

Project Dissertation Report on
A STUDY ON EMPLOYEE SATISFACTION WITH
PERFORMANCE MANAGEMENT SYSTEM

Submitted by

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CERTIFICATE

This is to certify that the work titled '**A Study on Employee Satisfaction with Performance Management System**' was submitted by Mansi Mittal in the 4th semester of MBA, Delhi School of Management, Delhi Technological University during January-May 2024 as part of the final year Major Research Project.

This project is submitted to Delhi School of Management, Delhi Technological University in partial fulfilment of the requirement for the award of the degree of Master of Business Administration.

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DECLARATION

I hereby declare that the work titled '**A Study on Employee Satisfaction with Performance Management System**' as part of the final year Major Research Project submitted by me in the 4th semester of MBA, Delhi School of Management, Delhi Technological University, during January-May 2024 under the guidance of Dr Vikas Gupta is my original work.

The report has been written by me in my own words and the results embodied have not been submitted to any other University or Institution for the award of degree.

Mansi Mittal

(2k22/DMBA/71)

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EXECUTIVE SUMMARY

Employee satisfaction with performance management systems (PMS) is a critical factor in organizational success, influencing employee motivation, productivity, and retention. This research paper aims to provide a comprehensive analysis of employee satisfaction with PMS, exploring the key aspects of performance management that contribute to or detract from employee satisfaction. Through an extensive literature review and empirical investigation, this study examines the relationship between various elements of PMS and employee satisfaction, including goal setting, feedback mechanisms, appraisal processes, training and development, recognition and rewards, communication, and overall fairness and transparency. Drawing on data from a diverse range of organizations and industries, the study aims to explore employees' satisfaction with the performance management system through a questionnaire survey.

Performance management entails assessing an employee's performance against job requirements. It serves various purposes, including administrative decisions such as promotions, salary adjustments, and other differential treatments among employees. Formal performance management plans serve three primary needs: organizational decision-making, individual feedback for improvement, and providing a basis for coaching and counselling by supervisors.

- Performance Management Systems offer structured evaluations to support decisions regarding salary adjustments, transfers, demotions, or terminations.
- Performance Management Systems serve as a platform for communicating an employee's performance to their supervisor, facilitating feedback on areas for improvement in behaviour, attitudes, skills, or job knowledge, and clarifying the employee's standing.
- Supervisors utilize Performance Management Systems as a foundation for coaching and counselling employees, providing guidance and support for individual development

Performance management, a crucial HR process, has garnered significant attention from researchers and practitioners due to its complexities and perceived challenges. It is widely acknowledged that a well-functioning performance management system is crucial for an organization's overall success. Such a system has the potential to enhance employee satisfaction and job contentment. If employees are content with their performance appraisals, it often correlates with their overall job satisfaction. Conversely, if discontentment emerges regarding the performance management procedure, it's crucial to offer feedback to employees, pinpointing areas for improvement to aid in their development.

The findings highlight the significant effect of clear expectations regarding roles and responsibilities, recognition and rewards linked to performance outcomes, fairness of an immediate supervisor, performance management system's ability to identify learning and development needs and employee's involvement in the goal-setting process in enhancing employee satisfaction with PMS. Additionally, recognition and rewards based on performance, transparent communication, and a culture of trust and respect play pivotal roles in shaping employees' attitudes toward PMS. By addressing the key factors influencing employee satisfaction, organizations can strengthen employee satisfaction with the performance management system, which would be helpful in improving employee motivation and performance.

Keywords: Performance management system, Employee satisfaction, Employee performance

Table of Contents

Certificate	i
Declaration	ii
Acknowledgement.....	iii
Executive Summary	iv
List of Figures.....	vii
Chapter 1. Introduction.....	1
1.1 Background.....	1
1.2 Problem Statement	11
1.3 Objectives of the study.....	11
1.4 Scope of the study	11
Chapter 2. Literature Review.....	13
Chapter 3. Research Methodology.....	24
Chapter 4. Data Analysis.....	32
4.1 Findings	63
4.2 Recommendations	67
4.3 Limitations of the study	69
Chapter 5. Conclusion.....	70
References.....	72
Annexure.....	74

List of Figures

Figure 1: Conceptual Framework Performance Management System	2
Figure 2: Key Elements of Effective Performance Management	4
Figure 3: Three key processes in a performance management system	6
Figure 4: Performance Management Cycle	8
Figure 5: The Balanced Scorecard Framework	9

Chapter 1. Introduction

1.1 Background

Performance Management System evaluates employee performance, identifying any deviations from expected performance that may impact organizational efficiency. It also includes mechanisms to rectify these deviations in both employee and organizational performance. It serves as a benchmark for measuring employee performance and organizational outcomes, promoting employee engagement and organizational development. Ignoring PMS can have negative performance impacts and adversely affect organizational outcomes. Leveraging HR knowledge alongside employee skills and competencies enables organizations to develop effective PMS strategies that engage, motivate, and commit employees, thereby positively influencing performance. Performance management is crucial for evaluating an organization's sustainability over the long term. Well-designed PMS is crucial for high-level employee engagement, which, in turn, influences employee performance. Performance management encompasses assessing both managerial and staff performance to achieve strategic objectives and individual requirements. Feedback from employees is crucial for modifying coaching approaches to better suit individual needs.

The effectiveness of PMS is highlighted in enhancing organizational performance, aligning individual contributions with overarching organizational objectives, as well as motivating employees to achieve high or above-average performance. It encompasses planning, reviewing, rewarding, and developing performance, ultimately contributing to organizational success. Studies emphasize the positive impact of well-implemented PMS on profitability, customer satisfaction, and employee morale, which in turn boosts productivity and efficiency. Effective PMS relies on clear goal definition, communication, and feedback mechanisms, as well as the involvement of employees in its implementation. Effective leadership plays a vital role in cultivating employee performance, as supportive management leads to increased productivity and satisfaction. Additionally, training and communication are crucial components in ensuring employees understand organizational expectations and feel valued within the organization. Corrective measures for poor performance, including training and development, are vital for improving future performance and maintaining employee

motivation. PMS is seen as a tool for enhancing employee skills, competency, and adequacy, thereby improving both individual and organizational performance. When utilized effectively, PMS promotes personal growth, career development, and increased motivation among employees, leading to improved organizational outcomes.

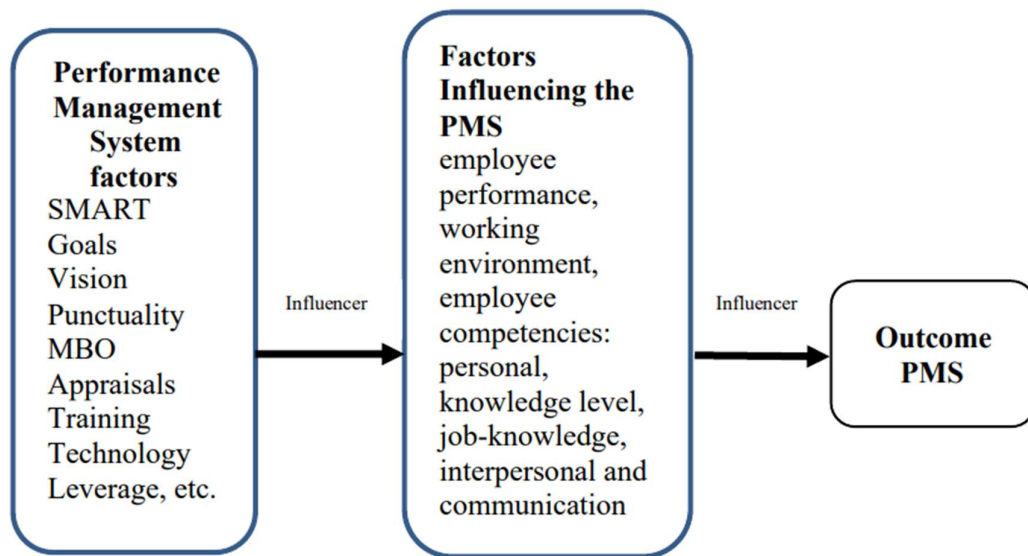


Figure 1: *Conceptual Framework Performance Management System*

Source: Mruthyanjaya Rao et al., 2019

1.1.1 Performance Management

Employee performance management employs a systematic method to improve performance by consistently setting expected outcomes, defining goals and standards, collecting, assessing, and reporting data to enhance both individual and team performance.

Performance management entails aligning the organization's goals and objectives with the established metrics, required skills, competency standards, development strategies, and the effective achievement of outcomes by employees. Employee performance management is vital for organizational success as it encompasses processes and strategies to ensure employees effectively contribute to achieving organizational goals. This encompasses tasks like establishing transparent

performance standards, offering feedback and guidance, assessing performance, pinpointing areas for enhancement, and recognizing outstanding performance.

Feedback and coaching are integral parts of employee performance management. Regular feedback sessions between managers and employees enable discussions on performance, strengths, areas for improvement, and development plans. Timely, detailed, and constructive feedback, centred on behaviours and outcomes rather than personal characteristics, constitutes effective feedback. Coaching entails providing guidance, assistance, and resources to aid employees in improving their skills and performance. This cooperative process seeks to unleash employees' complete potential and optimize their contributions to the organization.

Performance assessment is another essential aspect of employee performance management. It enables managers to evaluate employees' performance in comparison to established objectives and expectations, offering valuable insights into employees' strengths, weaknesses, and areas requiring improvement. Performance evaluations should be conducted regularly, fairly, and objectively using various assessment methods such as self-assessments, peer reviews, and supervisor evaluations.

Identifying and addressing performance gaps is a crucial aspect of employee performance management. When employees perform below expectations, managers must identify the underlying causes and create strategies to address them. This might include offering additional training, adjusting work assignments or resources, or providing extra support and coaching. It is important to tackle performance improvement positively and constructively, focusing on solutions rather than placing blame.

Rewarding and recognizing employees is a crucial aspect in reinforcing desired behaviours and inspiring them to strive for excellence. Showing appreciation for exceptional performance and encouraging continued excellence can be achieved

through rewards such as monetary bonuses, promotions, awards, or public acknowledgment.

Effective Performance Management: Key Elements

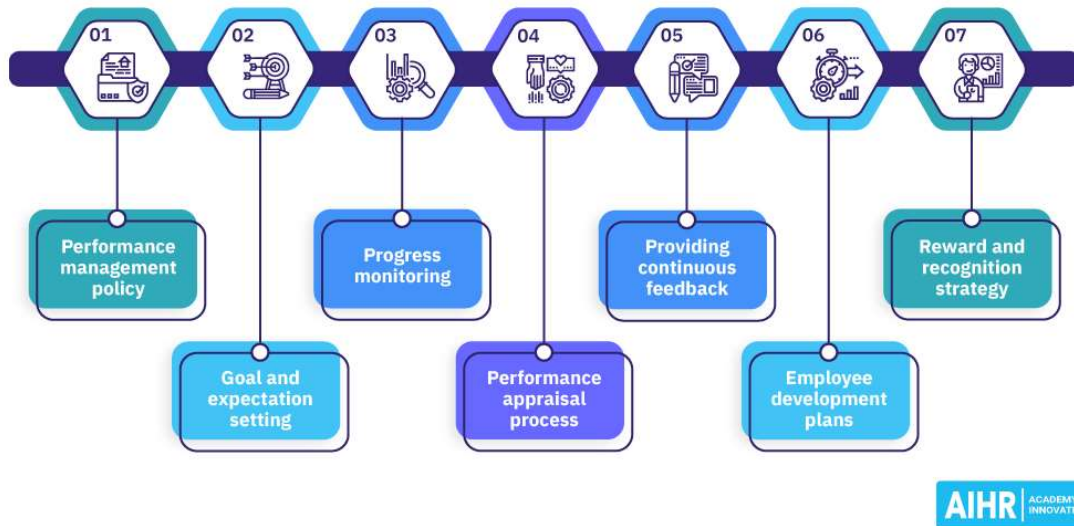


Figure 2: Key Elements of Effective Performance Management

Source: <https://www.aihr.com/blog/what-is-performance-management/>

Employee performance management system is a strategic approach to managing and optimizing employee performance to achieve organizational goals. It requires commitment from organizational leaders, effective communication, ongoing training and development, and a culture that values performance excellence. When implemented effectively, it can drive organizational success, enhance employee satisfaction, and create a competitive advantage in the marketplace.

1.1.2 Employee Performance

It is the backbone for organizational success, representing the collective efforts and contributions of individuals towards achieving common goals and objectives. It encompasses the actions, behaviours, and outcomes exhibited by employees in the workplace, indicating their efficiency in carrying out job duties and meeting

performance standards. Effective management of employee performance is vital for organizational growth.

One critical element of employee performance is productivity, which denotes how efficiently and effectively employees use resources to attain desired results. Productive employees are able to accomplish tasks in a timely manner, meet deadlines, and deliver high-quality work results. Productivity is influenced by various factors, including work environment, individual skills and competencies.

Employee performance is intricately intertwined with job satisfaction and engagement. Contented and involved employees are more likely to be driven, dedicated, and absorbed in their tasks, resulting in elevated levels of performance and efficiency. Elements such as acknowledgment, avenues for advancement, supportive leadership, and a favourable work atmosphere all contribute to employee contentment and involvement. Companies that prioritize employee welfare and contentment are better equipped to attract, retain, and inspire top talent, leading to enhanced performance. Performance management systems furnish a structured framework for overseeing employee performance, ensuring harmony with organizational aims and aspirations.

1.1.3 Effectiveness of Performance Management on Employees' Performance

Performance management is an essential organizational process aimed at boosting employee productivity and efficiency in achieving organizational goals.

One of the primary ways by which performance management improves employee performance is through goal setting. Precise and specific performance objectives furnish employees with a guide for their endeavours and aid in aligning individual goals with organizational aims. Clearly defined goals also serve as a benchmark for evaluating performance and pinpointing areas necessitating enhancement.

Consistent feedback and coaching are integral elements of efficient performance management. Continuous dialogue between managers and employees facilitates the prompt recognition of strengths, weaknesses, and areas for improvement. Feedback should be constructive, thorough, and focused on behaviours and outcomes rather than personal traits. By providing employees with regular feedback and coaching, organizations can support their development, address performance issues, and empower them to reach their full potential.

Performance evaluations are another important aspect of performance management. Formal performance assessments offer a chance to gauge employees' performance relative to predefined objectives and standards. These assessments aid in pinpointing top-performing employees, acknowledging their contributions, and offering avenues for career growth and progression. Performance evaluations also highlight areas for improvement and enable organizations to implement targeted interventions to address performance gaps.

Acknowledgment and incentives for good work are pivotal in inspiring employees and bolstering preferred conduct. Employees who are acknowledged and rewarded for their accomplishments are likelier to perceive themselves as valued and respected within their organization. Acknowledgment can manifest in diverse ways, encompassing financial rewards, promotions, accolades, and public acknowledgment.

Strong leadership, dedicated to fostering employee growth and empowerment, is indispensable for advancing performance enhancements and nurturing a culture of ongoing development and progress.

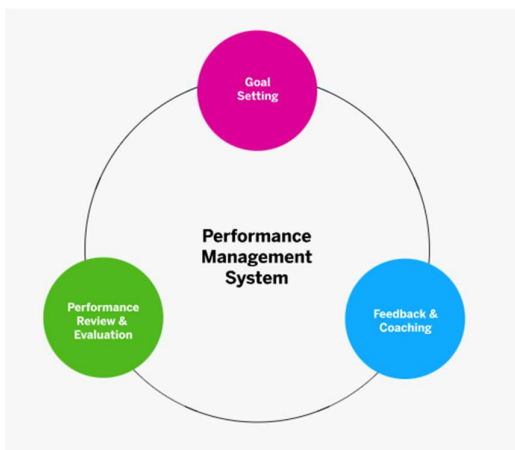


Figure 3: Three key processes in a performance management system

1.1.4 The Performance Management Cycle

It typically consists of several key stages, which are repeated periodically to ensure continuous improvement. While specific implementations may vary from one organization to another, the core components of the performance management cycle generally include:

1. Planning: This phase entails establishing precise performance expectations, defining goals and objectives, and delineating performance benchmarks. It may also include establishing key performance indicators (KPIs) and identifying development opportunities for employees.

2. Monitoring: During this stage, managers and supervisors closely observe employees' performance, track progress towards goals, offer consistent feedback and assistance over time, which could involve scheduled updates, evaluations of performance, and informal discussions to tackle any problems or worries.

3. Evaluating: Periodically, typically once or twice a year, formal performance assessments are carried out to evaluate employees' performance in comparison to predetermined objectives and criteria. These assessments may involve self-evaluations, feedback from colleagues, and evaluations by supervisors, offering a chance to acknowledge accomplishments and pinpoint areas needing enhancement.

4. Developing: After performance evaluations, development plans are formulated to tackle any skill deficiencies or areas requiring improvement highlighted during the evaluation phase.

5. Rewarding and Recognizing: Employees who demonstrate exceptional performance may be rewarded and recognized for their accomplishments, which can include financial incentives, promotions, commendations, public acknowledgment, or other incentives. Acknowledging employees' contributions helps to motivate them and reinforce desired behaviours.

6. Feedback and Communication: Throughout the performance management process, it's vital to uphold clear and open communication between supervisors and staff members. Consistent feedback meetings offer chances to address performance and clarify anticipated outcomes.



Figure 4: Performance Management Cycle

Source: <https://www.fordham.edu/humanresources/professionaldevelopment/performance-management/>

1.1.5 Types of Performance Management Systems

1. Traditional System:

In traditional systems, performance appraisals are conducted at set intervals, typically annually or semi-annually. Managers evaluate employees based on specific criteria such as job objectives, skills, and behaviours. These evaluations often result in formal ratings or scores, which can influence decisions regarding promotions, bonuses, and raises. Although this structured approach offers a clear and consistent method for evaluating performance, it can be backward-looking and may not provide continuous feedback.

2. 360-Degree Feedback Systems:

It offers a complete perspective of an employee's performance and indicates how an employee is viewed across various professional interactions. Through involving various perspectives, such as managers, colleagues, subordinates, and occasionally clients. 360-degree feedback can foster teamwork and collaboration. However, this

method can be time-consuming to administer and requires careful handling to ensure feedback quality and minimize bias.

3. Management by Objectives (MBO):

This approach is centred around goal-setting, wherein managers collaborate with employees to define Specific, Measurable, Achievable, Relevant, and Time-bound (SMART) objectives. Performance evaluation is based on the achievement of these goals, emphasizing results and outcomes. This method aligns individual aims with organizational objectives, encouraging accountability and ownership. Consistent goal-setting and evaluations are vital for sustaining its efficacy.

4. Balanced Scorecard:

The balanced scorecard methodology assesses performance through various facets, encompassing financial, customer, internal processes, as well as learning and growth dimensions. It connects performance metrics with strategic goals, thereby harmonizing individual and organizational objectives. This approach provides a holistic perspective on performance, advocating for a comprehensive management approach. While it provides valuable insights and strategic alignment, it can be complex to implement and requires clear communication and ongoing strategic alignment.

