

## A Study on Performance Appraisal Private Sector Vs. Public Sector

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**Abstract:** Performance Appraisal is being considered as a vital parameter in the corporate management. Performance Appraisal is a primary function of Human Resource department, who receives prior information from the concerned team leaders/ managers about the performance of the team members. Human Resource department is taking evince interest in assessing the quantities of the work force of their organization.

This article is envisaging the Performance Appraisal system of both government sector and Private sector. This article emphasizes the methodologies being practiced by the managers of both the sectors in retaining the best talent with the organizations for achievements of the organizational goals.

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### I. Introduction

Performance appraisal may be defined as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview (annual or semi-annual), in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skills development.

In many organizations - but not all - appraisal results are used, either directly or indirectly, to help determine reward outcomes. That is, the appraisal results are used to identify the better performing employees who should get the majority of available merit pay increases, bonuses, and promotions.

By the same token, appraisal results are used to identify the poorer performers who may require some form of counseling, or in extreme cases, demotion, dismissal or decreases in pay. (Organizations need to be aware of laws in their country that might restrict their capacity to dismiss employees or decrease pay.)

Whether this is an appropriate use of performance appraisal - the assignment and justification of rewards and penalties - is a very uncertain and contentious matter.

### Objectives

- Summarize the benefits of conducting performance appraisals.
- Discuss guidelines for avoiding discrimination in performance appraisals.
- Compare types of appraisals.
- Explain the purpose of conducting performance appraisal interviews.
- Tell how supervisors should prepare for a performance appraisal interview.
- Describe guidelines for conducting the interview.
- The employee's perception of the assessment as fair
- The quality of the employee's existing relationship with the person / persons doing the appraising
- The impact that the appraisal has on employee reward and their own well-being

### Methodologies And Practices Are Being Adopted In Government And Private Sectors Which Effects Performance Of Individual Employee And Organisations.

- Two Way Communications
- Feedback System
- Introduction To Technologies
- Recruitment and Selections
- Packages and Perks
- Organizational Etiquettes
- Leave Management System
- Employee Benefits
- Job Security
- Recruitment Plans/ Pension Plans

### **TWO WAY COMMUNICATIONS:**

Two-way communication is a form of transmission in which both parties involved in transmitting of information. A communication is between Senior Employee and Junior Employee.

- **IN PRIVATE SECTORS:** In private organizations, two way communications are stringently followed by management and employees. All the formal and informal issues related to organisation are being solved immediately on receipt of the complaints/messages/issues received from employee the manager initiates quick action in order to mitigate any further issues arising out of it and also it is being ensured that similar grievance or shortfall are not occurring through the process. In case of informal issues employee feel happy about their management in taking care of their matter.
- **IN GOVERNMENT SECTORS:** In government organisations two way communications is not followed properly by Senior and Juniors employee. They follow procedure from establishment department to administration department then the issue goes to Senior Officer then appropriate person. In this communication it will take long time and it may also not reach the appropriate person. In case if communication with the aggrieved employee received the reply for the issues submitted earlier She/he might not be in position to correlate the matters submitted by him earlier.

### **FEED BACK SYSTEM:**

Feedback system is a system where the performance of employees get evaluated and the evaluation of their performance is given by all the Peers, Superiors, and Junior Employees not only on the basis of employees performance but also behavior and discipline.

- **IN PRIVATE SECTORS:** In private organisations Feedback system is acute and the organisation follows the system stringently on regular basis viz., Weekly, Quarterly, Half yearly and Annually. The feedback is given top from management, Senior management, Peers, Junior employees as well Customers. This type of feedback system is also known as 360 Degree appraisal. Appraisal that is framed every one right from management to customers. In other sentence performance is internally and externally being evaluated.
- **IN GOVERNMENT SECTORS:** In government organisations are very poorly adopted. They hardly follow the feedback system. Here there is only grading system followed depending on length of the services by employees in government service will be criteria.

