A STUDY ON PERFORMANCE MANAGEMENT SYSTEM IN HIGHER EDUCATIONAL INSTITUTIONS IN WEST BENGAL

S. Ghosh[1] and N. Das[2]

[1]Dr. B.C.Roy Engineering College, Durgapur, West Bengal, India.
sghosh030@gmail.com
[2]Department of Management Studies, Indian School of Mines, Dhanbad, Jharkhand,India.
niladri_pnu2003@yahoo.co.in

ABSTRACT

Performance management system has been considered as the most significant tool for an organization. The success of an organization depends upon the performance of the employees and it is the human tendency to judge everything and everyone around them. The paper indicates about the employee- satisfaction with their present performance management system in higher educational institutions in west Bengal. This paper explores the importance of feedback after completing evaluation through performance management system in higher educational institutions. In Higher educational institutions performance management system has any relation with right recruitment and selection, that also be find out. Then this paper will find out either reward is depend upon age or not and the importance of transparency in performance management system. Another objective of this paper is to search the factors those are essential to identify the perfect performance and the solution to improve poor performance in higher educational institutions.

Introduction

Every organization needs a well-defined and well established system of business management, comprehensible at all levels of the organization. However, to ensure effective management, every organization must plan and develop its business and integrate all its elements into one system that is performance management system that enables realization of the organization's strategy where its business is being managed through the planned objectives of individual employees or work units as well as ensuring their required competence.

Performance management system is essentially about planning, measuring, monitoring and enhancing the performance of employees, as a contributor to the overall organizational performance. Effective performance management system is always important. It is used to assess, manage and improve the performance and strategy formulation and clarification will be given to all employees. It helps to enhance strategic dialogue with the employees. It improves decision making skill and it priorities performance concerns. It stimulates motivation of all employees. It creates sense of achievement within employees' soul. It has strong relation with reward. Reward is considered as prime motivator of individual efforts and achievements.

It reinforces behavior of employees that need to be repeated. Employees realize values of rewards are linked with their performance. It fosters and maintains a high performance work culture. It motivates employees to do better job for the organization. The concept of performance management has been the most significant development in the sphere of HR management in recent times. It is a key strategy of HR management aimed at improving organizational performance in order to attain and sustain its competitive advantage amidst stiff domestic and international competition. Performance management is an important organizational tool to clarify performance objectives, standards, critical dimensions and competencies to enhance individual performance. Performance management works best when an employee's work is planned and goals for achievement are communicated, so that every employee is aware of the work and performance expected from him. Performance management as a key link enables an organization in achieving its strategic objectives, delivering and / or exceeding customer expectations and through effective internal business processes by assessing the progress towards achieving predetermined goals. It is a multidimensional concept and includes inputs, processes, outputs and outcomes. It is seen as crucial process that helps

the organization focus on what each employee and team needs to contribute, so the organization as a whole is successful. Therefore, it is in essence a capability- building tool of organizations to stay adaptive in future too.

Literature review

According to Dr Kerosi Josaphat Bosire Mukamuhinda Odette (2012) in" International Journal of Information Technology and Business Management" Journal in "Employees' satisfaction with performance appraisal" investigated employees' reactions to satisfaction with the existing performance appraisal system as applied in Rwanda Education Board by utilizing 4Likert's scale. The study variables included Job Analysis, Performance Measures, Performance Feedback, Performance Ratings and different decisions related to performance appraisal involving Trainings and Coaching, performance based Rewards, Transfer, Promotion, and Demotion.

According to Hafiz Muhammad Ishaq,Muhammad Zahid Iqbal , Arshad Zaheer (2009) in" European Journal of Social Sciences" Journal in "Effectiveness of Performance Appraisal: Its Outcomes and Detriments in Pakistani Organizations" focused on outcomes of performance appraisal and exploring factors that can make harm to the PA effectiveness in the perspective of Pakistani public and private Sector organizations.

According to P.Suresh; Dr.MAakbar Mohideen (2013) in" International Journal of Marketing, Financial Services & Management Research" Journal in "A study on performance appraisal of automobile Industries, at Chennai, Tamilnadu"This paper identified that performance appraisal system helps on self motivation and employees are satisfied with the type of encouragement given to them by their appraiser.

According to Shaemi Barzoki Ali, Abzari Mahdi, Javani Malihe (2012) inInternational Journal of Academic Research in Business and Social Sciences" Journal in "The Effect of Employees' Performance Appraisal Procedure on their Intrinsic Motivation" investigated the influence of employees' performance evaluation process on their intrinsic motivation.

