E-Performance Management System: A Study on IOCL Employees

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Abstract

This study explores over the e-learning practice followed by IOCL in the area of Performance Appraisal. This practice is latest one for appraising the performance of its employees. The future of workplace education lies in leveraging technological tools to the best possible business advantages. The move towards a connected economy has given rise to new and evolving system of information communication and distribution. This explores the underlying issue of performance management so that people could create valuable blueprints for e-learning within the organization.

Key Words: EPMS (’Electronics Performance Management System), KRA (Key Result Area, KPI (Key Performance Indicator) and Efficiency & Performance Appraisal, Performance Management

Introduction

PMS seeks to determine individual performance and potential through a system that is objective, transparent, alignment to the business needs, robust, easy to use and manage. Each of these can be better achieved in an e-enabled system. There is a need to be common appraisal architecture for an incentive scheme that spans all grade A to I and include Directors (IOC). This system articulates the roles and provides clarity in term of expected contribution and requisite skill to perform the role effectively.

PMS is based upon Key Result Areas (KRAs), Competencies, Value and Potential. The achievement against target set for each of these will together constitute the Appraisee’s performance.

- KRAs - identify areas of performance that support the organization’s goal that are to be accomplished during the year. Each KRA is accompanied by one or more KPIs.
Competencies – basically are the knowledge, skill and abilities describe in behavioral terms that are coach able, observable, measurable, and critical to successful performance.

Potential – it includes the critical attributes, which do not get covered in competencies and reflect an individual’s capacity to shoulder higher responsibility.

Values - are the statement that express Indian Oil’s ethical commitments and guiding Principles which are timeless and will stand the test of time, market forces & management Practices, and on upholding of which, individual are assessed.

The Objectives of Performance Management System (E-PMS) aims to encourage the following:

- Creation of high performance orientation
- Stronger alignment of individual performance with organizational goals.
- Higher degree of transparency, uniformity and process efficiency.
- Performance ownership at the employee level.

Objectives of the Study:

- To study the Scenario of Performance Appraisal of Employees for Officer & Non–Officer Employees.
- To assimilate the information about adopting EPMS (Electronic Performance Management System) for appraisal activity.

Research Methodology:

For completing this study on Performance Management System, study would be descriptive, explorative as well as analytical in nature and adopted the survey method for the collection of the samples from the IOC. In order to achieve the noted objective, study is based on the primary and secondary data. The survey was conducted through well-designed questionnaire. In addition to that personal interview and discussion has been conducted by the researcher with the head and specialist persons of the HR department.

Data Collection:

Data has been collected from 264 employees of one branch (Respondents) out of which 152 belongs to officer grade while, 112 belongs to non-officer grade. Data has been collected in the form of well structured Questionnaire as per objectives. The respondents were asked to make their perception on a five point scale. EPMS Questionnaire is specifically for officer grade only.

Hypothesis:

H₁ - There is significance difference in the opinion of officers and non officers regarding ,the scenario of appraisal system in IOCL.

H₂ - There is no significance difference in the opinion of officers and non officers regarding ,the scenario of appraisal system in IOCL.

ANALYSIS: (Objective: 1)

In this part of the study, the researcher analyses the performance appraisal scenario in IOCL for employees (officers and non officers’ grade). Here, analysis reveals that statements which are supported the most by the employees along with rank. For this particular
objective, the researcher tests the significance difference in the view of officer and non-officer in respect of scenario of Performance Management System in organization. For this t-test and Rank Correlation has been applied.

