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**Title**

**PERCEPTION OF EMPLOYEES TOWARDS  
PERFORMANCE APPRAISAL IN INSURANCE SECTOR**

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**ABSTRACT:**

The study of Performance appraisal has been an important and critical area in management and organizational performance from last several years especially in the LIC. Impact of HRD practices on employees productivity have been an important area of research in past years indicating positive relationship between HR practices and employees productivity. Performance appraisal is a systematic evaluation of an individual employee with respect to his performance on the job and his potential for development. This paper aims to study the extent of performance in the LIC, and explores the proposed link between the performance appraisal and employees productivity. Two hundred fifty employees responded to the researcher's questionnaire. The study makes use of statistical techniques such as mean, standard deviation, t test. ANOVA and regression analysis to process and analysis the data collected for this study .The demographic portion of the instrument was developed by the researcher to sort out the demographic information. To explore difference between the means of two group t-test was applied. One way ANOVA was used for exploring the difference among more than two groups. Multiple regressions were used for measuring the impact of HR practices on perceived employee performance. The paper ends by offering useful suggestions to the management involved in the operations of the corporations.

**Key words:** Performance appraisal, LIC, Employees Productivity.

**Introduction:**

Performance appraisal is a formal structured system of measuring and evaluating an employee's job related behaviours and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee organization and society all benefits. "performance appraisal is the systematic, periodic and an impartial rating of an employee's excellence in the matters pertaining to his present job and his potential for a better job."

Lastly, in the past few years, there has been growing interest in the practice community for what has been termed "non-traditional" appraisal systems (e.g., Coens and Jenkins, 2000; Lawler,

2000). These systems are less structured than the more traditional systems, with less emphasis on ratings or rankings, and more emphasis on developmental meetings between supervisors and employees as needed. The work performance of the subordinate is examined and discussed in the form of a periodic interview with a structured formal interaction between a subordinate and supervisor to identify weaknesses and strengths of the subordinate as well as opportunities for improvement and skills development. The performance of each and every individual employee plays a major role to achieve organization goals and to sustain its growth in the present competitive world. The employee's performance should assess continuously to make their contribution to higher extend.

In LIC, Performance appraisal systems aim to evaluate the job performance of employees, so that appropriate corrective action and management decisions can be taken. As performance appraisal is part of organizational control, the components of the control system are indispensable in the appraisal system. In general, a basic control system consists of control standards, measurement, and corrective actions (Newman, Warren & McGill, 1987). Among these three phases, control standards are based primarily on organizational missions or departmental goals, which reflect the role a performance appraisal plays in the organization. Measurement is concerned with the actual appraisal process, including the appraiser, appraisal criteria, appraisal methods, and appraisal timing. Corrective actions comprise the feedback processes after the performance appraisal is completed. If there is an evident gap between actual performance and performance standards, appropriate corrective actions should be taken to change the behaviours of the employees.

In Life insurance Corporation confidential report is used to assess the employee's performance for second and third class employees. It is a descriptive report prepared, generally at the end of every year, by the employee's immediate superior. The report highlights the strengths and weakness of the subordinates. The report is not data based. The impressions of the superior about the subordinate's are merely recorded there. It does not offer any feed back to the appraisee. The appraisee is not very sure about why his rating has fallen despite his best effort, why others are rated high when compared to him, how to rectify his mistake, if any: on what basis he is going to be evaluated next year etc. Since the report is generally not made public and hence no feedback is available, the subjective analysis of the superior is likely to be hotly contested. In the recent



years, due to pressure from court and trade unions, the details of the negative confidential report are given to the appraisee.

