

A STUDY ON PERFORMANCE MANAGEMENT WITH REFERENCE TO HERO MOTORS -HYDERABAD

Madipelly Akshaya¹, M. Srinivasa Rao²

¹*III -MBA, Department of MBA, Malla Reddy Engineering College, Hyd*

²*Assistant Professor of MBA, Malla Reddy Engineering College (Autonomous), Hyderabad*

ABSTRACT

People differ in their abilities and their aptitudes. There is always some difference between the quality and quantity of the same work on the same job being done by two different people. Performance Managements of Employees are necessary to understand each employee's abilities, competencies and relative merit and worth for the organization. Performance Management rates the employees in terms of their performance. Performance Managements are widely used in the society. The history of performance Management can be dated back to the 20th century and then to the second world war when the merit rating was used for the first time. An employer evaluating their employees is a very old concept. Performance Managements are an indispensable part of performance measurement.

Keywords: Performance management, employee abilities, competency assessment, merit rating, organizational value.

1. INTRODUCTION

Performance management (PM) includes activities which ensure that goals are consistently being met in an effective and efficient manner. Performance management can focus on the performance of an organization, a department, employee, or even the processes to build a product or service, as well as many other areas.

Performance management as referenced on this page is a broad term coined by Dr . Aubrey Daniels in the late 1970s to describe a technology (i.e. science imbedded in applications methods) for managing behaviour and results, two critical elements of what is known as performance.

A major concern of every organization should be to contribute positively towards the achievement of its objective. Organizational effectiveness is often equated with managerial efficiency. A manager can ensure organizational effectiveness only by guaranteeing the full utilization of human resource available through individual employees under his guidance. Hence, it is always required for a manager to monitor and measure the performance of employees.

1.1 NEED OF THE STUDY

The need of the performance Management is to determine what aspects of performance are required to be evaluated. To identify those who are performing their assigned task well and those who are not and the reason for such performance. To provide information about the performance ranks basing on which decisions regarded salary fixation, conformation, promotion, demotion and transfer are taken. To provide feedback information about the level of achievements and behaviour of an employee. Compare actual performance with the standards and in out deviations (positive and negative) To create and maintain satisfactory level of performance. To prevent grievance and in disciplinary activity. To facilitate fair and equitable compensation. To ensure organizational effectiveness. It guarantees useful information about employees and the nature of their duties. We can briefly say that performance appraisal systems are necessities to assess performance at regular intervals with consistency to study improvements, deviation and to take corrective actions to bride gaps and improve performance over a period of time.

1.2 SCOPE OF THE STUDY

In the present study an attempt has been made to know the actual implementation of performance appraisal techniques in general and some other aspects such as awareness of the workers, effectiveness of the performance appraisal system in particular. Human resource projections are valid on appraisals. By improving job skills,

The employees have lot of scope for development and prepare themselves for higher responsibilities' thorough analysis of the performance appraisal system will help the management to know the shortcomings, if any. It also help the company in knowing whether the performance appraisal techniques are used to full extent or not, there by the researcher can understand the effective implement of the performance appraisal system

1.3 OBJECTIVE OF THE STUDY

1. To study the individual employee goals and performance align with the strategic objectives and mission of Hero Motors.
2. To improve team performance through clear goal setting, regular feedback and development opportunities.
3. To enhance communication channels between managers and the employees promoting open dialogue and constructive feedback.

2. REVIEW OF LITERATURE

Daniel Luiz Mattos Nascimento (2004)

To explore how rising technologies from Industry 4.0 can be integrated with circular economy (CE) practices to establish a business model that reuses and recycles wasted material such as scrap metal or e-waste.

Ebina Justin, Manu Melwin Joy (2005)

The objectives served by this review are to provide readers a limpid insight about the topic performance management (PM), to analyse the latest trends in PM literature and to illustrate the theoretical perspectives. It would be fascinating for the practitioners and researchers to see the latest trends in the PM system, which is not yet covered in previous reviews. The study covers the historical and theoretical perspectives of human resource management practices. We also try to unveil some of the theoretical debates and conflicts regarding the topic.

