

Appendix I

APPRAISAL SYSTEM IN VARIOUS BANKS

A SUMMARY

In the following pages the existing system of performance appraisal has been described in a nutshell for ten different banks individually. The details are presented under five sub-headings namely:-

- I. Quantum of weightage given to appraisal reports at the time of promotions for various scales
- II. Number of formats in existence
- III. Major focus of the format in terms of content
- IV. The procedure or the process of appraisal and
- V. The process of arriving at the final ratings.

Bank A

I. Weightage given to appraisal formats at the time of promotion :

Scale I	to II	-	20
Scale II	to III	-	40
Scale III	to IV	-	50
Scale IV	to V	-	60

II. Number of Formats: Five (5)

III. Focuses on: Job performance, potential ability and job knowledge varies from format to format as regards number of items and nature of items are concerned.

IV. Consists of: Self appraisal, appraisal by Reporting Officer and appraisal by Review Authority.

V. The Final Rating: Done on the basis of -

A+ outstanding	-	86 - 100 marks
A good	-	70 - 85 marks
B+ above average	-	55 - 69 marks
B average	-	40 - 54 marks
C poor	-	39 and below

Appraisee does not rate himself for scoring. It is the Reporting Officer who gives the score and is moderated by reviewing authority.

According to New Performance Appraisal System - i) No ratings/marks be awarded by the reporting/reviewing authority. Observations should be laid down with objective reasoning in respect of the evaluation of an officer. ii) A committee consisting of senior executives of appropriate rank constituted by competent authority would give the ratings and award marks based on self appraisal report and observations given by reporting authority and reviewing authority for uniform application of awarding marks or ratings.

Bank B

I. Weightage given to appraisal formats at the time of promotion:

Scale I	to	II	-	15
Scale II	to	III	-	25
Scale III	to	IV	-	30
Scale IV	to	V	-	40

II. Number of Formats: Three. (i) Officers in Administrative offices;
(ii) for Managers in Branch offices
(iii) for Managers in Branches and Administrative offices.

III. Focuses on: Trait Appraisal - 6 item 5 point rating scales
Skill Appraisal - 6 item 5 point rating scales
Overall Assessment - Just one 5 point rating scale.

IV. Appraisal done by: i) Reporting Officer
ii) Reviewing Authority
For managers business performance also gets rated.

V. Final Rating: Final rating consists only the overall opinion and not the total of Trait and Skill Appraisals. Main decision of promotion depends upon Overall Assessment. Marks are awarded for performance on the basis of the overall rating for the past three years of satisfactory service.

Performance would be done on 5 point scale -

a) Outstanding	-	100 marks
b) Very Good	-	80 marks
c) Good	-	60 marks
d) Satisfactory	-	40 marks
e) Inadequate	-	5 marks

The marks awarded to each officer gets multiplied by the appropriate weightage for final computation

Bank C

I. Weightage given to appraisal formats at the time of promotion:

Scale I	to	II	-	70
Scale II	to	III	-	80
Scale III	to	IV	-	100
Scale IV	to	V	-	100

II. Number of Formats: Only one

III. Focuses on: Job performance, job knowledge and skills and personal qualities.

IV. Appraisal done by: Self Appraisal, Reporting Officer, Reviewing Authority and (Moderation Committee).

While the individual does self appraisal he indicates via three items only his overall achievements, problems faced by him and any factor he wants to be considered while appraisal.

While Reporting authority reports on self appraisal he gives marks on the various factors like job knowledge etc, provision has been made to moderate the score by the reviewing authority.

Apart from the aforesaid review, a High Level Committee shall be constituted by the Chairman and MD/ED for final review of the appraisal of the officers in various scales.

Moderation may be done by the High Level Committee in these cases where it is felt that assessment made by certain Reporting Officers and Review Authorities does not reflect the correct assessment, say where it has been too strict or too liberal.

V. Final Rating:

a. Job Performance	50
b. Job Knowledge and Skill	20
c. Personal Qualities	<u>30</u>
	<u>100</u>

The total marks obtained gets multiplied by 70/100 in case of Scale I officer and by 80/100 in case of Scale II officer and by 100 in the scales above.

Bank D

I. Weightage given to appraisal formats at the time of promotion:

Scale I,	to II	- 30 marks
Scale II	to III	- 40 marks
Scale III	to IV	- 45 marks
Scale IV	to V	- 60 marks

II. Number of formats: Four (4)

III. Focuses on: General information and additional observations like international postings etc in the case of top management In the case of senior management technical and human skills are covered. For other categories the focus is on a) work performed and b) technical, human and mental skills.

IV. Appraisal done by: Reporting officer reports and the reviewing authority counter signs.

V. Final Rating: Assessment under performance review are on the basis of the Performance Appraisal Reports for the immediate past three years and is done on a five point rating scale on the basis of marks awarded for such rating factors.

Total marks awarded for three years gets averaged for the purpose of rating and then reduced to the assigned weightage factor i.e. 30 marks/40 marks etc. Moreover it is not clear as to how the final rating gets accounted at the time of promotion. Self appraisal is being introduced. Review of the whole system is under active consideration.

