

Performance Appraisal Policies At Benleng Infotech – An Empirical Study

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Abstract- *This research examines the performance appraisal policy at Benleng Infotech, Kalamassery, with the objective of evaluating its effectiveness in enhancing employee engagement, satisfaction, and overall organizational performance. In today's highly competitive business landscape, performance appraisals play a crucial role in assessing employee contributions, delivering constructive feedback, and promoting career growth. However, the design and implementation of such policies can differ widely between organizations, highlighting the need for an in-depth analysis of their execution and impact on employees.*

The primary objective of this study is to assess the effectiveness of Benleng Infotech's appraisal policy. Supporting goals include identifying the key factors that influence the policy, gauging employee awareness, and exploring the effect of appraisals on motivation. Employing both quantitative and qualitative research methods, the study explores various aspects of the appraisal process—such as the transparency of performance criteria, fairness in evaluation, frequency of feedback, and their impact on job satisfaction and motivation. It also considers the role of organizational culture, leadership involvement, and employee participation in determining the success of the appraisal system.

I. INTRODUCTION

In today's dynamic and highly competitive business landscape, organizations are placing greater emphasis on optimizing their human capital as a means to achieve long-term growth and success. Central to this approach is the development and implementation of effective performance appraisal systems. These appraisals serve as essential tools for evaluating employee performance, delivering meaningful feedback, and fostering professional growth. Despite their acknowledged value, performance appraisal practices often vary considerably across organizations, shaped by specific internal contexts and operational needs.

This research aims to investigate the nuances of performance appraisal within a defined organizational setting, with a focus on understanding how these systems influence employee engagement, satisfaction, and overall organizational

outcomes. Through a comprehensive analysis, the study seeks to uncover the key factors that determine the effectiveness of appraisal policies and offer practical recommendations for enhancing their implementation.

Employing a combination of quantitative data analysis and qualitative insights, the study will examine critical components of the appraisal process, including the transparency of performance criteria, the perceived fairness of evaluation methods, the frequency and quality of feedback, and their overall impact on employee motivation and job satisfaction. It will also assess the roles of organizational culture, leadership involvement, and employee engagement in shaping the effectiveness of the performance appraisal system.

INDUSTRY PROFILE

Software development companies in India play a pivotal role in the country's thriving information technology (IT) sector, offering a broad spectrum of services to clients both within India and across the globe. These services encompass custom software development, web and mobile application development, cloud computing, enterprise solutions, and IT consulting. Recognized as a global hub for IT outsourcing, Indian companies serve a wide range of industries including healthcare, finance, education, retail, logistics, and telecommunications.

The Indian software development landscape is defined by a vast and skilled workforce comprising software engineers, developers, and IT professionals, many of whom are proficient in emerging technologies such as artificial intelligence (AI), machine learning, blockchain, and the Internet of Things (IoT). One of the key advantages of the Indian software industry is its cost-effectiveness—companies worldwide turn to India for high-quality software solutions at competitive prices. Indian firms frequently adopt agile development methodologies, DevOps practices, and cutting-edge technologies to deliver robust, scalable, and innovative solutions.

The industry includes both major multinational corporations and a rapidly expanding ecosystem of startups.

Leading companies like Tata Consultancy Services (TCS), Infosys, Wipro, and HCL Technologies offer large-scale enterprise solutions, while smaller firms often specialize in niche areas, delivering customized services to small and medium-sized enterprises (SMEs) and startups. Additionally, India has made a significant mark in mobile app development, with many firms producing creative and user-centric apps for both Android and iOS platforms.

COMPANY PROFILE

Benleng Infotech is a prominent global information technology, business process, and services company that leverages the power of hyper-automation, robotics, cloud computing, analytics, and emerging technologies to help clients thrive in the digital age. Renowned for its innovative mindset, the company is dedicated to building a bold and better future by connecting ideas, technology, and strategy. With a dynamic team of tech-savvy and passionate professionals, Benleng Infotech specializes in developing advanced tools, services, and data-driven interfaces.

