

Impact Of Performance Appraisal And Work Motivation On The Performance Of Employees, With Special Reference To The Private Banking Sector In Hisar

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Abstract:

It is general knowledge that the workers of a company are among the most valuable assets that the firm possesses. It is not sufficient for a company to merely have people who are competent in today's ruthless business climate; rather, the company has to have individuals who are competent in every aspect possible. As a consequence, he has received instruction and inspiration after successfully completing the process of personnel selection. In order to fulfill this need, it is required to regularly evaluate the performance of each and every member of the team. This kind of investigation and evaluation is typically referred to using the catchall phrase "performance appraisal." A company's performance may be improved using a variety of systematic evaluation procedures, which can be helpful. Creating a detailed understanding of an employee's worth is ultimately what it comes down to in the end. To measure the effectiveness of one's workforce, it is essential for a company of any size to own this instrument. An investigation of the influence that performance reviews have on the work output of employees in private banks located in the Hisar region was the subject of a research study. This was done with the goal of gaining a deeper understanding of the topic.

The ICICI and Axis private sector banks were chosen to be the primary focus of this study's sample of one hundred individuals. In order to conduct the statistical analysis, the researcher employed a method known as linear regression.

Keywords: Human Resources, Banks, Performance.

INTRODUCTION:

Management of human resources is a role that exists inside businesses, and its main purpose is to maximize the contributions that people make to the strategic objectives of the firm. A significant number of healthcare companies have a dual administrative structure that is composed of clinical managers and health service managers. This configuration creates a one-of-a-kind relationship between human resources and management. These clinical managers and health service managers are in charge of two separate groups of staff, each of which is responsible for a specific set of responsibilities and has varying educational and licensing requirements. Everyone who is in need of medical care should be able to get treatment of the greatest possible quality thanks to the healthcare system's primary mission.

The performance review has the potential to serve as a teaching moment for both the management and the employee who is being evaluated. The employee will have a better understanding of how to carry out their daily responsibilities, and the manager will be better equipped to guide the employee in the direction of career growth. The fundamental goal of performance reviews, also known as performance appraisals (PA), is to improve an employee's overall level of performance, which in turn helps the company as a whole achieve a higher level of overall performance. The performance assessment (PA) is one method among many that can be used to effectively manage performance because it gives information that can be used to improve other aspects of

the performance management process. The PA is one method among several that can be used to manage performance efficiently. As a result, PA has the potential to become one of the tools that may be used for effective performance management. It is the manager's responsibility to have a comprehensive awareness of the myriad ways in which employees are impacted by performance evaluations.

Additionally, career planning and succession preparation highlight the need of conducting frequent performance evaluations. When determining employee productivity, consideration is given to the employees' motivation, status, and manner. In addition to the expansion of the program and the reversal of directions that are unproductive, positive connections between management and staff members should be given priority. Instead of being a static once-a-year event, performance evaluation should be viewed more as an iterative learning process in order to get the best possible results. It is important for the employee as well as the evaluator to keep a careful eye on the progress that is being made toward the goals. Getting into better physical shape and demonstrating to your reviewer that you're willing to collaborate with them to take on additional responsibilities might both contribute to your development of a more upbeat mental attitude. Employees' activities are modified so that they conform to the direction's purposes as well as the goals of the entity workforce organization. This is done in order to achieve success in both of these endeavors. Understanding how to motivate people and using that knowledge successfully is a topic that is widely discussed and agreed upon among management specialists and experts all around the world.

It's possible that corporations, governments, and even the armed forces might all benefit from motivating their employees. It is possible that a person may work more in the future if they are provided with feedback on their performance that is both constructive and encouraging.

When an employee discovers that his or her objectives have been set, that his or her performance difficulties have been addressed, and that there are career development solutions in place to assist them in advancing in their professions, that person's drive to succeed in their work endeavors improves. One technique for encouraging employees to put in more effort is to develop an all-encompassing plan for their professional development and to provide them with specific goals to aim towards. It is possible to acquire insights on the efficacy of future incentive techniques by comparing the output of an employee to certain standards that have been specified.