Development Oriented Performance appraisal (DOPA) is used to assess the employee's performance for I class employees. It is also descriptive report prepared, generally for the end of every year, by the employee's immediate superior. Performance parameters are used to assess the employee's performance. Different parameters are evaluated on the basis of likert scale. Five points is assigned for high and one is assigned for low performance. There are four parameter divisional head judge employees-best, good, satisfactory, least (not up to the mark). Divisional head has to give explanation why he has rated least to an employee in the case least rate was given. Further the employee also gets a chance to explain rating against least rating. If the explanation is satisfactory then it is acceptable. Divisional head need not give any explanation to other parameters. Divisional head, appraises job performance and other relevant factors are overall assessed. The employee's integrity is also assessed. If his job performance along with others potential factors is excellent and his integrity is faultless. The reporting and reviewing officers will suggest this employee id fit for promotion/ increment in written format. Later these formats are sent to managing director for further necessary actions.

Recently the corporation has used 360 degree feed back performance appraisal system. It is only for Sr. Divisional Managers (In-charge). 360 Degree Feedback is a system or process in which employees receive confidential, anonymous feedback from the people who work around them. This typically includes the employee's boss, ZM (I/C), RM(Mktg.), RM(P&IR) and RM(CRM) peers, (Sr. DMs working as functional heads in the zones and Subordinates (All branch heads and managers directly reported to him/her and Development officers of his /her choice numbering around 5.

### **Review of Literature:**

**Moulder (2001)** states that performance appraisals are valued for defining expectations and measuring the extent to which expectations are met. Performance appraisal state that appraisals can make clear to employees where they are having success and where they need to improve performance. Moulder indicates that appraisals are useful in setting goals and in fostering improved communications among work groups and between employees and supervisors.

**Ahn (2001)**, the regular and proper use of performance management gives better results for an organisation. Performance management may present two faces, the positive and negative aspects. For its positive aspect, it aids organisations in building mechanisms that enhance performance among employees as they aim to reach the shared vision and objectives set as one body. This is more of a discretionary effort as it increases the motivation of employees and strengthens their commitment and engagement to their shared goals. For its negative aspect, performance management involves a system of appraisal which is dreaded by several managers and most of the employees such that it undermines the motivation of the employees to perform better. Hence, in such case, it is considered as an irrelevant process of performance management

**Jobber, Hooley & Shipley (2003)** confirmed that a large organization tends to adopt quantitative criteria, more formalized appraisal methods and pre-determined performance standards, while a small organization is apt to use qualitative and informal appraisal methods. Although these studies did not make direct comparisons between service and manufacturing industries, their results can explain accounts the fact that there is a link or relation between organizational characteristics and the functions of a performance appraisal system.

**Watson Wyatt in Sandler, (2005)**, only three out of ten employees said that the performance management of their organisations aid them in improving their performance. Moreover, only 19 per cent of the respondent workers who believed that poor performers have been helped by the performance management program to improve their addressing the expectations of the employees.

**Houldsworth and Jirasinghe (2006)** The effectiveness of the performance management system is most often ensured by employing performance management analysis (PMA) wherein both the structural and behavioral aspect of the system are monitored and linked (de Waal 2004). Armstrong & Baron (2005) also believed that performance management system cannot be formulated without considering the behavioral aspect of the employees.



**Waal and Coevert (2007)** implies that with the introduction of performance management in a certain bank, the number of products sold and their communications with their clients have vastly improved. According to the manager of the concerned bank, performance management rendered positive influence on the focus of the employees to deliver better performance. The selling culture within the department has improved. In a certain business review, performance management was viewed as the single largest factor contributing to the development of the organisation. It gives way to innovative thinking and a determined action to eliminate underperformance, unmotivated, disengaged, and poorly managed and trained employees. All of these start with making an appropriate decision; a decision that is based on an effective performance management system established within the organisation.

**Barbara Bowes (2009)**, performance management system does not aim to control employees but instead aims to focus on the improvement of overall performance. However, despite the desire of many companies and HR professionals to implement performance management, employees from several companies still do not see the positive effects of such system.

### **OBJECTIVES OF THE STUDY:**

1. To study the performance appraisal practices prevailing in some selected Branches of LIC.
2. To study the differences in the perception of employees on the basis of gender.
3. To study the differences in the perception of employees on the basis of designation.
4. To study the differences in the perception of employees on the basis of Qualification.