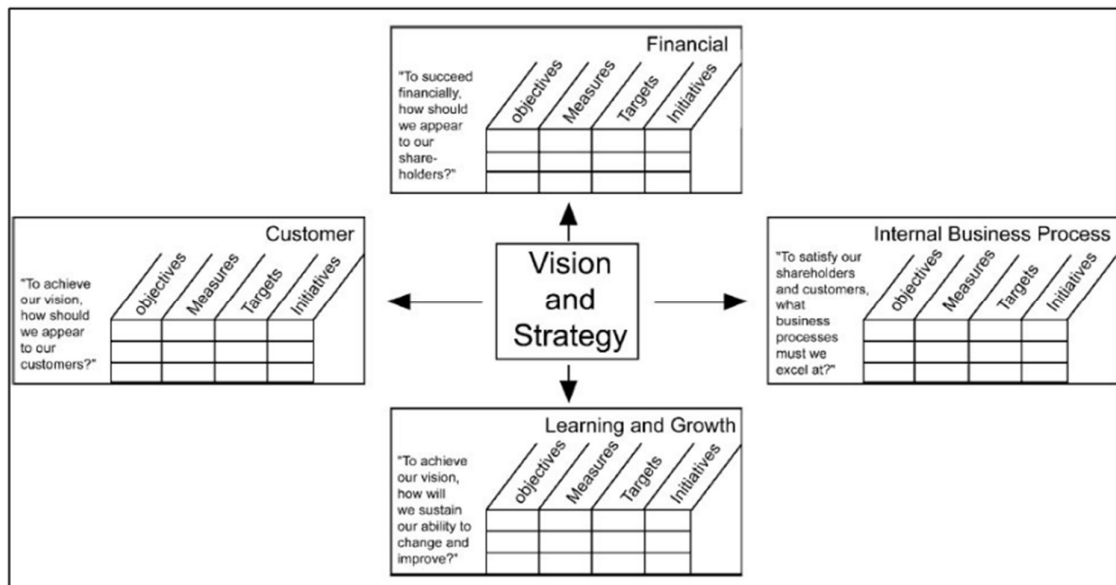


Figure 5: The Balanced Scorecard Framework

Source: Kaplan and Norton (1996)

5. Continuous Performance Management:

This method signifies a contemporary strategy that underscores continuous feedback, coaching, and performance dialogues year-round. It places importance on immediate communication and development, enabling prompt adjustments and advancement. By fostering transparent communication between managers and employees, continuous performance management facilitates proactive performance monitoring and continual improvement. Nevertheless, it demands considerable time and dedication from both managers and employees, posing potential challenges for certain organizations.

6. Behaviourally Anchored Rating Scales (BARS):

This approach integrates both quantitative and qualitative methods for evaluating employee performance. In BARS, specific behavioural examples (anchors) are linked to performance ratings, providing clear and objective criteria for evaluation. This approach reduces subjectivity and offers detailed feedback on specific skills and behaviours. While BARS can enhance clarity in evaluation and guide targeted development, it is time-consuming to develop and requires thorough training and calibration for raters to ensure consistent application.

7. Critical Incident Technique (CIT):

This approach entails collecting particular instances or examples of notable behaviours or occurrences linked to an employee's performance. These occurrences can be either positive (exemplary performance) or negative (underperformance) and are typically recognized by managers, colleagues, subordinates, or even clients.

1.2 Problem Statement

Performance management systems have an important role of fostering employee satisfaction and optimizing organizational performance in the contemporary workplace landscape. Yet, despite the prevalent integration of such systems, there is still a necessity to thoroughly assess their effectiveness and influence on employee perspectives and performance within organizational settings.

The contemporary work environment is undergoing substantial transformations, requiring a thorough assessment of the employee experience in relation to performance management procedures. Improving employee performance naturally boosts overall organizational performance. A successful performance management system should be capable of enhancing organizational success while also maintaining employee motivation.

Despite the pivotal role of performance management in influencing organizational success, there exists a significant gap in comprehending how employees perceive and interact with these practices. This study aims to address the issue of unclear employee perceptions and the efficacy of performance management systems. Questions persist about whether employees perceive performance goals as transparent, find feedback mechanisms impactful, and view training opportunities as conducive to their development.

1.3 Objectives of the study

- To measure employee satisfaction with performance management systems.
- To identify factors influencing employee satisfaction or dissatisfaction with performance management systems.
- To provide recommendations for organizations to enhance employee satisfaction with performance management systems.

1.4 Scope of the study

The study will examine employee satisfaction regarding the adoption of the performance management system, encompassing its procedures for establishing goals, evaluating performance, providing feedback, and implementing employee development programs.

The primary variables under investigation include:

Goal Setting and Expectation: Employee perspectives on the clarity of performance objectives, engagement in the goal-setting process, and involvement in establishing performance standards.

Training satisfaction: Employees' perceptions of the effectiveness and relevance of training programs provided by the organization.

Feedback effectiveness: Employees' perceptions of the quality, frequency, and usefulness of performance feedback received from supervisors.

Leadership and management: Employee satisfaction with the assistance and guidance offered by senior management.

Overall satisfaction with the performance management system: Employees' general satisfaction levels with the performance management system, fairness and transparency of performance evaluations.

This study will adopt a cross-sectional research design, employing quantitative methods such as surveys and statistical analysis to collect and analyse data.

Data will be collected using structured questionnaires distributed electronically to participants, with responses anonymized to ensure confidentiality.

The research findings will offer valuable perspectives on how employees perceive performance management systems, thereby aiding in the improvement of organizational procedures and increasing employee satisfaction within corporate settings.

Chapter 2. Literature Review

2.1 Performance Management

It involves establishing objectives, identifying necessary knowledge, skills, and abilities, and devising improvement and development strategies. This includes ongoing performance reviews against these established objectives and improvement plans, ensuring a holistic approach that covers the entire organization, including departments, teams, and individuals. This approach addresses broader issues facing businesses and includes considerations such as competence and achievements, in addition to goal setting and assessments. According to Jackson et al. (2009), performance management is described as a systematic process utilized to assess and impact job-related attitudes, behaviours, and performance results, aiming to inspire employees and steer their endeavours towards organizational objectives.

Winstanley and Stuart-Smith (1996) outline principles in performance management, including valuing individuals, mutual respect, procedural fairness, and transparency. It ensures employees are treated fairly and given opportunities to scrutinize decisions affecting them. Performance management extends beyond annual evaluations conducted by the HR department; instead, it involves ongoing communication between managers and team members to set expectations, exchange information regarding goals and expectations as well as managing and nurturing employees to attain objectives.

Fletcher (1993) emphasized creating a shared vision of organizational purpose and goals. Performance Management considers the work people do, how they do it, and what they achieve. This system integrates formal and informal methods to enhance the efficiency of corporations, teams, and individuals while promoting ongoing enhancement of skills, knowledge, and competencies.

Lansbury and Quince (1988) emphasized that performance management enhances internal communication within the organization and should be a continuous process for feedback loops to operate efficiently. Its key features include measuring employee training, setting standards, appraising, and providing feedback in relation to how performance contributes to achieving company goals.

Mabey and Salaman (1995) observed that effective performance management includes the establishment of a framework to direct, monitor, motivate, and reward individuals, with provisions for auditing the cycle's procedures. They also emphasized that motivation constitutes a foundational aspect of performance management. Performance management involves regular interactions, such as daily or weekly meetings, to continuously improve employees' capacity and performance. It also requires providing the necessary training for employees to perform their jobs effectively.

2.2 Objectives of a Performance Management System

Introducing a performance management system serves as a remedy to address underperformance among employees. Clearly defined goals are imperative for employees to meet performance expectations and company targets, as emphasized by Sara (2018). Organizational goal-setting entails thorough consideration of internal and external factors affecting performance, as highlighted by Wendy (2013).

Stuart (2019) underscores the significance of employee engagement and satisfaction in performance management endeavours. Acknowledging that engaged employees contribute significantly to organizational success, Stuart advocates for regular employee engagement surveys to gauge satisfaction levels and ensure efforts are made to keep employees motivated and content.

2.3 Employee Satisfaction

Employee satisfaction refers to the contentment employees feel at work, contributing positively to an organization. This sense of satisfaction leads to a more enjoyable work experience and improves performance. According to Susan (2010), employee satisfaction encompasses the contentment and fulfilment of employees in their workplace. Elements fostering satisfaction encompass respectful treatment, regular recognition, empowerment, and competitive remuneration and benefits.

Employee satisfaction can be assessed through anonymous surveys that evaluate aspects such as management, understanding of the mission and vision, empowerment, teamwork, communication, and interactions with colleagues (Susan 2010). Other methods include exit interviews and small group meetings where the same question is asked verbally. Employee satisfaction measures the level of

contentment employees experience with their jobs and the work environment. Modic (2005) likens employees to "assets with feet" as they are the only resource that chooses to return each day. Kash (2003) emphasizes the importance of focusing on employees alongside customers.

The impact of employee satisfaction on organizational success is significant. Research shows that companies excelling in employee satisfaction can reduce turnover by 50%, Carpittella (2003) noted substantial enhancements such as elevating customer satisfaction to nearly 95%, cutting down labour costs by 12%, and increasing pretax margins by approximately 4%. Additionally, Greenberg (2004) underscored the crucial connection between customer loyalty and business growth, emphasizing that customer satisfaction drives this loyalty. This satisfaction is heavily influenced by customers' perceptions of the value they receive, which is shaped by content, loyal, and efficient employees

Clark (2001) observes that leading corporations like Intel, Coca-Cola, and General Electric (GE) all uphold core cultural principles such as teamwork, customer-centricity, innovation, and equitable treatment of employees. Research also indicates that high employee turnover often results from employees enjoying their work but not their workplace (Greenberg, 2004). Organizations must foster a culture of participation, which boosts employee retention (Leibowitz, 2003). When employees actively engage in their organizations and witness the impact of their contributions, they feel more valued. Freeman (2003) proposes that the success of an organization is intricately linked to the satisfaction of its employees, as they embody the core of the company.

2.4 Employee Performance Management and Employee Satisfaction

Employee performance management aims to enhance job performance while also prioritizing employee satisfaction. There exists a correlation between employee performance and satisfaction: as employees attain their objectives and excel in their tasks, they experience satisfaction, which subsequently fuels further motivation for improved performance. Satisfied employees often demonstrate a sense of ownership of their organization. Robson and colleagues (2005) found that effective performance management practices can contribute to employee satisfaction by providing clear expectations, opportunities for growth and development, and regular feedback, which can enhance job engagement and morale. Conversely, high levels of employee

satisfaction can lead to improved performance outcomes, as satisfied employees are often more motivated, committed, and productive. Therefore, organizations that prioritize both employee performance management and employee satisfaction are likely to experience greater success in achieving their strategic objectives, retaining top talent, and fostering a positive work environment.

Winstanley and Stuart-Smith (1996) identify principles in performance management that contribute to employee satisfaction, including regarding individuals as ends in themselves rather than merely as a means to an end, showing mutual respect for those involved in the process, ensuring procedural fairness, and providing transparency in decision-making processes.

Greenberg (2004) states that employee satisfaction primarily stems from the provision of high-quality internal support services and policies that enable employees to achieve customer outcomes effectively. Although monetary compensation is essential, it does not guarantee satisfaction. To enhance employee satisfaction, Greenberg recommends that organizations comprehend the reasons why employees choose to work, help them achieve their goals, empower them, involve them in decision-making, convey organizational expectations clearly, acknowledge their accomplishments, and provide support for their endeavours.

2.5 The Implementation of the Performance Management System

Performance Management System implementation involves a structured process to introduce and integrate the system into an organization's operations effectively. This process typically includes several key steps. Successful implementation of a performance management system requires careful planning, effective communication, and ongoing monitoring and evaluation to ensure alignment with organizational goals and objectives and to support continuous improvement in employee performance and organizational effectiveness. (Maloba, 2016).

2.5.1 Planning

The planning phase, essential for PMS implementation, entails crafting precise institutional strategies that define accountability and responsibility for attaining long-term goals and allocating resources accordingly (Ehlers and Lazenby, 2010).

Translating identified strategies into operational plans is crucial for organizations to realistically achieve prioritized programs and projects.

2.5.2 Priority Setting

When putting the Performance Management System (PMS) into practice, it's crucial that managers and stakeholders are fully engaged in the process. This engagement aids in clearly identifying crucial performance domains and setting performance standards for both the organization and its employees. According to Culbertson et al. (2013), employees' contentment with the primary focus areas and performance agreements of the PMS serves as a robust gauge of its efficacy and longevity. The projects and activities that are prioritized should align with the institution's objectives to ensure a cohesive approach to performance management.

2.5.3 Setting Objectives

Strategic objectives are action-oriented statements that outline how an organization will effectively implement its strategy (Coulter, 2010). The achievement of a company's objectives relies on the development of its objectives (specifically, their expression) and ensuring they are in harmony with the organization's operational efforts. These objectives serve as a roadmap for achieving related goals rather than just being an aspirational wish list.

2.5.4 Performance Review

The assessment of the organization's performance involves analysing its accomplishments, expansion, and obstacles. These reviews may occur quarterly, semi-annually, or annually, depending on the organization's practices. During these reviews, supervisors and employees discuss performance against predetermined objectives, assess strengths and weaknesses, and set new goals as needed. (Waal, 2007). These assessments provide a summary of past performance and facilitate future planning. Quarterly assessments entail dialogues between supervisors and staff members to identify progress and suggestions for corrective actions. In contrast, appraisals are annual evaluations that provide a comprehensive assessment of overall staff performance. Saravanja (2011) emphasizes the importance of differentiating between quarterly reviews and annual appraisals and avoiding the substitution of

appraisals for missed quarterly reviews. Gathering information systematically enables proper reporting and reviewing.

2.5.6 Reviewing and Reporting

Systematic collection of information enables effective reporting and reviewing processes. This analysis may involve comparing performance metrics against benchmarks, identifying areas of underperformance or inefficiency, and exploring potential root causes for any issues identified. After conducting performance reviews, organizations compile reports summarizing the outcomes of these assessments. These reports typically include an overview of individual or team achievements, areas of improvement, feedback provided during the review process, and any adjustments made to goals or objectives. The purpose of these reports is to document performance, track progress over time, and provide a basis for future planning and decision-making. (Kaplan & Norton, 2010).

2.5.7 Reward and Recognition

Ehlers and Lazenby (2010) explain that a reward system encompasses various aspects of performance evaluation and includes financial and non-financial incentives. Sharma, et al., (2015) emphasize that Rewards and Recognition should be directly tied to performance outcomes and achievements. Employees should understand the specific criteria for earning rewards or recognition, which may be based on meeting or exceeding performance goals, demonstrating exceptional effort or innovation, or delivering outstanding customer service. By linking rewards to performance, organizations reinforce the connection between individual contributions and organizational success. Additionally, it should aim to achieve specific outcomes and prioritize recognizing employees who meet expected results. In essence, employees seek recognition and rewards for their efforts, and without the promise of incentives, employee performance can stagnate, leaving the organization without mechanisms to enhance employee performance.

2.6 Factors influencing Employees Perceptions towards the Implementation of PMS

2.6.1 Internal Resources

Philip (2012) further emphasizes the necessity of financial support for implementing PMS, noting that initial resource investments are needed for both execution and ongoing administration. By investing in internal resources and fostering a supportive environment, organizations can enhance employees' engagement, acceptance, and success in the performance management process. Misallocation of financial resources can hinder the achievement of organizational goals. Sehoa (2015) stresses the importance of careful planning during PMS implementation to ensure adequate resource allocation.

2.6.2 Organizational Culture

Odendaal and Roodt (2009) underscore that organizational culture comprises the collective understanding embraced by employees. Consequently, the active involvement of employees and managers plays a crucial role in cultivating an organizational culture conducive to the effective execution of PMS. A culture that values transparency, communication, recognition, employee involvement, and adaptability can foster positive perceptions of the PMS and support its successful implementation within the organization.

2.6.3 Attitudes of managers and employees

Generally, employees form attitudes towards people and situations based on the potential benefits they may gain. They tend to favour activities that offer advantages and view activities with potential costs negatively. According to Saravanja (2011), emphasis should be placed on soft skills, behavioural aspects, and employees' opinions on performance. Waal (2002) concurs that attitude is a critical and influential factor in employee performance and can significantly impact the adoption of the Performance Management System (PMS).

2.6.4 Employee Development

Seign (2010) emphasizes that PMS can serve as a tool for setting and tracking progress towards professional development objectives. When employees see opportunities for skill enhancement, career advancement, and personal growth within the framework of the PMS, they are more likely to engage with it enthusiastically. Nyambezi (2009) adds that successful implementation of PMS necessitates proficient employees to oversee and steer the process. When employees perceive that the PMS

supports their career goals, offers opportunities for skill enhancement, provides constructive feedback and coaching, recognizes their efforts, and facilitates career pathing, they are more likely to view it positively.

2.6.5 Employee Engagement

Coutler (2010) emphasizes that when employees are fully engaged, committed, and actively involved in the performance management process within their organization, they tend to have a more positive perception of the performance management system (PMS). They see it as something beneficial for their development, both personally and professionally, within the company. Employees at all levels should contribute to shaping the organization's strategy and executing it.

2.6.6 Appraisers Knowledge

Coulter (2010) states that appraisers who demonstrate credibility, provide high-quality feedback, ensure fairness and consistency, support employees' development, and communicate effectively contribute to more positive perceptions of the PMS as a valuable tool for performance management and growth within the organization. Knowledgeable appraisers can serve as effective coaches and mentors, supporting employees' development and growth. Thus, performance appraisers should receive training to develop the skills needed to align their activities and those of their subordinates.

2.6.7 Organizational Structure

Zeffane (1994) describes that the organizational structure often reflects the leadership style within the organization. Transformational leadership styles that emphasize empowerment, collaboration, and employee development are more conducive to positive perceptions of the PMS. When leaders actively support and promote the PMS, employees are more likely to perceive it as valuable and beneficial. Ehlers and Lazenby (2010) adds that Organizational structure influences how authority and decision-making are distributed within the organization. When employees perceive that decision-making regarding the PMS is fair and inclusive, they are more likely to accept and support its implementation. In contrast, perceptions of arbitrary decision-making or lack of involvement can lead to resistance and scepticism towards the PMS. Overall, the organizational structure should be reviewed according to the

organization's strategic objectives and initiatives while considering the available budget.

2.6.8 Leadership and Management

Saravanja (2011) stresses that Leadership and Management need to show their dedication to effectively implementing the PMS by providing the required resources, support, and direction. Kreklow (2006) furthers this point by highlighting that the effective implementation of PMS relies heavily on management's commitment to the process. Therefore, managers dedicating time and showing genuine interest in implementing the PMS can significantly influence its effectiveness. According to Yeh (2007), it is essential for leadership and management to communicate effectively regarding the purpose, goals, and anticipated results of the Performance Management System (PMS).

