



Employee Concert and the Effect of Performance Management Systems: critical study and Analysis

T. Vijaykumar T Vekant Rao¹ and Dr. Vinayak Khare²

Ph.D Scholar, Department of Management¹

Professor, Department of Management²

Dr. A. P. J. Abdul Kalam University Indore, India

Abstract:

The general objective of the study was to determine the effect of performance management practices on employee productivity with a focus on Schindler Limited. The study was guided by the following research objectives: To investigate the influence of performance appraisals on employee productivity, to determine the influence of reward systems on employee productivity and to examine the influence of performance feedback on employee productivity. This study used the descriptive research design. The study adopted a quantitative approach on the effects of performance management practices on employee productivity. The dependent variables included performance appraisals, reward systems and performance feedback, and the implications on employee productivity as the independent variable. The data analysis is broken down into three main sections: descriptive statistics (Mean, Standard deviation, Standard error mean), inferential statistics (Reliability test), and structural model (t-value, p-value, and coefficient value) to determine the relationship between PMS practise and particular outcomes.

4054

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I. INTRODUCTION

Global companies are functioning in a difficult environment. Today, a company must compete in more markets, use more platforms, and manage more stakeholders than ever before if it wants to be successful and outperform its competitors (Beckons). Performance management is one of the key components of organisational orderliness in human resource management (Zulystiawati, Vol. 3, No. 4, 2014). There is substantially less history to discuss because even the word "performance management" is very new (DeNisi& Murphy, 2017). Although the emphasis of this study has been on enhancing individual performance, the main objective of performance management systems is to enhance performance at the organisational level.

II. Literature Review

One of the significant and advantageous breakthroughs that has lately gained traction in the field of human resource management (HRM) is the concept of performance management systems (PMS) (Armstrong, 1994, P.01). Activities that guarantee that objectives are continuously accomplished effectively and efficiently are included in performance management (PM). The most substantial contribution to individual and organisational learning, as well as to increasing organisational efficiency and fostering growth, may come through performance management (Adhikari, 2010). All organisations must have performance management at its heart because it provides strategic direction and determines how



resources will be allocated to meet predetermined goals and objectives.

Performance management is a technique used to increase productivity and performance, although it has not yet become a completely institutionalised aspect of company operations. Specific methods and planned actions are needed for effective performance management in the public sector (Olufemi). Through the effective and efficient use of resources, performance management seeks to improve service delivery (Zvavahera).

According to Tomi, Tadi, and Sedlak (November 2016), the core of management as a collection of intricate processes and actions is exerting influence over a specific system in order to alter it in the direction of clearly specified growth goals. According to Nelly et al. (2003), a performance assessment system involves the use of a multidimensional collection of indicators (financial, non-financial, internal, and external). As a component of strategic performance management, the performance measurement system is recognised as a subsystem, with the performance management system being in charge of the implementation procedure (Rastislav& Petra, September 2016).

III. STATISTICS INVESTIGATION

Hypothetical Outline:

The theoretical framework serves as the dissertation's overall "blueprint" for investigation. It gives the framework to specify how you will approach the dissertation as a whole from a philosophical, epistemological, methodological, and analytical standpoint. It also acts as the foundation upon which to develop and support your study. "A structure that directs research by relying on a formal theory...constructed by using an established, coherent explanation of certain phenomena and relationships," was how a theoretical framework was defined. The chosen theory (or theories) that inform how you perceive and intend to investigate your issue, as well as the terms and concepts from that theory that are pertinent to your topic, make up the

theoretical framework. the dissertation's criteria for creating or implementing theories

Training & Growth:

As a result, training describes the procedures utilised to provide new or existing employees with the abilities they need to carry out their tasks.

In addition, performance enhancement is a key component of training, with a goal of preserving and enhancing present work performance.

THE FIVE PHASES OF EXERCISE:

1. a. *Training Needs Analysis (TNA)*

determines the precise work skills required, evaluates the abilities of potential trainees, and creates precise, quantifiable expertise and achievement goals based on any shortcomings.

2. *Training Instructional Design*

Is to choose, gather, and generate the material for training programmes, which includes workbooks, exercises, and activities, as well as certain methods like computer and on-the-job training.

3. *Preparation Authentication:* By showing the training programme to a limited, representative audience, the flaws are ironed out.

CURRENT METHODS:

1. *Eclectic Interventions* However, despite having no specific theoretical underpinning, eclectic coaching treatments have a lot of face validity since a layperson is likely to believe that they would improve a team's performance.

