

**Relationship Between Organizational Climate On Performance Appraisal: A Field Of It
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E. Mail Id.: drkanthlive@gmail.com**Abstract**

The current study has been done to identify the relationship between organizational climate and the performance appraisal. The employees of information technology sector of Chennai were selected as a sample for the purpose of the study. The sample size was fixed at 100 and a structures questionnaire was distributed among those employees. The technique used for collecting the data was convenient sampling. On the other hand regression was employed to assess the dependent variable. Performance Appraisal is predicted by Organizational climate. It was found that organizational climate predicts employee performance.

Keyword: Organizational climate, Performance appraisal**Introduction**

The term “performance appraisal” refers to the method of assessing the performance of employees in job as per the needs of the concern. it can also be said as the process of evaluating thr value, qualities and excellence of an object, thing or a person. the system of performance appraisal provides information to the organization for taking decisions related with several aspects like promotions of individuals and their merit enhancement.

On the whole, a better performance appraisal system helps to develop the efficiency of a concern by making an attempt to get maximum best efforts from the employees. such a performance appraisal method helps in reviewing the salary, individual’s training and development, developing a plan for job rotation and also promotion of employees. hence, it can be rightly said that the performance appraisal has become an indispensable part of an organization.

Statement of The Problem

Performance appraisal can be taken as a tool which influences the quality of a service and work environment in a positive way. On the contrary, a poor system of performance appraisal is featured with an improper design, not giving proper attention to organizational culture, not paying attention to the problems due to bad performance and most importantly the time pressure. According to the words of Sorensen, Severinson & Iedama, (2008), certain

concerns are not satisfied with their methods of performance, saying that the system of performance appraisal is not a tool that successfully develops and motivates the employees.

Review of Literature

Madhu S. (2018) has found that human resource management is becoming vital and demanding. This is so because the human resources are very important resource. In any concern the human resources are considered to be very important. Effective usage of these rare resources and their responsibilities such as; to identify, to develop, to assess, to recognize and to utilize are the main functions of the department of human resource. For the success of any organization, it is essential that they very well care for their human resource and help for the performance improvement. This function of HR department helps in the accomplishment of goals. It is also the duty of an organization to provide training programs for the individuals to improve their performances. This in turn will help to improve the performance of the organization as a whole. Therefore it can be rightly said that the mantra for performance improvement is the system of performance management. The reason for selecting the employees of IT sector for this current study is that this sector is the only largest sector of human resource or manpower.

David Otley (1999) has proposed a framework to analyze the functioning of the control systems of management. This framework was framed around five main topics. These topics relate to the goals, plans and policies to attain them, structures for rewards and incentives and loops of information feedback. The central focus was on organizational performance's management. The framework as developed by the author was tested as against three main control systems of the organization, which include, balanced scorecard, economic value added and budgeting. The areas which need to be developed were recognized and productive topics were identified for the research.

Kamran Ahmed Malik and Barira Bakhtawar (2014) This research was conducted to study the impact of performance appraisal system in PTCL on employee performance. PTCL is the largest telecommunication services provider in Pakistan. PTCL was privatized in April, 2006 by selling 26 percent shares to Etisalat. The privatization of PTCL offered its employees an opportunity to quit the regular job and join on contractual basis due to higher incentives. Ever since its privatization, the permanent and contractual employees are working side by side in PTCL. There are different types of performance appraisal systems being used in

PTCL for permanent and contractual employees. This research aimed at identifying different types of appraisal systems being used at PTCL for permanent and contractual employees. How the employees perceive their respective appraisal system and subsequently what are the implications on their performance? For this purpose a questionnaire was designed and data was collected from a sample of 96 people belonging to the cadre of both permanent and contractual employees. Seven hypotheses were developed regarding employees perception about their respective appraisal system and were tested through Z-test.

The survey findings show strong deviations in terms of responses of permanent and contractual employees regarding their respective appraisal systems. The permanent employees showed strong resentment about their existing appraisal system. They termed it as an insignificant annual formality with no effectiveness at all based upon its weak linkage with compensation and benefits system. On the other hand, the contractual employees were found to be immensely satisfied with the implementation of their appraisal system. The main factors were found out to be a clear, strong and compelling linkage with the pay, promotion and training.

Research Methodology

The sample population for the study was the professionals of restaurants. The respondents were selected through convenience sampling. This type of sampling was opted as it provided easy accessibility and ease to the scholar. Further, this mode of selecting sample population saved time and money too. For the need of the study, 100 research questionnaires were printed. These questionnaires were given for getting response from the target population from the period of March 2019 to July 2019.

Sampling Design: Stratified random sampling:

For the purpose of the study, data was collected through stratified random sampling. It is a process of sampling in which the groups of sample population are segregated into different homogeneous groups. This is a very easy method of collecting data from different sub groups.

Sample Size:

For the purpose of the study sample size was fixed at 100. The reason for fixing it at 100 was limited resources and time constraints.

Analysis and Interpretation

Influence of Organizational climate on Performance Appraisal

Model Summary

R	F	R Square	Adjusted R Square	Sig.
.935(a)	164.843	.874	.869	.000(a)

a. Predictors: (Constant), Organizational climate

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.413	.142		2.899	.005
	My company has a formal, written code of ethics.	.179	.038	.261	4.672	.000
	My company strictly enforces a code of ethics.	.334	.051	.360	6.538	.000
	My company has policies with regards to ethical behavior.	.132	.032	.209	4.064	.000
	My company strictly enforces policies regarding ethical behavior	.236	.052	.257	4.568	.000

a. Dependent Variable: Performance appraisal

The above table explains the regression analysis for overall Performance appraisal as the dependant variable and various factors of organizational climate as independent variables. For identifying which factor of organizational climate influences predominantly the overall

Performance appraisal, an analysis of multiple regression was executed and the findings are displayed in the aforesaid table.

The coefficient of Regression determination (R^2) is 0.874 which connotes that 87.4 percent of the difference on overall Performance appraisal is established by the independent variables. In order to verify the significance of R^2 , ANOVA was carried out and the outcome demonstrates a significant result ($F = 164.843$; $p < 0.000$) which indicates that the factors of organizational climate considerably have an influence (dependent variable) on the overall performance appraisal.

It is noticed that every feature of organizational climate factor are found to have significant influence on the overall performance appraisal. It was also noted that every factor of organizational climate has an impact on the overall performance appraisal.

Suggestion and Conclusion

Suggest that organizational climate dimensions, i.e. organizational process, altruistic behaviour, role clarity and communication, results-rewards orientation and certain aspects of interpersonal relationships play a significant role in increasing managerial effectiveness in Performance Appraisal .

References

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