A Comparative Study on Assessing Employee Satisfaction in Public and Private Dairy Industries in Udaipur

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Abstract

In India, the dairy industry is predominantly unorganized, with 80% of it being unstructured, leaving only 20% organized. Currently, there are more than 538 private dairies, over 200 cooperative societies, and 46 government-owned dairies operating across the country. Given the vast size of the Indian dairy sector, the number of people employed within this field is considerable. This research aimed to assess the satisfaction levels of employees working in the dairy industries of UDAIPUR, India. For this purpose, employees from both public and private sectors were selected to allow a comparative evaluation of their satisfaction levels. The study sampled 300 employees, with 150 participants from each type of organization, encompassing a range of designations and income brackets. Through statistical analysis, it was found that PERFORMANCE APPRAISAL PRACTICES adopted by both types of companies were largely similar. Although there were differences in income levels between public and private sector employees, the comparative evaluation showed no significant difference in satisfaction scores. The study concluded that the performance appraisal practices used across these industries have common characteristics and standards, resulting in an insignificant difference in employee satisfaction levels within UDAIPUR'S dairy sector.

Keywords: Public and private industries, performance appraisal, satisfaction (PAS)

Introduction

Balancing individual professional productivity with personal growth and aligning both with organizational development is a crucial demand in today's environment. Performance appraisal serves as a tool or set of practices that organizations use to navigate the complexities of their employees' personal and professional lives, thereby supporting organizational growth. Through performance appraisal practices, the human resources department seeks to pinpoint the strengths and weaknesses of employees and understand how this impact overall productivity. Despite numerous significant changes and adjustments made by researchers to refine PA practices, an optimal performance appraisal approach remains elusive due to varying expectations around evaluation methods. Performance appraisal benefits not only employees but also employers, making it challenging to meet the expectations of both organizational levels. This study aims to evaluate the satisfaction levels of employees from selected private and public industries regarding their organization's performance appraisal practices. The research offers a comparative assessment of employee satisfaction levels, contributing insights into whether satisfaction is hindered.

The study's geographical scope is confined to one public and one private dairy organization operating in Udaipur, India. Its operational scope focuses on a comparative analysis of the performance appraisal practices used by these public and private dairy organizations in Udaipur, while also examining employee perceptions of the performance appraisal frameworks developed by these dairy industries within universally accepted definitions of the concept.

Research Methodology

A judgmental and random sampling approach was applied to select one private and one public industry for the study. The researcher's choice of dairy units was guided by two primary criteria: the units or branches needed to operate within Udaipur and have a well-established Employee Performance Appraisal system for their workforce, based on the Employee Performance Appraisal Management model. Additional factors considered in selecting the dairy organizations included the size and scale of each dairy unit, as well as the locality of the branch or unit.

To gather responses from employees at the selected industries, a convenience sampling method was used. Feedback was collected exclusively from participants capable of understanding the importance of the study and recognizing that any beneficial outcomes could lead to clearer, more customized Performance Appraisal Practices in the future. The target sample size for the study was set at 300 employees, with 468 questionnaires distributed to employees in the chosen dairy organizations within the Udaipur study area to ensure that 300 fully completed responses were obtained. A

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fully structured, reliable questionnaire was developed to meet the study's objective of assessing employee satisfaction with the Performance Appraisal Practices within their organizations. Data obtained from the questionnaires were analysed using relevant statistical tools, with the Statistical Package for the Social Sciences (SPSS) version 21 utilized to process and interpret the findings.

To examine the effects of the organization type (public or private) and the frequency of individual appraisals during their tenure on satisfaction with their most recent performance appraisal and the organization's overall appraisal system, the following hypotheses were proposed:

Ho1: There is no significant difference in employee respondents's satisfaction with their most recent performance appraisal and with the overall appraisal system in public versus private industries.

Ho2: There is no significant difference in satisfaction levels among appraised employees concerning their most recent performance appraisal and the entire appraisal system.

Data Analysis and Interpretation
To compare the mean satisfaction levels of employees from both participating organizations, a One-Way ANOVA test was conducted. This test is the most suitable method for comparing the mean scores of two or more groups to determine if they share the same average score. The impact of organization type (Public and Private) and the frequency of

appraisals during employees' tenure on their satisfaction with their most recent performance appraisal and the overall performance appraisal system is presented below:

Table 1: Test of Homogeneity of Variance for type of organization (Public and Private), frequency of individual appraisals, and satisfaction level regarding the last performance appraisal and Performance Appraisal System (PAS)

Test of Homogeneity of Variances				
	Levene Statistic	df1	df2	Sig.
Types of Organization (Public and Private)	1.463	1	298	.228
Times individual appraised	.878	4	145	.479

Source: Primary Data

Levene's Test for Equality of Variance was conducted to assess whether the variances of both samples are equal. A high significance value typically indicates no significant difference in variances. In Table 1 above, the significance value (sig.) for Types of Organization (Public and Private) is .228, which is well above the 0.05 threshold, suggesting no equal variance is observed between the samples. Similarly, for the frequency of individual appraisals, the significance value (sig.) is .479, also above 0.05, indicating no equal variance is present regarding the frequency of individual appraisals within the organization.