### **Hypothesis:**

**Ho:** There is no significant difference between the perception of male and female employees regarding performance appraisal.

**Ho** There is no significant difference between the perceptions of employees at a different level regarding performance appraisal.



**H<sub>0</sub>** There is no significant difference between the perception of graduate and post graduate employees regarding performance appraisal.

## **RESEARCH DESIGN:**

### **SAMPLING**

For the purpose of the study, the researcher selected the branches of LIC on the basis of judgmental sampling and respondents on the basis of non probability random sampling.

### **SAMPLE DESIGN**

#### **Data Collection and period of study**

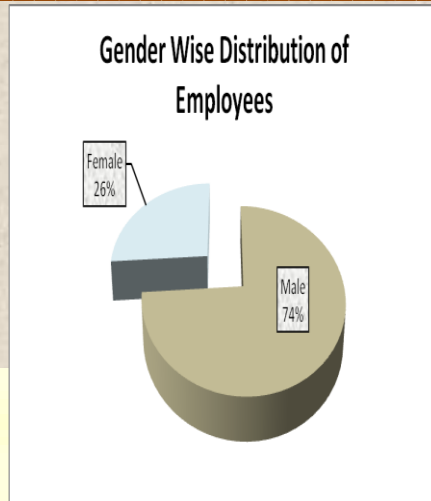
The researcher personally contacted 250 employees in four branches of LIC in northern India. They were appraised about the purpose of the study and request was made to them to fill up the questionnaire with correct and unbiased information.

### **SAMPLE OF THE STUDY**

Following table represents the sample of study:

**Gender-wise distribution of employees**

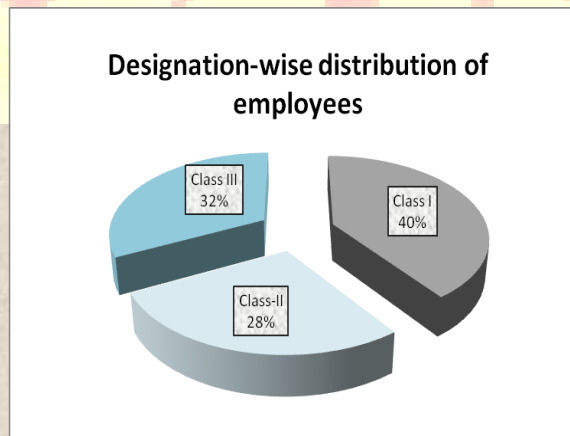
	<b>N</b>	<b>Percent</b>
Male	185	74
Female	65	26
Total	250	100



It is observed from the above table that 74% of the respondents are male and the remaining 26% are female.

**Designation-wise distribution of employees**

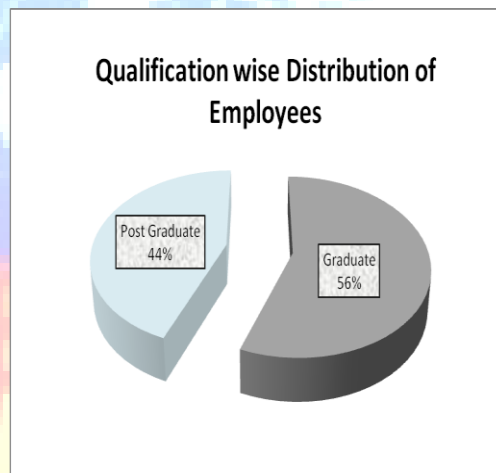
	Employees	
	N	Percent
Class-1	100	40
Class-11	69	27.6
Class-111	81	32.4
Total	250	100



It is observed from the above table that 40% of the respondents belongs to class I ,27.6 of the respondents belongs to class II ,the remaining 32.4 of the respondents belongs to class III.