Eclectic models are mostly available in practitioner literature as codifications of team facilitation lessons acquired by management consultants.

2. *Process Consultation*

According to Schein's process consultation methodology, which he established between 1969 and 1988, successful task performance depends on group members' close involvement in analysing and enhancing their interpersonal connections. Team members are actively involved in the consultant's

4055

simultaneous analysis of two levels of group dynamics: (1) The substantive level: To examine how work on a particular organisational issue is impacted by human processes?

And second, at the internal level, to better comprehend how the team interacts with one another and how team dynamics support or hinder efficient group functioning.

3. Behavioral Models

Schwarz (1994) applied Argyris's (1982, 1993) theory of intervention to team-focused coaching, and Komaki (1986, 1998) and her colleagues applied parent conditioning to change team behaviour (Richard & Ruth, 2005). These two distinct models of team coaching are based on theories of individual behaviour.

Presentation Assessment:

A periodical evaluation of an employee's work performance and overall contribution to a firm is called a performance assessment. A performance assessment, sometimes referred to as a "annual review," "performance review

or evaluation," or "employee appraisal," assesses the abilities, successes, and growth—or lack thereof—of an individual. Performance reviews are used by employers to provide workers with comprehensive feedback on their work and to support choices on salary raises, incentives, and termination.

Reasoning Assignment for Presentation Assessment:

The performance categories among workers are determined via the cognitive placement approach. Managers of human resources group workers according to their performance ratings. Because top performers belong to the "talent management" group and poor performers to the "performance management" group, HR managers are interested in both good and bad performers. Because they have the best individual performance, talented performers may be candidates for management jobs, but poor performers may require a performance management procedure to improve their knowledge and individual performance.

4056

100	90	70	50	30	10	0 (Grades)
10%	20%	20%	20%	20%	20%	10%

Individual performance grades range from 90 to 100 for excellent performance and 10 for subpar performance. The two categories might also be the focus of HR managers and HR departments. The top 10% of employees are replaced with top performers, while the worst 10% are replaced by a terrible performer group.

Theoretical Outline:

One dependent variable and four independent variables are selected for SPSS analysis. Training and development (T&D), ongoing coaching and feedback, performance evaluation, and incentive systems are all independent factors. Additionally, the degree of satisfaction with PMS procedures is included as the dependent variable.



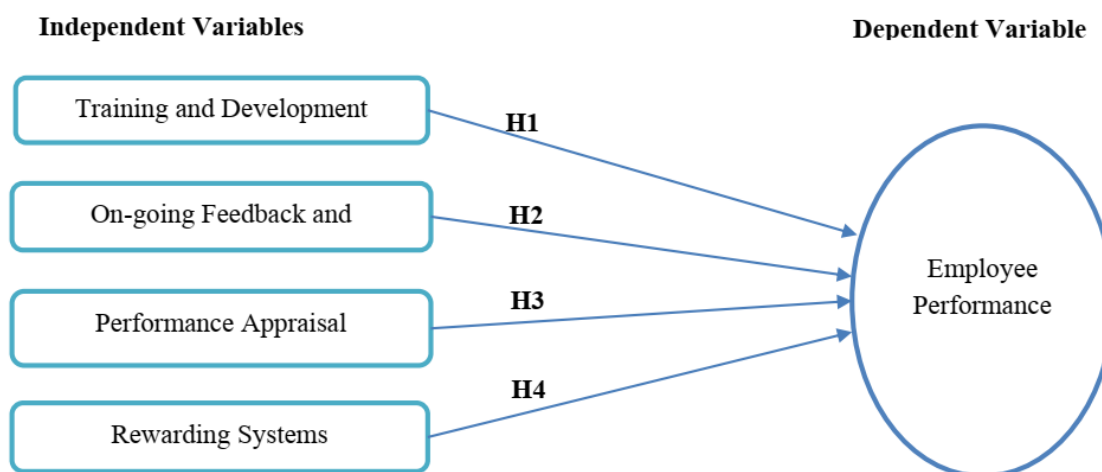


Figure 1: Conceptual Framework

2. Data Analysis:

2.1 Analytical Model:

A mathematical model is developed for my research. I have to use multiple regression equation to identify as well as analyze the dependent and independent variables. There are total ten variables consist of nine independent variables and a dependent variable. The mathematical model is bellow-

$$\hat{Y} = \alpha + \beta_1x + \beta_2x + \beta_3x + \beta_4x + e$$

Here,

\hat{Y} = Dependent variable, which is employee satisfaction level of PMS of the company.

