

INFLUENCE OF PERFORMANCE APPRAISAL SYSTEM ON AGRICULTURAL EXTENSION ORGANISATIONS

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In the entire process of individual development and organisational effectiveness, performance appraisal plays a vital role. Performance appraisal mechanism is intended to maintain a satisfactory level of work environment, job performance and employee development in the organisation (Rao, 1992). Employee growth and satisfaction with the job, individual productivity improvement and overall climate in an organisation are expected to be influenced by the performance appraisal system (PAS) in operation. A positive approach towards performance appraisal results in higher productivity (Kumar *et al.*, 1993). Considering that the quality of the human resource in an agricultural extension organization is a determining factor in its success or failure, performance appraisal is a critical management function and an effective way to improve performance of extension personnel (Davis, 1993). The effectiveness of extension workers in promoting and speeding up the dissemination of new agricultural practices depends on the interaction factors between organizational climate and performance appraisal system. With the ever increasing complexity of challenges facing extension organizations, extension personnel need to play proactive and strategic partner roles. Keeping these above-mentioned facts in view, the present study aims to assess the performance appraisal system and organisational climate along with exploring the relationship between them.

Methodology

The study was undertaken in the State Department of Agriculture, Haryana, India and two Non-Government Organisations (NGOs) in the state of Haryana, India, which were purposively selected. Training and Visit System has been the prevailing model in the State Department of Agriculture, where village level extension personnel being grass root level workers communicate technical know-how to the farmers and attend to the different problems and queries of the farmers during their fortnightly visit. Each circle level extension personnel supervises and provides constant professional advice to eight village level workers. Above the circle level there is a sub-division level where one sub-division level officer is responsible for conducting fortnightly training for circle level and village level personnel to provide technical know-how, technical support and helping them to accomplish their tasks. Each district unit of the State has a number of sub-divisions. An exhaustive sample of eight sub-division level and eighteen circle

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level extension personnel and a random sample of fifty four village level extension personnel were taken from the randomly selected two district units of the State Department of Agriculture. Fifteen extension personnel were chosen randomly from each of the two NGOs. Thus, a total of eighty extension personnel from the State Department and thirty personnel from the NGOs were selected for data collection through personal interview method.

Performance appraisal system (PAS) was assessed with the help of a standardized questionnaire developed for the purpose. It consisted of twelve dimensions: Participation, Feedback, Criteria relevance, Employee acceptance, Awareness of PAS objectives, Clarity of performance objectives, Performance appraisal and salary, Administrative uses, Developmental uses, Reward and support system, Performance standard and Superior subordinate relationship. Each dimension has three items, each of which measured, on a scoring scale ranging from 1 to 5 (poorest to best). The reliability of PAS questionnaire constructed for the present study was tested using split-half technique and found to be significant (coefficient of agreement=0.82). Validity of the questionnaire was examined for its content.

Chattopadhyay's (1982) organisational climate questionnaire was used to assess the overall organisational climate on the basis of twelve dimensions, which were Trust, Personal development, Innovation, Communication, Supervision, Decision making, Performance, Managing problems, Team work, Structure, and Identity. For objective measurement of the organisational climate this instrument contained five items for each dimension i.e., a total of sixty items, some in positive form and some items put in negative form. For each item five alternative answers were possible, ranging from total agreement to total disagreement with the item. Scores were assigned from 1 to 5 - higher score denoting a favourable work environment.

Findings And Discussion

Perceived Performance Appraisal System

The overall picture of PAS at the State department revealed that PAS has been framed from the "management" point of view rather than the "employee" point of view. The entire process of PAS is done through filling up the 'Annual Confidential Report'. Under this existing system there is no provision for personal discussion with employees with regard to appraisal of their performance. Further, the results of review are never communicated to the employees. Only in the case of adverse comment made in the assessment report, the employees are asked to give an explanation for their poor performance. An analysis of the history of NGOs reveals that most of the NGOs are established to meet the specific developmental needs of an area. The NGOs have to show a greater performance level since they depend on funds from outside agencies.