**Tab. 1.3: Qualification wise distribution of Employees**

	Employees	
	No.	Percent
Graduate	140	56
Post Graduate	110	44
Total	250	100



It is observed from the above table that 56% of the respondents are graduate and the remaining 44% are post graduate

**QUESTIONNAIRE:**

The questions were designed to facilitate the respondents to identify major strengths and weakness of the Corporations and provide insights. The endeavors were to identify the key training & Development issues, on which employee’s perception can be obtained. The



respondents were requested specifically to ignore their personal prejudices and use their best judgment on a 5 point Likert scale. The purpose of this exercise was to make the response a true reflection of organization reality rather than an individual opinion. The 5 point of the scale indicated in the questionnaire are- 1. Strongly disagree, 2 disagree, 3-Undecided, 4-Agree and 5-Strongly Agree. Reliability (Cronbach's coefficient alpha) of the questionnaire has found to be 0.89. This shows data has satisfactory internal consistency. Reliability Cronbach's alpha is the most common form of internal consistency reliability coefficient. An examination had been made from the reliability of the data to check whether random error causing inconsistency and in turn lower reliability is at a manageable level or not.

### Perception of Gender (employees) regarding Performance Appraisal

Item No.	Factors		Strongly Agree	Agree	Indifferent	Disagree	Strongly disagree	Total
1.	Periodic orientation programmes are conducted to explain the objectives and other details of the appraisal system.	Male	27	50	90	13	3	185
		Female	7	26	25	8	1	65
2.	The appraiser generally spends time with their staff to discuss their performance.	Male	7	40	107	29	2	185
		Female	3	19	38	5	-	65
3.	The appraiser does a thorough job on self-appraisal in terms of reviewing, reflecting and analyzing the factors affecting their performance.	Male	13	60	70	33	9	185
		Female	6	19	25	12	3	65
4.	The performance review discussions are taken seriously by appraiser and sufficient time is spent on these discussions	Male	7	50	89	31	8	185
		Female	5	17	32	9	2	65
5.	The appraisal system helps	Male	13	55	77	40	-	185

	appraiser to educate their subordinates to overcome their personal biases and favourtisms.	<b>Femal e</b>	7	16	34	8	-	65
6.	The performance appraisal of employees by the officer in this corporation provides an opportunity for each employee to have a clear understanding of what is expected of a job?	<b>Male</b>	15	40	91	29	10	185
		<b>Femal e</b>	7	22	29	6	1	65
7.	The appraisal system provides the employees effective feedback regarding their performance.	<b>Male</b>	7	55	76	30	17	185
		<b>Femal e</b>	3	12	33	13	4	65
8.	The appraisal system helps appraiser to identify the needs of the employees.	<b>Male</b>	18	59	77	26	5	185
		<b>Femal e</b>	6	22	30	6	1	65
9.	The appraisal system provides an opportunity for each employees to communicate the support he needs from his seniors to perform his job well.	<b>Male</b>	9	59	82	31	4	185
		<b>Femal e</b>	3	14	39	94	-	65
10.	The appraisal system provides an opportunity for self review and reflection.	<b>Male</b>	18	40	79	39	9	185
		<b>Femal e</b>	5	23	28	9	-	65
11.	The appraisal system is based on all round feedback, that is, it involves all concerned parties	<b>Male</b>	24	59	72	26	4	185
		<b>Femal e</b>	8	19	32	6	-	65
12.	The appraisal system has scope for reflection and assessment of each employee on the personality factors.	<b>Male</b>	13	47	95	24	6	185
		<b>Femal e</b>	6	21	32	5	1	65
13.	The appraisal system encourages open communication between officers, employees and peers through performance	<b>Male</b>	22	59	110	25	3	185
		<b>Femal e</b>	5	16	32	11	1	65

