

A Study On Performance Appraisal And Employee Satisfaction At Malappuram Co. Operative Spinning Mill Ltd.

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Abstract

This study was conducted on Malappuram co. operative spinning mill Ltd. It is conducted to know the performance appraisal and employee satisfaction in the organization. This study helps to understand the satisfaction level of employees in Malappuram cooperative spinning mill [MCSM] Ltd and the performance appraisal process and how that help in employees and organization for achieving organizational goals.

The research design used in this study was descriptive research design. Primary data was collected through structured questionnaire with a sample of 60 among the employees in the organization and secondary data was collected from books and journals. The collected data were analysed and interpreted with the help of percentage analysis, chi-square, and correlation. This study found that the employees in the company are highly satisfied with the appraisal system in the organization. Most of the employees are satisfied with salary, bonus or reward mechanism.

Key Words: Performance appraisal, employee satisfaction

Date of Submission: 26-08-2023

Date of Acceptance: 06-09-2023

I. Introduction

Performance appraisal is a formal system that evaluate the quality of worker's performance. The appraisal measures the skills and accomplishments with reasonable accuracy and uniformity. It provides a way to help identify areas for performance enhancement and to help promote professional growth. It should not, however, be the supervisors only communication tool. Open line of communication throughout the year help to make effective working relationships. Performance appraisal is the process which assessing the performance and progress of an employee on a given job for his future development, and it mainly consists formal procedure

Each employee is entitled to a thoughtful and careful appraisal. The success of the process depends on the supervisor's willingness to complete a constructive and objective appraisal and the employee's willingness to respond to constructive suggestions and to work with the supervisor to reach future goals. An appraisal should not be viewed as an end in itself, but rather as an important process within a broader performance management system that links organisational objectives, day to day performance, professional development and rewards and incentives.

Employee satisfaction is a term that is used to describe if employees happy and fulfilling their desires and needs at work. The crucial factor in employee satisfaction is that satisfied the employees must do the job and make contributions that the employer needs.

II. Industry profile

Indian cotton industry has an overwhelming presence in the economic life of the country. Apart from proving one of the basic necessities of the life, the cotton plays the role through its contribution to industrial output, employment generation and the export earnings of the country. India is the only country which grows all four species of cultivated cotton. Starting from Gossypiumabroccum and herbaccum (Asian cotton). India produces a large number of cotton varieties and hybrids. Through the varieties of cultivated exceed 76% of the production contributed by about 25 varieties only. Cotton plays an important role in the Indian economy as the country's textile industry is predominantly cotton based. India is one of the largest producers as well as exporters of cotton yarn and the Indian textile industry contributes about 11 percent to industrial production, 14 percent to the manufacturing sector, 4 percent to the GDP and 12 percent of the country's total export earnings. The cotton cultivation in India in 2013-14 was estimated at 37 million bales (170 kg each) of cotton, making it the second

largest producer of cotton worldwide. During 2013-14 in India, cotton yarn production increased by five percent and six percent respectively. The states of Gujarat, Maharashtra, Andhra Pradesh, Haryana, Punjab, Madhya Pradesh, Rajasthan, Karnataka and Tamil Nadu are the major cotton producers in India.

III. Company profile

The Malappuram co-operative spinning mills Ltd manufacturing company engaged in production of yarn and sample fibers" The type of organization is a co-operative society register under the Kerala co-operative act. MALCO mills limited was registered on 28 October, 1975, and it established in the year 1979. MALCO mills limited started the commercial production in the year of 1980. The paid up share capital of MALCO mills lmd is Rs.113753860. The company mainly produced 3 types of yarn; Cotton, Polyester stable fiber and Viscose stable fiber.

MCSM are market leader for the last 30 years in PC yarn. Two different varieties of yarns are produced within the company such as cotton and polyester. The product of the mill is well accepted in the market and focused to up-keep better satisfaction of valued customers. The company manufacturing high quality polyester cotton blended warp yarn. The products are: 20 PC, 56 PC, 67 PC & 72 PC yarns.

The mil has only one major depot agent named Sager Enterprises, Maharashtra. The products are selling at Mumbai, Biwandi & Ichalkaranji market. The mill is producing the above counts in single yarn for weaving applications. MALCO mills limited supplying 20s PC yarn to Government of Kerala for School Uniform Project. The company produce near 4500 kg yarn per day. Out of 1.50 lakhs kg yarn produced per month, about 30% selling to School Uniform project of Government of Kerala.

IV. Literature review

Patrick Kamp Kotter [2017] the international journal of human resource management, the study analysis the effect of performance appraisal on employee's overall job satisfaction. And differentiate between appraisal that are linked to monetary outcomes. Such as bonus payments and promotions.

NN Vrinda, Nisha Ann Jacob [2015] the employee attitudes are most important to every management because they determine the behaviour of workers in the organization. The commonly held opinion is that 'A satisfied worker is a productive worker.' A satisfied work force creates a pleasant atmosphere within the organization to perform well. It investigated the most satisfying event of an employee in the job, why employees stay and leave the organization. Employees is a back bone of every organization.

Manish Khanna [2014] performance appraisal is significant since it is an important part of any companies' human resource strategy. managing individual and team performance to accomplish corporate goals has a clear value. Performance appraisal is a significant instrument in the hand of personal management because it achieves the departments major goal of appraising the individuals worth, which is the major goal of the department of people development. Employees and their supervisors can collaborate to improves job results and satisfaction through the performance management process. When both the employee and supervisor take an active role and work together to achieve the organizations goals, this approach is most effective. The Management and employee meet once a year for appraisal. however various trends are altering the appraisal style and interaction. The author reviewed certain unstructured appraisal methodologies, classic methodologies and new performance appraisal strategies in this paper.

