

# Performance Analysis of Service Sector Employees (A Case Study of Indian Railways: Jabalpur Div.)

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**Abstract:** Performance appraisal is a continuous process to secure information necessary for making correct & objective decisions about an employee. It is observed that the systematic evaluation of the individual with respect to his other performance regarding the job & his or her potential for development. They provide systematic judgments to back up salary increases, transfers, demotions or terminations. They are means of telling a subordinate how he is doing, & suggesting needed changes in his behavior, attitudes, skills, or job knowledge. The growth & progress of the present huge network of Indian railways had a modest beginning. The beginning of railways stands out as one of the most fascinating events in the history of India. The vast organization of Indian railways, as the study of annals of Indian railways reveals that they were built not at the demand of Indians but on the initiative of the British government to use India as an effective investment outlet & source of raw materials for British industry. Indian railways with their national network help to bring unity among the people of different regions with different languages, skills & knowledge by transporting people. They have also placed India among the first ten industrially developed countries in the world.

**Keywords:** Performance Appraisal, Human Resource Development, Transportation, Indian Railways

## 1. Introduction

Performance appraisal is a continuous process to secure information necessary for making correct & objective decisions about an employee. The performance being measured against such factors as job knowledge, quality & quantity of output, initiative, leadership, activities, supervision, dependability, cooperation judgment, versatility healthy & the like. Kimball & Kimbal observed that the performance appraisal is concerned with the relative value of men as related to particular jobs. Flippo defined that performance appraisal is the systematic, periodic & impartial rating of employee's excellence in matters pertaining to his present job & his potential for a better job. Carrel & Kuzmits<sup>8</sup> observed that the performance appraisal is a method of evaluating the behavior of the employee in the work spot, normally including both the quantitative & qualitative aspects of job performance. Heye observes that the performance appraisal is the process of evaluating the performance & qualifications of the employees in terms of the requirements of the job, for purposes of the administration, selection for promotion, providing financial rewards & other actions which require differential treatment among the members of employee. Performance appraisal assures a special significance simply stated, It is a systematic & objective way of judging the relative ability of an employee in performing his/her tasks. It helps to identify those who are performing their assigned tasks well & those who are not & the reasons for such performance.

## 2. Objective

To assess the Human Resource Development – through Performance Appraisal in Indian Railways.

## 3. Research Methodology

In order to achieve the Objectives stated above both primary & secondary sources of information & data are relied upon.

### 3.1 Primary Data

The primary data was collected through a structured questionnaire. The questionnaire was designed to collect the opinions & attitudes of employees on various aspects such as Manpower Planning, Recruitment, & Selection & Periodic Performance Appraisals.

### 3.2 Secondary Data

The secondary data was collected from the records of the administrative offices & of West Central Railway zone office & its divisional officers other related offices. The annual administrative reports, periodical performance reports, office files, circulars & orders, relevant acts, service regulations, delegation of powers, recruitment rules & various reports & publication of Indian Railways & west central railway as well as reports of various study teams & consulting agencies were also made use of. Further, various books & journals pertaining to the theory & practice of human resource management, transport management, Indian railways were also studied. Data was also collected from railway institutes, offices of trade unions & railway employees unions, university libraries & institute of public enterprises. The national & regional news papers, brochures, pamphlets & other published & unpublished literature on the subject were also studied.

### 3.3 Sampling

Indian Railways is divided into 17 zones. West Central Zone is taken for the study purposefully as this zone is biggest. This zone is again divided into six divisions. Out of these six divisions Jabalpur division is selected for the study purposefully as the researcher has easy access to all the parts of this division. Apart from this Jabalpur division is hub of broad gauge movements in several directions. Hence all the categories of employees are available for study in this division.

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## 4. Findings & Analysis

### 4.1 Sample of Employees

There are as many as 15,105 employees working in Jabalpur Division of West central Railways. These employees are working in different departments as shown in table 1.

**Table 1:** Strength of Employees in Jabalpur Division

S. No	Department	No. of Employees
1	Administrative	237
2	Civil Engineering	4952
3	Mechanical	3799
4	Transport	2090
5	Commercial	985
6	S & T	766
7	Electrical	866
8	Medical	656
9	Schools	86
10	Personnel	131
11	Security	448
12	Accounts	89
	<b>TOTAL</b>	<b>15105</b>

Source: Information collected from WC Railways,

The employees working in different departments are classified into A, B, C, & D categories as shown in table 2.

