

**A STUDY ON EMPLOYEE PERCEPTION TOWARDS
PERFORMANCE MANAGEMENT SYSTEM AT ARYA VAIDYA
SALA**

Project Report

Submitted in partial fulfillment of the requirements

For the award of the degree of

MASTER OF BUSINESS ADMINISTRATION



University of Calicut

By

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DECLARATION

I, **Acsah Antony** hereby declare that the Project Report entitled “**A STUDY ON EMPLOYEE PERCEPTION TOWARDS PERFORMANCE MANAGEMNT SYSTEM AT ARYA VAIDYA SALA, KOTTAKKAL**” has been prepared by me and submitted to the University of Calicut in partial fulfillment of the requirements for the award of **Master of Business Administration**, is a record of original work by me under the supervision of **Dr. Jacob P. M, Director**, Naipunnya Business School, Pongam, Koratty East, Thrissur.

I also declare that this Project work has not been submitted by me fully or partly for the award of any Degree, Diploma, Title or recognition before any authority.

Place: Koratty East, Thrissur.

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CHAPTER – I
INTRODUCTION

1.1 INTRODUCTION

An organization is a setting where people join forces and cooperate to accomplish a common objective. A structured, intentional institution that assembles people, resources, and systems to accomplish particular goals or objectives is referred to as an organization. It is a group effort that functions inside a predetermined framework and consists of numerous divisions, groups, or units that collaborate to accomplish a single goal. To guarantee effective operation, they usually have a hierarchical structure with well-defined roles, duties, and reporting lines. To manage their operations, allocate resources, make choices, and adjust to external changes, organizations use a variety of strategies, rules, and procedures. An organization's culture and values are vital in defining its character, directing its activities, and encouraging cooperation among its constituents. In the end, organizations depend on the combined efforts and coordination of their members to produce value, offer goods or services, resolve issues, or promote societal well-being.

Performance management systems have become essential tools in today's dynamic workplaces for evaluating and improving worker productivity and efficiency. An organized framework for assessing both individual and team performance, goal-setting, giving feedback, and coordinating workers' efforts with organizational goals is offered by a well-designed performance management system. However, the attitudes and views of the personnel who use these systems have a significant impact on their success and efficacy. The purpose of this introduction is to explore the various aspects of how employees see performance management systems. This study aims to determine how important it is to comprehend and address employee perceptions in order to guarantee the effective implementation and use of performance management systems within organizations. It does this by examining a number of factors that impact employees' perceptions, including fairness, transparency, communication, and the impact on job satisfaction.

Establishing performance management systems requires a significant investment of time, energy, and resources from organizations in order to improve worker performance, promote development, and meet strategic goals. However, these

methods' efficacy can be jeopardized if employees' perceptions aren't fully understood. Many factors might affect how employees see their employer, such as their prior experiences with performance reviews, their overall level of job satisfaction and their expectations from the system. The perceived fairness of the performance management system is a key component of employee perception. To be fair, one must treat all employees equally, refrain from prejudice or discrimination, and evaluate their work consistently. Employee motivation and engagement are likely to grow when they believe the system is fair and that the results of performance reviews are reliable and accurate. On the other hand, if workers feel that the system is unjust, this could lead to a drop in performance as well as demotivation and low morale.

Another important element that significantly affects employee attitudes is transparency in the performance management system. Employees that work in transparent systems have a clear grasp of the standards for evaluation, the procedures followed, and the results anticipated. Employees are more likely to view the system as legitimate and trustworthy when they have access to pertinent information and comprehend how their performance is being evaluated. Openness is encouraged by transparency, which also removes uncertainty, which can cause miscommunication and mistrust among staff members. A key factor in influencing how employees view performance management systems is effective communication. Employee engagement and dedication to their work can be positively impacted by prompt and regular communication regarding performance standards, feedback, and developmental opportunities. Employees' performance can be improved by communication channels that promote a two-way conversation between management and staff.

Furthermore, it is impossible to ignore how performance management methods affect workers' job happiness. A key factor in determining an employee's general well-being and loyalty to the company is job satisfaction. Higher levels of job satisfaction can result from performance management systems that are viewed as helpful, supportive, and in line with employees' career goals. On the other hand, discontent, annoyance, and even attrition may arise from workers who believe that the system is punishing, devoid of opportunity for growth, or unrelated to their career objectives. One of the most crucial things that every organization should take into account is employee perception, which affects employees' performance and plays a big part in their working environment.

Based on the objectives of the organization. There is a process in place that encourages employees to work for the company for an extended amount of time. The employee's perception is influenced by a number of elements. Today's workforce is significantly different; they typically don't pass up excellent prospects. It goes without saying that if they are dissatisfied with their current position, they will likely move on to one with a better future and prospects. Therefore, the management's first responsibility is to assess the potential of each employee, and competent management should be able to motivate and draw new members of staff to the company. The Particulars study discusses current trends in thoughts and viewpoints as well as the theoretical aspects of employee perceptions. It also addresses the discovery of the variables influencing how employees view the organization. Considerations include freedom, safety, encouragement, transparency, and training.

Organizations looking to maximize the efficacy of performance management systems must comprehend how employees view these systems. Organizations can discover opportunities for development and modify their performance management systems by looking at elements like fairness, transparency, communication, and impact on job satisfaction that affect employee perception. In today's fast-paced business world, employee perceptions influence attitudes, behaviours, and overall engagement, which in turn affects an organization's capacity to succeed and remain sustainable. Therefore, in order to foster a happy and effective work environment, organizations must place a high priority on hearing what employees have to say, resolving their issues, and continuously improving performance management methods.

SIGNIFICANCE OF THE STUDY

At Arya Vaidya Sala Kottakkal, a performance management system was implemented. Thus, there's a chance that the survey will uncover employee perceptions, specifically on how staff members see the organization's new performance evaluation system. Employee performance will be impacted by the new, unfavorable performance appraisal process. The purpose of the study is to find out how the staff members feel about the organization's performance management approach.

1.2 STATEMENT OF THE PROBLEM

The study aims to investigate various aspects of the performance management system (PMS) at Arya Vaidya Sala (AVS) to understand its effectiveness, transparency, organizational communication impact, and their influence on employee motivation and work environment conditions. Specifically, the study seeks to address the following objectives: Evaluate how employees perceive the effectiveness and transparency of the current PMS at AVS. Examine how organizational communication practices influence employees' understanding and acceptance of the PMS at AVS. Explore the interconnections among supervision practices, work environment conditions, and employee motivation within AVS's PMS framework. This study aims to provide insights into improving the PMS at AVS by identifying strengths and weaknesses in current practices and proposing recommendations for enhancement.

1.3 OBJECTIVES OF THE STUDY

1. To analyse the overall satisfaction towards performance management system
2. To understand the level of support and guidance in supervision
3. To understand the perception of the employees towards organization communication.

1.4 SCOPE OF THE STUDY

The purpose of the study is to be well equipped to comprehensively investigate employee perceptions, communication impacts and motivational dynamics within the performance management framework at Arya Vidya Sala.

1.5 RESEARCH METHODOLOGY

For this study, a mixed-methods approach will be employed to investigate employee perceptions of the performance management system at Arya Vaidya Sala. Quantitative surveys will gauge effectiveness and transparency perceptions, utilizing stratified random sampling and statistical analysis. Qualitative methods including semi-structured interviews will complement this by exploring the impact of organizational communication on system understanding and acceptance. Additionally, the relationship between supervision practices, work environment conditions, and employee motivation will be qualitatively explored through interviews or focus

groups. By integrating these methods, the study aims to provide comprehensive insights into the dynamics of Arya Vaidya Sala's performance management framework, offering actionable recommendations for improvement.

RESEARCH DESIGN

The research design employs a mixed-methods approach to comprehensively investigate employee perceptions of Arya Vaidya Sala's performance management system. It aims to assess the system's effectiveness and transparency, understand the impact of organizational communication, supervision practices, work environment conditions, and employee motivation. The quantitative phase involves stratified random sampling of all employees, using a structured questionnaire to gather data on various aspects of the system and employee experiences. Statistical analysis will be used to examine relationships between variables. The qualitative phase will employ purposeful sampling for semi-structured interviews or focus groups to delve deeper into employee perspectives and experiences. Ethical considerations include informed consent, anonymity, and confidentiality. The study concludes by providing actionable recommendations based on integrated findings to enhance the performance management system and promote organizational effectiveness and employee satisfaction at Arya Vaidya Sala.

POPULATION AND SAMBLING TECHNIQUES

The term "population" describes any group of study participants, which is typically a sizable number of people or things that are the primary subject of an investigation in science. Research is conducted for the population. I am unable to test every member of the population, though, as it would be extremely costly and time-consuming given the size of the population. I chose sampling approaches for this reason. There are 2500 employees in Arya Vaidya Sala Kottakkal.

The primary unit of analysis in this study is the employees of Arya Vaidya Sala Kottakkal, as the research focuses on factors that influence employees' attitudes regarding performance appraisal. A series of questionnaires pertaining to the study on respondents' perspectives of performance appraisal are chosen and given to them. A sample of a population is a limited portion of the population chosen with the intention of learning more about its characteristics. A sample is a portion of the population that is representative. I sent out questionnaires to 140 respondents for this study, however

not all of them responded. I choose to fix the sample size at 135 because I only received 135 responses from the respondents. Two months were dedicated to conducting the survey.

SAMPLE SIZE

An element of the population known as a sample size is the total number of units drawn from the population as sampling units. The researcher's aim to examine every member of a certain population gave rise to the idea of a sample. A 135 persons sample was chosen by the researcher. In this case, convenience sampling was chosen by the researcher.

TYPE OF DATA AND TOOLS OR INSTRUMENT OF DATA COLLECTION

The most used technique for gathering primary data is the questionnaire. The surveys were provided to the respondents with instructions to complete them on their own, and they were sent back to the researcher afterwards. I sent out 140 printed questionnaires and 140 Google Forms to respondents, for a total of 140 responses; however, I only received 135 responses, therefore I didn't receive 140.

PROCEDURE FOR DATA COLLECTION

The purpose of the questionnaire is to gather data in order to address fundamental research inquiries. The questionnaire was adequately amended and piloted during its preparation. A Likert scale is employed in this study to gauge employees' perceptions of performance reviews. A Likert scale is a set of responses to multiple choice questions. 5 is strong agreement and 1 is significant disagreement. The questionnaire paper employed this scale to ascertain the elements that respondents found favourable. For each question, respondents were asked to check the option that best fit them.

A pretest must be conducted on a questionnaire before to its actual use in order to ascertain its effectiveness. Five employees were given the questionnaire in this study to pretest it. The researcher adjusted the format, phrasing, and sequence of the questions based on input from the pretesting, which provided input on the questionnaire items.

METHOD OF DATA ANALYSED

Excel and Google Forms are used to enter and analyze the gathered data. Descriptive statistical techniques would be used to analyze the survey data that was gathered. The frequency and percentage distribution of the employees' demographic data are displayed. The Likert scale responses were categorized into five main groups for analysis purposes: strongly agree, agree, neutral, disagree, and strongly disagree. Additionally, the answers to the interview questions are combined with the employee questionnaire replies, and the findings are examined.

1.6 LIMITATION OF THE STUDY

- Participants in the performance management system are the only employees who are included in the survey.
- The project's advancement was impeded by external, uncontrollable elements in addition to the actual implementation of the research plan. The study's capacity to draw conclusions was hampered, for example, by the respondents' lack of cooperation and dedication to completing the questionnaires, their readiness to devote their time to the research in order to provide pertinent information, and the absence of pertinent and recent literature.
- A few responders are hesitant to be completely honest.

1.7 INDUSTRY PROFILE

Ayurveda is an ancient and popular form of holistic medicine system originated in India and now spreading worldwide. Ayurveda is a Sanskrit word, derived from two roots: "Ayur" which means "life" and "Veda" means 'knowledge'. Thus the term Ayurveda means knowledge of life or science of life. It not only deals with the treatment of diseases but also teaches us with various methodologies that are essential to carry out a healthy and happy living.

It is one the world's oldest medical systems with a history dating back to 6-7 century BC. It does not curb the ailment temporarily but completely cure the ailment and eliminate the toxic waste from body. The approach of Ayurveda is positive with a focus on prevention of health problems, spiritual and mental health and holistic treatment of diseases chronic ailments.

Based on prehistoric teachings, the ancient Indian medical system known as Ayurveda takes a "natural" and comprehensive approach to treating both physical and mental health issues. Ayurvedic medicine is still practiced in India and is among the oldest medical systems in the world. Products (mostly plant-based, though they can also be animal, metal, or mineral-based) are used in conjunction with food, exercise, and way of life in Ayurvedic medicine. Ayurvedic

Medicine's main objective is to assist patients in leading long, healthy, and balanced lives free from the need for prescription medications, difficult procedures, or excruciating illnesses. The Sanskrit meaning of the word "Ayurveda" really translates to "life span built on knowledge" or "science of life."

Drug use dates back as long as human history will allow us to go, and medicine is a very old science. Historically, Indian traditional medicines have played a significant role in medicine and are highly valued. Actually, the basis of traditional Indian medicine dates back thousands of years, to the Ayurveda. The Lord Rishis of Bharatha are credited with giving birth to Ayurveda, the science of life, by means of penance and a committed effort to commune with the divine.

According to Ayurveda, optimum health depends on preserving this equilibrium both inwardly and outwardly. Ayur, which means life or age, and veda, which means proof of knowledge, are the roots of the word Ayurveda. Body, senses, structure, and spirit all come together to form life, and Ayurveda is a field of science that helps to make this journey through life simple and easy to comprehend. Within Atharvaveda, Ayurveda is a

distinct branch.

Ayurveda dates back to the Indus valley civilization which started flourishing in 3000BC there is a reference of lord being treated by Jivak, a guru of Ayurveda. Before 2500 BC, Charak, a sage was accounted as a great authority on Ayurveda. A compendium by Charak is known as Charak Samhita' and this is the oldest literature of Ayurveda ever found in India. The Astanga Hridayam is s more concise compilation of earlier texts that was created about 1000 years ago.

Around 1500 BC Ayurveda was delineated into eight specific branches of medicine. In addition Atreya the school of physicians and Dhanvanthri- the school of surgeons are originated. The Chinese, Tibetans, Romans, Egyptians etc, they came to India to learn Ayurvedic principles of healing and treatment.

FEATURES OF AYURVEDA

1. Treatment of individual as a whole
2. Cheapness of medicines
3. No foreign exchange is involved
4. Freedom from toxicity (no side effects)
5. Each medicine is a tonic (most medicines are on form of a liquid solution)
6. Emphasis on preventive medicine
7. Fixed expenses are very low

GLOBAL SCENARIO

Ayurveda is a Medical Science developed from Indian heritage for the sick to make them healthy in a natural way. The dating of the antiquity of this Medical science to carbon dating is difficult, but the references push its development back a long time ago, even 100 million years ago, i.e., when the Indian continent was an Island. This prime science of medical knowledge has taken different shapes through ethnic practises and postulated new theories through observation. The science of result oriented Ayurveda spread not only on the Indian continent but also globally History reveals that the major portion of the oversea trade is with condiments and herbs. Today, Ayurveda is institutionally trained under the governance of CCIM and AYUSH. There are around 250 ayurvedic Institutions in India that produce around 13,000 Ayurvedic graduates every year. Out of this picture, the major portion is occupied by Maharashtra and Karnataka, along with Kerala. The

number of institutions placed in these provinces covers 50% of the graduates (approximately 5000), and the next major part is taken by Gujarat. The rest of India is looking towards Ayurveda, as this branch seems to be flawless and reaction-free. Recently, even commercial banks have been interested in finding out about Ayurveda research. EXIM Bank (Export- Import Bank of India) has given a loan of 4.62 crore to the Traditional Ayush Cluster of Tamil Nadu to set up infrastructure, promote products, and enter into export deals. A composite herbal formulation supplement called Perfomax has been developed by the DRDO and found to improve physical and mental performance in high- altitude and Hypoxic Conditions. The Minister of state for Defence, Dr. M. M Pallam Raju, launched this product at a festival held in Leh, Ladakk. This is an example of how Ayurveda can help people in different and difficult situations.

Ayurveda is a self-sufficient system with 8000 plant species, 180 animal specimens, and 80 metals that form 10,000 formulations. Unnikrishnan, P. M. (1998) Even though each and every part of the globe has its own ethnic medicine, the most regulated and conceptually based are inclined towards Ayurveda. The world can be divided into two major areas: the East and the West. The eastern Shastra world accepts Ayurveda long and incorporates it into their health promotion. The Western world accepts and sees balance in their health through alternative remedies and invites Ayurveda as an alternative medicine. The Western Acharya, the present course, began in Jaipur under the name Ayurveda. Shasta made them remedies, invitingeda. The world's alternative medicine has two major areas: the East and the West. The caste of Shastra accepted ayurveda long ago and included it in their health promotion. The Western world is more commercialized and seeks the balance of their health through alternative remedies, including Ayurveda as an alternative medicine. Ayurveda, the present course, began in Jaipur under his name. Ayurveda Shasta, in 1870. In 1906, the Maharaja of Mysore started the first official college (including Unani).

After ups and downs of policy reversals by various government committees following independence, the Central Council for India Medicine (CCIM) was constituted by Act of Parliament in 1970. In 1870, the minimum qualification for admission to Ayurveda courses were fixed, as were the required number of courses of study and practical training.

Global Ayurvedic Market Segmentation Analysis

The Global Ayurvedic Market is Segmented on the basis of Product, Distribution Channel, And Geography.

1. Global Ayurvedic Market, by Mode of Sales:

- ❖ Retail Sale
- ❖ Online Sale

2. Ayurvedic Market, By Product

- ❖ Personal care
- ❖ Hair Care and Fragrances
- ❖ Health Care Products
- ❖ Oral Care Products
- ❖ Skin care
- ❖ Nutraceutical
- ❖ Others

3. Global Ayurvedic Market, by Application

- ❖ Cancer Treatments
- ❖ Respiratory Disorders
- ❖ Mental Health
- ❖ Nervous System Disorders
- ❖ Diabetes Skin Diseases
- ❖ Other Applications

4. Market segment by Application, split into

- ❖ Women
- ❖ Men
- ❖ Kids

5. Ayurvedic Market, By Region

- ❖ North America (U.S., Canada, and Mexico)
- ❖ Europe (France, Germany, Italy, Spain, the UK, and the rest of Europe)
- ❖ Asia Pacific (China, Japan, India, South Korea, Australia, and the Rest of Asia-Pacific)
- ❖ LAMEA (Brazil, South Africa, Saudi Arabia, and the rest of LAMEA)

6. Ayurvedic Market, By Distribution Channel

- ❖ Pharmacies
- ❖ Departmental Stores
- ❖ Beauty Spa/Salon
- ❖ Hospitals
- ❖ Treatment Centres
- ❖ Internet Retailing
- ❖ Others

AYURVEDA IN INDIA

This system of medicine was shaped in the ancient land of India. Hindu Vedas consider Ayurveda as a gift of Gods to mankind which was communicated to the saints and sages of India through deep meditation. Veda Vyasa, one of the greatest sages of India is considered to have written the Vedas for the first time. These Vedas have topics on health and the use of various herbs to cure the diseases.

Around 1500 BC the use of Ayurveda increased for treating and it was divided into eight specific branches of medicine. In addition, Atreya the school of physicians and Dhanvanthri- the school surgeons are originated. The Chinese, Tibetans, Greeks, Romans, Egyptians etc came to India to learn Ayurvedic principles of healing and treatment, Ayurvedic texts were translated in Arabic and these were used by physicians, to establish Islamic medicine, it formed of Western medicine (1600AD) has also adopted from Ayurveda.

In the past few centuries Ayurveda went through a period of decline in India specifically during the period of British rule, during this period it became the second option for treatment used mostly by traditional spiritual practitioners and the poor After independence, Ayurveda started to gain importance again and several schools have been established since then.

The branch of Ayurveda includes:

- Principles of preventive health care for the entire family (kulam svastyam kutumbakam)
- Treatment of addictions (sangakara chikitsa)
- Purification and rejuvenation treatments (Panchakarma chikitsa)
- The ayurvedic approach to diet and weight loss (sthaulya chikitsa)
- Musculoskeletal system treatments (vatavyadhi chikitsa)
- Promotion of self- healing and resistance to disease (svabhaavoparamavaada)

Since the mid 70's the popularity of Ayurveda has steadily increased in the developed nations (USA & Europe) people from these developed countries have been coming to ayurvedic schools to learn more. In India, over 100 colleges offer degrees in traditional ayurvedic schools medicine, the Government of India in 2001, set up the Knowledge Digital as repository of 1200 formulations of various system of Indian medicine, such as Ayurveda, unani, siddha. Centre Indian medicine (CCIM) a statutory body established in 1971.

Current State of the Indian Ayurvedic Sector

Ayurveda, the oldest branch of medicine and wellness, is reviving in all its splendor as the world rapidly shifts toward clean and organic products. Ayurveda has successfully created a domino effect over the world, as seen by numerous recent studies and reports, and its renaissance is not just limited to India and China but also stretches from Asia to Africa and North America to Europe.

The Indian Ayurvedic industry is expected to develop at a compound annual growth rate (CAGR) of 16% through 2025, according to a collaborative market research study conducted by PricewaterhouseCoopers (PwC) and the Confederation of Indian Industry (CII). The current size of the domestic market is INR 30,000 Cr (\$ 4.4 billion), with Ayurveda gaining ground in both urban and rural areas. The research also states that, compared to 69% in 2015, 77% of Indian households utilize Ayurvedic products. The sale of Ayurvedic items generates 75% of the country's revenue, with services and consultancy making up the remaining 25% of overall revenue.

However, Ayurveda's enormous popularity in the West portends well for the practice's future worldwide. By 2022, the industry, which was valued at \$3.4 billion overall in 2015, is projected to grow to \$9.7 billion. The general public's growing knowledge of the possible negative consequences of traditional treatments through various media outlets has forced them to convert to Ayurveda, a natural, holistic, and safer alternative. Furthermore, the misconception that Ayurveda is limited to treating sexual, skin, and stomach issues has been debunked. People currently rely on Ayurveda to cure a wide range of physical, mental, and genetic ailments, from diabetes to cancer and depression to cardiovascular diseases. Furthermore, the media and the inability of contemporary

pathologists to produce safe outcomes are the primary causes of this correction. A household's monthly budget is largely used by purchasing Ayurvedic items, which range from pain medications and toothpaste to immunity boosters like almond oil, ashwagandha, and shilajit.

With new competitors joining the market with creative goods, superior packaging, and well-planned marketing campaigns, the future of Ayurveda is looking very bright. Previously, Ayurvedic businesses were unable to capture clients' attention through their presentation and marketing efforts, but the younger generation of business owners is shrewdly focusing on these areas to compete in the expanding market. Furthermore, Ayurveda is becoming incredibly well-known as the travel and tourism sector in India expands rapidly and foreign tourists express a great deal of interest in Indian culture. Tamil Nadu and Kerala are two important Indian states that profit greatly from medical tourism. These states offer numerous benefits, including modern R&D, a skilled labor population, sufficient infrastructure, picturesque scenery, and an environment that is either cleaner or less polluted overall. The governments of these states also assist a great deal in crafting policies that are favorable to business.

Ayurveda has a bright future ahead of it, no doubt, but given the problems and deficiencies that still face the country, it is important to consider whether or not India will continue to lead the world in this field. First of all, without high quality herbs, Ayurveda cannot be of any quality. This is because farms and large areas of land that have never been fertilized artificially are needed for the organic growth of these herbs. Second, even though India is regarded as the birthplace of Ayurveda, there aren't enough universities or other Ayurvedic establishments for the next generation to learn this age-old subject and pursue careers in it. Thus, there would be a severe lack of Ayurvedic practitioners if serious actions are not done. Therefore, as Ayurveda has a big potential to propel the Indian economy to new heights, both the government and private stakeholders should step up to take advantage of future chances through the public-private partnership model.

The Advantages of Ayurvedic Practice

When incorporated into one's lifestyle and healthcare regimen, the age-old Indian medical system known as Ayurveda offers a host of advantages. Ayurvedic practice entails taking a holistic approach to life, covering dietary habits, physical activity, meditation, and herbal medicines, among other things. Ayurveda's emphasis on tailored and customized treatment is one of its main advantages. Treatment programs are customized by Ayurvedic practitioners based on an evaluation of each patient's distinct constitution, or doshas. This tailored strategy guarantees that the course of therapy corresponds with the individual's unique requirements, thereby fostering general well-being.

The ancient holistic therapeutic system known as Ayurveda, which originated in India, has various potential advantages for anyone looking to enhance their general health. Some advantages of Ayurveda include the following:

A HOLISTIC APPROACH

As a holistic health system comprising diet, Yoga, massage, detoxification, herbal remedies, meditation and daily lifestyle, Ayurveda improves not only a person's health, but also their well being, behaviour and state of mind.

- ❖ **Diet:** Ayurveda is a form of holistic medicine from India that focuses on promoting balance between your body and mind. The Ayurvedic diet is a component of Ayurveda and has been practiced for thousand years. It is based on determining your dominant dosha and eating specific foods to promote balance between all three doshas.
- ❖ **Yoga:** Yoga and Ayurveda have the same Vedic roots and operate together towards a common goal. The principles and goals for both are more or less the same. Ayurveda will take care of the mental state and physical health through diet and other changes.