Imran Khan, Han Dongping, [2014]. Enhancement in the employee's performance is the major dilemma of organisations in current environment. reason behind this improvement is pecuniary profit and competitive advantage. employees are the basic source of profit and competitive advantage. so organization activities involve in enhancing their employee performance is actually has the motive of organizational performance enhancement. Different psychological and environmental factors affect the employee performance.

V. Objectives

- To measure and improve the performance appraisal.
- To measure the employee job satisfaction level in organization.
- To study the employee's perception towards organization. ▪ To study the attitude of employees towards their work.
- To identify the factors that motivates the employees.
- To give suggestion for the growth and perspective of the company.

VI. Research methodology

Research design

A research design is a plan that specifies the source and type of information relevant to the research problem. Here the project aims to study the performance appraisal and employee satisfaction of the Malappuram

cooperative spinning mill. The study is based on primary data collected from 60 respondent. A well-structured questionnaire was designed to collect information from the respondents. The responses have been collected from every respondent personally.

Source of data

PRIMARY DATA:

Primary data is the first-hand data collected through questionnaires from employees. For the present study, primary data was collected by survey method using the questionnaire.

SECONDARY DATA:

Secondary data is collected from sources such as websites, books, organization records, journals, and other reports.

POPULATION

The population of the study consists of the 300 employees of the Malappuram cooperative spinning mill.

SAMPLE SIZE

Due to the limited period of study, only 60 employees were selected as a sample unit from the population. The study is conducted based on the response of the selected sample and findings are drawn based on that.

VII. DATA ANALYSIS

PERCENTAGE ANALYSIS

- 43% employees are highly satisfied the current appraisal system and 3.3 % are dissatisfied in the current appraisal system.
- 50% opinion is promotion is the objective of performance appraisal. And the 30 % have other opinions.
- 50% are highly satisfied the training and development provided by the company and 10% are dissatisfied.
- 40% are highly satisfied in the working hours, shifting & overtime provided by company and 5% are dissatisfied.
- 70% are satisfied towards job &30% are not satisfied towards job.
- 40% are highly satisfied about policy and wage system by company and 10% are dissatisfied.
- 45% are satisfied the job security and 20% are less satisfied the job security of the company
- 60% are satisfied in the grievances handling by the company and no one has dissatisfied.
- 95 % opinion are performance appraisal needed in the organisation.
- 55% employees' feel connected to co. workers and 45% not feel connected to co. workers.
- 80% are satisfied in the company culture 20% are not satisfied.
- 20% are satisfied with the transportation facility provided by the company.

VIII. CHI-SQUARE TEST

Relation between Gender and Employees satisfaction towards performance appraisal.

H0: There is no significant association between gender and employee satisfaction towards the performance appraisal

H1: There is a significant association between gender and employee satisfaction towards the performance appraisal.

OBSERVED FREQUENCY

RESPONSES (PERFORMANCE APPRAISAL)				TOTAL	
GENDER		AGREE	NO OPINION	DISAGREE	
	MALE	24	6	6	36
	FEMALE	16	6	2	24
TOTAL	40	12	8	60	

Computing statistics

The formula for calculation chi-square test is

$$\text{Chi square } (x^2) = \sum(O - E)^2/E$$

O = Observed frequency

E = Expected frequency

Degree of freedom = (r-1) (c-1)

Level of significant = 5%

E= (row total columns total)/grand total

$$(x^2) = \sum(O - E)^2/E = 1.5109$$

Degree of freedom = (R-1) (C-1) = (2-1) (3-1) =2
 Level of significance in 0.05 is 5.991

INTERPRETATION

The tabulated value (5.991) is greater than the calculated value (1.5109). Therefore, the null hypothesis is accepted. So, there is no relationship between gender and performance appraisal.

0	E	O-E	(O-E) ^2	(O-E) ^2/E
26	24	2	4	0.1666
6	7.2	-1.2	1.44	0.2222
6	4.8	1.2	1.44	0.3333
16	16	0	0	0
6	4.8	1.2	1.44	0.3333
2	3.2	-1.2	1.44	0.4555
Σ				1.5109

IX. CORRELATION

MEDICAL AND TRANSPORTATION FACILITY

X	Y	X=x-x	Y=y-y	X2	Y2	xy
19	24	7	12	49	144	84
18	16	6	4	36	16	24
13	10	1	-2	1	4	2
5	6	-7	-6	49	36	42
5	4	-7	-8	49	64	56
60	60			184	264	208

$R = \frac{\sum XY}{\sqrt{\sum x^2 \sum y^2}}$
 $R = \frac{208}{\sqrt{184 \times 264}}$
 $\frac{208}{220.40}$
 $= 0.943$

INTERFERENCE:

The positive correlation between medical and transportation facility

X. SUGGESTIONS

- The company can recruit female employees more.
- Improve job security for employees.
- Training program will be more effective when it is evaluated by appraisal systems.
- Improve the connection between co. workers.
- At the time of training, providing some motivational training program that can improve the Efficiency of work.
- Give computer-based training to the employees once in every three months.
- Provide employee motivation programs and other training programs for the development towards profit making.
- Skill based training should be provided.
- Improve transportation facility.

XI. CONCLUSION

Malappuram cooperative spinning mill provides a good environment for doing project about the topic” A study on performance appraisal and employee satisfaction with reference to MCSM Ltd, Malappuram. Human resource plays an important role in any organization.

This study helps to understand the satisfaction level of employees in MCSM Ltd and the performance appraisal process and how that help in employees and organization for achieving organizational goals.

The people in the organization gave all necessary information for my organizational study. They also helped me to understand the human resource departmental activities in a very short period of time. The relationship between management and employee is healthy one so the human resource planning system is good and the employees are satisfied with their company working condition and company culture.

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