The NGOs are in a constant pressure for high performance as there is scarcity of funds and high competition to secure and sustain the flow of fund on a continuous basis. Under this context, the NGOs always give more importance to performance appraisal of employees.

Perceptions of different extension personnel on the PAS dimensions were studied on the basis of their comparative values, using range of their highest and lowest scoring dimension as the basis of inter-dimension comparison. Considering all the scores of the dimensions for both State Department and NGO extension personnel together, the range of scores were found as 5.41 to 10.86. The range of scores was then divided into four quartiles, i.e. 5.41 to 6.77, 6.77 to 8.13, 8.13 to 9.49, 9.49 to 10.86 and these quartiles were considered as poor, below average, average and above average, respectively.

The perception of extension personnel with regard to twelve dimensions of PAS is presented in Figure 1.

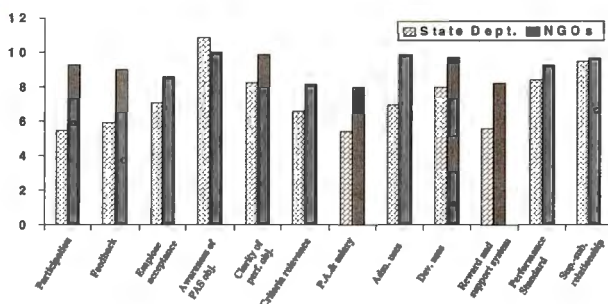


Fig. 1 : Comparative Perceptions of Different Extension Personnel toward Existing PAS in State Department & NGOs

It is evident that extension personnel of the State Department rated 'participation', 'feed back', 'performance appraisal & salary', 'reward & support system' as poor PAS dimensions. Dimensions like 'employee acceptance', 'criteria relevance', 'administrative uses' and 'developmental uses' were evaluated as below average while 'clarity of performance objectives', 'performance standard', 'superior-subordinate relationship' were found to be average dimensions in State Department. In case of NGOs, 'performance appraisal & salary' was the only dimension rated as below average while 'participation', 'feed back', 'employee acceptance', 'criteria relevance', 'reward & support system', 'performance standard' were grouped as average dimensions. The remaining five dimensions were found to be above average dimensions.

The rating of twelve dimensions of PAS by different categories of extension personnel is shown in Table 1.

It is revealing that both village level and circle level extension personnel perceived a majority of the PAS dimensions as poor to below average barring a

few like 'awareness of PAS objectives', 'performance standard', 'superior-subordinate relationship' which were rated as average or above average dimensions. Even the perception of sub-division level extension personnel was not very different. In contrast, extension personnel of NGOs rated most of the PAS dimensions as above average or average except for the dimension 'performance appraisal & salary' which was rated as below average.

The study revealed that in the State Department of Agriculture only the following four PAS dimensions were found to be at the level of average or above average level: 'awareness of PAS objectives', 'superior-subordinate relationship', 'performance standard' and 'clarity of performance objectives'. However, 'participation', 'feed back', 'reward & support system', and 'developmental uses' were found to be poor in case of the State Department. These dimensions are critical for organisational performance (Patterson, 1987 and Mufeed, 1998). In a study conducted by Davis (1993) it was found that the appraisal process for extension personnel had several deficiencies like poor participation, little developmental values and lack of evaluative feed back. This calls for improvement of PAS in the above mentioned dimensions, which could be best achieved by employee participation in the system, providing feedback to employees to improve subsequent performance, promoting personal and professional growth and competence, giving reward and support to the employees.

Perceived organisational climate

The organisational climate dimensions were studied on the basis of their comparative values, using the range of their highest and lowest scoring dimension as the basis of inter-dimension comparison. The range of score was 21.08 to 11.50. The range of scores were divided into four quartiles i.e. 21.08 to 18.68, 18.68 to 16.28, 16.28 to 13.88, 13.88 to 11.50 and considered as above average, average, below average, poor, respectively. The rating of the perception of extension personnel on the twelve organisational climate dimensions was done according to the above criteria and the results are depicted in Figure 2.