Yoga on the other hand will work at unifying the mind, body and soul

- ❖ **Massage:** Massage that is done with warm oil. The oil is applied on the entire body, from the scalp to the soles of your feet. Abhyanga is the most popular massage in Ayurveda, a traditional system of medicine from India. Ayurveda focuses on maintaining health through natural practices like massage and what you eat.
- ❖ **Detoxification:** The Ayurvedic detoxification treatment is based on the long established precepts of Ayurveda. A detoxification process is medicinal and it refers to the removal of toxins from your body. Our kidneys, liver, lymphatic systems, and intestines do detoxification regularly.
- ❖ **Herbal Remedies:** Ayurvedic herbs and spices play an important part in a holistic approach to health and wellness. It is used to treat many conditions such as allergies, asthma, migraine, cancer, etc.
- ❖ **Meditation:** Meditation is a practice whereby an individual, through a certain technique or practice such as focusing on a particular object or the repetition of a mantra. It manages to achieve an emotionally calm and mentally clear state.
- ❖ **Daily Lifestyle:** The word Dinacharya is derived from two words 'Dina' meaning day and 'Acharya' meaning activity. Dinacharya according to Ayurveda is a daily routine that promotes selfcare through different daily activities.

AYURVEDA TREATMENTS

Ayurveda is one of the world's oldest whole body healing systems. It was developed more than 5000 years ago in India. Ayurveda is a Sanskrit word that means "Science of Life" or "Knowledge of life".

- ❖ **Abhyangam:** A full body massage from Head to Toe done with medicated herbal oils. It relieves pains and aches in the joints by lubricating the same, improves blood circulation and channelizes nerve ending.
- Diseases: Pain, Mental stress, Gastric problems, Detoxification, Immunity problems, Weight.

- ❖ Padabhyangam: Herbal foot massage that focuses on vital pressure points to balance the Doshas. Stimulation of vital points causes faster body revitalization.
Diseases: Vision problems, Eye strain, Headaches

- ❖ Nasyam: It includes administration of medicated drugs or oils or powders stimulate the some vital centers of brain that reduce pain perception.
- ❖ Pizhichil: Pizhichil is the squeezing of warm medicated oil onto the body of the patient from a piece of cloth that is periodically soaked in a vessel containing the medicated oil. Pizhichil literally means squeezing. It helps improve muscle tone and strengthen them thereby providing the much needed support.
Disease: Pain, Mental stress, Immunity problems, Paralysis

- ❖ Kizhi: Kizhi uses powders, herbs, rice, sand tied in muslin cloth to make small satchels. These powders, herbs, rice or sand sacks are then heated and lightly pounded over the body or specific parts of the body as needed. This massage provides dry heat for aggravated Vata and Vata kapha conditions. The heat generated in Kizhi helps to pacify the aggravated vata thus relieving the associated pain immediately.
Diseases: Spine arthritis, Spondylosis of spine

- ❖ Greeva Basti: In Greeva Basti specially prepared warm herbal oil is poured over the neck and retained inside a well, created with black gram paste or whole wheat flour. It is used in the treatment of neck and upper back conditions like cervical spondylosis, stiff neck and pain due to muscular strain.
Disease: Psoriasis, eczema, scalp lesions, hairfall

- ❖ Kati Basti: In Kati Basti specially prepared warm herbal oil is poured over the lower back and retained inside a well created using black gram paste or whole wheat flour. It is helpful in lower back conditions like lumbar spondylosis, intervertebral disc prolapses, lumbago (low back ache) and sciatica.
Diseases: Knee pain Knee Arthritis

- ❖ **Janu Basti:** In Janu Basti specially prepared warm herbal oil is poured over the knee and retained inside a well created using black gram paste or whole wheat flour. It is used in the treatment of osteoarthritis of knee joints, osteoporosis and Arthritis of knee joints and chronic pain of the knee joints.
Diseases: Neck pain, Neck Spondylosis, Neck Arthritis

- ❖ **Spine Basti:** In Spine Basti specially prepared warm herbal oil is poured over the spinal cord and retained inside a well created using black gram paste or whole wheat flour. Spine Basti is used in the treatment of spine stiffness and intervertebral disc prolapses.
Diseases: Back Pain, sciatica, lumbar spondylosis

- ❖ **Upanaham:** In Upanaham medicinal paste is applied over the affected area and covered with medicinal herbal leaves for a specific amount of time as per your body's requirement. It helps relieve pain and swelling by nourishing the tissues. It is very effective in osteoarthritis, joint injuries and localized pain and swelling

- ❖ **Sneha Basti:** Sneha Basti involves enema using medicated oil. It is used to treat lower backache, gout and rheumatism. **Kashaya Basti:** Kashaya Basti involves enema using medicated decoction. It is used to treat lower backache, gout and rheumatism

- ❖ **Shirodhara:** It is a classic Ayurvedic therapy or the practice of slowly and steadily dripping medicated oil or medicated decoctions on the forehead. The therapy induces a relaxed state of awareness the results in a psychosomatic balance.
Diseases: Loss, Paralysis, Skin Problems.

- ❖ **Kashayadhara:** In Sanskrit “Kashaya” means decoction and “Dhara” means continuous flow. During Kashyadhara, the decoction is continuously poured over the body while maintaining a specific rhythm, height and temperature. The decoction is simultaneously massaged into the body throughout the treatment.
Diseases: Sleep problems, Insomnia, Stress, Hair Fall.
- ❖ **Mukha Lepam:** Mukha Lepam aims to restore equilibrium, vitality and radiance to the individuals skin, the largest organ of the body. It uses ingredients personalized to specific constitutional types and imbalances to purify, nourish and rejuvenate the skin, enhancing physical beauty and overall well being.
Diseases: Pain, Mental stress
- ❖ **Netra Tarpanam:** It is made up of two Sanskrit words “netra” meaning eyes and “tarpana” meaning rehydration. This Ayurvedic therapy utilizes ghee, which is clarified butter. Ghee is a healing agent for tired, stressed, dehydrated eyes and disorderly eyesight.
Diseases: Skin Care, Skin Conditions.
- ❖ **Padabhyangam:** It is a Ayurvedic foot massage. It is said to be the mother of all alternative therapies. Padbhyanga therapy cures roughness, dryness, laxity, tiredness, numbness, cracking of feet, contraction of blood vessels and nerves of feet, sciatica and many gout diseases.
Diseases: Vision problems, Eye strain, Headache
- ❖ **Soundarya:** A facial beauty treatment to improve colour and complexion of the skin using gentle ayurvedic herbal face packs, face wash and cream. This treatment takes upto 75-90 minutes.
Disease: Skin care treatment
- ❖ **Ubtan:** Ubtan is a body cleaner rich in herbs and minerals that promise fresh, healthy skin. This mix with its delightful aroma of herbs, spices, grains and nuts, deeply purifies the skin, revealing a natural glow. Kashaya Basti: Kashaya Basti

involves enema using medicated decoction. It is used to treat lower backache, gout and rheumatism.

Diseases: Scalp and hair care

- ❖ Udvartanam: Special therapeutic deep tissue massage using herbal powders. Udvartanam means to elevate or to promote.

Diseases: Skin care and Weight loss

BRANCHES OF AYURVEDA

- ❖ Kaya Chikitsa- Medicine
- ❖ Shalya Tantra- Surgery
- ❖ Shalakya Tantra- ENT and Ophthalmology
- ❖ Kaumarbhritya- Paediatrics and Obstetrics
- ❖ Agad Tantra- Toxicology
- ❖ Bhut Vidya- Psychiatry
- ❖ Rasayan- Rejuvenation therapy and geriatrics
- ❖ Vajikaran- Sexology (Including Aphrodisiac for better progeny)

EVOLUTION OF AYURVEDA IN KERALA

Kerala is the cradle of Ayurveda and the traditional system of medicine. The popularity of Ayurveda in Kerala follows the Aryan rich in herbs, Kerala opened new avenues for this medical

system. Kerala is also amongst the few biodiversity hotspot of the world. Ayurveda as science developed in Kerala during the age of Sanskrit. Vagbhadan, the master of Ayurveda, is reported to have come to Kerala to start his own styles of treatment and practice. He wrote two books on Ayurveda while he was in Kerala. Namely Ashtanga Hridayam and Ashtanga Samgraham. His disciples from eight families who later came to be known as the Astaydian families excluding the Karandhol family perished around 965 AD.

The practices of Ayurveda in Kerala has perceptible departure from the general practice of Ayurveda elsewhere. The “panchakarma” treatment system is very popular and effective method practice here.

Now a days "health tourism is becoming the unique- selling proposition for Kerala, Many foreigners are coming to Kerala in search of Ayurvedic treatments. Almost all hotels and resorts in the state have ayurvedic centers, run by authentic and traditional Ayurvedic institutions attached to them. Some features that make Kerala, an ideal place for the growth of the Ayurvedic system are the following.

1. Kerala has the largest pool of qualified and committed Ayurveda doctors and experienced in this system.
2. 70% of the herbal plants used in the formulation of ayurveda remedies are native to Kerala.
3. India's premier learning institutions imparting Ayurvedic education are in Kerala.
4. Kerala is the only state that practice the Ashtanga Pradhan (All eight division of Ayurveda) in its comprehensive form.
5. It is only in Kerala that all formulations of medicines are retained in their various forms.

OBSTACLES OF AYURVEDA

Rasa shastra, the practice of adding metals, minerals or gems to herbs, may have toxic heavy metals such as lead, mercury and arsenic. Adverse reactions to herbs due to their pharmacology are described in traditional ayurvedic text, but ayurvedic practitioners are reluctant to admit that herbs could be toxic and that reliable information on herbal toxicity is not readily available. There is a communication gap between modern medicine practitioners and ayurvedic practitioners. Ayurveda in India faces there are a number of challenges facing the system which face threats even in its existence in the long run.

Following are some of the obstacles:

- Unorganized data base
- Lack of research
- Depletion of resource
- Ayurvedic product as FMCG
- Escalating cost
- Unorganized industry
- Medicines are time intensive, labour intensive

MAJOR AYURVEDIC CONCERNS IN SOUTH INDIA

- Arya Vaidya Sala, Kottakkal
- Vaidyaratnam Oushadhasala, Thrissur
- Oushadi, Thrissur
- Nagarjuna Ayurvedic pharmacy Ltd, Calicut
- Arya Vaidya Pharmacy, Coimbatore
- SD Pharmacy
- Santhosh Pharmacy
- Changampally Ayurveda Sala

HISTORY OF THE INDUSTRY

The term. Ayurveda means knowledge (VEDA) concerning maintenance of life (AYUS), the origin of the knowledge are already evident in athervaveda (The contents of which can dated between 1 500-100BC). The treatment of disease (Chikitsa) in the ayurveda is largely religious and ritualistic, emphasizing such practices as the "sacred utterances" (Mantra) Penances (Niyama) Amulets (Mani) sacred ohli gat ions (Manga anoma) fasting (Upavasa) and durifactrites (Pragaschitra) but the athervaveda also contain materials about human anatomy herbal medicines (Bhaisaiga) and classification of diseases (Lingivyadi). References is made to wandering medical practitioners (Choaanvaidya) and those who are trained in medical science (Vaidya) mythological, the first exponent of the medical science was none other than the creator brahma himself Brahma shared this knowledge with praja Dun. Which samkhya and vaishehikaindian philosophers, although one also finds terms and notions from the Vedanta Nyaya, Yoga and early Buddhist and reflections for the problem like fever (Ivara) or

desentry (Athisara) or a disease such as pulmonaoy tuberculosis (Nis ayakshma) is discussed.

PRESENT STATUS OF THE INDUSTRY

The evolution of Ayurveda to the present level has witnessed periods of rapid growth and stagnation. This branch of medical science always had interactions with other medical systems

and facilitated the growth of ayurveda. The ayurveda practice and education is controlled by legislations of Govt. from time to time. At present ayurveda is in a phase of global proliferation. Ayurveda is considered eternal: there is no beginning and end. The very connection of ayurveda with nature which is eternal makes ayurveda also eternal.

FUTURE SCOPE OF THE INDUSTRY

Ayurveda is an ancient and popular form of holistic medicine system originated India and now spreading worldwide. The scope of ayurveda is very wide and fast growing. Ayurveda cures almost all the diseases that affect human body and mind, it helps to increase immunity of human body and provide mental relaxation. Ayurveda has a very great scope in the field of tourism, foreigners have respect and curiosity for ayurveda. As Kerala have many traditional ayurvedic practitioners and doctors and nursing homes. Ayurveda promoted cultivation of rare herbs and medical plant. Thus we can protect these plants and herbs from endangers and the some can be used for medical purpose.

1.8 COMPANY PROFILE

Arya Vaidya Sala (AVS) is a 120 years old Charitable Trust engaged primarily in the practice and propagation of the Indian traditional health care system of Ayurveda. It was established at Kottakkal in 1902 by the illustrious visionary, Vaidyaratnam P.S. Varier. Started essentially as a village clinic, Arya Vaidya Sala has now grown into a multi-unit, multi-disciplinary and multi-crore Organisation with significant presence in clinical service, medicine manufacture, drug distribution, research, education, medicinal plant cultivation and book publication.

There are four Hospital facilities being run by AVS at Kottakkal (2 nos.), Delhi and Kochi where all the classical Panchakarma therapies and the reprotel Kerala special therapies are made available to patients under modern hospital set-up. The main Hospital at Kottakkal has received NABH accreditation Patients from every part of the world come and stay at these Hospitals to receive palliation from grave conditions of illness. One of them at Kottakkal with 160 beds is a Charitable Hospital where the medicine, therapy, accommodation and food are provided free of cost to deserving patients Parallel Allopathic treatment is also available here.

AVS operates three GMP accredited drug manufacturing units at Kottakkal, Palghat and Nanjangud. The unit at Nanjangud in Karnataka is the latest one which is dedicated to the production of a series of next generation formulations for addressing the aspirations of contemporary practitioners. More than 550 classical and proprietary formulations are manufactured at these units and they are made available to patients across the country through 26 Branch Clinics and more than 1800 Authorised Dealers and other retail outlets.

As part of its activities to strengthen the knowledge base of Ayurveda as well as to spread the message of Ayurvedic healing system, AVS is proactively engaged in research and educational efforts. The Centre for Medicinal Plants Research (CMPR), which was inaugurated in 2003 by the then President of India. Dr. APJ

Abdul Kalam, is now recognised by the Central Government as a Centre of Excellence. And it is affiliated to the Kannur University as a learning centre. Several collaborative research programmes are undertaken here jointly with ICMR, DBT, AYUSH, etc. Other research activities in progress at AVS pertain to areas of clinical research, process improvement and new drug development. Some of these programmes have been taken up in collaboration with national apex bodies like DST, DAE, IIT. MAHE etc.

AVS extends financial support to and joins in the management of VPSV Ayurveda College at Kottakkal, which is affiliated to the Kerala University of Health Sciences.

The Publications Department of AVS publishes a Quarterly Research Journal on Ayurveda, apart from bringing out reference manuals and other texts in Malayalam, Hindi, Sanskrit and English. Holding of annual Ayurveda Seminars and other academic events also forms part of activities of AVS directed at propagating the authentic practice of Ayurveda.

AVS also has under its wings the 80 years old PSV Natyasangham which is recognised as a leading Kathakali Centre imparting training as well as staging performances.

AVS is managed and guided by a Board of Trustees. The nationally reputed Physician and Scholar, Dr. P.K. Warriar led the institution as the Managing Trustee, for sixty seven years. After his demise, Dr. P.M. Varier is the present Managing Trustee.

Location

Arya Vaidya Sala located at Kottakkal in Malappuram district of Kerala State. The nearest Railway Station is TRIUR (Malappuram Dist). Kozhikode is the nearest airport at distance of 28 km. Kottakkal is situated at a distance of about 165 km from Kochi, 115 km from Thrissur, 160km from Coimbatore and 48 km from Calicut (Kozhikode) by road.

HISTORY

Vaidyaratnam P. S. Warriar, a renowned scholar and academician in whose honour the Government of India have issued a postage stamp, founded Arya Vaidya Sala in 1902. at Kottakkal, a small town in Malappuram district, in the Indian state of Kerala. It began as a small clinic for outpatient treatment and sale of ayurvedic medicines. Fifteen years later, Warriar established the Arya Vaidya Patasala (school of ayurvedic medicine), in the town of Kozhikode teaching under the Guru Kula method. The school was shifted later to Kottakkal and has transformed itself into a Medical College, Vaidyaratnam P. S. Varier Ayurveda College, affiliated to the University of Calicut. Since 1944, when Warriar died, the clinic has been managed by the, Kottakkal Charitable Trust as per the provisions of his Will and testament. Warriar was conferred the title of Vaidyaratnam (jewel among physicians) by the Government of British India in 1933.

After the death of P. S. Warriar, his nephew, P. Madhava Warriar (P. M. Warriar) took over the position as the Chief Physician and became the first Managing Trustee of the charitable trust in 1944. He is reported to have modernized the institution and initiated many efforts for the growth of the institution. Madhava Warriar died in an air crash in 1953 and the next head of the institution was his brother, P. K. Warriar, a renowned physician and the winner of the civilian award, Padma

Shri, who is the incumbent Managing Trustee and the Chief Physician. His duties are shared by P. M. Warriar who is the Chief Superintendent of the institution. In 1933, in recognition of his valuable services to humanity, Sri P. S. Varier was conferred the distinguished title of Vaidyaratna' by His Excellency the Viceroy and Governor General of India.

Sri Varier wrote text books of students of Ayurved. One of them, Ashtangasariram, won a certificate in 1932 from the National Organization of Physicians.

MISSION, VISION AND OBJECTIVES OF ARYA VAIDYA SALA

MISSION

To expand the reach and scope of ayurvedic clinical services of AVS by continuously endeavoring to upgrade its scientific validity, contemporary relevance performance quality.

VISION

To become a world leader in ayurvedic patient care by reaching out to increasing segments of the ailing population and offering them authentic ayurvedas preventive, curative and palliative capabilities to achieve “HEALTH FOR ALL”.

OBJECTIVES

- Preparation and sale of ayurvedic medicines Giving treatment to the patients by accepting fees based on their financial capacities
- To conduct research in Ayurveda and make useful to the mankind.

"The primary reason for the establishment of Arya Vaidya Sala is the conviction that our greatest duty is to make an effort to seek prestige in the future rather than waste time regretting the past."

-P.S. Varier (in 1902, on the occasion of establishing Arya Vaidya Sala)

"It is God's wish that Ayurveda should be lifted up from its present state of degradation. My humble efforts in that direction are only manifestations of His wish. It is true, the founding of

Arya Vaidya Sala is the outcome of my personal endeavour based exclusively on my individual

efforts and driven by my judgment. However, I have drawn up plans now to restructure it as a Charitable Institution and to entrust its management to a Committee of capable and dedicated persons in order to perpetuate its noble objectives and to ensure its sustained growth in the future."

-P.S. Varier (in 1929, on the occasion of celebrating his 60 birthday)

SECTIONS INSIDE THE ARYA VAIDYA SALA

- ❖ Automobile Section
- ❖ AVS Square OP Block
- ❖ Civil Engineering Department
- ❖ Engineering Department
- ❖ Estate Department
- ❖ Finance and Accounts Department
- ❖ Facility Management
- ❖ HR and Administration
- ❖ IT Department
- ❖ Legal Department
- ❖ Marketing Department
- ❖ Materials Department
- ❖ Product Development Department
- ❖ Publication Department
- ❖ Quality Assurance Department
- ❖ Research and Development Department

BRANCHES OF ARYA VAIDYA SALA

Table 1.9

INSIDE KERALA	OUTSIDE KERALA
<ul style="list-style-type: none">• Adoor• Aluva• Ernakulam• Kannur• Kottakkal• Kottayam• Kozhikode• Palakad• Thiruvananthapuram• Tirur• Thrissur	<ul style="list-style-type: none">• Ahmedabad• Bangalore• Chennai• Coimbatore• Indore• Jamshedpur• Kolkata• Madurai• Mangalore• Mumbai• Mysore• New Delhi• Secunderabad

COMPETITORS OF ARYA VAIDYA SALA

- Sitar-am Ayurvedapharmacy
- Oushaddhi
- Kandamkulathy Vidya Sala
- Kerala Ayurveda Ltd.
- SNA Oushadashala
- Nagarjuna
- Vaidyaratnam Oushadhasala Pvt. Ltd

ABOUT THE FOUNDER

Vaidyaratnam P. S. Varier

Vaidyaratnam P S Varier bequeathed Arya Vaidya Sala to the public in a unique testament. The administrative structure that he desired for the establishments he founded was clearly defined.

Vaidyaratnam P. Sankunni Varier (P.S.Varier) (1869 – 1944) impacted the destiny of Ayurveda by his sincere, dedicated and eminently successful efforts to bring the Ayurveda health system into inclusive open society. He had solid footing in tradition, but he accepted modernity for strengthening tradition. Until his death in 1944, he practiced Ayurveda as the founder and owner of Arya Vaidya Sala.

Education

Sri. Varier had his Vidyarambham, the formal initiation to education, at the age of four. He started with instructions in basic Sanskrit and subsequently grammar and Tarka Sastra under the seniors of his family and later from the teachers of the Zamorin Royal Palace. He had also the opportunity to learn astrology and poetics under experts. After this, he started the formal study of basic principles of Ayurveda at the age of fifteen and two years later at the age of seventeen, he joined

the reputed Gurukula of the Kuttanchery Ashtavaidya family. He underwent five years long advanced theoretical and practical training under the senior Kuttanchery Vasudevan Mooss.

Special Training

Apart from receiving formal Gurukula training in Ayurveda, P.S. Varier received three years long theoretical and practical training in Modern Medicine, under Diwan Bahadur Dr. V. Verghese, who prompted him to initiate pioneering steps to modernise Ayurveda drug preparation and drug marketing modalities. He was also well trained in classical music.

Professional Carrier

He started his professional career as an individual practicing physician at the age of 21 immediately after completing his Gurukula studies in 1890. The phase continued for 12 years until 1902 when he founded AVS.

As a Manufacturer

P.S. Varier was a pioneer in the domain of industrialisation of Ayurveda drug manufacture. He established AVS in order to achieve his ardent wish to see that patients can use authentic classical Ayurveda medicines with confidence and trust on their quality and reliability. For this purpose, for the first time in the history of Ayurveda, he introduced scientific methods of preserving Kashayams, by setting up a pharmacy/drug manufacturing unit for ensuring availability of authentic and standardized medicaments. This is how AVS came into being in 1902 which has come to be recognized as a torch bearer of Ayurveda renaissance in the whole country.

As a Clinician

P.S. Varier was an expert physician with a unique healing touch. He was also an authority in administering Panchakarma and special Kerala Purvakarma therapies. He was a general practitioner with equal skill for dealing with all kinds of ailments afflicting the people of his time.

He established a hospital at Kottakkal to provide OP and IP treatments to patients free of cost. Allopathy care was also made available there as a parallel system.

As a Faculty

P.S. Varier started a formal school for syllabus based Ayurveda teaching, the Aryavaidya Pathashala. Subject experts were appointed as the Head and members of the faculty. He, himself was the Principal from its inception until his death. He taught anatomy, physiology and naditantra at the Pathashala.

As an Editor & Publisher

P.S. Varier was the Editor and Publisher of the first Malayalam Ayurveda journal “Dhanwantari” which carried authoritative articles on all topics related to Ayurveda and allied knowledge including regulations, education, policy, modern developments etc. He authored many books and wrote several works of Poetry (in Sanskrit and Malayalam) and about 30 traditional musical plays.

Honor

P.S. Varier was awarded the prestigious “Vaidyaratnam” citation in 1933 by the then Viceroy of India, Lord Willington. He was, by then, recognized as one of the leaders of the national Ayurveda renaissance.

Other contributions

P.S. Varier introduced the system of Bonus and payment to his employees at a time when it was not the standard industrial practice in India.

P.S. Varier had set up a dramatic troupe specialized in musicals for theatrical performances which was later converted to the PSV Natyasangham for the purpose of training and performance of Kathakali, the classical theatre form of Kerala.

The Vishwambhara temple established by him was open to people of all caste and creed and it illustrates his progressive attitude and courage to deviate from tradition and the social practice of those days.

During the ill reputed Malabar rebellion of 1921 P.S. Varier took a very bold step to thwart any violent incidents in and around Kottakkal which was close to the

epicenter of the revolt. He protected and helped both the Hindu and Muslim families from being attacked and he also provided financial and material support to the affected people of both the communities.

P.S. Varier had established AVS as an umbrella organisation and several other sub-institutions as independent units under his personal care and supervision. (i) the Arya Vaidya Sala in 1902, (ii) the Aryavaidya Samajam in 1903, (iii) Dhanwantari Ayurveda Magazine in 1903, (iv) PSV Dramatic Troupe in 1909, (v) Aryavaidya Pathashala in 1917, (vi) Charitable Hospital in 1924, (vii) Vishwambhara Temple in 1932, (viii) the medicinal plant estate in 1934 and (ix) PSV Natyasangham in 1939.

