

A SCOPING REVIEW OF THE IMPLEMENTATION OF THE EMPLOYEE PERFORMANCE MANAGEMENT

*CheemalaAbhinaya, ** Dr.Tamrish Patnaik

MBA STUDENT, Department Of Master Of Business Administration, Malla Reddy Engineering College For Women(Autonomous), Maisammaguda(V), Medchal District, Telangana State.

Assistant Professor, Department Of Master Of Business Administration, Malla Reddy Engineering College For Women(Autonomous), Maisammaguda(V), Medchal District, Telangana State.

cheemalaabhinaya2@gmail.com, tamrisha1984@gmail.com

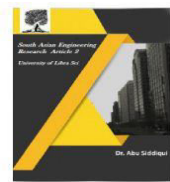
Abstract: Any system's implementation calls for thorough planning and execution. The application of the system becomes considerably more difficult when it comes to human resources. so essay, anEfforts have been made to describe The variousfactorsThat deserves attention when putting a performance management system into place as well as the reasons why PMS implementations go wrong in organisations. The many reasons for the failures have been examined and categorised using the scoping review approach of the literature. This paper's drawback is that it solely draws from published material that is accessible through Digital journal databases.The study's n practice, this means that managers participating in PMS implementationCan adopt these as a checklist to become moreEquipped andprevent repeating their mistakes. This essay is an overview of the disparate research on the challenges encountered when implementing the PMS. It can serve as a roadmap to help you avoid any problems when introducing new systems or making changes to already-existing ones.

Keywords: Employee performance, performance measurement, performance appraisal, and performance management system.

INTRODUCTION

According to a common proverb, foolish people learn from their own mistakes while intelligent people learn from the mistakes of others. Although each organization's PMS system deployment will differ technically, it is advisable to review the literature to steer clear of typical issues. For the managers, this would serve as a checklist or a moral compass. It is always beneficial to have this checklist to help them understand what mistakes to avoid while putting a PMS into practice.

Employee commitment and engagement would increase with a well-implemented PMS (Kapoor & Meachem, 2012). However, it has been demonstrated that employee engagement significantly affects Employee performance (Garg, Kataria, Rastogi, 2013, Anitha, 2014;) plays a crucial role in shaping our workplace. As we look ahead, improvements in organizational performance will likely follow. result from better staff performance (Savaneviciene&Stankeviciute, 2010). Any PMS can survive at four levels, according to Clardy's (2013) complete



framework: executive leadership, organisational architecture, HR protocols and standards, along with working environments at the workplace.

Using empirical data gathered from 349 manufacturing companies in the UK, Taylor & Taylor (2013) identified six relevant factors from an item pool that was the result of a thorough assessment of the literature. Following this, regression analysis revealed that the six parameters significantly impact the PMS implementation's efficacy. Technical and social variables are the two subcategories of these components that were identified. The majority of the variation in the dependent variable can be attributed to technical reasons. The

Social variables have a significant impact, but one that is comparatively less. These are necessary to make an organization's performance measuring strategy a coherent whole. This gives a better picture of the variables that could affect how well their PMS is implemented.

Furthermore, little attention has been paid to the study of Implementation of the performance management system and its effects in developing and transitional countries (Skoric, & Jankulovic 2013).

II. PMS INADEQUACY

The performance management system has a Substantial failure rate, with the majority of problems occurring in the implementation stage. As per McCunn (1998), which was referenced by Bourne et al. (2002), approximately 70% of PMS implementations failed. The failure rate has declined as the years have gone by. According to more recent research, the

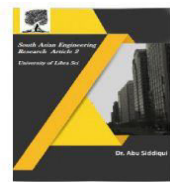
failure rate has reportedly dropped to 56% (Counet & de Waal, 2009). This indicates that is encouraging because the bulk of PMS are still applied incorrectly. This ought to serve as a reminder to all managers to make sure they try their best to avoid making identical errors twice.

III. METHODS

A survey of the literature has been conducted to determine the issues related to the adoption of PMS. The primary data sources are Google Scholar, Ebsco, and Emerald. A Boolean search term such as ("employee performance" OR "implementation" OR "design" OR "start" OR "performance management" OR "performance appraisal" OR "performance review" OR "PMS" OR "performance measurement" OR "performance evaluation" OR "PMS") The literature was gathered using the terms "implement" OR "develop" AND (employee OR "human resource" OR manager). The complete text, abstract, and title were all carefully searched for the desired terms. A meticulous examination was conducted on each of the twenty-three pertinent papers that had been gathered. The chosen articles were then arranged according to the degree of problem similarity and the weight assigned to each problem in the paper. As a result, each paper was labelled using the Mendeley program.

