

An Analytical study of Performance Appraisal System in Agriculture Sector***DR. Meenakshi Anand******Ragini Shrimali*****Sr.Assistant.Prof, Dept. Financial Studies, The IIS University, Jaipur****** Research scholar, The IIS University, Jaipur****ABSTRACT**

In recent years performance appraisal is being a part of performance management and play a vital role to encourage desirable performances in the organizations. Performance appraisal is a systematic and objective way to judge the ability of an employee to perform his job and motivates the employee to ensure an expected level of organizational commitment. Agriculture sector is the major source of income in India as it conserves natural resources by boosting the production and productivity without degrading the environment. Its future growth can accrue from improvements in farming systems with regional specialization and sustainable management of natural resources together with regular appraisal of employees in agriculture institutes.

The current paper gives an overview about performance appraisal in agriculture sector. It concentrates on examining the importance of performance appraisal and analysis of its practices in State institute of agriculture management. The future will see to ensure improved performance of employees by providing better perspective for Indian agriculture.

Keywords: Agriculture sector, Performance appraisal, Organization and Employees.

Introduction

Human resource management is a management function as it helps in recruitment, selection, training and development of employees in an organization. It also includes employee's remuneration, motivation and growth. Human resource can also be termed as 'personnel', 'people at work', 'staff' and 'employees'. It provides effective, efficient and talented manpower to the organizations by appraising their performance. Human resource development becomes effectual in an organization as its interventions do not merely depends on developing competencies among individuals for their present job but also for their future jobs. From this point of view the career paths of individual have to be worked out systematically to undertake developmental activities.

According to **Jucius Michael**, "Human resource is a human factor which is a whole consisting of inter-related, inter-dependent, interacting, psychological, sociological and ethical components."

These days performance appraisal is needed in every organization and it has become more important because managers are under constant pressure to improve their performance in the organization due to cut throat competitions. It is a standard and impersonal way of judging the ability of an employee in performing his tasks and duties within the job. It may be defined as a formal structured interaction between a subordinate and supervisor that usually takes the form of a periodic interview with a view to identify weaknesses and strengths as well as opportunities for the improvement and skills development in an organization. Performance appraisal encourages employees to reinforce their strengths and overcome their weaknesses. In agricultural research institutes performance appraisal stands for the

forward looking employment policies which take into account the career of individual employees involved in various tasks.

From the view of **Heyel**, "It is the process of evaluating the performance and qualifications of the employees in terms of the requirements of the job for which he is employed, for purposes of administration including selection for promotions, providing financial rewards and other actions which require differential treatment among the members of a group as distinguished from actions affecting all members equally." And according to **Cummings**, "The overall object of performance appraisal is to improve the efficiency of an enterprise by attempting to mobilize the best possible efforts from individuals employed in it. Such appraisals achieve our objectives including the salary reviews, the development and training of individuals, planning job rotations and assistance in promotions."

Based on the evolution over the period of time performance appraisals methods have been categorized into traditional and modern methods. Traditional methods are Confidential Report, Straight Ranking, Paired-Comparison Method, Graphic Rating Scale Method, Forced Distribution Method, Critically Incident Method, Checklist Method, Essay Method and Field Review Method and Modern methods are Management By Objective Method, Behaviorally Anchored Rating Scale (BARS), Assessment Center Method, 360 Degree Feedback Method, Human Resource Accounting and Self-Appraisal.

Performance appraisal follows a set pattern of steps as first of all it consist of establishing performance standards then communicating the standards to the employees and measuring the performance of employees soon after that the actual standards are compared with the measured performance and the appraisal is discussed with the employees to take corrective action. Performance appraisal rewards people and mirrors their self perception. In a workgroup, members consciously or unconsciously, make opinion about others. The opinion may be about their quality, behavior, way of working etc. Such an opinion becomes basis for interpersonal interaction. In the same way, superiors form some opinion about their subordinates for determining many things like salary increase, promotion, transfer etc. in large organizations this process is formalized and takes the form of performance appraisal.

