

**A Study On The Impact Of Perception Of The Employees About
Performance Management System**

In Bhel, Tiruchirappalli

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ABSTRACT

The performance management system is used to interrelate organizational vision and with individual goal for meeting this effectiveness of the performance management system. It finds pathway and assess individual performance outcomes. It empowers employee to contribute to the organization. Many organisations now recognize that they need pms that are better suited for their people and their needs. So they want flexible instruments that accurately measure performance. **(HBR review book 2016)**. The organisations shift from traditional approach to modern pms approach that may give more effectiveness to them. Pms offer opportunities to the employees for planning their development efforts to boost their motivation and career satisfaction for the long term. The performance management system is used to connect organizational vision and with individual objective for meeting this effectiveness of the performance management system. It finds pathway and evaluate individual performance outcomes. It empowers the employee to throw in to the organization. Performance management is the process of creating a work environment or setting in which people are enabled to carry out to the best of their abilities. Performance management is an entire work system that begins when a job is defined as needed. This study concentrates on the eight factors which is responsible for performance management system effectiveness and its association with organizational effectiveness. The degree of employee awareness and perception about performance management system give greater effectiveness of the same. So the study establish that performance review focus and employee participation strongly attach with employees perceptions of performance appraisal system rating sprite and performance review. From the foregoing review of literature, it can be understood that though many studies have been conducted on different aspects of performance management system in

India and in foreign countries, a study particularly for effectiveness of performance management system of Bharath Heavy Electicals Limited(BHEL) is misplaced in literature. Hence, the study will attempt to scrutinize present scenario of effectiveness of performance management system of BHEL, Trichy by highlighting the existing lacuna and drawbacks. The scope of this research is confined to employees in the BHEL, Trichy. The study has taken seven factors as a dependent variables namely, Organizational strategy, Goals and performance measures, Performance Standard, Performance management system and feedback, Performance Rating, and Training and development and Performance management system and Reward to analyze the effectiveness of the performance management system. The population of the study comprises of employees of BHEL. Hence, the employees of BHEL, Tiruchirappalli are selected as respondents for examining the effectiveness of performance management system. The result of the study reveals that the employees of higher level management well aware whereas middle and lower level management employees have poor awareness of the overall performance management system of the study unit.

Key Words: Performance Management System, Efficiency, Effectiveness, Perception

INTRODUCTION

Performance management system is the system in which the manager defines the employee's goal, task, develop the employee's capabilities, evaluate and reward the personal effort within the framework of employee's performance should be contributing to achieving company's goal.

The performance management system reflects the attractiveness of Total Quality Management and prominence the integrated nature of goal setting, appraisal and development. The system of performance management aids the employee's continuous improvement effort, which implies that each employee must continuously improve their own personal performance from one appraisal period for next.

The system of performance management is a development of mission and goal statement of the company that includes development of business plan, communicating goals and objectives to employees, defining role responsibilities, measuring individual performance, performance standards and comparing them to individual performance, competency analysis, continuous monitoring and 360° feedback, conducting performance and development reviews, coaching, counseling, rewarding and problem solving.

STATEMENT OF THE PROBLEM

In India, many corporate establishments have disappeared even in the initial stage of its operation. But some are glittering with an excellent performance and the Bharat Heavy Electrical Limited (BHEL), the public sector organization is one among those glittering corporate establishments that has excelled in its performance. In the midst of heavy odds this public sector company has achieved a remarkable success over the years and has become a big motivator and a role model for all other public sector concerns. However, being a public sector organization the BHEL faces many struggles to implement performance management system in an effective and efficient manner. The productivity of the employee depends upon the effective implementation of performance management system of the Public Sector organization. Hence, the researcher attempt to investigate effectiveness of performance management system of the BHEL, Trichirappalli.

OBJECTIVE OF THE STUDY

1. To explore the awareness and perception level of the employees towards performance management system of BHEL Trichy.
2. To know the effectiveness of the performance management system of the study unit through employee perception. And study the impact of perception and awareness level on performance management system in the study unit.

LIMITATIONS OF THE STUDY

The findings cannot be generalized for other plants in the same industry or other industries.

The study is purely based on the respondents' opinion. The biased opinions which limit the validity of the study.

In this study only regular employee alone considered, seasonal and contract workers are not taken into account to for the study.

STATISTICAL ANALYSIS

The collected data and information have been carefully processed, tabulated, analyzed and interpreted in order to reach the findings. The researcher has selected 374 samples from 12674 employees in BHEL, Trichy. The data are processed through SPSS (statistical package for social sciences) and analysis was made by drawing cross-tables,

calculating percentage and by applying the statistical tools namely Chi-square test, inter correlation, t-test and ANOVA.

