

Project Report

**“STUDY OF PERFORMANCE APPRAISAL TECHNIQUES OF
SBI WITH REFERENCE TO NAGPUR BRANCH”**

Submitted to

G. S. COLLEGE OF COMMERCE & ECONOMICS, NAGPUR

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RASHTRASANT TUKADOJI MAHARAJ NAGPUR UNIVERSITY, NAGPUR

In partial fulfilment for the award of the degree of

BACHELOR OF BUSINESS ADMINISTRATION

Submitted by

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Academic Year 2022 – 23



G.S. College Of Commerce & Economics , Nagpur

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CERTIFICATE

This is to certify that “**Vaishnavi Wasankar**” has submitted the project report titled “**Study of Performance Appraisal Techniques of SBI with Reference to Nagpur Branch**” towards partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he has ingeniously completed his project as prescribed by **Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.**

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Academic Year 2022 – 23

DECLARATION

I here-by declare that the project with title “**Study of Performance Appraisal Techniques of SBI With Reference to Nagpur Branch**” has been completed by me in partial fulfilment of BACHELOR OF BUSINESS ADMINISTRATION degree examination as prescribed by **Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur** and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

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Chapter 1

Introduction

INTRODUCTION

Human resource management (HRM or HR) is the strategic approach to the effective management of people in a company or organization such that they help their business gain a competitive advantage. It is designed to maximize employee performance in service of an employer's strategic objectives.

Performance Appraisal is a systematic, general and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organizational objectives. Other aspects of individual employees are considered as well, such as organizational citizenship behaviour, accomplishments, potential for future improvement, strengths and weaknesses, etc.

To collect performance appraisal data, there are three main methods: objective production, personnel, and judgmental evaluation. Judgmental evaluations are the most commonly used with a large variety of evaluation methods. Historically, performance appraisal has been conducted annually (long-cycle appraisals); however, many companies are moving towards shorter cycles (every six months, every quarter), and some have been moving into short-cycle (weekly, bi-weekly) performance appraisal.

Performance management systems are employed "to manage and align" all of an organization's resources in order to achieve highest possible performance. "How performance is managed in an organization determines to a large extent the success or failure of the organization. Therefore, improving performance appraisal for everyone should be among the highest priorities of contemporary organizations".

Meaning of Performance Appraisal:

Performance means doing a job effectively and efficiently, with a minimum degree of employee-created disruptions. A good worker is one who performs well in terms of productivity and also minimises problems for organisation by being to work on time, by not remaining absent, and by minimising work related problems. Performance appraisal is sometimes termed as employee appraisal, merit rating, personnel rating and personnel performance evaluation. The appraisal of other's performance is a fundamental human act.

Performance appraisal is the systematic evaluation of the individual with respect to his performance on the job and his potential for development. Performance appraisal employs rating techniques for comparing individual employees in the work group, in terms of personal qualities or deficiencies and the requirements of their respective jobs.

Scott, Clothier and Spiegel have defined performance appraisal as “process of evaluating the employees performance on the job in terms of requirements of the job.”

According to Yodder, performance appraisal refers to all formal procedures used in working organisations to evaluate personalities and contributions and potential group of members.

Performance appraisal can be defined as, **“the process of assessing the performance and progress of an employee or a group of employees on a given job and his potential for future development”**.

Flippo defined the performance appraisal as, **“the systematic, periodic and an impartial rating of an employee’s excellence in matters pertaining to his present job and his potential for a better job.”**

A performance appraisal is a systematic, general and periodic process that assesses an individual employee's job performance and productivity in relation to certain pre-established criteria and organizational objectives. Other aspects of individual employees are considered as well, such as organizational citizenship behaviour, accomplishments, potential for future improvement, strengths and weaknesses, etc.

To collect PA data, there are three main methods: objective production, personnel, and judgmental evaluation. Judgmental evaluations are the most commonly used with a large variety of evaluation methods. Historically, PA has been conducted annually (long-cycle appraisals); however, many companies are moving towards shorter cycles (every six months, every quarter), and some have been moving into short-cycle (weekly, bi-weekly) PA. The interview could function as "providing feedback to employees, counselling and developing employees, and conveying and discussing compensation, job status, or disciplinary decisions". PA is often included in performance management systems. PA helps the subordinate answer two key questions: first, "What are your expectations of me?" second, "How am I doing to meet your expectations?"

Performance management systems are employed "to manage and align" all of an organization's resources in order to achieve highest possible performance. "How performance is managed in an organization determines to a large extent the success or failure of the organization. Therefore, improving PA for everyone should be among the highest priorities of contemporary organizations".

Some applications of PA are compensation, performance improvement, promotions, termination, test validation, and more. While there are many potential benefits of PA, there are also some potential drawbacks. For example, PA can help facilitate management-

employee communication; however, PA may result in legal issues if not executed appropriately, as many employees tend to be unsatisfied with the PA process. PAs created in and determined as useful in the United States are not necessarily able to be transferable cross-culturally.

Application of results

A central reason for the utilization of performance appraisals (PAs) is performance improvement ("initially at the level of the individual employee, and ultimately at the level of the organization"). Other fundamental reasons include "as a basis for employment decisions (e.g. promotions, terminations, transfers), as criteria in research (e.g. test validation), to aid with communication (e.g. allowing employees to know how they are doing and organizational expectations), to establish personal objectives for training" programs, for transmission of objective feedback for personal development, "as a means of documentation to aid in keeping track of decisions and legal requirements" and in wage and salary administration. Additionally, PAs can aid in the formulation of job criteria and selection of individuals "who are best suited to perform the required organizational tasks". A PA can be part of guiding and monitoring employee career development. PAs can also be used to aid in work motivation through the use of reward systems.

Potential benefits

There are a number of potential benefits of organizational performance management conducting formal performance appraisals (PAs). There has been a general consensus in the belief that PAs lead to positive implications of organizations. Furthermore, PAs can benefit an organization's effectiveness. One way is PAs can often lead to giving individual workers feedback about their job performance. From this may spawn several potential benefits such as the individual workers becoming more productive.

Other potential benefits include:

- Facilitation of communication: communication in organizations is considered an essential function of worker motivation. It has been proposed that feedback from PAs aid in minimizing employees' perceptions of uncertainty. Fundamentally, feedback and management-employee communication can serve as a guide in job performance.
- Enhancement of employee focus through promoting trust: behaviours, thoughts, and/or issues may distract employees from their work, and trust issues may be among these distracting factors. Such factors that consume psychological energy can lower job performance and cause workers to lose sight of organizational goals. Properly constructed

and utilized PAs have the ability to lower distracting factors and encourage trust within the organization.

- Goal setting and desired performance reinforcement: organizations find it efficient to match individual worker's goals and performance with organizational goals. PAs provide room for discussion in the collaboration of these individual and organizational goals. Collaboration can also be advantageous by resulting in employee acceptance and satisfaction of appraisal results.
- Performance improvement: well constructed PAs can be valuable tools for communication with employees as pertaining to how their job performance stands with organizational expectations. "At the organizational level, numerous studies have reported positive relationships between human resource management (HRM) practices" and performance improvement at both the individual and organizational levels.
- Determination of training needs: "Employee training and development are crucial components in helping an organization achieve strategic initiatives". It has been argued that for PAs to truly be effective, post-appraisal opportunities for training and development in problem areas, as determined by the appraisal, must be offered. PAs can especially be instrumental for identifying training needs of new employees. Finally, PAs can help in the establishment and supervision of employees' career goals.

Potential complications

Despite all the potential advantages of formal performance appraisals (PAs), there are also potential drawbacks. It has been noted that determining the relationship between individual job performance and organizational performance can be a difficult task. Generally, there are two overarching problems from which several complications spawn. One of the problems with formal PAs is there can be detrimental effects to the organization(s) involved if the appraisals are not used appropriately. The second problem with formal PAs is they can be ineffective if the PA system does not correspond with the organizational culture and system.

Potential complications that may arise:

- Detrimental impact to performance improvement: It has been proposed that the use of PA systems in organizations adversely affects organizations' pursuits of quality performance. It is believed by some scholars and practitioners that the use of PAs is unnecessary if there is total quality management.
- Subjective evaluations: Subjectivity is related to judgement based on a supervisor's subjective impressions and opinions, which can be expressed through the use of subjective performance measures, ex post flexibility in the weighting of objective

performance measures, or ex post discretionary adjustment, all of which are based on factors other than performance measures specified ex ante. Traditional performance appraisals are often based upon a manager's or supervisor's perceptions of an employee's performance and employees are evaluated subjectively rather than objectively. Therefore, the review may be influenced by many non-performance factors such as employee 'likeability', personal prejudices, ease of management, and/or previous mistakes or successes. Reviews should instead be based on data-supported, measurable behaviours and results within the performers control.