### **INTRODUCTION TO TECHNOLOGIES:**

**Technology** is the making, modification, usage, and knowledge of tools, machines, techniques, crafts, systems, and methods of organization, in order to solve a problem, improve a pre-existing solution to a problem, achieve a goal, handle an applied input/output relation or perform a specific function. Technology is audited or upgraded methodologies and practices which improves the work quality and culture for better output.

- **IN PRIVATE SECTORS:** In private organisations technology takes vital criteria for every employee technology is changing day to day basis to follow the practices and methods of technologies in order to achieve maximum production. Training & Development is conducted for employees on regularly to improve their work style, utilization of time without wastage. As well they abstract or extract new ideas from employees to initiate in working style. In other words management allows the employees to show their skills & ideas or management gives employees opportunities for their career development.
- **IN GOVERNMENT SECTORS:** In government organizations technology is poorly adopted. The employees are still working on past practices and methodologies which may be out dated at times. There is hardly separate wing of Training and Development and employees are very much lagging behind the technologies.  
In case if there is any emergency then immediate action of training takes place for appropriate designation as per policies of government.

## **II. Recruitment & Selection:**

**Recruitment** is the process of searching prospective employees and stimulating to apply for jobs in the organisation.

Recruitment is the process to discover the sources of manpower to meet the requirements of the staffing the

sources of manpower to meet the requirements of the staffing schedule and employ effective measures for attracting the manpower in adequate numbers to facilitate effective selection of an effective working force. Recruitment is the process of finding and attracting capable applicants for employment. The result is a pool of applicants from which new employees are selected

**Selection** Once the potential applicants are identified, the next step is to evaluate their qualification, qualities, experiences, capabilities and make the selection. It is the process of offering jobs to the desired applicants. Selection means choosing a few from those who apply. It is picking up of applicants or candidates with requisite qualifications and qualities to fill jobs in the organization.

➤ **IN PRIVATE SECTORS:** Recruitment and Selection is carried out sequentially on the basis of merit candidates. Eligible candidates will get selected for the suitable designations. The process of Recruitment and Selection is of commonly 4-5 rounds. It depends on type of organization. Accordingly,

- First round will be an Aptitude round,
- Second round will be Online test,
- Third round will be Group discussion,
- Fourth round will be HR personnel round i.e personal interview with hr personnel.

Apart from these process organisations prefer reference candidates, the known candidates rather than unknown candidates.

➤ **IN GOVERNMENT SECTORS:** Recruitment and Selection is on the basis of entrance examination conducted by State Government or Central Government where candidate should get minimum marks to get pass out then their will be an interview call from the officials for the eligible candidates then after interviewing the best of them will get selected.

Before applying for any employment HE/SHE must have registered their name in the office of employment exchange of the concerned city of domicile also valid registration.

It is painful to note that for services in the government for an employment is on gratification which is a de-motivating factor to a highly qualified job seeker

#### **PACKAGES & PERKS:**

**Packages & Perks** are the amount or compensation given to employees of the organization for their performance in organisation depending on their designations and responsibilities.

➤ **IN PRIVATE SECTORS:** Packages & Perks, Now a day's most of the organizations depends on the targets process. Organisations give value to work rather than time. As most of the organisation follows rule and regulations depending on policies of organisation and increments also depends on regular basis i.e Annually. Packages & Perks benefits also given according to individual performance such as bonus, incentives and any other perquisites as deemed fit.

In the organizations, provident fund is also being applied where 12% from the salary of employee will get deducted and deposited with Provident Fund Organisation along with the employer's contribution at 12% to the PF Organization on the employee's name and at the end of the services, i.e., on resignation, or at the time of termination or at the time of superannuation the amount accrued in the EPF account, within 40 days the amount, will be refunded and credited to the employee's bank account.

➤ **IN GOVERNMENT SECTORS:** Packages & Perks are given on the basis of qualification, experience and designation. Government follow pay scale procedure thus salaries or compensations are credited periodically. Packages & Perks increments are followed regularly on the norms of government policies. Increment policies are usually made on the pay commission recommendations.