	review discussion							
14.	The appraisal system has scope for correcting the biases of appraiser through a review process.	Male	17	43	92	25	8	185
		Female	3	22	28	10	2	65
15.	The appraisal system aims at strengthening appraiser and appraises relationship through developing mutual trust.	Male	18	42	82	11	10	185
		Female	4	14	31	13	3	65
16.	The appraisal system helps interested appraise to gain more insights into their strengths and weaknesses.	Male	25	32	101	27	-	185
		Female	7	17	37	4	-	65
17.	The appraisal system has scope for communicating the corporation plans and goals to staff.	Male	29	45	87	14	-	185
		Female	12	17	30	6	-	65
18.	The objectives of the appraisal system are clear to all appraise.	Male	25	46	86	19	9	185
		Female	9	13	30	10	3	65
19.	Efforts are made by appraiser to see that appraise are objective in their appraisal of trainees.	Male	26	31	101	24	3	185
		Female	5	14	30	15	1	65
20.	Performance appraisal helps in increasing employee's productivity	Male	31	69	70	13	2	185
		Female	11	24	30	-	-	65



**Perception of employees regarding Performance Appraisal on the basis of Designation**

Item No.	Factors	No.	Strongly Agree	Agree	Indifferent	Disagree	Strongly disagree	Total
1.	Periodic orientation programmes are conducted to explain the objectives and other details of the appraisal system.	Level-I	11	34	38	15	2	100
		Level-II	13	23	27	4	2	69
		Level-III	10	19	50	2	-	81
2.	The appraiser generally spends time with their staff to discuss their performance.	Level-I	2	22	50	26	-	100
		Level-II	4	26	39	-	-	69
		Level-III	4	11	56	8	2	81
3.	The appraiser does a thorough job on self-appraisal in terms of reviewing, reflecting and analyzing the factors affecting their performance.	Level-I	4	28	23	12	4	100
		Level-II	7	31	27	09	5	69
		Level-III	8	20	45	24	3	81
4.	The performance review discussions are taken seriously by appraiser and sufficient time is spent on these discussions	Level-I	9	31	30	22	8	100
		Level-II	2	4	50	13	-	69
		Level-III	1	32	41	05	2	81
5.	The appraisal system helps appraiser to educate their subordinates to overcome their personal biases and favouritisms.	Level-I	4	25	45	26	-	100
		Level-II	3	40	16	10	-	69
		Level-III	3	16	50	12	-	81
6.	The performance appraisal of employees by	Level-I	8	23	55	6	8	100

	the officer in this corporation provides an opportunity for each employee to have a clear understanding of what is expected of a job?	Level-II	11	18	25	13	2	69
		Level-III	3	21	40	16	1	81
7.	The appraisal system provides the employees effective feedback regarding their performance.	Level-1	3	29	40	28	-	100
		Level-II	4	26	22	14	3	69
		Level-III	3	12	47	01	18	81
8.	The appraisal system helps appraiser to identify the needs of the employees.	Level-1	10	40	31	16	3	100
		Level-II	8	21	34	6	-	69
		Level-III	6	20	42	10	3	81
9.	The appraisal system provides an opportunity for each employees to communicate the support he needs from his seniors to perform his job well.	Level-1	3	14	65	16	2	100
		Level-II	3	19	36	9	2	69
		Level-III	6	40	20	15	-	81
10.	The appraisal system provides an opportunity for self review and reflection.	Level-1	11	20	37	21	1	100
		Level-II	6	19	29	9	6	69
		Level-III	6	24	31	18	2	81
11.	The appraisal system is based on all round feedback, that is, it involves all concerned parties.	Level-1	9	19	56	14	2	100
		Level-II	11	19	31	8	-	69
		Level-III	12	40	17	10	2	81
12.	The appraisal system has scope for reflection and	Level-1	6	30	52	7	5	100