- Negative perceptions: "Quite often, individuals have negative perceptions of PAs". Receiving and/or the anticipation of receiving a PA can be uncomfortable and distressful and potentially cause "tension between supervisors and subordinates". If the person being appraised does not trust their employer, appraiser or believe that they will benefit from the process it may become a "tick box" exercise.
- Errors: Performance appraisals should provide accurate and relevant ratings of an employee's performance as compared to pre-established criteria/goals (i.e. organizational expectations). Nevertheless, supervisors will sometimes rate employees more favourably than that of their true performance in order to please the employees and avoid conflict. "Inflated ratings are a common malady associated with formal" PA.
- Legal issues: when PAs are not carried out appropriately, legal issues could result that place the organization at risk. PAs are used in organizational disciplinary programs as well as for promotional decisions within the organization. The improper application and utilization of PAs can affect employees negatively and lead to legal action against the organization.
- Performance goals: performance goals and PA systems are often used in association. Negative outcomes concerning the organizations can result when goals are overly challenging or overemphasized to the extent of affecting ethics, legal requirements, or quality. Moreover, challenging performance goals can impede an employees' abilities to acquire necessary knowledge and skills. Especially in the early stages of training, it would be more beneficial to instruct employees on outcome goals than on performance goals.
- Derail merit pay or performance-based pay: some researchers contend that the deficit in merit pay and performance-based pay is linked to the fundamental issues stemming from PA systems.

Improvements

Although performance appraisals can be biased, there are certain steps that can be taken to improve the evaluations and reduce the margin of errors through the following:

- Training - Bringing awareness to the potential for bias by training the Evaluators to be aware of the difference of skills and abilities between employees and how to subjectively consider these traits.
- Providing Feedback to Ratters - Trained ratters' provide managers who evaluated their subordinates with feedback, including information on ratings from other managers. This has the potential to reduce leniency errors.
- Subordinate Participation - By allowing employee participation in the evaluation process, there is employee-supervisor reciprocity in the discussion for any discrepancies between self ratings and supervisor ratings, thus, increasing job satisfaction and motivation.

Effectiveness

Leadership development coach Jack Zenger urges companies to find alternatives to annual performance reviews, and says that research supports the following:

- Frequent discussions with employees are better than annual reviews
- Talking about future goals is more productive than past performance, especially with clear targets, deadlines, and the participation of the employee
- Negative feedback can cause defensiveness and worsen productivity
- Positive feedback does little to improve productivity, though does improve the interpersonal relationship with the person giving the feedback
- Neither managers nor employees like performance reviews
- Higher-level employees receive performance reviews less frequently
- Annual reviews are often justified on the grounds they are needed for salary changes, but they are not actually necessary, and empirically they would make little difference for most employees

Seniority and labour contracts

Labour union contracts sometimes specify that promotions, layoffs, and various perks are assigned in order of seniority, rather than based on performance. Historically, this was one means to prevent cronyism, nepotism, and corruption, and could also be seen as a form of solidarity. If employers have a reliable way to

distinguish productive from unproductive workers, then firing the worst employees and hiring replacements would be one way to increase the overall productivity of the firm, and possibly increase profits or lower consumer prices. Some labour contracts specify a way to take merit into account when firing or promoting, often involving performance reviews. For example, union rules might require an employer to warn a poorly performing employee and have a probationary period before firing. The records generated by performance reviews might be consulted during binding arbitration to decide whether a firing was justified.

Resistance from managers

Managers who have had unsatisfactory experiences with inadequate or poorly designed appraisal programs may be sceptical about their usefulness.

- Some managers may not like to play the role of a judge and be responsible for the future of their subordinates.
- They may be uncomfortable about providing negative feedback to the employees.
- This tendency can lead them to inflate their assessments of the workers' job performance, giving higher ratings than deserved.

Industry profile

A bank is a financial institution that provides banking and other financial services to their customers. A bank is generally understood as an institution which provides fundamental banking services such as accepting deposits and providing loans. There are also nonbanking institutions that provide certain banking services without meeting the legal Banks are a subset of the financial services industry.

The Banking sector offers several facilities and opportunities to their customers. All the banks safeguards the money and valuables and provide loans, credit, and payment services, such as checking accounts, money orders, and cashier's cheques. The banks also offer investment and insurance products. As a variety of models for cooperation and integration among finance industries have emerged, some of the traditional distinctions between banks, insurance companies, and securities firms have diminished. In spite of these changes, banks continue to maintain and perform their primary role—accepting deposits and lending funds from these deposits.

As per the Reserve Bank of India (RBI), India's banking sector is sufficiently capitalized and well-regulated. The financial and economic conditions in the country are far superior to any other country in the world. Credit, market and liquidity risk studies suggest that Indian banks are generally resilient and have withstood the global downturn well.

Indian banking industry has recently witnessed the roll out of innovative banking models like payments and small finance banks. RBI's new measures may go a long way in helping the restructuring of the domestic banking industry.

The digital payments system in India has evolved the most among 25 countries with India's Immediate Payment Service (IMPS) being the only system at level 5 in the Faster Payments Innovation Index (FPII).

Banking in India

"Indian Banks" redirects here. For the historic house in the United States, see Indian Banks (Simonson, Virginia).

Modern **banking in India** originated in the last decade of the 18th century. Among the first banks were the Bank of Hindustan, which was established in 1770 and liquidated in 1829–32; and the General Bank of India, established in 1786 but failed in 1791.

The largest and the oldest bank which is still in existence is the State Bank of India (S.B.I). It originated and started working as the Bank of Calcutta in mid-June 1806. In 1809, it was renamed as the Bank of Bengal. This was one of the three banks founded by a presidency government, the other two were the Bank of Bombay in 1840 and the Bank of Madras in 1843. The three banks were merged in 1921 to form the Imperial Bank of India, which upon India's independence, became the State Bank of India in 1955. For many years the presidency banks had acted as quasi-central banks, as did their successors, until the Reserve Bank of India was established in 1935, under the Reserve Bank of India Act, 1934.

In 1960, the State Banks of India was given control of eight state-associated banks under the State Bank of India (Subsidiary Banks) Act, 1959. These are now called its associate banks. In 1969 the Indian government nationalised 14 major private banks; one of the big banks was Bank of India. In 1980, 6 more private banks were nationalised. These nationalised banks are the majority of lenders in the Indian economy. They dominate the banking sector because of their large size and widespread networks.

The Indian banking sector is broadly classified into scheduled and non-scheduled banks. The scheduled banks are those included under the 2nd Schedule of the Reserve Bank of India Act, 1934. The scheduled banks are further classified into: nationalised banks; State Bank of

India and its associates; Regional Rural Banks (RRBs); foreign banks; and other Indian private sector banks. The term commercial banks refers to both scheduled and non-scheduled commercial banks regulated under the Banking Regulation Act, 1949.

Generally the supply, product range and reach of banking in India is fairly mature-even though reach in rural India and to the poor still remains a challenge. The government has developed initiatives to address this through the State Bank of India expanding its branch network and through the National Bank for Agriculture and Rural Development (NABARD) with facilities like microfinance.

History

Ancient India

The Vedas (2000–1400 BCE) are the earliest Indian texts to mention the concept of usury, with the word kusidin translated as "usurer". The Sutras (700–100 BCE) and the Jatakas (600–400 BCE) also mention usury. Texts of this period also condemned usury: Vasishtha forbade Brahmin and Kshatriya varnas from participating in usury. By the 2nd century CE, usury became more acceptable. The Manusmriti considered usury an acceptable means of acquiring wealth or leading a livelihood. It also considered money lending above a certain rate and different ceiling rates for different castes a grave sin.

The Jatakas, Dharmashastras and Kautilya also mention the existence of loan deeds, called rnapatra, rnapanna, or rnalekhaya.

Later during the Mauryan period (321–185 BCE), an instrument called adesha was in use, which was an order on a banker directing him to pay the sum on the note to a third person, which corresponds to the definition of a modern bill of exchange. The considerable use of these instruments has been recorded. In large towns, merchants also gave letters of credit to one another.