PERCEPTION ABOUT ORGANIZATIONAL STRATEGY

An organizational strategy is an expression of how an organization needs to evolve over time to meet its objectives along with a detailed assessment of what needs to be done. Developing an organizational strategy for a business involves first comparing its present state to its targeted state to define the differences, and then stating what is required for the desired changes to take place. Performance management is a process by which managers and employees work together to design the organizational strategy to improve the performance of the employee in the organization. The higher the perception is higher satisfaction with the performance management systems. Therefore, the perception of the employees about the organizational strategies with regard to performance management system is shown in table 1.1.

TABLE 1.1

PERCEPTION ABOUT ORGANIZATIONAL STRATEGY

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The employees aware of the organization's mission statement	3.17	63.40	2.34	46.80	1.98	39.60	2.30	46.00
The employees are fully aware of the organization's strategic objectives	3.14	62.80	2.10	42.00	1.78	35.60	1.38	27.60
The employees know what the organization's values are, i.e. what is regarded as important by the organization- e.g. Performance and teamwork, innovation	2.98	59.60	2.00	40.00	1.64	32.80	1.98	39.60
The organizational strategy of the organization facilities constructive culture in the organization, i.e.	2.42	48.40	2.13	42.60	1.52	30.40	1.88	37.60

members is encouraged to interact constructively with each other in order to attain objectives, grow and develop.								
The employees understand their role to contribute the overall organizational goals and objectives	3.18	63.60	2.42	48.40	1.97	39.40	2.32	46.40
The organizational strategy of the organization provides legal support for personnel decisions	2.36	47.20	2.11	42.20	1.38	27.60	1.79	35.80
Overall Average	17.25	57.50	13.10	43.66	10.27	34.23	12.39	41.30

Source: Primary Data

Table 1.1 shows that the mean score obtained by the total sample respondents for the perception about a performance management system with regard to organizational strategies was 41.30 per cent. Among the total respondents, the respondents belong to higher, middle and lower level management was secured the mean score of 57.50 per cent, 43.66 per cent and 34.23 per cent respectively. The higher level management secured a low mean score for the statement "The organizational strategy of the organization facilitates constructive culture in the organization, i.e. members is encouraged to interact constructively with each other in order to attain objectives, grow and develop". The middle level and lower level management were obtained the mean score of less than 50 per cent for all the parameters. Therefore, the perceived value of the high level management was greater than that of middle and lower level management about a performance management system in respect of organizational strategies.

PERCEPTION ABOUT PERFORMANCE PLANNING

The performance planning is a formal process in organizations for discussing, identifying and planning the organizational as well as individual goals which an employee can or would achieve in coming appraisal or review cycle. Performance plans are decided between the supervisor and employee working together. They together determine the performance expectations and development objectives to be accomplished during the review period. They discuss goals, objectives and expectations for the review period. The process helps to improve the communication and discuss the career development plan of the employee. Therefore, the perception of the employees about the

performance planning in respect of performance management system of the organization is given in table 1.2.

TABLE 1.2
PERCEPTION ABOUT PERFORMANCE PLANNING

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
Performance planning is mutually developed and has specific time frames.	3.12	62.40	2.64	52.80	1.86	37.20	2.33	46.60
Managers consider the views of appraiser during the goal setting process for making best use of appraisees' skills and abilities	3.21	64.20	2.86	57.20	1.98	39.60	2.48	49.60
Staff members provide input in the design, development, and choice of criteria used in the performance planning.	2.98	59.60	2.54	50.80	1.76	35.20	2.23	44.60
Higher level authorities do complete a performance management planning on time	2.56	51.20	2.32	46.40	1.58	31.60	1.99	39.80
Performance management system demands too much time and effort from higher level authorities to frame performance planning	3.14	62.80	2.63	52.60	2.11	42.20	2.46	49.20
The employees are encouraged to participate in the performance planning and performance review meetings.	3.23	64.60	2.96	59.20	1.94	38.80	2.50	50.00
The performance management system measurement helps to my performance against prior, mutually agreeable set	3.18	63.60	2.69	53.80	1.96	39.20	2.41	48.20

objectives.								
The employees involved in performance planning and the decisions which affect the my work performance	2.86	57.20	2.16	43.20	1.54	30.80	1.97	39.40
The performance planning facilitates monitoring the performance of the employees effectively	3.19	63.80	2.83	56.60	1.79	35.80	2.38	47.60
Overall Average	27.47	61.04	23.63	52.51	16.52	36.71	20.79	46.20

Source: Primary Data

It is observed from the table 1.2 that the 374 respondents gained the mean score of 46.20 per cent for performance management with regard to performance planning. The higher level management has secured the mean score of 61.04 per cent, whereas the middle and lower level management was obtained the mean score of 52.51 per cent and 36.71 per cent respectively. Therefore, it can be inferred from the table that perception of the higher and middle level management employees have moderate perception and lower level management perceive a low perception about the performance planning of the study unit.