2.7 Goal Setting and Performance Appraisal

Dobbins et al., (1990) emphasizes the importance of linking goal setting with performance appraisal for enhanced satisfaction. Goals may encompass both immediate and future objectives. Goal setting is a collaborative process between managers and employees, where they discuss and agree upon objectives that support individual growth and contribute to organizational success. Stevens (1990) further stress the relationship between goal setting and appraisal, suggesting that effective goal setting leads to greater employee satisfaction. Goal setting and performance evaluation are intricately connected within the performance management framework. Goals set during the goal-setting phase provide a benchmark against which an employee's performance is evaluated during the performance appraisal. Goal setting informs the performance appraisal process by establishing clear expectations and performance standards upfront. Conversely, performance appraisal outcomes may inform subsequent goal setting by identifying areas for improvement and setting new objectives for future performance periods. Several studies have noted the influence of goal setting and feedback on employee perception, highlighting the combination's positive impact on behaviour and performance

2.8 Procedural Justice and Perception toward Employees' Performance

Procedural justice encompasses the procedures, rules, and methods employed in decision-making and how they are perceived by employees. It pertains to the fairness and openness of the procedures employed for decision-making within an organization. When it comes to employees' perceptions toward their performance, procedural justice plays a significant role in shaping attitudes, motivation, and behaviour. Folger et al. (1992) describes Employees' perception of fairness in the procedures used to evaluate their performance directly impacts how they view their own performance. When employees perceive the evaluation process as equitable, transparent, and impartial, they are more inclined to embrace and have confidence in the feedback offered during performance assessments. Conversely, perceived unfairness in evaluation procedures, such as inconsistent standards, lack of clarity in performance criteria, or favouritism, can lead to dissatisfaction, demotivation, and a negative perception of their performance. Greenberg (1990) proposes five categories that enhance process fairness, including obtaining employee feedback, enabling two-way communication, allowing challenges to rating data, consistent rating processes, and ensuring raters are knowledgeable about the process.

2.9 Feedback and Performance Appraisal

Scholars emphasize the importance of feedback during performance appraisal, noting its ability to be both positive and negative based on performance. Feedback during performance appraisal involves evaluating a ratee's work and providing verbal and written feedback on their performance. It informs employees about their efforts and achievements, facilitating goal attainment and personal development. While most performance appraisal systems incorporate feedback, Moravec (1996) and Longenecker (1997) note that not all employees adjust their performance based on the feedback provided. Robert (2003) stresses the importance of both formal and informal feedback in making the performance appraisal process effective. Cleveland and Murphy (1989) confirm Feedback is a fundamental aspect of the performance appraisal process. During formal performance evaluations, managers provide employees with a comprehensive review of their performance over a specific period, typically annually or semi-annually.

2.10 Challenges in the Implementation of the Performance Management System

Challenges are inherent to any endeavour, and implementing a performance management system is no exception, as numerous obstacles are encountered throughout the process. Implementing a PMS requires adequate resources, including financial investment, technology infrastructure, and training for employees and managers. Organizations might encounter difficulties if they do not possess the essential resources to adequately develop, execute, and sustain the system. Limited resources can lead to delays, inefficiencies, and compromises in the quality of the PMS. A lack of clarity in organizational goals, performance expectations, and evaluation criteria can hinder the effectiveness of a PMS. When employees lack clarity regarding their expectations or the criteria for evaluating their performance, they might disengage or concentrate on incorrect priorities. Clear communication of goals and expectations is essential for aligning individual performance with organizational objectives. (Gérard, 2017).

Without strong leadership support and commitment, the implementation of a PMS is likely to falter. In the absence of visible leadership endorsement, employees may question the credibility and relevance of the PMS, leading to resistance and disengagement. Another challenge is the presence of performance bias and subjectivity in evaluation processes. Managers may inadvertently favour certain employees or rely on subjective judgments rather than objective criteria when assessing performance. This can undermine the fairness and credibility of the PMS, leading to perceptions of bias and inequity among employees. (Krishnan, 2018).

Performance management procedures can be intricate, encompassing various stages such as establishing goals, assessing performance, providing feedback, and devising development plans. If these processes are overly complicated or poorly designed, employees may struggle to understand and navigate them, leading to frustration and resistance. Change management poses its own challenges, requiring organizations to adapt to environmental changes effectively. Despite these challenges, organizations must strive to overcome them and turn them into opportunities for growth and improvement.

Chapter 3. Research Methodology

3.1 Research Design

Research design encompasses the blueprint or plan that outlines how a study will be conducted. It serves as a roadmap for researchers to achieve their objectives and answer their research questions effectively. A well-designed research study is essential to ensure the accuracy, consistency, and applicability of its findings. A robust research design ensures the reliability and accuracy of the study's outcomes and helps maintain consistency throughout the research process.

Descriptive and explanatory research

The study utilizes a descriptive-explanatory design. The descriptive aspect seeks to gauge levels of employee satisfaction, whereas the explanatory aspect strives to establish the factors that affect satisfaction. The study is designed to describe employee satisfaction levels and identify factors influencing satisfaction.

3.1.1 Descriptive Research

It involves observing and recording aspects of the population or phenomenon being studied, such as characteristics, frequencies, and patterns. The main objective is to paint a detailed and comprehensive picture of the subject, often using methods like surveys, case studies, or observational studies. In this approach, the researcher aims to avoid influencing the phenomenon being studied and to present the findings without drawing inferences or causal relationships.

3.1.2 Explanatory Research

It seeks to recognize and confirm causal relationships among variables. This type of research goes beyond mere description and delves into explaining why and how certain phenomena occur. Researchers use this design to explore the underlying mechanisms and factors that influence an outcome. Explanatory research typically includes hypothesis testing and the use of experimental or quasi-experimental approaches. These methods involve controlled experiments to manipulate independent variables while observing their impact on the dependent variable. By identifying relationships and testing hypotheses, researchers can draw conclusions

about causality and provide insights into the driving forces behind observed trends or patterns.

Both descriptive and explanatory research designs offer valuable perspectives and insights. Descriptive research is valuable for providing a foundation of knowledge and understanding about a topic, while explanatory research advances that knowledge by explaining the underlying causes and mechanisms.

3.2 Data Collection

It is a fundamental aspect of any research study, providing the necessary information for analysis and interpretation. Researchers use a variety of methods to collect data, which can be categorized into the following two methods:

Primary Data Collection

This approach involves collecting fresh data directly from the source to address the study's particular goals. Surveys are effective for gathering quantitative data from a large sample of respondents. Interviews, whether structured, semi-structured, or unstructured, offer in-depth qualitative insights from participants, while observations involve recording behaviours and events as they occur naturally.

Secondary Data Collection

This approach involves utilizing data that has already been gathered by other researchers, organizations, or institutions for purposes not directly related to the current study. This data can come from various sources such as government reports, industry publications, academic journals, historical records, and databases. Leveraging secondary data can offer cost and time advantages, as it allows researchers to take advantage of pre-existing information that has already been collected and evaluated. Additionally, secondary data can offer valuable context and background information for a study, allowing researchers to build on existing knowledge and draw comparisons over time.

Qualitative and quantitative data are two distinct types of data that researchers use to understand and interpret various phenomena in their studies.

Qualitative data is non-numerical and descriptive in nature, capturing the complexities and nuances of people's experiences, behaviours, and interactions. It

often takes the form of text, audio, video, or images. This type of data provides rich, in-depth insights into participants' perspectives, motivations, and emotions, offering a more holistic understanding of the research subject. Analysing qualitative data typically involves coding and identifying themes or patterns, allowing researchers to identify emerging trends and narratives.

Quantitative Data is numerical and is used to quantify and measure variables to analyse patterns and relationships. It is collected through structured methods such as surveys, experiments, and observational studies with predefined scales and measures. Quantitative data is useful for testing hypotheses, measuring variables, and making generalizations about larger populations based on sample data. It allows researchers to use statistical techniques to analyse relationships between variables and draw objective conclusions. Quantitative data provides precise, standardized information that can be used to identify trends, correlations, and causation, making it a powerful tool for decision-making and policy formulation.

This study used quantitative data which is collected from the employees via a framed questionnaire. The collected data is essential for evaluating satisfaction levels among employees. The responses from the questionnaire are used to generate graphs, charts and other statistical techniques are applied.

3.3 Research Instrument

Structured Questionnaire

This study uses a structured questionnaire with Likert scale questions to measure employee satisfaction with performance management systems. The survey covers aspects such as goal clarity, feedback quality, fairness of evaluations, recognition, and career development opportunities. The Questionnaire is designed to be anonymous so as to encourage the employees to come up their real perception of a performance appraisal system and removes fear of repercussions from the company.

Administration: The survey was distributed electronically to participants and included clear instructions, while also ensuring confidentiality and informed consent.

Structured questionnaires are surveys with a fixed format and predetermined response options. The respondents choose their answers from the given options, making these questionnaires easy to administer and analyse. These questionnaires consist of

predefined questions and response options. The structure is fixed, and participants must choose from the provided options.

Semi-structured Questionnaire:

These questionnaires combine structured and unstructured questions, providing a balance between quantitative data and qualitative insights. They typically consist of both open and closed-ended questions for more in-depth responses. Semi-structured questionnaires allow researchers to collect data that can be analysed statistically while also capturing respondents' detailed opinions or experiences. This approach offers greater flexibility and depth than structured questionnaires, although analysing open-ended responses can be more time-consuming.

Examples: A questionnaire that includes Likert scale questions and a section for respondents to provide open-ended comments.

Unstructured Questionnaire:

These questionnaires typically consist of open-ended questions, essay-type questions, or prompts for free-form responses. Unstructured questionnaires offer the greatest level of freedom to respondents, enabling them to express their thoughts and experiences in detail. However, the analysis of unstructured data is more complex and time-consuming due to the need for qualitative coding and interpretation.

Examples: Open-ended questions, essay-type questions, comment boxes.

3.4 Sampling Method

The study utilizes convenience sampling, whereby participants are selected based on their ease of access and availability to the researcher, rather than through random selection. This approach is favoured for its ease, speed, and cost-effectiveness, making it a common choice for exploratory studies or situations with limited time and resources. In convenience sampling, researchers might gather participants from a particular location, group, or online platform, utilizing those who are most readily available and willing to take part.

3.5 Data Analysis

Descriptive and inferential statistics are distinct branches of statistical analysis, each playing a crucial role in understanding data.

Descriptive statistics aim to summarize and depict the characteristics of a dataset, offering a concise overview through metrics like mean, median, mode, range, variance, and standard deviation, as well as visual aids such as charts and graphs. Descriptive statistics offer a straightforward way to measure central tendencies and dispersion within the data, helping researchers understand the distribution and spread of values.

Inferential statistics is a division of statistical analysis which empowers researchers to derive conclusions regarding characteristics of the broader population from which the sample was taken. Employing probability theory, inferential statistics assess the probability that observations from a sample can be applied to a broader population, thereby uncovering insights into causal relationships and other underlying patterns within the data.

Together, descriptive and inferential statistics provide a comprehensive approach to data analysis. Descriptive statistics offer a solid foundation for understanding the data, while inferential statistics allow researchers to extend their findings and make evidence-based conclusions about broader populations.

Descriptive Statistics: Calculation of standard deviations, means, medians and frequency distributions for survey responses to summarize employee satisfaction levels.

Inferential Statistics: Conduct statistical tests such as correlation analysis and regression to examine relationships between employee satisfaction and various factors (e.g., feedback quality, recognition, goal setting, training and development, leadership and management).

Tools Used for Analysis

The data is recorded from the survey and it is analysed using the following 3 methods, namely:

- Percentage analysis
- Pie Charts and Bar Charts

- Regression Analysis
- Correlation Analysis
- Chi Square Test

3.5.1 Percentage Analysis

Percentage analysis is a statistical technique that converts data into percentages, providing a clear and intuitive way to interpret and present data. This method helps researchers and analysts understand the relative importance of different data points within a set and allows for easy comparisons across different groups, categories, or time periods. To calculate a percentage, the part (value) is divided by the whole (total), and the result is multiplied by 100 to convert the proportion into a percentage. The formula for percentage calculation is:

$$\text{Percentage} = (\text{Part/Whole}) \times 100\%$$

3.5.2 Pie and Bar Charts

Bar and pie charts are two popular types of data visualization tools that allow researchers to present data in an easily interpretable and visually appealing manner. **Bar charts** utilize rectangular bars of varying heights or lengths to depict data values across various categories. The size of each bar is proportional to the value it represents. Bar charts are useful for making side-by-side comparisons of the magnitude of different categories and for identifying trends or patterns within the data.

Pie charts use a circular shape divided into segments to illustrate the proportions of a whole. Each segment represents a category, with its size proportional to its share of the total data set. Pie charts are particularly useful for illustrating the relative distribution of different categories within a single variable, allowing viewers to quickly grasp how each category contributes to the whole.

3.5.3 Regression Analysis

Regression analysis is a statistical method used to understand the relationship between one or more independent variables and a dependent variable. It's a powerful tool in various fields, including economics, psychology, sociology, and epidemiology. One common type of regression analysis is ordinal logistic regression, which is

particularly useful when the dependent variable is ordinal, meaning it has ordered categories.

Ordinal logistic regression is used when the dependent variable is ordinal, meaning it has ordered categories but the distance between the categories is not necessarily uniform. It's particularly useful when the outcome variable has multiple ordered categories and there is a need to understand how the independent variables influence the likelihood of belonging to a particular category or higher categories. It estimates the probability that an observation falls into a particular category or a higher category of the dependent variable. For example, in a study examining the factors influencing customer satisfaction (which might be measured on a scale from "very dissatisfied" to "very satisfied"), ordinal logistic regression can help determine which factors contribute to higher levels of satisfaction.

In traditional regression analysis, the dependent variable is continuous, meaning it can take on any value within a certain range. However, not all variables are continuous. Sometimes, the dependent variable consists of ordered categories, such as "low," "medium," and "high," or "strongly disagree," "disagree," "neutral," "agree," and "strongly agree." In such cases, ordinal logistic regression is the appropriate tool.

Ordinal logistic regression provides several advantages. It allows researchers to analyse data with ordinal dependent variables without resorting to dichotomization, which can lead to loss of information and statistical power.

In summary, regression analysis and ordinal logistic regression are valuable tools for understanding relationships between variables in both continuous and ordinal data. While traditional regression analysis is suitable for continuous dependent variables, ordinal logistic regression is specifically designed for ordinal dependent variables, providing a robust method for analysing such data.

Hypotheses:

Null Hypothesis (H_0): Assumes that there exists no association between the variables (in the case of the test of independence).

Alternative Hypothesis (H_a): Opposes the null hypothesis, suggesting there exists an association between the variables or that the observed data do not fit the expected distribution.

3.5.4 Correlation analysis

Named after British psychologist Charles Spearman, this method assesses it assesses how well the ranks of the two variables align, without assuming a linear relationship.

Spearman rank correlation is particularly useful for analysing data with ordinal scales. It is a robust and versatile method for assessing relationships in data that may not follow a linear trend.

Calculation:

1. **Rank the Variables:** Convert each variable into ranks.
2. **Calculate Differences:** Calculate the difference in ranks.
3. **Calculate the Correlation:** Calculate the Spearman Rank Correlation using this formula:

$$\rho = 1 - \left(\frac{6 \sum d^2}{n(n^2 - 1)} \right)$$

Where **d** is the difference in ranks, and **n** is the number of observations.

Interpretation:

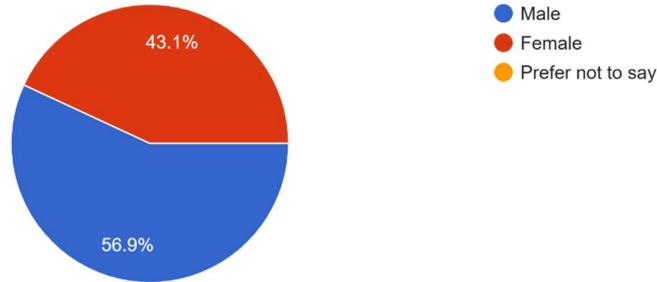
- **Positive Correlation:** A positive value of Spearman correlation indicates that as one variable increases, the other variable tends to increase as well.
- **Negative Correlation:** A negative value of Spearman correlation indicates that as one variable increases, the other variable tends to decrease.
- **Magnitude:** The closer the absolute value of the correlation is to 1, the stronger the relationship between the variables.

Chapter 4. Data Analysis

1) Responses

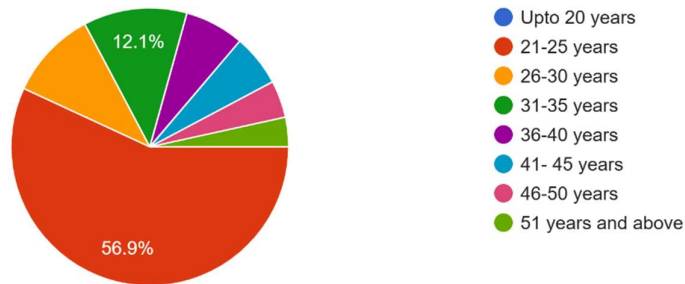
➤ Demographic Information

Gender:
116 responses



43.1% of the respondents are Females and 56.9% respondents are Males.

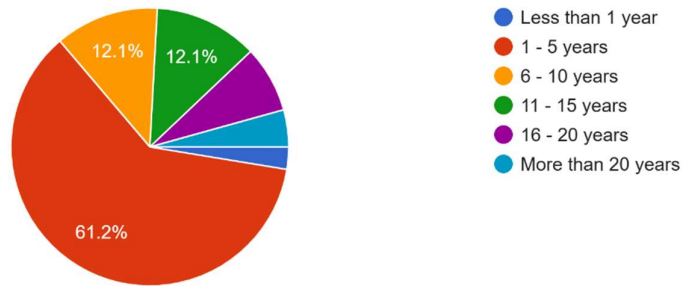
Age Group:
116 responses



56.9% respondents are from age group 21-25 years, 10.3% are from age group 26-30 years, 12.1% are from age group 31-35 years, 6.9% are from age group 36-40 years, 6.0% are from age group 41-45 years, 4.3% are from age group 46-50 years and 3.4% are from age group 51 years and above.

Years of Experience in the Current Role:

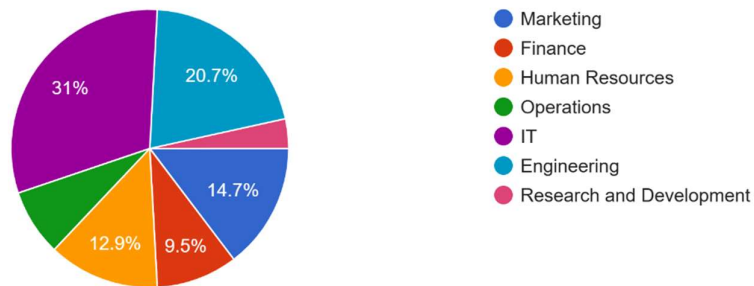
116 responses



2.6% respondents are having less than 1 year experience in the current role, 61.2% respondents have 1-5 years' experience, 12.1% respondents have 6-10 years of experience, 12.1% respondents have 11-15 years of experience, 7.8% respondents have 16-20 years of experience and 4.3% respondents have more than 20 years of experience in the current role.

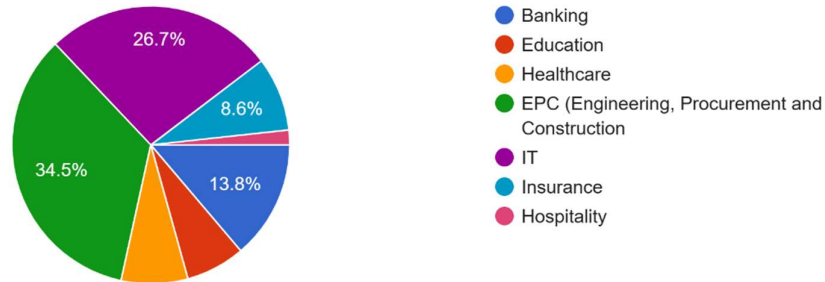
Domain:

116 responses



The percentage of respondents according to their respective domains are as follows: Marketing (14.7%), Finance (9.5%), Human Resources (12.9%), Operations (7.8%), IT (31%), Engineering (20.7%), and Research and Development (3.4%).