At the heart of Benleng Infotech's operations are its core values—quality, value, and timeliness. These principles guide every project, ensuring delivery of top-tier solutions that meet and exceed client expectations. The company adopts a pro-business and efficiency-driven approach, recognizing IT infrastructure as the backbone of modern enterprises. With deep expertise in building resilient and scalable infrastructures, Benleng empowers clients with the tools they need to gain a competitive edge in an ever-evolving market. Benleng Infotech provides comprehensive consulting and end-to-end solutions, placing strong emphasis on customer satisfaction. Its collaborative and approachable culture fosters open, effective communication, ensuring every solution is tailored to meet client needs. Through consistent delivery, transparent processes, and a client-first philosophy, Benleng has earned a reputation as one of the most trusted and frequently recommended software companies in the industry.

II. REVIEW OF LITERATURE

1. **Maryam Alsuwaidi et al. (2021)**
The study examines how fairness in performance appraisals impacts employee motivation. Using surveys and interviews, it highlights that fair evaluations significantly influence motivation. Most prior studies are focused on countries like Malaysia, China, Pakistan, and India, addressing themes such as job satisfaction and organizational effectiveness.
2. **Pooja Dangol (2021)**
This research explores how performance appraisals affect employee motivation. It finds that regular and fair

evaluations boost motivation, especially when job descriptions are accurate. However, appraisers who are too lenient or overly strict can demotivate employees, indicating the need for balanced assessments and skill development.

3. **Agus Subekti (2021)**
The study analyses the impact of performance appraisal systems on job satisfaction, motivation, and performance. It concludes that while appraisals influence satisfaction and motivation, they don't directly affect performance. Instead, motivated employees and those with higher job satisfaction tend to perform better.
4. **Shiva Kakkar et al. (2020)**
This research focuses on Performance Management Systems (PMS) and their impact on employee behaviour. It finds that positive perceptions of PMS increase work engagement, which in turn enhances job satisfaction and reduces turnover intentions. The study stresses the importance of PMS design elements like distinctiveness, consistency, and consensus.

III. OBJECTIVES

Primary Objective:

- To evaluate the effectiveness of the performance appraisal policy implemented at Benleng Infotech, Kalamassery.

Secondary Objectives:

- To identify the key factors that influence the effectiveness of the appraisal policy.
- To assess the level of employee awareness and understanding of the existing appraisal system.
- To examine the impact of performance appraisals on employee motivation.

IV. RESEARCH DESIGN

This study adopts a descriptive research design to offer a comprehensive overview of a specific phenomenon or group. By observing without altering variables, it provides valuable insights into current conditions, aids understanding, supports informed decisions, and lays the groundwork for future research.

SOURCES OF DATA

To ensure a thorough analysis, the study incorporates both primary and secondary data sources.

- **Primary Data:** This comprises firsthand information collected directly by the researcher to fulfil specific research objectives, ensuring high relevance and accuracy.
- **Secondary Data:** This includes existing information sourced from government reports, industry publications, journals, and company records. Such data offers context and background, enhancing the interpretation of primary data.

POPULATION

The population refers to the group from which data is collected and analysed for the study. In this research, the population consists of 51 employees working at Benleng Infotech.

SAMPLE DESIGN

The sample size taken for this study 51.

SAMPLING METHOD

This study employs the census sampling method, where data is collected from every individual within the population. As a complete enumeration approach, it ensures comprehensive coverage of all 51 employees, leading to a more inclusive analysis.

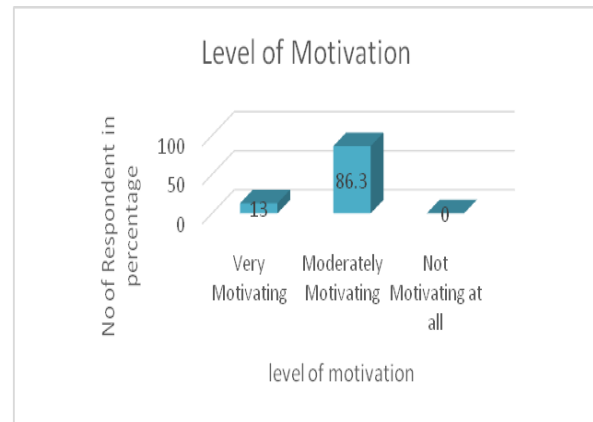
PERCENTAGE ANALYSIS

HOW IS THE LEVEL OF MOTIVATION OF EMPLOYEES WITH THE CURRENT PERFORMANCE APPRAISAL SYSTEM

Table showing the details regarding level of motivation from appraisal policies.