Apart from managing all these enterprises for 42 years, he executed a Will in 1939 which became the Constitution of AVS since his demise in 1944. The Will made it possible for the Trustees of the seven member Trust Board comprising of five members of his family and two members associated with Institution, to earmark the financial earnings for charitable & educational purposes and for the growth of AVS without any individual or family beneficiary.

BOARD OF DIRECTORS

The Trustees following the demise of the founder in 1944 and as per the provision of reputed Will, Arya Vaidya Sala became a Charitable Trust. Its management was vested with a Board of Trustees comprising a Managing Trustee and Six other Trustees.

Dr. P. Madhavankutty Varier has been the Managing Trustee since 2021 July. The other Trustee are:

- Shri P. Raghava Varier
- Shri K.R. Ajay
- Shri Sujith .S. Varier
- Dr. N.S. Unnikrishnan
- Dr. K. Muraleedharan
- Adv. C.E. Unnikrishnan

PRODUCT PROFILE

Arya Vaidya Sala manufactures more than 530 classical formulations which fall in the nine classical categories. The manufacturing and marketing of these medicines are licensed by the Drug Controlling Authority and also GMP certified.

- ❖ Arishta / Asava (Fermented Formulation)
- ❖ Bhasma (Calicinated Drug)
- ❖ Churna (Powdered Herb)
- ❖ Ghrita (Ghee Based)
- ❖ Gulika (Pill)
- ❖ Kashaya (Decoction)
- ❖ Leha (Electuary)
- ❖ Rasakriya (Collerium)
- ❖ Kuzhampu (Oil Based)

There are also other categorisation based on the various other criteria. The quality control laboratory of AVS is accredited by the department of AYUSH, Govt. of India.

DEPARTMENTS OF ARYA VAIDYA SALA

Production units (Tradition meets modernity)

More than 500 classical formulations are manufactured at the two Factories at Kottakkal and Kanjikode. Another 25 new-generation formulations are produced at the new Factory at Nanjangud. All the three Factories are GMP accredited. The medicines are prepared based essentially on classical specifications. At the same time, appropriate technology has been incorporated. More than 700 different types of raw herbs are sourced from across the country for producing these medicines. The raw materials and the medicines pass through rigorous quality check by employing modern scientific methods.

Marketing department (Medicines to patients)

Medicines produced at the three Factories reach the needy patients across the country through a net-work of 27 Branch clinics and 1561 Authorized Dealerships. The Marketing Department at HO ensures smooth flow of information and material. Free consultation with experienced Physicians is available at all Branch clinics which also function as local warehouses for effective supply of medicines to Dealers.

Charitable Hospital (A refuge for the deprived)

As part of its social commitment, Arya Vaidya Sala is running a Charitable Hospital at Kottakkal where needy patients are provided with medicines, treatment, accommodation and food free of cost. The Hospital is manned by qualified Ayurvedic and Allopathic physicians. The patients can opt either Ayurvedic or Allopathic course of treatment. The outpatient unit has a daily attendance of more than 1500 patients while the IP unit accommodates 160 patients at any given time. It operates a poison treatment unit. It is also engaged in conducting clinical research in the fields of cancer and diabetes. Drug validation studies are also undertaken here.

CMPR (A center of excellence in medicinal plants research)

Centre for Medicinal Plants Research (CMPR) was set up by AVS to address the very crucial issues of quality and quantity of medicinal plants which are facing a grave threat of extinction. The Centre was inaugurated in 2003 by the then President, Dr. A.P.J. Abdul Kalam and it is now recognized by the government as a Centre of Excellence in research. It is affiliated to Kannur University for Doctoral research. It has developed expertise and infrastructure in phytochemistry, pharmacognosy, and tissue culture. Frontier research is undertaken here. Several research projects are taken up on behalf of National Apex bodies like ICMR, DBT, DST and NMPB.

R&D Wing

R&D Department undertakes in-house and joint research in the areas of product and process improvement. It has collaborated with IIT-Kharagpur, Manipal Academy, Department of AYUSH, etc in major research projects.

QA Department

All the medicines produced at AVS undergo a series of quality checks before they reach the Market. Modern analytical procedures and classical Ayurvedic testing procedures are parallelly adapted for confirming the standard quality of medicines. PD Department

PD Department

The Product Development Department is engaged in developing new formulations to meet new health challenges. It also continuously attempts to improve the user compliance of classical formulations by modernizing presentation.

The Kottakkal Ayurveda College (A well-built structure for tomorrow)

Set up initially in 1917 as Aryavaidya Pathasala by P.S. Varier, the present VPSV Ayurveda College is a front ranking Institution imparting undergraduate and postgraduate education. It is affiliated to Kerala University of Health Sciences. It is run by a Society and is provided financial and administrative support by AVS.

Publications department Spreading the knowledge

Recognizing the importance of documenting and publishing of scientific knowledge, AVS set up a Publications Wing in 1987.

The founder P.S. Varier had himself set an example in this regard by publishing "Dhanwantari", a journal of Ayurveda from 1903 to 1927. The Department presently brings out "Aryavaidyan", a quarterly journal and regularly publishes treatises, reference manuals, popular texts, and Seminar Proceedings in Malayalam, English, Sanskrit and Hindi.

Nature, the store house of medicines

Ayurveda has an inseparable relation with the nature. Medicinal plants play a crucial role in the growth of Ayurveda. But the destruction of forests and the scarcity faced in the availability of herbs have necessitated Arya Vaidya Sala to

cultivate and preserve them. The cultivation of medicinal plants at Kanhirappuzha and Kottappuram in Palghat district is an example. The correct identification of a wide variety of herbs to be used in Ayurvedic medicines has always been a difficult task, as spurious and incorrect raw herbs do affect the quality of medicines. To solve this problem Arya Vaidya Sala has set up a research garden at Kottakkal, where the identification of herbs is undertaken from the specimens grown under the supervision of a research officer. There are close to a thousand plant species which are standardized and cultivated in the garden. The research garden has attracted numerous visitors.

P.S.V. Natvasangham (Telling stories in gestures)

P.S.V. Natvasangham, the reputed Kathakali academy, was established by P.S. Varier in 1939 and is flourishing now under the loving patronage of AVS. It is now a front ranking institution well recognised for its masterly stage performance as well as for its rigorous tutelage of young students. The Natvasangham has travelled widely and has performed in every major city of India as well as in the western and the eastern hemispheres of the globe.

HR DEPARTMENT PROFILE

The HR department is in charge of hiring, training, and engaging people, managing and coordinating an organization's administrative tasks, providing remuneration and benefits, and staying informed about regulations that could have an impact on the business and its workers. In addition, the HR (Human Resources) division is in charge of managing the employee life cycle, which includes hiring, onboarding, training, benefits administration, and e-health system implementation.

Essential Tasks Handled

- ❖ Bonus & On-am allowance payment
- ❖ Employee engagement activities
- ❖ IR & Statutory Payments
- ❖ Long Term Settlement of VOS & Other Units

- ❖ Payroll processes
- ❖ Pay Revision and promotion
- ❖ Performance appraisal
- ❖ Recruitment
- ❖ Training & Induction program
- ❖ Travel arrangements for touring officials
- ❖ Various communication like transfer, deputation etc.
- ❖ Wages & Compensation
- ❖ Welfare Activities

Department Functions

- ❖ Human resource co-ordination
- ❖ Payroll and ESI / PF remittances
- ❖ Staff Requirement and Grievances

CHAPTER -II
REVIEW OF LITERATURE & THEORITICAL
FRAMEWORK

2.1 Review of literature

A key component of any organization's success is performance management. To guarantee that organizational goals are successfully attained, it entails assessing and enhancing team and individual performance. The effectiveness and acceptability of the performance management system within the company are significantly influenced by how employees view it. The purpose of this literature review is to present an overview of earlier research on how employees regard performance management systems.

An analysis of the literature on how employees evaluate performance management systems provides important new information about their beliefs and attitudes. Research has indicated that the way in which workers view performance management systems can have a big impact on their motivation, job happiness, and general commitment to the company. According to the review, fair, open, and helpful feedback-oriented performance management methods are typically valued by staff members. Employees are more likely to see the system favorably and effectively when they believe that objective standards are used in their performance reviews and that the process is carried out in a friendly, non-threatening setting. Moreover, research indicates that workers like regular feedback and continuous contact from their managers since it clarifies expectations, points out opportunities for growth, and advances their career. Conversely, workers could think poorly of performance management programs because they think they are prejudiced, arbitrary, or inconsistent. These kinds of beliefs may result in a decline in system trust, a decline in job satisfaction, or even a disengagement from the workplace. The literature review as a whole emphasizes how crucial it is to take into account workers' perspectives when developing and putting into practice performance management systems in order to guarantee their efficacy and favorable effects on worker motivation and organizational outcomes.

Biswakarma's (2017) research on how employees feel about their workout and performance review originated in Nepal. The researcher made an effort to examine how affective commitment and turnover intention are impacted by perceptions of

performance appraisals. This study reports that 98 questionnaires were distributed to bank workers in Khathmandu. The findings of this research demonstrate a favorable correlation between employees' perceptions and affective commitment as well as a high level of association between them and work performance. Perception does not have a substantial impact on performance reviews.

Asamu Festus (2013) states that for performance evaluations to provide the desired outcomes, management must ensure that they are carried out on a regular basis. The study recommends that raters should be adequately trained in modern rating procedures and that frequent conversations regarding expected and actual performance should take place.

The relationship between job performance, performance reviews, and organizational justice was investigated by Warokka (2012). Information for this study was supplied by 152 respondents. Employee satisfaction with the performance evaluation approach at work was higher, according to the study's findings.

Motivation was used as a mediating variable by Fakharyan (2012) to evaluate the effect of employee outcomes in Iran as a result of job appraisal perception. The study's findings show that there is a significant relationship between job satisfaction and work performance. Furthermore, the findings suggest a favorable correlation between affective commitment and employees' assessments of their performance. Therefore, it is shown that there is a direct relationship between regression analysis and employees' happiness with their work performance.

Boachie-Mensah (2012) investigated how employees viewed biases in performance reviews concerning errors. According to the study's findings, institutional staff members think the performance review methods contain a lot of serious errors.

In Saeed & Shahbaz's (2011) study, 137 employees in Pakistan were asked to complete questionnaires on their opinions regarding the effectiveness of performance reviews. The data collected from the study's participants was then analyzed. Workers believe performance reviews are effective, according to the

study's findings. The study's findings indicate that the sampled employees find the current performance evaluation method to be satisfactory. As a result, there is a decrease in the intention to leave the company and an improvement in work performance and supportive organizational commitment.

Employee views are greatly influenced by performance appraisal programs, according to Ahmed (2011). These beliefs may then affect how employees behave and the overall performance of the company.

Sreedhara (2010) studied the relationship between Indian performance grading systems and worker satisfaction. A total of 129 samples were gathered for this study. The research states that respondents' satisfaction with the performance evaluation approach is relatively moderate.

Performance management systems in public sector organizations are generally split into two levels: organizational and individual, according to Kuhlmann (2010). An organization's entire performance can be evaluated in terms of organizational-level performance management by looking at key areas such as e-government, human resources, financial performance, and public service quality, among others. A range of indicators, including as input, process, output, and result indicators, are used to achieve this at the individual level.

De Andres (2010) It is an essential part of the management control and work-related information system to monitor employee work activities and outcomes. Organizations alter or do away with numerical rating scales in their performance assessment systems (PAS) due to inadequate criteria provided by PAS, uneven effects of performance feedback, or poor research-practice correlation. PA proponents point out that performance is continuously evaluated in some capacity, assessments can enhance organizations, and alternatives to numerical ratings might be worse.

2010 saw the publication of Schuler, R. S., and Tarique, I.'s Integrative Framework, Literature Evaluation, and Research Recommendations for Global Talent Management. *Journal of World Business*, 45(2), 122-133. This essay highlights the importance of performance management in attracting, retaining, and

developing talented employees, even if its primary focus is on global talent management. It highlights the significance of employee perception and involvement in performance management tactics that enhance the overall performance of the firm.

Armstrong (2009) defines performance management as a methodical process that boosts both individual and team performance and achieves better results by understanding and managing performance within a predetermined framework of predetermined standards, objectives, and competency expectations.

Performance evaluation, according to Swanepoel, Erasmus, and Schenk (2009), is a separate but crucial part of total performance management. It involves systematically evaluating each worker's performance at work, deciding how best to reward and inspire them, fixing poor work, and providing each worker with feedback. These tools are crucial to human resource management because they inform many decisions about human resources. Performance appraisals provide valuable insights. Aside from being linked to compensation and recognition, performance management systems are utilized for a number of purposes, such as career advancement and accountability. Promotions, pay raises, and disciplinary measures are all decided after taking them into account.

A comprehensive methodology for analysis is provided by Aldonio Ferreira (2009) in his work *The Design and Use of Performance Management Systems*. It provides scholars with a structured method to thoroughly study PMS design and operation in organizational contexts, as evidenced by field studies. It does this by proposing an extended performance management systems framework that integrates Otley's inquiries with Simons' levers of control.

In public organizations, there are two primary factors that impact performance management systems (Sole, 2009). There are those that are both outward and inside. Internal determinants include things like leadership, internal management commitment, staff involvement, a culture that is performance-oriented, the

maturity of PMS, and internal resources. Examples include labor unions, laws, elected and citizen leaders, and other outside forces.

Performance management, according to Aguinis (2009), is the continuous process of setting goals and objectives and connecting individual ambitions with the strategic objectives of an organization. and the provision of perceptive critique. Performance management is another term for the process of creating an atmosphere at work where workers are motivated to put in their best efforts.

According to Coleman (2009), it is unrealistic to think that putting in place a performance management system will motivate employees to perform better right away and take care of any performance-related issues. If the PMS is to be fully exploited, the organization must be prepared to commit resources to making sure managers and employees feel accountable for it. If not, the organization and its members will not benefit from the system and it will be seen as a compliance tool.

According to Aldonio Ferreira & David Otley (2009), frameworks by themselves do not offer a complete solution. Frameworks do provide multiple perspectives for categorizing performance measurements, making it possible to consider the balance between the expectations placed on the organization. But they don't provide businesses advice on which metrics to use, and they don't have a framework in place that lays out the objectives that need to be reached. Today, business management must include performance measurement, and in order to do this, management methods have been developed. These processes are covered in the next section.

Fisek and Hysom (2008) as well as Greenberg (2005) Equity may be part of the payment procedure if it is possible to measure an employee's performance contribution—which is difficult in complex and non-routine jobs. Assessments of the employee's contributions in this case may also take into account task-relevant characteristics, such as job experience, education, and certain social or status factors, such organizational title. Integrating task-relevant qualities into PAS requires first identifying the characteristics that have a substantial impact on work

performance and then figuring out how to integrate different inputs to calculate input value.

Aguinis, H. and Pierce, C. A. (2008). Research on performance management will become more relevant when it is applied to organizational behavior. *Journal of Organizational Behavior*, 29(1), 139–145. This essay emphasizes how important it is to include performance management research in organizational behavior studies. It discusses the various components of performance management systems and how they influence workers' behaviors and attitudes toward things like fairness, goal-setting, giving feedback, and self-evaluation.

R. S. O'Leary, E. D. Pulakos, and R. A. Mueller-Hanson (2008). 37 (4), 433–451 in *Public Personnel Management*. Performance management trends: An analysis of public sector companies utilizing performance management. This article reviews recent advances in performance management with a focus on public sector organizations. The importance of employee perception in the success of performance management programs is highlighted by examining components such as accountability, fairness, communication, and training.

Robins & Judge, 2007 Through the act of perception, people arrange and interpret their sensory perceptions to give their surroundings meaning. Employee perceptions of the benefits of the performance appraisal may vary depending on a range of factors, including as their attitudes, personalities, reasons, interests, past experiences, and expectations of the company.

R. D. Pritchard and A. S. DeNisi (2006). a structure for managing, motivating, and improving each person's performance. *Management and Organization Review*, 2 (2), 253-277. This study offers a motivating framework for understanding the relationship between individual performance, performance management, and performance appraisal. It examines factors such as objective clarity, feedback quality, and the notion of a reward-performance relationship that influence employees' perceptions of performance management systems.

Vignaswaran (2005) conducted study on employee results and satisfaction with performance appraisals. 311 people made up the entire sample size. According to

the study's descriptive findings, employees in Peninsular Malaysia are not very satisfied with their performance reviews.

Hartmann, 2005 The development of performance management systems was accelerated by the introduction of human resource management as a strategic driver, the adoption of an integrated approach to employee management and development, and the understanding that performance management is a continuous process overseen by line managers rather than an annual event coordinated by the personnel department.

According to Chenhall (2003), performance management was first used in 1949 as a way to set employee pay based on productivity and to justify income. Organizations utilize performance management as a strategy to shape employee behavior toward specific objectives. This strategy worked well for employees who were driven solely by financial gain, but even in cases when these employees had access to cash incentives, it didn't help those who were driven by learning and skill advancement.

According to De Waal (2003), there are eighteen different behavioral components that are essential for a performance management system to be set up and maintained successfully. Organizational culture, managers' attitudes, system alignment with manager responsibilities, system concentration on internal management control, and managers' understanding of the nature of performance management are the further divisions of these into the following areas.

According to research by Rademan and Vos (2001), different organizational divisions genuinely have different perspectives. Variations revealed differences in rater error, fairness, ethics, accuracy, and administrative issues. Employee perceptions of performance management are mentioned in all of these variables, which all have a human component.

Kinloch (1988) states that while employee perception is important, it is rarely included at every stage of the assessment process. Employee support and openness

to the Performance Appraisal program may increase if they think it's a helpful tool for giving them feedback to help them perform better.

In Adams, J. S. (1963), *Approaching a grasp of injustice*, it is stated. 422-436 in *Abnormal and Social Psychology Journal*, 67(5). This well-known study examines the equity theory, which suggests that employees assess their contributions and performance in comparison to their peers'. The importance of fairness in performance management systems is highlighted, as well as the possibility that employees' views of fairness may affect their motivation and satisfaction.

Conclusion

In conclusion, understanding employee perception towards performance management systems requires a holistic approach that considers fairness, transparency, communication, supervisor relationships, and the broader organizational context. By integrating insights from both quantitative and qualitative research methods, organizations can optimize their PMS to promote employee engagement, satisfaction, and ultimately, organizational success. This literature review underscores the multifaceted nature of employee perceptions towards PMS and provides a foundation for further research and practical interventions aimed at improving organizational effectiveness and employee well-being.

2.2 THEORATICAL FRAMEWORK

The Need for Performance Appraisal

Long recognized as having a significant role in businesses is the overall performance appraisal (Mount, 1984). It performs a number of tasks, including giving rise to decisions about hiring, calculating pay raises, and acting as a channel for communication between management and staff. It is also a useful tool for managerial control. Based on overall performance appraisal information, decisions must be made and their objectivity, fairness, and justice must be justified (Edmonstone, 1996) in accordance with Beer, 1987.

Additionally, the personnel branch requests data on worker performance and ability in order to help road managers select who can be promoted and to estimate the number of workers who will be available to fill future positions assuming a favorable turnover, retirement, and growth fee. The way that the company attempts to eliminate politics, subjectivity, and partiality from employee decisions is through centrally maintained data. Evaluation is also necessary to raise staff performance and capabilities. As said in Horsoo Jr. (2009), appraisal is a crucial component of people performance management. It involves analyzing an employee's successes and shortcomings as well as determining whether they are suitable for further education and employment in the future. As stated in Horsoo Jr. (2009), assessment is a crucial component of performance control for workers. It involves assessing an employee's accomplishments and shortcomings as well as their suitability for further education and advancement (Maund, 2001). The appraisal technique, while useful, helps the person develop his or her ambitions and strengthens their sense of personal worth. For the purpose of evaluating hiring, selection, and educational processes, accurate assessments are essential. Additionally, through the feedback process and an evaluation of working conditions, it can boost employee enthusiasm and productivity by highlighting strong points and improving negative ones (Horsoo Jr., 2009). Moreover,

employee evaluation can improve management efficiency by increasing supervisors' interest in and awareness of female and male employees (Auerbach, 1996). For this reason, it is good to understand the policy's goals in terms of capability blessings.

ISSUES WITH PERFORMANCE APPRAISAL

Supervisors who rate employees should ideally have complete objectivity when doing so. All performance reviews must accurately reflect an employee's work, free from supervisor prejudice.

Naturally, it is impossible to accomplish flawlessly, as the majority of raters make mistakes either on purpose or accidentally. Raters seek to be conscious of these biases in order to minimize or eliminate their influence throughout the rating process. Several of such errors, in line with Abu-Musa (2008), are:

Uncertain needs: Exceptional supervisors may have diverse ideas about what constitutes suitable performance, fair overall performance, and other concepts. The same holds true for advancements like the enjoyment of work or inventiveness. There are other approaches to address this issue. One good approach is to expand and incorporate descriptive terms that characterize each attribute. For example, you may define what is meant by terms like "amazing," "superior," and "true satisfactory of work" during the review process.

Loss of Objectivity: One of the classic performance rating methods' weaknesses is their lack of objectivity. For example, under the score scale technique, it can be difficult to quantify often utilized aspects like persona, attitudes, and loyalty. Likewise, these factors may also be unrelated to the overall effectiveness of a personnel's activity.

Techniques for appraisal will almost always include some subjectivity. But a worker's appraisal that heavily relies on personal traits could also put the agency and the evaluator in a difficult situation where they can't give the employee advice about equal employment opportunities. The business may find it challenging to demonstrate that these elements are related to the work (Mondy et al., 2002).

PERFORMANCE APPRAISAL SYSTEM INFLUENCING FACTORS

Performance appraisal, often referred to as performance evaluation or review, is a crucial process in organizations to assess and evaluate employees' job performance and provide feedback. Several factors influence how performance appraisals are conducted and their effectiveness. Here are some key factors:

Performance Criteria: The criteria used to evaluate performance play a significant role. These criteria can include job knowledge, quality of work, productivity, communication skills, teamwork, problem-solving abilities, and adherence to company values and goals. Clear and specific criteria help ensure fairness and consistency in evaluations.

Goal Setting: Clear and measurable goals set at the beginning of a performance period provide a benchmark against which employees' performance is assessed. Goals should be aligned with organizational objectives and should be SMART (Specific, Measurable, Achievable, Relevant, Time-bound) to be effective.

Feedback Mechanism: The quality and frequency of feedback provided to employees during the performance period impact appraisal outcomes. Regular feedback sessions help employees understand expectations, identify areas for improvement, and make necessary adjustments to their performance.

Rater Bias: Appraisals can be influenced by various biases such as halo effect (where one positive trait influences the overall evaluation), leniency or strictness bias (tendency to rate all employees high or low), and recency bias (giving undue weight to recent events). Training raters to recognize and mitigate biases is essential for fair evaluations.

Performance Appraisal Methods: Different methods such as graphic rating scales, behaviorally anchored rating scales (BARS), 360-degree feedback, and management by objectives (MBO) have varying impacts on appraisal outcomes. The method chosen should align with organizational culture, goals, and the nature of the job being evaluated.

Timing and Frequency: The timing of performance appraisals can influence their effectiveness. Conducting reviews too infrequently may result in outdated feedback, while too frequent reviews can be resource-intensive. Annual or biannual reviews are common, but ongoing feedback mechanisms are becoming increasingly popular.

Training and Development: The availability of training and development opportunities based on appraisal results is crucial. Employees should have access to resources and support to improve their skills and capabilities identified during the appraisal process.

Organizational Culture: The organizational culture, including its values, norms, and communication style, shapes how performance appraisals are perceived and conducted. A culture that values transparency, fairness, and continuous improvement tends to have more effective appraisal processes.

Legal and Ethical Considerations: Performance appraisals must comply with legal requirements regarding discrimination, privacy, and fairness. Appraisals should be based on job-related criteria and conducted in a manner that respects employee privacy and confidentiality.

Employee Involvement: Involving employees in the appraisal process can enhance its effectiveness. This can include self-assessments, peer evaluations, and opportunities for employees to provide input on their performance and development goals.

Performance Management System: The overall performance management system within an organization, which includes performance appraisals as one component,

should be well-integrated and aligned with other HR processes such as compensation, promotions, and career development.

Managerial Skills: The competence and training of managers and supervisors who conduct the appraisals are critical. Managers should be trained not only in the appraisal process but also in providing constructive feedback, setting goals, and motivating employees.

PERCEPTION OF THE PERFORMANCE APPRAISAL SYSTEM BY EMPLOYEES

Employee's perception of a performance appraisal is shaped by several critical factors. Firstly, fairness and transparency are paramount: employees want to believe that evaluations are unbiased and based on objective criteria. Clear communication of goals and expectations also plays a crucial role, ensuring employees understand what is expected of them. The quality of feedback received during appraisals is another significant determinant: constructive feedback that helps employees grow is highly valued. Moreover, the competence and credibility of managers conducting the appraisals influence perceptions greatly, as does the alignment of appraisal criteria with organizational values and objectives. Consistency in applying these criteria across the organization reinforces fairness. Finally, the emotional impact of appraisals should not be underestimated: how employees feel about the process can significantly affect their overall perception of its effectiveness. Organizations that prioritize these aspects tend to have appraisal systems that are perceived positively, fostering employee engagement and satisfaction.