Objective of the study

- To find out employee satisfaction regarding present performance management system in higher educational institutions in west Bengal

- To know the importance of feedback after completing evaluation through performance management system in higher educational institutions.

- To identify any relation between right selection and performance result i.e. due to right selection or wrong selection of employees performance result effects or not in higher educational institutions.

- To find out whether reward is depend upon age or not in higher educational institutions in west Bengal.

- To know transparency has any importance in performance management system (according to the male and female employee)

- To search the factors those are essential to identify the perfect performance and the solution to improve poor performance in higher educational institutions.

Research methodology

Research Methodology is the processof systematic investigation of any management problem. It deals with research design, data collection method, sampling plan, sampling method. The study is to measure the effectiveness and importance of performance management system in Higher Educational Institutions in West Bengal.Here two types of data is used- primary data and secondary data Primary data is collected through Questionnaire and secondary data is collected through books, journals, websites, articles etc.Here I have taken 400 employees from higher educational institutions in west Bengal and sampling procedure is purposive sampling. Here my research instrument is Questionnaire.

a) RESEARCH PLAN:

- Data source-Primary Data and Secondary Data

- Research Approach-Survey

- Research Instrument-Questionnaire

- Method of Contact-personal Interview

- Sample size-400

- Sample unit-Employees in HEIin West Bengal

- Sampling procedure-Purposive Sampling

 b) TOOLS FOR ANALYSIS:

   HYPOTHESIS TEST-1

1. Chi Square

   HYPOTHESIS TEST-2

2. Chi-square Analysis:

   HYPOTHESIS TEST-3

3. Rank Correction method

   HYPOTHESIS TEST-4

4. Cross Tabulation

   FACTOR ANALYSIS

5. KMO and Bartlett's Test

This analysis is to determine the relationship between the various factors potential and to determine which factor is significant in enhancing the same. Various statistical tools are of:

HYPOTHESIS TEST-I

1. Chi-square Analysis:

   To find-out any significant difference between the designation and employee satisfaction in performance appraisal system.

   Null Hypothesis (Ho) - There is no significant difference between employee designation and employee satisfaction regarding current performance appraisal system in HEI.

Statistical analysis:

Table 1: The Employee Satisfaction Level Regarding Performance Management System in Hei Towards Designation

OPTION	NOT SATISFIED	SLIGHTLY SATISFIED	SATISFIED	VERY SATISFIED	EXTREMELY SATISFIED	TOTAL
STAFF	12	10	98	0	0	120
LECTURER	28	3	17	0	0	48
AP	69	52	77	0	0	198
ASSO P	1	1	9	0	0	11
PROF	0	6	17	0	0	23
TOTAL	110	72	218	0	0	400

E=R*C/N Where R=sum of row total C=sum of column total N=sample size Calculated Value

O	E	O-E	(O-E)2	(O-E)2/2
12	33	-21	441	220.50
10	21.6	-11.6	134.56	67.28
98	65.4	32.6	1062.76	531.38
28	13.2	14.8	219.04	109.52
3	8.64	-5.64	31.8096	15.90
17	9.265	7.735	59.830225	29.92
69	54.45	14.55	211.7025	105.85
52	35.64	16.36	267.6496	133.82
77	107.91	-30.91	955.4281	477.71
1	3.025	-2.025	4.100625	2.05
1	1.98	-0.98	0.9604	0.48
9	5.995	3.005	9.030025	4.52
6	4.14	1.86	3.4596	1.73
17	12.535	4.465	19.936225	9.97
CALCULATED VALUE				1710.63

The calculate value is   = 1710.63
Degree of Freedom   = (r-1) (c-1)
                                      = (5-1)(5-1)
                                      = 16

Table value=26.30 (at 5 percent level)

Calculated value is greater than table value (i.e., 1710.63>26.30)

So, Ho is rejected. Therefore H1 is accepted.

 From the above test we find it that there is a relationship between the designation and employee satisfaction regarding performance management system in HEI.According to the hypothesis test it is proved that maximum employees in all types of designation are satisfied in current Performance Management System in HEI. They accepted that they are satisfied with current performance management system i.e. in which way employees are evaluated by the employer, the procedure is accepted by the all levels of employees.