Type of Industry:
116 responses

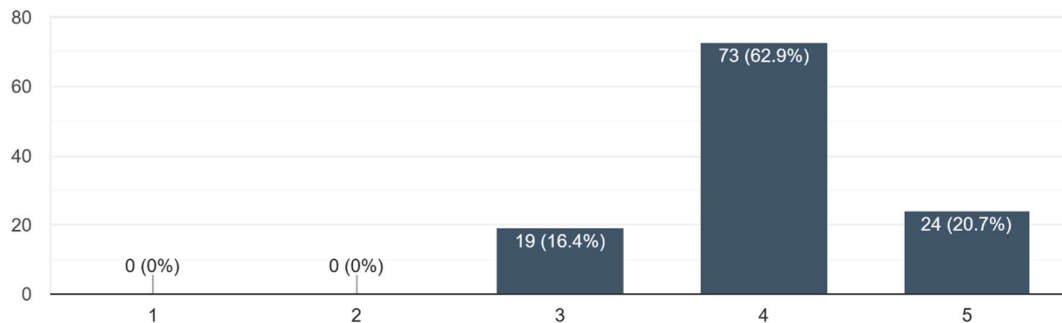


The percentage of respondents according to their type of industry are as follows: Banking (13.8%), Education (6.9%), Healthcare (7.8%), EPC (Engineering, Procurement and Construction) (34.5%), IT (26.7%), Insurance (8.6%), and Hospitality (1.7%).

➤ Goal Setting and Expectations

Do you have clarity on the performance expectations for your role in terms of both quantitative and qualitative measures?

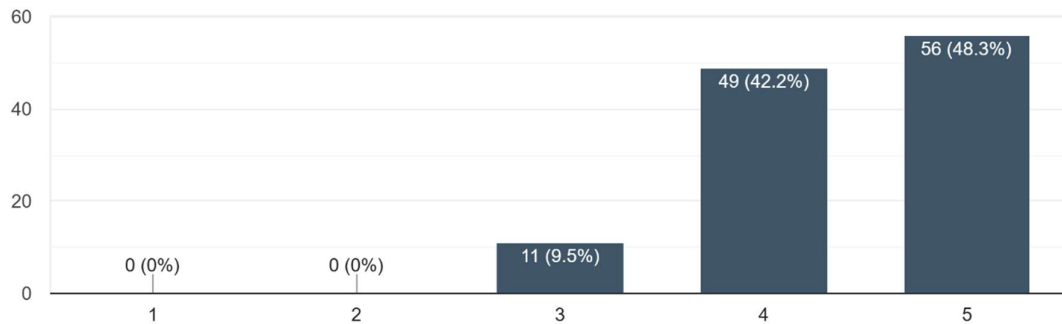
116 responses



The majority of respondents, accounting for 62.9%, rated their clarity on performance expectations for their role as a 4, expressing very good level of clarity. 20.7% rated their clarity as a 5, indicating a very clear understanding of both quantitative and qualitative performance measures. 16.4% of respondents, gave rating 3, expressing some ambiguity or lack of understanding regarding performance expectations.

Are the performance goals set for your role challenging enough to motivate you to perform at your best?

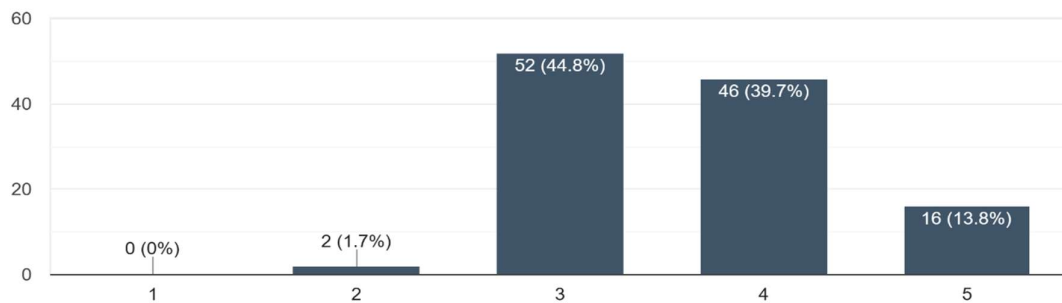
116 responses



48.3% of the respondents, rated their perception of the performance goals set for their role as a 5 on a scale from 1 to 5, indicating that they find the goals highly challenging and motivating. Additionally, 42.2% assigned a rating 4, reflecting a considerable satisfaction with the level of challenge provided by the performance goals. However, 9.5% of respondents rated their perception below the midpoint of the scale, indicating some dissatisfaction or uncertainty regarding the level of challenge presented by the performance goals.

Do you think Performance Management System helps in setting and achieving meaningful goals?

116 responses

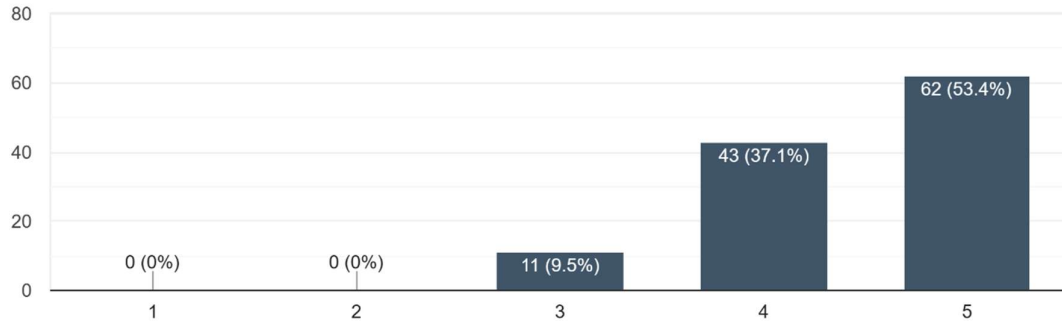


44.8%, perceive that the Performance Management System moderately aids in setting and achieving meaningful goals, as evidenced by their rating of 3 on the scale from 1 to 5. Furthermore, a significant portion, constituting 39.7%, rated their perception as a 4, indicating a favourable belief in the system's effectiveness. However, only a smaller

proportion, accounting for 13.8%, rated their perception as a 5, suggesting a strong belief in the system's ability to facilitate goal setting and achievement. Conversely, a minimal percentage of 1.7% rated their perception below the midpoint of the scale, indicating some skepticism regarding the system's efficacy in this regard.

How far do you agree that your individual performance goals are aligned with your organizational performance objectives?

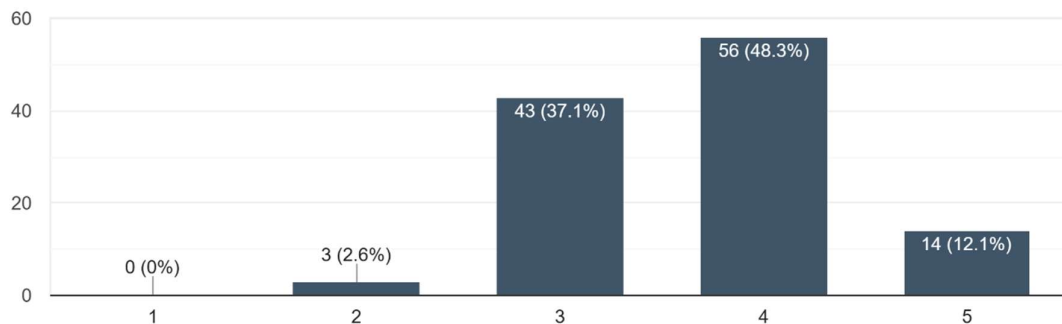
116 responses



53.4% of the respondents indicated a strong alignment between individual performance goals and organizational performance objectives (rating 5). Additionally, 37.1% respondents gave rating 4, suggesting a substantial alignment between individual performance goals and organizational performance objectives. However, 9.5% of respondents assigned the rating 3, indicating some degree of disagreement or uncertainty regarding the alignment between their individual goals and organizational objectives.

To what extent are you involved in the goal-setting process?

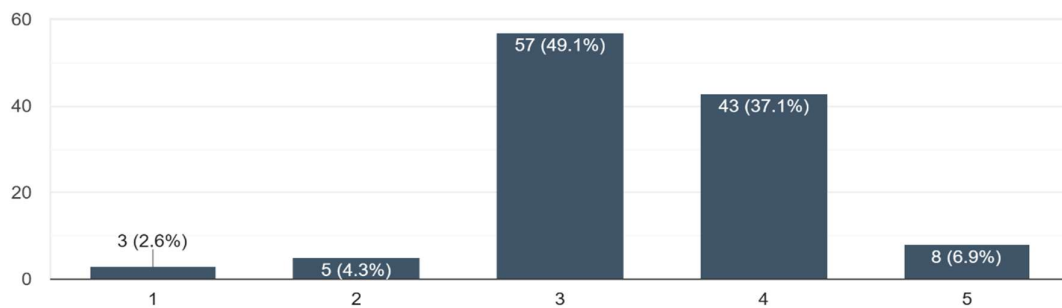
116 responses



48.3%, indicated a substantial degree of involvement in the goal setting process (rating 4). Additionally, 37.1% respondents gave the rating 3, suggesting a medium degree of participation. Conversely, a smaller proportion, accounting for 12.1%, provided rating 5, signifying a substantial engagement in the goal-setting process. However, 2.6% of respondents rated their involvement below the midpoint of the scale, indicating limited participation in the process.

Employees in the organization engage and participate in performance standard setting e.g. Identify key performance Indicators, expected outputs and targets.

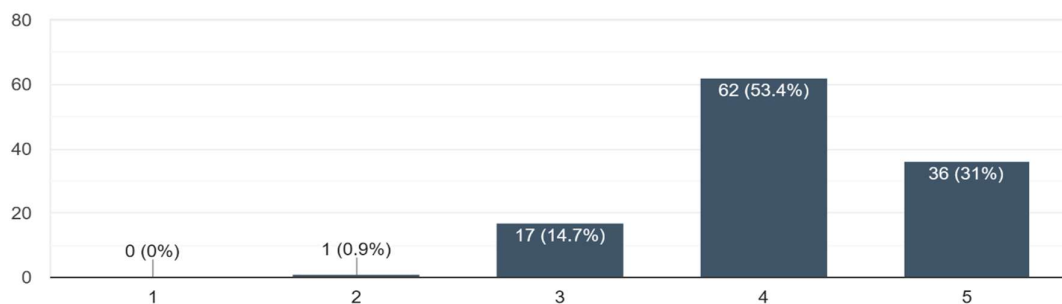
116 responses



9.1%, rated their engagement in performance standard setting 3, indicating a moderate level of participation. Additionally, 37.1% assigned a rating 4, reflecting a substantial involvement in the process. However, a smaller yet notable proportion, accounting for 6.9%, provided a rating 5, signifying substantial participation. Conversely, 2.6% of respondents rated their engagement below the midpoint of the scale, suggesting limited involvement in performance standard setting.

Are there clear expectations regarding your role and responsibilities in the organization?

116 responses

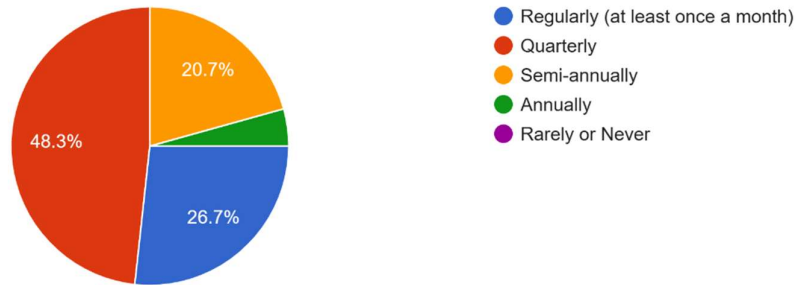


A significant majority of respondents, comprising 53.4%, rated their perception as a 4, indicating a substantial degree of clarity. Furthermore, 31% rated it 5, suggesting a high level of clarity. Additionally, 14.7% of respondents rated their perception as a 3, signifying a moderate clarity. However, only a very small proportion, accounting for 0.9%, rated their perception below the midpoint of the scale, suggesting minimal ambiguity regarding role expectations.

➤ Performance Appraisal and Feedback

How frequently do you have performance evaluations?

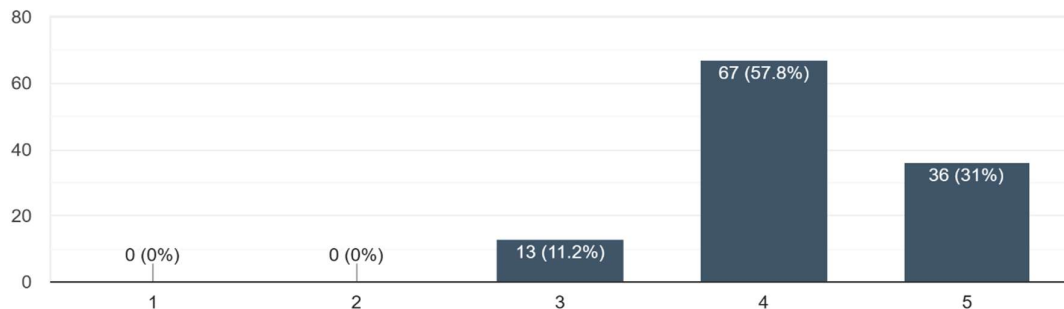
116 responses



48.3% reported quarterly evaluations, making it the most common frequency. 26.7% of respondents have evaluations regularly, at least once a month. Semi-annual evaluations are reported by 20.7% of respondents, while only 4.3% undergo annual evaluations.

How effective do you find the feedback provided during performance evaluations to improve your performance?

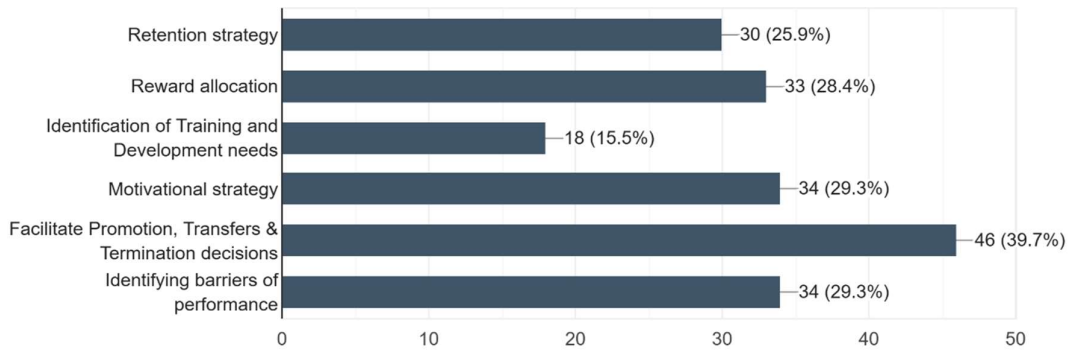
116 responses



57.8% respondents rated the feedback provided during performance evaluations as a 4, suggesting a substantial degree of effectiveness. Furthermore, 31% gave a rating for the feedback 5, signifying a high level of effectiveness. However, 11.2% of respondents gave a rating 3, signifying a medium effectiveness.

According to your opinion, what is the purpose of having Performance Management System in your company?

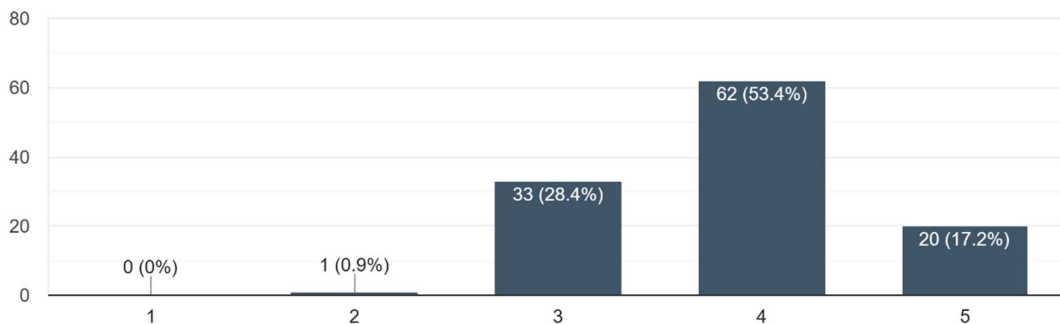
116 responses



25.9% of the employees indicated Retention strategy as the reason for implementing a performance management system within the company. 28.4% indicated Reward allocation, 15.5% indicated Identification of Training and Development needs, 29.3% indicated Motivational strategy, 39.7% indicated Facilitate Promotion, Transfers & Termination decisions, 29.3% indicated Identifying barriers of performance as purpose of having a Performance management system.

Does the Performance Management System implemented in your organization create a participative environment?

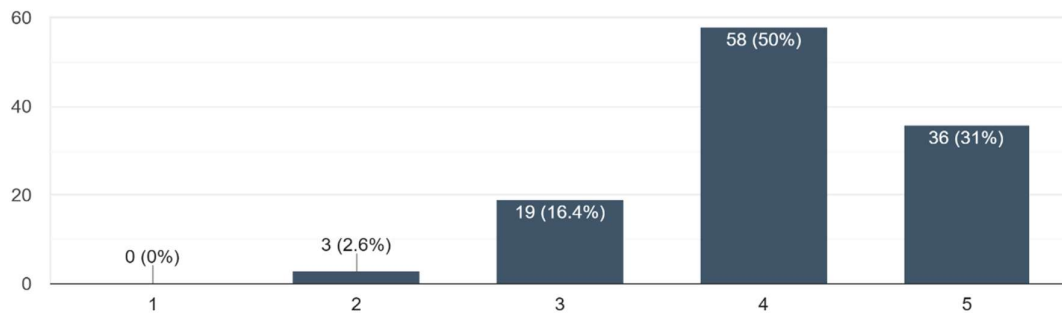
116 responses



53.4% of the respondents rated their perception that (PMS) generally fosters a participative environment as a 4, indicating a substantial degree of participation. Additionally, 28.4% respondents assigned a rating 3, suggesting a moderate participative environment. Furthermore, 17.2% respondents assigned a rating 5, reflecting a strong culture of participation. However, only a very small proportion, comprising 0.9% of respondents, rated their perception below the midpoint of the scale, indicating minimal participative environment.

In your view do you think that the performance management system allows for unsatisfactory performance to be identified earlier for corrective action to be taken?

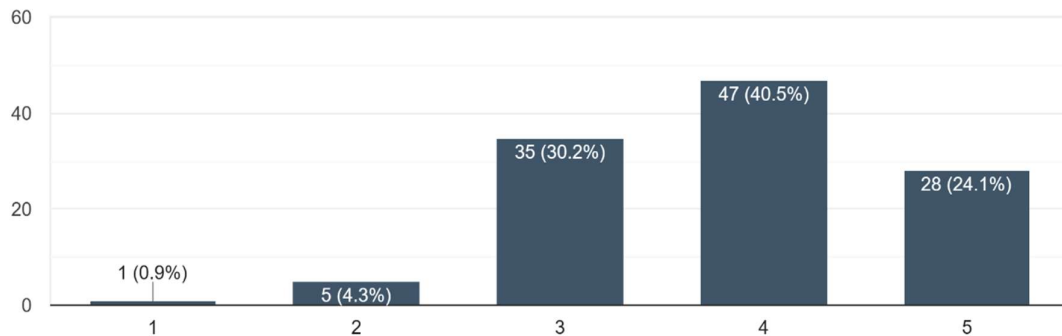
116 responses



50% of the respondents assigned a rating 4, reflecting that the system enables early identification of unsatisfactory performance. Additionally, 31% of the respondents assigned a rating 5, suggesting high effectiveness in this regard. Furthermore, 16.4% of the respondents assigned a rating 3, suggesting some room for improvement but still a moderate level of effectiveness. However, a smaller proportion, accounting for 2.6% of respondents, rated their perception as a 2, suggesting limited effectiveness in identifying unsatisfactory performance early on.