Performance appraisal has been adopted by most of the large organizations particularly in business field. In our country many large organizations adopt formal appraisal method. Appraisal is the evaluation of worth, quality or merit. In the organization context, performance appraisal is a systematic evaluation of personnel by superiors. It is the process of evaluating the performance and qualification of employees. Performance appraisal emphasizes on two aspects: systematic and objective. The appraisal is systematic when it evaluates all performances in the same manner and it is objective as it attempts at accurate measurement by trying to eliminate human biases and prejudices so it is named as an inexact human process. Various terms are used to denote performance appraisal such as merit rating, behavioral assessment, employee evaluation, personnel review, staff assessment and employee annual confidential report.

Present Scenario of State Institute of Agriculture Management

The Government of Rajasthan has established the State Institute of Agriculture Management (SIAM) in 1993 as premier state level institute to cater the needs of extension, training and applied research in agriculture sector. This institute has continued to be operative as Government body till it has been granted the autonomy on 16th June, 2003 by having its registration under Rajasthan Society Act, 1958. The entire prominent land base departments like agriculture, horticulture, watershed development and soil conservation, agriculture marketing, agriculture marketing board, Rajasthan state seeds certification agency, Rajasthan state seeds corporation and Rajasthan state warehouse corporation were subscribed

to the memorandum of association. This institute was first set up as Gram Sevak Training Centre in 1962 at agriculture farm, Durgapura, Jaipur and later converted to agriculture training centre in 1968. The Jaipur Centre was upgraded to State Institute of Agriculture Management in 1993 under World Bank Agriculture Development Project and Tonk Center was exclusively attached to this institute in 1998. In 1993 it has organized 1083 training programmes imparting skills to 19,501 employees. With the above achievement state institute of agriculture management could be established as the premium training institute for the agriculture sector.

Vision of state institute of agriculture management is to be a repository of knowledge, hub of information, networking, documentation and the facilitator to develop the so that agriculture sector grows and emerges as the strong business enterprise and its mission believes in developing appropriate learning atmosphere for upgrading skills, competencies and knowledge in agriculture sector. State institute of agriculture management focuses on catering the needs of skill development by improving the overall effectiveness of agriculture sector and by serving an excellent documentation and IT Centre for collecting, storing, processing and disseminating information related to agriculture sector. Its major thrust areas are as follows: training, skill development, resource inventory surveys, documentation and extension, case study evaluation, feasibility studies, consultancy, applied research and devising policy framework.

State institute of agriculture management includes human resource development strategy that focuses on the scope of training. It incorporates and integrates all important areas of agriculture development and marketing. State institute of agriculture management also includes human resource development planning for agriculture sector skill up-gradation and capacity building in (i) need assessment techniques (ii) group formation (iii) conflict resolution and negotiations between different interest groups (iv) development of entrepreneurial skills for agri-business management (v) data collection, analysis and documentation (vi) use of mass media communication techniques to communicate messages about available technology.

Review of Literature

Review of literature can be defined as a summary of the current state of knowledge in a particular field. Various relevant reviewed literatures related to the study are as follows:

Articles Reviewed

Gassman P. W., Reyes M. R., Green C. H., Arnold J. G. (2007), in their article *“The Soil and Water Assessment Tool: Historical Development, Applications and Future research Directions”* examined that the soil and water assessment tool is a very flexible and robust tool that can be used to simulate a variety of watershed problems. The ability of this model is to replicate hydrologic and pollutant loads at a variety of spatial scales on an annual or monthly basis. A major challenge of the ongoing evolution of the model will be meeting the desire for additional spatial complexity while maintaining ease of model use. This goal will be kept in focus as the model continues to develop in the future.

