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Employee perception on human resources practices in it industries – A study at Bangalore

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Abstract

India, the world's largest democracy and home to nearly one billion people, is quietly but quickly emerging as a leader in the field of software engineering and development. The Indian software industry is having a phenomenal compounded growth of about 60 percent per annum. Government of India has directed that 1-3 percent of the budget of every government department would be towards IT hardware and software. A good performance management system works towards the improvement of the overall organizational performance by managing the performances of teams and individuals for ensuring the achievement of the overall organizational ambitions and goals. It is absolutely applicable for software employees; an effective performance management system can play a very crucial role in managing the performance in an organization by ensuring that the employees understand the importance of their contributions to the organizational goals and objectives. Ensuring each employee understands what is expected from them and equally ascertaining whether the employees possess the required skills and support for fulfilling such expectations. Hence, these study socio-economic factors that are level of perception about the performance management practice which has been analyzed with the help of the simple percentage and descriptive statistics.

Keywords: Industry, IT, hardware, software, socio-economic, performance

Introduction

India, the world's largest democracy and home to nearly one billion people, is quietly but quickly emerging as a leader in the field of software engineering and development. The Indian software industry is having a phenomenal compounded growth of about 60 percent per annum. Government of India has directed that 1-3 percent of the budget of every government department would be towards IT hardware and software. In addition, the government has also withdrawn import duty on software. Both these policy initiatives from the government have further brought encouraging signals to the domestic software market. Microsoft's Chairman Bill Gates in his maiden visit to India stated that India would emerge as a software super power in the coming years. Based on the health of Indian software Industry, Bill Clinton, President of USA in his visit to India had predicted that India would have tremendous growth in the next two decades.

Statement of the Problem

India, the world's largest democracy and home to nearly one billion people, is quietly but quickly emerging as a leader in the field of software technology. Government of India has directed 1-3 percent of the budget of every government department would be towards IT hardware and software. In addition, the government has also withdrawn import duty on software. Software units are engaged in the production and marketing of software in the study area. Software industry employs different kinds of employees or professionals for various functions. Unlike other industries, software is a kind where human and machines are more important. That is why they have to renew and revise their knowledge, skills and behavior pattern in their work culture. It is very important that there should not be undue influence by machines and mechanical aspects. Thus, the management of human resources has occupied a pivotal role in determining the destiny of the software units.

The effectiveness of human resources employed depends to a larger extent how they are inducted, developed, evaluated and maintained. In this sense, this industry involves development and utilization of human resources.

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The kind of project available, their execution, cost estimation; competitive strength, team spirit and professionalism are the interesting factors affecting the strength of human resources. Thus, the utilization and management of human resources through performance management system become strategic in the sense that each area or activity of human resources management has gained importance. If employees are satisfied on the implementation of PMS, they will perceive well and exert every possible effort to carry out their responsibilities and duties assigned to them efficiently and effectively it will make the organization to which they belong more productive and successful.

Performance management sets expectations for employee performance and motivates employees to work hard in ways that is expected by the organization. Moreover, performance management system provides a completed and professional management process for organizations to assess the performance results of organization and employees.

Employee performance could be expected, assessed and encouraged. Macky and Johnson (2000) pressed that the importance of performance management system is on continuously improving organizational performance, and this is achieved by improved individual employee performance. Therefore, improving employee performance by using performance management system is a way to improve organizational performance. Hence this study investigates the employee performance management system in software companies.

Review of Literature

Di Fan and others (2014) ^[1], the study indicated that the impact of high performance work systems (HPWSs) on employees has been marginalised. In his study examines the impact of HPWSs on two psychological outcomes for employees, namely, subjective well-being (SWB) and workplace burnout, by utilising data collected from 1488 physicians and nurses in 25 Chinese hospitals. It also examines the moderating effects of employees' organisational based self-esteem (OBSE), as an individual intervention and physician–nurse relationships, as an organisational intervention, on the relationship between HPWSs and employee outcomes. The study was found that to increase employees' SWB and decrease burnout. Such well-being-enhancing and burnout-relieving effects are stronger when employees have high OBSE. The positive effect of HPWS on SWB has also stronger when there is a collaborative relationship among employees in an organisation.

Sheelam Jain and Ravindra Jain (2014) ^[2], the study assesses and compares the level of Performance Appraisal (PA) reactions among managers of public sector, private sector and foreign banks operating in India. The study were measured with respect to outcomes in terms of performance improvement and employee development; fairness of PA rating; accuracy of PA rating; providing feedback; explaining rating decisions; and overall satisfaction with appraisal system. The study found and suggested that although all the seven dimensions of PA reactions were found at moderate level in the three banking sectors providing feedback and explaining rating decisions were found at significantly higher levels in foreign banks operating in India as compared to public sector and private sector banks.