Bank E

I. Weightage given to appraisal formats at the time of promotion:

Scale I	to II	-	40
Scale II	to III	-	30
Scale III	to IV	-	440
Scale IV	to V	-	60

II. Number of formats: Four (4)

III. Focuses on: In case of middle management grade present responsibilities, suitability for higher positions and comments of Reviewing Authority regarding personality, potentiality etc. In case of Branch Managers, focus is more on business performance, in other cases the coverage includes job performance, administrative skill and potentiality.

IV. Appraisal done by: Self appraisal, reporting officer and reviewing authority. While the appraisee gives a descriptive report about his performance, reporting officer comments on the appraisee's report. The ratings on five point scale on various sub-divisions/ items are done by the reporting officer. The reviewing authority places his counter sign at the final rating,

V. Final Rating: The subcategory scorings are aggregated to arrive at the final overall rating. Marks on the following basis are awarded for overall rating earned by the officer in each of annual performance review - reports of last three years.

A	-	100
B	-	80
C	-	60
D	-	40
E	-	20

The aggregate marks of last three years are divided by three for annual average marks of employees. Average marks so arrived are multiplied by proper weightage divided by 100

Bank F

I. Weightage given to appraisal formats at the time of promotion:

Scale I	to II	-	45
Scale II	to III	-	45
Scale III	to IV	-	45
Scale IV	to V	-	

II. Number of formats: Ten (10)

III. Focuses on: Job performance aspects, potential for future growth, punishment and penalty awarded during the review period and development aspects. Managerial abilities at certain levels is also covered.

IV. Appraisal done by: Self appraisal in all the cases are done on a elaborate way with specific questions.

This is considered by the assessing authority while rating (on a four point scale). Reviewing Authority gives the final rating. Ratings are done on behaviourally descriptive scales.

V. Final rating: Final rating is done on a single four point scale. There is no built in mechanism of converting sub-scale scores to overall assessment.

Evaluation of performance is done on the basis of Cumulative appraisal ratings for the last three years.

Rating - Very Good	Marks - 15
Good	11
Satisfactory	8
Unsatisfactory/Poor	0

The minimum qualifying marks will be 24. None of the reports should be below "satisfactory".

Bank G

I. Weightage given to appraisal formats at the time of promotion:

Scale I to II - 30
Scale II to III - 30
Scale III to IV - 40
Scale IV to V - 60

II. Number of formats: Two (2)

III. Focuses on: Business achievements, training needs, problems
unable to handle, weakness if any, achievements in key areas

IV. Appraisal done by: Self appraisal, appraisal by reporting
officer, scrutiny by reviewing officer and review at head
office.

V. Final Rating: The process of final ratings done is not clear.
How it is linked with promotion marks is also not clear. To
ensure objectivity and fairness of performance grading, cases
of all candidates for promotion are reviewed by special committee
at the head office.

Bank H

I. Weightage given to appraisal formats at the time of promotion:

Scale I	to	II	-	20
Scale II	to	III	-	35
Scale III	to	IV	-	60
Scale IV	to	V	-	60

II. Appraisal System being developed. Other details are yet to be finalised.

I. Weightage given to appraisal formats at the time of promotions:

Scale I	to II	-	40/100
Scale II	to III	-	50/100
Scale III	to IV	-	60/100
Scale IV	to V	-	100

Performance for a period of three calendar years immediately preceding the year of consideration shall be taken into account through a self appraisal process. While assessing the performance the leave and health records of the officer will also be assessed.

II. Number of formats: Four (4)

III. Focuses on: General administration, staff management, customer service and related areas. However the specific focus differs from format to format.

IV. Appraisal done by: Concerned officer shall appraise himself about his performance and submit his self appraisal for three calendar years separately for each year. The appraiser discusses with appraisee in case of disagreements. The rating is made by the reporting officer and after review the reviewing authority communicates the score to the appraisee traitwise and year wise. Whereever appraisee and appraiser have differed regarding rating the rating and marks awarded by final reviewing authority shall be final decision.

The marks for service and performance shall be added and officers be ranked as per total marks awarded.

V. Final Rating: The final rating is obtained by totalling up the subcategory totals and gets multiplied by the respective weightages.

P.S. The open self appraisal rating which was experimented was withdrawn since 1983.

I. Weightage given to appraisal formats at the time of promotions:

Scale I	to II	- 10
Scale II	to III	- 30
Scale III	to IV	- 40
Scale IV	to V	- 50

The marks obtained in the annual Appraisal Reports of the officer are taken for rating only in respect of promotion from scale I to II, scale II to III and scale III to IV. The performance of the officer due for promotion from scale IV to V, scale V to VI and scale VI to VII are suitably evaluated by the committee constituted by the board for the purpose.

II. Number of formats: Seven (7)

III. Focuses on: Technical skills, relational skills and conceptual skills. However specific coverages under each headings differ from format to format.

IV. Appraisal done by: Appraiser reports on an officer and gets reviewed by reviewing authority.

V. Final Rating: Ratings are given to each subscale with differential weightages. The final rating is obtained by summing up the total subcategory scores.

P.S. This system is under modification.