Kamphorst Jurjenj.A., Swank Otto H. (2011), in their article *“The Role of Performance Appraisals in Motivating Employees”*, investigated how a manager’s performance appraisal affects an employee’s future performance. Couples of results have been derived. First, it is shown that a performance appraisal is cheap-talk. Second it is seen that for a wide range of parameters the manager tends to give

positive appraisals. Third it is concluded that a positive appraisal motivates an employee more than a negative appraisal. Fourth, the effect of appraisals on an employee's future performance depends on the employee's perception of the ability of the manager to assess his performance. Finally, analysis suggests an explanation for that the relationship between performance and pay depends on the manager's ability to assess the employee's performance.

Lawler III Edward (2010), in his article "*Performance Management: Creating an Effective Appraisal System*" summarized and concluded the discussion of performance management as those who argue for abandoning performance appraisals may be right but when it comes to organizations they are not willing or able to follow the ten principles presented in this article. For this a potentially valuable is used for making a significant contribution to the organization's effectiveness.

Messah Omboi Bernard, Kamencu Shadrack M., in their paper "*The Effect of Performance Appraisal System on Employee in Kenya Tea Development Agency: A Survey of Selected Tree Factories in Meru Country-Kenya*", revealed that competence, assessment and development, management by objectives, performance based pay and employee training all of them affects employee performance in Kenya Tea Development Agency. Respondents indicated that factors like employee training, performance based pay and management by objectives are the key factors that influence employee performance and competence, assessment and development are not key factors but also contribute a lot to employee performance.

Virani Shreya Rustum (2011), in her paper "*An analytical study of Performance Appraisal system of the selected information technology enabled services (ITES) companies*" examined the existing performance appraisal systems of the selected ITES companies on the basis of criteria's considered for appraisal, process of communicating standards, feedback mechanism, performance review process, clarity of performance appraisal process and transparency of performance appraisal process with the help of questionnaire analysis. It was concluded that the majority of respondents of the selected ITES companies are in agreement with their existing performance appraisal system.

The concluded part will be further used to research that how in agricultural research institutes the performance appraisal is adequate to perform tasks, to fulfill responsibilities, to meet behavioral and conduct standards, to perform other job requirements at desired levels of competence, to see whether the performance appraisal is helpful in maintaining control on the work of supervisors and to make the most effective use of their staff resources. Further, it will be observed that how performance appraisal documents provide a supportable basis for making personnel decisions including, merit pay adjustments, promotions, transfers, continued employment and terminations.

Scope of the study

The present study will provide us the importance of performance appraisal system in state institute of agriculture management along with satisfaction level of employees towards the appraisal system.

Objectives of the Paper

This paper consists of following objectives:

- To examine the importance of performance appraisal system.
- To analyze the performance appraisal practices in state institute of agriculture management.

Research Methodology

Research methodology is a way to solve the research problem systematically. In the present paper the area of study is confined to employees of state institute of agriculture management, Jaipur and for this study simple random sampling technique has been adopted along with primary data which is collected with the help of structured questionnaire and for secondary data collection annual reports, journals, magazines, books and internet are referred.

Performance appraisal system of state institute of Agriculture Management

A questionnaire was prepared to assess the level of satisfaction of employees about the existing performance appraisal system and to find out its effectiveness in state institute of agriculture management. The questionnaires were filled by the randomly selected respondents from this institute. From the analysis it is observed that performance appraisal is an important human resource practice which helps in providing information about human resource decisions such as need for training and development in an organization. Majority of respondents agrees that performance appraisal in state institute of agriculture management takes place through modern methods such as Management by Objective, Behaviorally Anchored Rating Scale (BARS), Assessment Center Method, 360 Degree Feedback Method, Human resource accounting and Self-Appraisal and it is ensured that performance appraisal helps this institute to achieve its goals. In this institute performance appraisal is done by superiors on annual basis and it affects the working efficiency of employers and employees by rewarding the excellent performance. The appraisers in this organization are completely aware about their job responsibilities and duties and are satisfied with their existing performance appraisal system. In this institute trainings are also given regarding various sectors of human resource management such as organization behavior, administrative laws, office management and personnel, administrative financial management, financial management, agriculture marketing-principle, information technology, regulated administration of agriculture markets and distance learning.