Jaya Bhalla and Giri (2014) ^[3], the study reviewed that the impact of Human Resource Management practices on employee turnover and productivity. The study found that the competitive business environment has put immense pressure on the Human Resource Management to define its existence. As such the Human Resource management practices must demonstrate that it can add value and deliver results to the companies and its shareholders. It concludes that Human Resource management practices should and retain excellent employees who, in turn, will enable a firm to provide high quality products and services

Neetu Yadav (2014) ^[4], the study examines the strategic flexibility aspects in performance management system through application of one of the recent developments like flexible strategy game-card. This framework incorporates the situation, actor, process and performance related aspects of an enterprise and combines dual perspective of performance. The mechanism of implementing flexible strategy game-card has been adopted in the context of one of the Indian automobile manufacturing enterprises, and it is revealed through the study that an effective performance management system can become a dynamic system through incorporating the dynamics of external and internal environment, feedback and corrective actions in the existing strategic interventions as well as developing new strategies and business plans.

Alamelu and others (2014) ^[5], the study reveals that the employee towards their existing PMS, analyzing its strength and weakness and the ways for impressing the existing system. The study has been found that the respondents are aware of the existing performance management system practices in their work place and the clear defined goals and they are adapting to changes in their working environment. The present study suggested that the existing PMS may be improved by involving employees in the process of identifying performance measures, proper training for employees, frequent interactions with employees by supervisors/ management reps, proper maintenance of PMS records.

Ashutosh Muduli (2015) ^[6], the study analyzed the relationship between high performance work system and organizational performance and to examined the role of human resource development climate in mediating the relationship between high performance work system and the organizational performance. The study found that the agreed with most of the research, HPWS is found to be positively related with organizational performance. The result does not agree with the HPWS research conducted in Asian countries. Taking clues from "Black Box" approach, the role of HRD.

Climate as a mediating factor has been studied. The result proved that HPWS influences organizational performance through a supportive development environment (HRD climate) based on openness, confrontation, trust, authenticity, autonomy, collaboration and experimentation.

Ushus Mathew and Johnney Johnson (2015) ^[7], the study is to explore and examine the relationship of work performance with the performance appraisal and motivation among nurses of a multi-specialty hospital in Kerala. The data were collected through the questionnaire. The sample size consists of 100 staff nurses of the particular hospital. Convenience sample was used to collect the data due to time and resource constraints. For analysis, regression and correlation techniques were used. Reliability analysis was

used to check the reliability of the data. The study found that the correlation and regression analysis show that there is positive relationship between work performance with the performance appraisal and negative relationship between work performance and motivation of the employees of hospital industry. The study concluded that the good motivation process to motivate employees and helps to improve existing performance appraisal system.

Objectives of the Study

1. To study the demographic profile of the respondents in the aspects of personal and work related factors of respondents.
2. To understanding level of perception about the performance management practice
3. To find out the important factors and its association by the selected sample respondents.

Sample Design

This study concentrated on the software industry in Bangalore city region of south India. The reason for selecting of the area of sample in Bangalore city, During 1991, the first In 1990, the Software Technology Parks of India's were established through three separate autonomous societies at Bengaluru is the hub of software development in India. The researcher taking into consideration for software technology parks in Bangalore. The Software Technology Parks in Karnataka headed by Bangalore and four sub-centers combined together 2276 firms were registered which accounts for 1457 firms in Bangalore city during the year 2013-14.

Sampling Technique

For designing a sampling plan, it is an extremely important to know about the characteristics of the population to be taken under study. The main population characteristics under study needs to be singled out very carefully so that the population may be sub-divided, in case of need, with respect to that particular characteristics, for ensuring the selection of a reliable sample. There are basically two methods of selecting sample from a population: random and non - random. The statistical inferences drawn from random or judgmental sampling may become technically improper for extending these to generalized conclusion. On the other hand, random samples may offer some safety against of the sampling improprieties. Three important random sampling: stratifies, cluster and simple may either be used individually or in collectively depending on the population equal chance of being selected. However, the success of this depends upon the characteristics of population. If population is homogeneous, then it may produce satisfactory. If the population is heterogeneous, then the population may be divided into strata and sample elements may be drawn from each stratum through simple random sampling.

Universe of the study: The universe of the present study covers the software companies in Bangalore. In this study, the universe concerned for software firm which concentrated the production, manufacturing or services. The employee of software firms who is located in the Bangalore city, according to the only factor to put an individual in the sample population is being employees working in software firms.