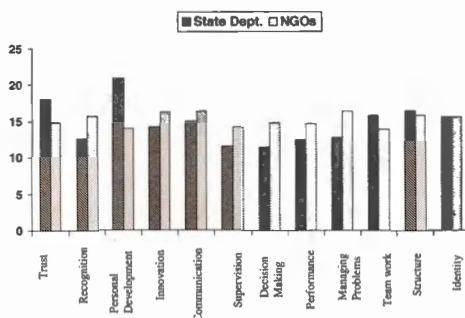


Fig. 2 : Comparative Perceptions of Extension Personnel toward Existing Organisational Climate in State Department & NGOs

Table 1 Rating of the twelve performance appraisal system dimensions as perceived by different categories of extension personnel in actual situation

Different categories of extension personnel	Rating of the twelve dimensions of performance appraisal system			
	Above average (9.49 & above)	Average (8.13-9.49)	Below average (6.77-8.13)	Poor (6.77 & less)
Village level personnel	Awareness of PAS objectives	Performance standard Superior-subordinate relationship	Employee acceptance Clarity of performance objectives Developmental uses	Participation Feedback Criteria relevance Performance appraisal and salary Administrative uses Reward & support system
Circle level personnel	Awareness of PAS Superior-subordinate relationship	Clarity of performance objectives Developmental uses Performance standard	Administrative uses objectives	Participation Feedback Criteria relevance Employee acceptance Performance appraisal and salary Reward & support system
Sub-div. Level personnel objectives, Performance	Awareness of PAS objectives performance Standard, Superior-Subordinate relationship	Clarity of performance Employee acceptance	Administrative uses Participation Criteria relevance Developmental uses Reward & support system	Feedback Performance appraisal and salary
Extension Personnel of NGOs	Awareness of PAS objectives, Clarity of Performance objectives Adm. uses, Dev. Uses, Superior-sub. relationship	Participation, Feedback, Employee acceptance, Criteria relevance, Reward & support system, Performance standard	Performance appraisal and salary	—

The study showed that 'recognition', 'supervision', 'decision making', 'performance & managing problems' were grouped as poor dimensions while 'innovation', 'communication', 'team work' and 'identity' were found as below average dimensions for the extension personnel of State Department. Only 'personal development' was found an above average dimension while 'trust', 'structure' were rated as average dimensions. In case of extension personnel of NGOs, 'innovation', 'communication and managing problems' were found to be average dimensions but the rest of the dimensions were found to be in third quartile and hence were evaluated as below average.

The rating of the organisational climate dimensions for the different categories of extension personnel can be seen in Table 2. The study revealed that village level personnel rated majority of the organisational climate dimensions as below average to poor barring dimensions like 'trust', 'personal development' which were rated as 'average', and 'above average' respectively. Both circle level and sub-division level personnel were very similar in their perception, as they perceived 'trust', 'personal development', 'communication', 'structure' and 'identity' as average or above average. The rest of the dimensions were rated as below average or poor. All the dimensions were found to be at 'below average' or 'average' level for the extension personnel of NGOs.

Village level extension workers, being at the grass root level face more problems as compared to others who are at higher levels. Although they are 'fire line men' organisations generally do not pay much attention to them which results in their poor perception of the overall working environment. As in case of the present study, many other researchers have reported the same scenario of differential perception of different levels of extension personnel towards their job, working environment (Belhaj, 1990; Kulander and Delmon, 1993). The organisational climate of State Department of Agriculture as revealed in the study shows the need for improvement. In this context, an improvement in performance appraisal system will make an impact on overall climate of the organisation.

Influence of PAS on overall organisational climate

An attempt was made to delineate the PAS dimensions, having a significant relationship with overall organisational climate. The data were subjected to correlation as well as stepwise multiple regression analysis to find out the dimensions of PAS, which were significantly related to overall organisational climate. The results are reported in Table 3 and Table 4.

