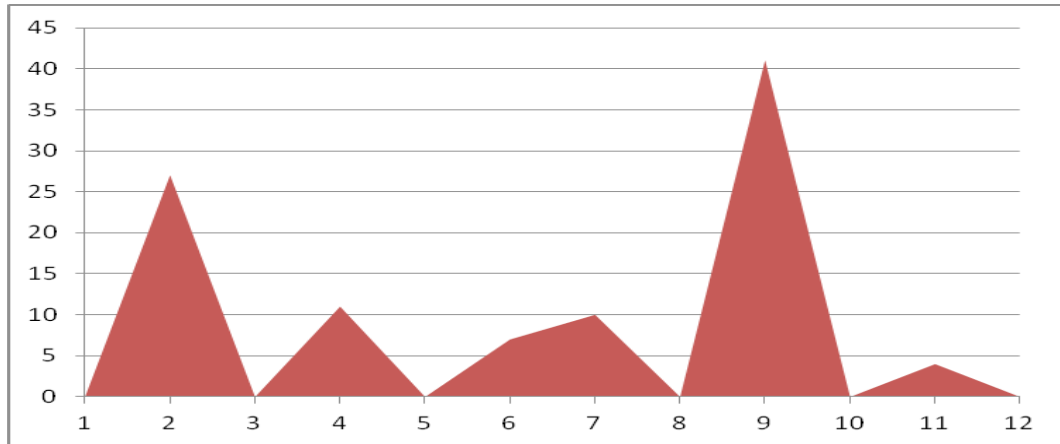
Source: Primary data (survey) **Inference:** Most of the respondents are agree that the getting increment option is higher.



## HELPLESSNESS OF TRAINING PROGRAMME

<i>Helpfulness of Training Programme</i>	<i>No of Respondents</i>
Helps to Increase the Productive	27
Helps to Improve the Quality	11
Helps to Improve the Health and Safety	7
Helps to Solve the Problem	10
Helps to Reduce the Stress	41
All The Above	4
<b>TOTAL</b>	<b>100</b>

Source: Primary data (survey) **Inference:** Majority of the respondents are said that the training programme are helpful to reduce the stress of the employees.



### CHI-SQUARE TEST

**Null Hypothesis (H<sub>0</sub>):** There is no significant difference between experience and effectiveness of performance appraisal.

**Alternative hypothesis (H<sub>1</sub>):** There is a significant difference between experience and effectiveness of performance appraisal.

### EXPERIENCE VS EFFECTIVENESS OF PERFORMANCE APPRAISAL

<i>Exp \ persons</i>	<i>Strongly Agree</i>	<i>Agree</i>	<i>Neutral</i>	<i>Disagree</i>	<i>Strongly Disagree</i>	<i>Total</i>
0-2	7	18	2	4	0	31
3-5	18	23	7	1	4	53
6-8	2	5	1	1	2	11
Above 8	0	0	1	3	1	5
<b>Total</b>	<b>27</b>	<b>46</b>	<b>11</b>	<b>9</b>	<b>7</b>	<b>100</b>

### CALCULATION OF CHI-SQUARE TEST

$O_i$	$E_i$	$(O_i - E_i)^2$	$(O_i - E_i)^2 / E_i$
7	8.37	1.87	0.224
18	14.26	13.98	0.98

2	3.41	1.98	0.58
4	2.79	1.46	0.52
0	2.17	4.70	2.17
18	14.31	13.6	0.95
23	24.38	1.90	0.078
7	5.83	1.36	0.23
1	4.77	14.21	2.97
4	3.71	0.08	0.022
2	2.97	0.94	0.31
5	5.06	0.0003	0.000007
1	1.21	0.014	0.011
1	0.99	0.00001	0.000001
2	0.77	1.51	1.96
0	1.35	1.82	1.35
0	2.3	0.30	0.13
1	0.55	0.20	0.36
3	0.45	6.50	14.45
1	0.35	0.42	1.20
<b>TOTAL</b>			<b>26.5</b>

The calculated value of  $\chi^2 = 26.5$

Degrees of Freedom =  $(C-1)(R-1) = (5-1)(4-1) = 12$

The tabulated value of 12 d.f with 5% level of significance is 21.026

C.V of  $\chi^2 >$  T.V of  $\chi^2$

Hence, we reject the null hypothesis ( $H_0$ ) and accept the alternative hypothesis ( $H_1$ ).

### INTERPRETATION

There is a significant difference between experience and effectiveness of performance appraisal.

### RANK CORRELATION

Consistent & Equitable System of Rewards Followed Vs Current Performance Appraisal Process.

X	Rank X	Y	Rank Y	D (Rank X – Rank Y)	D <sup>2</sup>
8	4	27	2	2	4
20	3	46	1	2	4
46	1	11	3	-2	4
22	2	9	4	-2	4
4	5	7	5	0	0
<b>TOTAL</b>					<b>16</b>

$$\begin{aligned}
 P &= 1 - 6\sum d^2 / n(n-1)^2 \\
 &= 1 - (6(16) / 5(25-1)) \\
 &= 1 - 96/120 \\
 &= 1 - 0.8 \\
 &= 0.2
 \end{aligned}$$

### INTERPRETATION

There is a positive correlation between Consistent & equitable system of rewards followed and Current performance appraisal process followed.

### CONCLUSION

In the present business time of globalization, it is a lot of hard to hold the ability work power without demonstrating them an aggressive Performance evaluation framework. In a focused business environment, the methodology for all association is to enrol the best, to add to the best and to hold the best work power. So as to hold the best work power, the vast majority of the associations give them right input at perfect time and prepare them a ton. Execution examination framework in RELIANCE was exceptionally acceptable to the workers, but a private division like RELIANCE FRESH LTD ought to make some need based adjustments in the present evaluation framework to make it more alluring and execution situated, which would be favoured by the representatives.

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