



An Analysis to Measure the Efficiency of Employees for Management Purpose

Moon Moon Lahiri

Department of Management and Business Studies, Compucom Institute of Technology and Management, Jaipur, India

Abstract--In order to be a recognized and differentiated leader by achieving efficiency and effectiveness, modern organizations aspire to build agile working environments in all part of their operations. While choosing the best candidates is critical, maintaining and improving the current workforce is also of utmost importance. These characteristics might differ from one organization to another as they depend on the mission, vision, and long-term objectives that organization seeks to accomplish. The company then has two options: help the person advance or let them go. All things considered, it is both more effective and more humanitarian.

I. INTRODUCTION

In order to be a recognized and differentiated leader by achieving efficiency and effectiveness, modern organizations aspire to build agile working environments in all part of their operations. While choosing the best candidates is critical, maintaining and improving the current workforce is also of utmost importance. While HR departments establish the strategies for current staff development, the performance review method is used to identify the needs and potential development areas.

Performance reviews have a long history that dates back to the 18th century. Performance appraisals were first applied formally in the early 1800s when an army general was required to submit an evaluation of each of his soldiers to the US war department, according to Danielle and Buckley (1998). Since then, the performance management system (PMS) has gradually replaced the performance appraisal system (PAS) (PMS).

An effective appraisal process aids the administration and human resource departments in deciding on promotions, rewards, and compensation. Performance appraisal is a tool used to evaluate and improve an individual's effectiveness in the workplace. It also makes it easier to assess and measure the effectiveness of HR programmes for training needs. There are some qualities that should be present in every efficient performance system in order to have a successful PA system. These characteristics might differ from one organization to another as they depend on the mission, vision, and long-term objectives that organization seeks to accomplish.

II. LITERATURE REVIEW

Reactions (perception of fairness and accuracy of appraisal system), Practicality (cost, political acceptability, and ease of installation), and Decision process are three categories of criteria that have received little attention from researchers due to the predominance of psychometric and accuracy criteria, according to Murphy K. R. and Cleveland J. (1991). (both in terms of degree to which decisions are accepted by members of the organization and the degree to which decisions are facilitated by the performance appraisal system). The methods for measuring efficacy were categorized.

Jerry W. Hedge (1995) investigated the raters' responses to using a variety of rating forms and the idea of using acceptability as a standard for assessing evaluation systems or procedures. Numerous interpretable factors connected to acceptability, motivation, job satisfaction, situational restrictions, and rater trust are identified by the factor analyses. They held the opinion that a rater acceptance criterion can provide important information about the value of a specific measurement tool or an evaluation system. They created a more accurate scale to gauge trust in the appraisal process.

The association between involvement in the performance review process and various employee emotions was investigated by Brian D et al in 1998. They demonstrated the importance of justice in the process of performance evaluation. They asserted that despite receiving relatively little individual study attention, perceived correctness is a viable reaction criterion. The majority of research conducted up until that point has combined perceived fairness and accuracy. He stated that in order to determine its significance, future study should measure perceived correctness as a separate criterion.

In his investigation into the multidimensionality of organizational justice, Jason A. Colquitt (2001) also offered proof of the construct validity of a novel justice metric. They created a scale to evaluate organizational justice in general, dividing it into four categories: procedural, distributive, interpersonal, and informational.

Many scholars have since used their scale as a benchmark to assess how employees perceive the organizational justice and fairness of the performance management system. Sandra

J. Reinke (2003) looked at how trust affects how much the appraisal process is accepted by managers and staff. The study also looked at how trust and leadership affect how well the appraisal process is received. They discovered that the criteria impacting the acceptability of the appraisal process are trust, perceived relevance, servant leadership, and perceived utility. The distinction between supervisors and employees was the study's most salient finding. There were pronounced disparities in the predictors of acceptance despite the fact that there was no statistically significant difference in their levels of acceptance of the current appraisal method.