VARIABLES USED IN PERFORMANCE MANAGEMENT SYSTEM

Performance management systems typically involve various variables to assess and improve employee performance. These variables can be broadly categorized into several key components:

1. **Key Performance Indicators (KPIs):** KPIs are specific, measurable metrics that reflect the critical success factors of an individual, team, or organization. Examples include sales targets, customer satisfaction ratings, productivity ratios, etc. KPIs should be aligned with organizational goals to ensure they measure what is truly important for success.
2. **Competencies:** Competencies refer to the skills, knowledge, abilities, and behaviors that employees need to perform their jobs effectively. These can be technical skills specific to the role (e.g., programming languages for a software developer) or behavioral competencies (e.g., communication skills, teamwork) that contribute to overall performance.
3. **Goals and Objectives:** Goals are specific targets or outcomes that employees are expected to achieve within a given timeframe. Objectives are the steps or milestones that lead towards achieving those goals. Setting clear goals and objectives provides employees with direction and helps to measure progress and performance.
4. **Behavioral Assessments:** Evaluating employee behavior and conduct is essential for a comprehensive performance assessment. This includes factors like teamwork, leadership qualities, adaptability, and adherence to company values and policies. Behavioral assessments can be gathered through self-assessments, peer reviews, and manager evaluations.
5. **Feedback and Reviews:** Continuous feedback and periodic performance reviews are crucial variables in performance management. Feedback should be timely, specific, and constructive, helping employees understand their strengths, areas for improvement, and aligning their efforts with organizational objectives.
6. **Training and Development Needs:** Identifying employees' skill gaps and development needs is another variable in performance management. This

helps in designing training programs or opportunities for career growth that enhance employee performance and job satisfaction.

7. **Recognition and Rewards:** Recognizing and rewarding high performance is an important variable to reinforce desired behaviors and outcomes. This could include bonuses, promotions, public recognition, or other incentives that motivate employees to excel.
8. **Performance Improvement Plans (PIPs):** In cases where performance is below expectations, PIPs outline specific actions, timelines, and support mechanisms to help employees improve their performance. These plans are part of a structured approach to manage underperformance and provide a pathway for improvement.
9. **Data and Analytics:** Utilizing data and analytics in performance management provides insights into trends, patterns, and correlations related to employee performance. This can include absenteeism rates, turnover statistics, performance trends over time, and comparative analysis among teams or departments.
10. **Legal and Ethical Considerations:** Performance management systems must adhere to legal requirements and ethical standards. This includes fair treatment, avoiding discrimination, maintaining confidentiality, and ensuring that evaluations are based on valid and reliable criteria.

WHAT IS PERFORMANCE MANAGEMENT SYSTEM

A performance management system (PMS) is a structured process designed to continuously monitor, assess, and improve the performance of individuals and teams within an organization. It begins with setting clear, SMART goals that align with strategic objectives, followed by ongoing monitoring and feedback to track progress and provide guidance. Regular performance reviews and appraisals evaluate achievements against set criteria, identifying strengths and areas for development. Developmental opportunities, such as training and coaching, are identified to enhance employee skills and competencies. The system also includes mechanisms for recognizing and rewarding high performance and addressing underperformance through performance improvement plans (PIPs). By fostering transparency, accountability, and employee engagement, a robust performance management system contributes to organizational success by optimizing individual and collective performance towards achieving organizational goals.

FEATURES OF PERFORMANCE MANAGEMENT SYSTEM

- ❖ **Goal Setting:** Establishing clear and specific goals aligned with organizational objectives, often using SMART criteria (Specific, Measurable, Achievable, Relevant, Time-bound).
- ❖ **Ongoing Monitoring:** Continuously tracking progress towards goals through regular check-ins, performance metrics, and data collection.
- ❖ **Feedback and Coaching:** Providing constructive feedback to employees on their performance and offering coaching and support to help them improve.
- ❖ **Performance Appraisal:** Conducting periodic evaluations to assess individual and team performance against established goals and criteria.

- ❖ **Development Planning:** Identifying training, development needs, and career opportunities based on performance evaluations to enhance employee skills and capabilities.
- ❖ **Recognition and Rewards:** Acknowledging and rewarding high performance and achievements to motivate employees and reinforce desired behaviors.
- ❖ **Performance Improvement Plans (PIPs):** Implementing structured plans for employees needing assistance to meet performance expectations, outlining goals, actions, and timelines for improvement.
- ❖ **Documentation and Record-Keeping:** Maintaining accurate records of performance reviews, feedback, development plans, and achievements for future reference and decision-making.
- ❖ **Employee Involvement:** Involving employees in goal setting, self-assessment, and performance discussions to enhance engagement and ownership of their development.
- ❖ **Continuous Review and Improvement:** Evaluating the effectiveness of the PMS regularly and making adjustments to processes and practices to ensure alignment with organizational goals and evolving needs.

IMPORTANCE OF PERFORMANCE MANAGEMENT

❖ It Provides a Look into the Future

Regularly assessing and managing workplace performance can help leaders spot possible problems down the road. Early discovery is the secret to fixing any issue. The impact of issues will likely decrease the sooner they are resolved. In the event that an organization observes that one of its workers lacks teamwork skills, it may choose to let them go before the situation worsens, move them to a position that

does not require cooperation, or provide them specialized teamwork training. Through proactive measures taken before the potential issue arises, the organization can prevent needless issues.

❖ **Helps Create Development and Training Strategies**

As had been established, the sooner a problem is identified, the better. A possible cause of these problems could be employees' incapacity to perform particular tasks as required. Monitoring could lead to the organization's demise if this continues. That being said, management of performance would probably find this out. A training program might then be created by the business to transform the issue into an opportunity for advancement.

❖ **Provides Clarity in the Organization**

Plenty of employees usually suffer from not knowing exactly what their roles are, what is demanded of them, or who they are supposed to report to. Performance management allows the company to communicate all of this in an efficient manner. Understanding is often the root reason of ineffectiveness. Therefore, higher confidence and productivity are often the result of providing staff with additional knowledge.

❖ **Provides the Opportunity for Exchanging Feedback**

Communication breakdowns can also cause issues in professional relationships. Management regularly provides performance evaluation to employees, but they are rarely given the opportunity to voice their concerns or disappointments. A feedback channel is provided by efficient performance management between the employer and the employee.

❖ **Increases Employee Retention**

Performance management is a means by which organizations are encouraged to identify and reward their employees. A major reason why some workers quit their jobs and look for new ones is that they don't feel appreciated. They want credit for the work they've done. Incentives and recognition, together with transparency, the

ability to provide criticism, and additional training when needed, can all play a significant role in keeping employees.

❖ **Boosts Employee Engagement**

Sincerely employee participation in performance oversight will boost employee engagement. It can feel like employees are just going through the motions when management and staff are not on the same page. Their employment is viewed as little more than a job, rather than a rewarding career. On the other hand, employees can be fully engaged and given a sense of ownership in the company through performance management. This leads to increased work satisfaction and employee loyalty, both of which increase productivity. It is imperative that you and all the other executives in your organization acknowledge the significance of performance management. By avoiding it, you are positioning yourself for failure. Call a meeting with other leaders and your human resources department to develop a performance management strategy. You might consider asking the staff for their opinion on what needs to be fixed. Investing the money to create a good performance management plan will be money well spent, even though it may take some time to put altogether.

❖ **Helps to enforce goal setting and achievement**

A well-functioning performance management system facilitates employees' understanding of the organization's goals and their individual contributions toward accomplishing these goals. This suggests that they understand the influence their efforts have on the overall growth of the organization.

Establishing corporate and executive goals will consequently be made easier with the help of performance management. A clear course of action and priorities are established when your entire team is aligned with more significant organizational goals. This fosters a strong sense of ownership among employees as they pursue their own goals. It provides coaching to improve output. The primary objective of performance management is performance enhancement. It helps managers come up with ways to boost performance and provides an opportunity to talk about career options and direction. More training and mentoring will be available from the executive manager and/or HR manager, which will be beneficial when developing promotion criteria.

WHAT IS AN EFFECTIVE PERFORMANCE MANAGEMENT SYSTEM?

- ❖ Performance management is a continuous process rather than an annual one.
- ❖ Performance management has the backing of executives, high management, and leadership.
- ❖ Making sure that verbal performance evaluations and conversations have purpose and are not just routine
- ❖ Making sure your managers are capable and prepared to offer daily performance management that is focused on results.
- ❖ Using performance management software that is easy to use and provides you with visibility into performance management activities

PURPOSE OF A PERFORMANCE MANAGEMENT SYSTEM

The primary objective of a performance management system (PMS) is to create a structured and systematic approach to enhance organizational effectiveness through the optimization of individual and team performance. It achieves this by:

- ❖ Establishing clear goals and performance expectations that are aligned with the organization's strategic priorities, ensuring that everyone understands their role in contributing to overall success.
- ❖ Continuously monitoring progress towards goals and providing timely feedback on performance, allowing employees to track their own development and make necessary adjustments.
- ❖ Supporting employee development through targeted coaching, training, and developmental opportunities identified through performance evaluations, fostering a culture of continuous learning and improvement.
- ❖ Recognizing and rewarding achievements based on objective performance metrics, motivating employees to consistently perform at their best and reinforcing positive behaviors.

- ❖ Generating reliable performance data and insights that inform strategic decisions related to talent management, resource allocation, and organizational development, ensuring decisions are based on evidence rather than assumptions.
- ❖ Ensuring fairness and transparency in performance evaluations and rewards distribution, minimizing biases and promoting a positive work environment built on trust and equity.
- ❖ Aligning individual goals and actions with organizational objectives, fostering a cohesive and unified approach towards achieving overarching business goals.
- ❖ Cultivating a performance-driven culture that values accountability, collaboration, and continuous improvement, creating a workplace environment where employees feel valued, engaged, and motivated to succeed.

TYPES OF PERFORMANCE MANAGEMENT SYSTEM

Performance management systems can vary in their approach and design based on organizational goals, industry requirements, and cultural considerations. Here are some common types of performance management systems:

- ❖ **Traditional Performance Appraisal Systems:** These systems typically involve annual or semi-annual reviews where managers assess employee performance against predetermined goals and competencies. They often include a rating scale and standardized forms for documentation.
- ❖ **360-Degree Feedback Systems:** In this approach, feedback is collected from multiple sources including supervisors, peers, subordinates, and sometimes external stakeholders. This comprehensive feedback provides a more holistic view of an employee's performance and behaviors.

- ❖ **Continuous Performance Management:** This system emphasizes ongoing feedback and coaching rather than annual reviews. It encourages frequent check-ins between managers and employees to discuss progress, adjust goals, and provide real-time feedback.
- ❖ **Goal-Setting and Management Systems:** These systems focus heavily on setting and tracking SMART (Specific, Measurable, Achievable, Relevant, Time-bound) goals. Employees and managers collaboratively set goals aligned with organizational objectives, monitor progress, and adjust as needed.
- ❖ **Behaviorally Anchored Rating Scales (BARS):** BARS systems combine qualitative and quantitative elements by using specific examples of behaviors that represent different levels of performance. This approach aims to provide more detailed and accurate assessments.
- ❖ **Management by Objectives (MBO):** MBO systems involve setting clear objectives and goals for employees, which are agreed upon between employees and managers. Progress towards these objectives is monitored and evaluated regularly to ensure alignment with organizational goals.
- ❖ **Competency-Based Performance Management:** This system assesses performance based on specific competencies or skills required for successful job performance. Competencies may include technical skills, communication, leadership, teamwork, etc.
- ❖ **Ranking Systems:** Ranking systems involve comparing employees against each other and assigning them numerical rankings based on their performance. This approach can be challenging as it may foster competition among employees and lead to issues with fairness.

- ❖ **Checklist-Based Systems:** These systems use predefined checklists of skills or behaviors that employees should exhibit. Managers assess whether employees meet these criteria during performance evaluations.
- ❖ **Balanced Scorecard:** Originally used for strategic management, the balanced scorecard approach has been adapted to include performance management. It involves tracking performance across multiple dimensions such as financial, customer, internal processes, and learning & growth perspectives.

COMPONENTS OF A PERFORMANCE MANAGEMENT SYSTEMS

A comprehensive performance management system (PMS) typically includes several key components that work together to effectively manage and improve employee performance. These components may vary slightly depending on organizational needs and industry specifics, but generally encompass the following elements:

- ❖ **Goal Setting:** Establishing clear, specific, and measurable goals for individuals, teams, and the organization as a whole. Goals should be aligned with strategic objectives to ensure everyone is working towards the same outcomes.
- ❖ **Performance Planning:** Defining roles, responsibilities, and expectations for each employee in relation to their job duties and organizational goals. This may involve job descriptions, performance standards, and identifying key performance indicators (KPIs).
- ❖ **Ongoing Monitoring:** Continuously tracking progress towards goals and objectives through regular check-ins, performance metrics, and data collection. Monitoring ensures that performance remains on track and allows for timely adjustments as needed.

- ❖ **Feedback and Coaching:** Providing constructive feedback on an ongoing basis to employees regarding their performance. Coaching sessions may be conducted to support development and improvement based on feedback received.

- ❖ **Performance Evaluation:** Conducting formal assessments periodically to evaluate individual and team performance against established goals and criteria. Evaluations provide a basis for making decisions related to compensation, promotions, and career development.

- ❖ **Development and Training:** Identifying training and development needs based on performance evaluations to enhance employee skills and competencies. Development plans may be created to address skill gaps and support career growth.

- ❖ **Recognition and Rewards:** Recognizing and rewarding employees for achieving goals and demonstrating exceptional performance. Rewards can be financial (e.g., bonuses, incentives) or non-financial (e.g., public recognition, career advancement opportunities).

- ❖ **Performance Improvement Plans (PIPs):** Developing structured plans for employees who need assistance in meeting performance expectations. PIPs outline specific goals, actions, timelines, and support mechanisms to facilitate improvement.

- ❖ **Documentation and Record-Keeping:** Maintaining accurate records of performance-related information, including goals, feedback, evaluations, development plans, and achievements. Documentation ensures transparency and provides a historical record for future reference.

- ❖ **Employee Involvement:** Engaging employees in the performance management process through self-assessment, goal setting, and participation in performance discussions. Involvement fosters ownership, accountability, and commitment to personal and organizational goals.
- ❖ **Technology and Tools:** Leveraging performance management software, tools, and dashboards to streamline processes, track performance data, and generate reports. Technology enhances efficiency and effectiveness in managing performance across the organization.
- ❖ **Continuous Review and Improvement:** Periodically reviewing the effectiveness of the PMS and making adjustments to processes and practices based on feedback and organizational changes. Continuous improvement ensures that the PMS remains relevant and aligned with evolving business needs.

Advantages of a Performance Management System

- ❖ Clarifies organizational goals and aligns individual efforts.
- ❖ Improves employee performance through regular feedback and coaching.
- ❖ Enhances communication and transparency within teams.
- ❖ Identifies and supports employee development needs.
- ❖ Motivates employees with clear recognition and rewards.
- ❖ Facilitates data-driven decision-making for talent management.
- ❖ Ensures fairness and reduces bias in performance evaluations.
- ❖ Promotes a culture of continuous improvement and learning.
- ❖ Aligns employee actions with strategic business objectives.
- ❖ Ensures compliance with legal and ethical standards in performance management practices

Disadvantages of a Performance Management System

- ❖ May create a competitive rather than collaborative work environment.
- ❖ Can lead to increased stress and pressure on employees.
- ❖ May result in subjective evaluations and biases.
- ❖ Requires significant time and resources for administration.
- ❖ Could cause demotivation if not implemented effectively.
- ❖ May foster a focus on short-term goals over long-term development.
- ❖ Can lead to resistance or skepticism among employees.
- ❖ May not accurately capture all aspects of job performance.
- ❖ Could create a culture of fear or anxiety around performance reviews.

Theories of Performance Management System

❖ The Maslow hierarchy of needs

A performance management theory called Maslow's hierarchy of needs explains how employees are often driven to satisfy their wants in ascending sequence, beginning with the most fundamental and moving up to higher-level requirements. According to the notion, an employee cannot meet more than one requirement at a time. Five levels make up the hierarchy: physiologic, safe, love/belonging, esteem, and self-actualization.

The first two levels are deficiency needs, which means that a person cannot function normally if these requirements are not met. The third, fourth, and fifth levels are growth demands, which encourage workers to advance professionally.

❖ Motivation-hygiene theory of Herzberg

Herzberg's motivation-hygiene theory, a performance management theory, contends that both motivational and hygiene aspects may be used to inspire workers. The circumstances that employee must meet in order to perform their duties, such as remuneration and working environment, are referred to as hygiene

considerations. They are also known as maintenance factors since they prevent workers from quitting their employment because they don't like them. In contrast, motivational variables are things like praise and success that encourage individuals to work hard and feel good about it. Because they can aid in a person's personal and professional growth, they are also known as growth factors.

❖ **Theory of goal-setting**

According to the goal-setting theory, which is a performance management theory, employees should be given clear goals and objectives before a system is put up to monitor their progress towards those goals. These objectives are often measurable so the employee can see just how far they've come in accomplishing them. The goal-setting idea frequently applies to businesses looking to increase staff output. It usually works because it makes it apparent to employees what their boss expects of them and how they are expected to perform tasks, which might encourage them to work more diligently and strategically.

❖ **Theory of transformational leadership**

The performance management idea of transformational leadership explains how leaders may affect the attitude and motivation of their workforce. Its core tenet is the notion that leaders may either be transactional or transformative, with a particular emphasis on the latter. Instead than concentrating on persuading their team members to accomplish their duties, transformational leaders motivate their team members to commit to a common goal. They have the ability to speak in a way that inspires admiration. Additionally, transformational leaders often give their staff members demanding yet attainable goals, which encourages them to work harder.

❖ **Other theories**

Francis O. Boachie-Mensah, Peter Awini Seidu January 2012 International Journal of Business and Management 7(2) Employees' Perception of Performance Appraisal System: A Case Study.

DeNisi and Peters (1996) also examined the role of diary-keeping, and they found that raters react more favorably to PA systems that employ diaries, even though in many instances it is more work for them. Raters are better able to recall performance information and are better able to discriminate among employees.

According to McAdam et al. (2005) performance management can be defined as a strategic and integrated process that delivers sustained success to organizations by improving the performance of people who work in them and by developing the capabilities of individual contributors and teams

JOB SATISFACTION

With all the assessment reactions, Keeping and Levy, 2000 (quoted in Jawahar, 2007) identified satisfaction as a significant reaction that has received the greatest research attention. Giles and Mossholder (1990), referenced in Jawahar (2007), state that one of the most significant responses to performance appraisal is satisfaction with certain elements of the appraisal process. For example, Jawahar cites Giles and Mossholder (1990) as saying that employing satisfaction as a gauge of workers' responses provides a more comprehensive indication of responses than more narrow, cognitively focused standards. Indeed, there is a positive correlation between satisfaction measures and cognitively focused metrics like perceived accuracy and utility (Keeping and Levy 2000, as cited in Jawahar 2007).

In Additionally, satisfaction with critical components of the evaluation process indicates recognition, position, and future prospects within the organization, as appraisals serve as the foundation for various significant choices. Accordingly, when satisfaction is high rather than low, positive views regarding reward contingencies emerge (Jawahar, 2007). These psychological effects of satisfaction were described by Taylor (1984) as a major factor in determining attitudes about one's work, behavior, and organization. In fact, a study by Jawahar, 2006 (quoted in Jawahar, 2007) found that work satisfaction, organizational commitment, and contentment with assessment feedback were all favorably correlated with each

other, but turnover intention was negatively correlated. In conclusion, theoretical justifications and empirical data imply that contentment is one of the most significant responses to the evaluation procedure.

According to Brezt (1992), who was mentioned by Sylvie and Denis (2009), performance management dissatisfaction has been present for a long time. When employees believe that the system is biased, political, or unimportant, the appraisal process can also become a source of significant discontent and aggravation (Skarlicki and Folger, 1997, as cited in Paul & Laurel, 2009).

In organizations, the most researched variable is job satisfaction. According to Locke (1976) (quoted in Tobias and Neal, 2010), job satisfaction is an enjoyable emotional state that arises from an evaluation of one's employment. Put differently, job satisfaction refers to both attitudes and affective responses to one's work. Consequently, this implies that affect and cognition combine to generate job satisfaction, which is ultimately dependent on actions connected to one's employment.

According to Organ & Ryan, 1995; Wegge, Schmidt, Parkes, & Van Dick, 2007; Saari & Judge, 2004; as stated in Tobias and Neal, 2010, turnover, absenteeism, and organizational citizenship behaviors are some of the outcomes of work satisfaction that are most frequently examined.

Job satisfaction, according to Spector, 1997 (quoted in Abuduaini, 2009), is the state in which individuals feel about their work and various facets of them. This perspective is supported by Ellickson and Logsdon's (2002) definition of job satisfaction, which is defined as how much employees enjoy their work (as mentioned in Abuduaini, 2009). According to Abuduaini (2009), Schermerhorn (1993) defined job satisfaction as an affective or emotional reaction to several facets of an employee's employment. "The degree to which individuals feel positively and/or negatively about their jobs" is the official definition of job satisfaction, according to many academics (Steyn & Van Wyk, 1999, as referenced in Abuduaini, 2009). It's true that when an employee's expectations are satisfied, they will feel as though they.

According to Rue and Byers (1994), job satisfaction is made up of five (5) components:

- ✧ Attitude towards colleagues
- ✧ General working conditions
- ✧ Financial benefits
- ✧ Attitude towards supervision

According to Gordon (1999, as stated in Abuduaini, 2009), job satisfaction happens when a person's employment fulfills their expectations, values, and standards and has a positive impact on their dedication and performance. Higher job satisfaction is correlated with higher expectations being met. They also caution against assuming that a contented employee will always translate into a productive employee. An employee's perception of their work can also be used to characterize job satisfaction as a joyful experience.

Fairness and Justice With Satisfaction With Performance Appraisal: According to Jawahar (2007), fairness perceptions are crucial to all human resource activities, including remuneration, performance appraisal, and selection, but they are especially crucial to the performance appraisal procedure. According to Cardy and Dobbins (1994), which was referenced by Jawahar (2007), "any appraisal system will be doomed to failure with dissatisfaction and a feeling of unfairness in the process and inequity in evaluations." In actuality, how quickly rates respond to crucial aspects of the assessment process is probably greatly influenced by the perceived fairness of the evaluation, the methods utilized to assess performance, and the way in which performance-related information is conveyed (Jawahar, 2007). Aside from that, Taylor (1995) has also recognized the significance of equity in the success or failure.

Ensuring that no individual has an unfair advantage in discovering, assessing, and managing human performance within an organization is the best way to characterize fairness and equity in performance appraisals. In order to set aside any personal ties or miscommunications with the one being appraised, we must evaluate someone fairly and in a formal setting. A negative result will occur even if the performance rating system is used correctly and is thought to be unjust by subordinates. Negative outcomes, however, can be prevented if the performance appraisal system is applied incorrectly yet is viewed as fair by subordinates (Yusof, 2009).

Acceptance of Motivation and Performance Appraisal

According to Mikkelsen's (2005) research, workers who believe their performance review is fair and reliable are more motivated at work. When workers get a fair and accurate performance evaluation, an organization's performance appraisal system can be a useful instrument for employee growth and motivation (Llgen, 1979, as quoted in Paul & Laurel 2009). According to Lawler (1994), assessment reactions probably have a significant impact on how positive job and organizational attitudes emerge and how motivated people are to do better. Performance evaluations are also seen to have a direct impact on employees' motivation and job satisfaction, according to Rusli and Ali (2004).

Satisfaction Regarding Performance Evaluation And Dedication To The Company

According to Abdul Hamid, as referenced in Rusli and Ali (2004), performance appraisal judgments hold significant importance for employees as they have an impact on their monthly income and are strongly linked to their level of dedication at work. According to Noor Asyikin (2004), who referenced Blake and Mouton (1964), it's important to pinpoint an employee's specific demands.

If the company he or she works for wants to reap the benefits of having employees who perform with a high degree of commitment and job satisfaction, it must

therefore make sure that these demands are satisfied. It is reasonable to assume that satisfaction with appraisal feedback will increase ongoing commitment (Jawahar, 2006). Following feedback, supervisors who received bad ratings from their subordinates showed less dedication and devotion to them, according to a recent study by Atwater et al. (2000) (quoted in Jawahar, 2006). Their findings might be seen as confirming the hypothesis that there is a relationship between commitment and feedback satisfaction and lower evaluations, since lower evaluations are likely to result in discontent with appraisal feedback. Jawahar (2006) cited Pearce and Porter's (1986) earlier study, which found that while individuals receiving positive feedback maintained their organizational commitment throughout the study, those receiving negative feedback saw a considerable decline in commitment. They measured individuals' pleasure with input but did not gauge it; instead, they arbitrarily classified subjects as receiving positive or negative feedback based on rating levels.