Does the performance management system deliver continuous feedback (on organizational, team and individual performance) to all staff?

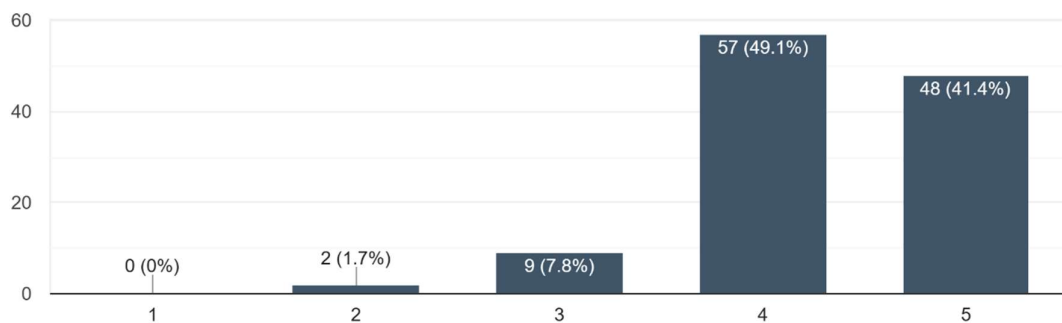
116 responses



40.5% respondents assigned a rating 4 regarding the performance management system ability to deliver continuous feedback to staff across the organization, indicating that the system effectively offers ongoing feedback regarding organizational, team, and individual performance. Additionally, 30.2% assigned a rating 3, suggesting a moderate effectiveness in delivering feedback. Furthermore, 24.1% assigned a rating 5, reflecting a high effectiveness. However, a smaller proportion, accounting for 4.3% of respondents, rated their perception as a 2, suggesting some room for improvement in delivering continuous feedback. Lastly, only 0.9% of respondents rated their perception as a 1, indicating minimal effectiveness in providing continuous feedback.

Possible actions which I could take to improve performance in my present position are discussed during performance appraisal

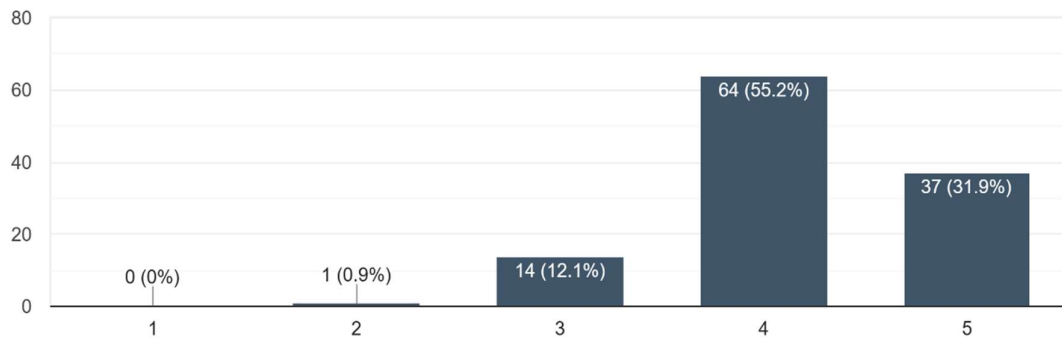
116 responses



49.1% rated their perception as a 4, indicating that there is a focus on discussing possible actions to improve performance during appraisals. Additionally, 41.4% assigned a rating 5, suggesting a high attention to improvement actions during performance appraisals. Furthermore, 7.8% assigned a rating 3, reflecting a moderate attention in this area. However, only a small proportion, accounting for 1.7% assigned a rating 2, reflecting some room for improvement in discussing performance improvement actions.

How satisfied are you with the recognition and rewards linked to performance outcomes?

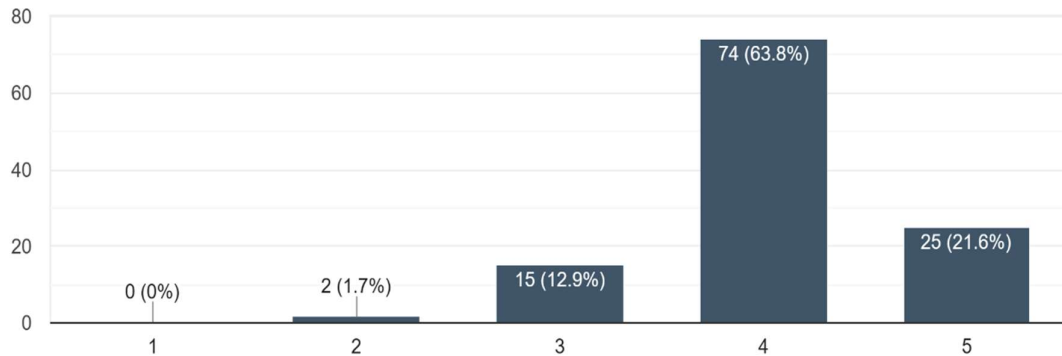
116 responses



55.2% provided a rating of their satisfaction 4, signifying a considerable satisfaction level with the recognition and rewards linked to performance outcomes. Additionally, 31.9% assigned a rating 5, signifying a high contentment with the recognition and rewards system. Furthermore, 12.1% assigned a rating 3, signifying moderate satisfaction. However, only a small proportion, comprising 0.9%, assigned a rating 2, reflecting some dissatisfaction with the recognition and rewards linked to performance outcomes.

To what extent do you feel that compensation linked with performance?

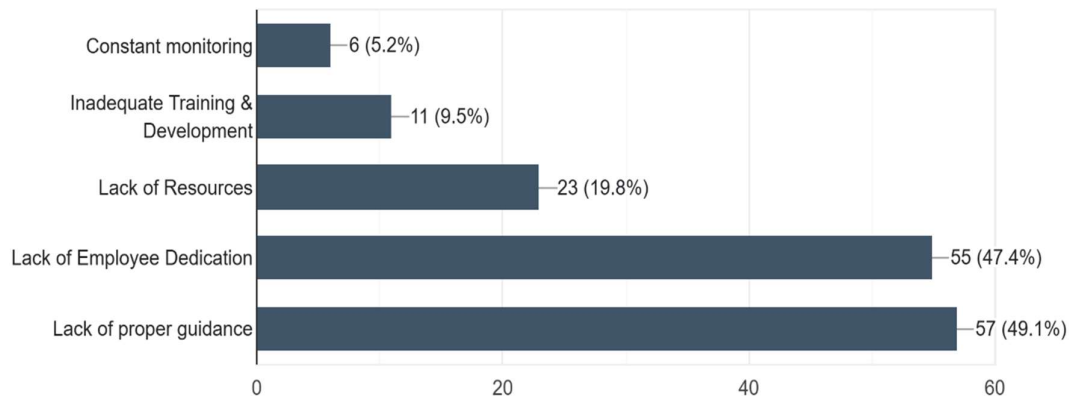
116 responses



63.8%, rated their perception as a 4, indicating a significant belief in the connection between compensation and performance. 21.6% assigned a rating 5, furthermore, 12.9% assigned a rating 3. However, only 1.7% assigned a rating 2, reflecting some scepticism regarding the connection between compensation and performance.

In your opinion, what are the barriers to effective performance?

116 responses

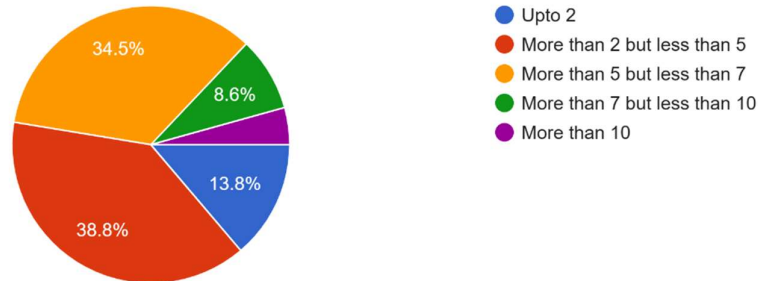


5.2% of the respondents indicated Constant monitoring, 9.5% indicated Inadequate Training & Development, 19.8% indicated Lack of Resources, 47.4% indicated Lack of Employee Dedication and 49.1% employees indicated Lack of proper guidance as barriers to performance.

➤ Training and Development

How many training or development programs have you participated in the past year?

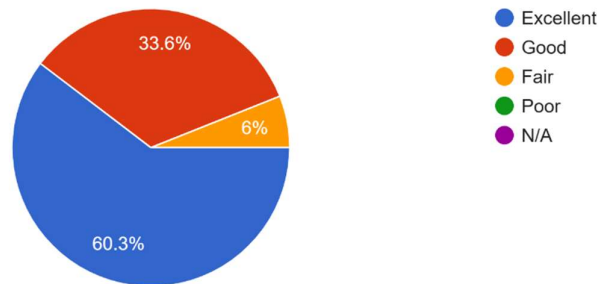
116 responses



38.8% reported participating in more than 2 but less than 5 programs, while 34.5% participated in more than 5 but less than 7 programs. Additionally, 13.8% reported attending up to 2 programs. Furthermore, 8.6% participated in more than 7 but less than 10 programs, and 4.3% engaged in more than 10 programs.

How satisfied are you with the opportunities for career development provided by the organization?

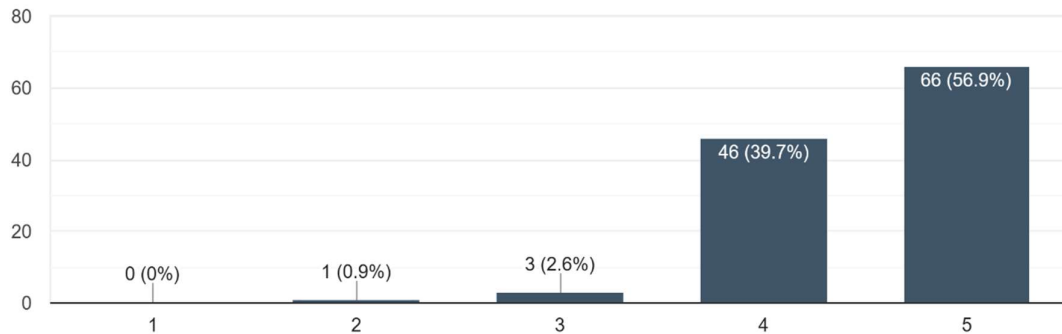
116 responses



The satisfaction level with the opportunities for career development appears to be predominantly positive, with a majority of respondents expressing either excellent (60.3%) or good (33.6%) satisfaction levels. Additionally, a smaller percentage of respondents indicated fair satisfaction (6%), suggesting that there may be some room for improvement in the organization's provision of career development opportunities.

Do you feel that training programs are directly related to your job and contribute to your professional growth?

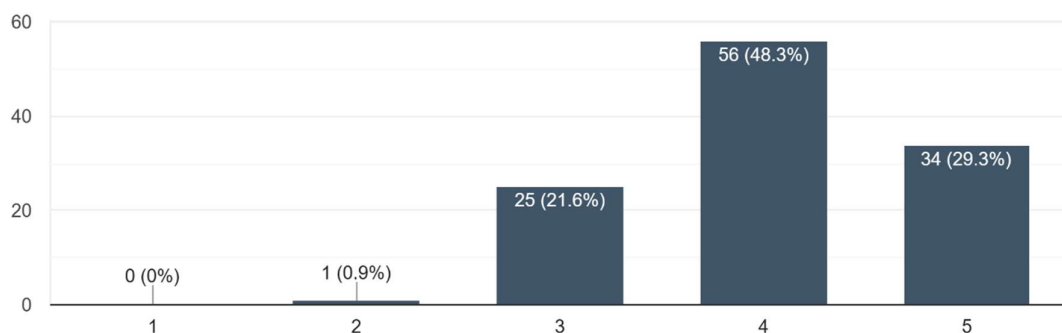
116 responses



56.9% provided rating 5, showing a belief in the direct relevance of training programs to their job and their contribution to professional growth. Additionally, 39.7% assigned a rating 4, reflecting substantial agreement with this sentiment. However, a smaller proportion, accounting for 2.6% assigned rating of 3. Furthermore, only 0.9% of respondents rated their perception as a 2, suggesting minimal agreement with the notion that training programs are directly related to their job and contribute to their professional growth.

Do you think that the performance management system allows for the identification of learning and development needs of employees?

116 responses



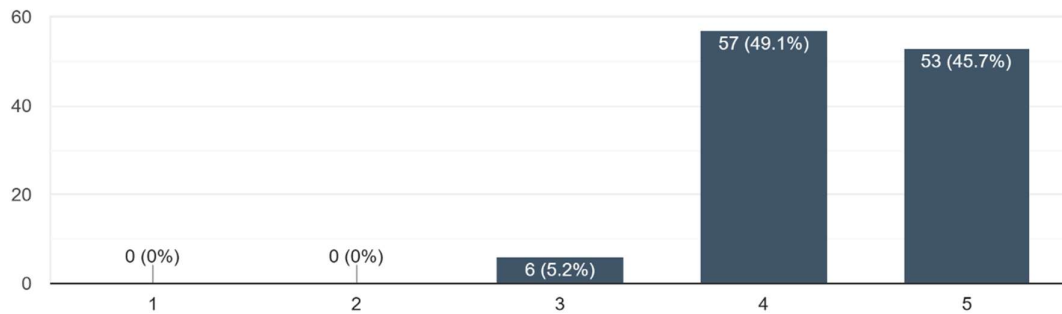
48.3% respondents rated their perception as a 4, indicating a substantial belief that the system effectively identifies learning and development needs. Additionally, 29.3%

of respondents rated their perception as a 5. Furthermore, 21.6% assigned the rating as 3. However, only a small proportion, accounting for 0.9% of respondents, rated their perception as a 2, suggesting minimal belief in the system's ability to identify learning and development needs.

➤ Leadership and Management

How satisfied are you with the support and guidance provided by your manager in achieving your performance goals?

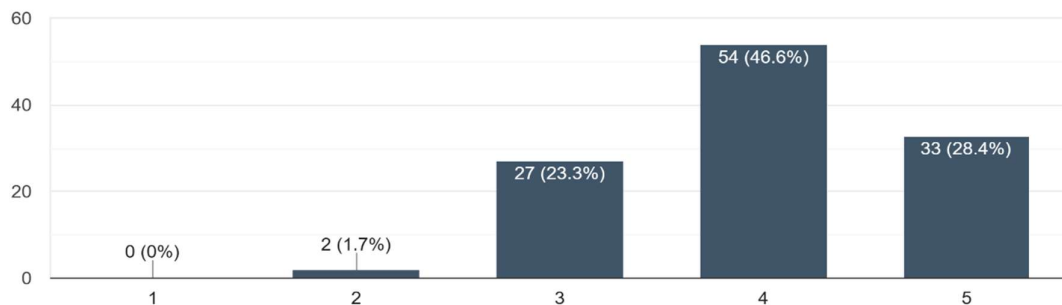
116 responses



49.1% respondents assigned a rating 4, reflecting a substantial satisfaction with the support and guidance provided by managers in achieving performance goals. Additionally, 45.7% assigned a rating 5, signifying a high level of contentment with the managers' guidance and support. However, a smaller proportion, accounting for 5.2% assigned a rating 3, reflecting a moderate satisfaction.

Do you think there is adequate leadership to direct the implementation of the performance management system in the organization?

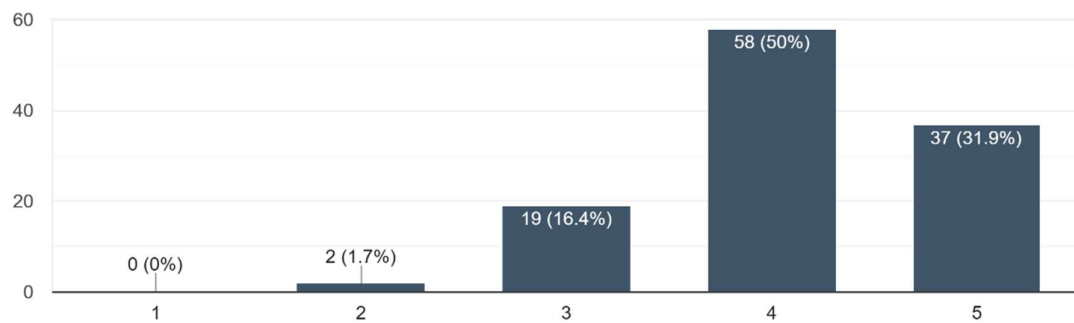
116 responses



46.6%, rated their perception as a 4, indicating a substantial belief in the adequacy of leadership to direct performance management system implementation. Additionally, 28.4% assigned a rating a 5, expressing a strong belief in the leadership's capability to effectively steer the implementation process. Furthermore, 23.3% assigned a rating 3. However, only a small proportion, accounting for 1.7% assigned a rating 2, signifying some scepticism regarding the adequacy of leadership.

Does the performance management system encourage a management style that is open, honest and encourages a two-way communication between managers and staff at all levels?

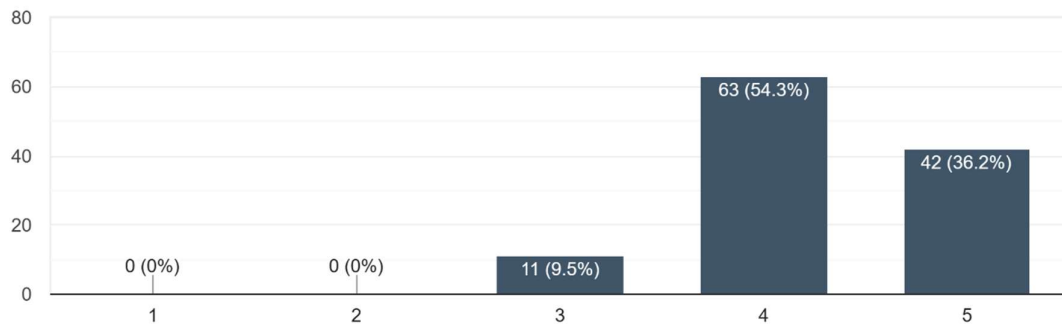
116 responses



50% of respondents rated 4 that performance management system generally encourages a management style that fosters communication between managers and staff at all levels, indicating a substantial belief in the encouragement of such a management style. Additionally, 31.9% assigned a rating 5, suggesting high confidence in this aspect. Furthermore, 16.4% assigned a rating 3, however, only a small proportion, accounting for 1.7%, assigned a rating 2, signifying some scepticism regarding the encouragement of such a management style.

To what extent does your supervisor recognize your performance?

