A research paper on study of human resource management system

Dr.K.Jothilingam

Professor, Department of MBA

KSR College of Engineering

E-mail:dr.k.jothilingam@gmail.com

M.Mahendran

1-mba

KSR College of Engineering

E-mail:mahiinfotech96@gmail.com

R.Saravanan

1-mba

KSR College of Engineering

E-mail:arsaravananan96@gmail.com

ABSTRACT:
The aim of this master thesis is to define human resource management system, employee performance and employee performance measurement, and also analyze the relationship between performance management system with employee performance. The purpose of this paper is to describe and analyze a unique and innovative appraisal and development system. Managing human resources in today's dynamic environment is becoming more and more complex as well as important. Recognition of people as a valuable resource in the organization has led to increases trends in Employee maintenance, job security, etc.

INTRODUCTION:
Once the employee has been selected, trained and motivated, then he / she is appraised for his performance. Performance is the step where the management finds out how effective it has been at hiring and placing employee. If any problems are identified, steps are taken to communicate with the employees and to remedy them. A "Performance Appraisal" is a process of evaluation an employee's performance of a job and in terms of its requirements.

Performance= Ability x skill

This study focuses on analyzing and exploring the impact of human resource management system on employee performance. According to Chan and Lynn
(1991), the organizational performance criteria should include profitability, productivity, marketing effectiveness, customer satisfaction, but also employee morale. In this perspective, employee performance is tightly related to organizational performance, effective and efficient employee performance will positively influence organizational performance. On the other view, Millar (2007) built a framework of talent management which consists of planning, recruiting, performance, learning, career development, succession planning, compensation, and measuring and reporting. In order to organize a company effectively, companies must rethink how they hire, train and reward their employees; therefore the employees could be encouraged to be competitive.

DEFINITION:

Performance Appraisal process is incomplete without the feedback given to the employee about his appraisal and his performance. But the way of giving as well as receiving the feedback differs from person to person and their way of handling and the outlook towards the issue. According to a popular saying "A SUCCESSFUL MAN IS ONE WHO CAN LAY A FIRM FOUNDATION WITH THE BRICKS OTHERS HAVE THROWN AT HIM". Performance appraisal should provide answers to important questions for both the employee and the organization. "How well am I doing?" "How can I do better?" "How well are our employees doing individually and collectively?"

OBJECTIVES:

The purpose of the study is to analyze the perception of managers about the functions of performance management system used in different organizations. The study is addressed to understand the PMS and manager’s attitude towards PMS.

SCOPE:

To help each employee understand more about their role and become clear about their functions.

To be instrumental in helping employees to better understand their strengths and weaknesses with respect to their role and functions in the organization.

To help in identifying the developmental needs of employees, given their role and function.

To be instrumental in creating a positive and healthy climate in the organization that drives employees to give their best while enjoying doing so. To assist in variety of personnel decisions by periodically generating data regarding each employee.

ACTIVITIES OF PERFORMANCE MANAGEMENT:

1. Focus Performance appraisal were mostly narrowly focused for measuring the degree of accomplishment of an individual where supervisors had a major role to play in judging the past performance of an employee without soliciting active involvement of the employee. Performance management focused on front end planning instead of looking backward, the focus is on ongoing dialogue instead of ratings. 2. Alignment Very often, the annual appraisal is performance on the employee anniversary which does not coincide with any particular performance period. This makes it near impossible to align the employee objectives with the organizations strategic goals as they are released or modified. If appraisals are conducted annually on the anniversary date, it is only possible to align at best only 50% of staff with future objectives. As expectations are modified when a performance management system is introduced, most organizations switch to defined performance periods this means that the performance reviews are conducted quarterly or half yearly and enable management to direct effort to those objectives that need to be performance according to the strategic or operating plan. 3. Approach Performance Appraisal considered as a retrospective journey in the individual’s previous working year, where managers, where managers, very often perfunctorily, “judge” the performance of staff, the supervisor acts as a judge. Whereas performance management aims of the relationship based on it being to coach and to contribute to the development and growth of individual, a supervisor assumes the role of a coach or mentor. PM is inspired to the concept of “management by agreement or contract”, PA is instead based on the concert of “management by command” (Armstrong, 2006).
LIMITATIONS:

The research was conducted within the scope defined. In spite of that the research was bounded. Each and every department is not covered because of random sampling. Lack of participation in PMS due to confidentiality of the data.