Opinion regarding performance appraisal

The responses of the respondents are represented graphically in the figure below.

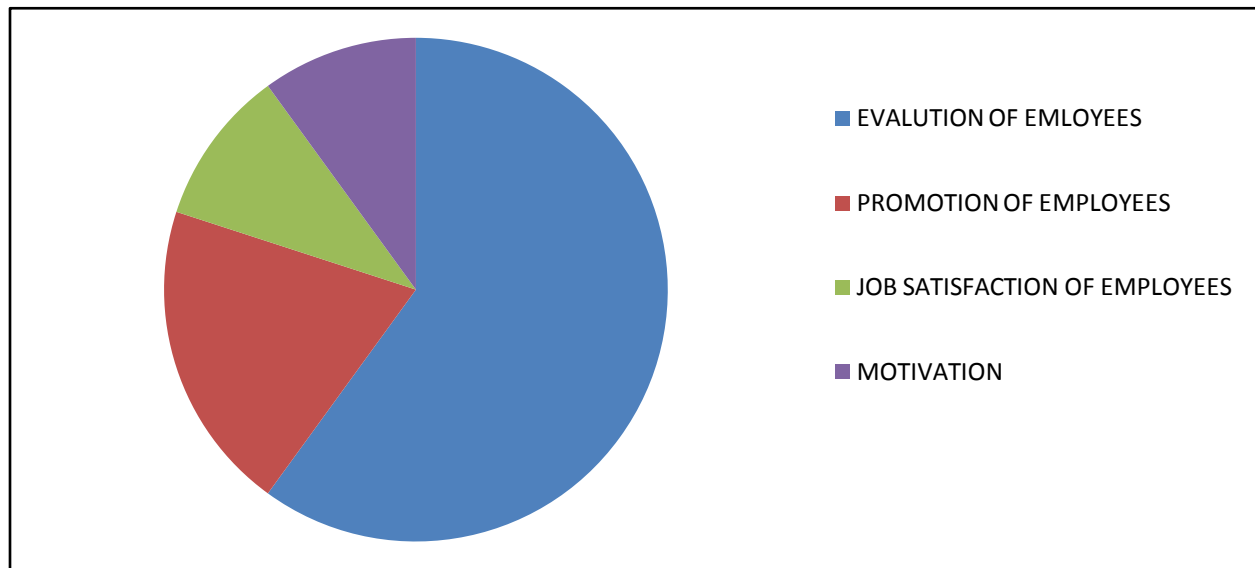


Figure no: 1 Opinion regarding performance appraisal

It is evident from the figure that majority of the respondents are in favor that performance appraisal can be called as evaluation of employees in an organization. Some of the 20% respondents believe that it can be used for promotion of employees within an organization. 10% respondents says that performance appraisal helps in motivating employees in an organization and rest 10% respondents gives opinion that performance appraisal may be considered as job satisfaction for the employees.

Some of the factors affecting performance appraisal have been represented in the table below.

Table no. 1: Factors affecting performance appraisal

Criteria's	Value in percentage				
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Production	60	30	10	0	0
Work sample tests	70	20	10	0	0
Length of service	50	30	20	0	0
Training	70	30	0	0	0
Rating of supervisors	75	20	5	0	0

The same has been presented graphically in the figure below.