Michael Armstrong (2005)

Armstrong incorporates the findings of two major research projects on performance management (CIPD and e-reward) and illustrates the results with a number of pertinent case studies providing great advice from experienced practitioners. The concept and practice of performance management have been completely updated in the light of current best practice. Performance Management provides the ideal action plan for any manager wanting to get the best from their employees. It is packed with detailed and practical advice and this third edition is complete with fully up-to-date chapters on the basis, process and practice of performance management and on performance management roles.

Paul Folan, Jim Browne(2005)

Measurement begins with a recommendation, which is a piece of advice related to the measures or structure of performance measurement; frameworks can be dichotomised into a structural and procedural typology that suggests structural framework development has outstripped procedural framework development. The basic requirements for a successful PM system are two frameworks—one structural and one procedural as well as a number of other performance management tools. Inter-organisational performance measurement may be divided into supply chain and extended enterprise performance measurement

Donald P Moynihan, Sanjay K Pandey (2008)

Governments have devoted extraordinary effort in creating performance data, wagering that it will be used to improve governance, but there is much we do not know about the factors associated with

the use of that information. This article examines the antecedents of self-reported performance information use from a survey of local government managers. The results show that public service motivation, leadership role, information availability, organizational culture, and administrative flexibility all affect performance information use.

Deanne N Den Hartog, Paul Boselie, Jaap Paauwe(2004)

There is a lack of consensus on the role of employee well-being in the human resource management–organizational performance relationship. This review examines which of the competing perspectives –‘mutual gains’ or ‘conflicting outcomes’– is more appropriate for describing this role of employee well-being. In addition, this review examines whether study attributes such as the measurement of key variables, the level of analysis and the study design affect a study's outcomes. The review covers 36 quantitative studies published from 1995 to May 2010. Employee well-being is described here using three dimensions: happiness, health and relationship. The main findings are that employee well-being in terms of happiness and relationship is congruent with organizational performance

3.RESEARCH METHODOLOGY

The research methodology is a systematic way to solve the problem and it is an important component of the study without which researcher may not be able to obtain the facts and figures from the employees.

3.1 SOURCES OF Data:

The study is based on primary as well as secondary data collected from different sources:

A). Primary Data:

The primary data is collected with the help of questionnaires, which consists of twenty questions each. The questionnaires are chosen because of its simplicity and liability. Researcher can expect straight answers to the questions. The respondents are informed about the significant of the study and requested to give their fair opinions.

B). Secondary Data:

Secondary data is collected through the documents provided by the personnel department. The documents include personnel manuals, books, reports, journal, etc.

3.2 Sample Technique :Simple Random Sampling Method

3.3 Sample size :100

3.4 LIMITATIONS OF THE STUDY

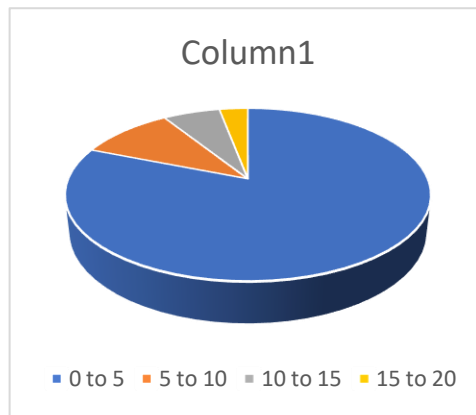
In this case the superior appraises the person on certain positive qualities only. The negative traits are not considered. Such an appraisal will not give a true picture about the employee. And in some cases employees who do not deserve promotions may get it.

In this case only the negative qualities of the employee are considered and based on this appraisal is done. This again will not help the organization because such appraisal may not present a true picture about the employee.

