Effectiveness of Performance Appraisal Methods – An Empirical Study of the Telecommunication Sector

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Abstract: Performance appraisal (PA) of employees is one of the most significant HRD practices in organisations, by which employee's satisfaction and overall development can be managed well. PA is typically used for a variety of reasons such as employee rewards, pay rises, job oriented feedback, career and individual development, it is most often scheduled annually or semi annually. Organisations can use PA as a competitive advantage strategically to enhance the satisfaction levels of the individuals at work and effectively increasing the productivity of the employees by risk and reward mechanism. The present research paper emphasises on the methods of performance appraisal preferred by the appraisees in the telecommunication sector, which is one of the fastest growing industries in India on the basis of its customer base. The sample taken for the present study includes one public enterprise and three private companies in the area of Jammu & Kashmir, India. The pivotal focus of this research paper is to find out which methods of performance appraisal are being rated higher by the manager appraisees and the possible reasons behind the same so as to uncover the most effective PA methods from the managerial perspective in service driven organisations.

Keywords: *Performance Appraisal (PA), 360 Degree Appraisal, Peer Appraisal, Management By Objectives (MBO), Behaviourally Anchored Rating Scales (BARS).*

I. INTRODUCTION

In order to achieve the appraisal purposes objectives, a considerable number of performance appraisal methods are frequently used to adjudge an individual's performance in terms of need of the jobs for which they are employed. These objectives can be achieved if the merit rating scales are first evaluated and based on such statistical foundations and the raters are adequately trained in the evaluation process. Research studies have emphasized that organisations today do not have a choice of whether or not to examine their present performance appraisal *(Hollye et al., 1976)*. Some of the representative studies reported literature evidences having made several attempts to standardize rating procedures and methods analyse different factors influencing rating process and evaluate the effectiveness of appraisal programmes. These studies include *Friedman & Mann (1981); Whisler & Harper (1962); Mayer & Walker (1961); Bayriff et al. (1954); Unbrock (1950) & Mahler (1947).*

A properly administered performance appraisal system may be an asset to an organization which indirectly relates to each and every component related to the methods / processes of PAS. Historically, performance appraisals have been used for administrative purposes, such as retention, discharge, promotion and salary administration decisions *(De Vries et al., 1981)*. However, in early era, with weak human resource management departments and a lack of understanding of performance appraisal systems, administrative decisions were often made independently of, and even ran counter to, performance appraisals *(Whisler & Harper, 1962, Jan & Jenifur,2015)*. Since 1920's many

appraisal tools have been developed. Research studies also indicate that a variety of research methods are used by organisations to measure the quantity and quality of employee's ob performance. Each of the methods to be discussed in this section could be effective for some purposes, for some organisations. None should be disregarded or adopted as appropriate universally except as they relate to the particular requirements of the organization for a particular type of employee. Broadly all approaches to appraisal can be classified into two categories: (a) Past oriented methods and (ii) Future oriented methods each group has several techniques as discussed further. Past-oriented techniques assess behaviour that has already occurred. They focus on providing feedback to employees about their actions, feedback that is used to achieve greater success in the future. In contrast, future-oriented appraisal techniques emphasize future performance by analysing employees potential for achievement and by setting targets for both short- and long-term performance.

II. REVIEW OF LITERATURE

A. Methods of Performance Appraisal

1. Past Oriented Techniques of PAS

Narrative Techniques: These include-global ratings/essays/free written methods and critical incident methods. The first tools used were global ratings and global essays *(DeVries et al., 1981)*. In global ratings, the rater provides on overall estimate of performance without distinctions among any performance dimensions. Typical ratings include 'outstanding', 'satisfactory', and 'needs improvement'. For global essays a rater responds actively to questions about the overall evaluation of a ratee over the last year. The subjectivity of both methods and the variability of essay method made it difficult to use these tools to make quality decisions *(Wiese & Buckley, 1998)*.