Medieval era

The use of loan deeds continued into the Mughal era and were called dastawez. Two types of loans deeds have been recorded. The dastawez-e-indultalab was payable on demand and dastawez-e-miadi was payable after a stipulated time. The use of payment orders by royal treasuries, called barattes, have been also recorded. There are also records of Indian bankers using issuing bills of exchange on foreign countries. The evolution of hundis, a type of credit instrument, also occurred during this period and remain in use

Colonial era

During the period of British rule merchants established the Union Bank of Calcutta in 1829, first as a private joint stock association, then partnership. Its proprietors were the owners of the earlier Commercial Bank and the Calcutta Bank, who by mutual consent created Union Bank to replace these two banks. In 1840 it established an agency at Singapore, and closed the one at Mirzapore that it had opened in the previous year. Also in 1840 the Bank revealed that it had been the subject of a fraud by the bank's accountant. Union Bank was incorporated in 1845 but failed in 1848, having been insolvent for some time and having used new money from depositors to pay its dividends.

The Allahabad Bank, established in 1865 and still functioning today, is the oldest Joint Stock bank in India, it was not the first though. That honour belongs to the Bank of Upper India, which was established in 1863 and survived until 1913, when it failed, with some of its assets and liabilities being transferred to the Alliance Bank of Simla.

Foreign banks too started to appear, particularly in Calcutta, in the 1860s. Grindlays Bank opened its first branch in Calcutta in 1864. The Comptoir d'Escompte de Paris opened a branch in Calcutta in 1860, and another in Bombay in 1862; branches followed in Madras and Pondicherry, then a French possession. HSBC established itself in Bengal in 1869. Calcutta was the most active trading port in India, mainly due to the trade of the British Empire, and so became a banking centre.

The first entirely Indian joint stock bank was the Oudh Commercial Bank, established in 1881 in Faizabad. It failed in 1958. The next was the Punjab National Bank, established in Lahore in 1894, which has survived to the present and is now one of the largest banks in India.

Around the turn of the 20th Century, the Indian economy was passing through a relative period of stability. Around five decades had elapsed since the Indian rebellion, and the social, industrial and other infrastructure had improved. Indians had established small banks, most of which served particular ethnic and religious communities.

The presidency banks dominated banking in India but there were also some exchange banks and a number of Indian joint stock banks. All these banks operated in different segments of the economy. The exchange banks, mostly owned by Europeans, concentrated on financing foreign trade. Indian joint stock banks were generally under capitalised and lacked the experience and maturity to compete with the presidency and exchange banks. This segmentation let Lord Curzon to observe, "In respect of banking it seems we are behind the times. We are like some old fashioned sailing ship, divided by solid wooden bulkheads into separate and cumbersome compartments.

The period between 1906 and 1911 saw the establishment of banks inspired by the Swadeshi movement. The Swadeshi movement inspired local businessmen and political figures to found banks of and for the Indian community. A number of banks established then have survived to the present such as Catholic Syrian Bank, The South Indian Bank, Bank of India, Corporation Bank, Indian Bank, Bank of Baroda, Canara Bank and Central Bank of India.

The fervour of Swadeshi movement led to the establishment of many private banks in Dakshina Kannada and Udupi district, which were unified earlier and known by the name South Canara (South Kanara) district. Four nationalised banks started in this district and also a leading private sector bank. Hence undivided Dakshina Kannada district is known as "Cradle of Indian Banking".

The inaugural officeholder was the Britisher Sir Osborne Smith(1 April 1935), while C. D. Deshmukh(11 August 1943) was the first Indian governor. On December 12, 2018,Shaktikanta Das, who was the finance secretary with the Government of India, begins his journey as the new RBI Governor, taking charge from Urjit R Patel.

During the First World War (1914–1918) through the end of the Second World War (1939–1945), and two years thereafter until the independence of India were challenging for Indian banking. The years of the First World War were turbulent, and it took its toll with banks simply collapsing despite the Indian economy gaining indirect boost due to war-related economic activities.

Post-Independence

During 1938–46, bank branch offices trebled to 3,469 and deposits quadrupled to 962 crore. Nevertheless, the partition of India in 1947 adversely impacted the economies of Punjab and West Bengal, paralysing banking activities for months. India's independence marked the end of a regime of the Laissez-faire for the Indian banking. The Government of India initiated measures to play an active role in the economic life of the nation, and the Industrial Policy Resolution adopted by the government in 1948 envisaged a mixed economy. This resulted in greater involvement of the state in different segments of the economy including banking and finance. The major steps to regulate banking included:

- The Reserve Bank of India, India's central banking authority, was established in April 1935, but was nationalized on 1 January 1949 under the terms of the Reserve Bank of India (Transfer to Public Ownership) Act, 1948 (RBI, 2005b).
- In 1949, the Banking Regulation Act was enacted, which empowered the Reserve Bank of India (RBI) to regulate, control, and inspect the banks in India.

- The Banking Regulation Act also provided that no new bank or branch of an existing bank could be opened without a license from the RBI, and no two banks could have common directors.

Nationalisation in 1969 and 1980

Despite the provisions, control and regulations of the Reserve Bank of India, banks in India except the State Bank of India (SBI), remain owned and operated by private persons. By the 1960s, the Indian banking industry had become an important tool to facilitate the development of the Indian economy. At the same time, it had emerged as a large employer, and a debate had ensued about the nationalization of the banking industry. Indira Gandhi, the then Prime Minister of India, expressed the intention of the Government of India in the annual conference of the All India Congress Meeting in a paper entitled Stray thoughts on Bank Nationalization.

Thereafter, the Government of India issued the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969 and nationalized the 14 largest commercial banks with effect from the midnight of 19 July 1969. These banks contained 85 percent of bank deposits in the country. Within two weeks of the issue of the ordinance, the Parliament passed the Banking Companies (Acquisition and Transfer of Undertaking) Bill, and it received presidential approval on 9 August 1969.

The following banks were nationalized in 1969:

- Allahabad Bank
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Central Bank of India
- Canara Bank
- Dena Bank (Now Bank of Baroda)
- Indian Bank
- Indian Overseas Bank
- Punjab National Bank
- Syndicate Bank
- UCO Bank

- Union Bank
- United Bank of India

A second round of nationalizations of six more commercial banks followed in 1980. The stated reason for the nationalization was to give the government more control of credit delivery. With the second round of nationalizations, the Government of India controlled around 91% of the banking business of India.

The following banks were nationalized in 1980:

- Punjab and Sind Bank
- Vijaya Bank (Now Bank of Baroda)
- Oriental Bank of India
- Corporate Bank
- Andhra Bank
- New Bank of India

Later on, in the year 1993, the government merged New Bank of India with Punjab National Bank. It was the only merger between nationalised banks and resulted in the reduction of the number of nationalised banks from 20 to 19. Until the 1990s, the nationalized banks grew at a pace of around 4%, closer to the average growth rate of the Indian economy.

Chapter 2
Company profile

COMPANY PROFILE



State Bank of India (SBI) Group is the biggest financial services conglomerate in India. Headquartered in Mumbai, SBI provides a wide range of products and services to individuals, commercial enterprises, large corporate, public bodies and institutional customers through its various branches and outlets, joint ventures, subsidiaries and associate companies. The Group comprises of State Bank of India (SBI), its various non-banking subsidiaries/ joint ventures, and foreign banking subsidiaries/ joint ventures.

SBI, the flagship company of the group, traces its ancestry to Bank of Calcutta founded in 1806. It was the first bank established in India, and over a period of time, evolved into State Bank of India (SBI). SBI represents a sterling legacy of over 200 years. It is the oldest commercial bank in the Indian subcontinent, strengthening the nation's trillion-dollar economy and serving the aspirations of its vast population. The Bank is India's largest commercial Bank in terms of assets, deposits, branches, number of customers and employees, enjoying the faith of millions of customers across the social spectrum.

A Fortune 500 company, SBI has entered into the league of top 50 global banks with a balance sheet size of over Rs 30 lakh cr, over 24,000 branches and 59,000+ ATMs serving over 42 cr customers after the merger of its five Associate Banks and Bharatiya Mahila Bank on 1st April 2017. SBI has an overseas presence through 195 foreign offices spread across 36 Countries.

History

The roots of the State Bank of India lie in the first decade of the 19th century when the Bank of Calcutta later renamed the Bank of Bengal, was established on 2 June 1806. The Bank of Bengal was one of three Presidency banks, the other two being the Bank of Bombay (incorporated on 15 April 1840) and the Bank of Madras (incorporated on 1 July 1843). All three Presidency banks were incorporated as joint stock companies and were the result of royal charters. These three banks received the exclusive right to issue paper currency

till 1861 when, with the Paper Currency Act, the right was taken over by the Government of India. The Presidency banks amalgamated on 27 January 1921, and the re-organised banking entity took as its name Imperial Bank of India. The Imperial Bank of India remained a joint stock company but without Government participation.