β_1x = Training & Development (Independent variable)

β_2x = Feedback & Coaching (Independent variable)

β_3x = Performance Appraisal (Independent variable)

β_4x = Rewarding System (Independent variable)

e = Error

4057

2.2 Research Question Development:

RQ1: Does Training & Development significantly influence employee satisfaction?

RQ2: Does Feedback & Coaching significantly influence employee performance?

RQ3: Does Performance Appraisal significantly influence the employee satisfaction?

RQ4: Does Rewarding System significantly influence the employee satisfaction?

3. Reliability Analysis of Factors

Table 1: Reliability Analysis of Factors

Groups	Number of Items	Cronbach's Alpha
Dependent Variable:		
Employee Performance	6	.860
Independent Variables:		
Training & Development	7	.774
Feedback & Coaching	6	.873
Performance Appraisal	5	.848
Rewarding System	6	.809

In this report, reliability is measured by using Cronbach's Alpha. Cronbach's Alpha measures internal consistency or how the items are closely related as a group. Cronbach's Alpha of .07 and above is acceptable where scale between 0 (no internal reliability) and 1 (greatest internal reliability). Cronbach's Alpha for dependent variable has shown in the table which is greater than benchmark .07, which indicates good and acceptable in the rules of thumb, therefore the questionnaire formed is reliable.

4. Evocative Measurements Examination:



Table 2: Descriptive Statistics

	N	Mean		Std. Deviation
		Statistic	Statistic	Std. Error
Feedback & Coaching	61	2.3716	.10177	.79489
Performance Appraisal	61	2.4656	.10462	.81709
Rewarding System	61	2.2732	.08237	.64337
Training & Development	61	2.1569	.07299	.57006

The table has shown the statistical description of PMS dimensions and Employee Performance. From the table it has been found that employees of the organization perceived that Performance Appraisal (with highest mean scores i.e. $M = 2.4656$ $SD = .81709$) to be the most dominant practices of PMS and evident to a considerable extent, followed by Feedback & Coaching ($M = 2.3716$ $SD = .79489$), Rewarding System ($M = 2.2732$ $SD = .64337$), Training & Development ($M = 2.1569$ $SD = .57006$).

Correlation Analysis:

Table 3: Correlation Analysis

Correlations		Employee Performance	Training & Development	Feedback & Coaching	Performance Appraisal	Rewarding System
Employee Performance	Pearson Correlation	1				
Training & Development	Pearson Correlation	.522**	1			
Feedback & Coaching	Pearson Correlation	.280*	.569**	1		
Performance Appraisal	Pearson Correlation	.230	.348**	.648**	1	
Rewarding System	Pearson Correlation	.068	.080	.248	.446**	1
** . Correlation is significant at the 0.01 level (2-tailed).						
* . Correlation is significant at the 0.05 level (2-tailed).						

5. Hypotheses Development:

I have developed four hypotheses in light of the information I received from the responders. The following are those

H1: Employee performance will increase if adequate feedback and coaching are provided to them on their progress towards their goals. People must be promptly informed of their progress, what is effective, and what is not. Employee work happiness is greatly influenced by feedback and coaching.

H2: To get the most out of your human resources, training and development are the most important factors. It may be used to enhance or create performance standards for workers in relation to their jobs. Employee happiness is highly influenced by training and development.

H3: Employee performance is measured in large part through performance appraisals. To enable adjustments and enhancements, it assesses the efficacy of the whole procedure and its contribution to organisational performance as a whole. It has a big impact on employee satisfaction.

H4: Employee productivity will rise if they receive a good bonus. High levels of

productivity and wholesome work attitudes are directly impacted by compensation for performance effectiveness. Employee happiness is substantially influenced by rewarding systems.

VI. CONCLUSION

The major goal of this study was to determine how the performance management system affected employee performance. Determining the impact of PMS on employee performance. The study's specific research goals were to ascertain how much employee performance in Consumer Food Products Ltd. is influenced by the creation of performance plans, how much employee performance in Consumer Food Products Ltd. is influenced by regular reviews of employees' progress, training and development needs, and how much employee performance in Consumer Food Products Ltd. The results show that continual training and development of employee growth has a stronger impact on staff productivity. Since actual performance and anticipated performance might be compared, the outcome is assessed, and a development plan is created based on the shortcoming.



Feedback and coaching have an impact on productivity as well. To continually train workers, effective and efficient coaching and feedback processes should be implemented.

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