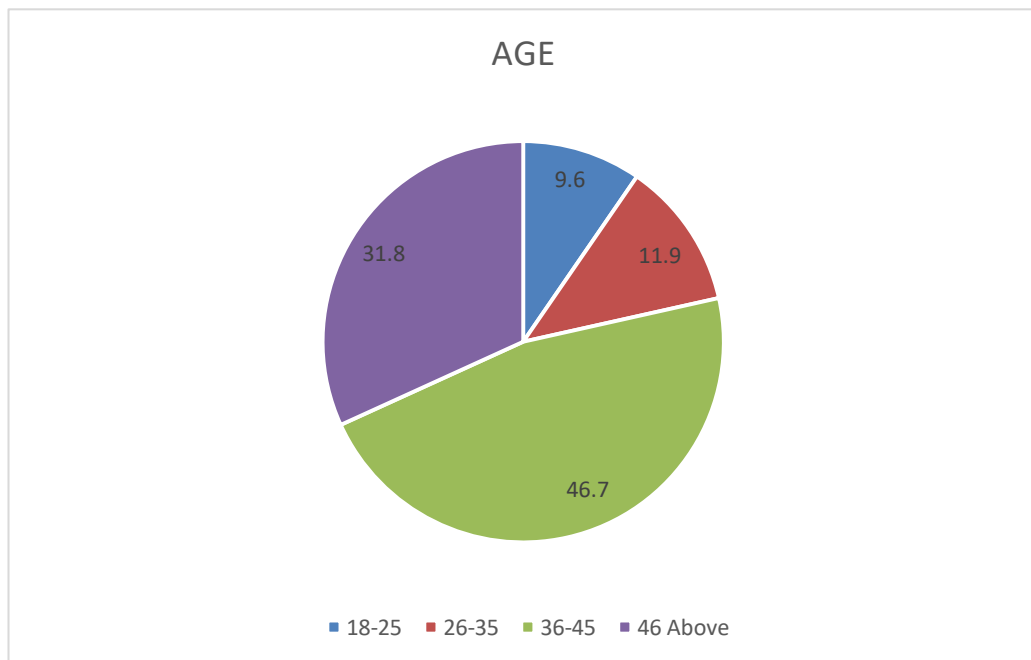
CHAPTER -III
DATA ANALYSIS AND INTERPRETATION

Table 3.1
Table shows the Age of the respondent

Age	Frequency	Percentage
18-25	13	9.6%
26-35	16	11.9%
35-45	63	46.7%
45 Above	43	31.8%
Total	135	100%

(source primary data)

Figure 3.1
Figure show the Age of the respondent



Interpretation:

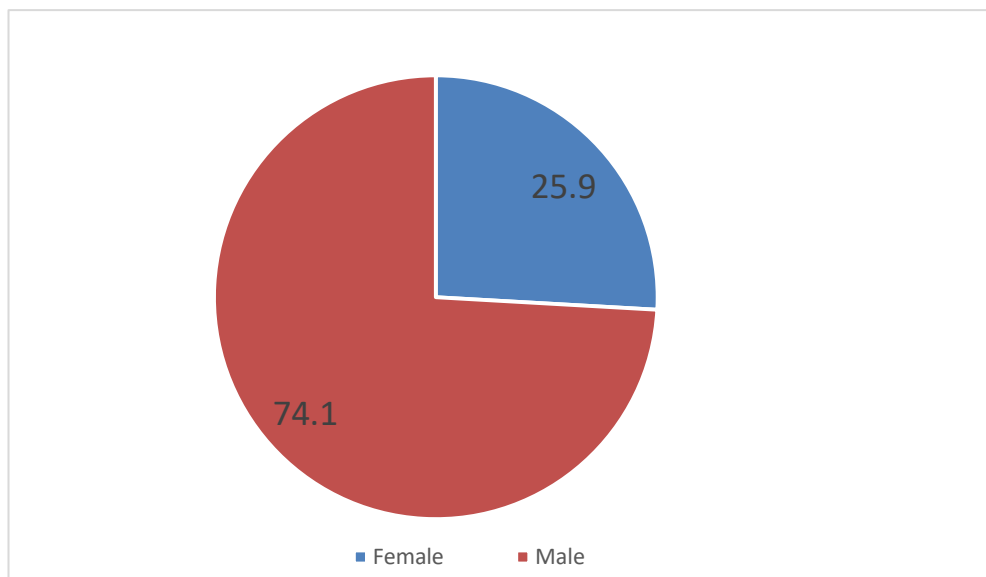
The above table shows that 46.7% of the respondents are between the age group of 35-45s, 31.8% of the respondents are between the age group of 45 above, 11.9% of the respondents are between the age group of 26-35, 9.6% of the respondents are between the age group of 18-25 years.

Table 3.2
Table show the Gender of the respondent

Gender	Frequency	Percentage
female	35	25.9%
male	100	74.1%
Total	135	100%

(Source: Primary data)

Figure 3.2
Figure show the Gender of the respondent



Interpretation: The findings indicate that out of the total 135 respondents, (74.1%) of the respondents are male and (25.9%) of the respondents are female.

Table 3.3

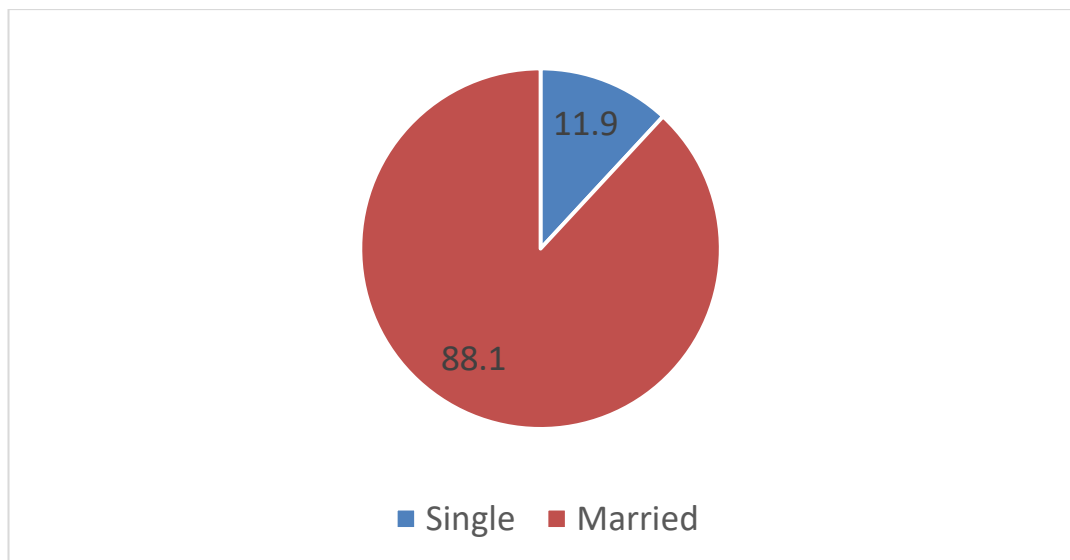
Table show the Marital Status of the respondent

Marital Status	Frequency	Percentage
Single	16	11.9%
Married	119	88.1%
Total	135	100%

(Source: Primary data)

Figure 3.3

Figure show the Marital Status of the respondent



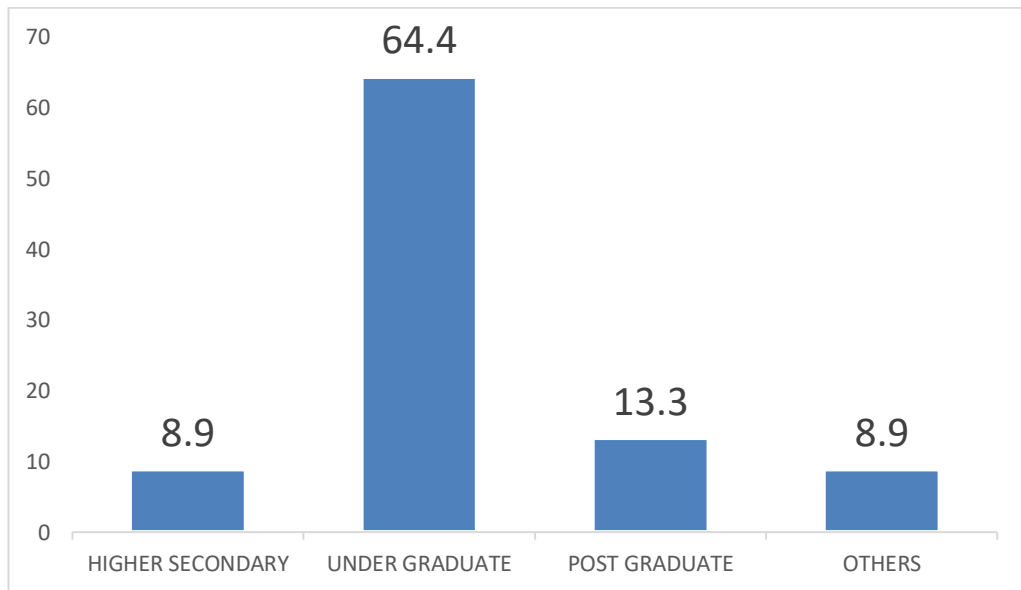
Interpretation:

The findings indicate that out of the total 135 respondents, (88.1%) of the respondents are married and (11.9%) of the respondents are single.

Table 3.4
Education Qualification

Qualification	Frequency	Percentage
Higher Secondary	12	8.9%
Under Graduate	87	64.4%
Post Graduate	18	13.3%
Others	18	13.4%
Total	135	100%

Figure 3.4
Education Qualification



Interpretation:

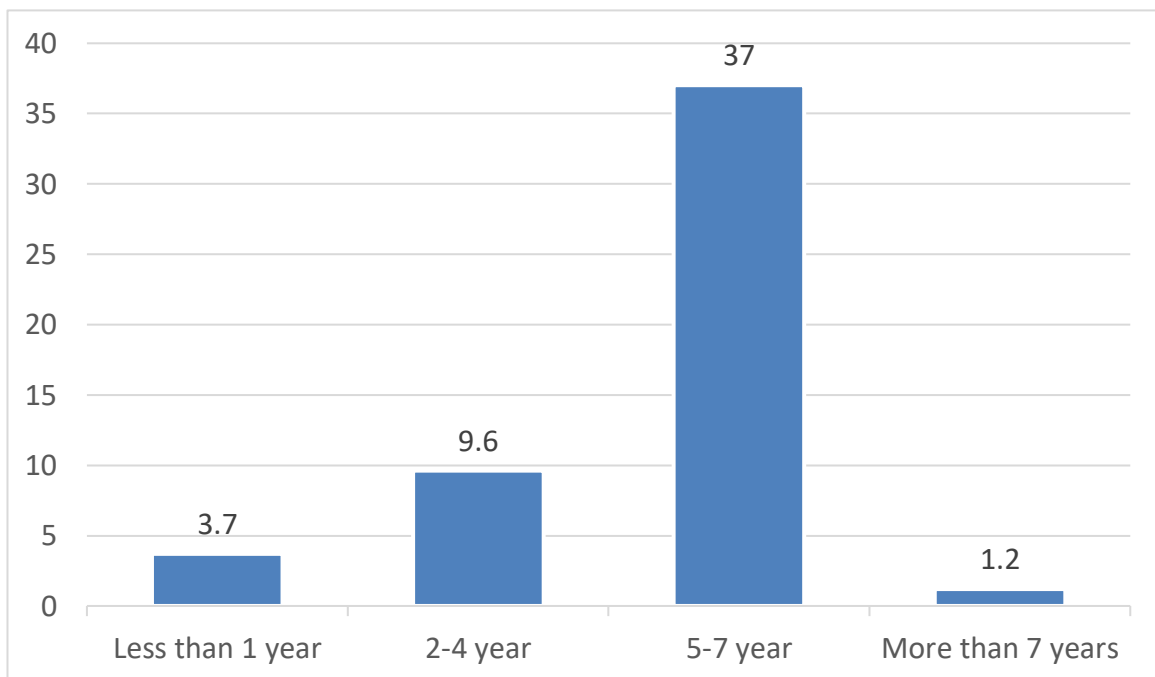
The above table shows that 64.4% respondents are completed Graduation. About 13.4% had Other qualifications, 13.3% had a PG and 8.9% had Higher Secondary qualifications.

Table 3.5
Work Experience

Experience	Frequency	Percentage
Less than 1 year	5	3.7%
2-4 years	13	9.6%
5-7 years	50	37%
More than 7 years	67	49.7%
Total	135	100%

(Source: Primary data)

Figure 3.5
Work Experience



Interpretation:

The above table shows that 49.7% of the respondents come are in more than 7 years of experience, 37% of the respondents are above 5-7 years, 9.6% of the respondents are between 2-4 years, and 3.7% of the respondents are less than 1 year of working experience.

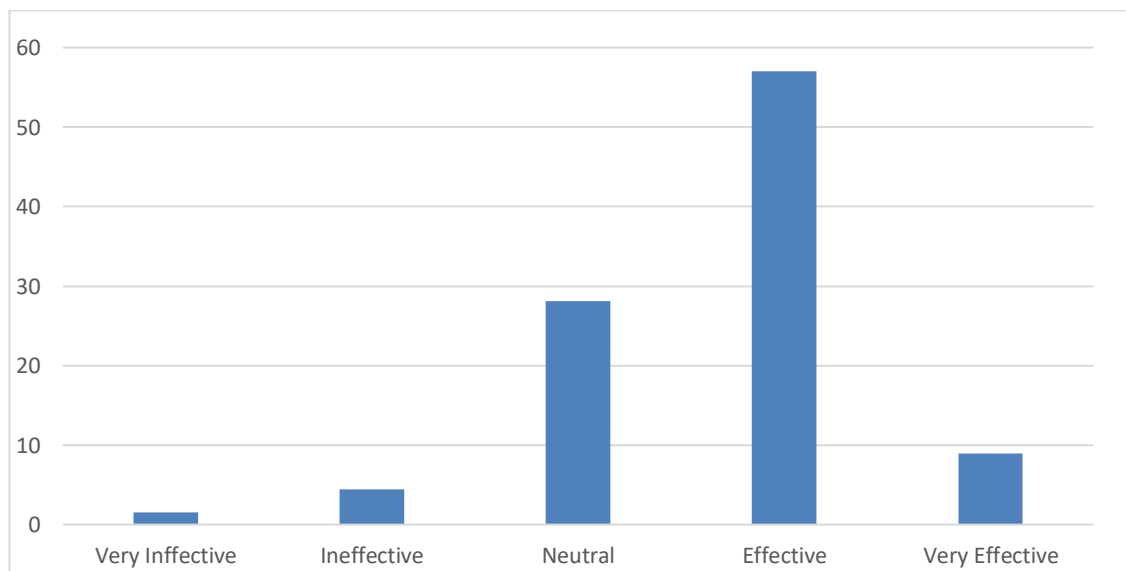
Table 3.6

The organization effectively communicates its goals and objectives to employees

Particular	Respondent	Percentage
Very Ineffective	2	1.5
Ineffective	6	4.4
Neutral	38	28.1
Effective	77	57
Very Effective	12	8.9
Total	135	100

Figure 3.6

Organizational communication and its goals



Interpretation:

The above table shows that the majority of respondents (57%) find the organization's communication of goals and objectives to be effective.

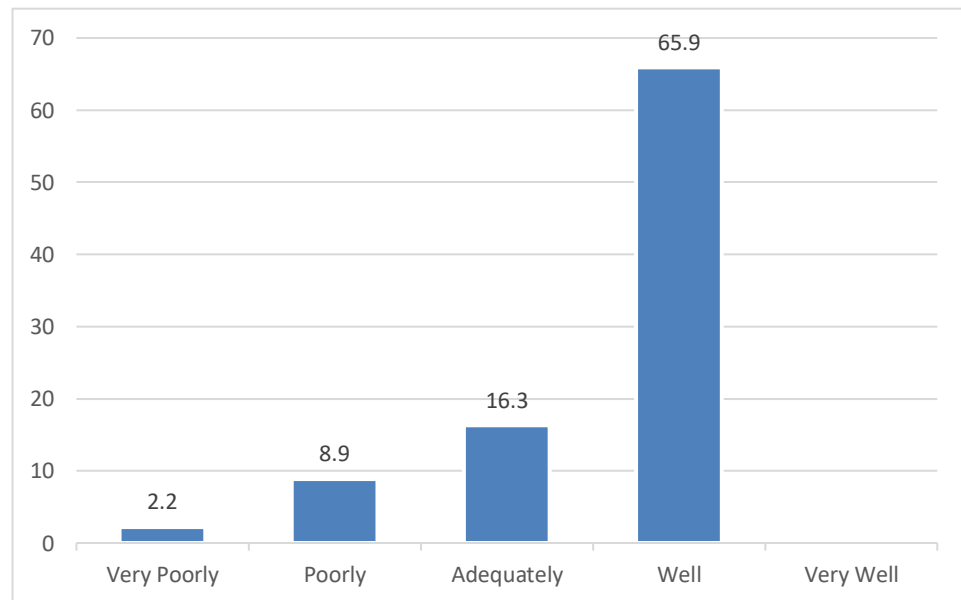
Table 3.7

To assess how well an organization provides feedback and updates on performance related matters

Particulars	Respondent	Percentage
Very Poorly	3	2.2
Poorly	12	8.9
Adequately	22	16.3
Well	89	65.9
Very Well	9	6.7
Total	135	100

Figure 3.7

Assessing an organization's feedback and performance updates



Interpretation:

The majority of respondents (65.9%) feel well that the organization provides feedback and updates on performance-related matters well.

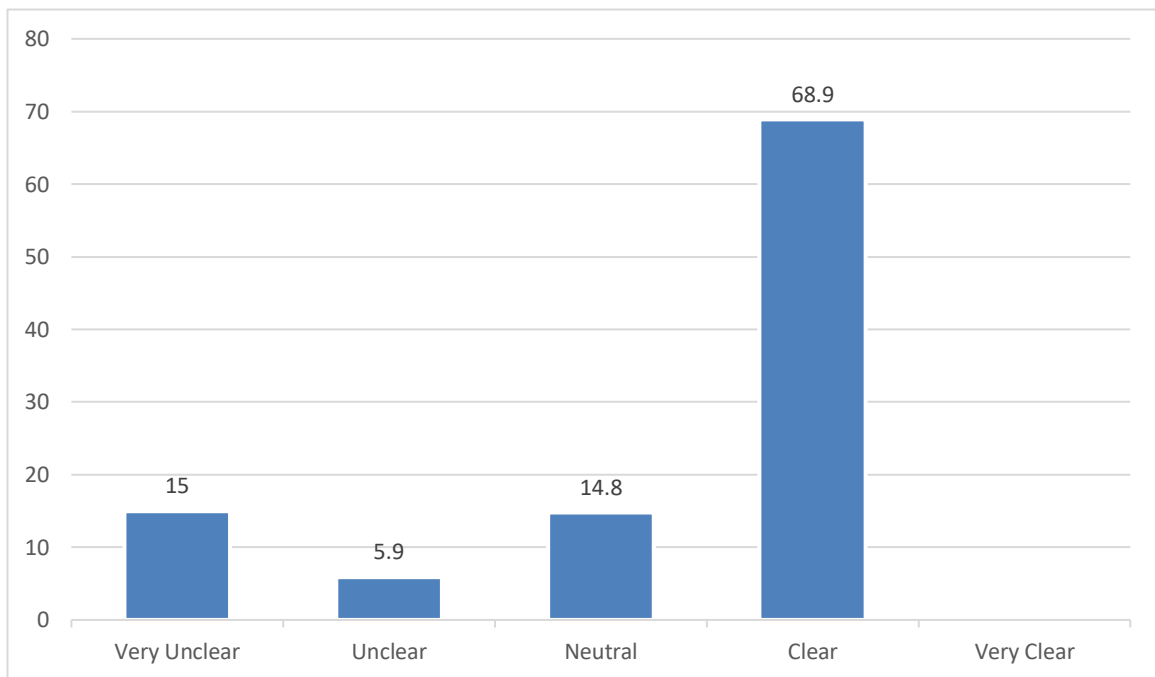
Table 3.8

To evaluate the clarify of performance expectations set by the organization.

Particulars	Respondent	Percentage
Very Unclear	2	1.5
Unclear	8	5.9
Neutral	20	14.8
Clear	93	68.9
Very Clear	12	8.9
Total	135	100

Figure 3.8

Performance expectation set by the organization



Interpretation:

The survey indicates that a significant majority (68.9%) of respondents were clear to find the performance expectations set by the organization to be clear.

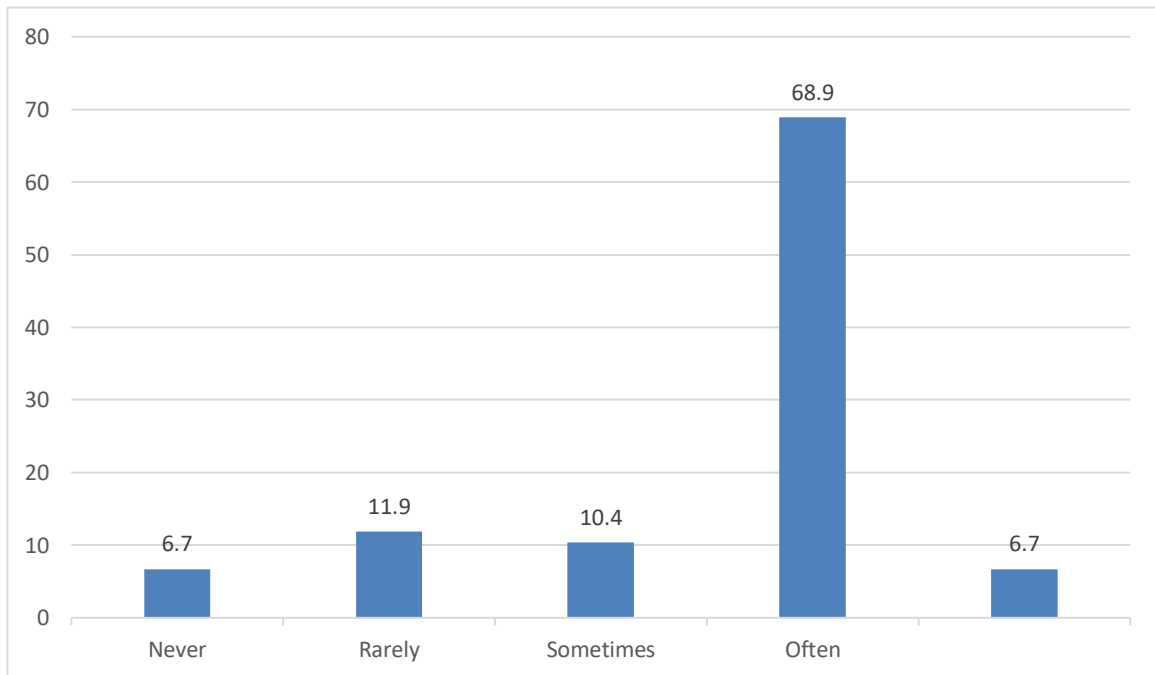
Table 3.9

The organization encourages and open communication and feedback between employees and managers.

Particular	Respondent	Percentage
Never	9	6.7
Rarely	16	11.9
Sometimes	14	10.4
Often	93	68.9
Always	9	6.7
Total	135	100

Figure 3.9

Organization encourages and open communication



Interpretation:

The organization generally fosters open communication and feedback between employees and managers, with 68.9% of respondents indicating that this occurs often.

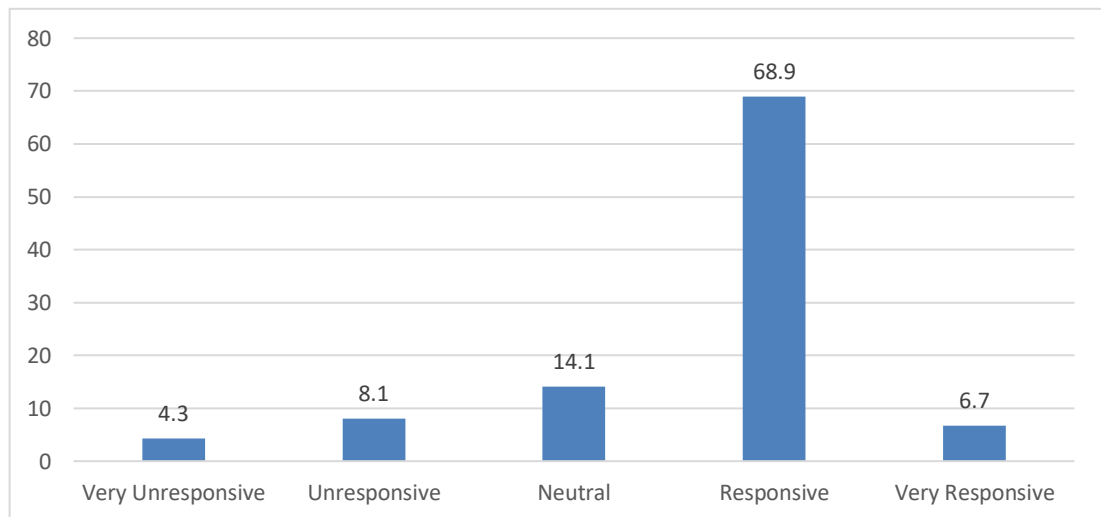
Table 3.10

The organizations responsiveness to employee feedback and suggestions regarding performance management is

Particulars	Respondent	Percentage
Very unresponsive	3	2.2
Unresponsive	11	8.1
Neutral	19	14.1
Responsive	93	68.9
Very responsive	9	6.7
Total	135	100

Figure 3.10

Employee feedback and suggestions



Interpretation:

The organization is perceived as responsive to employee feedback and suggestions regarding performance management by a majority (75.6%) of respondents, with 6.7% indicating it is very responsive, and 22.3% expressing varying degrees of unresponsiveness or neutrality.