Table 2: One-Way ANOVA for Type of Organization (Public and Private), Frequency of Individual Appraisals, and Satisfaction Level for Last Performance Appraisal and Performance Appraisal System (PAS)

ANOVA						
		Sum of squares	d.f.	Mean square	F	Sig.
Types of organization (Public and Private)	Between groups	.033	1	.033	.030	.863
	Within groups	161.141	298	1.089		
	Total	161.173	299			
nes individual appraised	Between groups	.581	5	.581	.262	.610
	Within groups	328.919	294	2.222		
	Total	329.50	299			

Source: Primary Data

Table 2 above displays the variation (Sum of Squares), degrees of freedom (df), and variance (Mean Square) for both within-group and between-group comparisons, along with the F value (F) and the significance of F (Sig.). The significance value (Sig.) indicates whether to reject the null hypothesis that the population means are equal. If the significance value is below 0.05, the difference between means is significant; otherwise, the difference is not significant.

For the Types of Organization (Public and Private), there is a notable difference between the two Mean Squares (0.033 and 1.089), resulting in an insignificant difference (F = 0.030; Sig. = 0.863). The Sig. value is above the 0.05 threshold, meaning H01 must be accepted, confirming that there is no significant difference in employee satisfaction with the last performance appraisal and the overall performance appraisal system between public and private industries.

Similarly, for the Times individual appraised, there is a notable difference between the Mean Squares (0.581 and 2.222), yet it also shows an insignificant difference (F = 0.262; Sig. = 0.610). The Sig. value exceeds 0.05, indicating that H02 must be accepted, which asserts no significant difference in satisfaction levels among appraised employees regarding both their last performance appraisal and the overall appraisal system.

Thus, the acceptance of both null hypotheses suggests that neither the type of organization (Public or Private) nor the frequency of individual appraisals significantly impacts employee satisfaction with their last performance appraisal or the organization's Performance Appraisal System. This outcome may be due to the shared common attributes of performance appraisal practices across organizations, which influences employee perceptions similarly across both sectors.

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Table 3: Descriptive Statistics of Presented Characteristics of Employee Respondents

Descriptive Statistics						
	N	Mean	Std. Deviation	Variation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
Type of the Organization	300	.5000	.050084	.251	.000	.141
Appraised in Tenure	300	2.5933	1.51953	2.309	-.406	.141
Experience in Dairying	300	2.7667	.96367	.929	-.060	.141
Experience in present Job	300	2.5900	1.06725	1.139	-.070	.141
Grade of Respondent	300	2.7867	1.35176	1.827	.238	.141
Valid N (listwise)	300					

Source: Computed Data

Table 3 above presents the Descriptive Statistics of the characteristics of employee respondents from the participating industries in UDAIPUR. The data indicates that a total of 300 employee respondents participated in the research and completed the questionnaire, which was selected for the study. The standard deviation values reflect the variability in the responses collected; a higher standard deviation suggests a wider range and diversity in the respondents' answers, confirming the data's quality and supporting the normal distribution of responses. The standard deviation values, along with the mean values for various classifications, are as follows: for the type of organization, the values are (0.50 ± 0.50); for the number of times appraised during tenure, (2.59 ±1.51); for experience in dairying, (2.76 ±0.96); for experience in the current job, (2.59 ±1.06); and for the grade of respondent class, (2.78 ±1.35). The mean and standard deviation values for all five demographic variables of the employee respondents demonstrate substantial variation, indicating that when collecting responses regarding the Performance Appraisal Practices or Systems in their organizations, there was a notable diversity in employee feedback. The higher variation in the standard deviation values further affirms the robustness of the data. Skewness values in the descriptive statistics assess the degree and direction of asymmetry within the data. A negative skewness occurs when the mean is less than the median, while a positive skewness arises when the mean exceeds the median. These values help indicate the normal distribution of the data. From Table 3, negative skewness was observed for the number of times appraised during tenure (-0.406), experience in dairying (-0.060), and experience in the present job (-0.070). In contrast, positive skewness was found for all other remaining demographic characteristics.

Conclusions

Performance appraisal practices should be adopted by all organizations as essential components of their Human Resource Development (HRD) strategies. An effective performance appraisal system enhances employee productivity and is fundamentally linked to organizational growth. In the selected dairy organizations within Udaipur, performance appraisal practices were implemented, yielding various benefits. After conducting a comparative assessment of employee satisfaction, it was found that the performance appraisal standards followed by the Human Resources (HR) departments in these organizations were similar, leading to the conclusion that there was no significant difference in employee satisfaction regarding their most recent performance appraisal and the overall performance appraisal system between public and private industries. A similar finding emerged regarding appraised employees, where no

significant difference was noted in their satisfaction levels concerning their last performance appraisal and the entire appraisal system. Overall, it can be concluded that when measuring employee satisfaction with performance appraisal practices, their perceptions are significantly influenced by the characteristics of the appraisal system. Therefore, performance appraisals should be tailored to align with the organizational structure and type.

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