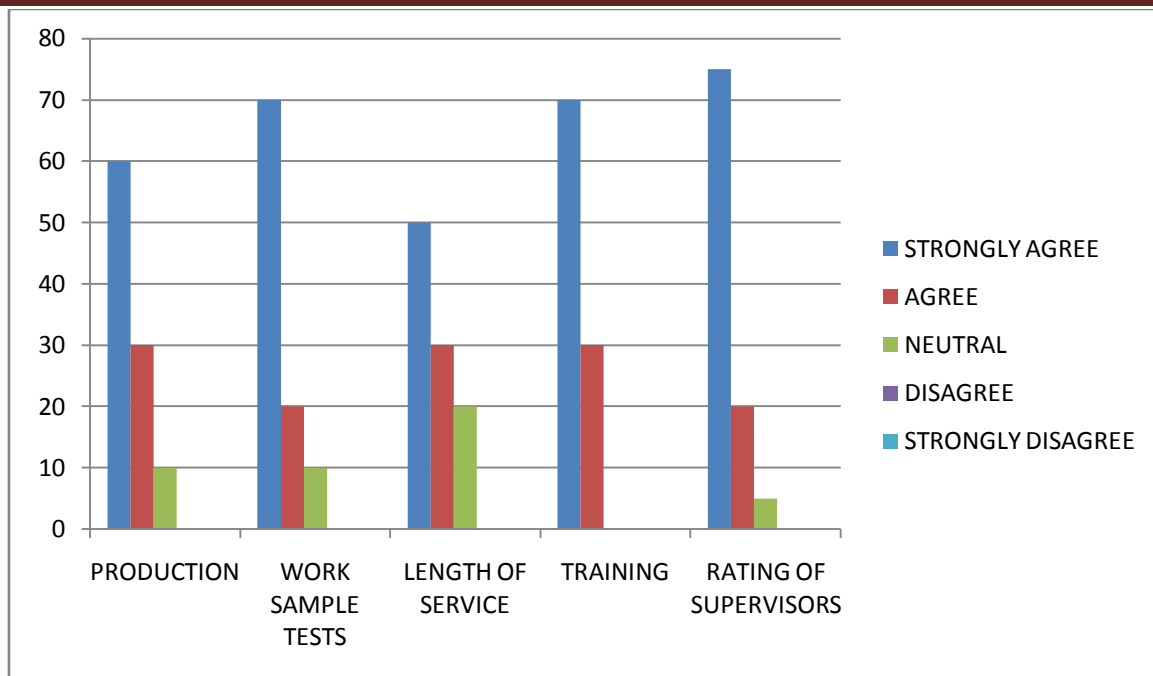


Figure no: 2 Factors affecting performance appraisal

As an attempt to meet the relevant research question about the factors affecting performance appraisal in state institute of agriculture management it is evident from the analysis in the above figure that production can be used to appraise the performance of employees in the organization and for this majority of the respondents strongly agree some of 30% respondents just agrees and rest 10% respondents remains neutral for this criteria. Majority of the respondents strongly agrees that work sample tests can be used as the criteria in appraising performance of employees and few of them agrees only and rest 10% respondents remains neutral for this criteria.

For using length of service for appraising the performance of employees in the organization 50% respondents strongly agrees some of the 30% respondents only agree and rests 20% respond for using it as neutral. Majority of the respondents says that training can be given for appraising performance of employees in the organization some of the respondents just agree and rest 10% respondents remains neutral to use training as criteria for appraising performance and as the performance appraisal also includes the rating of supervisors for this majority of the respondents strongly agrees some of them only agree and rest 5% respondents remains neutral.

Information regarding Performance appraisal system in State Institute of Agriculture Management has been represented in the table given below:

Table no. 2: Performance appraisal system in State Institute of Agriculture Management

Factors	Value in percentage				
	Excellent	Very good	Good	Average	Poor
Overall relationship between organization and employees	70	20	10	0	0
Working condition of employees	75	25	0	0	0
Reviewing and updating of employees	80	20	0	0	0
Feedback about employee performance	70	20	10	0	0
Increase in organizational productivity	60	20	20	0	0

The same has been graphically presented in the figure below.