HYPOTHESIS TEST-2

2. Chi-square Analysis:

The data are shown in the following (2x2) table:

Feedback	Gender		Total
	Male	Female	
Mandatory	144	96	240
Non-Mandatory	96	64	160
Total	240	160	400

Null hypothesis is that the two attributes "Gender" and "Feedback" are independent and the Alternative Hypothesis is that they are not independent. On the Hypothesis of independence,the test statistic follows chi square distribution with1 degree of freedom.

Chi-square $=N\{I\,ad-bcI-N/2\}^2 /R_1R_2C_1C_2$

$=400\{I144X64-96X96I-200\}^2/240X160X240X160$

$=1600/147456$

$=0.0108$

Since the observed value of the statistic 0.0108 is less than the tabulatedvalue3.84 (given), it is not significant. We therefore accept the null hypothesis at 5 percent level of significance and conclude that the attributes are independent. According to the result it is proved that employees are accepting that feedback is necessary for the employee to know their performance towards organization and improvement process regarding their performance.

HYPOTHESIS TEST-3

Calculation of spearman's rank correlation co-efficient

The observed value regarding the Age of the employees-

Option	No. Of Respondents	Rank(X)
18-29	140	2
30-39	220	1
40-49	20	3
50-59	15	4
60 Years And Above	5	5

The observed value regarding the importance of right recruitment and selection can give good performance-

Option	No. Of Respondents	Rank(Y)
Strongly Agree	218	1
Agree	110	2
Slightly Agree	0	5
Neither Agree Nor Disagree	37	3
Disagree	35	4

Calculation of correlation

Rank(X)	Rank(Y)	D=X-Y	D^2
2	1	-1	1
1	2	1	1
3	5	2	4
4	3	-1	1
5	4	1	1
			8

R=1-6 $\sum$ d2/n (n^2-1)

   =1-(6x8)/5(25-1)

   =0.6

Therefore   R=0.6 indicates a positive correlation between Age and necessity of right recruitment and selection. So, according to the result it is proved that right selected candidate can give good performance towards the organization. Recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization and selection is the process of choosing the most suitable persons out of all the applicants. So, recruitment and selection plays an important role to enhance the productivity of the organization. Productivity must be improved if employee's performance is good for the organization.

HYPOTHESIS TEST-4

4.   A) Chi-square Analysis:

Null Hypothesis (Ho): There is no significant association between Gender and Transparency

Alternate Hypothesis (H1): There is significant association between Gender and Transparency.

Gender *Transparency relationship in Performance Management System in HEI Cross tabulation

GENDER * TRANSPARENCY Cross tabulation

			TRANSPARENCY					Total
			Not satisfied	slightly satisfied	Satisfied	Very satisfied	Extremely satisfied	
GENDER	MALE	Count	55	43	124	30	26	278
		Expected Count	49.6	51.7	128.5	23.7	24.4	278.0
	FEMALE	Count	16	31	60	4	9	120
		Expected Count	21.4	22.3	55.5	10.3	10.6	120.0
Total		Count	71	74	184	34	35	398
		Expected Count	71.0	74.0	184.0	34.0	35.0	398.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.112[a]	4	.011
Likelihood Ratio	13.979	4	.007
Linear-by-Linear Association	.495	1	.482
N of Valid Cases	398		

a. 0 cells (.0 percent) have expected count less than 5. The minimum expected count is 10.25.

Inference- The above table the calculated value of chi-square is 0.011which is less than 0.05 at 5percent level of significance. Hence, the null hypothesis is rejected. It is

inferred that there is a significant association between Gender and transparency in Performance Management System. So, all employees (Male and Female both) are accepting that transparency must be maintained by the employer at the time of evaluation. If performance management system maintains transparency,employees feel safe from organization-side.

b) Chi-square Analysis:

Null Hypothesis (Ho): There is no significant association between Age and Reward.

Alternate Hypothesis (H1): There is significant association between Age and Reward.

