

ELECTRONIC EMPLOYEE PERFORMANCE APPRAISAL SYSTEM – PERSPECTIVE OF BANK EMPLOYEES

J. NISHA

Research Scholar, Department of Business Administration, Annamalai University & Assistant Professor, Department of B.Com (ISM), Alpha Arts and Science College, Chennai, Tamil Nadu.

Dr. V. SUMATHY

Assistant Professor, Business Administration, Thirukolanjiappar Government Arts College (Deputed from Annamalai University), Viruthachalam, Tamil Nadu.

Abstract

An Electronic Performance Appraisal System (EPAS) uses technology to monitor and track employee activities in the workplace. Organizations are increasingly adopting EPAS to enhance employee performance, improve organizational efficiency, and gather performance data through internet, email, and mobile devices. This article explores the perspective of few Bank employees of few Private banks in Porur, Chennai on EPAS, gathering data through a structured questionnaire. The collected data is analyzed using chi-square test statistics, and the findings are presented.

Keywords: Electronic Performance appraisal system), Key Performance Indicators (KPI), Information technology, Human Resource department employees (HRs), performance monitoring

I. INTRODUCTION TO ELECTRONIC PERFORMANCE APPRAISAL SYSTEM (EPAS)

An electronic performance appraisal system (EPAS) enables organizations to electronically create and deliver employee reviews. It offers real-time performance tracking and evaluation, replacing traditional paper-based systems for a more efficient and accurate approach. EPAS includes features such as goal setting, self-evaluation, manager evaluation, and performance feedback. While manual appraisals typically involve paperwork, electronic performance appraisal (e-performance appraisal) refers to the process of creating and delivering employee reviews electronically [1].



Figure 1: Features of E-performance Management System

It streamlines performance management, providing benefits like increased efficiency, precise performance statistics, and frequent and meaningful feedback. However, EPAS may not capture all aspects of performance and lacks the intimacy of face-to-face interactions in traditional reviews.

II. NEED FOR ELECTRONIC PERFORMANCE MANAGEMENT SYSTEM

1. Seamless gathering of employee performance data.
2. Help in extracting insights from real-time analysis.
3. Removes physiological bias in Employee performance assessment and evaluation.



Figure 2: Process of E- Performance Management System

III. REVIEW OF LITERATURE

1. In their 2013 article "Techniques of Performance Appraisal - A Review" by Ashima Aggarwal and Gour Sundar Mitra Thakur, an overview is provided of various performance appraisal techniques, highlighting their advantages and disadvantages. These include all the traditional and modern performance appraisal techniques [2].
2. In their 2005 paper titled "Electronic performance appraisals: The effects of email communication on peer ratings in actual and simulated environments," Terri R. Kurtzberg, Charles E. Naquin, and Liuba Y. Belkin conducted a study to examine the influence of email communication on peer performance evaluations in comparison to conventional approaches. Contrary to the Media Richness Theory's notion that both media are equivalent for transmitting information, the study challenges this idea and provides empirical evidence of

discrepancies. Findings from two scenarios indicate that when using email instead of paper-form methods, assessors tend to give more negative assessments of their peers.[3]

3. In their 2019 paper titled "Effectiveness of Electronic Employee Performance Management Systems in the UAE Public Sector," Abdulaziz Al-Raisi, Saad Amin, and Saad Tahir evaluates the effectiveness of Electronic Performance Management Systems (E-PMS) in UAE federal government organizations. It compares traditional and E-PMS and investigates the attitudes of managers and employees towards E-PMS. The study emphasizes the substantial impact of E-PMS on enhancing efficacy and productivity in government operations, including expediting job objectives, and streamlining employee performance evaluation and monitoring.[4]
4. In the 2022 study titled "The Influence of Digital Electronic Performance, Competence, and Motivation on Government Organization Employees' Performance During the Digital Era" by Denok Kurniasih, Paulus Israwan Setyoko, and Anggara Setya Saputra, the relationship between e-performance, competence, motivation, and employee performance was examined. The study included 400 government organization employees, and data was collected through questionnaires and observations. Analysis using a structural equation model (SEM) showed a significant positive relationship between e-performance and motivation [5].
5. In their 2013 article titled "Emerging issues in theory and research on electronic human resource management (eHRM)," Dianna L. Stone and James H. Dulebohn explore the advancements, research, and effectiveness of electronic human resource management systems (eHRM). The article offers new research directions and provides a concise overview of the existing literature on HRMS and eHRM [6].