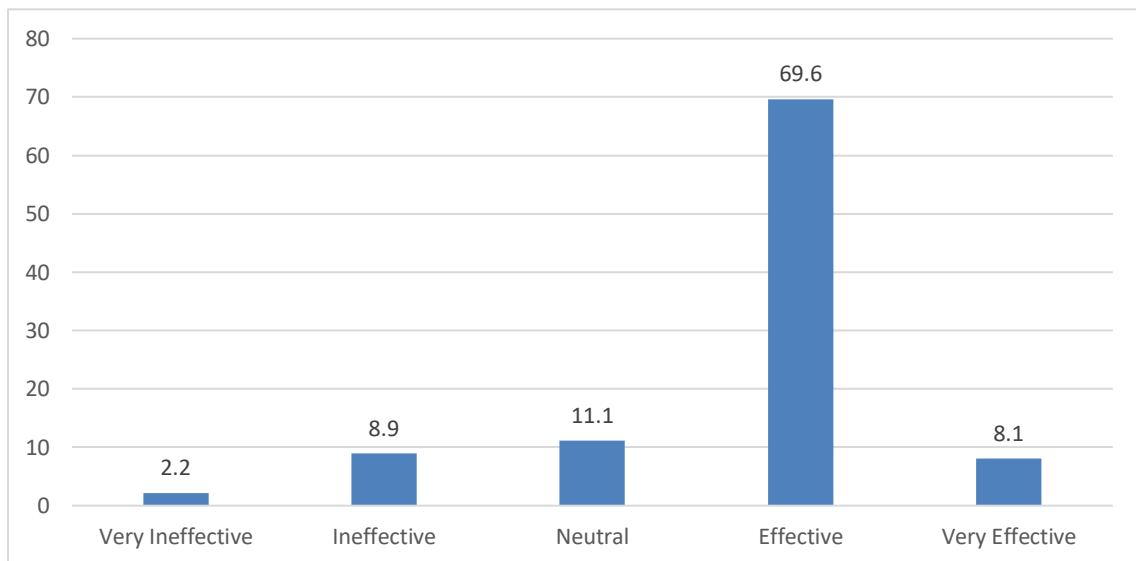
Table 3.11

The effectiveness of supervision provided by immediate supervisors in guiding work performance as perceived by employees

Particulars	Respondent	Percentage
Very Ineffective	3	2.2
Ineffective	12	8.9
Neutral	15	11.1
Effective	94	69.6
Very effective	11	8.1
Total	135	100

Figure 3.11

Supervisor in guiding work performance



Interpretation:

The majority of employees (69.6%) perceive the effectiveness of supervision provided by immediate supervisors in guiding work performance as effective, with a minority expressing varying degrees of ineffectiveness or neutrality (11.1%).

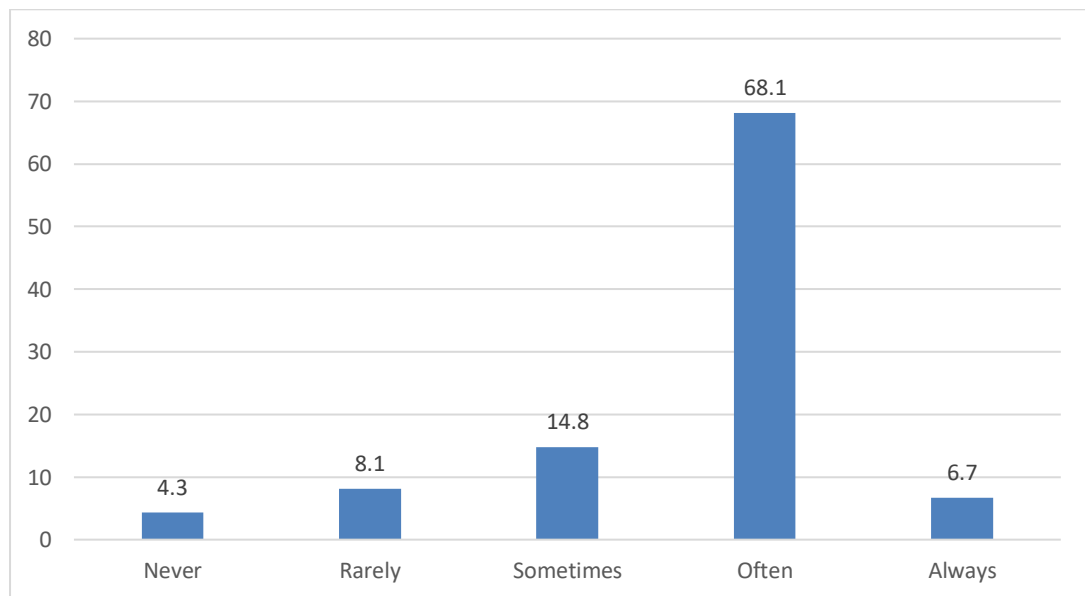
Table 3.12

The frequency with which supervisors help employees set clear performance goals and expectations is:

Particular	Respondent	Percentage
Never	3	2.2
Rarely	11	8.1
Sometimes	20	14.8
Often	92	68.1
Always	9	6.7
Total	135	100

Figure: 3.12

Employees clear performance goals and expectations



Interpretation:

The data shows that supervisors often help employees set clear performance goals and expectations, with 68.1% of respondents indicating this occurs often.

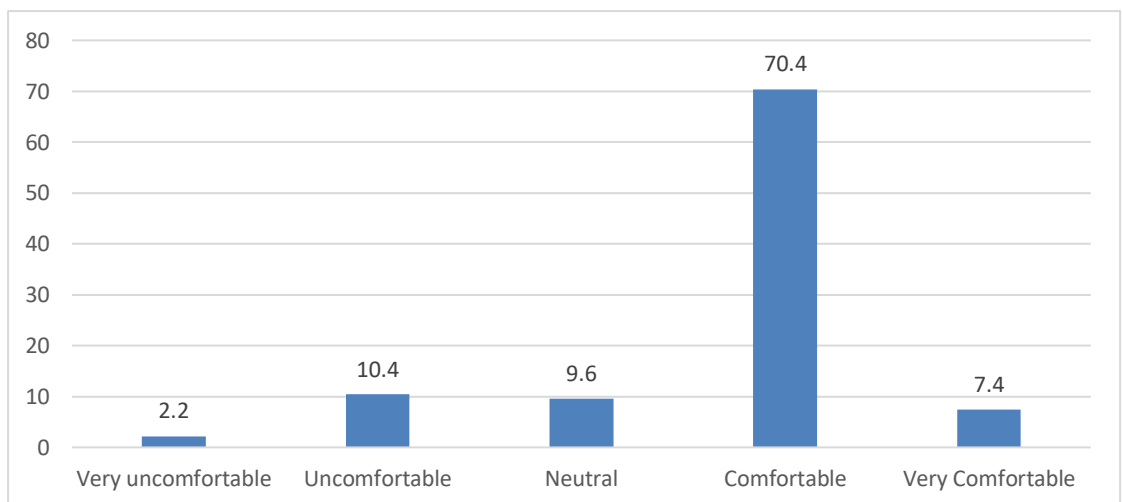
Table 3.13

Are you comfortable approaching your supervisor with concerns or questions about your work performance.

Particular	Respondent	Percentage
Very uncomfortable	3	2.2
Uncomfortable	14	10.4
Neutral	13	9.6
Comfortable	95	70.4
Very comfortable	10	7.4
Total	135	100

Figure 3.13

Supervisor with concerns or questions



Interpretation:

Approximately three-quarters (77.8%) of respondents feel comfortable approaching their supervisor with concerns or questions about their work performance, with a significant majority (70.4%) indicating they are generally comfortable and 7.4% feeling very comfortable, suggesting a supportive communication environment.

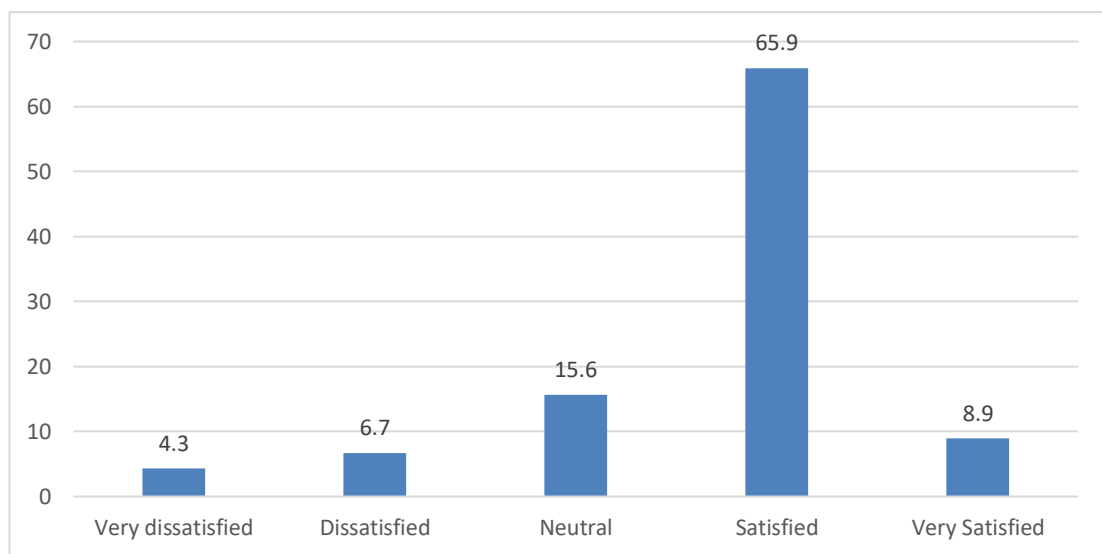
Table 3.14

How satisfied are you with your supervisor's support in enhancing your performance?

Particular	Respondent	Percentage
Very dissatisfied	4	3
Dissatisfied	9	6.7
Neutral	21	15.6
Satisfied	89	65.9
Very satisfied	12	8.9
Total	135	100

Figure 3.14

Supervisor support in performance



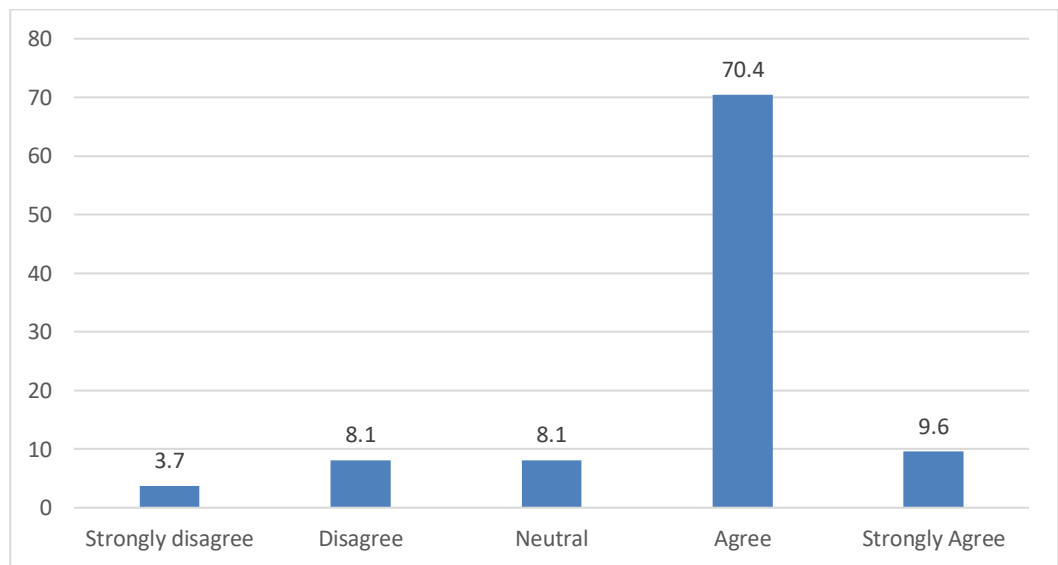
Interpretation:

The majority of respondents (65.9%) are satisfied with their supervisor's support in enhancing their performance, with 15.6% neutral, and smaller percentages expressing dissatisfaction (10.7%).

Table 3.15
Supervision enhances employees understanding of responsibilities by providing guidance and feedback

Particulars	Respondent	Percentage
Strongly disagree	5	3.7
Disagree	11	8.1
Neutral	11	8.1
Agree	95	70.4
Strongly agree	13	9.6
Total	135	100

Figure 3.15
Employee understanding of responsibilities



Interpretation:

A significant majority (70.4%) of respondents agree that supervision enhances their understanding of responsibilities through guidance and feedback, indicating strong support for the role of supervision in clarifying job expectations.

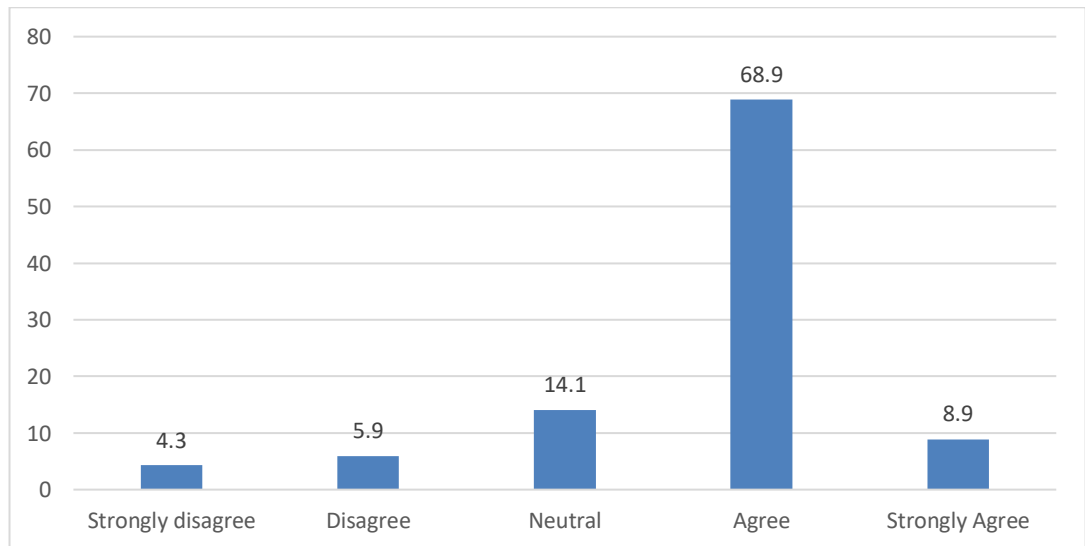
Table 3.16

Whether the work environment positively impact your overall job satisfaction

Particulars	Respondent	Percentage
Strongly disagree	3	2.2
Disagree	8	5.9
Neutral	19	14.1
Agree	93	68.9
Strongly agree	12	8.9
Total	135	100

Figure 3.16

Impact of overall job satisfaction



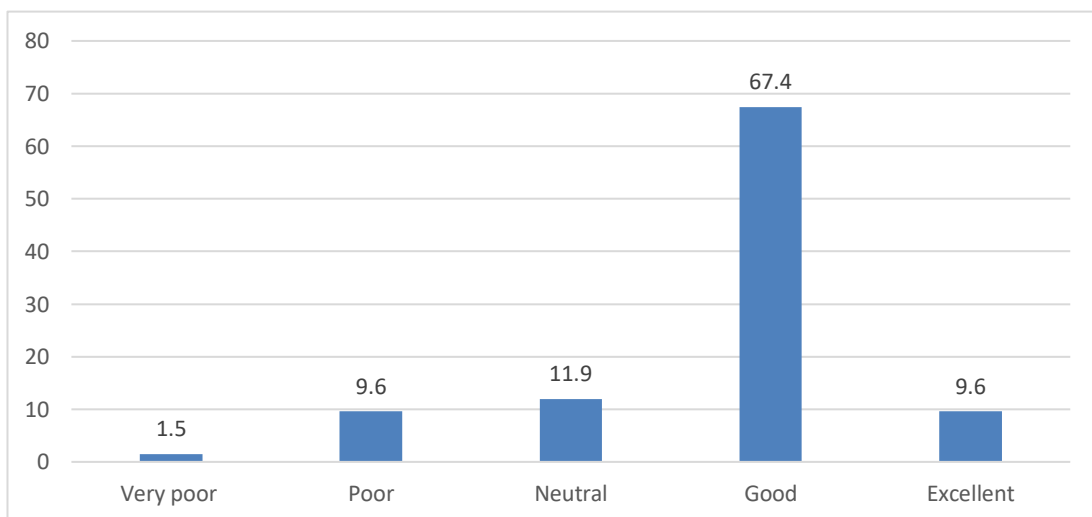
Interpretation:

The majority of respondents (77.8%) agree that the work environment positively impacts their overall job satisfaction, with 68.9% indicating agreement and 8.9% strongly agreeing, reflecting a generally positive sentiment towards their work environment.

Table 3.17
Cleanliness and Organization rating of work environment

Particular	Respondent	Percentage
Very poor	2	1.5
Poor	13	9.6
Neutral	16	11.9
Good	91	67.4
Excellent	13	9.6
Total	135	100

Figure 13.17
Cleanliness and Organization rating of work environment



Interpretation:

The majority of respondents rated the cleanliness and organization of their work environment positively, with some indicating room for improvement.

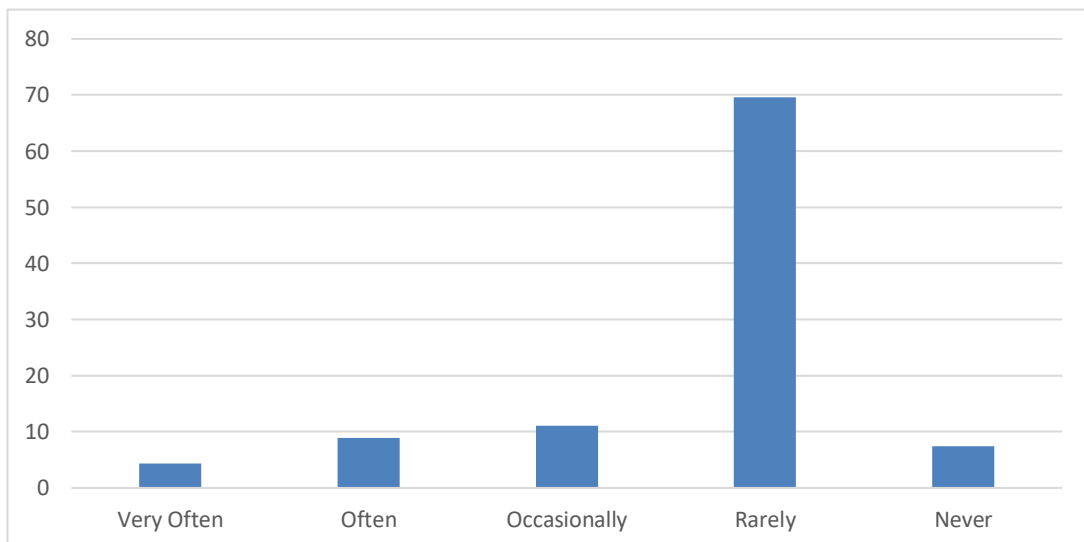
Table 3.18

Frequency of distractions or disruptions affecting performance in work environment

Particular	Respondent	Percentage
Very often	4	3
Often	12	8.9
Occasionally	15	11.1
Rarely	94	69.6
Never	10	7.4
Total	135	100

Figure 3.18

Frequency of distractions or disruptions affecting performance in work environment



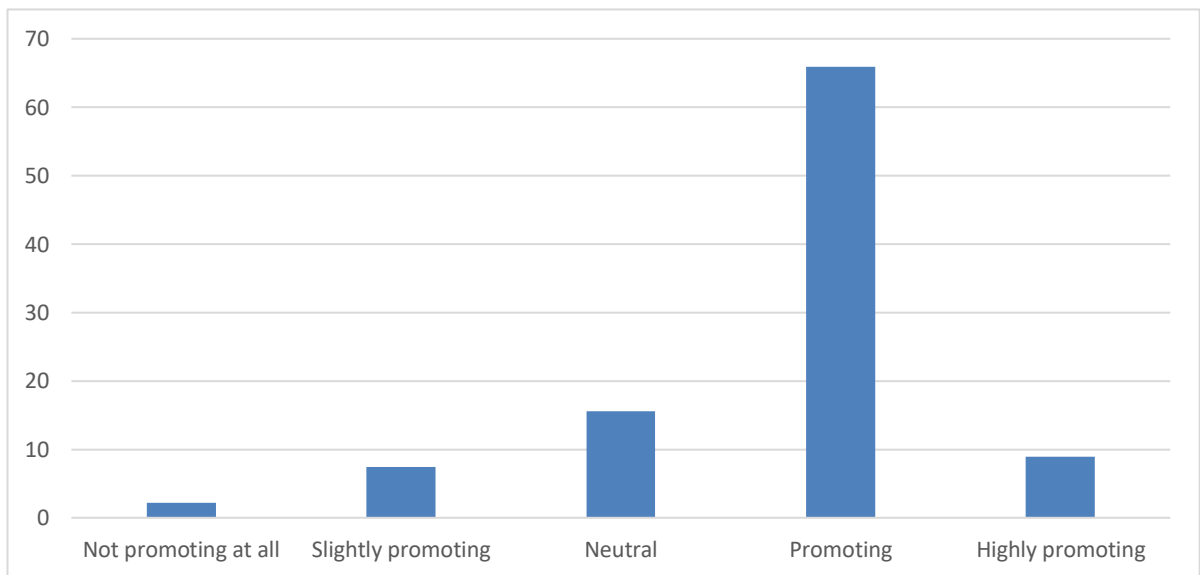
Interpretation:

Distractions or disruptions affecting performance in the work environment are rarely reported, with 69.6% of respondents indicating they occur rarely.

Table 3.19
Promotion of work life balance in the work environment

Particular	Respondent	Percentage
Not promoting at all	3	2.2
Slightly promoting	10	7.4
Neutral	21	15.6
Promoting	89	65.9
Highly promoting	12	8.9
Total	135	100

Figure 3.19
Promotion of work life balance in the work environment



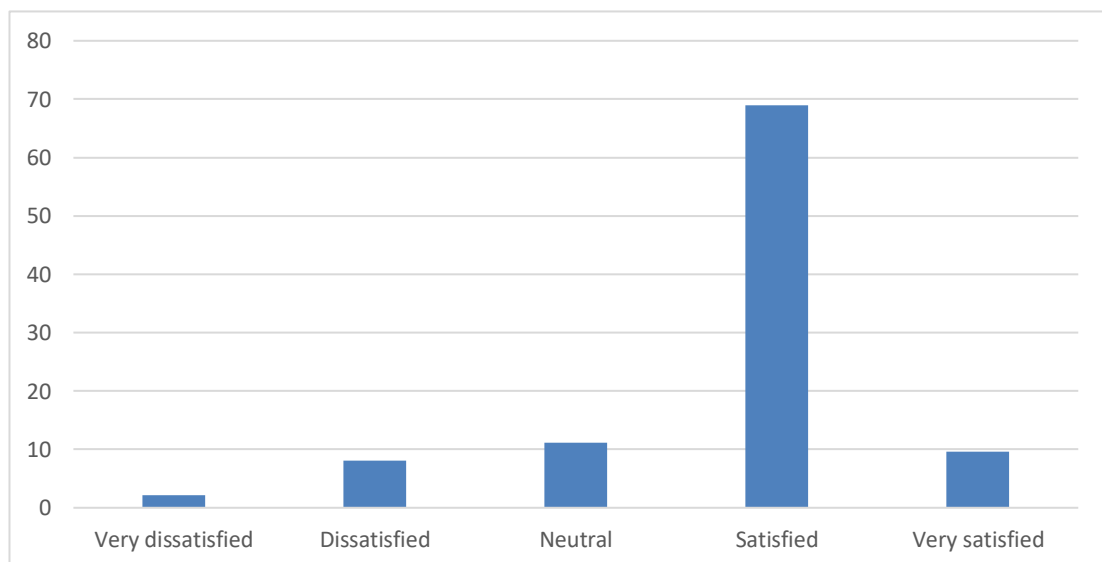
Interpretation:

The promotion of work-life balance in the work environment is actively pursued, with 65.9% of respondents indicating it is promoted, and 8.9% indicating it is highly promoted.