 Age and Reward relationship in Performance Management System in HEI Cross tabulation

AGE * REWARD Cross tabulation

			REWARD						Total
			Strongly agree	agree	slightly agree	neither agree nor disagree	disagree	22	
AGE	18-29	Count	65	56	34	23	2	1	181
		Expected Count	62.9	52.0	32.1	30.8	2.7	.5	181.0
	30-39	Count	57	48	30	41	3	0	179
		Expected Count	62.2	51.5	31.8	30.4	2.7	.4	179.0
	40-49	Count	5	7	6	2	0	0	20
		Expected Count	7.0	5.8	3.6	3.4	.3	.1	20.0
	50-59	Count	7	4	1	2	1	0	15
		Expected Count	5.2	4.3	2.7	2.6	.2	.0	15.0
	60 &Above	Count	5	0	0	0	0	0	5
		Expected Count	1.7	1.4	.9	.9	.1	.0	5.0
Total		Count	139	115	71	68	6	1	400
		Expected Count	139.0	115.0	71.0	68.0	6.0	1.0	400.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.541[a]	20	.182
Likelihood Ratio	26.132	20	.162
Linear-by-Linear Association	.538	1	.463
N of Valid Cases	400		

Inference-From the above table the calculated value of Chi-square is 0.182 which is greater than 0.05at5percent level of significant. Hence, the null Hypothesis is accepted. It is inferred that there is no significant association between Age and Reward. Therefore it is notified that Reward is independent of Age.

Factor analysis-

KMO and Bartlett's Test for performance feedback, transparency and activities to improve performance.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.604
Bartlett's Test of Sphericity	Approx. Chi-Square	100.225
	df	6
	Sig.	.000

Interpretation- For this data the value is 0.604, which falls into the range of being mediocre. So, we should be confident that Factor analysis is appropriate for these data.

Bartlett's test shows that there is some relationship between variables. The value is highly significant (p<0.001) and thereforeFactor Analysis is appropriate.

Total Variance for performance feedback, transparency and activities to improve performance.

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.599	39.964	39.964	1.599	39.964	39.964
2	.990	24.758	64.721			
3	.795	19.885	84.607			
4	.616	15.393	100.000			

Extraction Method: Principal Component Analysis.

Interpretation- The Eigen value associated with each factor represent variance explained by the particular linear component and displays the Eigen values in terms of percentage of variance (so , factor 1 explains 39.964 percent of total variance)

Component Matrix for performance feedback, transparency and activities to improve performance.

Component Matrix [a]

	Component
	1
ACTIVITY	.781
FORMS.OF.FEEDBACK	.737
FEEDBACK	.632
TRANSPARENCY	.215

Extraction Method: Principal Component Analysis.
 a. 1 component extracted.

Rotated Component Matrix (a)
a. Only one component was extracted. The solution cannot be rotated.

Interpretation-
 The questions thatloaded highly on Factor 1 relate to performance feedback, transparency and activity in the HEI, the researcher has labeled this factor as performance feedback, transparency and activities to improve performance in HEI.

Findings

- From the above test we find it that there is a relationship between the designation and employee satisfaction regarding performance management system in HEI. According to the hypothesis test it is proved that maximum employees in all types of designation are satisfied in current Performance Management System in HEI. They accepted that they are satisfied with current performance management system i.e. in which way employees are evaluated by the employer, the procedure is accepted by the all levels of employees. So, it is identified that all levels of employees in higher educational institutions are satisfied with present performance management system in west Bengal.

- From the observed value of the statistic 0.0108 is less than the tabulatedvalue3.84 (given), it is not significant. We therefore accept the null hypothesis at 5percent level of significance and conclude that the attributes are independent. According to the result it is proved that employees are accepting that feedback is necessary for the employee to know their performance towards organization and improvement process regarding their performance. Feedback is the most important part of performance management system in higher educational institutions (according to male and female employees in west Bengal).So that employees can understand about the status of their performance and if they have any problem in performance, that also be discussed and solutions are given by the evaluator.

- So, according to the result it is proved that right selected candidate can give good performance towards the organization. Recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization and selection is the process of choosing the most suitable persons out of all the applicants. So, recruitment and selection plays an important role to enhance the productivity of the organization. Productivity must be improved if employee's performance is good for the organization. It is identified that right selection always give right person to the organization and those people always give good performance towards the organization.

- This paper has identified the forms of feedback that means through face to face interaction, e-mail,letter,telephone feedback may be discussed. But Generally In higher educational institutions face to face interaction is mostly use for any level of employees in the organization.

- The calculated value of chi-square is 0.011which is less than 0.05 at 5percent level of significance. Hence, the null hypothesis is rejected. It is inferred that there is a significant association between Gender and transparency in Performance Management System. So, all employees (Male and Female both) are accepting that transparency must be maintained by the employer at the time of evaluation. If performance management system maintains transparency, employees feel safe from organization-side. The employees are

_____

mostly agreed that transparency must be maintained by the evaluator.