The elements influencing and encouraging public employee acceptance of the performance appraisal process were studied by Taehee Kim (2014). The study's findings included the identification of both individual and organizational factors that can encourage organizational members' acceptance of the performance appraisal process, which will ultimately improve organizational performance as a whole and increase the effectiveness of performance appraisal. He created a system to gauge workers' acceptance of performance reviews. He came to the conclusion that the crucial components of Acceptability are Instrument validity, Distributional fairness, and Procedural justice. He also created a scale to assess the validity of the instrument.

The operationalization of the concept "employee impression of PMS effectiveness" was studied by Neha Paliwal Sharma et al. in 2015. (PMSE). The study places emphasis on the necessity to highlight perceived accuracy in addition to measuring fairness. They created a scale to gauge how accurately the performance management system was seen, and they categorized the things into four categories: performance planning, feedback and coaching, performance reviews, and outcomes. In order to create a two-factor construct measuring the effectiveness of the performance management system, they used the scale created by Colquitt in 2001 to assess perceived fairness (PMSE).

According to Elaine M. Evans and Steven L. McShane's research from 1988, it is possible to execute the assessment process so that both the appraisal itself and the system (i.e., measures and processes utilised in the appraisal) are accepted by the employees. In this study, a number of potential correlates of employee opinions on appraisals and appraisal systems are looked at. The findings of this study offer a potential answer to a very challenging issue supervisors who must provide performance comments encounter. The study offers a questionnaire to assess perceived relevance, which is a criterion for evaluating the acceptability of an appraisal system.

Bank workers were examined by Martin M. Grellern (1978) to define the idea of involvement in evaluation interviews. Three factors emerged from an analysis of their accounts of the most recent assessment interview: a sense of ownership over the appraisal, sentiments of contribution, and boss criticism. Ownership had the strongest impact on how subordinates responded to the appraisal. Additionally, it was discovered to be the element most strongly associated with overall management style, and employment tenure moderated it. Using a new organization for the second investigation, they were able to validate the key findings. For the purpose of measuring the factor of perceived utility, Grellern created a four-item scale.

In order to further their investigation of procedural fairness, Taylor M. S. et al. (1995) looked at how a due-process performance rating system affected managers' and employees' responses. Randomly chosen employee-manager pairings were placed in either the present system or the due-process appraisal system. Due-process personnel were given lower ratings, but they showed more positive responses in terms of system perceived fairness, accuracy of appraisals, attitudes toward the system, assessments of managers, and intention to stay with the company. Positive feedback was received from managers, who reported improved problem-solving skills, contentment with the system and their jobs, and a reduced tendency to skew evaluation results in favour of their own self-interests. They used a single item scale that was extremely popular compared to all other scales and had several operationalizations to gauge customer satisfaction with the appraisal system.