The results presented in the Table 3 show that out of twelve PAS dimensions, nine dimensions were found to be significantly related to overall organisational climate of State Department while seven dimensions were significantly

Table 2 : Rating of the twelve organisational climate dimensions as perceived by different categories of extension personnel in actual situation

Different categories of extension personnel	Rating of the twelve dimensions of organisational climate			
	Above average (18.68 & above)	Average (16.28-18.68)	Below average (16.28-13.88)	Poor (13.88 & less)
Village level personnel	Personal development	Trust	Communication Team work, Structure, Identity	Recognition Innovation, Supervision, Decision making Performance, Managing problems
Circle level personnel	Trust, Personal development	Communication Structure, Identity	Innovation Managing problems, Team work	Recognition, Supervision, Decision making, Performance
Sub-div. Level personnel	Personal development	Trust, Communication Structure, Identity	Recognition Innovation Performance, Managing problems Team work	Supervision, Decision making
Extension Personnel of NGOs	—	Innovation, Communication Managing problems	Trust, Recognition Personal Development Supervision, Decision making, Performance, Team work, Structure, Identity	—

Table 3. Correlation between different dimensions of PAS and overall organisational climate

Dimensions of PAC		Extension personnel of State Dept. of Agriculture (n=80) 'r' value	Extension personnel of NGOs (n=30) 'r' value
1.	Participation	0.600**	-0.042
2.	Feedback	0.512*	0.398*
3.	Employee acceptance	0.335**	0.690**
4.	Awareness of PAS objectives	0.058	-0.100
5.	Clarity of performance objectives	0.263*	0.382*
6.	Criteria relevance	0.553**	0.064
7.	Performance appraisal and salary	0.122	0.088
8.	Administrative uses	0.214	0.262
9.	Developmental uses	0.286*	0.499**
10.	Reward and support system	0.380**	0.558**
11.	Performance standard	0.474**	0.749**
12.	Superior-subordinate relationship	0.261*	0.579**
Overall PAS		0.658**	0.750**

**Significant at 0.01 level

*Significant at 0.05 level

related to overall organisational climate of the NGOs. The overall PAS and organisational climate were highly correlated with each other.

The results of regression indicate that the highest variation in overall organisational climate was explained by the variable 'performance standard'. The two dimensions of PAS, namely, 'performance standard' and 'employee acceptance' accounted for 45.64 per cent variation where as three dimensions, namely, 'performance standard', 'superior-subordinate relationship' and 'employee acceptance' explained 51.18 per cent variation in overall organisational climate. The PAS dimensions namely, 'participation', 'performance standard', 'superior-subordinate relationship' and 'employee acceptance' together explained 53.87 per cent of total variation with the F-value being significant.

Table 4. Step-wise multiple regression between dimensions of PAS (independent variables) and organisational climate (dependent variable)

Variables	'b'-value	't'-value	'F'-value	% variation explained (R ²)
Step I				
Performance standard	5.35	7.62	58.10	34.98
Step II				
Performance standard	4.38	6.44	44.90	45.64
Employee acceptance	2.05	4.58		
Step III				
Performance standard	3.60	5.25		
Superior-subordinate relationship	2.40	3.47	37.03	51.18
Employee acceptance	2.06	4.83		
Step IV				
Participation	0.89	2.48		
Performance standard	3.19	4.65		
Superior-subordinate relationship	2.23	3.30	30.65	53.87
Employee acceptance	1.89	4.48		

Based on this analysis it appears that the overall organisational climate had a significant relationship with the above mentioned four PAS dimensions and these dimensions need special attention to improve the existing organisational climate.

Conclusion

The investigation revealed that the overall organisational climate had a direct bearing on the present utility of performance appraisal. Special efforts must be made to improve the PAS leading to a satisfactory level of the overall organisational climate. In this regard modification of the existing performance appraisal system and/or implementation of development oriented performance appraisal system is required. This would be aimed to gain confidence of personnel by making them participants in the appraisal system, providing feedback to them to improve subsequent performance, promoting personal and professional growth and competence, giving reward and support to the employees.



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