Table 3.20
Satisfaction with physical workspace

Particular	Respondent	Percentage
Very dissatisfied	3	2.2
Dissatisfied	11	8.1
Neutral	15	11.1
Satisfied	93	68.9
Very satisfied	13	9.6
Total	135	100

Figure 3.20
Satisfaction with physical workspace



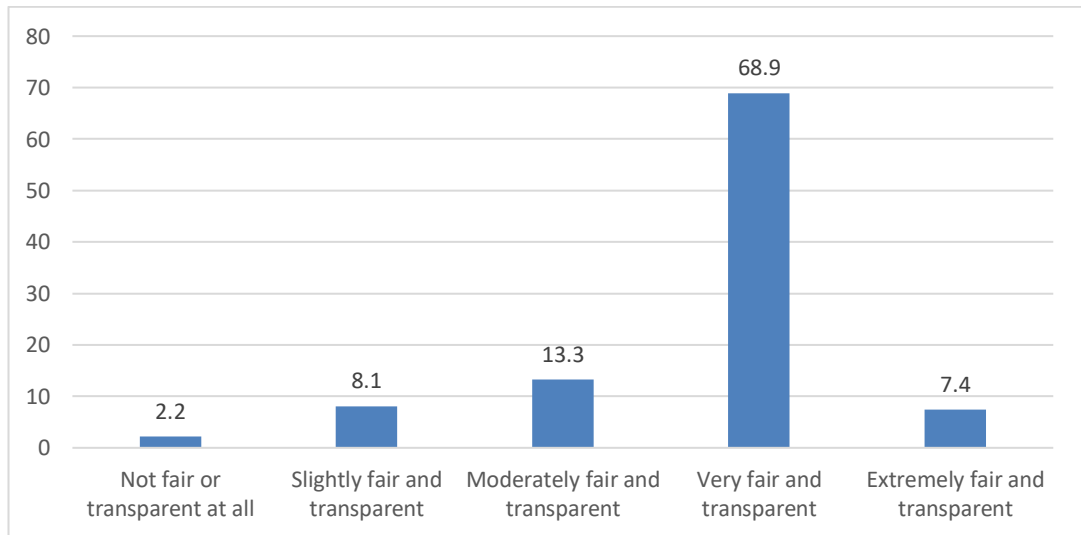
Interpretation:

Satisfaction with the physical workspace is high, with 68.9% of respondents indicating satisfaction and 9.6% indicating they are very satisfied with their workspace.

Table 3.21
Perception of fairness and transparency in performance evaluation process

Particulars	Respondent	Percentage
Not fair or transparent at all	3	2.2
Slightly fair and transparent	11	8.1
Moderately fair and transparent	18	13.3
Very fair and transparent	93	68.9
Extremely fair and transparent	10	7.4
Total	135	100

Figure 3.21
Perception of fairness and transparency in performance evaluation process



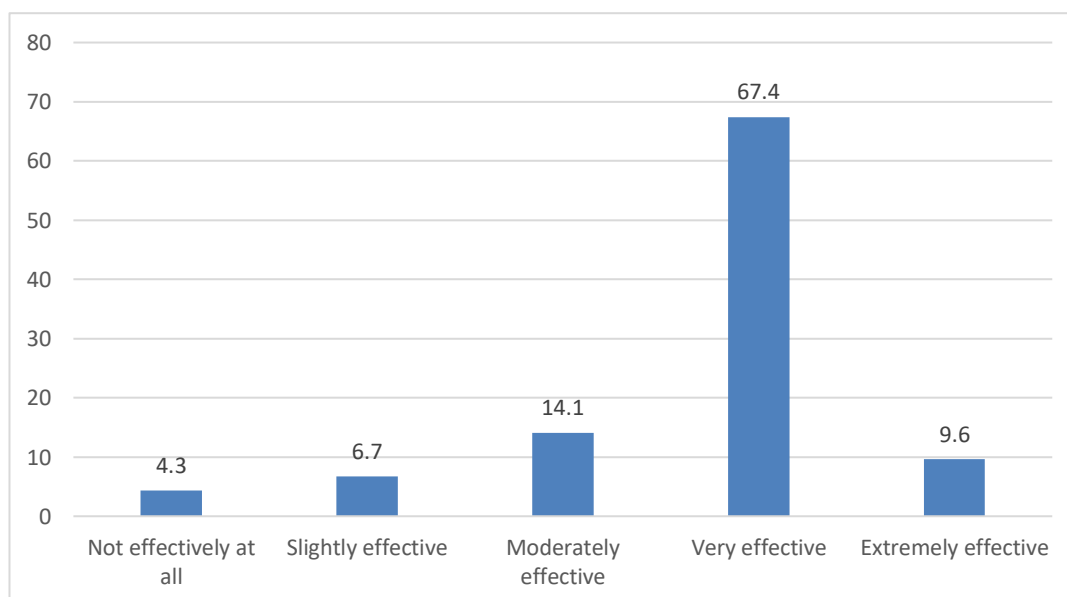
Interpretation:

The majority of respondents perceive the performance evaluation process as very fair and transparent, with 68.9% indicating high satisfaction, while 7.4% find it extremely fair and transparent.

Table 3.22
Effectiveness of Performance Management System in recognizing and rewarding achievements

Particulars	Respondent	Percentage
Not effectively at all	3	2.2
Slightly effective	9	6.7
Moderately effective	19	14.1
Very effective	91	67.4
Extremely effective	13	9.6
Total	135	100

Figure 3.22
Effectiveness of performance management system in recognizing and rewarding achievements



Interpretation:

The majority of respondents perceive the Performance Management System as very effective in recognizing and rewarding achievements, with 67.4% indicating high effectiveness, while 9.6% find it extremely effective.

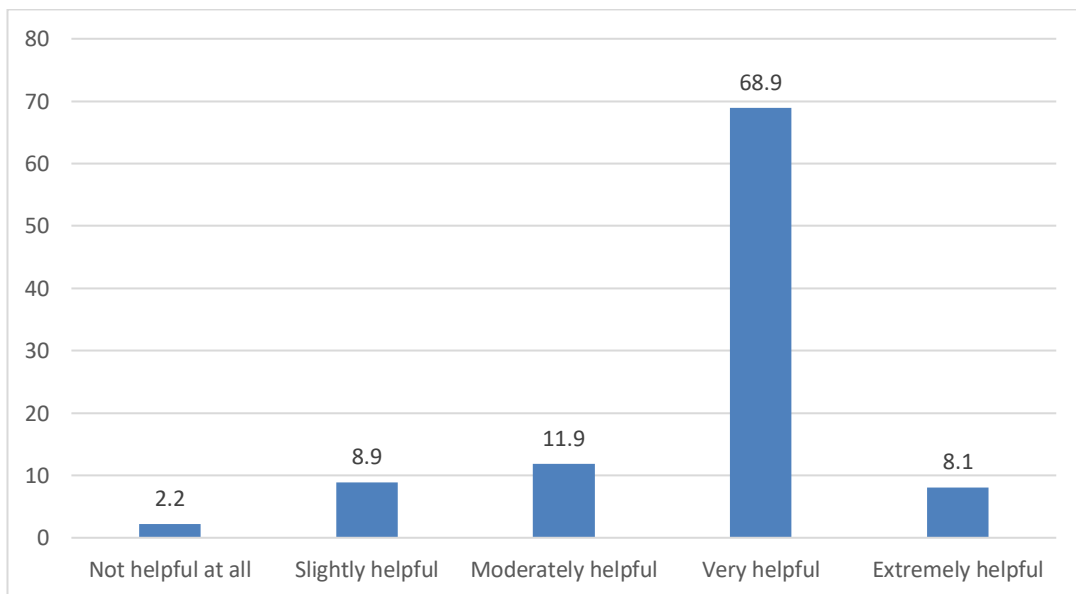
Table 3.23

Performance management system’s impact on identifying improvement and development areas

Particulars	Respondent	Percentage
Not helpful at all	3	2.2
Slightly helpful	12	8.9
Moderately helpful	16	11.9
Very helpful	93	68.9
Extremely helpful	11	8.1
Total	135	100

Figure 3.23

Improvement and development areas of performance management system



Interpretation:

The Performance Management System is widely perceived as very helpful in identifying improvement and development areas, with 68.9% of respondents indicating high effectiveness, and 8.1% finding it extremely helpful.

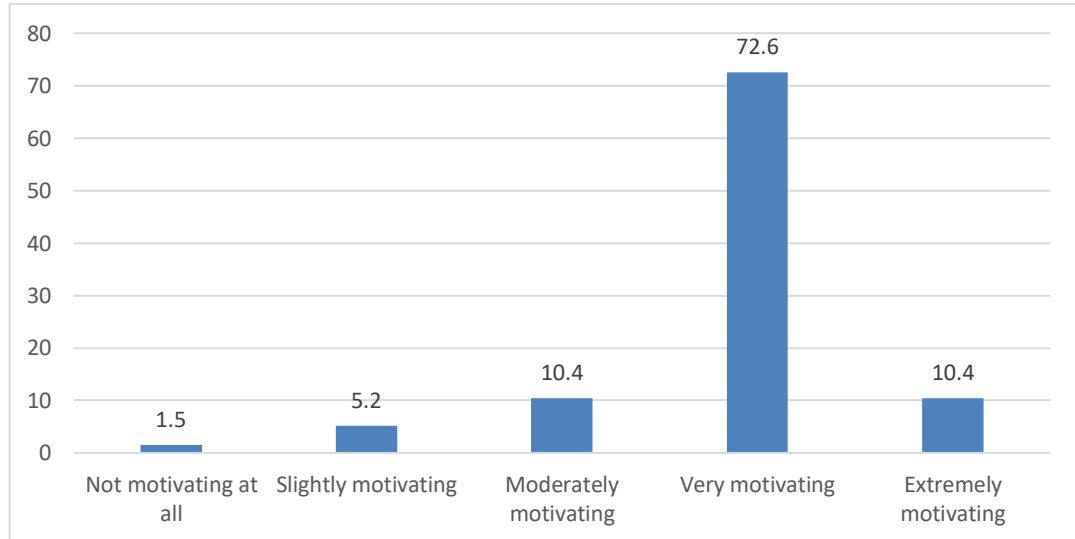
Table 3.24

Effectiveness of performance management system is motivating skill and performance improvement

Particulars	Respondent	Percentage
Not motivating at all	2	1.5
Slightly motivating	7	5.2
Moderately motivating	14	10.4
Very motivating	98	72.6
Extremely motivating	14	10.4
Total	135	100

Figure 3.24

Effectiveness of performance management system in motivating skill and performance



Interpretation:

The effectiveness of the performance management system in motivating skill and performance improvement is notably high, with 72.6% of respondents finding it very motivating, and an additional 10.4% finding it extremely motivating.

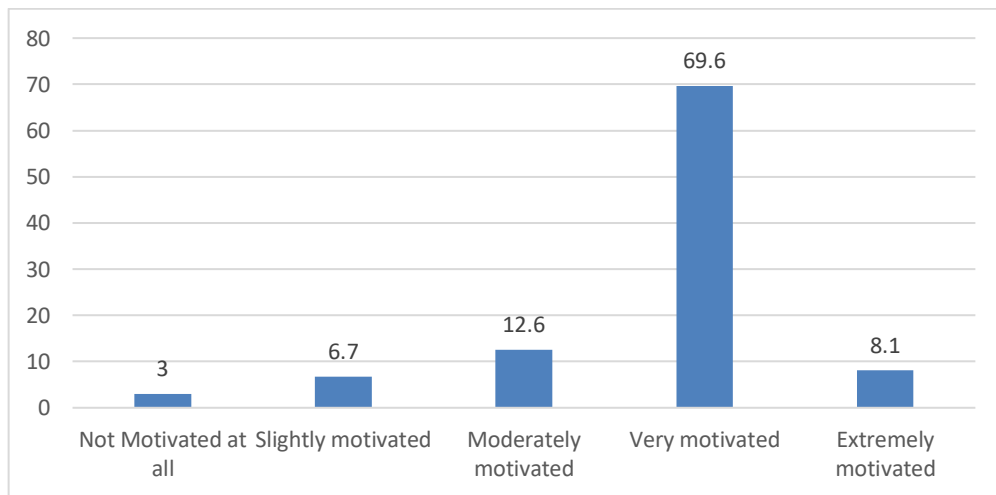
Table 3.25

Motivation towards performance goals over time

Particular	Respondent	Percentage
Not motivated at all	4	3
Slightly motivated	9	6.7
Moderately motivated	17	12.6
Very motivated	94	69.6
Extremely motivated	11	8.1
Total	135	100

Figure 3.25

Motivation towards performance goals over time



Interpretation:

The data suggests that the majority of respondents (over 69%) are highly motivated or extremely motivated towards performance goals, with only a small percentage expressing lower levels of motivation. This indicates a generally positive attitude towards performance and goal achievement among the surveyed population.

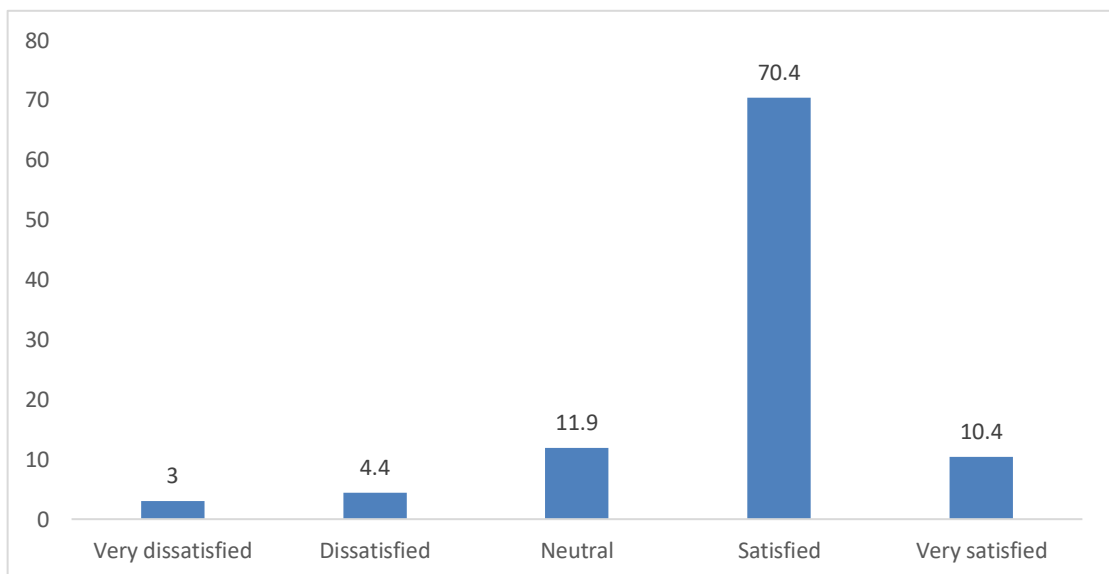
Table 3.26

Level of satisfaction with clarity of performance expectations in the organization

Particular	Respondent	Percentage
Very dissatisfied	4	3
Dissatisfied	6	4.4
Neutral	16	11.9
Satisfied	95	70.4
Very satisfied	14	10.4
Total	135	100

Figure 3.26

Level of satisfaction with clarity of performance expectations in the organization



Interpretation:

The data suggests that the majority of respondents (over 70%) are satisfied or very satisfied with the clarity of performance expectations in their organization, with only a relatively small percentage expressing dissatisfaction or neutrality. This indicates a generally positive perception of the clarity of performance expectations among the surveyed population.

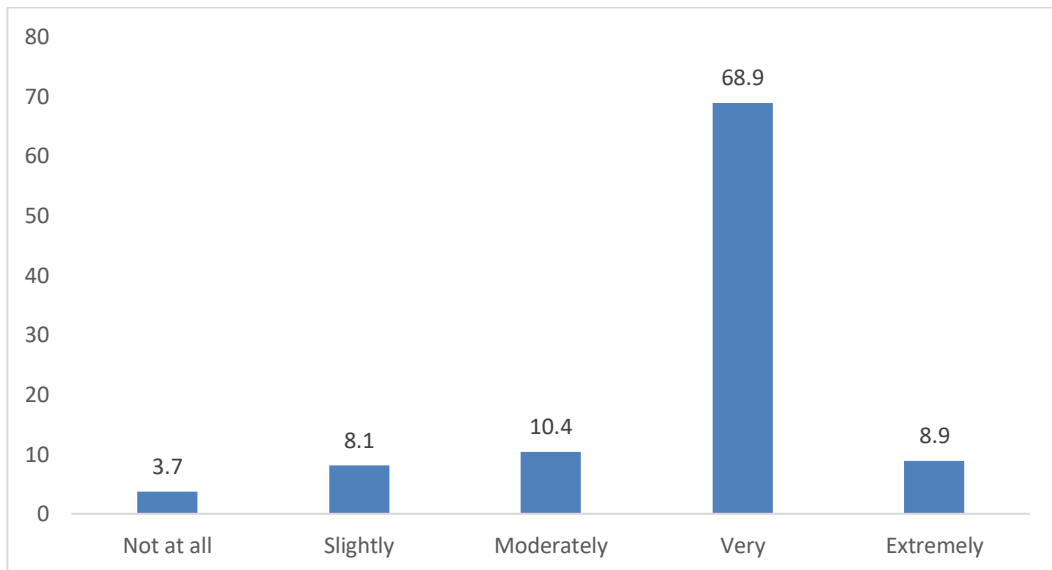
Table 3.27

Effectiveness of supervisor’s performance feedback in providing constructive guidance

Particular	Respondent	Percentage
Not at all	5	3.7
Slightly	11	8.1
Moderately	14	10.4
Very	93	68.9
Extremely	12	8.9
Total	135	100

Figure 3.27

Effectiveness of supervisor’s performance feedback



Interpretation:

Overall, the data suggests that the majority of respondents (over 68%) perceive their supervisors' performance feedback as very effective or extremely effective in providing constructive guidance. While there are small percentages indicating lesser effectiveness, the overall perception leans towards positive feedback regarding the guidance provided by supervisors.

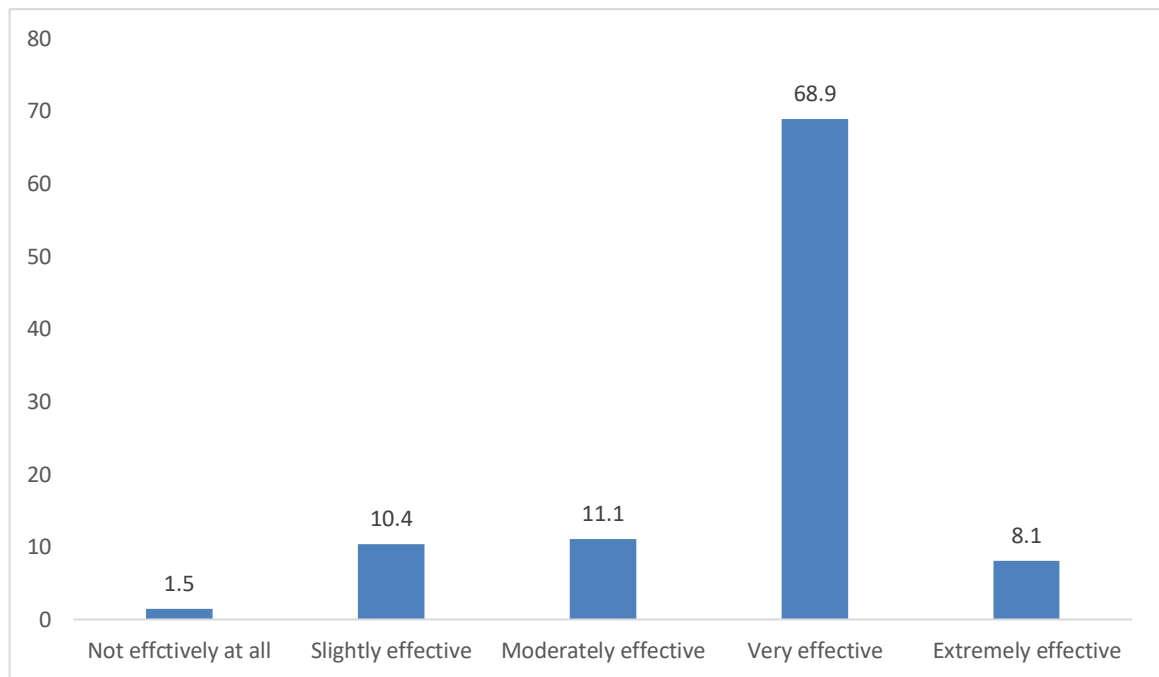
Table 3.28

Alignment of performance management system with organization goals

Particulars	Respondent	Percentage
Not effectively at all	2	1.5
Slightly effective	14	10.4
Moderately effective	15	11.1
Very effective	93	68.9
Extremely effective	11	8.1
Total	135	100

Figure 3.28

Performance management system with organization goals



Interpretation:

Overall, the data suggests that the majority of respondents (over 68%) perceive the alignment between the performance management system and organizational goals as very effective or extremely effective. While there are small percentages indicating lesser effectiveness, the overall perception leans towards a positive alignment between the performance management system and organizational objectives.

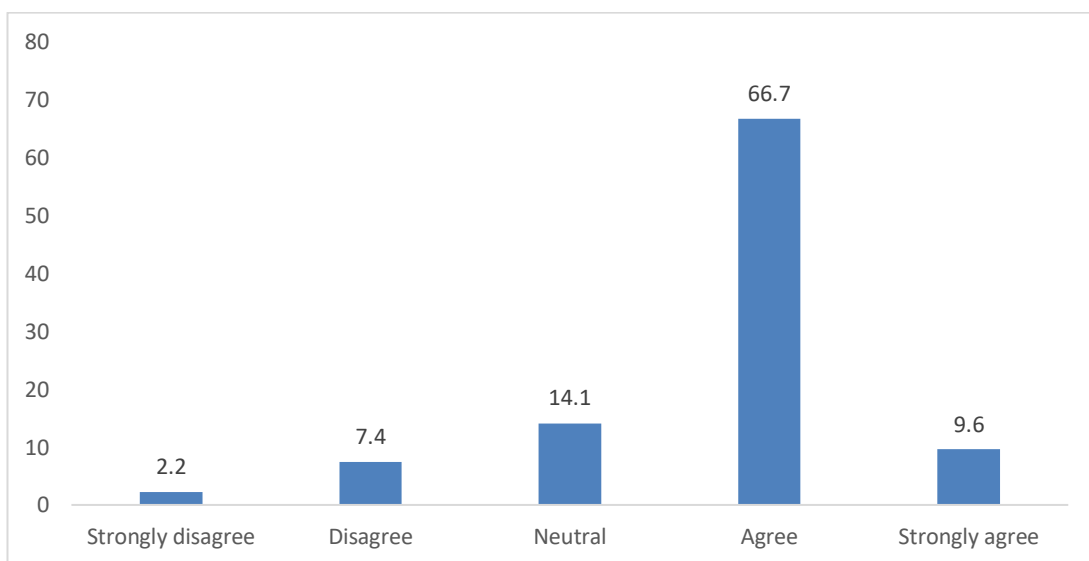
Table 3.29

Perceived fairness and transparency of performance management system over time

Particulars	Respondents	Percentage
Strongly disagree	3	2.2
Disagree	10	7.4
Neutral	19	14.1
Agree	90	66.7
Strongly agree	13	9.6
Total	135	100

Figure 3.29

Fairness and transparency of performance management system over time



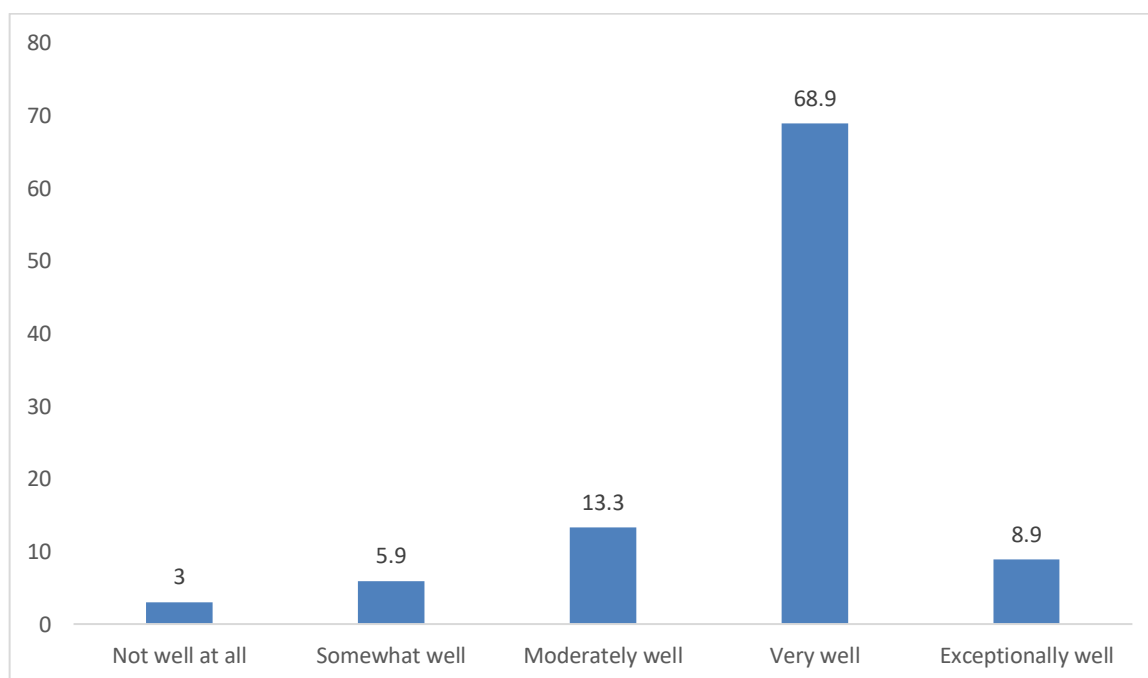
Interpretation:

Overall, the data suggests that the majority of respondents (over 66%) perceive the performance management system as fair and transparent, with a smaller percentage expressing disagreement or neutrality. While there are differing opinions, the overall perception leans towards a positive view of the fairness and transparency of the performance management system.