In essay appraisals, behaviors of employees are primarily focused Essay or free written methods simply require appraiser to produce a pen picture of the appraisee. Due to lack of time and writing skills on the part of manger, is still being used for managerial jobs of top level positions, where the job contents to be appraised are very qualitative in nature, and the number of persons to be appraised are very small. However, under the critical incident report, supervisors would maintain a diary in which, the positive or negative behaviors or aspects of employee are recorded over a period of time *(Mondy & Noe, 2008)*. This method as developed by *Filanagan (1954),* involves three important steps. Initially a test of note worthy (good or bad) on the job behaviors is prepared. This is usually in the form of instances. These incidents are given to a group to a group of experts who assign scale values depending upon the degree of desirability for the job. Third step consists of constructing of checklist that includes incidents relevant to defining 'good' and 'bad' worker. According to *Hayness (1978)* due to burdensome rating procedures, critical incident form of rating did not become so popular, as it highlights extreme performance to

the exclusion of day to day performance, which usually is a real measure of a person's effectiveness. These methods are partly used in BSNL in their appraisal formats.

Forced Choice Method

This method evolved after a great deal of research conducted for military services during World War II *(Mondy & Noe, 2008)*. In this method, the rater is given a series of statements about an employee. In each set of four statements, two appear favorable and two and un-favorable. However, only one of the favorable statements adds to the score and only one of the unfavorable statements detracts from the score. Personal research on prior successful or un-successful performance determines the value added or subtracted for each statement. These values are not known to cater, who chooses the statement which he/she believes to be most characteristic prescriptive of the employee. *(Wiese & Buckley, 1998)*. Due to the rater's ignorance of often values, the forced- choice method is designed to reduce rater bias, creating more accurate ratings. Additionally, it establishes objectives standards of comparison between individuals *(Richardson, 1949)*. However, a problem with this method is that raters may resent a tool which only provides them with two very negative statements from which to choose, forcing them to make derogatory comments about on employee *(Barret, 1967)*. Additionally this method is expensive to develop and provides a global indications of merit rating of specific dimensions of performance, causing confusion as to which performance is acceptable and which is not *(Cascio, 1991; Patten, 1977)*.

The Graphical Rating Scales

The use of graphical rating scales (GRS) is the oldest and the most widely used employee appraisal procedure. A rater is given a printed form that contains a number of employee qualities and characteristics to be judged. Here the main focus is on selecting the appropriate factors as per the organizational needs. Personality traits, job behavior and, outcomes vis a vis objectives are commonly used factors, amongst these, the trend is more towards selecting ob behavior and outcomes as they are more objective than personality traits *(Basu, 1988)*. With this tool, the rater indicates on a numerical scale the degree to which the rater possesses certain personality, traits. The performance dimensions are usually defined traits; graphic rating scales have not withstood legal scrutiny *(Bernardin & Beatty, 1984)* and are not very useful in providing performance feedback. Additionally, these vague Performance dimensions call on the rater to link observed behavior with the appropriate personality trait, making rater error prevalent *(Bernardin & Smith, 1981, Mufeed & Jenifur, 2015)*. However, the aspects of using the trait-rating scales are that they are inexpensive and relatively to develop and administer, the results are quantifiable, the rater examines more than one easy performance dimensions, and because they are standardized, the results are comparable across individuals and across divisions *(Cascio, 1991)*. These are less time consuming and allow for quantitative analysis and comparison *(Mondy & Noe, 2008)*.

Prior to world war second, performance appraisal system tended to exclude top management, generally used graphic rating scales and had just one or two forms for all employees regardless of the job performed or skills necessary *(Spriegel, 1962)*. These systems appraised individuals on the basis of previously established performance dimensions, using a standard, numerical scoring system. They focused on past actions instead of future goals and were always conducted by the supervisor with little input from the employees. These

shortcomings caused the military and industry to search for more accurate and useful performance appraisal system *(DeVries et al., 1981)*. In telecom companies, this type of rating scale is pertinently common including the present sample organisations.

Ranking

This method is one of the simplest methods of appraising employees. This essentially, is the preparation of merit list. It was widely used as man-to-man ranking procedure developed for the army in 1914 *(Scott & Clothier, 1923)*. The army used five scales to rank its officers -physical qualities, intelligence, leadership, personal qualities, and the general value to the service. The rater chose 12 to 25 officers of the same rank as the officers being rated. The rater then ranks these officers from the highest to lowest based on one of the five scales and selects five officers to use as the standard for judgment (l) highest (2) middle (3) lowest (4) between highest and middle (5) between middle and lowest, thus freeing it off errors like leniency or central tendency.