Sampling Frame: The employees who are working in software companies in Bangalore city. The selection of sample respondent firms considered into Software Technology Parks in Bangalore.

Sampling Method

In this study, the stratified random sampling was adopted for the selection of the sample respondents. In this study, based on stratified sampling the studied population units of employees are grouped into strata that are more homogeneous in terms of the feature to lower variations within the groups. Then, from each class, some examples are chosen proportionately. Therefore, the employees of software firm in Bangalore city were classified into their designation.

Sample Size

384 respondents for the study were selected using simple random sampling techniques was adopted and distributed the sample respondents in software firms. To achieve the confined Sample size of 384, the proportion was calculated based on the total population of the 120 leading software firms. For the purpose of data collection a total 384 employees were targeted from 120 software companies. Out of 384 responses received from sample companies, 357 were usable for analysis.

Data Collection

To address the research objectives both primary and secondary source of data are utilized. To organize the primary data, the researcher used structured questioners and interview techniques. Whereas, secondary data are obtained by investigation of related document from publications like books, journals, articles and abstracts and from unpublished sources like website, annual and quarterly report of the organizations under consideration and other material found in the various libraries.

Framework of Analysis

The data were presented in the form of tables which were systematically analyzed by using some statistical techniques such as percentage, mean, standard deviation, Chi-square test and mean difference, Correlation and Multiple Regression and Henry Garret ranking techniques was used to present the results with accurately. By using the SPSS 17.0 the primary data was interpreted.

Limitation of the Study

The current study has certain limitations that need to be considered for future research.

1. The data has been limited to five leading software companies of Bangalore only and more researches are needed to see how true the findings of this research are in other areas of the country.
2. The data has been collected only from the software employees, the opinion of the employees may vary from time to time.
3. The sample of the study has been restricted only 357.

Data Analysis and Interpretation

Performance management is about setting and achieving organizational objectives. The goals and objectives put forward by the employee in conjunction with the manager's assessment of the staff member's performance will

determine to a great extent the training and development objectives. Thus, the effectiveness of PMS to a large extent depends on the perception of its users. Research in this area also suggests that success of an organization to a large extent is influenced by the performance and motivation of its employees.

Nature of Employment

The nature of employment simply means the conditions of employment like job, responsibilities, compensation package, and classification of employment, a full time/ part time job, salary/hourly based pay and place of employment. Nature of employment is a key indicator of organizational success and therefore it becomes imperative to understand the process and implementation of PMS. The study was

conducted in software firms as the growth in the service sector in India has been led by the IT-ITES sector contributing substantially to increase in GDP, employment and exports. The nature of employment has been classified into two categories such as permanent employee and temporary or contract employees. The classification of employees is based on the year of experience.

According to the nature of employment the level of perception of employees in performance management system strongly varies. For this purpose, an attempt was made to analyze the relationship between the nature of the employment and the level of perception about performance management practice. The distribution of sample respondents according to the nature of employment and their mean score is shown in the following table 1.

Table 1: Nature of Employment and Perception about PM Practices

S. No	Nature of Employment	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Permanent	251	70.31	19.50	32	13	3.99
2	Contract / Temporary	106	29.69	19.32	29	13	3.55
	Total	357	100.00	19.45	32	13	3.86

It could be observed from the above table that the level of perception about performance management practice among the respondents of permanent employees ranged between 13 and 32 with an average of 19.50. On the other hand the level of perception about performance management practice among the respondents of temporary/contract employees ranged between 13 and 29 with an average of 19.32. From the analysis, it is inferred that the respondents of permanent

employees have perceived maximum level perception in performance management practices.

With a view to find the degree of association between nature of employment of the respondents and their level of perception in performance management practices, a two-way table has been prepared and is shown in the following table.

Table 2: Nature of Employment and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Nature of Employment	Level of Perception			Total
		Low	Medium	High	
1	Permanent	63	120	68	251
		(73.3%)	(68.6%)	(70.8%)	(70.3%)
2	Contract / Temporary	23	55	28	106
		(26.7%)	(31.4%)	(29.2%)	(29.7%)
Total		86	175	96	357
		(100.0%)	(100.0%)	(100.0%)	(100.0%)

It is highlighted from the above table that the percentage of high level of perception of employees among the respondents of permanent employees was 70.8% and among the respondents of contract/temporary employees was 29.2%. The percentage of medium level of perception of employees among the respondents of permanent employees was 68.6% and among the respondents of contract/temporary employees was 31.4%. On the other hand, the percentage of low level of perception of employees among the respondents of permanent employees was 73.3% and among the respondents of contract/temporary employees was 26.7%.