IV. OBJECTIVES OF THE STUDY

1. To identify whether E- performance appraisal system collects work-related information on the KPI of employees
2. To identify how an appraiser's fixing of KPI indicators in an E-performance appraisal system influences employee performance tracking without bias.
3. To Know whether different methods of appraisals are used to measure the performance of employees in various types of organizations.
4. To identify whether there exists an association between the Bank and the frequency of change in KPI in the E-Performance appraisal system
5. To observe that the E- performance appraisal system tracks the performance of employees at different levels of the Bank impartially
6. To identify whether the level of management an employee is operating affects whether a superior can edit the evaluation in an E-performance appraisal system.

V. EXPLORATION OF METHODOLOGY

- Data source-
 - a) Secondary data- Collected through reviewing Journals.
 - b) Primary data- collected through a well-structured questionnaire
- Research approach - Quantitative and Quantitative
- Research instrument- Questionnaire
- Method of contact- Direct interviewing
- Sampling technique – Convenient Sampling
- Population- 72
- Sample size - The sample size selected was 46 and to note that three respondents from the sample did not use the E-Performance appraisal system, resulting in only 43
- Sample frame – Bank employees of few private banks in Porur, Chennai

VI. DATA EVALUATION AND INTERPRETATION

a) Objective 1

To identify whether the E- performance appraisal system collects work-related information on the KPI of employees.

Table 1

EPAS captures work-related data	Number of respondents	Percentage of Respondents (100)
Strongly Agree	11	26
Agree	22	51
Neutral	10	23
Disagree	0	0
Strongly Disagree	0	0
Total	43	100

The above table shows that the majority, 26% and 56%, together with 77% of respondents, accept that the EPAS of their organization has collected work-related information.

b) Hypothesis under investigation

Hypothesis 1

H₀: There exist no relationship between appraisers fixing the KPI indicators and impartial performance tracking.

H₁: There exists no relationship between appraisers fixing the KPI indicators and impartial performance tracking.

Hypothesis 2

H0: There is no meaningful connection between the type of appraisal methods utilized and the employees working in different banks.

H1: There is a meaningful relationship between the type of appraisal methods utilized and the employees working in different banks.

Hypothesis 3

H0: The frequency of KPI change is not significantly associated with the bank in which the respondents are employed.

H1: The frequency of KPI change is significantly associated with the bank in which the respondents are employed.

Hypothesis 4

H0: The employee working level is not significantly associated with the impartial performance tracking of the E-performance appraisal system.

H1: The employee working level is significantly associated with the impartial performance tracking of the E-performance appraisal system.

Hypothesis 5

H0: There is no notable correlation between appraisers fixing the KPI indicators and impartial performance tracking.

H1: There is a noteworthy correlation between appraisers fixing the KPI indicators and impartial performance tracking.

Table 2: Table Showing the Status of Hypothesis Tested

Hypothesis	Chi square value	Table value	DF	p- Value	Result Significant	Accepted Hypothesis
H1	34.7	15.5	8	0.0002	0.05	H1 accepted
H2	40.3	31.4	20	0.0045	0.05	H1 accepted
H3	38.4	25.0	15	0.0008	0.05	H1 accepted
H4	26.6	15.5	8	0.0008	0.05	H1 accepted
H5	3.5	9.5	4	0.6035	0.05	Ho accepted

c) Inferences of Hypothesis testing

- Inference for Hypothesis 1-** The statistical test revealed a significant relationship ($p < 0.05$) between appraiser-fixed KPI indicators and impartial performance tracking.
- Inference for Hypothesis 2-** The chi-square test indicates a meaningful connection ($p < 0.05$) between the utilized appraisal methods and the employees working in different banks.
- Inference for Hypothesis 3-** The statistical test implies a significant association ($p < 0.05$) between the frequency of KPI change and the bank of employment.

- 4 **Inference for Hypothesis 4-** The chi-square test indicates a significant relationship ($p < 0.05$) between employee management level and impartial performance tracking in the E-performance appraisal system.
- 5 **Inference for Hypothesis 5-** The statistical test reveals no notable correlation ($p > 0.05$) between the employee's organizational level and the superior's ability to edit their appraisal in the E-performance appraisal system.

VII. VERDICTS

The survey findings provide valuable insights into EPAS implementation and perceptions. Key observations include respondents aged 40-50 and with 0-10 years of experience. Most held middle-level management positions, confirming EPAS implementation, and perceiving it to track performance using KPIs. Various appraisal methods were used, with mixed responses on system transparency. EPAS showed potential for aiding career development, identifying training needs, and providing accurate performance scores. Concerns arose regarding perceived bias and superior's editing authority. Integrating AI can enhance EPAS effectiveness and personalize the experience.

VIII. CONCLUSION

IT enhances HR functions, including planning, recruiting, and selection. EPAS enables real-time monitoring of employee performance. A study on bank employees perspective found satisfaction with EPAS, reducing workload, and improving accuracy. However, respondents desired a more personalized approach to capture individual efforts. Integrating AI to capture human emotions could enhance EPAS effectiveness.

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