Example: The present pay scale system of faculty members is as per 6<sup>th</sup> pay commission. Recently 6<sup>th</sup> pay commission has been upwardly awarded to 7<sup>th</sup> pay commission

According to policies of government monthly provident fund is applied where 12% monthly salary of employee will get deducted and deposited with organisation and to the same monthly PF firm also deposit 1/3 of fund to particular employees and at the end of the services or after resigning within 40 days the amount will be refunded to the employee's savings account.

### **ORGANISATIONAL ETIQUETTES;**

**ETIQUETTES** are the behavioral anticipation mutually accepted in an organization. Organisational etiquettes are the culture that is to be followed by every organisation.

- **IN PRIVATE SECTORS:** Organisational etiquettes play a crucial role in organisational main motive and is to maintain organisational behavior by following good etiquettes. To maintain the culture or positive attitude of employees as well organisation towards goals and success
- **IN GOVERNMENT SECTORS:** Organisational etiquettes in government organization is unfortunately missing totally, there are no set standard of etiquettes, organisational mannerism are poorly defeated and practiced. But at public sector under taking firms ethicate adhere to the minimal as per the quality standard maintained by management

### **EMPLOYEE BENEFITS:**

**EMPLOYEE BENEFITS** are the perquisites where organizational management frame it through various polices and guidelines to enable the employees to avail the same the particular action is known as Gesture of Management at the same time it has no relevance with organisational laws. It may vary from time to time depends on productivity and profitability of organisation which leads to various employee welfare measures.

- **IN PRIVATE SECTORS:** EMPLOYEE BENEFITS are meticulously followed to develop Human Resource as well motivate employees such as, Travel Allowance, Education, Co- Rented House, Medical/ Accidental Insurances.
- **IN GOVERNMENT SECTOR:** EMPLOYEE BENEFITS in government organisations as such there are no policy of benefits followed because government sector follows policies and norms of Government of state or central.

### **LEAVE MANAGEMENT SYSTEM**

**LEAVE MANAGEMENT** is a system where platform ensures corporate HR to set up a fair & employee friendly leave policy and to craft a beautiful leave management module from its development unit.

The flexibility of the leave module. The leave patterns analysis report helps HR to constantly evolve its leave policy aligning to employee and business needs. This allows the employee to enjoy leave privileges without disturbing productivity of work. It also ensures labour law compliances.

Management module allows to define various leave types ranging from Earned/Privileged leave(PL), Casual leave (CL), Sick leave (SL), Compensatory off (comp offs)(OD), Maternity leave (ML),

- **IN PRIVATE SECTORS:** Every employee will get a annual leaves of 30 days and if more than 30 days taken then leave will get deducted from next year or it will go for Loss Of Pay and if leave are not avail then the amount of particular leave will be credited at end of the calender year to individual employee. Annual 5 sick leaves are given by the organization and if sick leaves go beyond 5days then it will cause Loss of Pay and there is no carry forward of leave for next year and not even any amount credited to these leaves.

A part from these leaves there will be declaration of holidays annually 12days or 15 days depending on norms and policies of organisation.

The process of leave management is before taking a leave SHE/HE should submit a leave application form and it should be approved by particular head of the department or managers. In case of Sick leaves as it is accidental one should inform.

- **IN GOVERNMENT SECTOR:** Government employees comparatively get more leaves according to policies of government i,e 16 different kinds of leaves.
  - **Earned Leave:** Earned Leave is 'earned' by duty. The credit for earn leave will awarded at a rate of 15 days on the 1st of January and 1st of July every year.
  - **Half Pay Leave:** All Government servants are entitled to 20 days of HPL for every completed year of service. Half pay leave is calculated at 20 days for each completed year of service.
  - **Commutated Leave:** This Leave is granted on medical certificate normally. Commuted leave not exceeding half the amount of half-pay leave due can be taken on medical certificate.
  - **Leave Not Due:** This Leave is also granted on medical certificate normally. Leave not due is granted when there is no half-pay leave at credit and the employee requests for the grant of Leave Not Due.