SL NO	Particulars	No of respondents	Percentage
1	Very Motivating	7	13
2	Moderately Motivating	44	86.3
3	Not Motivating at all	0	0
	Total	51	100

Chart showing details regarding level of motivation from appraisal policies.



Interpretation:

The survey results indicate that 86.3% of employees find the performance appraisal policy moderately motivating, suggesting it has a positive but limited impact on motivation. Only 13% consider it very motivating, while 0% find it not motivating at all, implying that while the policy is generally effective, there is potential for improvement to make it more impactful and engaging for employees.

CORRELATION ANALYSIS

CORRELATION BETWEEN EMPLOYEE PERCEPTION ON REWARDS AND RECOGNITION AND LEVEL OF MOTIVATION OF EMPLOYEES.

NULL HYPOTHESIS (H_0): The Rewards and Recognition has no substantial effect on employee motivation.

ALTERNATIVE HYPOTHESIS (H_1): The Rewards and Recognition a key role in driving employee motivation.

X = Level of motivation of Employees

y = Employee perception on rewards and recognition.

Table showing degree of association between employee perception on Rewards and Recognition and level of motivation of Employees.

Level of motivation of Employees x	Perception on rewards & Recognition y	x ²	y ²	xy
2	1	4	1	2
7	9	49	81	63
39	36	1521	1296	1404
3	5	9	25	15
0	0	0	0	0
51	51	1583	1403	1484

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

$$r = 0.995$$

$$df = n-2 = 5-2 = 3$$

$$p\text{-value} = 0.0005$$

Interpretation

The analysis reveals a very strong positive correlation ($r = 0.995$) between employee motivation and their perception of rewards and recognition. The relationship is statistically significant, supported by a low p-value (0.0005) and a high t-value (17.25), well above the critical value. This confirms that rewards and recognition significantly influence employee motivation, providing strong evidence for the alternative hypothesis that enhancing these factors can boost motivation levels in organizations.

CHI-SQUARE ANALYSIS

The Relationship between Type of Appraisal and Appraisal Process Align with Career Goal

Table showing the relationship between type of appraisal and appraisal process align with career goal

Type of Appraisal / Alignment of career goals	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)	Total Responses
Annually	0	25	17	1	0	43

Semi-Annually	0	0	4	1	0	5
Probationary	0	0	0	3	0	3
Total	0	25	21	5	0	51

Step 1

NULL HYPOTHESIS (H_0): The type of appraisal does not significantly influence how well the appraisal process aligns with employees' career goals.

ALTERNATIVE HYPOTHESIS (H_1): The type of appraisal plays a significant role in ensuring the appraisal process aligns with employees' career goals.

Step 2

EXPECTED FREQUENCY TABLE						
Satisfaction of Employees and Open Communication & Growth	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Row Total
Satisfied	0	5.627	1.098	0.275	0	7
Neutral	0	32.961	6.431	1.608	0	41
Dissatisfied	0	2.412	0.471	0.118	0	3
Column Total	0	41	8	2	0	51

Expected Frequency = (Row Total * Column Total) / Grand Total

Step 3

$X^2 = (O-E)^2/E$						
Satisfaction Of Employees and communication & Growth	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Row Total

Satisfied	0	0.024 725	0.008 747	0.275	0	0.308 472
Neutral	0	0.126 135	0.318 42	0.229 891	0	0.674 446
Dissatisfied	0	2.412	4.963 569	6.592 576	0	13.96 815
Total	0	2.562 86	5.290 736	7.097 467	0	14.95 106

Step 4

Level of significance $\alpha = 0.05$

Degree of freedom = $(R - 1)(C - 1)$

$$= (3 - 1)(5 - 1)$$

$$= 8$$

The degree of freedom 8 at 5% level of significance $X^2 = 15.507$

Therefore, calculated value = 14.95106

Step 5

The calculated value is less than the table value: $14.95106 < 15.507$

Interpretation

The calculated X^2 value 14.95106 is less than the critical value 15.507. That means Open communication does not have a significant impact on level of satisfaction of employees. Therefore, accept the null hypothesis and reject the alternative hypothesis.