PROPOSED MODEL

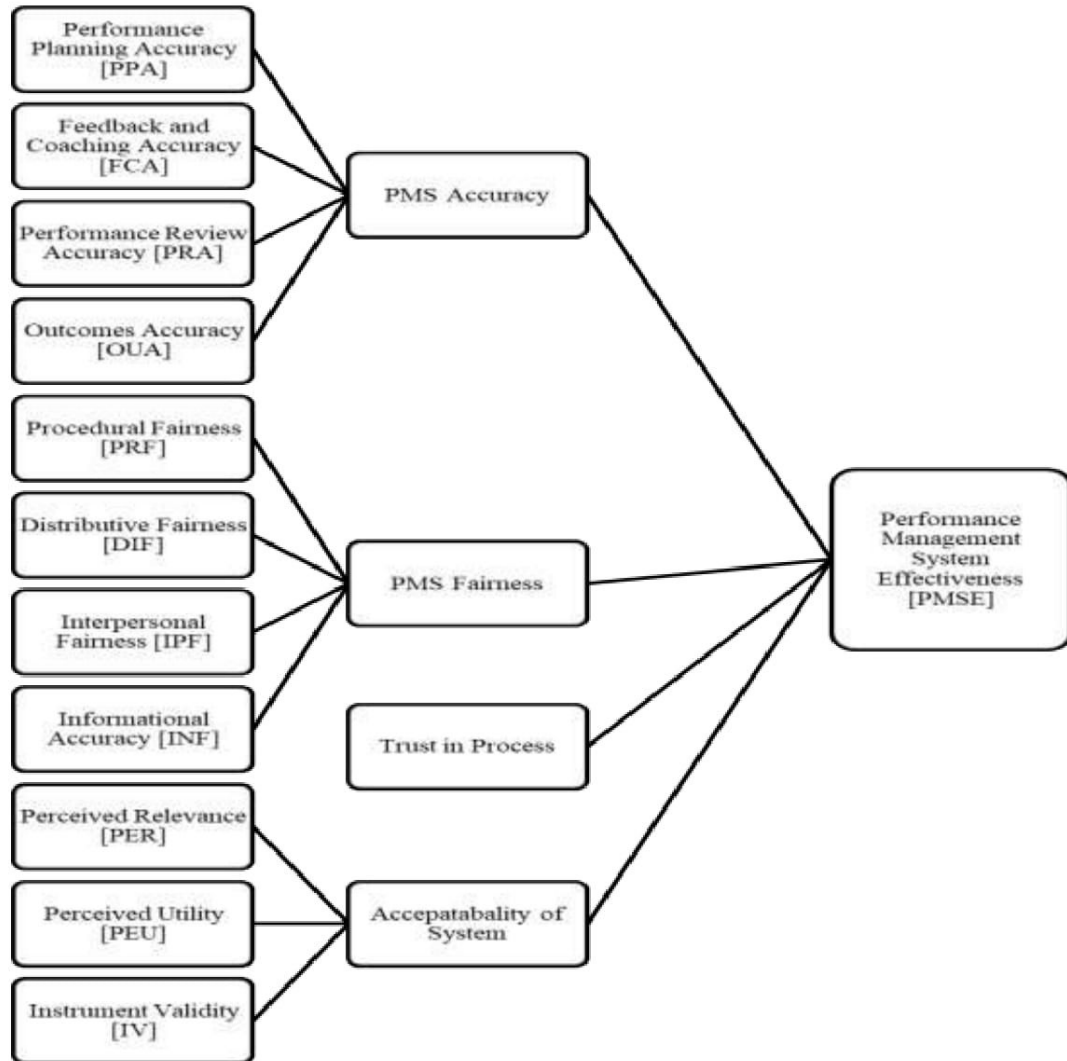


Fig No 1

The two element construct, perceived fairness, and perceived accuracy were supported by Sharma et al (2015).’s Performance management system effectiveness model.

Murphy and Cleveland (1991) assert that three criteria—reaction, practicability, and decision process—must be used to evaluate a performance evaluation. Sharma et al. only looked at the reaction criteria; they neglected to mention the practicality and decision criteria.

Many people created models for the performance management system’s acceptability based on the practicality criterion. When determining if a procedure is acceptable, Sandra J. Reinke (2003) and Taehee Kim (2014) examined the instrument validity and perceived utility. Taehee Kim’s (2014) criteria of procedural justice and distributive justice are ignored since they are assessed in perception.



III. CONCLUSION

Our performance management systems have developed to the point that mediocre performance is practically expected. The systems have occasionally been punitive in nature, continuing a "carrot and stick" strategy. The majority of the staff should be highlighted because they are performing decent to great job. When a specific issue is discovered, performance improvement plans should be put into action and performance documented. The company then has two options: help the person advance or let them go. All things considered, it is both more effective and more humanitarian.

It is necessary to adopt a 21st-century strategy that is more uplifting and productive. The emphasis is mainly on building a brand-new, daring, and fruitful future in an approach that combines ideas from positive psychology, such as the strengths-based approach, and a coaching and development approach in which staff members and managers are trained to both give and receive feedback, as appropriate.

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