Pursuant to the provisions of the State Bank of India Act of 1955, the Reserve Bank of India, which is India's central bank, acquired a controlling interest in the Imperial Bank of India. On 1 July 1955, the Imperial Bank of India became the State Bank of India. In 2008, the Government of India acquired the Reserve Bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking regulatory authority.

In 1959, the government passed the State Bank of India (Subsidiary Banks) Act. This made eight banks that had belonged to princely states into subsidiaries of SBI. This was at the time of the first Five Year Plan, which prioritised the development of rural India. The government integrated these banks into the State Bank of India system to expand its rural outreach. In 1963 SBI merged State Bank of Jaipur (est. 1943) and State Bank of Bikaner (est.1944).

SBI has acquired local banks in rescues. The first was the Bank of Bihar (est. 1911), which SBI acquired in 1969, together with its 28 branches. The next year SBI acquired National Bank of Lahore (est. 1942), which had 24 branches. Five years later, in 1975, SBI acquired Krishnaram Baldeo Bank, which had been established in 1916 in Gwalior State, under the patronage of Maharaja Madho Rao Scindia. The bank had been the Dukan Pichadi, a small moneylender, owned by the Maharaja. The new bank's first manager was Jall N. Broacha, a Parsi. In 1985, SBI acquired the Bank of Cochin in Kerala, which had 120 branches. SBI was the acquirer as its affiliate, the State Bank of Travancore, already had an extensive network in Kerala.

There was, even before it actually happened, a proposal to merge all the associate banks into SBI to create a single very large bank and streamline operations.

The first step towards unification occurred on 13 August 2008 when State Bank of Saurashtra merged with SBI, reducing the number of associate state banks from seven to six. On 19 June 2009, the SBI board approved the absorption of State Bank of Indore, in which SBI held 98.3%. (Individuals who held the shares prior to its takeover by the government held the balance of 1.7%.)

The acquisition of State Bank of Indore added 470 branches to SBI's existing network of branches. Also, following the acquisition, SBI's total assets approached 10 trillion. The total

assets of SBI and the State Bank of Indore were 9,981,190 million as of March 2009. The process of merging of State Bank of Indore was completed by April 2010, and the SBIndore branches started functioning as SBI branches on 26 August 2010.

On 7 October 2013, Arundhati Bhattacharya became the first woman to be appointed Chairperson of the bank. Mrs. Bhattacharya received an extension of two years of service to merge into SBI the five remaining associate banks.

Operations

SBI provides a range of banking products through its network of branches in India and overseas, including products aimed at non-resident Indians (NRIs). SBI has 16 regional hubs and 57 zonal offices that are located at important cities throughout India.

Domestic presence

Samriddhi Bhavan, Kolkata

SBI has over 24000 branches in India. In the financial year 2012–13, its revenue was ₹2.005 trillion (US\$28 billion), out of which domestic operations contributed to 95.35% of revenue. Similarly, domestic operations contributed to 88.37% of total profits for the same financial year.

Under the Pradhan Mantri Jan Dhan Yojana of financial inclusion launched by Government in August 2014, SBI held 11,300 camps and opened over 3 million accounts by September, which included 2.1 million accounts in rural areas and 1.57 million accounts in urban areas.



International presence

As of 2014–15, the bank had 191 overseas offices spread over 36 countries having the largest presence in foreign markets among Indian banks.

SBI operates several foreign subsidiaries or affiliates.

In 1989, SBI established an offshore bank, State Bank of India International (Mauritius) Ltd. This then amalgamated with The Indian Ocean International Bank (which had been doing retail banking in Mauritius since 1979) to form SBI (Mauritius) Ltd. Today, SBI (Mauritius) Ltd has 14 branches – 13 retail branches and 1 global business branch at Ebene in Mauritius. SBI Sri Lanka now has three branches located in Colombo, Kandy and Jaffna. The Jaffna branch was opened on 9 September 2013. SBI Sri Lanka is the oldest bank in Sri Lanka; it was founded in 1864.

In 1982, the bank established a subsidiary, State Bank of India, which now has ten branches—nine branches in the state of California and one in Washington, D.C. The 10th branch was opened in Fremont, California on 28 March 2011. The other eight branches in California are located in Los Angeles, Artesia, San Jose, Canoga Park, Fresno, San Diego, Tustin and Bakersfield.

In Nigeria, SBI operates as INMB Bank. This bank began in 1981 as the Indo–Nigerian Merchant Bank and received permission in 2002 to commence retail banking. It now has five branches in Nigeria.

In Nepal, SBI owns 55% of "Nepal SBI Bank Limited". (The state-owned Employees Provident Fund of Nepal owns 15% and the general public owns the remaining 30%.) Nepal SBI Bank Limited has branches throughout the country.

In Moscow, SBI owns 60% of Commercial Bank of India, with Canara Bank owning the rest.

In Indonesia, it owns 76% of PT Bank Indo Monex.

The State Bank of India already has a branch in Shanghai and plans to open one in Tianjin.^[16]

In Kenya, State Bank of India owns 76% of Giro Commercial Bank, which it acquired for US\$8 million in October 2005.

In January 2016, SBI opened its first branch in Seoul, South Korea

Former Associate Banks

Main Branch of SBI in Mumbai

SBI acquired the control of seven banks in 1960. They were the seven regional banks of former Indian princely states. They were renamed, prefixing them with 'State Bank of'. These seven banks were State Bank of Bikaner and Jaipur (SBBJ), State Bank of Hyderabad (SBH), State Bank of Indore (SBN), State Bank of Mysore (SBM), State Bank of Patiala (SBP), State Bank of Saurashtra (SBS) and State Bank of Travancore (SBT). All these banks were given the same logo as the parent bank, SBI. The State Bank of India and all its associate banks used the same blue Keyhole logo. The State Bank of India word mark usually

had one standard typeface, but also utilized other typefaces. The word mark now has the keyhole logo followed by "SBI".

The plans for making SBI a single very large bank by merging the associate banks started in 2008, and in September the same year, SBS merged with SBI. The very next year, State Bank of Indore (SBN) also merged.

Following a merger process, the merger of the 5 remaining associate banks, (viz. State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala, State Bank of Travancore); and the Bharatiya Mahila Bank) with the SBI was given an in-principle approval by the Union Cabinet on 15 June 2016. This came a month after the SBI board had, on 17 May 2016, cleared a proposal to merge its five associate banks and Bharatiya Mahila Bank with itself.

On 15 February 2017, the Union Cabinet approved the merger of five associate banks with SBI.^[22] An analyst foresaw an initial negative impact as a result of different pension liability provisions and accounting policies for bad loans.

The merger went into effect from 1 April 2017.



Non-banking subsidiaries

Apart from five of its associate banks (merged with SBI since 1 April 2017), SBI's non-banking subsidiaries include:

- SBI Capital Markets Ltd
- SBI Cards & Payments Services Pvt. Ltd. (SBICPSL)
- SBI Life Insurance Company Limited

In March 2001, SBI (with 74% of the total capital), joined with BNP Paribas (with 26% of the remaining capital), to form a joint venture life insurance company named SBI Life Insurance company Ltd.

Employees

SBI is one of the largest employers in the country with 209,567 employees as on 31 March 2017, out of which 23% were female employees and 3,179 (1.5%) were employees with disabilities. On the same date, SBI had 37,875 Scheduled Castes (18%), 17,069 Scheduled Tribes (8.1%) and 39,709 Other Backward Classes (18.9%) employees. The percentage of Officers, Associates and Subordinates was 38.6%, 44.3% and 16.9% respectively on the same date. Around 13,000 employees joined the Bank in FY 2016–17. Each employee contributed a net profit of ₹511,000 (US\$7,200) during FY 2016–17.

Recent awards and recognition

- SBI was ranked 216th in the Fortune Global 500 rankings of the world's biggest corporations for the year 2018.
- SBI was 50th most trusted brand in India as per the Brand Trust Report 2013, an annual study conducted by Trust Research Advisory, a brand analytics company and subsequently, in the Brand Trust Report 2014, SBI finished as India's 19th most trusted brand in India.