BANKING SYSTEM IN INDIA

It is possible to pinpoint the last decade of the eighteenth century as the era in India during which the first financial institutions were established in the country. This assertion is supported by the available evidence. It is generally agreed that the General Bank of India and the Bank of Hindustan, both of which were established in 1772 and continued to do business until 1820 respectively, are the two most significant banks in India. The General Bank of India began its business in 1786. The Bank of Hindustan functioned as a financial institution beginning in the year 1772 and continuing until the year 1820. Since it first opened its doors in 1955, the State Bank of India (SBI), which is now the largest bank in the world that is still in business, has quickly risen to the top of its industry. However, its history can be traced all the way back to June 1806, when it was known as the bank of Calcutta, and it eventually evolved into the Bank of Bengal. Its current name is the State Bank of Bengal. However, its official name at the moment is the Bank of Bengal. There were three banks in India that were in charge of administration: the State Bank of India (SBI), the Bank of Bombay, and the Bank of Madras. The most important of the three financial institutions was the State Bank of India, which is sometimes abbreviated as SBI. Both the Bank of Bombay and the Bank of Madras are regarded as being among the country's most significant

and influential financial organizations. These two financial institutions are both located in the state of Maharashtra, which is located in India.

PRACTICES OF PERFORMANCE APPRAISAL

First things first, we have to make sure that we are prepared to communicate with each and every one of our workers in a positive manner, one that does not put them down but rather stimulates the growth of their skills. First, we need to prepare ourselves to talk to them in a pleasant manner, and then we should practice. Before we can talk to any member of our team, we have to make sure this is taken care of first. It is of the utmost importance that we carry out the activities required to guarantee that we are well-prepared to carry on a civil discourse with them. It is of the utmost importance that we carry out the activities required to guarantee that we are well-prepared to carry on civilized conversation with them. In addition, it is of the utmost importance that we execute the essential actions to guarantee that we are well-prepared. Then, after all of this time, for the very first time, they will be able to speak with us in a discussion that goes in both directions. When conducting performance evaluations, it is essential to avoid placing undue weight on either the advantageous or unfavorable elements of an employee's job. This is an essential component of the annual performance reviews that are conducted. If an employee's supervisor is too critical of the work that the employee is doing, it is conceivable that the employee's motivation may decrease since the individual will feel horrible about themselves. However, there is almost always something that can be improved about the performance of a worker, and there are a few different ways that this may be done. It is possible to avoid your team from having the impression that they are being attacked by doing an analysis of the aspects of the scenario that are going well and the aspects that need to be addressed in order to make the situation even better. By doing this action, you can prevent the members of your squad from having the impression that they are being attacked. Having this information will allow you to

keep your squad from worrying that they are under assault.

FACTORS AFFECTING EMPLOYEE JOB PERFORMANCE TRAINING

Learning new abilities and acquiring practical experience in a subject area is what's included in the training process. Even in cases where the education has very little bearing on the work being done, it is nevertheless beneficial to the individual's development. The overall performance of workers tends to increase when they are provided with adequate teaching in subject areas in which they may be deficient. Companies that are able to fully realize their potential have leaders that comprehend the significance of making financial investments in their employees and provide them with the tools and resources necessary to achieve their goals. As a direct consequence of this, profitable businesses and the managers who work for them have perfected the skill of managing their people resources. There are fewer firms in the public sector that are able to keep their employees engaged and give higher profits than there are banks, which are infamous for high stress levels among their staff owing to long hours and low job satisfaction. There are fewer businesses in the public sector that are able to keep their people engaged and produce larger returns than there are banks. This stands in sharp contrast to the banking industry, which is typically thought of as being home to the people who are the least motivated.

In today's extremely competitive market, businesses need to operate at maximum efficiency more than they ever have before. Performance reviews of staff members are frequently recognized as a significant factor in achieving higher levels of overall productivity. The enhanced productivity and greater excitement that it generates among workers is the fundamental explanation behind this phenomenon. An analysis of past performance has the potential to pave the way for the establishment of a management team, which, in turn, may result in a rise in overall productivity over the course

of time. It is a strategy for determining how much an employee has contributed to the overall success of the firm and for devising strategies to help that individual improve their performance in light of those assessments. The approach in question is referred to as performance management. When assessing an individual's level of performance, one of the most important factors to consider is the extent to which they are motivated. According to the definition that Likert provides for the term "motivation," "motivation can be defined as a willingness to expend one's energy in order to achieve a goal or to receive a reward." The level of motivation felt by workers is a significant factor in how hard they work toward achieving the objectives that have been set for the business. The level of care and attention that an organization devotes to analyzing and rating the work of its employees has a direct bearing on how much output that organization is able to produce. An employee's present level of performance, the expectations placed on them, how they may improve their performance, and how they may become more motivated are all taken into account during a performance review in South Africa. Evaluations need to be carried out on a consistent and regular basis at defined intervals in order to provide an accurate picture of an employee's overall performance. At this stage, we take an inventory of the individual in question, taking into consideration their past, the level of interest they are demonstrating right now, the stage in the process they are now at, and anything else that could be pertinent.