There are several ways of accomplishing a ranking; these are (a) alternation ranking, (comparing one workers performance with his/her co-workers *(Dessler, 1999)* and also in group order ranking, where employees are classified in a particular fashion such as a group of top one fifth *(Decenzo & Robbins, 2002)*, (b) paired comparison and (c) Forced distribution method on the basis of normal statistical distribution conforming to a bell shaped curve. However, the improvised ranking method is paired comparison method, which attempts to minimize errors. It requires the supervisor to compare each employee with every other employee working under him/her on the overall efficiency aspect. The person marked most frequently is placed at the top of the list and so on, until the person with the least number of marks is at the bottom *(Mufeed, 2011, 2012; Mondy & Noe, 2008, Jenifur, 2014)*.

Confidential Reports

This is the most traditional way of appraising an employee's performance and is still in use in a number of Indian Business Houses, particularly in most government, educational institutions and public sector. Under this assessment method, the supervisor evaluates subordinate's strengths, weaknesses and opportunities more with regard to his/her traits. According to the use of conventional appraisal approach, it is assumed that since the immediate superior is in direct contact and knows his/her subordinates better than anyone else and can decide what is best for him/her. Research indicates that this method of assessment by superiors which though still followed in some organisations, has become largely outdated *(Basu, 1988)*.

Behaviorally Anchored Rating Scales (BARS)

BARS have captured some attention in recent years because they provide a way of grounding appraisals in objective reality and are possible alternatives to MBO *(Pattan, 1982)*. These scales sometimes called Behavioral Observations Scales (BOS), Behavioral Expectation Scales (BES, or Mixed Standard Rating Scales (MSRS), were foreshadowed more recently as the panacea for appraisal problems and considered to be the possible solutions to the perennial problems of different rater bias, low reliability, and questionable validity of traditional rating techniques.

BARS were first introduced by *Smith and Kendall (1963)* eventually overcoming some of the psychometric inadequacies associated with other rating formats. It is based

on a rigorous procedure which produced a scale or set of scales containing critical incidents exemplifying levels of performance in the various aspects of a particular job and the developmental procedure sought to be objective and to incorporate a high measure of agreement on scale anchors amongst participants.

Decenzo & Robbins (2002) have given five stages of BARS, which are (a) generation of critical incidents, (b) developing performance dimensions, (c) relocating incidents, (d) rating of level of performance for each incident and (e) development of final instrument.

Since 1963, many studies have attempted to evaluate the psychometric properties of BARS *(Bernardin & Smith, 1981; Harrell & Wright, 1990; Kimicki et al., 1985, Wiersma & Latham, 1986). Jacobs et al. (1980), Kingstrom & Bass (1981), and Schwab et al., 1975)* which, when taken together, constitute a comprehensive review of individual and comparative studies examining the properties of BARS, these studies indicate that whilst BARS indicating it neither as inferior nor superior to other rating techniques. This needs to be viewed in the light of methodological short comings associated with the comparative studies *Jacobs et al. (1980); Kingstrom & Bass (1981); Schwah et al., 1975).* Firstly, almost all the comparative research has involved the evaluation BARS relative to scales which have been developed using performance dimensions generated through BARS developmental procedures.

Secondly, comparative studies often operationalise psychometric properties differently. Hence when measures of leniency and inter-rater agreement differ from study to study, it is difficult to reach meaningful conclusions as to the superiority, or otherwise of one rating format over another. In contrast with studies with focusing on psychometric properties, evaluation of BARS against important qualitative criteria has produced more concrete findings in their favor. Experts talk about 720 degree appraisals now which is 360 degree appraisal twice, conducting appraisals in 7 phases-pre appraisal feedback, self appraisal, peer appraisal, customer appraisal, subordinate appraisal, managerial appraisal and post appraisal feedback (Anupama et.al, 2011)

B. Future Oriented Appraisal Techniques

Management by Objective (MBO)

MBO was first introduced to businesses in the 1950s as a system called management by objectives and self-control *(Drucker, 1955).* Further, focus on goal alignment as a way to improve organizational performance was at the time, thought to provide the best path to increase profitability *(D' Aveni, 1995).*