Literature review

ALFORD AND BEATTY says, "It is the evaluation or appraisal of the relative worth to the company of a man's service on the job". **FLIPPER** says, "Performance Appraisal is a systematic, periodic and so far as humanly possible and impartial rating of employee's excellence of matters pertaining to his potentialities for a better job". Performance appraisal has been defined in many ways. The simplest way to understand the meaning of performance appraisal is as follows: "A regular and continuous evaluation of the quality, quantity and style of the performance along with the assessment of the factors influencing the performance and behavior of an individual,s called performance appraisal". **Cleveland, Murphy, and Williams (1989)** argued that there is a relationship between organizational characteristics and the uses of a performance appraisal system. Stonich (1984) also argued that performance measurement in an organization should be in tune with its structure and culture. Since the nature of the enterprises in which each industry is engaged varies, its organizational type,

business policy, internal and external environment are also usually different. The purpose of this study is to conduct a direct comparative analysis of performance appraisal system in the service and manufacturing industries. Apart from organizational control, **Ilgem, Barnes-Farrell, and McKellin (1993)** concluded, from their extensive review of the literature since the 1980s about performance appraisal, that there are four aspects that need to be considered. In practice performance appraisal systems cover a wide range of these aspects, and seldom have exactly the same nature and functions. In order to integrate findings in the area, Chu (2002) proposed a comprehensive framework including six categories, namely, appraisal purposes, appraises personnel, appraisal criteria, appraisal methods, appraisal timings, and appraisal feedback. This study will adopt this framework to compare performance appraisal systems in the service and manufacturing industries.

Contemporary research reflects several themes, General models of job performance are being developed, the performance domain is being expanded, research continues to explore the psychometric characteristics of performance ratings, research is developing on potential bias in ratings, rater training is examined, and research continues in terms of efforts to attach utility values to the rated performance. Research studies state that research is progressing in traditional content areas as well as in the exploration of new ground. Researchers are recognizing that job performance is more than just the execution of specific tasks and that it involves a wider array of important organizational activities. There is also an increased optimism regarding the use of supervisory ratings and recognition that such 'subjective' appraisal instruments do not automatically translate into rater error or bias. There is no dearth of literature on the theoretical and conceptual aspects of performance appraisal system as many researchers and authors have made significant contributions in this field. The streams of research which are identifiable and which differ in their focus include:- (a)Historical treatment & context (Landy & Farr; 1983,De Nisi 1997, Cascio 1995;Fletcher 1994, Cardy and Dobbins; 1994),(b)Definition of Job performance (Van Scotter 2000, Coleman& Borman; 2000, Rotundo & Sackett; 2002, Pugh 2001 and Fritzche 2000),(c)Those which focus on the rating scales & formats and rating methods (Harris et al; 1995 Yang et al; 1996, Boswell and Boudreau; 2002 Dinesh & Palmer 1998). (d)Research which focus on the sources of appraisal (Drexler et al; 2001, Bracken, et al; 2001, Atwater et al; 2002; Luthans & Peterson 2003; (e)Those whose focus is on rating errors (Henessey & Bernardin 2003; Austin & Bermardin 2002, Beatrice et al; 2004, London et at; 2004, Curtis et al. 2005, Oppler et al. 1992).

A review of the historical literature concerning personnel evaluation also shows a substantial gap between research and practice in performance appraisal. This was most obvious in 1980s

when many of the studies in this area were conducted in the laboratory and focused on the cognitive processes in appraisal and evaluation (Banks & Murphy 1985). After briefly referring to the literature available on performance appraisal system, it is imperative to state that there are several gaps in the previous research works relating to performance appraisal system. The past research studies are narrowly focused either on process or on content of the performance appraisal systems and also were focused on appraisee reactions. Few researchers have focused on the process variables only (Fulk et al. 1985; Russel and Goode, 1988; Pooyan and Eberhardt 1989; Roberts 1995; Tziner and Murphy 1999; Lee & Shin 2000; Brown, 2005; & Elicker 2006). Few studies have been focused on the developmental aspects only (Luthans & Peterson, 2003; Bard kuvaas, 2006 ;). in some of the studies independent variables have not been defined (Greenberg, 1986, Giles and Mossholder, 1990; I.M Jawaher 2005). Few researchers have taken small sample size which may not be the true representative of the population (Clayton & Ayres 1997; Tziner & Murphy; 1999; Manisha Agarwal 2001, Tziner et al; 2001, Wang 2002). In some studies sample features has not been defined (Mehta 1996; Henessey and Bernardin 2003).In some studies data has been collected from the different firms making it impossible to control for the variability among these organizations' performance appraisal systems (Mufeed, 1999, Tziner et al, 2001; Sinclair and Zairi 1995). Few of the past research studies are poorly designed or there is a lack of empirical work (Shagufta Jabeen 1997; Krishnavani and Chandy 2003; Sayeed & Bhide 2003). In some research studies there has been exclusion of variable (Dobbins, Cardy & Platz ,1990; Giles and Mossholder, 1990;Goodson & McGee, 1991) .Some research studies have a single company approach which means that sample is not the true representative of the population.Perceptual difference between appraisers and appraisees were found to exist by some authors, which might lead to inappropriate inference and actions (Carson, Cardy & Dobbins, 1991). In some of the studies little flexibility has been given to the respondents with respect to the response format (Ebrahim Soltani, 2002).

As is evident, there is a little research which examines both the evaluative and developmental roles of the performance appraisals which focuses on the design, process and outcome components of performance appraisal systems and which examine the significance of the organizational context to the design and implementation of performance appraisal system. However in the present research work an attempt was made to cover all the related variables of all the our categories of variables i.e.,(a) Design component (b) Process component (c) outcome component and (d) organizational content, and assess the appropriateness of the methods and sources of assessment. In addition majority of studies have taken either only managers or clerical staff into consideration. The studies have focused on the role of

managers as appraisers only. But present study attempted to take managers as well as clerical staff into consideration to see the perception of both the managerial and clerical staff towards existing PAS practices in these banking organizations. Additionally an attempt was made to consider the perception of managers both as appraises as well as appraisers. Both the sample study organizations taken for the present research study are the banking organizations keeping in view the fact that if the organizations taken for the study are similar then the possibility of variability is very less because more or less employees are assessed on the same variables. In the present study emphasis has been made not to ignore any aspect which would hinder to achieve the laid down research objectives. Therefore the present study is an attempt to ascertain the perception reactions of both managers, appraisers and appraises and workers towards the existing performance appraisal systems in two sample study organizations viz. State Bank of India (SBI) and Jammu & Kashmir (J&K) Bank Ltd.

IMPORTANCE OF EMPLOYEE SATISFACTION

Purpose or benefits of employee retention include as following.

- Enhance employee satisfaction.
- Increase productivity.
- Increase customer retention.
- Reduce turnover, recurring and training cost.
- Enhance customer retention and loyalty.
- Energetic employees.
- Improve teamwork.
- Higher quality products and or services due to more competent, energized employees.

ORGANISATIONAL DEVELOPMENT FACTOR

- Brand of organization in business field and comparison with leading competitor.
- Mission and vision of organization.
- Potential development of organization.

POLICIES OF COMPANSATION AND BENEFITS FACTORS

- Wages and salary
- Benefits
- Rewards and penalties

PROMOTION AND CAREER DEVELOPMENT FACTORS

- Opportunities for promotion.
- Training program participated or will do.

- Capacity of career development.

WORK TASK FACTOR

- Quantity of task.
- Difficult level of task.

RELATIONSHIP WITH SUPERVISORS FACTORS

- Level of coaching
- Level of assignment for employee.
- Treatment of employee etc.

WORKING CONDITION AND ENVIRONMENT FACTORS

- Tools and equipment.
- Working methods.
- Working environment.

CORPORATE CULTURAL FACTORS

- Relationship with co workers.
- Level of sharing etc.

COMPETITION PERSONALITIES AND EXPECTATION OF EMPLOYEE FACTORS

- Competencies and personalities of employee are suitable for job.
- Expectations of employee are suitable for policies of organization.

DEFINITION OF TERMS

SALARY

Salary is a fixed amount or compensation paid to an employee by an employer in return for work performed. An employee who is paid a salary is expected to complete a whole job in return for the salary.

OVERTIME ALLOWANCE

Overtime allowance is extra cash compensation for the hours that employees work in excess.

DECISION MAKING

Decision making involves the selection of a suitable action from among two or more possible alternatives in order to arrive at a solution to a problem.

PROBLEM SOLVING

Grievance handling means help to solve a problem of the person who is in trouble and want some kind of help. It is help to a person in such a way that can give justice to him till his satisfaction.

WELFARE FACILITY

Employee welfare aims at providing such service facilities and amenities, which enables a worker to perform their employee well. An employee welfare facility consists of canteen, rest rooms, housing facility, medical facility, educational facility and transportation facility. This study helps to find out the various accretions facilities they are provided by the bank.

TEAM WORK

The process of working a group of people in order to achieve a goal.

TRAINING

Training is the format and systematic modification of behaviour. This occurs as a result of education introduction development and planned experience.