IV. RECOGNIZED ISSUES

Counet and De Waal (2009) have highlighted thirty-one issues that are unique to the PMS's deployment. They have also discovered that there is a significant discrepancy between the issues



that practitioners encounter when putting the PMS into practice and the issues that scholars view as concerns. It was discovered that practitioners ranked behavioural issues higher while academicians rated structural issues higher. In actuality, the issue that academicians deemed to be the most significant did not even appear on the practitioners' top ten list of issues. They specifically noted the following issues:

1. The implementation is given little priority by management:
2. The implementation lacks the necessary capacity and resources.
3. It takes longer and requires more work to implement than anticipated.
4. The company is going through a difficult time.
5. A lack of dedication from management
6. There is no defined objective for the PMS implementation.
7. The management has given the PMS implementation a short amount of time.
8. Staff and middle management's lack of dedication to PMS
9. There is a lack of positivity among organisational members towards the PMS
10. The PMS is not sufficiently supported by the current ICT system.
11. The company lacks a well-defined and comprehensible plan.
12. Members of the organisation are not implementing the appropriate management style
13. Determining pertinent CSFs is challenging;
14. Breaking down goals for lower organisational levels is too challenging;
- and 15. Internal management and control are not given enough attention.
16. There is a deficiency in expertise and understanding concerning PMS.

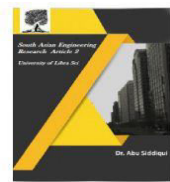
17. Determining pertinent KPIs is challenging

18. The KPIs are unrelated Department-wise, team-wise, and individually duties

19. The number of defined KPIs is excessive.
 20. The organization's change process is neglected in favour of an excessive emphasis on the implementation's outcomes.
 21. The company uses incorrect KPIs for measurement
 22. Members of the organisation are opposed to the new PMS.
 23. Too many causal relationships make the PMS excessively complex or devoid of cause and effect relationships.
 24. There is no culture of performance management in the company.
 25. The PMS and the reward system are not sufficiently linked.
 26. After implementation, the PMS is not updated and maintained on a regular basis.
 27. The organization's daily management does not utilise the PMS
 28. No organisational member has been designated to assume PMS ownership.
 29. Following a management transition, the PMS is given less importance or is stopped being used.
 30. It is challenging to obtain the information needed to compute the performance indicators.
 31. The PMS does not provide the organisation with enough advantage.
- The following issues have been found in subsequent literature reviews, among others:

4.1.4. Differing goals

According to Rees & Porter (2003), having too many objectives—some of which may



clash with one another—is the most frequent issue encountered while adopting a PMS.

4.2. Managing the comments

Gathering feedback is one thing, but gathering helpful criticism and addressing it is a more challenging task. Genuine feedback from employees may be impeded by trust issues, even in cases when a feedback structure is in place to gather and document such feedback. Conversely, the supervisors could be reluctant to provide sincere criticism to prevent "embarrassing confrontations" (Porter & Rees, 2003).

4.3. Time Restriction

Sometimes the implementation is done quickly, and the amount of time needed for it is not calculated scientifically. This puts managers under more strain and creates room for opposition to modify (Heijden&de Waal,2015).

4.4. Management gives it little priority

A PMS system ought to be given top importance, particularly during the deployment stage. The system would not accomplish the necessary goals if management did not place enough emphasis on implementation.

Management's focus ought to be grounded in a more comprehensive context of analysis that can examine and Assess the degree to which each of the critical elements influencing worker performance is operating (Clardy, 2013).

4.5 Inadequate capability and resources available during PMS implementation

Enough resources ought to be accessible for the right application. The plan would not work if it was not appropriately

constructed to account for the availability of the necessary resources. In the activities of communication and data gathering, an effective and functional information and communication technology system is also required (Karuhanga, 2010).

4.6. An unstable structure

During implementation, the organisation could be in an unstable phase. According to de Waal and Counet (2009), PMS is a crucial system that depends on other systems for support. If the organisation is unstable, the new system is certain to collapse.

4.7. Insufficient dedication from the management

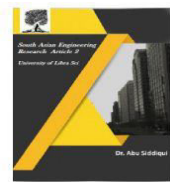
The HR department is typically the one to start the implementation process; without management support, the system would be like an engine without gasoline to run. The introduction of PMS benefits greatly from senior management leadership (Karuhanga, 2010). The degree of application PMS is decreased by an extremely bureaucratic system (Winstanley& Kate, 1996).

4.8. An unfavourable company culture

There have been issues with staff empowerment, morale, employee motivation, a failing corporate culture, pleasant interactions between management and personnel, and a lack of initiative in implementing Non-discriminatory employment opportunities (Adhikari, 2010).

4.9. Low employee involvement

Research has indicated that the adoption of a highly participatory PMS can result in a significantly greater boost in performance



when compared to the performance gain observed with the tell-and-sell introduction of a comparable system (Kleinegld, Van Tuijl, &Algera, 2004). Employees may not adopt a sense of ownership over the system if they are not involved in its design.

In actuality, there is relatively little employee acknowledgement of the validity of performance reviews. When employees don't participate in PMS procedures and assessment training, it could be interpreted as a symptom of dissatisfaction with the current PMS methods. Comparably, a startlingly high proportion of efficient PMS are accomplishing the goals of an organisation. However, there is still need for improvement (Siaguru, 2011).

4.10. No methodical approach

A successful PMS necessitates an organised approach to Identifying problems and transforming a theoretical plan into a detailed representation of results and implementation, as indicated by enterprise engineering theory and methodologies (Sousa, et al. 2005). They also imply that when it comes to putting PMS into practice, there are important differences between theory and practice.