In order to find the relationship between the nature of employment of the respondents and their perception level in performance management practices, a chi-square test was employed and the result of test is shown in the following table.

Null Hypothesis (H₀): There is no significant relationship between nature of employment and level of perception in performance management practices.

Alternative Hypothesis (H₁): There is significant relationship between nature of employment and level of Perception in performance management practices

Table 3: Association between Nature of Employment and Level of Perception about PA Practices (Chi- Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Nature of Employment	0.623	5.991	2	Not Significant at 5% level

It is examined from the above table that the calculated chi-square value is lower than the table value and the result is not significant at 5% level. Hence, the null hypothesis (H₀) is accepted and the alternative hypothesis (H₁) is rejected. The hypothesis, “nature of employment of the respondents and their level of perception in performance management practices” are not associated. From the analysis, it is concluded that there is a no close relationship between nature of employment of the respondents and their level of perception in performance management practices.

Size of Organization

HRM plays a significant role in individual and organizational performance. Historical evidence suggests that one of the key dimensions which have always concerned organizations irrespective of its size and structure has been the performance of its employees which determines organizational performance and its success. Thus, size is one of the most significant areas of HRM pertains to performance management.

An attempt has been made by the researcher to know the association between the sizes of the organization with the

perception about performance management practices. For this purpose of this study, the respondents' organization size has been classified into two categories namely small scale and large scale. The sample consists of 116 (32.49%) respondents belonged to small scale organization and 241(67.51) respondents belongs to large scale organization. The distribution of sample respondents according to size of the organization and the level of perception in performance management practice are shown in the following table.

Table 4: Size of Organization and Perception about PM Practices

Sl. No	Size	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Small Scale	116	32.49	19.72	32	14	4.14
2	Large Scale	241	67.51	19.32	29	13	3.73
	Total	357	100.00	19.45	32	13	3.86

It is observed from the above table that the level of perception in performance management practices among the respondents belonged to small scale organization ranged between 14 and 32 with an average of 19.72. On the other hand, the level of perception in performance management practices among the respondents belonged to large scale organization ranged between 13 and 29 with an average of 19.32.

From the analysis, it is inferred that the respondents belonged to small scale organization have maximum level of perception in performance management practices than the other respondents.

With a view to find the association between the respondents' organization size and the level of perception in performance management practices, a two way table was prepared and is exhibited in the following table.

Table 5: Size of Organization and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Size	Level of Perception			Total
		Low	Medium	High	
1	Small Scale	29	51	36	116
		(33.7%)	(29.1%)	(37.5%)	(32.5%)
2	Large Scale	57	124	60	241
		(66.3%)	(70.9%)	(62.5%)	(67.5%)
Total		86	175	96	357
		(100.0%)	(100.0%)	(100.0%)	(100.0%)

It is highlighted from the above table that the percentage of high level of perception in performance management practices among the respondents belonged to large scale organization was 63.5% and among the respondents belonged to small scale organization was 37.5%. The percentage of medium level of perception in performance management practices among the respondents of large scale organization was 70.9% and among the respondents belonged to small scale organization 29.1%. On the other hand, the percentage of low level of perception in performance management practices among the respondents belonged to large scale organization category was 66.3% and among the respondents belonged to small scale organization was 33.7%.

In order to find the relationship between the organization size and the level of perception in performance management practice, the following hypothesis was framed and tested

with the help of chi-square test. The detailed results of the test are shown in the following table.

Hypothesis

Null Hypothesis (H₀): "There is no significant relationship between the organization size of the respondents and level of perception in performance management practice".

Alternative Hypothesis (H₁): "There is significant relationship between the organization size of the respondents and level of perception in performance management practice".

Table 6: Association between Size of Organization and Level of Perception about PM Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Size	2.052	5.991	2	Not Significant at 5% level

It is pinpointed from the above table that the calculated chi-square value is lower than the table value and the result is not significant at 5% level. Hence, the null hypothesis (H₀) is accepted and the alternative hypothesis (H₁) is rejected. The hypothesis, "organization size of the respondents and their level of perception in performance management practices" are not associated. From the analysis, it is concluded that there is no close relationship between organization size of the respondents and their level of perception in performance management practices.

Gender and Perception about Performance Management Practice

Gender is the range of characteristics pertaining to, and differentiating between and from masculinity and femininity. For the purpose of this study, gender of the respondents has been studied under two strata viz., male and female. The sample consist 130(36.41%) respondents belonged to male category and 227(63.59%) respondents belonged to female category. The distributions of sample respondents according to gender and the employees' level of perception in performance management practice are shown in the following table.