JOB SECURITY

It is the probability that an individual will keep his or her job. Jobs with a high level of job security in such that a person with the job would have a small chance of become employees.

EFFECTIVE COMMUNICATION

Communication is a process in defined and shared between diving organism. Communication requires a sender, a message and need not be present as aware of the seniors intent to communicate at the time of communication thus communication can occurs across vast distance in time and space. Communication requires that the communicating panics share an area of communication.

WORK SCHEDULE

Employees work schedule vary from full time to part time to job shares. All work schedules have one thing common, the employee is doing work under an employer. Today's employee understand that flexibility is what employee requires in their work schedule. If they don't employers should beware.

CHAPTER 3
RESEARCH STUDY

AIMS AND OBJECTIVES

- To study the performance appraisal techniques of State Bank of India.
- To understand effectiveness of performance appraisal techniques for employees of State Bank of India.
- To analyze parameters of performance appraisal techniques for SBI employees.
- To maintain harmony in performance appraisal techniques in SBI.

HYPOTHESIS

Hypothesis is tentative assumption drawn from knowledge and theory which is used as a guide in the investigation of other facts and theories that are yet unknown.

- **H0:** Performance Appraisal methods adopted by State Bank of India are satisfactory and effective for the employees.
- **H1:** Performance Appraisal methods adopted by State Bank of India are not satisfactory and effective for employees.

RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

The data needed for the study is collected from the employees, through questionnaire. Analysis and interpretation has been done by using the statistical tools and data presented through table and charts.

RESEARCH DESIGN

The study was based on survey method. The aim of the study is to find satisfaction levels of employees.

STATEMENT OF THE PROBLEM

Employees are the asset of any organization. It is through the employees. The organization achieves its objectives. It is very important from the organization point of view to keep them satisfied. The purpose of study is to understand the level of retention among the employees to STATE BANK OF INDIA NAGPUR and suggest the area for improvement if any.

SCOPE OF THE STUDY

The study aims to understand the employee retention in STATE BANK OF INDIA NAGPUR which covers the various working schedule, remuneration, developing overtime allowance work freedom job position etc. the scope is to understand the employee retention. The study is conducted at STATE BANK OF INDIA NAGPUR covering 50 employees and data collected based on the questionnaire prepared.

The back bone of the employee satisfaction is respect for workers and job they perform. And easy revenue for employee to discuss problem with upper management should be maintained and carefully monitored. So that they can work more and hence to reach the organization is to its great.

SIGNIFICANCE OF THE STUDY

Employee retention is an important aspect as far as an organization is considered. Employees are back bone of every organization so it is responsibility of the management to keep the employees to contribute more.

It is said that satisfied employees are more productive. So every organization is giving high priority to keep their employees satisfied by providing several facilities which improves satisfaction and reduce dissatisfaction.

I wanted to know whether the employees in STATE BANK OF INDIA NAGPUR are satisfied or not. So I had to address the problem in my study.

DATA COLLECTION

The data collected for the study consist of both primary and secondary data.

PRIMARY DATA

In this study primary data were collected through personnel interview using questionnaire. The questionnaire was administered to fifty employees of STATE BANK OF INDIA NAGPUR.

SECONDARY DATA

Secondary data for this study was collected from:

- Previous published records, statics, research report & documents.
- Books, periodicals and websites.

SAMPLE DESIGN

A sample design is a definite plan for obtaining a sample from a given population. Convenience sampling method used in selected samples.

SAMPLE SIZE(POPULATION)

The sample size of this study is fifty respondents.

QUESTIONNAIRE

In this study the researchers have used a questionnaire consisting of twenty multiple choice based questions.

TOOLS USED FOR ANALYSIS

Percentage analysis, hypothesis testing, Chi square test are used as a statistical tool for analysis.

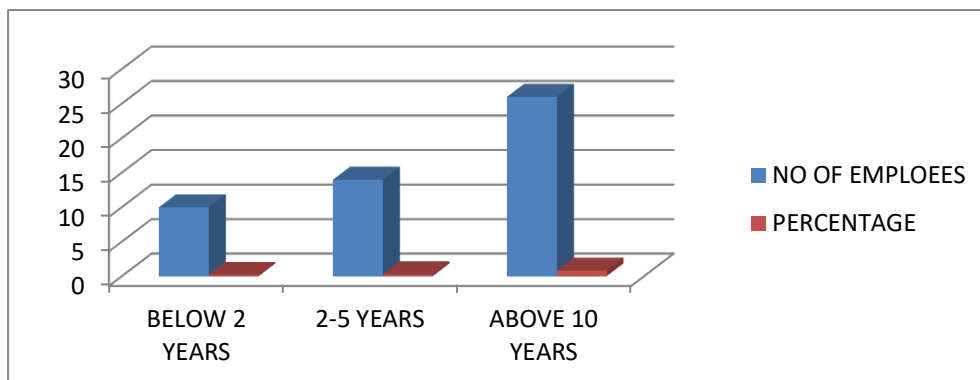
GRAPHICAL REPRESENTATION OF DATA

Graphical representation tools such as bar graphs, pie charts have been used for the data analysis.

Chapter 5
DATA ANALYSIS AND FINDINGS

DATA ANALYSIS AND INTERPRETATION**TABLE NO 1: WORKING EXPERIENCE OF EMPLOYEES**

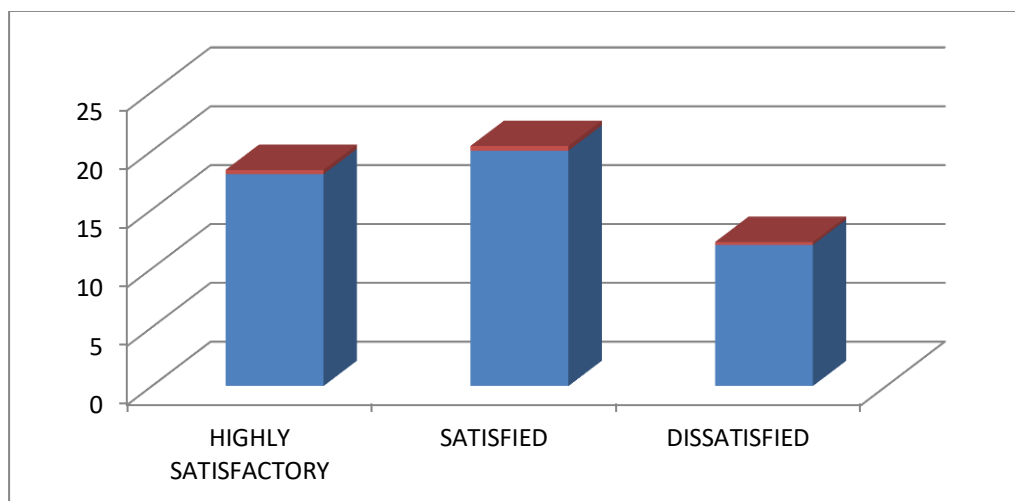
EMPLOYEES	NO. OF RESPONDENTS	PERCENTAGE
Below 2 years	10	20%
2-5 years	14	28%
Above 10 years	26	82%
Total	50	100%

CHART NO. 1 WORKING EXPERIENCE OF EMPLOYEES**INTERPRETATION**

From the above table 20% of employees have the working experience below 2 years and 28% in between 2-5 years, at the time 82% employees work above 10 years in this company.

TABLE NO. 2: SATISFACTION OF EMPLOYEES IN TRAINING AND PROGRAMMES

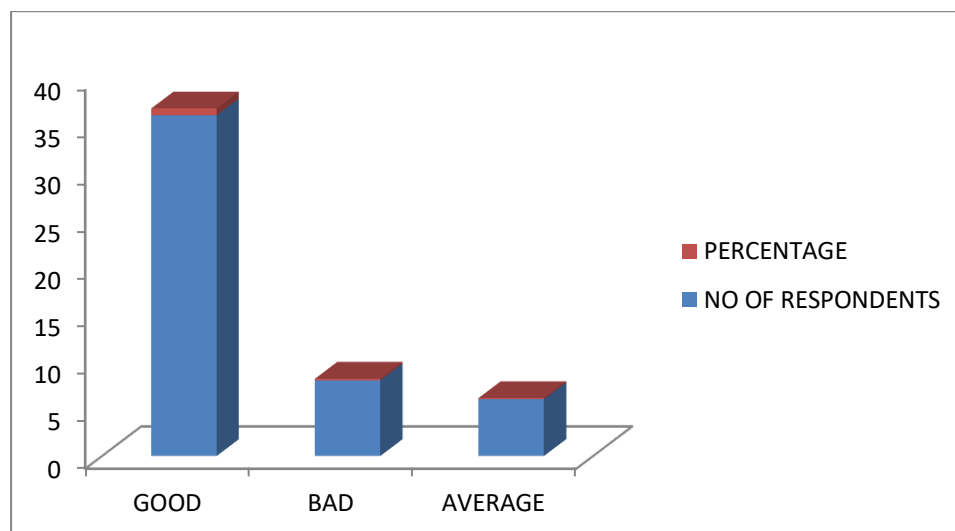
OPINION	NO. OF RESPONDENTS	PERCENTAGE
Highly satisfactory	18	36%
Satisfied	20	40%
Dissatisfied	12	24%
Total	50	100%

CHART NO. 2: SATISFACTION OF EMPLOYEES IN TRAINING AND PROGRAMMES**INTERPRETATION**

From the above table 36% of employees are highly satisfied in training programmes. 40% of employees satisfied & 24% dissatisfied.