	assessment of each employee on the personality factors.	Level-II	7	13	36	12	1	69
		Level-III	6	25	39	10	1	81
13.	The appraisal system encourages open communication between officers, employees and peers through performance review discussion	Level-1	2	29	55	14	-	100
		Level-II	11	21	30	6	-	69
		Level-III	14	25	27	16	-	81
14.	The appraisal system has scope for correcting the biases of appraiser through a review process.	Level-1	1	30	40	25	4	100
		Level-II	13	12	34	10	6	69
		Level-III	6	23	46	-	-	81
15.	The appraisal system aims at strengthening appraiser and appraisee relationship through developing mutual trust.	Level-1	5	40	42	7	6	100
		Level-II	6	20	31	8	4	69
		Level-III	11	18	40	9	3	81
16.	The appraisal system helps interested appraisee to gain more insights into their strengths and weaknesses.	Level-1	10	10	68	12	-	100
		Level-II	4	12	50	3	-	69
		Level-III	18	27	20	16	-	81
17.	The appraisal system has scope for communicating the corporation plans and goals to staff.	Level-1	15	22	58	5	-	100
		Level-II	10	19	30	10	-	69
		Level-III	16	21	39	5	-	81
18.	The objectives of the	Level-1	15	17	50	11	7	100



	appraisal system are clear to all appraise	Level-II	12	17	35	3	2	69
		Level-III	7	25	31	15	3	81
19.	Efforts are made by appraiser to see that appraise are objective in their appraisal of trainees.	Level-1	9	25	45	19	2	100
		Level-II	14	11	36	8	-	69
		Level-III	8	9	50	12	2	81
20.	Performance appraisal helps in increasing employee's productivity	Level-1	7	35	55	3	-	100
		Level-II	16	27	20	4	2	69
		Level-III	19	31	25	6	-	81

### Perception of employees regarding Performance Appraisal on the basis of Qualification

Item No.	Factors		Strongly Agree	Agree	Indifferent	Disagree	Strongly disagree	Total
1.	Periodic orientation programmes are conducted to explain the objectives and other details of the appraisal system.	Graduate	23	40	70	6	1	140
		P.Graduate	11	36	45	15	3	110
2.	The appraiser generally spends time with their staff to discuss their performance.	Graduate	4	21	94	21	-	140
		P.Graduate	6	38	51	13	2	110
3.	The appraiser does a thorough job on self-appraisal in terms of reviewing, reflecting and	Graduate	8	38	53	33	8	140
		P.Grad	11	41	42	12	4	110

	analyzing the factors affecting their performance.	uate						
4.	The performance review discussions are taken seriously by appraiser and sufficient time is spent on these discussions	Graduate	4	36	61	30	8	140
		P. Graduate	8	31	60	10	2	110
5.	The appraisal system helps appraiser to educate their subordinates to overcome their personal biases and favourtisms.	Graduate	11	37	68	24	-	140
		P. Graduate	9	34	43	24	-	110
6.	The performance appraisal of employees by the officer in this corporation provides an opportunity for each employee to have a clear understanding of what is expected of a job?	Graduate	9	22	79	25	5	140
		P. Graduate	13	40	41	10	6	110
7.	The appraisal system provides the employees effective feedback regarding their performance.	Graduate	4	47	65	12	12	140
		P. Graduate	6	20	44	31	9	110
8.	The appraisal system helps appraiser to identify the needs of the employees.	Graduate	11	51	59	15	4	140
		P. Graduate	13	30	48	11	2	110
9.	The appraisal system provides an opportunity for each employees to communicate the support he needs from his seniors to perform his job well.	Graduate	8	38	61	29	4	140
		P. Graduate	4	35	60	11	-	110
10.	The appraisal system provides an opportunity for self review and reflection.	Graduate	15	19	67	35	4	140
		P. Graduate	8	44	40	13	5	110
11.	The appraisal system is based on all round	Graduate	24	52	50	11	3	140

