ABSTRACT
Performance appraisal is one of the main functions of human resource management. It is useful not only for Management but also for the employees so that they can know and understand about their performance from the Management Point of view. In this Paper researcher has tried to assess the relationship of Performance Appraisal system on the Motivation of Employees. For this purpose an empirical study has been carried out among the staff members of Cooperative Bank and data was collected through questionnaire. During the research it has been observed that the establishment of relationship between Performance Appraisal and Work Motivation depends on the type of performance appraisal system used in the particular sector and the transparency with which the whole process of Performance Appraisal was carried out. In the Cooperative bank where the survey was carried out are in practise of writing confidential report of employees and the data analysed gives very no significant relationship between performance Appraisal and Work Motivation.

Keywords: Work Motivation; Performance Appraisal

INTRODUCTION
Human resource is vital for any organization it is one of the useful resources. If human resource or employees of any organization will be happy, they will do their best in organization and vice versa. So it is important to manage the human resource. Organization tries to satisfy and motivate employee to do their best by various means and the performance Appraisal is one of those.

Employees of the Organisation work better when they get appraisal on their performance. They get motivated and when their performance evaluated and rewarded suitably by any organisation.

Performance Appraisal is directly related to the job performance of the employees. If there are no appraisals given to the employees on their good performance then they will not do that much work again. Performance appraisal satisfaction is directly related to the job performance. In the relationship of performance appraisal and job performance, there can be mediator called intrinsic motivation. Intrinsic motivation can enhance the relationship; positive work performance can be taken into account due to motivation.

This research has been conducted in order to find the relationship of performance appraisal with the work motivation.

Relationship of Performance Appraisals and Motivation
Ken Lloyd from Performance Appraisals and Phrases for Dummies has tried to establish the relationship and as per his opinion, Motivation is the process that that energizes employees and propels them to pursue their goals. Well-designed and well-executed performance appraisals have a strong
motivational impact. Appraisals have the power to motivate employees because they provide a number of interconnected benefits

**They demonstrate the need for improvement:** If employees don’t have a clear understanding of how they’ve been performing, they can’t be motivated to make any improvements.

**They meet higher-level psychological needs:** Researchers continue to find that recognition is one of the most powerful forms of motivation for large numbers of employees. Although you can find numerous possible sources of recognition on the job, performance appraisals are an opportunity for employees to receive formal, significant, and enduring recognition from their manager.

**They build a sense of personal value:** When managers take the time and effort to carefully review, analyze, document, and discuss performance with employees, the underlying message to the employees is that they’re important and valuable, and this alone is quite rewarding, whether the feedback is positive or not.

**They enhance personal development:** Performance evaluations are motivational for employees who are looking to enhance their personal learning, growth, and development. Appraisals are a highly valuable source of information, insights, and tools necessary for such progress. Performance appraisals are similarly motivational for employees whose needs are centered on achievement, goal attainment, and sensing personal effectiveness, respect, and trust.

**They turn employees around:** When employees are performing poorly, performance appraisals can provide the wakeup call that they need to get refocused and reenergized. With performance appraisal, however, the purpose of the session is not strictly disciplinary, so the employee is more likely to walk in with a more receptive and open mind. As a result, your comments regarding an employee’s questionable performance have an excellent chance of being heard and generating action as a result.

**They increase satisfaction:** When performance appraisals meet the employees’ needs in such areas as gaining recognition, sensing achievement and competence, experiencing growth, and meeting objectives, they’re also contributing to the employees’ job satisfaction, and this is one of the most important elements at work today. When employees are satisfied, some of the most visible indicators are reduced turnover, absenteeism, and tardiness.

**LITERATURE REVIEW**

Many research’s has been done in past on performance appraisal. Researchers found different results from those researches. Furthermore, literatures were reviewed and based on these reviews, hypothesis was developed.

A research was conducted in Peninsular Malaysia wherein it was found that satisfaction with the performance appraisals positively influence work performance and job commitment. This was the quantitative research and correlation and regression analysis were used to analyse the result of the research.(1)

Another research carried out by Allameh, S.M., (n.d), revealed that there is a relationship of performance appraisal with the job performance. The result also indicated that relationship of performance appraisal satisfaction to turnover intension is not significant and there is role of moderating of intrinsic work motivation. The population consisted of employees of Esfahan University.(2)

In the research conducted by Kuvaas (3) indicated that performance appraisal was significantly related to the job commitment, intrinsic motivation mediated the relationship of job performance and performance appraisals.

Another research in Kenya revealed that performance appraisal has positive impact on the job performance which leads to the motivation. This study was conducted at the ministry of the state for
public service. Population consisted of 600 people and sample consisted of 354 people subdivided into 12 groups. Two methods were used to analyse the result.

Another study was conducted between motivation and the performance of the academic staff of IBBUL. 141 people were taken as sample. Questionnaire was used as collection of data. Regression and correlation technique were used to analyse the result. Results revealed that there is moderate positive correlation exist between motivation and job performance. It also revealed that motivation exerts significant influence on the job performance.

Now this study has been conducted to know the relation of performance appraisal and work motivation in depth in the cooperative banking sector of Nagpur region as no research has been done before on this sector and on this relationship. So this study has been done to fill this gap.

**RESEARCH OBJECTIVE / RESEARCH QUESTION**

From the critical review of the literature it is noted that there is a relationship between performance appraisal, motivation and job performance. So this research has been conducted with an objective to answer the following question: (i) To study the performance appraisal system in the cooperative Banking Sector (ii) To analyse the impact of Performance Appraisal System on Employees motivation.