TABLE NO 3: OPINION OF EMPLOYEES IN SAFETY MEASURES OF COMPANY

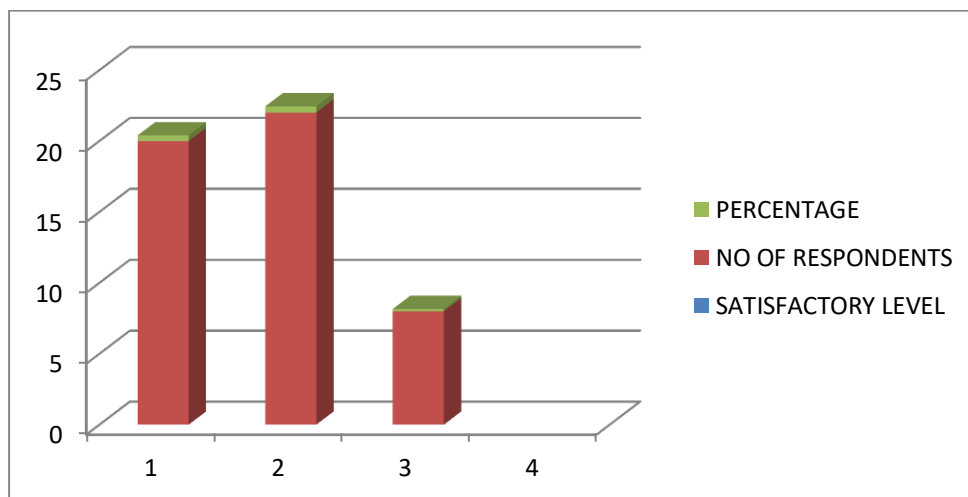
OPINION	NO. OF RESPONDENTS	PERCENTAGE
Good	36	72%
Bad	8	16%
Average	6	12%
Total	50	100%

CHART NO 3: OPINION OF EMPLOYEES IN SAFETY MEASURES OF COMPANY**INTERPRETATION**

From the above table 72% of the employees had good opinion about the safety measures and 16% had bad opinion, same time 12% employees had average safety measure only provided.

TABLE NO. 4: SATISFACTION LEVEL OF EMPLOYEES LEAVE PROVIDED

SATISFACTORY LEVEL	NO. OF RESPONDENTS	PERCENTAGE
Highly satisfactory	20	40%
Satisfied	22	44%
Dissatisfied	8	16%
Total	50	100%

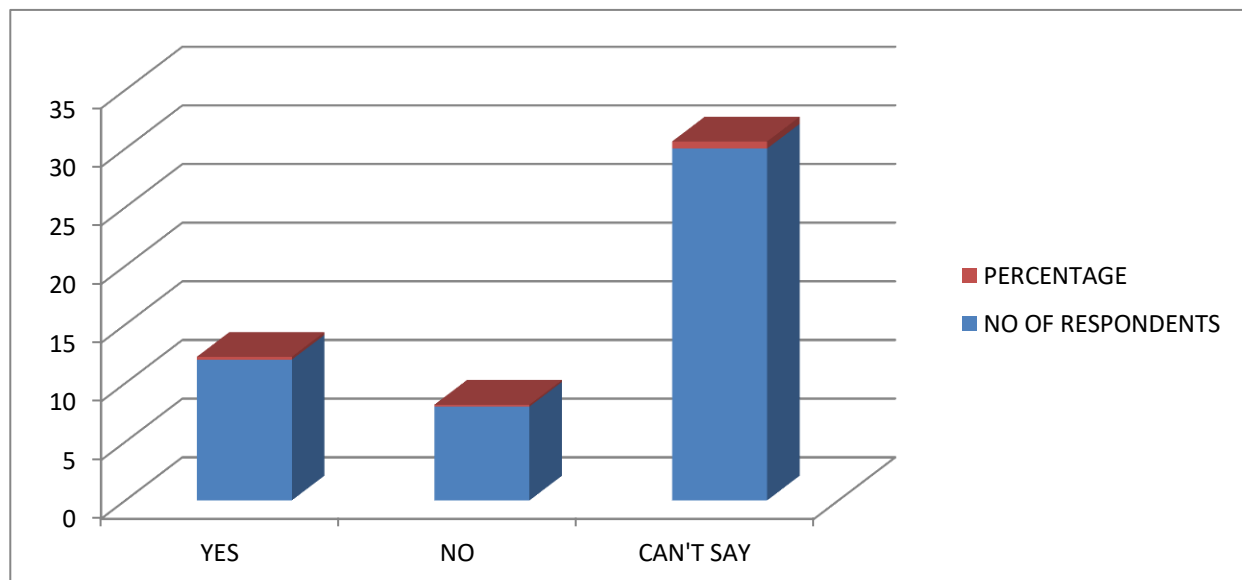
CHART NO. 4: SATISFACTION LEVEL OF EMPLOYEES LEAVE PROVIDED**INTERPRETATION**

From the above table 40% of employees highly satisfied in their leave provided. 44% are satisfied and 16% dissatisfied.

TABLE NO. 5: SHOWING WHETHER THE JOB OFFER TO RELEASE EMPLOYEES APPLICATION AND AMBITION

OPINION	NO. OF RESPONDENTS	PERCENTAGE
Yes	12	24%
No	8	16%
Can't say	30	60%
Total	50	100%

CHART NO. 5: SHOWING WHETHER THE JOB OFFER TO RELEASE EMPLOYEES APPLICATION AND AMBITION



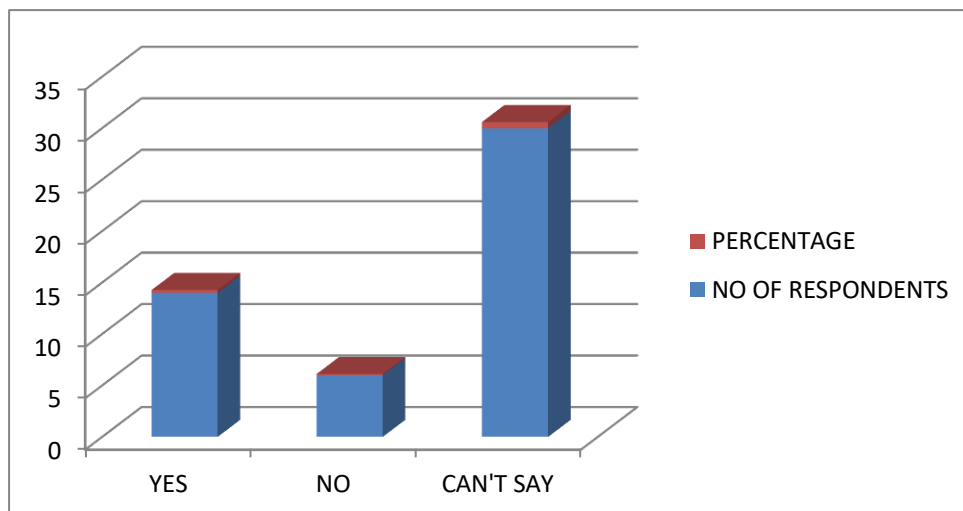
INTERPRETATION

From the above table 24% of employees are satisfied and 16% are dissatisfied also 60% of employees are not answered the question.