	feedback, that is, it involves all concerned parties	<b>P.Graduate</b>	8	26	54	21	1	110
12.	The appraisal system has scope for reflection and assessment of each employee on the personality factors.	<b>Graduate</b>	7	44	70	14	5	140
		<b>P.Graduate</b>	12	24	57	15	2	110
13.	The appraisal system encourages open communication between officers, employees and peers through performance review discussion	<b>Graduate</b>	15	52	59	14	-	140
		<b>P.Graduate</b>	12	23	53	22	-	110
14.	The appraisal system has scope for correcting the biases of appraiser through a review process.	<b>Graduate</b>	7	31	76	22	4	140
		<b>P.Graduate</b>	13	34	44	13	6	110
15.	The appraisal system aims at strengthening appraiser and appraisee relationship through developing mutual trust.	<b>Graduate</b>	8	25	75	20	12	140
		<b>P.Graduate</b>	14	53	38	4	1	110
16.	The appraisal system helps interested appraiser to gain more insights into their strengths and weaknesses.	<b>Graduate</b>	21	23	80	16	-	140
		<b>P.Graduate</b>	11	26	58	15	-	110
17.	The appraisal system has scope for communicating the corporation plans and goals to staff.	<b>Graduate</b>	25	26	79	10	-	140
		<b>P.Graduate</b>	16	36	48	10	-	110
18.	The objectives of the appraisal system are clear to all appraisee.	<b>Graduate</b>	19	30	67	17	7	140
		<b>P.Graduate</b>	15	29	49	12	5	110
19.	Efforts are made by appraiser to see that appraisee are objective in their appraisal of trainees.	<b>Graduate</b>	13	21	80	25	1	140
		<b>P.Graduate</b>	18	24	51	14	3	110



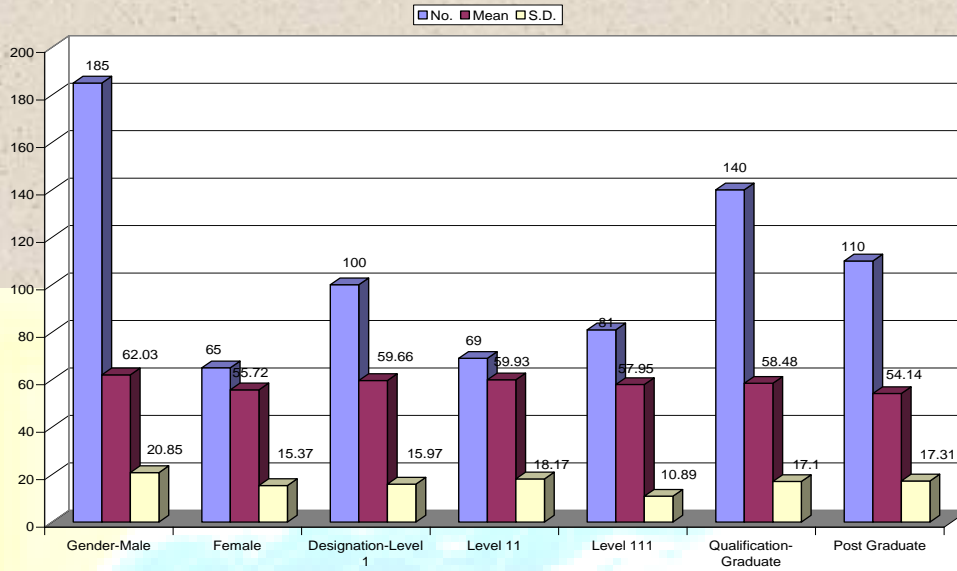
		uate						
20.	Performance appraisal helps in increasing employee's productivity	Graduate	23	45	61	11	-	140
		P.Graduate	19	48	39	2	2	110

**Table: Scale for performance appraisal**

Factor	No.	Mean	S.D
Gender-Male	185	62.03	20.85
Female	65	55.72	15.37
Designation-Level 1	100	59.66	15.97
Level 11	69	59.93	18.17
Level 111	81	57.95	10.89
Qualification-Graduate	140	58.48	17.10
Post Graduate	110	54.14	17.31

The results in the following table reveal that in the scale for performance appraisal, the highest mean score (62.03) is for male and the lowest (54.14) is for employees having the degree of post graduate. The same has been shown graphically in figure

**Graph : Scale for performance appraisal**



**Hypothesis- 1.1**

**Ho:** There is no significant difference between the perception of male and female employees regarding performance appraisal.