Around 61 percent of the organizations by the early 1950s, regularly used performance appraisals, compared with only 15 percent immediately after wworld war II *(Spriegel, 1962).* The primary tools was trait -rating system, using a standard, numerical scoring system to appraise people on the basis of previously established set of dimensions *(De Vries et al., 1981).* This rating system causes the manager to play the role of judge, which is inconsistent with the roles of leader and coach necessary to focus on to both the employees and organizational goal *(Mc Gregor, 1957).* The performance appraisal problems associated with these conflicting roles was accompanied by the initiation of wide spread manager appraisals, which began after world war -II, gave impetus to the need to update performance appraisal systems *(De Vries et al., 1981).* Recognition of the limitations of performance appraisal systems in the 1950s led to the development of new systems based on management by objectives (MBO). Following the successful application of MBO to General Mills, MBO systems became increasingly common in organizations during the 1960s and 1970s. The commonly agreed elements of an MBO system *(Reddin, 1971; Reddin & Kehoe, 1974)* are:- (a) Objectives established for all jobs in the firm, (b) Use of joint objectives setting, (c) Linking of objectives to strategy, (d) Emphasis on measurement and (e) Establishment of a review and recycle system.

MBO has a great potential for letting employees know for sure what their performance is expected to be and informing managers how their work ties into the work of peers, superiors and subordinates. *Grant et al. (1994)* suggests that the Frederick Taylor's rational goal model places a strong emphasis on command and control, and utilizes scientific management concepts together with Taylorism principles The shift in managerial thinking represented by MBO is related to a movement away from assumptions about human behavior based on scientific management principles *(Freedman, 1992).* MBO principles differ, markedly from the command and control model of scientific management related to goal setting, instead illustrating more towards a paradigm known as the human relations model. The human relations model reflects employee empowerment and collaboration *(Guillen, 1994).* In summary, while MBO is still based on the rational goal model in terms of its emphasis on goal and measurement setting, employee involvement and collaborative efforts Here also integral to its philosophy. As such MBO could be viewed as a first attempt to merge two constricting paradigms (the rational goal model and the human relations model) and represents what *Quinn et al. (1996)* describe as major shift in managerial thinking to the human relations model.

Psychological Appraisals

Large organisations employ full time industrial psychologists. When psychologists are used for evaluations, they assess an individual's future potential and not past performance. The appraisal normally consists of in-depth interviews, psychological tests, discussions with superiors and a review of other evaluations. The psychologist then writes an evaluation of the employee's intellectual, emotional, motivational and other work related characteristics that suggest individual potential and may predict future performance. The evaluation by the psychologists may be for a specific job opening for which the person is being considered, or it may be global assessment of his/her future potential. From these evaluations, placement and development decisions may be made to shape the person's career. Because this approach is slow and costly, it is usually required for bright young members who, others think, may have considerable potential within the organization.

Regarding whether age, experience, and level of education of employees influence employees perception of PAS, *Gurbuz & Dikmenli (2007)* were of the view that the less experienced and youthful employees are relatively more anxious during appraisal than the more experienced and older ones. However, employees who undergo PA several times, regardless of their age, accumulate valuable information, knowledge and experience about its process and purpose through the feedback system. Since the quality of the appraisal depends largely on the skills of the psychologists,

some employees object to this type of evaluation, especially if cross cultural differences exist.

Assessment Centres

Mainly used for executive hiring, assessment centres are now being used for evaluating executive or supervisory potential. The principle idea behind using assessment centres is to evaluate managers over time (usually one or three days), by observing (and later evaluating) their behavior across a series of selected exercises or work samples. Assessees are requested to participate in basket exercises, work groups (without leaders), computer simulations, role playing and other similar activities which require the same attributes for successful performance, as in the actual job. After recording their observations of ratee behaviors, the raters meet to discuss these observations. The decision regarding the performance of each assesses is based upon this discussion of observations. Self appraisal and peer evaluation are used for final rating.

The characteristics evaluated in a typical assessment centre include assertiveness, persuasive ability, communication ability, planning and organizational ability, self confidence, resistance to stress, energy level, decision making, empathy, administrative ability, creativity and mental alertness.