<table>
<thead>
<tr>
<th>EMPLOYEES GRADE</th>
<th>MEAN</th>
<th>S.D</th>
<th>N-(264)</th>
<th>t value</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFICERS</td>
<td>3.568</td>
<td>0.488</td>
<td>152</td>
<td>(0.057)</td>
</tr>
<tr>
<td>NON-OFFICERS</td>
<td>3.533</td>
<td>0.487</td>
<td>112</td>
<td></td>
</tr>
</tbody>
</table>

* Level of significances tested at 5% (0.05)
At 5% level of significance value is 1.96

From the above table, the researcher interpretation shows that mean score of officers (3.568) in respect of scenario of PAS is higher than the mean score of non-officers (3.533). But when the test of significance has applied by the researcher it was found that calculated t value (0.057) is less than table value (1.96). Therefore, researcher can say that though the scenario of PAS is higher in officers than the

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non officers but there is no significance difference in the opinion of the officers and Non officer employee regarding the scenario of Performance Appraisal System in IOCL. Further the researcher calculates the correlation between officers and non officers regarding scenario of PAS

Table: 2.1 Correlation between the views of officers and non-officers

<table>
<thead>
<tr>
<th>Objective-1</th>
<th>Rank Correlation (r)</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario of PAS in IOCL</td>
<td>0.923</td>
<td>Very High Positive Correlation</td>
</tr>
</tbody>
</table>

In reference to correlation between officers and non-officers regarding the scenario of PAS in IOCL as per table 2.1 is (.923) which is very positive correlation. Here, the correlation value clearly indicates that both the groups have their agreement on the variables taken in this section.

ANALYSIS: (Objective: 2)

This part of questionnaire provides the relevant information and preference of officers among the stated statements as per table:3 regarding EPMS (Electronics Performance Management System) for appraisal activity.

During the research it has been found that this EPMS is specifically used for the officer grade employees only. EPMS is an online appraisal activity which is used by the officer grade while, for non officer offline appraisal i.e. manually framed booklet is used for appraisal activity which is confidentially filled up by the Appraiser (some times by the higher executives).

This part of analysis shows the most prefer responses by the officer grade employees along with the graphical presentation of data.

Table: 3 Statement supported most by the Officers regarding EPMS
<table>
<thead>
<tr>
<th>S. N</th>
<th>STATEMENTS</th>
<th>OFFICERS (N-152)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>MEAN</td>
<td>S.D</td>
<td>RANK</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>You are aware with the performance appraisal system in your organization.</td>
<td>3.697</td>
<td>0.866</td>
<td>XIV</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Your work makes you feel like you have been productive.</td>
<td>4.079</td>
<td>0.654</td>
<td>IX</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>There is a platform to register problems and grievances for timely solution.</td>
<td>4.355</td>
<td>0.738</td>
<td>II</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>For new employees frequently appraisal required than existing one</td>
<td>4.053</td>
<td>0.849</td>
<td>VII</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Your appraiser uses the power to fulfill his personal objectives and harm others.</td>
<td>4.053</td>
<td>0.714</td>
<td>VII</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Appraisal system is properly implementing in organization.</td>
<td>3.664</td>
<td>0.835</td>
<td>XV</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>You are satisfied with the performance appraisal system applied in Organization.</td>
<td>4.224</td>
<td>0.700</td>
<td>IV</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Performance appraisal work as a control mechanism cell for Fundamental changes in the attitude and behavior of the managerial Personnel.</td>
<td>4.316</td>
<td>0.653</td>
<td>III</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Performance appraisal is done separately for the different level of organization.</td>
<td>3.309</td>
<td>1.215</td>
<td>XVI</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Training need identification is a part of appraisal system.</td>
<td>3.868</td>
<td>0.871</td>
<td>XI</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>You are free to express your feeling and suggestions to your superior.</td>
<td>3.750</td>
<td>1.015</td>
<td>XIII</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Performance appraisal is based on clearly identified Key Related Area.</td>
<td>3.086</td>
<td>1.297</td>
<td>XVII</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Only formal relations exist between superior and subordinate.</td>
<td>3.914</td>
<td>0.895</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Well-designed appraisal policy is applied by organization.</td>
<td>4.184</td>
<td>0.823</td>
<td>VI</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Different methods are used for the different level of employees.</td>
<td>3.796</td>
<td>1.035</td>
<td>XII</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>There is regular review of appraisal system.</td>
<td>4.414</td>
<td>0.653</td>
<td>I</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Feedback form is used by organization for evaluating appraisal activity.</td>
<td>4.204</td>
<td>0.554</td>
<td>V</td>
<td></td>
</tr>
</tbody>
</table>
FINDINGS REGARDING SCENARIO OF PERFORMANCE APPRAISAL AND MANAGEMENT SYSTEM.