4.11. The system's flexibility

The system that is put into place needs to be adaptable enough to take into account developments that were not anticipated beforehand. The degree of adaptability in the system's design and implementation determines the success of performance management system (Beer et al., 1978).

4.12.TheImpartiality of PMSas Perceived

For Effective performance management, employees must believe it toMaintain fairness. Otherwise, people might always see the system with mistrust or as a pointless endeavour. As recommended by Harrington & Lee (2014), a single-item scale has been used to assess the perceived fairness of the PMS. It reads, "My performance is fairly reflected in my performance appraisal." In 2014, Harrington and Lee

4.13. Resistance to Modification

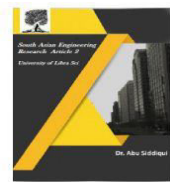
PMS implementation may be hampered by resistance to change and a reluctance to innovate due to a fear of the unknown (Karuhanga, 2010). Adjusting to change is a topic unto itself, one that requires knowledge and prudence.

4.14. The impact of managers on PMS design

The management must have input into the PMS's design. This should lessen the impression that the PMS is flawed and, hence, failure. Thus, management influence could be advantageous. Kruis, Nonetheless& Widener (2014) demonstrate that the outcome changes according on the situation.Those individuals conclude that there is not necessarily a recipe for success when it comes to managers' roles in PMS design.

4.15. Overseeing projects

The findings of Singh's (2012) study on the application of PMS in Indian software companies emphasise the critical role that project management level plays in performance management. The project



management level needs to be solidified in order for PMS to be effective.

V. REAL-WORLD APPLICATIONS

One of the most crucial systems in a company that can assist both individuals and teams in doing better is the PMS, which would therefore result in the department doing better as well as coordination. On the other side, a badly designed system may have disastrous effects. Managers can take proactive steps to prevent problems before they arise by avoiding the dangers listed in the papers. This will help them be better prepared for problems even before they arise.

VI. RESERVE LIMITS AND FUTURE STUDIES

Small and medium-sized businesses are not adequately served by the current approaches and implementation issues with the PMS, which are mostly focused on major corporations (Palomero, Chalmers, & Matilla, 2012).

A PMS implementation an effort has been done to highlight the shortcomings. Nonetheless, it's possible that some extremely significant issues were missed and aren't included here. The literature review was conducted for businesses in various industries. However, in practice, it could be necessary to examine the PMS implementation from each industry independently in order to pinpoint the issues unique to that sector. There may be a connection between some of the issues raised in this paper and other issues discussed within it. These links or certain groups of issues are not addressed in this work. This paper focuses exclusively on

the issues identified in the literature; as a result, it only provides a historical viewpoint. This article does not consider the comments provided by practical managers, and the truth may differ significantly from what scholars believe. Therefore, obtaining an industry viewpoint should be a focus of future research.

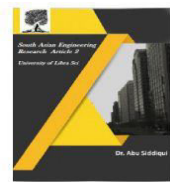
RESULTS

PMS is a crucial instrument for tracking and monitoring team and individual performance. An organisation that wants to perform better cannot afford to overlook team and individual performance.

All of the potential obstacles that could arise during implementation should be taken into consideration while designing a PMS. Strong ties and collaboration amongst all parties involved will undoubtedly support the PMS's success, which will support the organisation as a whole.

References:

- [1] Adhikari, D. R. (2010). Human resource development (HRD) for performance management: The case of Nepalese organizations. *International Journal of Productivity and Performance Management*, 59(4), 306–324. doi:10.1108/17410401011038883
- [2] Anitha, J. (2014). Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity & Performance Management*, 63(3), 308–323. doi:10.1108/IJPPM-01-2013-0008
- [3] Beer, M., Ruh, R., Dawson, J. a,



McCaa, B. B., & Kavanagh, M. J. (1978). A Performance Management System: Research, Design, Introduction and Evaluation. *Personnel Psychology*, 31(3), 505–535.

doi:10.1111/j.1744-6570.1978.tb00460.x

[4] Bourne, M., Neely, A., Platts, K., & Mills, J. (2002). The success and failure of performance measurement initiatives Perceptions of participating managers. *IJOPM International Journal of Operations & Production Management*, 22(11), 1288–1310.

doi:10.1108/01443570210450329

[5] Chalmeta, R., Palomero, S., & Matilla, M. (2012). Methodology to develop a performance measurement system in small and medium-sized enterprises. *International Journal of Computer Integrated Manufacturing*, 25(8), 716–740.

doi:10.1080/0951192X.2012.665178

[6] Clardy, A. (2013). A GENERAL FRAMEWORK FOR PERFORMANCE MANAGEMENT SYSTEMS: STRUCTURE, DESIGN, AND ANALYSIS. *Performance Improvement*, 52(2), 5–15. doi:10.1002/pfi

[7] de Waal, A. A., & Counet, H. (2009). Lessons learned from performance management systems implementations. *International Journal of Productivity and Performance Management*, 58(4), 367–390.

doi:10.1108/17410400910951026.