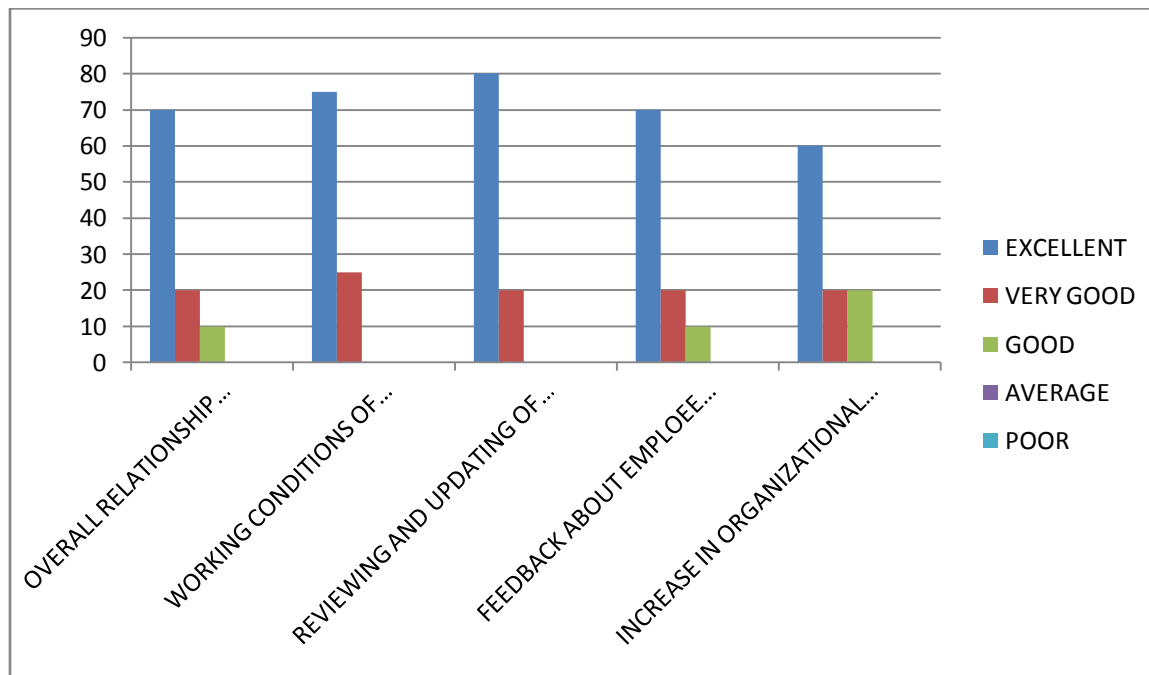


Figure no: 3 Performance appraisal system in State Institute of Agriculture Management

It is evident from the figure that in state institute of agriculture management majority of the respondents says that overall relationship between organization and employees is excellent. Reviewing and updating of employees in this institute also takes place and for these 80% respondents says excellent and rest 20% says very good. In state institute of agriculture management feedbacks about employee's performance are also given and for these 70% respondents says excellent including 20% respondents says very good and rest of the respondents says good. Sometimes performance appraisal also depends on an organizational productivity for this 60% respondents says excellent along with 20% respondents says very good and rest 20% respondents says good for this factor for performance appraisal in state institute of agriculture management.

Conclusion

Performance Appraisal has drawn an unparalleled and unprecedented attention of researchers during recent years. It encourages employee participation and operates more efficiently by bringing greater consistency to the entire review process. The use of effective performance appraisal system in the organization can produce stronger performance evaluations that integrate more closely with compensation, employment planning, retention etc. From the analytical study of performance appraisal system in state institute of agriculture management it is observed that the respondents are in accordance with the existing performance appraisal system. Majority of respondents agrees that performance appraisal can be used to evaluate the performance of employees in an organization and were in positive agreement regarding the factors of performance appraisal like production, work sample tests, length of service, rating of supervisor etc affecting the appraisal of employees.

It is also concluded that future agricultural growth would largely accrue from the improvements in productivity of diversified farming systems with regional specialization and sustainable management of natural resources together with regular appraisal of employee in the agricultural institutes. Performance appraisal plays an important role for making the agriculture sector a repository of knowledge and skill along with effective linkages of production systems with marketing, agro-processing and other value added activities and for this State institute of agriculture management could establish as premium institute for the agriculture sector in Rajasthan.

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