EMPLOYEES' PERCEPTION OF APPRAISAL SYSTEMS

The vast majority of workers have a large degree of divergent opinions regarding the approaches that should be taken to evaluate performance. Despite the fact that some individuals feel it is susceptible to certain biases and that it falls short of accomplishing its aims in the vast majority of occasions, others find it beneficial as a tool to defend their performance. This is despite the fact that some people believe it is prone to certain prejudices. Rasch (2004) claims that managers err in their

assessments of the work performance of their workers in the various tasks they are responsible for. This includes conducting evaluations of their own staff members. The employees are under the opinion that some of these preconceived conceptions about them are unfair techniques for evaluating how effectively they do their duties. In addition to the potential for reviewers to make errors in judgment, the process of evaluating an employee's performance is also susceptible to being tainted by a variety of preconceived notions. When referring to the erroneous distortion of a measurement that occurs during the process of taking the measurement, the word "bias" is typically used. Moats maintains that the inappropriate use of subjective measures, as opposed to objective ones, can reduce the utility of a performance assessment program, even when the program is designed in a manner that is sufficient. This is the case even when the program is constructed adequately. Even when the software is used to evaluate the performance of personnel, this remains the case. This is because subjective measures lend themselves more readily to interpretation, which is why this is the case.

EFFECT OF PERFORMANCE APPRAISAL PROCESS ON EMPLOYEE MOTIVATION

The establishment of a system for evaluating performance is a significant endeavor that seeks to develop methods that are superior, more accurate, and more cost-effective for evaluating the job performance and motivation of people. To be more specific, the purpose of this study is to search for approaches that may be utilized to assess the degree to which individuals carry out the duties assigned to them. In the process of building an employee performance improvement plan for a company, one of the most significant phases is the establishment of a procedure for the evaluation of an employee's performance while they are working. The capacity of a company to efficiently manage its human resources as a whole is contingent upon a variety of elements, one of which is an efficient performance

evaluation and management system. It is generally accepted that performance evaluation is one of the most important duties associated with human resource management. Furthermore, it is generally accepted that an efficient system for regulating and evaluating the performances of employees is a key component of that system's overall effectiveness.

PERFORMANCE APPRAISAL AND EMPLOYEE PRODUCTIVITY

People are said to have a high level of engagement to the degree that they like, believe in, and feel appreciated for the work that they accomplish. Surveys of attitudes or the environment of the organization are used to evaluate the level of employee engagement. In most cases, managers and employees are the ones to respond to surveys. The results of the survey have been found to have a correlation with a variety of business measures, such as employee turnover, absenteeism, productivity, and sales. Employee engagement is driven primarily by three factors: great leadership, organizational processes and tactics, and performance appraisals, which help ensure that the appropriate workers are assigned to the appropriate positions. An organization may increase employee engagement by drawing on three sources of influence for change. These sources are the employees themselves, the leaders of the company, and the organizational processes and strategies. These types of systems encourage employee participation in a variety of activities, including recruiting, promotion, performance management, recognition, remuneration, career development, and training.

The performance assessment management system is a technique that is used in company administration that assists managers in watching and evaluating the performance of their employees. Performance management may result in the creation of an environment in which workers are better able to do their jobs, leading to an increase in overall worker productivity and the successful completion of tasks. A performance

evaluation is an officially organized arrangement of estimating as well as analyzing practices and results relating to a representative's occupation just as to know-how plus why the employee is doing at the workplace and how the representative might adequately perform in the future. Performance appraisals are often conducted once per year

REVIEW OF LITERATURE

According to Schleicher et al. (2019), integrated calculated audit is based on a fundamental requirement in the field of performance management (PM), where there are considerable unsolved questions concerning the appropriateness of PM, which impact research and practice. As a result, we develop a model for comprehending and estimating the viability of PM that is theoretically based, extensive, and integrative. This model incorporates several categories of evaluative measures as well as the fundamental systems that link them all together.