**Table 2:** Categorization of Employees

Category	No. Of. Employees	Sample
A	202	4
B	199	4
C	8798	175
D	5906	117
Total	15105	300

Source: Information collected from the west central railways

A convenient sample of 2 % employees is taken for the study. The total sample has come to 300 employees. These employees are taken on the basis of stratified random sampling method. Care has been taken to take the employees of all categories from all the departments.

## 5. Statistical Tools For Analysis

In order to process the data collected through Questionnaire SPSS package has been used. For the analysis of the data the researcher applied %ages, weighted averages & standard deviations. The attitude of the employees has been inferred based on the above measures.

## 6. Limitations

The present study is based on primary data & secondary data. Hence, the truthfulness of the study to a considerable extent depends upon the exactness of the data published by Indian Railways & various other agencies & organizations. The opinions of employees will change over a period of time. Further, the study period is restricted to 5 years from 2005 to 2010. In spite of the above limitations, all efforts have been made to make the study comprehensive & analytical.

## 6.1 Nature & Extent of Performance Appraisal

The nature of performance Appraisal provides the management with a systematic basis for effectively recognizing & evaluating the present & potential capabilities of human resources, related functions of promotion transfer & separation. In Indian Railways periodically evaluate the performance of its employees. The employees are asked to rate whether Indian Railways is periodically evaluating the performance. The responses are given in table 3. The respondents rated 3.34 which is more than moderate extent. It reveals that the performance of employees is evaluated periodically. The evaluation of employee's performance is done to know their mentality & how they are performing at their job work.

**Table 3:** Nature & Extent of Performance Appraisal

Statement	Weighted Average
Railways periodically.	3.34 (0.670)
Record of performance evaluation is maintained by the Railways	2.63 (0.630)
Performance appraisal review of the report is effective	3.66 (0.623)

Note: Figures in Parenthesis are Standard Devi.

Source: Information collected through employee questionnaire

After performance appraisal the appraisal reports should be properly maintained. When asked whether Indian Railways is maintaining performance records. The employees weighted average is 2.63. It explains that records are maintained but not given much importance. Hence it is suggested the records are maintained to avoid the problems while evaluating. The report of performance appraisal should be effective because the evaluation of the employee's activities & their job satisfaction. These reports play a vital role in performance appraisal. The respondents given the weighted average rate of 3.66 which is more than moderate extent. It explains that performance appraisal review of the report is effective.

## 6.2 Performance Appraisal Feedback to Employees

In Indian Railways the superiors/managers give feedback to their employees, regarding their performance. In the table 3 the respondents rated 1.92 which is below small extent. It means that the feedback is not given by the managers to the employees. It is suggested that the employees feedback should be given to them so as they will know about their performance in their job.

**Table 4:** Performance Appraisal Feed

1. Employees are getting feedback from their superiors/ managers about their performance.	1.9 (0.546)
2. Feedback helps to know the strong/weak areas of performance to plan for improvement.	2.2 (0.672)
3. Performance discussions are held between manager & employee to plan for achievement.	1.1(0.674)

Note: Figures in Parenthesis are Standard Deviation

Source: Information collected through employee questionnaire

The purpose of feedback helps to know the strong & weak areas of performance to plan for improvement. In order to know how far the purpose of feedback is given to employees. In the survey, the respondent rated 2.15 which is just above to small extent. It explains that feedback to employees is not given to by managers. Hence, it is suggested feedback should be given to employees so that they will know the weak & strong area of their jobs. It helps in the improvement of employee performance. To achieve the targets of Indian Railways performance discussions should be held between manager & employees. In an enquiry it is found that the respondents rated as 1.10 which is below the small extent. It explains that performance discussions are not discussing between the superiors. Hence it is suggested that performance should be discussed between the employees & managers for the Indian Railways achievement in various strategies.