First developed in US and UK in 1943, the assessment centre is gaining popularity in India. Crompton Greaves, Modi Xerox, Eicher are using the technique with results being highly positive. However the problem with such approach is cost. The organization has to pay for the travel and lodging of the assessee, who remain off the job for assessment. Also the availability of psychologists and HR specialists is demanding.

There has however been a lot of criticism of the behavioural approach centre on a number of points *(Ashworth & Saxton 1990, Ashworth & Morrison, 1991)* with respect to transferability of competence**,** individualistic orientation, and ignoring underlying complexity of the performances and failure to measure cognitive and affective skills *(Le Var, 1996 & Lillyman, 1998)*

Summing up, the rational for selection of appraisal method largely depends on organizational structure, long sum objectives, financial resources, size, product and technology and philosophy of the organization. Therefore to make the appraisal process more effective and acceptable, the top management should give serious thought to discard the outdated assessment methods and adopt a more rational method which can be used to arrive at accurate profiles of employee performance and potential. Each of these appraisal methods which are in use to appraise the performance of employees could be effective for some specific purpose.

C. Objectives

In the light of the domain for research identified so far, the following objectives have been set for the present study;

- to study the methods of performance appraisal used by the sample study organisations in their existing performance appraisals,
- to measure the perceptions and preferences of managers (appraisees) towards various PA methods, including those existing in their organisations,
- to find out the deficiencies if any, and suggest the ways for improvement in the existing performance appraisal methods with a focus on the linkages of the developmental aspects of PAS.

D. Hypothesis

The following hypothesis has been laid down for the present research study:

Ha: There is a significant difference in perception of the appraisees in the sample units under study towards the performance appraisal methods in telecom sector.

III. RESEARCH APPROACH AND DESIGN

The research study is based in J&K, India, on four telecom organisations, BSNL, Vodafone, IDEA and Airtel which have been selected using purposive sampling. Further, the study is based on manager appraisees only, selected on the basis of stratified random sampling, from all the three levels of managerial hierarchy. Out of 404 managers in total, 228 sample size was considered, out of which 176 minimum response rate was ensured (Voadfone: 22, Airtel: 21, IDEA: 18 and BSNL: 115). A closed ended questionnaire (based on ranking order) was used in this research study based on similar research studies Pareek (2002), Mehta (1994) and Mufeed 2011). The feedback methods were ranked by the appraisees from each organisations, which were ranked and using Spearman's Coefficient of Correlation, the value of Rho and p value was determined to reach at the conclusions. Further, interviews were conducted with the managers from all the four organisations in order to assess their perceptions about the preferred methods of PAS. Performance appraisals in all these organisations under study is done annually.

Moreover, the tables 1 to 6 rank the responses of the appraisees in BSNL, Vodafone, IDEA and Airtel in comparison to each other. These represent the six tables for methods of PAS prevalent in the organization and in practice commonly as a PA procedures. For each the ranks have been calculated, rank differences and the squared difference has also been calculated in order to ascertain the spearman's rank correlation values and run a significance test to calculate the p value (the level of significance is 0.05%). The tables 1.1 to 1.6 reveal the ranking correlation of the four sample organisations on the basis of methods of PAS which include forced distribution method, critical incident method, annual confidential report, comparative ranking method, MBO, rating method, field review and essay method.

Table 1.1: Rank order of appraisees between BSNL and Vodafone with respect to methods of PAS

S.No.	Methods of PAS	BSNL (N=115)			Vodafone (N=22)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	151	26.26%	6	39	35.45%	4	2	4
2.	Critical incident	289	50.26%	4	56	50.90%	3	1	1

	method							
3.	BARS	390	67.82%	1	63	57.27%	1	0	0
4.	Annual confidential report	347	60.34%	2	35	31.81%	5	-3	9
5.	Comparative ranking method	105	18.26%	7	62	56.36%	2	5	25
6.	MBO	297	51.65%	3	26	23.63%	8	- 5	25
7.	Rating method	196	34.08%	5	25	22.72%	9	- 4	16
8.	Field review	35	6.08%	8	33	30.00%	6	2	4
9.	Essay method	0	0.00%	9	31	28.18%	7	2	4

Rho: 0.26 and p value: 0.488

The table 1.1 represents the rank orders of BSNL and Vodafone appraisees. Appraisees from both of the organisations have rated BARS (BSNL=67.82% and Vodafone=57.27%) to be the most effective PAS methods of evaluation. Overall the Spearman's Coefficient of Correlation (Rho= 0.267 and p value=0.488) indicates a non-significant positive correlation between BSNL and Vodafone appraisees related to their preference regarding the methods of PAS, which has been put into ranking order. This further implies that the null hypothesis is accepted in case of BSNL and Vodafone rank order under discussion.