According to Olulana (2019), there is a very strong connection between stress, the culture of an organization, and one's level of commitment to the organization. According to the findings of the research, it is essential to effect cultural orientation change inside the organizational departments. There is also a requirement to lessen the amount of stress felt by workers and to increase the level of organizational commitment shown by workers.

Elaine and her colleagues (2019) investigate the extent of employee engagement within the banking industry. In addition to this, it examines the leadership characteristics that foster a commitment on the part of the workforce. The findings of the article indicate that there is an effective, ongoing, and normative commitment on the part of the workers. Bahatti and Qurashi are of the opinion that the behaviors of workers can have an effect on the levels of job satisfaction, commitment, and productivity experienced by workers.

They provide companies a competitive advantage over their competitors.

Mahmood et al.'s (2019) research is to increase the level of comprehension of the influence of certain human resource function variable processes. Pay, opportunities for professional growth at work, and job security are some of the factors to consider. They demonstrate the dedication of the worker. In this study, there is an examination of the three different human resource methods, and the sample size is 263, all of whom are employed in the banking industry in India. The structural equation modeling approach was utilized in the methodology of the work.

OBJECTIVE OF THE STUDY

- 1) To understand the approach towards “Performance Appraisal.
- 2) To study the application of work motivation.

METHODOLOGY

This study focuses on establishing a relationship between Performance Appraisal and Motivation with regard to job performance, and our study has covered the Employees staffs working in ICICI and Axis banks in Hisar. Our study has covered the Employees staffs working in both of these banks. Our research looked at the employees and staffs that are now working in Hisar. The inquiry was conducted utilizing a quantitative approach throughout its whole. The population of the research consisted of individuals working at Axis banks in Hisar. Hisar was the location where the research was conducted. The sample consisted of one hundred diverse staff members from around the organization. Convenience sampling was the approach that was taken when selecting the sample population given the constraints imposed by both time and material constraints. Both regression analysis and correlation analysis were carried out using SPSS while the study was being carried out. Testing of the questionnaire's dependability was carried out in order to

establish whether or not it could be relied upon as a source of reliable information.

RESULT

The Work Motivation, Performance Appraisal, and Work Performance of the Employees Were Measured Utilizing Their Opinions Regarding Related Statements That Were Collected Utilizing a Five-Point Likert Scale, and the Results Are Presented in Table 1. The table makes it abundantly evident that every one of the variables possesses a Cronbach's alpha value that is more than .700. As a result of this finding, the conclusion that can be derived from it is that the questionnaire that was used to gather data may be relied upon.

Table 1 Cronbach's alpha reliability test result

No.	Variables	Items	Cronbach's Alpha
1	Work Motivation	7	.613
2	Performance Appraisal	15	.682
3	Work Performance	6	.610

In this part, we shall evaluate the findings of the demographic attributes of the respondents based on the following criteria:

The whole sample is composed of individuals with ages ranging from 31 to 40 years old, and 27.00 percent of those individuals are responders. 64.00 percent of the entire sample was comprised of respondents whose ages ranged from 20 to 30 years old. Seven percent of employees are classified as being in the age bracket of 41 to 50 years, and two percent of workers are classified as being in the age bracket of 51 to 60 years. The sample is composed of staff workers at a rate of 85.00 percent, head employees at a rate of 13.00 percent, and employees officers at a rate of 2%. It was observed that just six percent of the sample population consisted of males, but ninety-four percent of the sample's

employees were found to be females. 72% of respondents hold a high school diploma in the field of employees and midwifery, 27% of respondents hold a bachelor's degree in the field of employees and midwifery, and 1% of respondents hold a master's degree in the field of employees and midwifery.

Table 2 the variables' descriptive statistics along with a significance test

Variables	Mean	SD	t*	Sig.
Work Motivation	3.55	1.52	3.603	0.000
Performance Appraisal	3.40	1.50	2.61	0.009
Work Performance	3.66	1.22	5.390	0.000

* One sample t-test with test value 3.00

Correlation Analysis:

A Pearson's correlation study was carried out in order to explore whether or not there is a link between the performance evaluation of a worker and their level of motivation. As a consequence of conducting the research, it was found that the Pearson's correlation coefficient is 0.242. This is a number that is significant when compared to other values when the threshold of significance is set at 1.00 percent. There is a positive and significant association between performance reviews and real work productivity, which is the conclusion that can be derived from this.