Table 7: Gender and Perception about PM Practices

Sl. No	Gender	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Male	130	36.41	19.24	32	13	3.84
2	Female	227	63.59	19.57	32	13	3.88
	Total	357	100.00	19.45	32	13	3.86

It is witnessed from the above table that the employee perception level in performance management practice among the male respondents ranged between 13 and 32 with an average of 19.24. Similarly, the employee perception level in performance management practice among the female category ranged between 13 and 32 with an average of 19.57. From the analysis, it is concluded that the employee perception level in performance management practice was comparatively high among female respondents than the male group. With a view to find the degree of association between gender of the respondents and their level of perception in performance management practice, a two-way table was prepared and displayed in the following table.

Table 8: Size of Organization and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Gender	Level of Perception			Total
		Low	Medium	High	
1	Male	36	59	35	130
		(41.9%)	(33.7%)	(36.5%)	(36.4%)
2	Female	50	116	61	227
		(58.1%)	(66.3%)	(63.5%)	(63.6%)
Total		86	175	96	357
		(100.0%)	(100.0%)	(100.0%)	(100.0%)

Table 9: Association between Gender and Level of Perception about PM Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Gender	1.653	5.991	2	Not Significant at 5% level

It is divulged from the above table that the calculated chi-square value is lower than the table value and the result is not significant at 5% level. Hence, the null hypothesis (H_0) is accepted and the alternative hypothesis (H_1) is rejected. The hypothesis, "Gender of the respondents and their level of perception in performance management practice" are not associated. From the analysis, it is concluded that there is no close relationship between gender of the respondents and their level of perception in performance management practice.

Age and Perception about Performance Management Practice

Age is one of the most important factors in decision making. Aged persons are respected more, due to wise decisions in all kinds of problems in personal as well as social life. In

It is lime lighted from the above table that the percentage of high level of perception in performance management practice among the female category of respondents was 63.5% and among the male respondents was 36.5%. The percentage of medium level of perception in performance management practice among the female respondents was 66.3% and among the male respondents was 33.7%. On the other hand, the percentage of low level of perception in performance management practice among the female respondents 58.1% and among the male respondents was 41.9%.

In order to find the relationship between gender of the respondents and their level of perception in performance management practice, the following hypothesis was framed and tested with the help of chi-square test. The detailed results of the test are shown in the following table.

Null Hypothesis (H_0): There is no significant relationship between gender of the respondents and their level of perception in performance management practice.

Alternative Hypothesis (H_1): There is significant relationship between gender of the respondents and their level of perception in performance management practice

general, aged persons are considered to be the better judges in perception decisions because of their experience. For this purpose, an attempt has been to know the level of perception of the respondents in performance management practice. For the purpose of this study, age of the respondents has been studied under four classification viz., below 25 years, 25-35 years, 35-45 years and above 45 years. The sample consist 33 (9.24%) respondents belonged to below 25 years age group, 176(49.30%) respondents belonged to 25-35 years age group, 98(27.45%) respondents belongs to 35-45 years age group and 50(14.01%) respondents belonged to above 45 years age group. The distribution of sample respondents according to their age and their level of perception in performance management practice are shown in the following table.

Table 10: Age and Perception about PM Practices

Sl. No	Age	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Below 25 Years	33	9.24	20.24	28	13	4.07
2	25 - 35 Years	176	49.30	18.78	29	13	3.55
3	35-45 Years	98	27.45	19.66	32	13	3.94
4	Above 45 Years	50	14.01	20.84	32	13	4.21
	Total	357	100.00	19.45	32	13	3.86

It could be observed from the above table that the level of perception in performance management practices among the respondents of below 25 years age group ranged between 13 and 28 with an average of 20.24. The level of perception in performance management practices among the respondents of 25 – 35 years age group ranged between 13 and 29 with an average of 18.78. The level of perception in performance management practices among the respondents of 35 – 45 years age group ranged between 13 and 32 with an average of 19.66. On the other hand, the level of perception in

performance management practices among the respondents of above 45 years age group ranged between 13 and 32 with an average of 14.01. From the analysis, it is inferred that the respondents of above 45 year’s age group have perceived maximum level of perception in performance management practices.

With a view to find the degree of association between age of the respondents and their level of perception in performance management practices, a two-way table was prepared and is shown in the following table.