**DEVELOPMENT OF HYPOTHESIS**

A hypothesis is a preliminary or tentative explanation or postulate by the researcher of what the researcher considers the outcome of an investigation will be. It is an informed / educated guess. It indicates the expectation of the researcher regarding certain variables. It is the most specific way in which an answer to a problem can be stated.

Research hypothesis are the specific testable predictions made about the independent and dependent variables in the study. Hypothesis is couched in terms of the particular independent and dependent variables that are going to be used in the study.

Based on literature review, all variables included dependent and independent variable are identified, now based on the these variables, hypothesis of the study is developed as “Performance appraisal has a positive impact on the motivation of the employee.”

**RESEARCH METHODOLOGY**

This study focuses on establishing relationship between Performance Appraisal and Motivation and our study has covered the Employees of Cooperative bank of Nagpur City.

The quantitative approach was adopted as this is convenient for this type of research. The population for the study consisted of the employees of all Cooperative Banks of Nagpur City. Sample consisted of 86. Sample was chosen by using the technique of convenient sample because of time and resource constraints.

Regression and correlation analysis were used to analyze the results. SPSS was used to measure and analyse the results. Reliability analysis was used to check the reliability of the data.

**FINDINGS**

**Reliability Analysis Interpretation**

As all variables have cronbach alpha above .500, so the data is reliable for the study.

Table 1: Results of Reliability Analysis:

<table>
<thead>
<tr>
<th>NO.</th>
<th>VARIABLES</th>
<th>ITEMS</th>
<th>CRONBACH’S ALPHA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Work Motivation</td>
<td>7</td>
<td>0.568</td>
</tr>
<tr>
<td>2</td>
<td>Performance Appraisal</td>
<td>6</td>
<td>0.573</td>
</tr>
</tbody>
</table>
DESCRIPTIVE

Results of the demographic characteristics of the respondents are interpreted as under:

The most respondents were of age between 30 to 34 as it comprise of 37.7% and between the age group of 25-29 there are 29.2% of respondents and others belong to age group of 35 and above and only minority i.e 7.6% belong to age group of 20-24.

The respondents were taken from the Cooperative Banking sector. Hence out of the total population of respondents clerk participation is in majority which comprise of 45.3% and cashier are 28.3% and officers comprise of 20.8% and only minority i.e 5.7% belong to sub staff category.

The data was collected from two type of respondents i.e Permanent and Probation and interestingly permanent employee are 79.2% and only 20.8% found to be probationer.

In this Cooperative Banking Sector participation of Male found to be in majority i.e 53.8% and females are 46.2% and all 66% of respondents are married and only 34% found be unmarried.

Majority of Respondent who were studied have graduation degree as they comprise of 73.6% and 19.8% of respondents have Post Graduation Degree and only 6.6% have HSC and Below Qualification.

REGRESSION ANALYSIS

Regression analysis is used to check the variability of one variable due to another variable. It was used to check the variability in work performance due to motivation and performance appraisal.

It is noted that relationship of Performance Appraisal and work motivation is not significant as R Square is 0.02646 only and P value is more than 0.05 so we have to accept the null hypothesis that there is insignificant relationship between Work Motivation and Performance Appraisal.

CONCLUSION

It is concluded from above study, that there is an insignificant relationship of work performance with performance appraisal and motivation.

It is also concluded that employees of Cooperative bank have high Motivational level as majority of the respondents have agreed to the statement asked to evaluate their motivational level like: My job is beneficial to my career, My boss allows me to have ability fully utilize; it's enjoyable to go to work; I like more challenging task at work; I am satisfied with my job profile; my boss is good in communicating information; I see good career prospects in this organisation and the Organisation value my service.

From the data analysis we can conclude that total 25% of the respondents strongly motivated and 20% of the respondents can’t say whether their works motivates them or not and majority of the respondents i.e 55% affirmed the fact of being motivated to do the work.

It is also concluded that employees are aware of the performance appraisal system, linking of reward with the performance and the various criteria against which their performance was evaluated and are aware of the facts that their incentive system and promotion is linked to the performance appraisal. However, though they agree to the facts that they know that their success was measured, and their boss recognize the extra effort they put at work and rewarding system is based on the performance.

The data analysis also affirm the fact of satisfaction of respondents with the performance Appraisal System as only 17% are neither satisfied or dissatisfied and only 34% of the respondents Most satisfied and majority of the respondents are satisfied.
LIMITATIONS

Accuracy of the study is purely based on the information as given by the respondents. Our field of study is restricted to only Banking sectors and that too cooperative bank which limits the applicability of our findings on any other sectors. The geographical area of our research restricted to Nagpur City.

PRACTICAL IMPLICATIONS

This study has been done to know the relation of employee motivation and performance appraisal in Cooperative Banking Sector. This study shows the negative relation between this two. Hence, it is necessary for the bank officials to try to establish the relation between this two by adopting other methods of Performance Appraisal which gives stimuli to bank official to get motivated by it and perform well in the Organisation.

This study will help and guide the organization in implementing the performance appraisal system for their employees and motivate them to get high performance. This will help them to enhance the work performance of their organization. Performance appraisal plus motivation can establish better opportunities for them in present as well as in future. This study has great significance for practical implications.

REFERENCES

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