4. DATA ANALYSIS AND INTERPRETATION :

1. From how many years have being associated with organization?

Particulars	No of respondents	Percentage
0-5	81	81.0%
5-10	10	10.0%
10-15	6	6.0%
15-20	3	3.0%

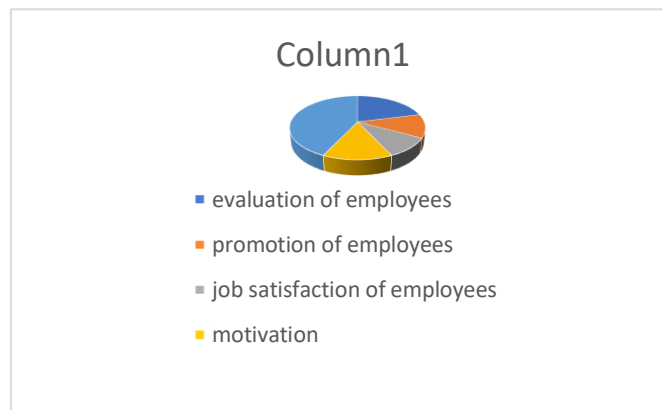


Interpretation: -

From the above information it's found out that 81% of the respondents are working from 0-5 years, and 10% are working from 5-10 years and 6% of the respondents are working from 10 – 15 years and 3% o in your opinion

2. What is performance management?

Particulars	No of respondents	Percentage
Evaluation of employees	21	21.0%
Promotion of employees	12	12.0%
Job satisfaction of employees	10	10.0%
Motivation	14	14.0%
All of the above	43	43.0%



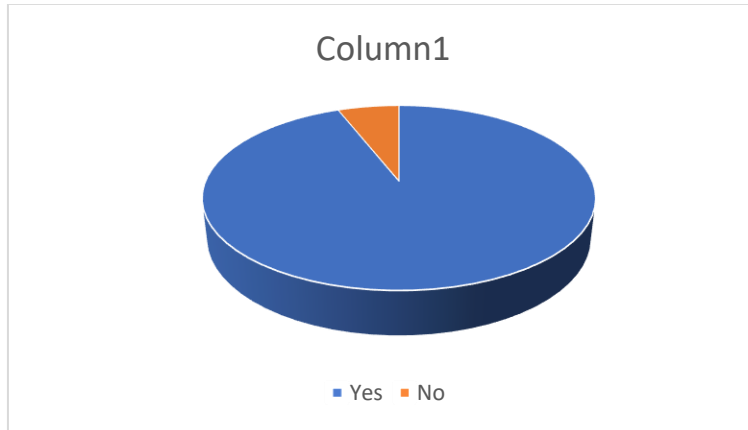
Interpretation: -

From the above information it's found that 43% of the respondents feel performance management is evaluation promotion satisfaction and motivation of employees and 21% of the respondents feel performance management is evaluation of employees 14% of the respondents feel performance management is motivation and 12% of the respondents feels performance management is promotion and the least 10% of the employees feel performance management is satisfaction.

3. Do you think performance management helps to achieve a meaningful goal?

Particulars	No of respondents	Percentage
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Yes	94	94.0%
No	6	6.0%

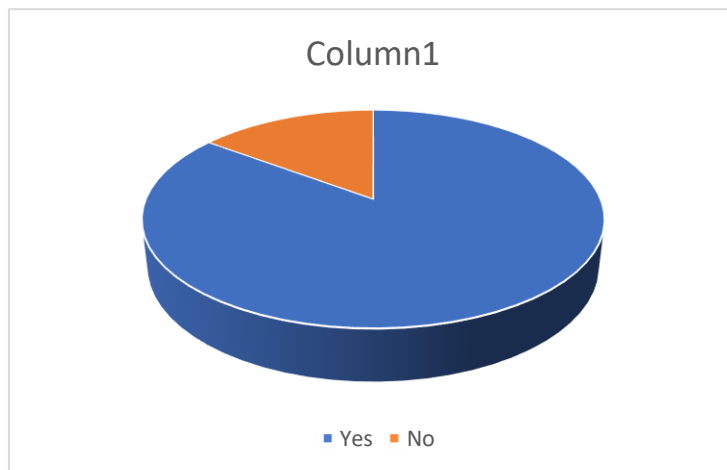


Interpretation: -

From the above information it's found out that 94% of the respondents are says that performance management helps to achieve meaningful goals and 6% of the respondents says performance management does not help them to achieve their goals.