Table 3.30
Effectiveness of performance management system in Encouraging employee development and growth opportunities over time

Particulars	Respondent	Percentage
Not well at all	4	3
Somewhat well	8	5.9
Moderately well	18	13.3
Very well	93	68.9
Exceptionally well	12	8.9
Total	135	100

Figure 3.30
Encouraging employee development and growth opportunities over time



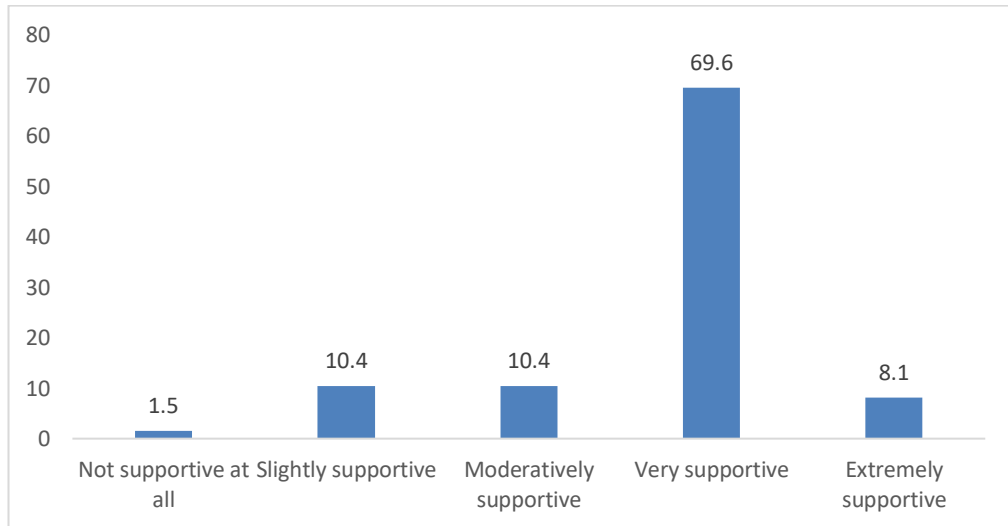
Interpretation:

Overall, the data suggests that the majority of respondents (over 68%) perceive the performance management system as effective in encouraging.

Table 3.31
Organization’s culture impact on performance management and continuous improvement

Particulars	Respondent	Percentage
Not supportive at all	2	1.5
Slightly supportive	14	10.4
Moderately supportive	14	10.4
Very supportive	94	69.6
Extremely supportive	11	8.1
Total	135	100

Figure 3.31
Impact on performance management and continuous improvement



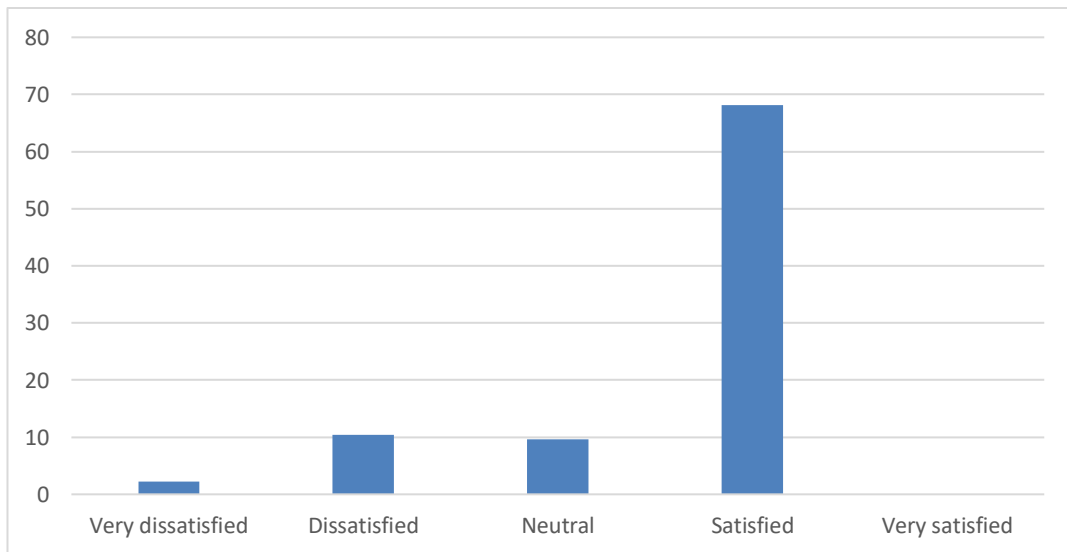
Interpretation:

Overall, the data suggests that the majority of respondents (over 69%) perceive the organization's culture as very supportive or extremely supportive of performance management and continuous improvement, with smaller percentages expressing varying degrees of support. This indicates a generally positive view of the impact of the organizational culture on these crucial aspects of organizational performance.

Table 3.32
Satisfaction with performance evaluation frequency and timeliness

Particulars	Respondent	Percentage
Very dissatisfied	3	2.2
Dissatisfied	14	10.4
Neutral	13	9.6
Satisfied	92	68.1
Very satisfied	13	9.6
Total	135	100

Figure 3.32
Satisfaction with performance evaluation frequency and timeliness



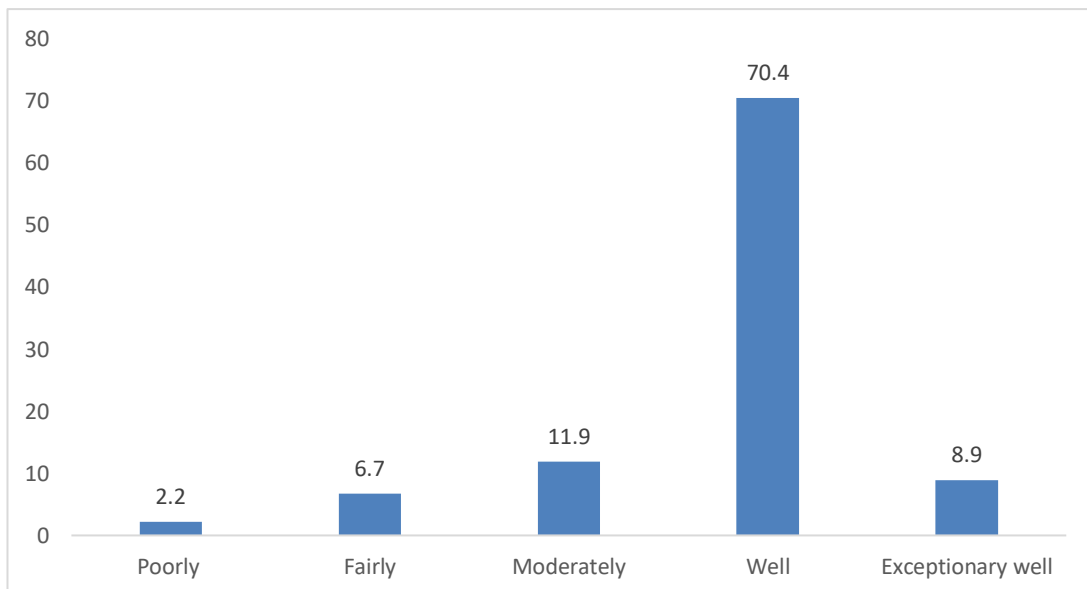
Interpretation:

Overall, the data suggests that the majority of respondents (over 68%) are satisfied or very satisfied with the frequency and timeliness of performance evaluation. While there are small percentages expressing dissatisfaction or neutrality, the overall perception leans towards a positive view of the evaluation schedule and its timeliness.

Table 3.33
Recognition and Reward for high performance management system

Particulars	Respondent	Percentage
Poorly	3	2.2
Fairly	9	6.7
Moderately	16	11.9
Well	95	70.4
Exceptionally well	12	8.9
Total	135	100

Figure 3.33
Recognition and Reward for high performance management system



Interpretation:

Overall, the data suggests that the majority of respondents (over 70%) perceive the recognition and reward system for high performance management as effective, with varying degrees of satisfaction. While there are small percentages indicating lesser effectiveness, the overall perception leans towards a positive view of the system's ability to recognize and reward high performance.

CHAPTER – IV
FINDINGS, RECOMMENDATIONS & SUMMARY

4.1 FINDINGS

- The majority of respondents are between 30 and 35 years old, indicating a younger workforce.
- The 74.1% workforce is predominantly male.
- 64.4% respondents have at least a college degree, with a significant portion holding postgraduates degree (13.3%).
- Over half of the respondents have more than 7 years of experience at the company.
- Most respondents 65.9% employees were well to provide feedback on their organization majority (68.9%) of respondents find the performance expectations set by the organization to be clear.
- The organization have open communication and feedback between employees and managers
- The majority of employees perceive the effectiveness of supervision provided by immediate supervisors in guiding work performance as effective.
- Supervisors often help employees set clear performance goals and expectations.
- Employee feel comfortable approaching their supervisor with concerns or questions about their work performance.
- Employees were satisfied with their supervisor's support in enhancing their performance.
- Majority (70.4%) of respondents agree that supervision enhances their understanding of responsibilities through guidance and feedback, indicating strong support for the role of supervision in clarifying job expectations.
- Employees agree that the work environment positively impacts their overall job satisfaction.
- Employees rated the cleanliness and organization of their work environment positively, with some indicating room for improvement.
- Distractions or disruptions affecting performance in the work environment are rarely reported, with 69.6% of respondents indicating they occur rarely.
- The promotion of work-life balance in the work environment is actively pursued, with high respondents indicating it is promoted.

- Employees were satisfied with the physical workspace is high.
- The performance evaluation process as very fair and transparent.
- The Performance Management System as very effective in recognizing and rewarding achievements.
- The Performance Management System is widely perceived as very helpful in identifying improvement and development areas.
- The performance management system in motivating skill and performance improvement is notably high.
- Employees were highly motivated or extremely motivated towards performance goals, with only a small percentage expressing lower levels of motivation.
- Majority of employees were satisfied with the clarity of performance expectations in their organization, with only a relatively small percentage expressing dissatisfaction or neutrality.
- Majority of respondents perceive their supervisors' performance feedback as very effective or extremely effective in providing constructive guidance.
- The alignment between the performance management system and organizational goals as very effective or extremely effective.
- The performance management system as fair and transparent, with a smaller percentage expressing disagreement or neutrality.
- The performance management system as effective in encouraging.
- The organization's culture as very supportive or extremely supportive of performance management and continuous improvement.
- The recognition and reward system for high performance management as effective, with varying degrees of satisfaction.
- The majority of respondents are satisfied or very satisfied with the frequency and timeliness of performance evaluation.

Objective 1:

To analyse the overall satisfaction towards performance management system

The organization's performance management system garners high satisfaction, with over 70% of respondents pleased with the clarity of performance expectations. Supervisory feedback is highly effective for more than 68% of employees, indicating valuable guidance. A majority perceives strong alignment between the system and organizational goals, fostering strategic coherence. Additionally, over 66% find the system fair and transparent, contributing to positive perceptions. The system also encourages continuous improvement effectively, supported by more than 68% of respondent.

Objective 2:

To understand the level support and guidance in supervision

Most employees (69.6%) perceive their immediate supervisors as effective in guiding their work performance, with a minority (11.1%) expressing varying levels of ineffectiveness or neutrality. Supervisors are highly involved in setting clear performance goals and expectations, a practice acknowledged by 68.1% of respondents. The majority (77.8%) feel comfortable approaching their supervisors with concerns, indicating a supportive communication environment where 70.4% are generally comfortable and 7.4% feel very comfortable. Satisfaction with supervisor support in enhancing performance is strong, with 65.9% expressing satisfaction, alongside 15.6% neutral and 10.7% dissatisfied. These findings collectively illustrate a positive view of supervision, highlighting its role in clarifying expectations, fostering communication, and supporting performance improvement within the organization.

Objective 3:

To understand the perception of the employees towards organization communication

The survey data highlights positive sentiments among employees regarding the organization's communication practices. A majority (57%) are satisfied with how goals and objectives are communicated, reflecting effective strategic direction. Additionally, 65.9% perceive feedback on performance matters to be well-provided, indicating satisfaction with the quality and

frequency of discussions. Furthermore, 68.9% find performance expectations clear, ensuring employees understand their roles clearly. Open communication between employees and managers is prevalent (68.9%), fostering a productive dialogue environment. However, while 75.6% feel the organization is responsive to performance management feedback, 22.3% express varying levels of dissatisfaction or neutrality, suggesting room for improvement in responsiveness. Overall, these findings underscore positive perceptions of organizational communication, with an opportunity identified to enhance responsiveness for further employee engagement and alignment with organizational goals.

4.2 RECOMMENDATIONS

- ❖ Implement initiatives to attract and retain a more diverse workforce across age groups to enrich perspectives and innovation.
- ❖ Focus on increasing gender diversity through targeted recruitment strategies and inclusive workplace policies.
- ❖ Offer continuous education and skill development programs to further support employees with postgraduate degrees and enhance overall expertise.
- ❖ Develop retention strategies to capitalize on the experience of employees with over 7 years tenure, ensuring knowledge retention and leadership continuity.
- ❖ Enhance feedback channels to maintain the high percentage of employees willing to provide feedback, fostering a culture of openness and improvement.
- ❖ Continuously communicate and refine performance expectations to uphold the majority's perception of clarity, ensuring alignment with organizational goals.
- ❖ Strengthen communication channels between employees and managers to sustain the perceived open communication and feedback culture.
- ❖ Provide ongoing training and support for supervisors to maintain their effectiveness in guiding performance and setting clear goals.
- ❖ Foster supervisor approachability through training and culture-building initiatives, ensuring employees feel comfortable addressing concerns.
- ❖ Recognize and reward supervisors for their support in enhancing employee performance, reinforcing their role in job satisfaction and development.
- ❖ Continue to emphasize the role of supervision in clarifying job expectations and responsibilities, supporting overall employee satisfaction and performance.
- ❖ Sustain efforts to uphold a positive work environment that contributes to overall job satisfaction and productivity.
- ❖ Address feedback regarding cleanliness and organization to continuously improve the physical workspace for employee comfort and productivity.
- ❖ Implement strategies to further minimize distractions or disruptions in the work environment, supporting consistent performance.

- ❖ Expand initiatives promoting work-life balance to maintain employee well-being and satisfaction.
- ❖ Continue ensuring transparency in the performance evaluation process to maintain high levels of perceived fairness and trust.
- ❖ Enhance the effectiveness of recognition and reward systems to further motivate high performance and align with organizational goals.
- ❖ Utilize feedback to enhance the effectiveness of identifying improvement and development areas through the performance management system.
- ❖ Build on the high motivation levels observed to further drive skill development and performance improvement initiatives.
- ❖ Strengthen alignment between the performance management system and organizational goals to drive strategic outcomes and employee engagement.
- ❖ Ensure ongoing evaluation and improvement of management practices to maintain perceived fairness and effectiveness in performance management.
- ❖ Enhance the performance management system's ability to effectively encourage and support employee growth and development.
- ❖ Nurture and reinforce a supportive organizational culture that values performance management and continuous improvement.
- ❖ Ensure consistency and timeliness in performance evaluations to maintain employee satisfaction and facilitate timely feedback.
- ❖ A culture of continuous improvement across all aspects mentioned, leveraging feedback and best practices to drive organizational excellence.

4.3 SUMMARY

The survey conducted among employees of ARYA VAIDYA SALA , KOTTAKKAL. Has provided a comprehensive overview of the current state of employee demographics, organization communication, supervision, motivation, work environment, job satisfaction and organization culture. The finding reveal a predominantly young and male workforce with significant concentration in the HR department. Educationally the majority of employees possess a college degree with having an 7 years of experience company. The critical role of performance management systems (PMS) in modern organizations, serving as structured frameworks to evaluate and enhance employee productivity and organizational alignment. However, the success of these systems hinges greatly on how they are perceived and experienced by employees. Understanding employee perceptions—particularly regarding fairness, transparency, communication, and impact on job satisfaction—is essential for effectively implementing and leveraging PMS to achieve strategic objectives. Employee perceptions of fairness within PMS are crucial, as they influence motivation, engagement, and overall morale. A fair system fosters trust and encourages employees to actively participate in goal-setting and performance improvement initiatives. Transparency further enhances trust by providing clarity on evaluation criteria, processes, and expected outcomes, thereby reducing ambiguity and promoting a sense of equity among employees. Effective communication within PMS plays a pivotal role in maintaining employee engagement and commitment. Regular feedback, clear performance expectations, and developmental opportunities communicated through transparent channels contribute significantly to job satisfaction. Conversely, inadequate communication or perceived inconsistencies can lead to frustration and disengagement. Job satisfaction, influenced heavily by the perceived effectiveness and supportiveness of PMS, directly impacts employee retention and organizational success. Systems that are seen as supportive of career growth, aligned with personal aspirations, and fair in recognizing achievements are more likely to foster higher levels of job satisfaction and long-term employee commitment. In today's competitive landscape, where attracting and retaining talent is paramount, organizations must prioritize understanding and addressing employee perceptions of their performance management systems. By actively listening to feedback, addressing concerns, and continuously refining PMS to align with employee expectations and organizational goals, companies can cultivate a positive work environment conducive to sustained success and growth. This approach not only enhances employee

satisfaction and engagement but also strengthens the organization's ability to adapt, innovate, and achieve strategic objectives effectively.

Performance management systems are integral to modern organizations, providing structured frameworks to assess, improve, and align employee performance with organizational goals. These systems encompass various processes such as goal-setting, continuous feedback, performance appraisal, and development planning. Their effectiveness directly impacts employee productivity, engagement, and overall organizational success. The success of performance management systems hinges significantly on how they are perceived by employees. Employee perceptions encompass their beliefs, attitudes, and interpretations of the fairness, transparency, communication, and impact on job satisfaction within the PMS. Understanding and addressing these perceptions are crucial for enhancing system adoption, employee engagement, and organizational performance. Fairness in PMS involves equitable treatment, unbiased evaluation, and consistent application of performance standards. When employees perceive fairness, they are more likely to trust the system and accept its outcomes. Fairness enhances motivation, commitment, and willingness to engage in performance improvement efforts. Conversely, perceived unfairness can lead to dissatisfaction, demotivation, and reduced performance. Transparency in PMS refers to clear communication of performance expectations, evaluation criteria, and decision-making processes. It reduces ambiguity and Effective communication within PMS involves regular feedback, coaching, and dialogue between managers and employees. It ensures mutual understanding of goals, expectations, and developmental opportunities. Job satisfaction reflects employees' overall contentment with their work environment, role clarity, growth opportunities, and recognition for their contributions. Actively solicit feedback from employees regarding their experiences with the PMS. Address concerns promptly and transparently to foster trust and engagement. Provide training for managers and employees on PMS processes, effective feedback delivery, and goal-setting techniques. Continuous development ensures alignment with evolving organizational needs and employee expectations.

Regularly review and refine PMS to incorporate best practices, technological advancements, and changing business requirements. Adaptations should aim to enhance fairness, transparency, and communication effectiveness. Ensure that PMS goals and performance metrics are aligned with broader organizational strategies and values. This alignment reinforces a shared sense of purpose and encourages collective efforts toward achieving

organizational objectives. The effective implementation and utilization of performance management systems rely heavily on understanding and positively influencing employee perceptions. By prioritizing fairness, transparency, effective communication, and job satisfaction within PMS, organizations can cultivate a supportive work environment where employees feel valued, engaged, and motivated to contribute their best efforts. This approach not only enhances individual and team performance but also strengthens organizational resilience and competitiveness in a dynamic business landscape. Continuous attention to employee perceptions ensures that PMS remain relevant, impactful, and instrumental in driving sustained success and employee well-being.

QUESTIONNAIRE

Dear Sir/Madam,

I'm ACSAH ANTONY pursuing an MBA at "NAIPUNNYA BUSINESS SCHOOL PONGAM, KORRATTY, THRISSUR", doing a project as part of my curriculum at ARYA VAIDYA SALA, KOTTAKKAL on the topic, "A STUDY ON EMPLOYEE PERCEPTION TOWARDS PERFORMANCE MANAGEMENT SYSTEM AT ARYA VAIDYA SALA, KOTTAKKAL" I would like to request you to fill out this questionnaire as it is aimed at understanding the working environment of contract workers. Your response will be dealt with strict confidentiality and it will be used only for my academic purpose.

Thank you

1. Gender

- Male
- Female

2. Age

- 18 – 30 Years
- 30 – 40Years
- 40 – 45 Years
- 55 Above

3. Marital Status

- Single
- Married

4. Qualification

- Higher Secondary
- Under Graduate
- Postgraduate
- Others

5. Experience

- Less than 1 year
- 2 – 4 years
- 5 – 7 years
- More than 7 years

6. How effectively does the organization communicate its goals and objectives to employees?

- Very Ineffective
- Ineffective
- Neutral
- Effective
- Very Effective

7. How well does the organization provide feedback and updates on performance-related matters?

- Very Poorly
- Poorly
- Adequately
- Well
- Very Well

8. How clear are the performance expectations set by the organization?

- Very Unclear
- Unclear
- Neutral
- Clear
- Very Clear

9. How often does the organization encourage open communication and feedback between employees and managers?

- Never
- Rarely
- Sometimes
- Often
- Always

10. How responsive is the organization to employee feedback and suggestions regarding performance management?

- Very Unresponsive
- Unresponsive
- Neutral
- Responsive
- Very Responsive

11. How effective do you perceive the supervision provided by your immediate supervisor in guiding your work performance?

- Very Ineffective
- Ineffective
- Neutral
- Effective
- Ineffective

12. How often does your supervisor help you set clear performance goals and expectations?

- Never
- Rarely
- Sometimes
- Often
- Always

13. How comfortable are you in approaching your supervisor with concerns or questions related to your work performance?

- Very uncomfortable
- Uncomfortable
- Neutral
- Comfortable
- Very Comfortable

14. How satisfied are you with the level of support and guidance provided by your supervisor for improving your performance?

- Very dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very Satisfied

15. Do you feel that the supervision you receive helps you understand your responsibilities better?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Disagree

16. Do you feel that the work environment positively impacts your overall job satisfaction?

- Strongly Disagree
- Disagree
- Neutral
- Good
- Excellent

17. How would you rate the cleanliness and organization of your work environment?

- Very poor
- Poor
- Neutral
- Good
- Excellent

18. How often do you experience distractions or disruptions in your work environment that affect your performance?

- Very often
- Often
- Occasionally
- Rarely
- Never

19. To what extent do you feel that the work environment promotes a healthy work-life balance?

- Not promoting at all
- Slightly promoting
- Neutral
- Promoting
- Highly promoting

20. How satisfied are you with your physical workspace? (Eg. Desk, chair, lighting, noise level)

- Very dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very satisfied

21. How fair and transparent do you perceive the performance evaluation process to be?

- Not fair or transparent at all
- Slightly fair and transparent
- Moderately fair and transparent
- Very fair and transparent
- Extremely fair and transparent

22. How effectively do you think the performance management system recognizes and rewards your achievement?

- Not effectively at all
- Slightly effective
- Moderately effective
- Very effective
- Extremely effective

23. To what extent do you believe that the PMS helps in identifying areas for improvement and development?

- Not helpful at all
- Slightly helpful
- Moderately helpful
- Very helpful
- Extremely helpful

24. How much do you think the performance management system motivates you to improve your skills and performance?

- Not motivating at all
- Slightly motivating
- Moderately motivating
- Very motivating
- Extremely motivating

25. How motivated are you to achieve your performance goals?

- Not motivated at all
- Slightly motivated
- Moderately motivated
- Very motivated
- Extremely motivated

26. How satisfied are you with the clarity of performance expectations set by the organization?

- Very Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very Satisfied

27. To what extent do you feel that performance feedback provided by your supervisor is constructive and helpful?

- Not at all
- Slightly
- Moderately
- Very
- Extremely

28. How effectively does the performance management system align with the overall goals and objectives of the organization?

- Not effectively at all
- Slightly effective
- Moderately effective
- Very effective
- Extremely effective

29. Do you believe that the performance management system promotes a fair and transparent evaluation process?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree

30. How well does the performance management system encourage and support employee development and growth opportunities?

- Not well at all
- Somewhat well
- Moderately well
- Very well
- Exceptionally well

31. To what extent does the organization's culture support and reinforce the importance of performance management and continuous improvement?

- Not supportive at all
- Slightly supportive
- Moderately supportive
- Very supportive
- Extremely supportive

32. How satisfied are you with the frequency and timeliness of performance evaluations within the organization?

- Very Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very Satisfied

33. How well does the performance management system recognize and reward high performance and contributions to the organization?

- poorly
- Fairly
- Moderately
- Well
- Exceptionally well

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