TABLE NO. 6: SHOWING WHETHER EMPLOYEES TO GET ANY CHANCE TO BE INVOLVED AND IDENTIFICIAL WITH GOAL AND IMAGE

OPINION	NO. OF RESPONDENTS	PERCENTAGE
Yes	14	28%
No	6	12%
Can't say	30	60%
Total	50	100%

CHART NO. 6: SHOWING WHETHER EMPLOYEES TO GET ANY CHANCE TO BE INVOLVED AND IDENTIFICIAL WITH GOAL AND IMAGE



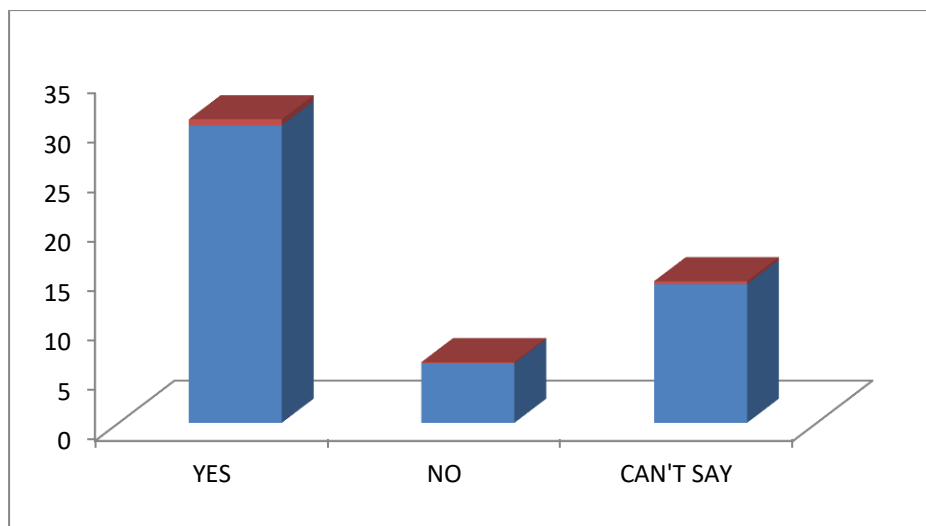
INTERPRETATION

From the above table 28% of employees to get chance to be involved and identified with goal and image. 12% does not get chance and 60% of employees are not answered the question.

TABLE NO. 7: SHOWING WHETHER EMPLOYEES TO GET A CHANCE IN PART OF DECISION MAKING

OPINION	NO. OF RESPONDENTS	PERCENTAGE
Yes	30	60%
No	6	12%
Can't say	14	28%
Total	50	100%

CHART NO. 7: SHOWING WHETHER EMPLOYEES TO GET A CHANCE IN PART OF DECISION MAKING



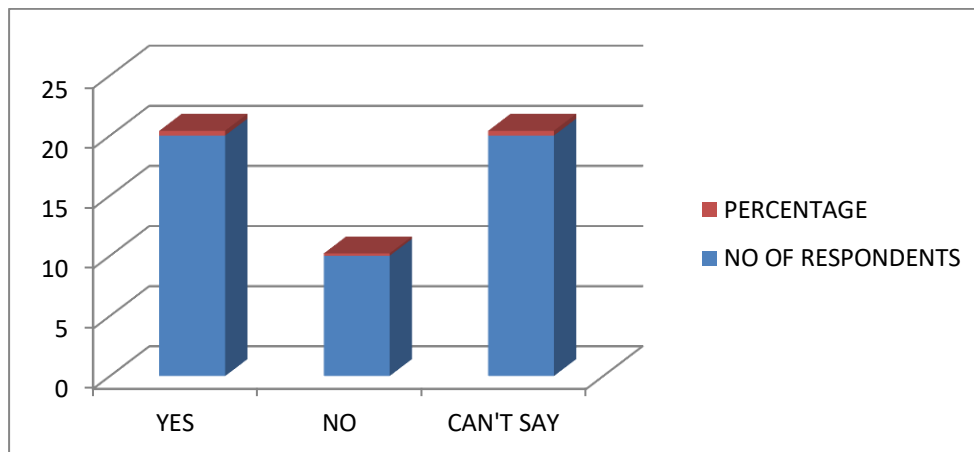
INTERPRETATION

From the above table 60% of employees get chance to be involved in decision making, 12% does not get chance and 28% of employees are not answered the question.

TABLE NO. 8: SHOWING WHETHER EMPLOYEES FEELS GOOD TEAM SPIRIT IN COMPANY'S WORK ENVIRONMENT

OPINION	NO. OF RESPONDENTS	PERCENTAGE
Yes	20	40%
No	10	20%
Can't say	20	40%
Total	50	100%

CHART NO. 8: SHOWING WHETHER EMPLOYEES FEELS GOOD TEAM SPIRIT IN COMPANY'S WORK ENVIRONMENT



INTERPRETATION

From the above table 40% of employees feels good team spirit, 20% does not feel & 40% of employees are not answered the question.

Chapter 6
FINDING, CONCLUSIONS
&
SUGESSTIONS

FINDINGS

- The above analysis shows that 20% of employees have the working experience below 2 years and 28% in between 2-5 years, at the time 82% employees work above 10 years in this company.
- 36% of employees are highly satisfied in training programmes. 40% of employees satisfied & 24% dissatisfied.
- 72% of the employees had good opinion about the safety measures and 16% had bad opinion, same time 12% employees had average safety measure only provided.
- 40% of employees highly satisfied in their leave provided. 44% are satisfied and 16% dissatisfied.
- 24% of employees are satisfied and 16% are dissatisfied also 60% of employees are not answered the question.
- 8% of employees to get chance to be involved and identified with goal and image. 12% does not get chance and 60% of employees are not answered the question.
- 60% of employees get chance to be involved in decision making, 12% does not get chance and 28% of employees are not answered the question.
- 40% of employees feels good team spirit, 20% does not feel & 40% of employees are not answered the question.

CONCLUSION

These days, HRM plays an important role in managing an organization, such as the effects of HRM on innovation, new ways of working principles and enhancing employees' capability. Performance appraisal practices are undertaken to let an employee know how they are performing as well as compare the present performance with that of the supervisor's expectations and identify those areas that require training. Employees have a legitimate need to know how their performance is viewed . For this we conducted correlation between training and performance appraisal effectiveness and found that training and performance appraisal system in SBI is efficient and employees are happy and satisfied with the training and appraisal practices of SBI. SBI also has a good industrial relation and labour welfare system.

Human resources are the vital source of every organization. Every employee in an organization increases the productivity and goodwill of every company. An employee, being an individual is treated as assets in the organization. So the organization should mainly emphasis performance appraisal techniques and its development programme. Both the appraiser and appraise should realize the principle and use the tool of appraisal system in a constructive way for the prosperity of the organization. The performance appraisal technique prevailing in the organization is fair. Employees are satisfied with the present performance appraisal system that is a traditional one. As many new appraisal techniques are emerged, the organization can implement modern technique which would be more effective. The welfare measure of organization is at par with the company policies and has brought a great sense of involvement in work among the employees of the organization. If the suggested measures are taken into consideration it will help to increase the effectiveness of performance appraisal system.

SUGGESTIONS

1. While framing the parameters in the ranking method the performance appraisal technique and group discussion can be made among and with various authorities.
2. Secondly, the techniques used for performance appraisal are very traditional which is to be modernized in future for good prospect of the employees.
3. Increase the awareness level of employees during the performance appraisal period. It will be better if the management provides incentives to employees so it will boost in their work and productivity and also extend the probation period up to 2 years.
4. Separate rating committee to be fixed during the appraisal period. So that there is no rating biases and personal prejudice will occur.
5. The performance rating is very helpful for management to provide employee counselling during the appraisal. Performance appraisal is purely based on appraisal system and the rating helps to fix increment for workers make them retained in the organization.
6. Supervisors should maintain cordial relationship with workers and offers recognitions of the employees efforts and provide guidance to workers.
7. During the appraisal period provide a good communication between top management and business goals to staff so that the desired target of the organization can be achieved through performance appraisal.
8. Employee comments and suggestion to be considered during the appraisal. It will be better if the management provide performance and potential appraisal rewards regularly.

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Human Resource Management – Dr. Neeru Kapoor

ANNEXURE**1. WHETHER COMPANY GIVE MORE CONCERN FOR PRODUCTION OR PEOPLE?** **PEOPLE** **PRODUCTION****2. WHETHER THE COMPANY GIVE REWARD TO THE EMPLOYEE?** **YES** **NO**

Opinion	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied
1. Salary provided					
2.Incentive provided					
3.Drinking facility					
4.rest time					
5.Break duration					
6.food					
7.Time schedule of work					
8.Reward provided					
9.Leave policy of company					
10.Leave policy of company					

Opinion	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
11. promotion based on performance					
12. Cohesive relationship with team members					
13. Feelings of job security					
14. Able to adjust with colleague & mannerism					
15. Fair employee grievance policy					
16. Compressed work week policy					
17. Providing leave salary					
18. Job improving social status					