4. Performance management contributes to increment of salary in employee is to so?

Particular	No of respondents	Percentage
Yes	86	85.7%
No	15	14.3%

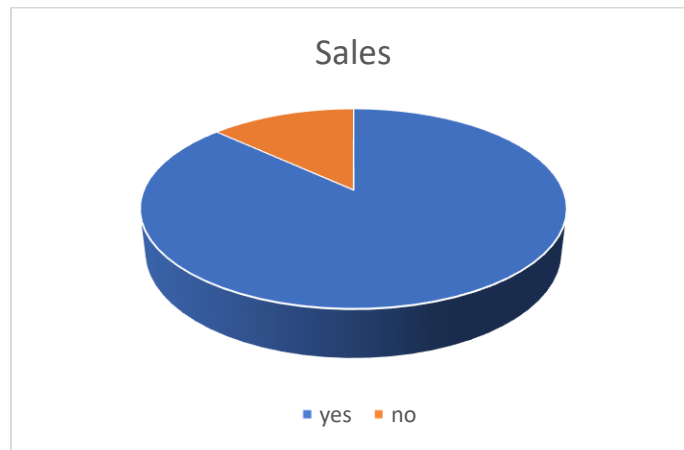


Interpretation: -

From the above information it's found out that 86% of the respondents says that performance management gives the increment in the form of salary to the employees and 15% of the respondents says that performance management does not gives the increment to the employees.

5. Do you think performance management helps to change the behavior of employees?

Particulars	No of respondents	Percentage
Yes	86	86.0%
No	13	13.4%



Interpretation: -

From the above information it's found out that 86% of the respondents says that performance management helps to change the behavior of employees and 13% of the respondents says that the performance management doesn't helps in changing the behavior of the employees.

6. Does performance management improve motivation and job satisfaction?

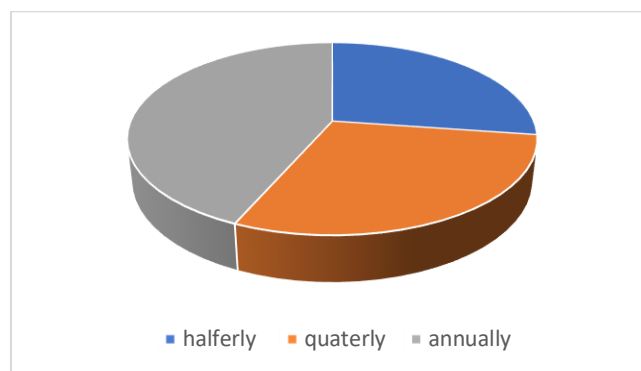
Particulars	No of respondents	Percentage
Yes	96	96.0%
No	4	4.0%



Interpretation: - From the above information it's found out that 96% of the respondents says that performance management helps in improving the motivation and job satisfaction and 4% of the respondents says that does not help in motivating and job satisfaction of the employee.

7. When does performance management activity happen in your organization?

Particulars	No of respondents	Percentage
Half yearly	27	27.1%
Quarterly	29	29.2%
Annually	44	43.8%

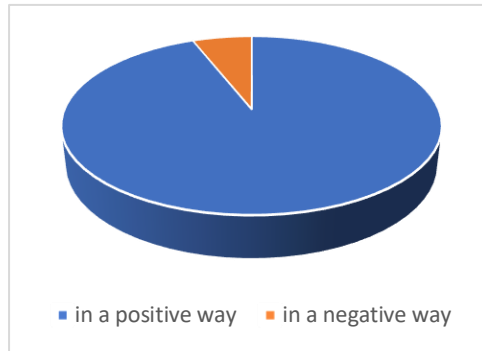


Interpretation: - From the above information it's found out that 43% of the respondents says that performance management activity will take place annually in our organization and 29% of the respondents says that performance management activity will done quarterly in the organization and the last 27% of the respondents says that performance management activity will be take place half yearly in the organization.