Table 1.2: Rank order of appraisees between BSNL and IDEA with respect to methods of PAS

S.No.	Methods of PAS	BSNL (N=115)			IDEA (N=18)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	151	26.26%	6	31	34.44%	7	-1	1
2.	Critical incident method	289	50.26%	4	43	47.77%	5	- 1	1
3.	BARS	390	67.82%	1	56	62.22%	3	-2	4
4.	Annual confidential report	347	60.34%	2	64	71.11%	2	0	0
5.	Comparative ranking method	105	18.26%	7	46	51.11%	4	3	9
6.	MBO	297	51.65%	3	66	73.33%	1	2	4
7.	Rating method	196	34.08%	5	36	40.00%	6	- 1	1
8.	Field review	35	6.08%	8	16	17.77%	8	0	0
9.	Essay method	0	0.00%	9	0	0.00%	9	0	0

Rho: 0.833 and p value: 0.005

The table 1.2 exhibits rank order of BSNL and IDEA appraisees with respect to the methods of PAS. It is apparent that appraisees from BSNL (67.82%) have ranked BARS as the most effective method of appraisal while in case of IDEA (73.33%); MBO has been rated as the most effective PAS methods. The overall Spearman's Coefficient of Correlation (Rho= 0.833 and p value= 0.005) signifies a highly significant positive correlation between the two sets of variables; conversely, the null hypothesis is rejected in favour of the alternative hypothesis.

Table 1.3: Rank order of appraisees between BSNL and Airtel with respect to methods of PAS

S.No.	Methods of PAS	BSNL (N=115)			Airtel (N=21)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	151	26.26%	6	6	5.71	6	0	0
2.	Critical incident method	289	50.26%	4	21	20.00%	3	1	1
3.	BARS	390	67.82%	1	5	4.76%	7	-6	36
4.	Annual confidential report	347	60.34%	2	42	40%	2	0	0
5.	Comparative ranking method	105	18.26%	7	8	7.61%	5	2	4
6.	MBO	297	51.65%	3	4	3.80%	8	- 5	25
7.	Rating method	196	34.08%	5	0	0	9	-4	16
8.	Field review	35	6.08%	8	43	40.95%	1	7	49
9.	Essay method	0	0.00%	9	12	11.42%	4	5	25

Rho:- - 0.300 and p value: 0.433

The table 1.3, further represents the rank order between BSNL and Airtel, which signifies a non-significant negative correlation (Rho= -0.300 and p value = 0.433) between the two variables under discussion, with the result the null hypothesis stands accepted in this case. For BSNL, BARS is the most effective method of PAS (rated by 67.82% appraisees in total), while field review (rated by 40.95%) is the most effective method of PAS as per the Airtel appraisees.

Table 1.4: Rank order of appraisees between Vodafone and IDEA with respect to methods of PAS

S.No.	Methods of PAS	Vodafone (N=22)			IDEA (N=18)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	39	35.45%	4	31	34.44%	7	-3	9
2.	Critical incident method	56	50.90%	3	43	47.77%	5	-2	4
3.	BARS	63	57.27%	1	56	62.22%	3	-2	4
4.	Annual confidential report	35	31.81%	5	64	71.11%	2	-3	9
5.	Comparative ranking method	62	56.36%	2	46	51.11%	4	-2	4
6.	MBO	26	23.63%	8	66	73.33%	1	-7	49
7.	Rating method	25	22.72%	9	36	40.00%	6	3	9
8.	Field review	33	30.00%	6	16	17.77%	8	-2	4
9.	Essay method	31	28.18%	7	0	0.00%	9	-2	4

Rho: 0.200 and p value: 0.606

The table 1.4 depicts the rank order between Vodafone and IDEA appraisees. While Vodafone appraisees have preferred BARS (57.27% appraisees) as the most effective of all the methods of PAS, IDEA appraisees (73.33%) have ranked MBO as the highly effective method. There is further a non-significant positive correlation (Rho = 0.200 and p value= 0.606) with respect to Vodafone and IDEA rank order, which signifies that the null hypothesis is accepted in this case.