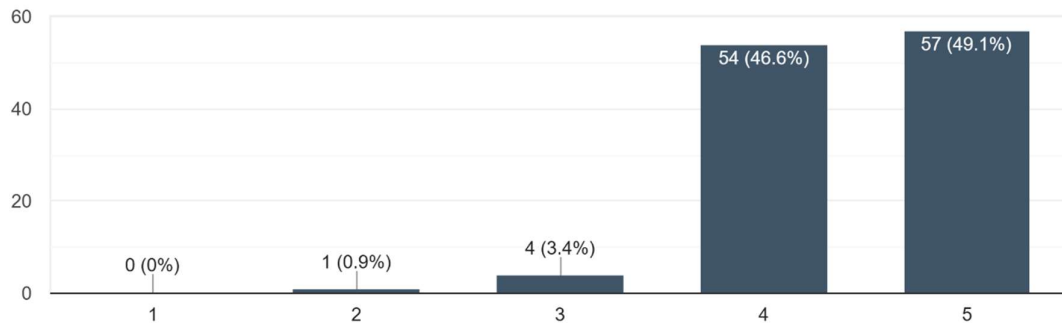
116 responses



54.3% respondents assigned a rating 4, signifying considerable recognition from their supervisors. Additionally, 36.2% assigned a rating 5, suggesting a high recognition levels. Furthermore, 9.5% assigned a rating 3, reflecting moderate recognition.

To what extent do you think your immediate supervisor deal with all employees fairly?

116 responses

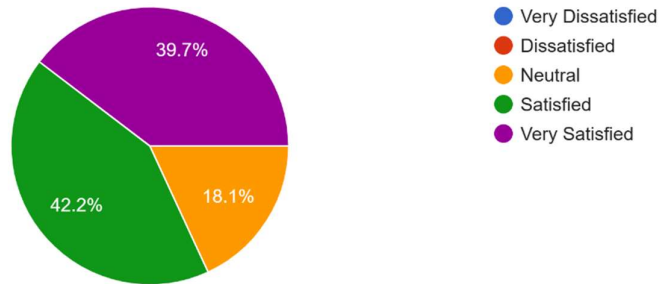


49.1% respondents assigned a rating 5, signifying strong belief in the fairness of their supervisor's dealings with employees. Additionally, 46.6% assigned a rating 4, reflecting substantial degree of fairness. Furthermore, 3.4% assigned a rating 3, reflecting moderate belief in fairness. However, only a very small proportion, accounting for 0.9% of respondents, rated their perception as a 2, suggesting some scepticism regarding the fairness of their supervisor's dealings with employees.

➤ Overall Satisfaction

Overall, how satisfied are you with the current Performance Management System in the organization?

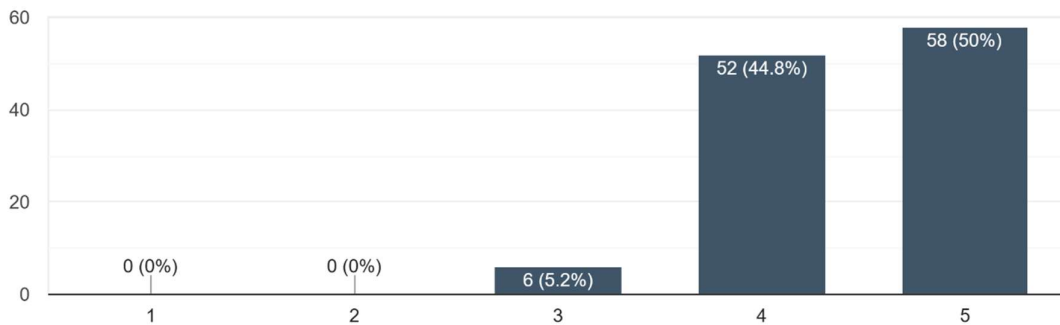
116 responses



42.2% of respondents expressed satisfaction with the current Performance Management System, while 39.7% indicated being very satisfied. Together, these two categories represent the majority of respondents, reflecting a generally positive sentiment towards the PMS. Additionally, 18.1% of respondents expressed a neutral stance, suggesting a smaller proportion of individuals who may require further clarification or improvement in certain aspects of the system.

How satisfied are you with the fairness and transparency of the performance evaluation process?

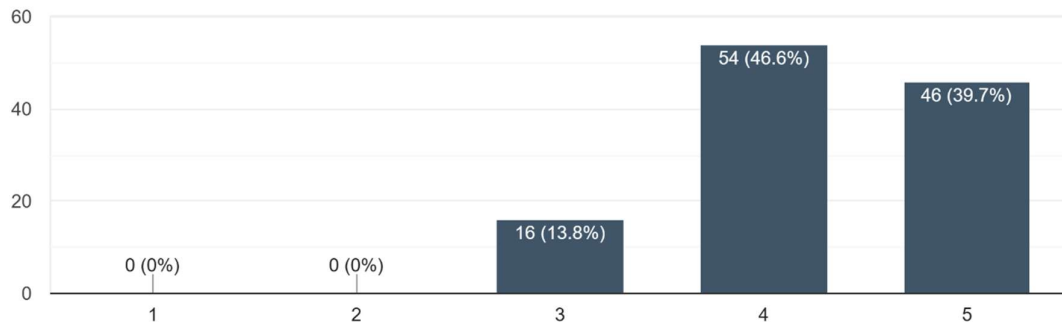
116 responses



50% respondents assigned a rating 5, reflecting a strong belief in the fairness & transparency of the process. Additionally, 44.8% respondents assigned a rating 4, reflecting a substantial satisfaction level. Furthermore, 5.2% of respondents assigned a rating 3, signifying a moderate satisfaction.

Indicate the effectiveness on which your organizations performance management process showed in improving overall performance.

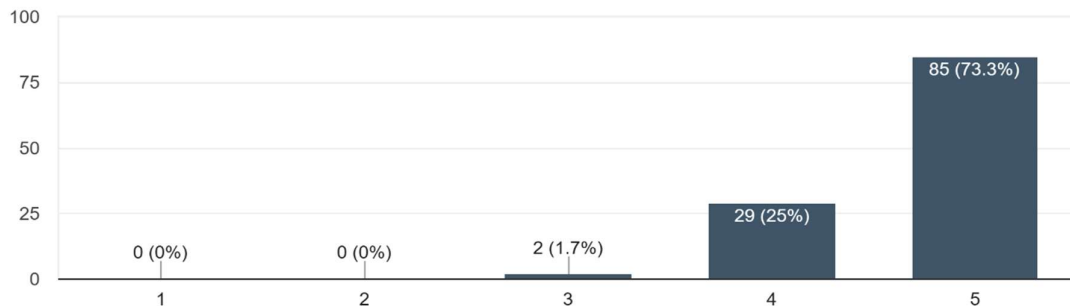
116 responses



46.6% of respondents rated the effectiveness of the performance management process as a 4. Additionally, 39.7% assigned a rating a 5 for the effectiveness of the process. Furthermore, 13.8% assigned a rating 3 for the effectiveness of the process.

To what extent do you find your work satisfying and worthwhile and helps contribute to the success of the organization?

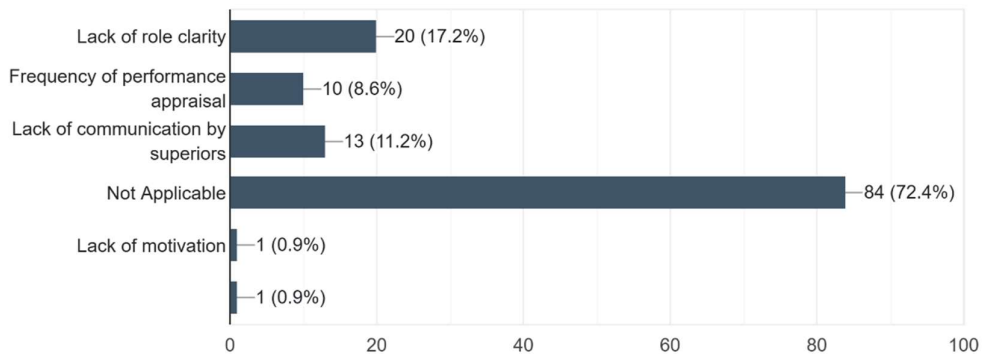
116 responses



73.3% respondents assigned a rating 5, reflecting a strong belief in the value and contribution of their work to the organization's success. Additionally, 25% assigned a rating 4, reflecting a substantial satisfaction and perceived contribution. Furthermore, 1.7% assigned a rating 3, reflecting moderate satisfaction.

In your outlook, indicate the causes for failure of performance management system

116 responses



Lack of role clarity, cited by 17.2% of respondents, suggests that ambiguity or uncertainty regarding job responsibilities can hinder effective performance management.

The frequency of performance appraisal, identified by 8.6% of respondents, implies that infrequent or irregular evaluations may limit the system's effectiveness in providing timely feedback and guidance.

Lack of communication by superiors, mentioned by 11.2% of respondents, indicates that insufficient communication from managers or supervisors can lead to misunderstandings or misalignment of expectations, undermining the performance management process.

However, a significant majority, comprising 72.4% of respondents, perceive the causes of failure as not applicable, suggesting that they may not perceive any significant shortcomings in the performance management system.

2) Analysis by Ordinal Logistic Regression

- Ordinal Logistic Regression with y1: 'Overall, how satisfied are you with the current Performance Management System in the organization?' as the dependent variable

Optimization terminated successfully.

Current function value: 0.305757

Iterations: 109

Function evaluations: 113

Gradient evaluations: 113

OrderedModel Results

```

=====
Dep. Variable:                y      Log-Likelihood:                -32.105
Model:                        OrderedModel  AIC:                        110.2
Method:                        Maximum Likelihood  BIC:                        171.3
Date:                          Mon, 29 Apr 2024
Time:                          00:40:13
No. Observations:              105
Df Residuals:                  82
Df Model:                      23
=====

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```

=====
              coef      std err          z      P>|z|      [0.025      0.975]
-----
x1            -1.4333      1.063      -1.348      0.178      -3.517      0.650
x2             0.6129      0.786       0.780      0.436      -0.928      2.154
x3             1.2648      0.876       1.444      0.149      -0.452      2.981
x4            -0.8264      0.756      -1.092      0.275      -2.309      0.656
x5             0.9667      1.086       0.890      0.374      -1.163      3.096
x6            -0.4979      0.711      -0.700      0.484      -1.891      0.895
x7             1.7577      0.841       2.090      0.037      0.109      3.406
x8            -0.8779      0.951      -0.923      0.356      -2.743      0.987
x9             0.5733      1.290       0.445      0.657      -1.954      3.101
x10           0.9270      0.782       1.186      0.236      -0.606      2.460
x11           0.7551      0.830       0.909      0.363      -0.872      2.383
x12           -0.8442      0.748      -1.128      0.259      -2.310      0.622
x13           -1.8841      0.954      -1.974      0.048      -3.755      -0.013
x14           0.9723      0.883       1.101      0.271      -0.758      2.703
x15           1.2597      0.875       1.440      0.150      -0.454      2.974
x16           0.3286      0.820       0.401      0.688      -1.278      1.935
x17           0.9393      0.981       0.957      0.339      -0.984      2.863
x18           1.2274      0.913       1.345      0.179      -0.561      3.016
x19           1.4121      0.961       1.469      0.142      -0.472      3.296
x20           0.7895      0.869       0.908      0.364      -0.915      2.494
x21           4.2441      1.381       3.073      0.002       1.537      6.951
3/4          42.1964      9.264       4.555      0.000      24.038      60.354
4/5           2.2449      0.219      10.249      0.000       1.816      2.674
=====

```

Interpretation

1. Model Fit: The model seems to have optimized successfully, as indicated by the termination message and number of iterations.

2. Statistical Significance: The 'P>|z|' (p-values) column shows the statistical significance of the coefficients.

'x7' has a p-value of 0.037 ($p < 0.05$) Alternative hypothesis is accepted, therefore there exists a relationship between clear expectations regarding roles and responsibilities and the overall satisfaction with the performance management system.

'x13' has a p-value of 0.048 ($p < 0.05$) Alternative hypothesis is accepted, therefore there exists a relationship between satisfaction with the recognition and rewards linked to performance outcomes and the overall satisfaction with the performance management system.

'x21' has a p-value of 0.002 ($p < 0.05$), alternative hypothesis is accepted, therefore there exists a relationship between the fairness of an immediate supervisor and the overall satisfaction with the performance management system.

The model has been successfully optimized and provides an understanding of how each independent variable relates to the dependent variable. The model suggests that 'x7', 'x13' and 'x21' is statistically significant, which has a notable impact on satisfaction with the Performance Management System.

- Ordinal Logistic Regression with y3: 'Indicate the effectiveness on which your organizations performance management process showed in improving overall performance ' as the dependent variable

Optimization terminated successfully.
 Current function value: 0.390418
 Iterations: 97
 Function evaluations: 101
 Gradient evaluations: 101

OrderedModel Results

```

=====
Dep. Variable:                y      Log-Likelihood:                -40.994
Model:                        OrderedModel  AIC:                          128.0
Method:                        Maximum Likelihood  BIC:                          189.0
Date:                          Mon, 29 Apr 2024
Time:                          14:29:09
No. Observations:              105
Df Residuals:                  82
Df Model:                      23
=====

```

	coef	std err	z	P> z	[0.025	0.975]
x1	-0.1634	0.835	-0.196	0.845	-1.801	1.474
x2	1.6267	0.620	2.623	0.009	0.411	2.842
x3	0.8746	0.688	1.271	0.204	-0.474	2.224
x4	0.2848	0.703	0.405	0.686	-1.094	1.663
x5	1.0028	0.784	1.280	0.201	-0.533	2.538
x6	-0.3738	0.548	-0.682	0.495	-1.448	0.700
x7	-1.6463	0.751	-2.192	0.028	-3.118	-0.175
x8	-0.6202	0.776	-0.799	0.424	-2.142	0.901
x9	1.0030	1.068	0.939	0.348	-1.091	3.097
x10	-0.0159	0.632	-0.025	0.980	-1.255	1.223
x11	1.1016	0.657	1.676	0.094	-0.186	2.390
x12	0.0318	0.714	0.045	0.964	-1.367	1.431
x13	-0.5759	0.755	-0.763	0.446	-2.056	0.904
x14	0.7285	0.661	1.103	0.270	-0.566	2.023
x15	0.6962	0.643	1.082	0.279	-0.564	1.957
x16	1.5171	0.697	2.176	0.030	0.150	2.884
x17	-0.7726	0.861	-0.897	0.370	-2.461	0.916
x18	1.5707	0.696	2.257	0.024	0.207	2.935
x19	0.8870	0.677	1.311	0.190	-0.439	2.213
x20	1.8173	0.852	2.133	0.033	0.148	3.487
x21	-0.9968	0.789	-1.263	0.206	-2.543	0.550
3/4	26.2443	5.610	4.678	0.000	15.248	37.241
4/5	1.9544	0.184	10.626	0.000	1.594	2.315

Interpretation

1. Model Fit: The model's optimization terminated successfully after 97 iterations.
2. Statistical Significance (P>|z| column):

'x2' has a p-value of 0.009 ($p < |0.05|$). Therefore, alternative hypothesis is accepted, there exists a relationship between the performance goals set for a role and the efficacy of organization's performance management system in enhancing overall performance.

'x7' has a p-value of 0.028 ($p < |0.05|$), alternative hypothesis is accepted, therefore there is a relationship between clear expectations regarding roles and responsibilities and the efficacy of organization's performance management system in enhancing overall performance.

'x16' has a p-value of 0.030 ($p < |0.05|$), alternative hypothesis is accepted, therefore there is a relationship between the performance management system's ability to identify learning and development needs and the efficacy of organization's performance management system in enhancing overall performance.

'x18' has a p-value of 0.024 ($p < |0.05|$), alternative hypothesis is accepted, therefore there is a relationship between adequate leadership in directing the implementation of the performance management system within the organization and the efficacy of organization's performance management system in enhancing overall performance.

'x20' has a p-value of 0.033 ($p < |0.05|$), alternative hypothesis is accepted, therefore there is a relationship between how employees perceive the recognition of their performance by their supervisor and the efficacy of organization's performance management system in enhancing overall performance.

The model indicates several significant relationships between the independent variables and the dependent variable, particularly 'x2', 'x7', 'x16', 'x18', and 'x20'. These relationships may help understand how different aspects of the performance management system contribute to the effectiveness of improving overall performance.

- Ordinal Logistic Regression with y4: 'To what extent do you find your work satisfying and worthwhile and helps contribute to the success of the organization?' as the dependent variable

Optimization terminated successfully.

Current function value: 0.390418

Iterations: 97

Function evaluations: 101

Gradient evaluations: 101

OrderedModel Results

```

=====
Dep. Variable:                y      Log-Likelihood:          -40.994
Model:                      OrderedModel  AIC:                   128.0
Method:                      Maximum Likelihood  BIC:                   189.0
Date:                        Mon, 29 Apr 2024
Time:                        14:29:09
No. Observations:           105
Df Residuals:                82
Df Model:                    23
=====

```

	coef	std err	z	P> z	[0.025	0.975]
x1	-0.1634	0.835	-0.196	0.845	-1.801	1.474
x2	1.6267	0.620	2.623	0.009	0.411	2.842
x3	0.8746	0.688	1.271	0.204	-0.474	2.224
x4	0.2848	0.703	0.405	0.686	-1.094	1.663
x5	1.0028	0.784	1.280	0.201	-0.533	2.538
x6	-0.3738	0.548	-0.682	0.495	-1.448	0.700
x7	-1.6463	0.751	-2.192	0.028	-3.118	-0.175
x8	-0.6202	0.776	-0.799	0.424	-2.142	0.901
x9	1.0030	1.068	0.939	0.348	-1.091	3.097
x10	-0.0159	0.632	-0.025	0.980	-1.255	1.223
x11	1.1016	0.657	1.676	0.094	-0.186	2.390
x12	0.0318	0.714	0.045	0.964	-1.367	1.431
x13	-0.5759	0.755	-0.763	0.446	-2.056	0.904
x14	0.7285	0.661	1.103	0.270	-0.566	2.023
x15	0.6962	0.643	1.082	0.279	-0.564	1.957
x16	1.5171	0.697	2.176	0.030	0.150	2.884
x17	-0.7726	0.861	-0.897	0.370	-2.461	0.916
x18	1.5707	0.696	2.257	0.024	0.207	2.935
x19	0.8870	0.677	1.311	0.190	-0.439	2.213
x20	1.8173	0.852	2.133	0.033	0.148	3.487
x21	-0.9968	0.789	-1.263	0.206	-2.543	0.550
3/4	26.2443	5.610	4.678	0.000	15.248	37.241
4/5	1.9544	0.184	10.626	0.000	1.594	2.315

Interpretation

1. Model Fit: The optimization terminated successfully after 114 iterations.
2. Statistical Significance:

The 'P>|z|' column provides the p-values for each coefficient.

'x5' has a p-value \rightarrow 0.045 which is $<$ 0.05. This means that there exists a relationship between an employee's involvement in the goal-setting process and their perception of how satisfying and worthwhile their work is, as well as how much they feel their work contributes to the organization's success.

'x19' has a p-value \rightarrow 0.027. This suggests a relationship between the openness and honesty of the performance management system, particularly its encouragement of two-way communication, and the extent to which employees find their work satisfying and worthwhile, as well as how much they perceive their work as contributing to the organization's success.

'x17' has a p-value \rightarrow 0.065, suggesting a potential association, but it is slightly above the standard threshold of 0.05. This suggests a significant relationship between satisfaction with the support and guidance provided by the manager in achieving the performance goals and the extent to which employees find their work satisfying and worthwhile, as well as how much they perceive their work as contributing to the organization's success.