After analysis and interpretation of data, the researcher draws the various findings (as per table 1) regarding the Scenario of performance Appraisal System in IOCL for Officers and Non – Officers as follows:

- Overall Mean Score of Officers = 3.568, Mean Score of Non- Officers = 3.533, and calculated t value = 0.576 (1.96 at 0.05 level of significance). Here, the researcher observes that Hypothesis (H₀) is accepted as calculated t value > 1.96 (table value). Which shows that there is no significance difference in the opinion of officers and non officers regarding scenario of PAS in IOCL. The reason behind the insignificance difference could be that both categories of employees are familiar with their appraisal system.

- Further analysis of research reveals the Rank Correlation between the Officers and Non - Officers (r = 0.923) as per table 2.1. Which shows that there is very high positive correlation exists between the officers and non officers regarding the Scenario of PAS in IOCL. Thus, (r) value shows that both the group has their agreement on the variables taken in this section.

FINDINGS REGARDING EPMS

In respect of objective-2 which is meant for officers only, the researcher reveals the different mean score and preference of officer regarding EPMS (Electronic Performance Management System) as per ranking order. Here, analysis work reveals the following results and findings as per table 3.:

- Feedback is an important aspect of appraisal system in organisation (IOCL) because it has got the highest mean score which indicate that there is regular feedback in organisation as it is top most preference of the officers among the stated statements.

- The second preference as per analysis reveals that KPI & KRA plays an important role in EPMS because it leads to reduce the role conflicts among employees.

- It’s true that EPMS is strictly meant for officer only in organisation which is the third preference of the officers.

- Forth preference as per analysis shows that EPMS makes the appraisals activity more effective as compared to earlier one in organisation.
There is regular weightage for each KPI which becomes the fifth preference of the officers.

As per analytical work sixth preference reveals that EPMS plays vital role in finding weaknesses and helps to overcome by providing corrective action taken by the system prevailing in the organisation.

Researcher can say that officers of IOCL are in favour of adopting EPMS and believe that this system is effective and systematic as mean score of both are same and got the seventh preference.

Researcher draws the inferences that mostly officers perceive that there is no. of reasons for adopting EPMS in the organisation (IOCL) which is the ninth preference of the officers.

Researcher’s study reveals that, appraisal system is not biased and true evaluation is taken into consideration for appraisal activity in the organisation which is the tenth preference of the offices.

EPMS is costly affair with eleventh preference.

EPMS monitored over performance on continuous basis in the organisation.

Under thirteenth preference there is existence of 360 degree appraisal and feedback in the organisation (IOCL).

There is number of shortcomings in the earlier system. Therefore, EPMS is adopted in the organisation to overcome the shortcomings of that earlier system which is the fourteenth preference of the officers.

Under fifteenth preference most of the officers believe that there are various challenges faced by EPMS in the organisation.

In concern with sixteenth preference EPMS provide aid in taking prompt decision in the IOCL.

Officers perceive that performance and incentives are linked with each other, which is the last but not the least preference of the officers.

CONCLUSION:
With the entry of an individual in an organization, an employer starts expecting good performance from the employees. The employer also suggests continuous addition in the employees. At present, Indian Oil Corporation Limited using EPMS (Electronic Performance Management System) which is also known as online appraisal. In the present study, the researcher analyses the present performance appraisal system in IOCL and finds that both officers and non officers are satisfied with it. In order to make the system efficient, organization (IOCL) is presently using the technique like-MBO, self appraisal and 360- degree appraisal and feedback. A good performance appraisal system can definitely be instrumental in achieving the organizational objectives.

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