Table 11: Age and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Age	Level of Perception			Total
		Low	Medium	High	
1	Below 25 Years	6	15	12	33
		(7.0%)	(8.6%)	(12.5%)	(9.2%)
2	25 - 35 Years	49	94	33	176
		(57.0%)	(53.7%)	(34.4%)	(49.3%)
3	35-45 Years	23	45	30	98
		(26.7%)	(25.7%)	(31.3%)	(27.5%)
4	Above 45 Years	8	21	21	50
		(9.3%)	(12.0%)	(21.9%)	(14.0%)
Total		86	175	96	357
		(100.0%)	(100.0%)	(100.0%)	(100.0%)

It is highlighted from the above table that the percentage of high level of perception in performance management practices among the respondents of 25-35 years age group was 34.4% and among the respondents of below 25 years age group was 12.5%. The percentage of medium level of perception in performance management practices among the respondents of 25-35 years age group was 53.7% and among the respondents of below 25 years age group was 8.6%. On the other hand, the percentage of low level of perception in performance management practices among the respondents of 25-35 years age group was 57.0% and among the respondents of below 25 years age group was 7.0%.

In order to find the relationship between the age of the respondents and their level of perception in performance management practices, a chi-square test was employed and the result of test is shown in the following table.

Null Hypothesis (H₀): There is no significant relationship between age and level of perception in performance management practices.

Alternative Hypothesis (H₁): There is significant relationship between age and level of perception in performance management practices.

Table 12: Association between Age and Level of Perception about PA Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Age	14.541	12.592	6	Significant at 5% level

It is examined from the above table that the calculated chi-square value is greater than the table value and the result is significant at 5% level. Hence, the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. The hypothesis, “Age of the respondents and their level of perception in performance management practices” are associated, holds good. From the analysis, it is concluded that there is a close relationship between age of the respondents and their level of perception in performance management practices.

Educational qualification and Perception about Performance Management Practices

The education factor has a greater value in the society. Education sharpens the wisdom of the individuals. Hence,

the educated persons are able to take correct decisions. For the purpose of this study, education level of the respondents has been classified into four categories viz., Diploma, under graduate, post graduate and others qualification. The sample has consisted of 310 (86.83%) respondents who belong to diploma education category, 11 (3.08%) respondents studied up to the graduate level of education, 18 (5.04%) respondents who have studied up to the post- graduation level of education, and 18 (5.04%) respondents who have other educational qualification. The distribution of sample respondents according to their educational level and the mean score of perception among the respondents is shown in table 13.

Table 13: Educational Qualification and Perception about PM Practices

Sl. No	Educational Qualification	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Diploma	310	86.83	19.41	32	13	3.81
2	UG	11	3.08	21.55	28	17	2.88
3	PG	18	5.04	20.78	29	14	4.45
4	Others	18	5.04	17.56	28	13	3.87
Total		357	100.00	19.45	32	13	3.86

It could be observed from the above table that the level of perception in performance management practices among the respondents of diploma level of education ranged between 13 and 32 with an average of 19.41. The level of perception in performance management practices among the respondents of under graduate level of education ranged between 17 and 28 with an average of 21.55. The level of perception in performance management practices among the respondents of post graduate level of education ranged between 14 and 29 with an average of 20.78. On the other hand, the level of perception in performance management

practices among the respondents of other education level qualification ranged between 13 and 28 with an average of 17.56. From the analysis, it is inferred that the respondents of post graduate level of education have perceived maximum level of perception in performance management practices.

With a view to find the degree of association between educational qualification of the respondents and their level of perception in performance management practices, a two-way table was prepared and is shown in the following table.

Table 14: Educational Qualification and Level of Perception about Performance Management Practices (Two- Way Table)

Sl. No	Educational Qualification	Level of Perception			Total
		Low	Medium	High	
1	Diploma	84	181	99	364
		(23.1%)	(49.7%)	(27.2%)	(100.0%)
2	UG	2	0	0	2
		(100.0%)	(0.0%)	(0.0%)	(100.0%)
3	PG	2	7	2	11
		(18.2%)	(63.6%)	(18.2%)	(100.0%)
4	Others	12	8	3	23
		(52.2%)	(34.8%)	(13.0%)	(100.0%)
Total		100	196	104	400
		(25.0%)	(49.0%)	(26.0%)	(100.0%)

It is highlighted from the above table that the percentage of high level of perception in performance management practices among the respondents of diploma level education was 27.2% and among the respondents of graduate level education was 0.0%. The percentage of medium level of perception in performance management practices among the respondents of post graduate level of education was 63.6% and among the respondents of graduate level of education was 0.0%. On the other hand, the percentage of low level of perception in performance management practices among the respondents of graduate level of education was 100.0% and among the respondents of post graduate level of education was 18.2%. In order to find the

relationship between the educational qualification of the respondents and their level of perception in performance management practices, a chi-square test was employed and the result of test is shown in the following table.