8. How performance management affects the productivity of the employees

Particulars	No of respondents	Percentage

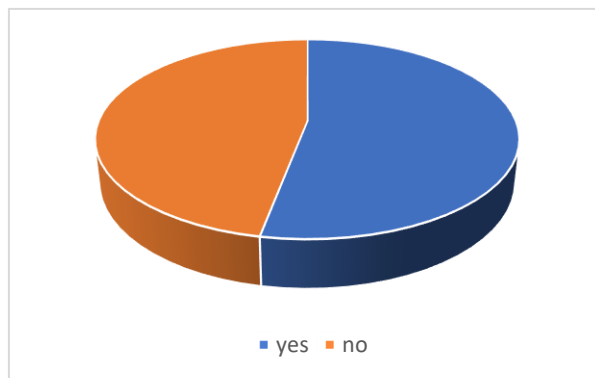
In a positive way	94	94.9%
In a negative way	6	6.0%



Interpretation: - From the above organization it’s found out that 94% of the respondents say that performance management affects the productivity of the employees in a positive way and 6% of the respondents say that performance management does not affect the productivity of the employees in a negative way.

9. Does personal bias creeps in while appraising an employee’s?

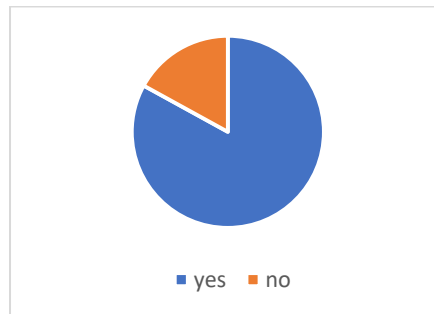
Particulars	No of respondents	Percentage
Yes	53	53.1%
No	47	46.9%



Interpretation: - From the above information it’s found out that 53% of the respondents are saying that in performance management personal bias creeps in appraising an employee and other 47% of the respondents are saying that in performance management personal bias does not creeps and it does not arise any problems in the organization

10. Does performance management lead to identification of hidden potential?

Particulars	No of respondents	Percentage
Yes	83	83.3%
No	17	16.7%



Interpretation:- From the above information it's found out that 83% of the respondents are saying that performance management leads to identification of hidden potential in an employee and other 17% of the respondents are saying that this performance management does not leads to any identification of hidden potential.

5. FINDINGS

- 94% of the employees represent that performance management helps in achieving meaningful goals.
- 86% of the respondents feel they may get increment in salary due to employee's performance.
- It is proven that performance management helps in job satisfaction and improves motivation.
- 44% of the respondents say that the performance management is conducted annually in most of the organization.
- The 95% of the respondents feel that performance management affects the productivity of the employee in a positive way.

5.1 SUGGESTIONS :

I suggest that the performance management is should be conducted frequency in the organization. I feel like there should be applied more methods for performance management. I feel performance management will create a negative impact on workers also .I thinks this performance management method will create personal bias between two employees.

CONCLUSION:

Performance management may be understood as the assessment of an individual's performance in a systematic way. Performance management will be measured on some factors like knowledge, quality, quantity, leadership, supervisors etc. It also helps in knowing and developing the strengths and weakness a particular employee. Performance management will be done by using different techniques and tools this will be conducted in every organization for every few years. These performance managements will help in motivating the employee to achieve organizational goals in



efficient and effective manner. And this is found to be highly effective in the employee performance.

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