Table 3 Correlation matrix in connection with Work Evaluation of Performance Based on Motivation Efficiency in One's Work

Variables	Statistics	Variables	
		Performance appraisal	Work performance

Motivation	Pearson Correlation	.473**	.170
	Sig. (2-tailed)	.000	.091
Performance appraisal	Pearson Correlation		.242*
	Sig. (2-tailed)		.015

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

The correlation between the performance evaluation system and the work performance is positive and significantly statistically significant ($r=.473^{**}$). The positive correlation between motivation and performance at work is 170, which is not statistically significant but is nonetheless considered to be a strong association. According to the findings, there is a beneficial link between performance evaluation and other factors, including the motivation of workers and their performance on the job.

Regression Analysis

Two different types of bivariate regression analysis were utilized to determine the impact that motivation and performance reviews have on the level of productivity achieved by employees and staff.

Table 4 Regression in terms of work performance as measured by performance reviews

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.870	.929		2.014	.047
Performance appraisal	.588	.238	.242	2.467	.015

Dependent Variable: Work performance

Table 5 The Influence of Work Performance on Employee Motivation Taking a Hit

Variable	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	2.754	.823		3.347	0.001
Motivation	.360	.211	0.170	1.708	0.091

Dependent Variable: Work performance

Interpretation:

The performance review has a beta value of .588 and a p-value of .015, which shows that it has a significant beneficial impact on the overall performance of workers in their jobs. According to the data, an improvement in the total job performance of the workers of 0.588 units may be linked to an increase in the performance assessment of one unit. The findings of the study demonstrated that the first null hypothesis, which indicated that the performance appraisal system did not have a substantial beneficial influence on the work performance of the employee, was incorrect. This was demonstrated as a consequence of the fact that the first null hypothesis was proved to be untrue by the findings of the study. The data, on the other hand, provided evidence in favor of the alternative hypothesis, which asserted that the performance assessment system did have a considerable beneficial influence on the employee's overall work performance.

The motivating component was discovered to have a beta value of .360 (p=.091), which implies that there is a corresponding 0.360 unit shift in the employees' total job performance for every one unit change in employee motivation. This was determined by analyzing the

correlation between the two variables. On the other hand, when applied to this connection, the significance level of 5.00 percent indicates that it is not significant. The findings meant that the second null hypothesis, which said that motivation does not have a considerable favorable impact on the employee's work performance, could not be rejected as a result of the findings. This was because the second null hypothesis indicated that there is no correlation between motivation and improved job performance.

DISCUSSION

It is abundantly obvious from the data that performance assessment has a considerable beneficial influence on work performance, but motivation has only a very modest positive impact on job performance. It has also been noted that the workers staffs have good job performance owing to the current performance assessment process, and least by incentive. This was seen to be the case. The positive association of work performance with performance assessment is supported by both correlation and regression analysis. On the other hand, the positive relationship of work performance with motivation is not statistically significant due to the lack of efficient motivating activities in the company. According to the findings of the study, the staff members working at the specific hospital are not properly motivated to achieve high levels of performance..

CONCLUSION

The primary objective of an evaluation system should be to improve employee performance, which then contributes to the achievement of corporate goals. According to the aforementioned study, there was not much of a correlation established between occupational performance and intrinsic motivation. To begin, the system has to be capable of effectively raising the morale of the workforce. This article's goal is to analyze the research that has been conducted on the effects that performance reviews have on workers. It was observed that the rules and methods that the bank used to

evaluate the employees' work had an effect on the employees' performance. When monetary incentives are made accessible to employees, there is a potential for an increase in productivity. Employees' excitement and production may be significantly boosted by the use of performance reviews, which are an excellent instrument. In order to have a consistent output from all of the workers, it is imperative that this method be followed to. In light of the fact that the commercial banking industry is presently undergoing a period of intense competition, it is very essential to make certain that one's workforce is content in order to achieve success. People who are content in their positions are more inclined to go above and beyond in their work, and the only way to ensure that they are content is to use a performance evaluation system that is objective and fair to all employees.

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