- Maternity leave is granted to women government employees.
  - 1) Pregnancy: 180 days – Admissible only to employees with less than two surviving children.
  - 2) Miscarriage/abortion (induced or otherwise): Total of 45 days in the entire service.
- Study Leave: Study leave may be granted to all government employees with not less than five years' service
- Extra Ordinary Leave: Extraordinary leave is granted to a Government servant when no other leave is admissible or when other leave is admissible
- Casual Leave: In a calendar year eight days of casual leave is permissible.
- Child Care Leave: Woman employees having minor children may be granted Child Care Leave by an authority competent to grant leave for a maximum period of 730 day
- Hospital Leave: Hospital leave is admissible to Group 'C' employees whose duties involve handling of dangerous machinery, explosive materials, poisonous drugs
- Vocational Department Staff Leave: departments where regular vacations are allowed during which those serving in them are permitted to be absent from duty)
- Special Disability Leave: admissible to all employees when disabled by injury intentionally or accidentally inflicted
- Child Adoption Leave: Child adoption leave is granted to Female employees, with fewer than two surviving children on valid adoption of a child below the age of one year, for a period of 135 days
- Leave to Probationers: A person appointed to a post on probation is entitled to all kinds of leave admissible under the rules to a permanent servants ac
- Leave to Apprentices: Apprentices are admissible to leave on medical certificate, on leave salary equivalent to half pay for a period not exceeding one month in any year of apprenticeship

A part from all these the list of holidays are declared by Government for all the employees of Government which may be 24 -23 days annually

#### **JOB SECURITY:**

**Job security** is the probability that an individual will keep up his or her job; a job with a high level of job security is such that a person with the job would have a small chance of becoming unemployed.

- **IN PRIVATE SECTORS:** In private organisations job security is very poor and if knowingly or unknowingly any mistake occurs it directly reflects on job or at least on employee's increment.
- **IN GOVERNMENT SECTOR:** Government organisations job securities are better enough if knowingly or unknowingly any mistake occurs employees get suspension from the services for given period of time.

#### **PENSION PLAN :**

Pension is a benefit. being extended to any employee in the Government irrespective of the status he/she held during the past Pension is a monetary benefit being an appreciation for the services rendered by an employee in the organisation. It has got a statutory support also

PENSION PLAN is a regular payment made by the state to people of or above the official retirement age and to some widows and disabled people.

- **IN PRIVATE SECTORS:** In private firms as such there are no plans after retirement made. But in 1998 government introduces provident fund it may be after service or retirement. But it is not on regular basis.
- **IN GOVERNMENT SECTOR**

Pension plans provide financial security and stability during old age when people don't have a regular source of income. Retirement plan ensures that people live with pride and without compromising on their standard of living during advancing years. Pension scheme gives an opportunity to invest and accumulate savings and get lump sum amount as regular income through Annuity Plan on Retirement.

According to United Nations Population Division World's life expectancy is expected to reach 75 years by 2050 from present level of 65 years. The better health and sanitation conditions in India have increased the life span. As a result number of post-retirement years increases. Thus, rising cost of living, inflation and life expectancy make retirement planning essential part of today's life. To provide social security to more citizens the Government of India has started the National Pension System.

**Findings & Suggestions:**

- [1]. On over all view of performance appraisal I suggest one should responsibly dedicate their honesty and hard work towards an organization.
- [2]. An organization should also understand emotional values and dedication towards the firm of employee and should give suitable employee benefits. Organisations should always treat every employee as their organisation family member.
- [3]. In government firms updated technologies should be introduced on frequent basis.
- [4]. In government firms punctuality and discipline should be maintained
- [5]. In private firms job securities should be developed highly.
- [6]. In private firms packages and perks should be good enough to particular employee's quality of work
- [7]. Recruitment and Selection in government sector need a change and should adopt new techniques.
- [8]. Feedback system should be introduced in all the sectors of government and private. Employees and management will get to know their actual performance.