The model indicates significant relationships between the independent variables ('x5' and 'x19') and the dependent variable ('y4'). This information can help understand how different aspects of the work environment and organizational structure contribute to employees finding their work satisfying and worthwhile, leading to overall organizational success.

3) Analysis by Spearman Rank Correlation

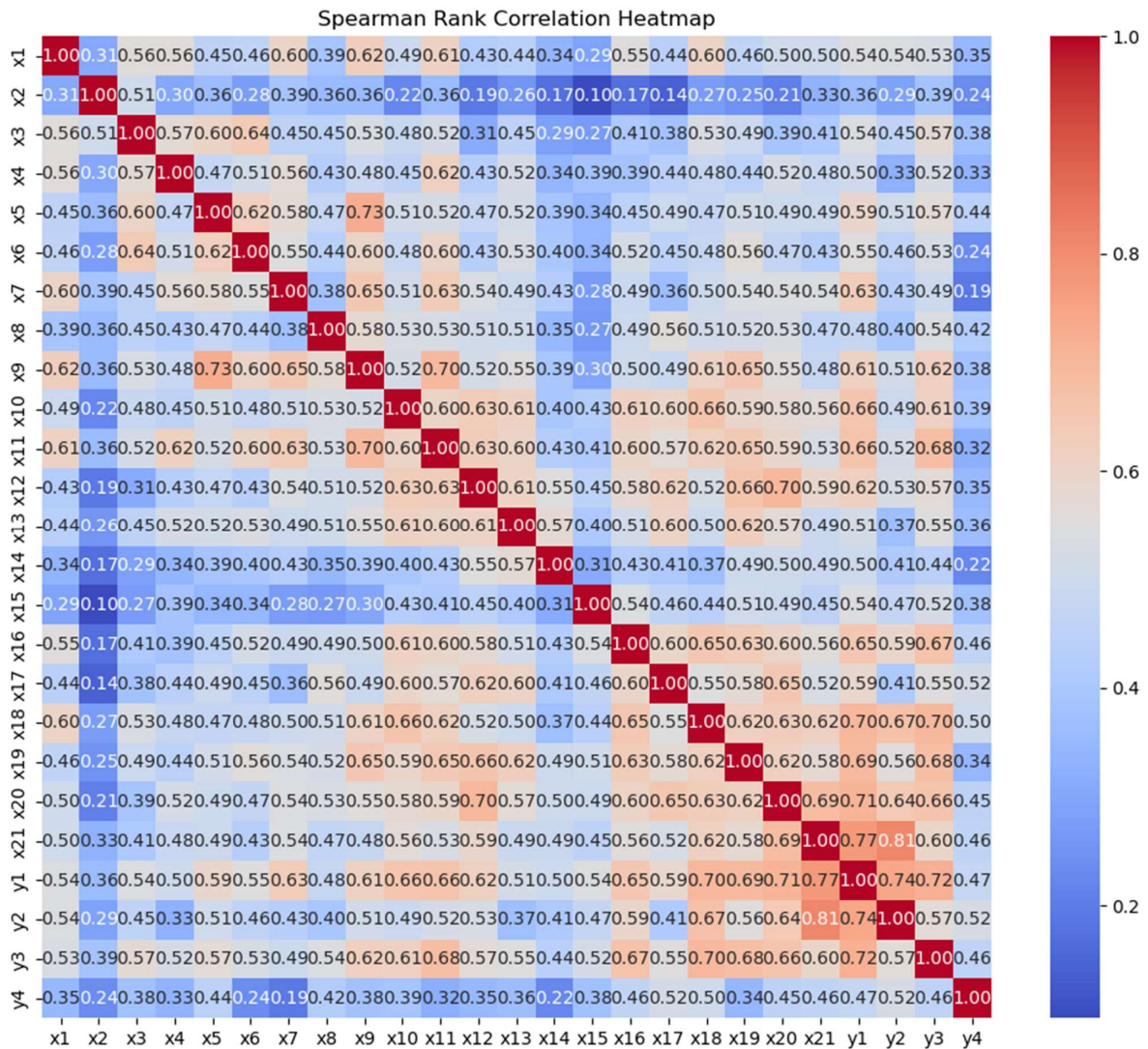
Spearman rank correlation matrix:

	x1	x2	x3	x4	x5	x6	x7	\
x1	1.000000	0.307957	0.555684	0.561882	0.452772	0.457865	0.600481	
x2	0.307957	1.000000	0.505705	0.301751	0.363130	0.278352	0.388968	
x3	0.555684	0.505705	1.000000	0.571510	0.604514	0.636753	0.450101	
x4	0.561882	0.301751	0.571510	1.000000	0.472194	0.510594	0.564655	
x5	0.452772	0.363130	0.604514	0.472194	1.000000	0.620929	0.576386	
x6	0.457865	0.278352	0.636753	0.510594	0.620929	1.000000	0.545263	
x7	0.600481	0.388968	0.450101	0.564655	0.576386	0.545263	1.000000	
x8	0.389862	0.357678	0.449513	0.428489	0.470908	0.436967	0.376924	
x9	0.624490	0.355311	0.527645	0.482979	0.728207	0.599546	0.649593	
x10	0.491112	0.224244	0.480016	0.450220	0.512363	0.483449	0.508613	
x11	0.609245	0.360631	0.518291	0.616624	0.521489	0.596055	0.633861	
x12	0.425021	0.192852	0.308765	0.429510	0.471723	0.432330	0.535664	
x13	0.438857	0.255839	0.452879	0.517378	0.515897	0.532383	0.494240	
x14	0.338743	0.173354	0.287075	0.342459	0.386958	0.401556	0.427995	
x15	0.293129	0.096968	0.271264	0.385997	0.343984	0.344978	0.276853	
x16	0.549786	0.172501	0.406227	0.385671	0.448170	0.516604	0.486585	
x17	0.439827	0.142422	0.380685	0.441884	0.490732	0.447697	0.363021	
x18	0.602751	0.273695	0.531650	0.475732	0.469928	0.477615	0.498029	
x19	0.457552	0.251549	0.489315	0.444078	0.512971	0.556339	0.537154	
x20	0.504932	0.209378	0.386860	0.517095	0.493841	0.468212	0.542645	
x21	0.502640	0.331534	0.410649	0.483885	0.491957	0.430151	0.540458	
y1	0.544565	0.358832	0.540517	0.500868	0.590943	0.547481	0.632983	
y2	0.539150	0.289351	0.454460	0.327169	0.505114	0.456742	0.432588	
y3	0.528754	0.385160	0.572982	0.522085	0.566166	0.526107	0.493498	
y4	0.351061	0.238041	0.379011	0.334819	0.442877	0.237050	0.194128	

	x8	x9	x10	...	x16	x17	x18	\
x1	0.389862	0.624490	0.491112	...	0.549786	0.439827	0.602751	
x2	0.357678	0.355311	0.224244	...	0.172501	0.142422	0.273695	
x3	0.449513	0.527645	0.480016	...	0.406227	0.380685	0.531650	
x4	0.428489	0.482979	0.450220	...	0.385671	0.441884	0.475732	
x5	0.470908	0.728207	0.512363	...	0.448170	0.490732	0.469928	
x6	0.436967	0.599546	0.483449	...	0.516604	0.447697	0.477615	
x7	0.376924	0.649593	0.508613	...	0.486585	0.363021	0.498029	
x8	1.000000	0.578460	0.531955	...	0.494395	0.555853	0.507501	
x9	0.578460	1.000000	0.522014	...	0.502435	0.487984	0.606552	
x10	0.531955	0.522014	1.000000	...	0.611073	0.595298	0.661371	
x11	0.525440	0.696291	0.604217	...	0.597770	0.567254	0.618121	
x12	0.506279	0.515247	0.630272	...	0.578669	0.615731	0.524381	
x13	0.505280	0.551035	0.608672	...	0.511826	0.602659	0.498360	
x14	0.349118	0.394021	0.397611	...	0.426530	0.408837	0.369051	
x15	0.269616	0.299685	0.427518	...	0.540376	0.462952	0.442459	
x16	0.494395	0.502435	0.611073	...	1.000000	0.595692	0.652955	
x17	0.555853	0.487984	0.595298	...	0.595692	1.000000	0.547210	
x18	0.507501	0.606552	0.661371	...	0.652955	0.547210	1.000000	
x19	0.517128	0.653136	0.593915	...	0.634385	0.575986	0.620901	
x20	0.532310	0.553233	0.578309	...	0.604584	0.649761	0.626114	
x21	0.467160	0.477840	0.563497	...	0.558519	0.524373	0.617969	
y1	0.475431	0.608701	0.657201	...	0.652890	0.585356	0.697056	
y2	0.397262	0.506899	0.491064	...	0.590707	0.413024	0.670909	
y3	0.541013	0.620293	0.614988	...	0.665323	0.549690	0.698350	
y4	0.423740	0.380385	0.390969	...	0.460842	0.519737	0.504302	

	x19	x20	x21	y1	y2	y3	y4
x1	0.457552	0.504932	0.502640	0.544565	0.539150	0.528754	0.351061
x2	0.251549	0.209378	0.331534	0.358832	0.289351	0.385160	0.238041
x3	0.489315	0.386860	0.410649	0.540517	0.454460	0.572982	0.379011
x4	0.444078	0.517095	0.483885	0.500868	0.327169	0.522085	0.334819
x5	0.512971	0.493841	0.491957	0.590943	0.505114	0.566166	0.442877
x6	0.556339	0.468212	0.430151	0.547481	0.456742	0.526107	0.237050
x7	0.537154	0.542645	0.540458	0.632983	0.432588	0.493498	0.194128
x8	0.517128	0.532310	0.467160	0.475431	0.397262	0.541013	0.423740
x9	0.653136	0.553233	0.477840	0.608701	0.506899	0.620293	0.380385
x10	0.593915	0.578309	0.563497	0.657201	0.491064	0.614988	0.390969
x11	0.646234	0.590480	0.530861	0.664693	0.518228	0.682095	0.320648
x12	0.660292	0.698470	0.588603	0.618811	0.525076	0.566206	0.353145
x13	0.624005	0.568939	0.487047	0.513684	0.371502	0.546585	0.362906
x14	0.494107	0.501588	0.486562	0.497174	0.409132	0.441657	0.224078
x15	0.505479	0.489570	0.451920	0.541522	0.470367	0.516758	0.378761
x16	0.634385	0.604584	0.558519	0.652890	0.590707	0.665323	0.460842
x17	0.575986	0.649761	0.524373	0.585356	0.413024	0.549690	0.519737
x18	0.620901	0.626114	0.617969	0.697056	0.670909	0.698350	0.504302
x19	1.000000	0.616376	0.579591	0.690851	0.555250	0.676107	0.344919
x20	0.616376	1.000000	0.685724	0.709205	0.640221	0.664064	0.450870
x21	0.579591	0.685724	1.000000	0.772353	0.810788	0.596298	0.460091
y1	0.690851	0.709205	0.772353	1.000000	0.741970	0.718792	0.473626
y2	0.555250	0.640221	0.810788	0.741970	1.000000	0.566707	0.523533
y3	0.676107	0.664064	0.596298	0.718792	0.566707	1.000000	0.455068
y4	0.344919	0.450870	0.460091	0.473626	0.523533	0.455068	1.000000

[25 rows x 25 columns]



Variables which have high correlation with the dependent variables y1, y2, y3 and y4

- Variables with Spearman rank correlation > 0.5 with y1:

Variable: x1, Correlation: 0.545

Variable: x3, Correlation: 0.541

Variable: x4, Correlation: 0.501

Variable: x5, Correlation: 0.591

Variable: x6, Correlation: 0.547

Variable: x7, Correlation: 0.633

Variable: x9, Correlation: 0.609

Variable: x10, Correlation: 0.657

Variable: x11, Correlation: 0.665
Variable: x12, Correlation: 0.619
Variable: x13, Correlation: 0.514
Variable: x15, Correlation: 0.542
Variable: x16, Correlation: 0.653
Variable: x17, Correlation: 0.585
Variable: x18, Correlation: 0.697
Variable: x19, Correlation: 0.691
Variable: x20, Correlation: 0.709
Variable: x21, Correlation: 0.772

➤ Variables with Spearman rank correlation > 0.5 with y_2 :

Variable: x1, Correlation: 0.539
Variable: x5, Correlation: 0.505
Variable: x9, Correlation: 0.507
Variable: x11, Correlation: 0.518
Variable: x12, Correlation: 0.525
Variable: x16, Correlation: 0.591
Variable: x18, Correlation: 0.671
Variable: x19, Correlation: 0.555
Variable: x20, Correlation: 0.640
Variable: x21, Correlation: 0.811

➤ Variables with Spearman rank correlation > 0.5 with y_3 :

Variable: x1, Correlation: 0.529
Variable: x3, Correlation: 0.573
Variable: x4, Correlation: 0.522
Variable: x5, Correlation: 0.566
Variable: x6, Correlation: 0.526
Variable: x8, Correlation: 0.541
Variable: x9, Correlation: 0.620
Variable: x10, Correlation: 0.615

Variable: x11, Correlation: 0.682

Variable: x12, Correlation: 0.566

Variable: x13, Correlation: 0.547

Variable: x15, Correlation: 0.517

Variable: x16, Correlation: 0.665

Variable: x17, Correlation: 0.550

Variable: x18, Correlation: 0.698

Variable: x19, Correlation: 0.676

Variable: x20, Correlation: 0.664

Variable: x21, Correlation: 0.596

➤ Variables with Spearman rank correlation > 0.5 with y_4 :

Variable: x17, Correlation: 0.520

Variable: x18, Correlation: 0.504

4.1 Findings

- There exists a relationship between clear expectations regarding roles and responsibilities and the overall satisfaction with the performance management system as 'x7' variable has a p-value $\rightarrow 0.037$ which is < 0.05 , so alternative hypothesis is accepted.
- There exists a relationship between satisfaction with the recognition and rewards linked to performance outcomes and the overall satisfaction with the performance management system as 'x13' variable has a p-value of 0.048
- There exists a relationship between the fairness of an immediate supervisor and the overall satisfaction with the performance management system as 'x21' has a p-value $\rightarrow 0.002$.
- There exists a relationship between the performance goals set for a role and the efficacy of organization's performance management system in enhancing overall performance as 'x2' has a p-value $\rightarrow 0.009$
- There exists a relationship between clear expectations regarding roles and responsibilities and the efficacy of organization's performance management system in enhancing overall performance as 'x7' has a p-value $\rightarrow 0.028$ ($p < |0.05|$)
- There exists a relationship between the performance management system's ability to identify learning and development needs and the efficacy of organization's performance management system in enhancing overall performance as 'x16' has a p-value $\rightarrow 0.030$ ($p < |0.05|$)
- There exists a relationship between adequate leadership in directing the implementation of the performance management system within the organization and the efficacy of organization's performance management system in enhancing overall performance as 'x18' has a p-value $\rightarrow 0.024$ ($p < 0.05$)
- There exists a relationship between how employees perceive the recognition of their performance by their supervisor and the efficacy of organization's performance management system in enhancing overall performance as 'x20' has p-value $\rightarrow 0.033$ ($p < |0.05|$)
- There exists a relationship between an employee's involvement in the goal-setting process and their perception of how satisfying and worthwhile their work

is, as well as how much they feel their work contributes to the organization's success as 'x5' has a p-value \rightarrow 0.045.

- There exists a relationship between the openness and honesty of the performance management system, particularly its encouragement of two-way communication, and the extent to which employees find their work satisfying and worthwhile, as well as how much they perceive their work as contributing to the organization's success. ('x19' has a p-value \rightarrow 0.027)
- There exists a relationship between satisfaction with the support and guidance provided by the manager in achieving the performance goals and the extent to which employees find their work satisfying and worthwhile, as well as how much they perceive their work as contributing to the organization's success. 'x17' has a p-value of 0.065, suggesting a potential association, but it is slightly above the standard threshold of 0.05.
- Variables with Correlation $>$ 0.5 with the variable **y1** (overall satisfaction with the performance management system):
 - x1 (Clarity on performance expectations): Correlation of 0.545
 - x3 (Setting and achieving meaningful goals): Correlation of 0.541
 - x4 (Alignment with organizational performance objectives): Correlation of 0.501
 - x5 (Involvement in goal-setting process): Correlation of 0.591
 - x6 (Participation in performance standard setting): Correlation of 0.547
 - x7 (Clear expectations): Correlation of 0.633
 - x9 (Participative environment): Correlation of 0.609
 - x10 (Early identification of unsatisfactory performance): Correlation of 0.657
 - x11 (Continuous feedback delivery): Correlation of 0.665
 - x12 (Discussing actions for performance improvement during appraisals): Correlation of 0.619
 - x13 (Recognition and rewards): Correlation of 0.514
 - x15 (Training programs related to job growth): Correlation of 0.542
 - x16 (Identification of learning and development needs): Correlation of 0.653
 - x17 (Support and guidance from manager): Correlation of 0.585
 - x18 (Adequate leadership to direct the implementation of the performance management system): Correlation of 0.697

- x19 (A management style that encourages open, honest communication): Correlation of 0.691

- x20 (Supervisor recognition of performance): Correlation of 0.709

- x21 (Fair treatment of all employees by supervisors): Correlation of 0.772

These variables show a high correlation with the variable y1, suggesting they play a crucial role in influencing overall satisfaction with the current Performance Management System.

- Variables with Correlation > 0.5 with the variable **y2** (satisfaction with the fairness and transparency of the performance evaluation process):

- x1 (Clarity on performance expectations): Correlation of 0.539

- x5 (Involvement in the goal-setting process): Correlation of 0.505

- x9 (Participative environment): Correlation of 0.507

- x11 (Continuous feedback delivery): Correlation of 0.518

- x12 (Discussing actions for performance improvement during appraisals): Correlation of 0.525

- x16 (Identification of learning and development needs): Correlation of 0.591

- x18 (Adequate leadership to direct the implementation of the performance management system): Correlation of 0.671

- x19 (A management style that encourages open, honest communication): Correlation of 0.555

- x20 (Supervisor recognition of performance): Correlation of 0.640

- x21 (Fair treatment of all employees by supervisors): Correlation of 0.811

These variables show a high correlation with variable y2, suggesting they play a crucial role in influencing satisfaction with the fairness and transparency of the performance evaluation process.

- Variables with Correlation > 0.5 with the variable **y3** (effectiveness on which organizations performance management process showed in improving overall performance):

- x1 (Clarity on performance expectations): Correlation of 0.529

- x3 (Setting and achieving meaningful goals): Correlation of 0.573

- x4 (Alignment of individual performance goals with organizational objectives): Correlation of 0.522

- x5 (Involvement in the goal-setting process): Correlation of 0.566

- x6 (Participation in performance standard setting): Correlation of 0.526
- x8 (Effectiveness of feedback provided during performance evaluations): Correlation of 0.541
- x9 (Participative environment): Correlation of 0.620
- x10 (Early identification of unsatisfactory performance for corrective action): Correlation of 0.615
- x11 (Continuous feedback delivery to all staff): Correlation of 0.682
- x12 (Discussing actions for performance improvement during appraisals): Correlation of 0.566
- x13 (Satisfaction with recognition and rewards linked to performance outcomes): Correlation of 0.547
- x15 (Training programs contribution to professional growth): Correlation of 0.517
- x16 (Identification of learning and development needs): Correlation of 0.665
- x17 (Satisfaction with the support and guidance provided by managers in achieving performance goals): Correlation of 0.550
- x18 (Adequate leadership to direct the implementation of the performance management system): Correlation of 0.698
- x19 (A management style that encourages open, honest communication): Correlation of 0.676
- x20 (Supervisor recognition of performance): Correlation of 0.664
- x21 (Fair treatment of all employees by supervisors): Correlation of 0.596

These variables show a high correlation with the variable **y3**, suggesting they play a crucial role in influencing the effectiveness of the organizations performance management process in improving overall performance.