Null Hypothesis (H₀): There is no significant relationship between educational qualification and the level of perception in performance management practices.

Alternative Hypothesis (H₁): There is significant relationship between education qualification and the level of perception in performance management practices.

Table 15: Association between Educational Qualification and Level of Perception about Performance Management Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Educational Qualification	12.782	12.592	6	Significant at 5% level

It is examined from the above table that the calculated chi-square value is greater than the table value and the result is significant at 5% level. Hence, the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. The hypothesis, "Education Qualification of the respondents and their level of perception in performance management practices" are associated, holds good. From the analysis, it is concluded that there is a close relationship between educational qualification of the respondents and their level of perception in performance management practices.

Annual Salary and Level of perception about Performance Management Practices

The income position of an individual determines their respect and recognition in the society. For the purpose of this study, the income generated by the sample respondents have been studied under four categories viz., below 3 lakh per year, 3 to 6 lakh per year, 6-10 lakh per year and above 10 lakh per year. The sample consists of 126(35.29%) respondents' annual income is below 3 lakh, 155(43.42%) respondents who belongs to 3 to 6 lakh category and 52(14.57%) respondents are earning 6-10 lakh and 24(6.72%) of respondents are earning above 10 lakh per year.

Table 16: Annual Salary and Perception about PM Practices

Sl. No	Annual Salary	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	Below 3 lakh	126	35.29	19.87	32	13	4.19
2	3-6 lakh	155	43.42	19.01	32	13	3.58
3	6-10lakh	52	14.57	20.21	28	13	3.61
4	above 10 lakh	24	6.72	18.38	27	13	4.00
	Total	357	100.00	19.45	32	13	3.86

It is learned from the above table that the level of perception in performance management practices among the respondents earning upto 3 lakh per year ranged between 13 and 32 with an average of 19.87. The respondents who earned 3 to 6 lakh per year have perceived in performance management practices ranged between 13 and 32 with an average of 19.01. On the other hand, the level of perception in performance management practices among the respondents earning 6 to 10 lakh per year have perceived in performance management practices ranged between 13 and 28 with an average of 20.21 and the earnings above Rs.10 lakh per year have perceived in performance management practices ranged between 13 and 27 with an average of 18.38. From the analysis, it is inferred that the respondents earning below 3 lakh per year have perceived maximum level of perception in performance management practice than the other category.

With a view to find the association between respondents' annual income and level of employee perception in performance management practices, a two way table was prepared and is exhibited in the underneath table.

Table 17: Annual Salary and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Annual Salary	Level of Perception			Total
		Low	Medium	High	
1	Below 3 lakh	30	59	37	126
		(34.9%)	(33.7%)	(38.4%)	(35.3%)
2	3-6 lakh	42	76	37	155
		(48.8%)	(43.4%)	(38.5%)	(43.4%)
3	6-10lakh	7	29	16	52
		(8.1%)	(16.6%)	(16.7%)	(14.6%)
4	above 10 lakh	7	11	6	24
		(8.1%)	(6.3%)	(6.4%)	(6.7%)
Total		86	175	96	357
		(100.0%)	(100.0%)	(100.0%)	(100.0%)

It is highlighted from the above table that the percentage of high level of perception in performance management practices among the respondents earning from 3 to 6 lakh was 38.4% and among the respondents earning above 10 lakh per year was 6.4%. The percentage of medium level of perception in performance management practices among the respondents earning from 3 to 6 lakh per annum was 43.4% and among the respondents earning above 10 lakh per annum 6.3%. On the other hand, the percentage of low level of perception in performance management practices among the respondents earning from 3 lakh to 6 lakh per annum was 48.8% and among the respondents earning above 10 lakh was 8.1% and also earnings 6 to 10 lakh per annum.

In order to find the relationship between annual income and the level of employee perception in performance management practices, a Chi-square test was used to test the hypothesis and the result of the test is given below.

Null Hypothesis (H₀): “There is no significant relationship between respondents' annual income and the level of employee perception in performance management practices”.

Alternative Hypothesis (H₁): “There is significant relationship between respondents' annual income and the level of employee perception in performance management practices”.

Table 18: Association between Salary and Level of Perception about PM Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Annual Salary	5.073	12.592	6	Not Significant at 5% level

It is pinpointed from the above table that the calculated chi-square value is lower than the table value and the result is not significant at 5% level. Hence, the null hypothesis (H₀) is accepted and the alternative hypothesis (H₁) is rejected. The hypothesis, “Annual income of the respondents and their level of perception in performance management practices” are not associated. From the analysis, it is concluded that there is no close relationship between annual income of the respondents and their level of perception in performance management practices.