**Tab.1.1** Perceptual differences between male and female employees regarding performance appraisal.

Group	Sample size	Mean	S.D.	t- value	df	p-value
Male Employee	185	62.03	20.85	2.234	248	.026
Female Employees	65	55.72	15.37			

**P<0.05**

Summary of “t” test presented in the above table indicates that t-value (2.23) is significant as p-value (0.026) is less than 0.05. Hence the hypothesis stating, “The difference is not significant between the perception of male and female employees regarding HRD climate.” is rejected at 0.05 level of significance. So there is a significant difference between the perception of male and female employees regarding performance appraisal. Mean value for males (62.03) is more than females (55.72) therefore it is concluded that male employees have better perception of performance appraisal than female employees.

**Hypothesis- 1.2**

**Ho:** There is no significant difference between the perceptions of employees at different levels regarding performance appraisal

**Tab.1.2 Perceptual differences between employees at different level regarding performance appraisal.**

Particulars	Sample size	Mean	d.f	F value	P value
Class-1	100	59.66	2	1.852	0.159
Class-11	69	59.93			
Class-111	81	57.95			

*P > 0.05*

Summary of the univariate analysis of variance presented in the above table indicates that p-value (0.159) is greater than 0.05 as F value is (1.852) is not significant at 0.05 level of significance. Hence the hypothesis is accepted at 0.05 level of significance so there is no significant difference among employees at different level regarding their perception of performance appraisal selected branches of LIC.



**Hypothesis- 1.3**

**Ho:** There is no significant difference between the perception of graduate and post graduate employees regarding performance appraisal.

**Tab.3.3. Perceptual differences between Employees with graduate and postgraduate regarding performance appraisal**

Particulars	Sample Size	Mean	SD	t-test	df	p-Value
Graduate Employee	140	58.48	17.10	.786	248	.432
Postgraduate Employees	110	54.14	17.31			

$P > 0.05$

Summary of “t” test presented in the above table indicates that t-value (.786) is significant as p-value (0.432) is more than 0.05. Hence the hypothesis stating, the difference is not significant between the perception of graduate and post graduates employees regarding performance appraisal. “Is accepted at 0.05 level of significance.. So there is not a significant difference between the perception of graduate and post graduate employees regarding performance appraisal in selected branches of LIC

Mean value for graduate (58.48) is more than Postgraduate Employees (54.14) therefore it is concluded that graduate employees have better perception of PA than postgraduate employees.

### **Findings & Suggestions:**

1. Difference is significant between the perception of Male and Female employees regarding performance appraisal. Female employees have favorable attitude towards performance appraisal as compared to male employees.
- 2 There is no significant difference among employees at different level regarding their perception of performance appraisal selected branches of LIC.

3. The difference is not significant between the perception of Graduates and Post Graduates employees regarding the performance appraisal. in selected branches of LIC.

It has been found that the appraisal system in LIC is still being carried out on traditional lines. It has been further noticed that the management does not welcome suggestions of employees regarding performance appraisal. There is need for a complete review of existing system. Modern appraisal techniques need to be adopted by the corporation. Performance appraisal can be a powerful tool of HRD in many ways. It uncovers difficulties faced by the employees while handling assigned tasks.

In short we can say that to improve the performance appraisal in the LIC the following steps should be taken immediately

- Help the employee to overcome his weaknesses and improve over his strengths and thus enable him to improve his performance and that of the department.
- Generate adequate feedback and guidance from the reporting officers to the employee.
- Contribute to the growth and development of the employee through helping him in realistic goal setting.
- Provide inputs to: (i) system of rewards comprising salary increments, appreciations, additional responsibilities, promotions, etc., and (ii) salary administration.
- Help in creating a desirable culture and traditions in the corporation.
- Help identifying employees for the purpose of motivating, training & developing them.
- Generate significant, relevant, free and valid information about employees.

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