WEIGHTED AVERAGE METHOD

Weighted Average = $(5E + 4V + 3G + 2F + 1P) / \text{Total Responses}$

Where:

E = Number of "Excellent" (weight = 5)

V = Number of "Very Good" (weight = 4)

G = Number of "Good" (weight = 3)

F = Number of "Fair" (weight = 2)

P = Number of "Poor" (weight = 1)

RANKING			
	FACTORS FOR PERFORMANCE APPRAISAL	Weighted Average	RANK
1	Time Management	4.07	1
2	Attendance	3.94	2
3	Job Knowledge	3.90	3
4	Leadership skills	3.73	4
5	Teamwork	3.31	5
6	Productivity	3.29	6
7	Communication	3.10	7
8	Ethics	3.06	8
9	Professionalism	3.04	9
10	Initiative & Motivation	3.00	10

V. FINDINGS

1. There are 28 males and 23 females, with no employees in the "Others" category.
2. The majority, fall within the 26-35 age group. This indicates a predominantly young workforce, with most employees under 35.
3. The calculated X^2 value 35.94167 is greater than the critical value 15.507. That means the type of appraisal plays a significant role in ensuring the appraisal process aligns with employee's career goals. Therefore, reject the null hypothesis and accept the alternative hypothesis.
4. The strong correlation ($r = 0.995$) and statistical significance ($p = 0.0005$, $t = 17.25$) support the importance of rewards and recognition in boosting employee motivation.
5. Time Management, Attendance, and Job Knowledge rank highest, reflecting strong efficiency. Leadership Skills are 4th, while Teamwork and Productivity are moderate. Communication, Ethics, and Professionalism need improvement, and Initiative and Motivation rank lowest, indicating low employee engagement.

VI. SUGGESTIONS

1. Enhance Awareness of Appraisal Policies
Since only 9.8% of employees are fully satisfied with their awareness of appraisal policies, conducting regular workshops, training sessions, and clear documentation can help improve understanding and transparency.
2. Improve Appraisal Frequency and Structure
With 68.6% of employees dissatisfied with appraisal frequency, organizations should consider implementing more frequent feedback sessions or mid-year reviews to keep employees engaged and informed about their performance.

3. **Align Appraisal Process with Career Growth**
Since only 9.8% of employees agree that appraisals align with career goals, career development discussions should be integrated into appraisals, ensuring employees see a clear link between evaluations and growth opportunities.
4. **Strengthen the Link Between Appraisals and Continuous Improvement**
With 49.03% of employees neutral on whether appraisals drive improvement, organizations should provide constructive feedback, coaching, and personalized development plans to make the process more impactful.
5. **Enhance Recognition and Reward Systems**
Given the strong correlation ($r = 0.995$) between motivation and rewards, improving recognition programs (e.g., bonuses, promotions, and employee awards) can significantly boost employee morale and productivity.

VII. CONCLUSION

The performance appraisal policy at Benleng Infotech, Kalamassery, is generally viewed as fair and transparent, with most employees recognizing that the appraisal criteria are effectively communicated. However, while there is moderate satisfaction regarding rewards and recognition, the study reveals a pressing need for improved two-way communication, more consistent feedback, and the integration of self-assessment features to make the process more interactive and meaningful.

A key concern is the current annual review system, which is seen as lacking the flexibility and regularity required to support continuous development and sustained employee motivation. Analytical tools such as Chi-square tests, correlation analysis, and the weighted average method identified critical areas for enhancement, especially the need to better align appraisals with individual career progression and to cultivate a culture of continuous improvement.

Although employees appreciate the structured nature of the system, the study emphasizes that making it more employee-focused—through regular feedback sessions, structured career growth discussions, and stronger recognition initiatives—would significantly improve engagement. Addressing these issues is essential for Benleng Infotech to foster a more motivated and productive workforce, ultimately driving higher job satisfaction and organizational performance.

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