Table 1.5: Rank order of appraisees between Vodafone and Airtel with respect to methods of PAS

S.No.	Methods of PAS	Vodafone (N=22)			Airtel (N=21)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	39	35.45%	4	6	5.71	6	-2	4
2.	Critical incident method	56	50.90%	3	21	20.00%	3	0	0
3.	BARS	63	57.27%	1	5	4.76%	7	-6	36
4.	Annual confidential report	35	31.81%	5	42	40%	2	3	9
5.	Comparative ranking method	62	56.36%	2	8	7.61%	5	-3	9
6.	MBO	25	23.63%	8	4	3.80%	8	0	0
7.	Rating method	26	22.72%	9	0	0	9	0	0
8.	Field review	33	30.00%	6	43	40.95%	1	5	25
9.	Essay method	31	28.18%	7	12	11.42%	4	3	9

Rho: 0.233 and p value: 0.546

The table 1.5 exhibits the rank order between Vodafone and Airtel appraisees. While Vodafone appraisees (57.27%) have ranked BARS as highly effective, Airtel appraisees (40.95%) have ranked field review as the most effective method of PAS. The Spearman's coefficient of correlation (Rho= 0.233 and p value=0.546) depicts that there is a non-significant positive correlation between the two variables in consideration. Hence the null hypothesis stands accepted.

Table 1.6: Rank order of appraisees between IDEA and Airtel with respect to methods of PAS

S.No.	Methods of PAS	IDEA (N=18)			Airtel (N=21)			Rank Difference	Difference
		Scores Obtd.	%age of Max. Possible Score	Rank	Scores Obtd.	%age of Max. Possible Score	Rank	D	D²
1.	Forced distribution method	31	34.44%	7	6	5.71	6	1	1
2.	Critical incident method	43	47.77%	5	21	20.00%	3	2	4
3.	BARS	56	62.22%	3	5	43.76%	7	- 2	4
4.	Annual confidential report	64	71.11%	2	42	40%	2	0	0
5.	Comparative ranking method	46	51.11%	4	8	7.61%	5	-1	1
6.	MBO	66	73.33%	1	4	3.80%	8	-7	49
7.	Rating method	36	40.00%	6	0	0	9	-3	9
8.	Field review	16	17.77%	8	43	40.95%	1	7	49
9.	Essay method	0	0.00%	9	12	11.42%	4	5	25

Rho: -0.283 and p value: 0.460

The table 1.6 represents IDEA and Airtel appraisees with respect to the rank order on the basis of methods of PAS. IDEA appraisees (73.33%) have ranked MBO as the most effective method of PAS while as the Airtel appraisees (40.95%) have ranked field review as the most effective PAS method. There is an overall negative correlation (Rho = -0.283 and p value= 0.460) and non-significant difference between the groups under discussion, hence the null hypothesis stands accepted in this regard.

CONCLUSIONS AND SUGGESTIONS

The selection of the most appropriate method is a pre requisite to designing an effective PAS programme. There are numerous methods devised to measure the performance of employees within the organisations, however it is left to the discretion of the organisation as to which method is best suited to it, which directly relates to the performance effectiveness and efficiency within the organisational system. It is pertinent to note that appraisees in the present research study have preferred mostly Field reviews, BARS and MBO as the most effective PAS methods in telecom sector. It is the selection of an appropriate PAS method that will make the path further easy and effective for evaluation of individuals for performance measurements.

The following suggestions should be taken care of in selecting performance appraisals methods; the method for PAS selected should be used as per the industry taken, particularly the service industry where behaviour takes a pivotal position for an employee. PAS should take place at regular intervals and feedback interviews should be a mandatory part of it. Use of constructive criticism is also recommended so as to add to the positive effects of PA .

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