- It is identified that feedback must be received by the employees and they have right to know about their performance level.

- This paper has focused on the activities those are required to improve poor performances in higher educational institutions. Through training, Discussion, Lecture, Demonstration employee can improve performance.

Suggestions

- The techniques used in PMS are very traditional which is tobe modernized in future for good prospect of the employees.

- Increase the awareness level of performance management periodfor the employees.

- If management provides good financial reward for the good performer, it can boost their work and productivity.

- If evaluator collects information from various sources, then evaluator can get actual performance report.

- Every time employeecounseling must be done by the evaluator. Otherwise employee will be failed to improve their performance.

Conclusion and Future Scope of the Study

Human resources are the vital source of every organization. Productivity and goodwill increases dueto employee'sperformance within the organization. An employee, being an individual who is treated as assets in the organization. So the organization should mainly emphasis on modern and improved performance appraisal techniques and its development programmes. Both the appraiser and appraise should realize the principle and use the tool of performance management system in a constructive way for the prosperity of the organization. The performance management technique must be handled by the evaluator in a fair way. Employees are satisfied with the present performance management system. As many new performancemanagement techniques are emerged, the organization can implement modern technique which can be more effective. Good performance can createa great sense of achievement to do work among the employees if they get financial or non-financial reward by the organization. If the suggested measures are taken into consideration it will help to increase the effectiveness and improvement of performance management system. For further research researcher can focus on the relation between reward and performance and it can be investigated by the researcher that either performance can be influenced by reward or not and can be identified important factors those influence employees PMS in Higher educational Institutions.

References

M.L.E Mapesela, Francois Strydom, "Performance Management of Academic Staff in South African Higher Education: A Developmental Research Project", Conference on Trends in the Management of Human Resources in Higher Education, pp. 1-9.

Dr Kerosi Josaphat Bosire Mukamuhinda Odette, Jesse David Kabagambe, Employees' satisfaction with performance appraisal" International Journal of Information Technology and Business Management 29th Aug 2014. Vol.28 No. 1, PP-21-44.

Arshad Zaheer, Hafiz Muhammad Ishaq, Muhammad Zahid Iqbal, Effectiveness of Performance Appraisal: Its Outcomes and Detriments in Pakistani Organizations, European Journal of Social Sciences Volume 10, Number 3 (2009),PP-479-485

P.Suresh; Dr.MAakbar Mohideen, A study on performance appraisal of automobileIndustries, at Chennai, Tamilnadu., International Journal of

_____

Marketing, Financial Services & Management Research(2013),PP-110-122

Shaemi Barzoki Ali ,Abzari Mahdi,Javani Malihe, The Effect of Employees' Performance Appraisal Procedure on their Intrinsic Motivation,International Journal of Academic Research in Business and Social Sciences December 2012, Vol. 2, No. 12,PP-161-168

Muhammad Imran Rasheed, Hassan Danial Aslam, Shakeel Sarwar (2010), "Motivational Issues for Teachers in Higher Education: A Critical Case of IUB", Journal of Management Research, pp. 1-23.

Shakeel Sarwar, Hassan Danial Aslam Muhammad Imran Rasheed (2010),"Hindering Factors of Beginning Teachers' High Performance in Higher Education Pakistan (Case Study of IUB-The Islamia University ofBahawalpur)", Journal of Management Research, pp. 1-12.

Elaine D. Pulakos (2009), "Performance Management A Roadmap for Developing, Implementing and Evaluating Performance Management Systems ", Society for Human Resource Management, pp. 1-56.

Marjolein Dieleman, Jurrien Toonen, Hamadassalia Toure and Tim Martineau (2006), "The Match between Motivation and Performance Management ofHealth Sector Workers in Mali", Human Resources for Health, pp. 1-7.

G. Barani, R. Rajesh (2012), "A Study on Factors Influencing Faculty Performance Management System in Technical Educational Institutions", European Journal of Economics, Finance and Administrative Sciences, pp. 168-179.

Norizah Supar (2006), "Factors Affecting Knowledge Sharing Among Academic Staff In Selected Malaysian Higher Educational Institutions And The Effect On Performance", University Putra Malaysia, pp. 1-322 .

Eva Gergely (2009), "The Analysis Of Some Issues Concerning Performance Management And Motivation", 4th Aspects and Visions of Applied Economics and Informatics, pp. 786-792.