PERFORMANCE MANAGEMENT STAGES:

Employee performance:

In the organizational context, performance is usually defined as the extent to which an organizational member contributes to achieving the goals of the organization. Employees are a primary source of competitive advantage in service-oriented organizations (Luthans and Stajkovic, 1999; Pfeffer, 1994). In addition, a commitment performance approach views employees as resources or assets, and values their voice. Employee performance plays an important role for organizational performance. Employee performance is originally what an employee does or does not do. Performance of employees could include: quantity of output, quality of output, timeliness of output, presence at work, cooperativeness (Güngör, 2011). Macky and Johnson pointed that improved individual employee performance could improve organizational performance as well. From Deadrick and Gardner's (1997) points, employee performance could be defined as the record of outcomes achieved, for each job function, during a specified period of time. If viewed in this way, performance is represented as a distribution of outcomes achieved, and performance could be measured by using a variety of parameters which describe an employee's paten of performance over time. On the other hand, Darden and Babin (1994) said employee's performance is a rating system used in many corporations to decide the abilities and output of an employee. Good employee performance has been linked with increased consumer perception of service quality, while poor employee performance has been linked with increased customer complaints and brand switching. To conclude, employee performance could be simply understood as the related activities expected of a worker and how well those activities were executed. Then, many business personnel directors assess the employee performance of each staff member on an annual or quarterly basis in order to help employees identify suggested areas for improvement.

INTERPRETATION:
EXPERIENCE ANALYSIS:

<table>
<thead>
<tr>
<th>Performance prism facet</th>
<th>Example of objective</th>
<th>Performance measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholders’ wants</td>
<td>Youth workers satisfaction</td>
<td>Youth worker satisfaction and needs survey trends</td>
</tr>
<tr>
<td>Strategies</td>
<td>Improve the range of activities</td>
<td>Number of new products and services offered</td>
</tr>
<tr>
<td>Processes</td>
<td>Organise events</td>
<td>Number of participants per event trend</td>
</tr>
<tr>
<td>Capabilities</td>
<td>People</td>
<td>Investors in people accreditation levels</td>
</tr>
<tr>
<td>What do we want from our stakeholders</td>
<td>Funders</td>
<td>Level and percentage of cash inflow from each income source</td>
</tr>
</tbody>
</table>

REVIEW LITERATURE:

Gomes & Yasin (2011) the advocated approach integrates several frameworks in an effort to address practical concerns related to performance measurement, management, and improvement. Boland & Fowler (2000) the potential role of influence diagrams and dynamic simulation models is thereby introduced as a potential means of unraveling the complex behavior which can often arise in the presence of such interactive cause-effect loops. A number of typical examples, drawn from within the public sector, are invoked to illustrate the discussion.

Busi & Bititci (2006) there is a lack of understanding of what collaboration means and what it implies on the development of appropriate performance measurement systems. Future research should study the nature of collaboration and the characteristics of performance indicators to support it.

Agyemang & Ryan (2013) examines organizational change processes that occur when accountability demands from powerful external stakeholders change. It investigates, firstly, whether these external accountability demands impact on the performance management systems of two different types of organizations. Secondly, it considers whether the goals for improved performance contained within the external accountability demands are realized. In the public sector case study, the organizations tended to reorient their performance management systems towards the external accountability demands; whilst in the private sector organization, pressures from falling share prices forced managers to focus their decision making on the preferred performance measures contained in shareholders’ accountability demands.

CONCLUSION:

Most of the employees had positive attitude towards the organization. Very few of them had shown negativity. Lack of communication, participation or less effective training may be the reason for the negativity that some participants had. Although the satisfaction level among them was much higher but still if the organization wants to raise positivity, it should enhance participation level, communication and training among them. Structured interviews were set to understand the views of managers regarding PMS functions. It was revealed that the focus of managers lies mostly on how to achieve the target efficiently rather than development of team as well. This may be possible if proper training is given to them. Different managers gave different interpretations of PMS. Somebody said it is a formal ways to get a low performer out of organization. Through this the appraiser can also motivate the employees who felt that they had no growth in the organization and serves the purpose of employee development. Thus performance appraisals can be used as a significant tool.

REFERENCE:

- www.srjis.com
- www.iosrjournals.org
- www.arcjournals.org