➤ Variables with Correlation > 0.5 with the variable **y4** (extent to which employees find their work satisfying and worthwhile and helps contribute to the success of the organization):

- x17 (Satisfaction with the support and guidance provided by managers in achieving performance goals): Correlation of 0.520
- x18 (Adequate leadership to direct the implementation of the performance management system): Correlation of 0.504

4.2 Recommendations

- Enhance clarity on performance expectations ('x1'):
 - Provide more detailed job descriptions and performance expectations to employees.
 - Offer workshops and training sessions to ensure employees fully understand their responsibilities and goals.
- Emphasize meaningful goal-setting ('x2', 'x3'):
 - Collaborate with employees to set challenging yet achievable goals that align with organizational objectives.
 - Ensure goals are regularly reviewed and adjusted as needed.
- Increase involvement in goal-setting process ('x5'):
 - Promote employee involvement in the process of defining their own objectives.
 - Involve employees in team and organizational goal-setting meetings.
- Promote participation in performance standard setting ('x6'):
 - Foster a culture where employees feel comfortable contributing to performance standards.
 - Seek employee feedback on performance measures and incorporate their suggestions.
- Ensure clear expectations ('x7'):
 - Provide comprehensive role descriptions and clear, consistent communication.
 - Offer training on how to set and communicate expectations.
- Improve participative environment ('x9'):
 - Encourage employee involvement in decision-making and performance review processes.
 - Foster open communication and feedback channels.
- Provide consistent feedback ('x10', 'x11'):
 - Implement regular feedback cycles, including constructive criticism and positive reinforcement.
 - Train managers on effective feedback techniques.
- Recognize and reward performance ('x13', 'x12'):

- Set up transparent and equitable reward structures tied to performance results.
- Acknowledge achievements of both individuals and teams.
- Promote training programs ('x15', 'x16'):
 - Offer specific training and development chances tailored to both employee objectives and organizational requirements.
 - Provide diverse training options to accommodate various learning preferences.
- Foster strong leadership and support from managers ('x17', 'x18'):
 - Offer leadership training to supervisors and managers.
 - Encourage a supportive and inclusive management style.
- Strengthen two-way communication and openness ('x19'):
 - Establish regular opportunities for open discussions between employees and management.
 - Encourage managers to engage with employees and address concerns.
- Recognize performance and ensure supervisor fairness ('x20', 'x21'):
 - Train supervisors to recognize and reward performance fairly and consistently.
 - Establish clear criteria for performance evaluations to avoid bias.
- Monitor progress:
 - Regularly track the progress and impact of implemented measures on employee satisfaction.
 - Make adjustments as necessary based on feedback and data.

4.3 Limitations of the study

- **Sample Size:** The size of the sample isn't sufficiently large to provide an accurate representation of the entire population.
- **Subjectivity of Measures:** Ordinal data such as satisfaction and perception measures are subjective and can vary widely across individuals. The interpretation of qualitative data may introduce bias due to differing perspectives.
- **Survey Design and Measurement:** Limited response options for categorical data may not fully capture the nuances of employees' opinions.
- **External Validity:** The study's findings may not apply to specific organizations or industries due to differences in culture, practices, and policies.
- **Limited Scope:** The study may focus on specific aspects of performance management and employee satisfaction, overlooking other relevant factors.

Chapter 5. Conclusion

The research project has provided with valuable understandings regarding the correlation between performance management systems and factors such as employee satisfaction, performance, and other relevant outcomes in the workplace. By analysing the data collected from a variety of employees and their perspectives on different aspects of performance management, the study has uncovered several important trends and associations.

The study identified significant relationships between several aspects of performance management systems and overall employee satisfaction. Key variables such as goal-setting, feedback, recognition, and leadership were found to be strongly correlated with employee outcomes. The analysis showed that clear expectations, continuous feedback, and a supportive management style are critical factors in fostering a positive work environment and boosting employee satisfaction.

The findings have important implications for organizations and HR practitioners. By leveraging the relationships identified in the study, organizations can enhance their performance management practices to improve employee satisfaction and productivity. Based on the analysis, variables having a high correlation with overall satisfaction with performance management systems include setting and achieving meaningful goals, involvement in goal-setting process, participation in performance standard setting, clear expectations, participative environment, early identification of unsatisfactory performance, continuous feedback, recognition and rewards, training programs related to job growth, identification of learning and development needs, support and guidance from manager, adequate leadership for performance management system, open, honest, two-way communication, recognition of performance by supervisor, fairness of performance management system. Practical recommendations include providing clearer performance expectations, promoting employee participation in goal-setting, delivering consistent and constructive feedback, and acknowledging and rewarding employee successes.

Organizations should consider incorporating the study's findings into their performance management policies and strategies. Specifically, fostering open communication, providing adequate training and development opportunities, and promoting fair treatment and recognition can lead to improved employee satisfaction

and performance. Organizations should also consider using data-driven approaches to monitor and adjust their performance management system practices over time.

This research project adds to the current understanding of performance management and employee satisfaction. It offers valuable insights for organizations seeking to create more effective and employee-centric performance management systems. By understanding the relationships between different aspects of performance management and employee outcomes, organizations can make informed decisions to enhance their HR practices and organizational culture.

The research project highlights the significance of effective performance management systems in achieving positive outcomes for both employees and organizations. By prioritizing elements like setting objectives, providing feedback, and acknowledging accomplishments, companies can cultivate a workforce that is more involved and inspired. The study provides a foundation for further research and encourages ongoing exploration of best practices in performance management to drive success and satisfaction in the workplace.

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Annexure

Goal Setting and Expectations	
Do you have clarity on the performance expectations for your role in terms of both quantitative and qualitative measures?	x1
Are the performance goals set for your role challenging enough to motivate you to perform at your best?	x2
Do you think Performance Management System helps in setting and achieving meaningful goals?	x3
How far do you agree that your individual performance goals are aligned with your organizational performance objectives?	x4
To what extent are you involved in the goal-setting process?	x5
Employees in the organization engage and participate in performance standard setting e.g. Identify key performance Indicators, expected outputs and targets.	x6
Are there clear expectations regarding your role and responsibilities in the organization?	x7
Performance Appraisal and Feedback	
How effective do you find the feedback provided during performance evaluations to improve your performance?	x8
Does the Performance Management System implemented in your organization create a participative environment?	x9
In your view do you think that the performance management system allows for unsatisfactory performance to be identified earlier for corrective action to be taken?	x10
Does the performance management system deliver continuous feedback (on organizational, team and individual performance) to all staff?	x11
Possible actions which I could take to improve performance in my present position are discussed during performance appraisal.	x12
How satisfied are you with the recognition and rewards linked to performance outcomes?	x13
To what extent do you feel that compensation linked with performance?	x14
Training and Development	
Do you feel that training programs are directly related to your job and contribute to your professional growth?	x15
Do you think that the performance management system allows for the identification of learning and development needs of employees?	x16
Leadership and Management	
How satisfied are you with the support and guidance provided by your manager in achieving your performance goals?	x17
Do you think there is adequate leadership to direct the implementation of the performance management system in the organization?	x18
Does the performance management system encourage a management style that is open, honest and encourages a two-way communication between managers and staff at all levels?	x19
To what extent does your supervisor recognize your performance?	x20
To what extent do you think your immediate supervisor deal with all employees fairly?	x21
Overall Satisfaction	
Overall, how satisfied are you with the current Performance Management System in the organization?	y1
How satisfied are you with the fairness and transparency of the performance evaluation process?	y2
Indicate the effectiveness on which your organizations performance management process showed in improving overall performance.	y3
To what extent do you find your work satisfying and worthwhile and helps contribute to the success of the organization?	y4

1) Python code for analysis by Ordinal Logistic Regression

```
import pandas as pd
from sklearn.preprocessing import OrdinalEncoder
from statsmodels.miscmodels.ordinal_model import OrderedModel
import statsmodels.api as sm

data = pd.read_csv('Employee Performance Management Questionnaire (Responses).csv')

new_names = {'Do you have clarity on the performance expectations for your role in terms of both quantitative and qualitative measures?': 'x1',
             'Are the performance goals set for your role challenging enough to motivate you to perform at your best?': 'x2',
             'Do you think Performance Management System helps in setting and achieving meaningful goals?': 'x3',
             'How far do you agree that your individual performance goals are aligned with your organizational performance objectives?': 'x4',
             'To what extent are you involved in the goal-setting process?': 'x5',
             'Employees in the organization engage and participate in performance standard setting e.g. Identify key performance Indicators, expected outputs and targets.': 'x6',
             'Are there clear expectations regarding your role and responsibilities in the organization?': 'x7',
             'How effective do you find the feedback provided during performance evaluations to improve your performance?': 'x8',
             'Does the Performance Management System implemented in your organization create a participative environment?': 'x9',
             'In your view do you think that the performance management system allows for unsatisfactory performance to be identified earlier for corrective action to be taken?': 'x10',
             'Does the performance management system deliver continuous feedback (on organizational, team and individual performance) to all staff?': 'x11',
             'Possible actions which I could take to improve performance in my present position are discussed during performance appraisal': 'x12',
             'How satisfied are you with the recognition and rewards linked to performance outcomes?': 'x13',
             'To what extent do you feel that compensation linked with performance?': 'x14',
             'Do you feel that training programs are directly related to your job and contribute to your professional growth?': 'x15',
             'Do you think that the performance management system allows for the identification of learning and development needs of employees?': 'x16',
             'How satisfied are you with the support and guidance provided by your manager in achieving your performance goals?': 'x17',
             'Do you think there is adequate leadership to direct the implementation of the performance management system in the organization?': 'x18',
             'Does the performance management system encourage a management style that is open, honest and encourages a two-way communication between managers and staff at all levels?': 'x19',
             'To what extent does your supervisor recognize your performance?': 'x20',
             'To what extent do you think your immediate supervisor deal with all employees fairly?': 'x21',
             'Overall, how satisfied are you with the current Performance Management System in the organization?': 'y1',
             'How satisfied are you with the fairness and transparency of the performance evaluation process?': 'y2',
             'Indicate the effectiveness on which your organizations performance management process showed in improving overall performance.': 'y3',
             'To what extent do you find your work satisfying and worthwhile and helps contribute to the success of the organization?': 'y4'
            }

# Rename columns
data = data.rename(columns=new_names)

data = pd.DataFrame(data)

data = pd.DataFrame(data)

X = data[['x1', 'x2', 'x3', 'x4', 'x5', 'x6', 'x7', 'x8', 'x9', 'x10', 'x11',
          'x12', 'x13', 'x14', 'x15', 'x16', 'x17', 'x18', 'x19', 'x20', 'x21']]

y = data['y1'] # Ordinal dependent variable

# Create an instance of OrderedModel
model = OrderedModel(y.ravel(), X, distr='logit')

# Fit the model
result = model.fit(method='bfgs')

# Print the summary of the model
print(result.summary())
```

```

X = data[['x1','x2','x3','x4', 'x5','x6', 'x7','x8','x9','x10', 'x11',
         'x12', 'x13','x14','x15','x16', 'x17','x18', 'x19','x20','x21']]

y = data['y3'] # Ordinal dependent variable

# Create an instance of OrderedModel
model = OrderedModel(y.ravel(), X, distr='logit')

# Fit the model
result = model.fit(method='bfgs')

# Print the summary of the model
print(result.summary())

```

```

X = data[['x1','x2','x3','x4', 'x5','x6', 'x7','x8','x9','x10', 'x11',
         'x12', 'x13','x14','x15','x16', 'x17','x18', 'x19','x20','x21']]

y = data['y4'] # Ordinal dependent variable

# Create an instance of OrderedModel
model = OrderedModel(y.ravel(), X, distr='logit')

# Fit the model
result = model.fit(method='bfgs')

# Print the summary of the model
print(result.summary())

```

2) Python code for analysis by Spearman Rank Correlation

```
import pandas as pd
import seaborn as sns
import matplotlib.pyplot as plt
from scipy.stats import spearmanr
# Combine the data into a DataFrame
df = data[['x1', 'x2', 'x3', 'x4', 'x5', 'x6', 'x7', 'x8', 'x9', 'x10', 'x11', 'x12', 'x13',
          'x14', 'x15', 'x16', 'x17', 'x18', 'x19', 'x20', 'x21', 'y1', 'y2', 'y3', 'y4']]
# Calculate Spearman rank correlation
spearman_corr = df.corr(method='spearman')

# Interpret the results
print("Spearman rank correlation matrix:")
print(spearman_corr)

plt.figure(figsize=(12, 10))
sns.heatmap(spearman_corr, annot=True, cmap='coolwarm', fmt='.2f')
plt.title("Spearman Rank Correlation Heatmap")
plt.show()
```

```
# Define the dependent variables
dependent_vars = ['y1', 'y2', 'y3', 'y4']

# Define the independent variables
independent_vars = data[['x1', 'x2', 'x3', 'x4', 'x5', 'x6', 'x7', 'x8', 'x9', 'x10', 'x11',
                        'x12', 'x13', 'x14', 'x15', 'x16', 'x17', 'x18', 'x19', 'x20', 'x21']]

# Initialize a dictionary to store the results
results = {}

# Iterate through each dependent variable
for y in dependent_vars:
    # Dictionary to store the results for the current dependent variable
    results[y] = []

    # Calculate Spearman rank correlation and p-value for each independent variable with the current dependent variable
    for x in independent_vars:
        corr, p_value = spearmanr(data[y], data[x])

        # Check if the correlation is greater than 0.5
        if abs(corr) > 0.5:
            results[y].append((x, corr))

# Display the results
for y, correlations in results.items():
    print(f"Variables with Spearman rank correlation > 0.5 with {y}:")
    for x, corr in correlations:
        print(f"Variable: {x}, Correlation: {corr:.3f}")
    print()
```

QUESTIONNAIRE

Employee Satisfaction with Performance Management System

Dear Participant,

Thank you for participating in my research on employee satisfaction with performance management system. Your input would be incredibly valuable! Please answer the following questions to the best of your knowledge. Your answers will remain confidential and will only be used for research purposes.

Demographic Information

Q1. Gender:

- Male
- Female
- Prefer not to say

Q2. Age Group:

- Up to 20 years
- 21-25 years
- 26-30 years
- 31-35 years
- 36-40 years
- 41-45 years
- 46-50 years
- 51 years and above

Q3. Years of Experience in the Current Role:

- Less than 1 year
- 1-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- More than 20 years

Q4. Domain:

- Marketing
- Finance
- Human Resources
- Operations
- IT
- Engineering
- Research and Development
- Other:

Q5. Type of Industry:

- Banking
- Education
- Healthcare
- EPC (Engineering, Procurement and Construction)
- IT
- Insurance
- Hospitality
- Other:

Goal Setting and Expectations

Q1. Do you have clarity on the performance expectations for your role in terms of both quantitative and qualitative measures?

Very Unclear

- 1
- 2
- 3
- 4
- 5

Very Clear

Q2. Are the performance goals set for your role challenging enough to motivate you to perform at your best?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q3. Do you think Performance Management System helps in setting and achieving meaningful goals?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q4. How far do you agree that your individual performance goals are aligned with your organizational performance objectives?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q5. To what extent are you involved in the goal-setting process?

Not Involved

- 1
- 2
- 3
- 4
- 5

Actively Involved

Q6. Employees in the organization engage and participate in performance standard setting e.g. Identify key performance indicators, expected outputs and targets/

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q7. Are there clear expectations regarding your role and responsibilities in the organization?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Performance Appraisal and Feedback

Q1. How frequently do you have performance evaluations?

- Regularly (at least once a month)
- Quarterly

- Semi-annually
- Annually
- Rarely or Never

Q2. How effective do you find the feedback provided during performance evaluations to improve your performance?

Very Ineffective

- 1
- 2
- 3
- 4
- 5

Very Effective

Q3. According to your opinion, what is the purpose of having Performance Management System in your company?

- Retention strategy
- Reward allocation
- Identification of Training and Development needs
- Motivational strategy
- Facilitate Promotion, Transfers and Termination decisions
- Identifying barriers of performance

Q4. Does the Performance Management System implemented in your organization create a participative environment?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q5. In your view do you think that the performance management system allows for unsatisfactory performance to be identified earlier for corrective action to be taken?

Strongly Disagree

- 1
- 2
- 3
- 4

- 5

Strongly Agree

Q6. Does the performance management system deliver continuous feedback (on organizational, team and individual performance) to all staff?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q7. Possible actions which I could take to improve performance in my present position are discussed during performance appraisal?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q8. How satisfied are you with the recognition and rewards linked to performance outcomes?

Very Dissatisfied

- 1
- 2
- 3
- 4
- 5

Very Satisfied

Q9. To what extent do you feel that compensation is linked with performance?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q10. In your opinion, what are the barriers to effective performance?

- Constant monitoring
- Inadequate Training and Development
- Lack of Resources
- Lack of Employee Dedication
- Lack of proper guidance
- Other:

Training and Development

Q1. How many training or development programs have you participated in the past year?

- Up to 2
- More than 2 but less than 5
- More than 5 but less than 7
- More than 7 but less than 10
- More than 10

Q2. How satisfied are you with the opportunities for career development provided by the organization?

- Excellent
- Good
- Fair
- Poor
- N/A

Q3. Do you feel that training programs are directly related to your job and contribute to your professional growth?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q4. Do you think that the performance management system allows for the identification of learning and development needs of employees?

Strongly Disagree

- 1
- 2

- 3
- 4
- 5

Strongly Agree

Leadership and Management

Q1. How satisfied are you with the support and guidance provided by your manager in achieving your performance goals?

Very Dissatisfied

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q2. Do you think there is adequate leadership to direct the implementation of the performance management system in the organization?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q3. Does the performance management system encourage a management style that is open, honest and encourages a two- way communication between managers and staff at all levels?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q4. To what extent does your supervisor recognize your performance?

Strongly Disagree

- 1
- 2

- 3
- 4
- 5

Strongly Agree

Q5. To what extent do you think your immediate supervisor deal with all employees fairly?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Overall Satisfaction

Q1. Overall, how satisfied are you with the current Performance Management System in the organization?

- Very Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very Satisfied

Q2. How satisfied are you with the fairness and transparency of the performance evaluation process?

Very Dissatisfied

- 1
- 2
- 3
- 4
- 5

Very Satisfied

Q3. Indicate the effectiveness on which your organizations performance management process showed in improving overall performance.

Very Ineffective

- 1
- 2
- 3
- 4
- 5

Very Effective

Q4. To what extent do you find your work satisfying and worthwhile and helps contribute to the success of the organization?

Strongly Disagree

- 1
- 2
- 3
- 4
- 5

Strongly Agree

Q5. In your outlook, indicate the causes for failure of performance management system.

- Lack of role clarity
- Frequency of performance appraisal
- Lack of communication by superiors
- Not Applicable
- Other:

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Summary