### 6.3 Employee Potential & Development

The employees of any organization may have some potential. This should be recognized by manager & develop for the well being of organization. Employee potential & development: Employee development is not just the responsibility of the employee. In today's diverse workforce, business practices have evolved to reflect economic competitiveness in developing & retaining talented employees. Organizations are continually seeking new solutions to assess, understand, & strategize employee development. One of the greatest challenges faced by managers is the strategic personal development of their employees in order to ensure effective use of their talent. To properly manage this vital resource, they must identify their challenges & then implement employee development & training for improvement. Profiles International's employee development solutions will help managers effectively manage, motivate, & empower employees. Whether Indian Railways opportunities for the utilization of inner potentials of the employees is assessed for the achievement. To know how far this is considered in Indian Railways the respondents rated 1.89 in the table 5 which is just below to small extent. It explains that Indian Railways is not utilizing the inner potentials of the employees. Hence it is suggested Indian Railways to recognize inner potential of employees & utilize the knowledge to implement in various sectors for the growth & the development of Indian Railways.

#### Statement Weighted Average

**Table 5: Employee Potential & Development**

Whether the Railways is creating Opportunities for the utilization of inner potentials of the employees.	1.89 (0.650)
Whether the Railways is investing adequate time & resources for the development of employees.	1.79 (0.591)

Source: Information collected through employee questionnaire,  
 Note: Figures in Parenthesis are Standard Deviation

The Indian Railways should spend time & resources for the development of employees. The employees rated as 1.79 for this. This is below small extent. It explains that Indian

Railways is spending less time with employees for their development. It is suggested that for the development of Indian Railways services the railways should spare time & resource for the development of employees to achieve the goals of the employees.

### 6.4 Performance Appraisal & Promotion Policy

An opportunity for academic staff to summarize their performance, proposes objectives for the following year, & discusses personal career development, personal development & advancement, the provision of effective feedback about performance, the provision of clear expectations regarding duties, & the provision of clear guidance for academic staff on what is expected of them in terms of performance, Guidance for probationary staff during their probationary period & towards their mid-term review, Recommendations regarding continuing appointment, promotion, mid-term review, Special Studies Program (SSP) & incremental progression, the enhancement of individual & organizational performance, the aligning of individual objectives with the strategic objectives of the Organization Unit, & workload requirements, the identification of organizational & or operational changes which might be necessary to enable individuals to enhance their performance, & to enable the Organizational Unit & hence the whole University, to enhance its efficiency & effectiveness, the furthering of University's equal opportunity objectives. In Indian Railways performance appraisal system for employees is to meet the requirement under promotion policy. This has to be implemented & executed for doing better performance in their job work. This is to be done to know the employees requirements. In the survey the respondents related 1.59 in table 6 for the question whether performance appraisal system for employed meets the requirement of promotion policy. The rating is below small extent. It means that the requirement of promotion policy is not taken care properly under performance appraisal. Hence it is suggested that performance appraisal should be designed in such a way that it will meet the requirement of promotion policy.

#### Statement Weighted Average

**Table 6: Performance Appraisal & Promotion Policy**

Whether performance appraisal system for employees is to meet the requirement under promotion policy	1.59(0.588)
Promotion to higher cadre is linked to work performance. Whether the Performance Appraisal is identifying the developmental needs of Employees	1.56 (0.671)
	1.79 (0.868)

Source: Information collected through employee questionnaire

Note: Figures in Parenthesis are Standard Deviation.

The promotion in Indian Railways linked to work performance & the achievements done by the employees. In order to know whether promotions are linked to work performance a question is asked. The respondents given weighted average of 1.56 which is less than small extent. As such it explains promotion is not linked with work performance. It is linked with service of the employee. Hence

it is suggested that promotion of employee should link with performance of work because the talented employees would lose the opportunity of promotion to higher cadres.

In Indian Railways performance Appraisal is to identify the development needs of employees. While evaluating the employees the basic needs should be identified & implemented for the development of employees. The respondents asked whether Performance appraisal is identifying developmental needs the employees rated 1.79 which is just below to small extent; it assumes that performance appraisal is not identifying developmental needs of employees. Hence, it is suggested that the performance appraisal should identify the developmental needs of employees. This will help the organization for the design of training.

## 7. Suggestion

In Indian Railways periodically evaluate the performance of its employees. The employees are asked to rate whether Indian Railways is periodically evaluating the performance. The research reveals that the respondents rated 3.34 which are more than moderate extent. It reveals that the performance of employees is evaluated periodically. The evaluation of employee's performance is done to know their mentality & how they are performing at their job work.

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