Work Experience and Perception about Performance management practices

The work experience is the most important factor in determining the level of employee perception. The perception level will vary from year to year based on the experience. An attempt has been made to know the association between year of experience of the respondents and their level of perception in adopting the performance management practices. For the purpose of this study, has been classified into three categories viz., 0-5 year, 6-10 years and above 10 years. The sample consisted 204(57.14%) respondents having 0 to 5 years' experience, 119 (33.33%) respondents belonged to 6 to 10 years of experience and 34 (9.52%) respondents from above 10 years of experience. The distribution of sample respondents according to their year of experience and their level of perception in adopting the performance management practices are shown in the following table.

Table 19: Work Experience and Perception about PM Practices

Sl. No	Year of Experience	N	Percent (%)	Average	Range		Std. Deviation
					Min	Max	
1	0-5 Years	204	57.14	19.59	32	13	4.01
2	6-10 Years	119	33.33	19.41	28	13	3.58
3	Above 10 years	34	9.52	18.71	28	13	3.93
	Total	357	100.00	19.45	32	13	3.86

The above table makes it evident that the level of perception by the 0 to 5 years of experience of the respondents in adopting the performance management practices ranged between 13 and 32 with an average of 19.59. The level of perception in the performance management practices by the respondents who belonged to 6 to 10 years of experience ranged between 13 and 28 with an average of 19.41. The level of perception in adopting the performance management practices by the above 10 years of experience respondents ranged between 13 and 28 with an average of 18.71. Thus, it can be concluded from the analysis that the respondents who belonged to 0 to 5 years of experienced employees have a maximum level of perception in adopting the performance management practices.

With a view to find the degree of association between the respondents' year of experience and the level of perception in the performance management practices, a two-way table was prepared and the results are illustrated in the following.

Table 20: Experience and Level of Perception about Performance Management Practices (Two-Way Table)

Sl. No	Experience	Level of Perception			Total
		Low	Medium	High	
1	0-5 Years	51 (59.3%)	93 (53.1%)	60 (62.5%)	204 (57.1%)
2	6-10 Years	26 (30.2%)	66 (37.7%)	27 (28.1%)	119 (33.3%)
3	Above 10 years	9 (10.5%)	16 (9.1%)	9 (9.4%)	34 (9.5%)
	Total	86 (100.0%)	175 (100.0%)	96 (100.0%)	357 (100.0%)

It is highlighted from the above table that the percentage of high level of perception in performance management practices among the respondents experience from 0 to 5 years was 62.5% and among the respondents experience from 6 to 10 years was 53.1% and among the respondents experience from 6 to 10 years was 9.1%. On the other hand, the percentage of low level of perception in performance management practices among the respondents experience above 10 years was 59.3% and among the respondents experience above 10 years was 10.5%. In order to find the relationship between year of experience and the level of employee perception in performance management practices, a Chi-square test was used to test the hypothesis and the result of the test is given below.

Null Hypothesis (H₀): "There is no significant relationship between respondents' work experience and the level of employee perception in performance management practices".

Alternative Hypothesis (H₁): "There is significant relationship between respondents' work experience and the level of employee perception in performance management practices".

Table 21: Association between Experience and Level of Perception about PM Practices (Chi-Square Test)

Factor	Calculated χ^2 Value	Table Value	D.F.	Remarks
Experience	3.188	9.488	4	Not Significant at 5% level

It is pinpointed from the above table that the calculated chi-square value is lower than the table value and the result is not significant at 5% level. Hence, the null hypothesis (H₀) is accepted and the alternative hypothesis (H₁) is rejected. The hypothesis, "Year of experience of the respondents and their level of perception in performance management practices" are not associated. From the analysis, it is concluded that there is no close relationship between year experience of the respondents and their level of perception in performance management practices.

6. Conclusion

The employee's perception on various aspects of personal and work related characteristics with PMS practices reflected that employee's have more satisfied with the present performance management practices. The study showed the high level of perception according to their gender age, annual salary and work experience of performance management practices. The employee satisfaction towards the studied dimension of performance management system by the sample respondents, performance planning, feedback, employee's participation, perceived system knowledge, procedural justice, distributive justice and interactional justice were positively and significantly associated with employee satisfaction. The positive values indicate that there is a direct relation between the performance management system and satisfaction of employees also explained through the analytical model of performance management system and employee's satisfaction. The present study empirically explores the PMS practices followed by the selected software a firm in Bangalore provides a detailed picture of how performance management is implemented in the organizations under study.

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