PERCEPTION ABOUT GOALS AND PERFORMANCE MEASURES

A key performance indicator is a type of performance measurement. Key performance indicators, evaluate the success of an organization or of a particular activity in which it engages. Often success is simply the repeated, periodic achievement of some levels of operational goal and sometimes success is defined in terms of making progress toward strategic goals. Accordingly, choosing the right key performance indicator relies upon a good understanding of what is important to the organization. Since, there is a need to understand well about the Goals and performance measures. A very common way to choose a key performance indicator is to apply a management framework. Therefore, the perception of the employees about the Goals and performance measures is shown in table 5.3.

TABLE 1.3**PERCEPTION ABOUT GOALS AND PERFORMANCE MEASURES**

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The performance measures used to evaluate or development of its staff positions	3.12	62.40	2.46	49.20	1.63	32.60	2.16	43.20
The performance measures improve individual as well as overall organizational performance	3.24	64.80	2.98	59.60	1.94	38.80	2.51	50.20
The division in which staff members employed has clear goals and objectives.	3.18	63.60	2.73	54.60	1.97	39.40	2.43	48.60
The employee's personal objectives support the divisional goals and objectives.	3.21	64.20	2.89	57.80	2.08	41.60	2.54	50.80
The goals of the organization were set by mutual agreement between management and employees, after discussion of each of the goals	2.98	59.60	2.14	42.80	1.39	27.80	1.91	38.20
The goals and performance measures of the organization are reasonable	3.21	64.20	2.56	51.20	1.66	33.20	2.22	44.40
The employee's role contributes to the goals and performance measures of the organization in the division of the organization.	2.37	47.40	1.97	39.40	1.22	24.40	1.67	33.40
The employees have a clear understanding of the goals and	2.46	49.20	1.84	36.80	1.34	26.80	1.69	33.80

performance measures of the organization								
The employees committed to achieve the goals	3.10	62.00	2.12	42.40	1.43	28.60	1.94	38.80
The employees have the necessary skills and competencies to achieve individual goals and objectives.	3.16	63.20	2.49	49.80	1.88	37.60	2.30	46.00
Overall Average	30.03	60.06	24.18	48.36	16.54	33.08	21.41	42.82

Source: Primary Data

Table 1.3 reveals that the mean score obtained by the sample respondents for goals and performance measures was 42.82 per cent. There were 10 parameters identified to measure the perception of the goals and performance measures for which the higher, middle and lower level management employees were secured, 60.06 per cent, 48.36 per cent and 33.08 per cent respectively. The higher level management employees have obtained a low mean score for the statement "The employees have a clear understanding of the goals and performance measures of the organization". The middle level management employees secured a low mean score for the statements "The goals of the organization were set by mutual agreement between management and employees, after discussion of each of the goal", "The employee's role contributes to the goals and performance measures of the organization in the division of the organization", "The employees have a clear understanding of the goals and performance measures of the organization", "The employees committed to achieve the goals" and "The employees have necessary skills and competencies to achieve individual goals and objectives". In case of employees belong to lower level management they got a low mean score for all the parameters. Therefore, it can be inferred from the table that the higher level management perceives moderate perception, whereas middle and lower level management perceive poor perception about the goals and performance measures of the study unit.

PERCEPTION ABOUT PERFORMANCE STANDARDS

A performance standard is a management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that must be met to be appraised at a particular level of performance. Performance standards provide the employee with specific performance expectations for each major duty. They are the

observable behaviors and actions which explain how the job is to be done, plus the results that are expected for satisfactory job performance. The purpose of performance standards is to communicate expectations. Keep in mind that good performance typically involves more than technical expertise. Therefore, the perception of the employees about the performance standard is shown in table 1.4.

TABLE 1.4**PERCEPTION ABOUT PERFORMANCE STANDARDS**

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The performance standards and ratings don't vary widely and fairly by different level of management	3.09	61.80	2.10	42.00	1.33	26.60	1.88	37.60
The supervisor's personal values and bias can replace organizational standards in the evaluation process	2.89	57.80	2.16	43.20	1.47	29.40	1.94	38.80
The employees are clear on what is expected from them.	3.14	62.80	2.46	49.20	1.85	37.00	2.27	45.40
The higher level authorities solicit my input when making decisions that affect my performance standards.	3.16	63.20	2.65	53.00	1.59	31.80	2.21	44.20
Employees understand the core values of the organization.	2.64	52.80	2.14	42.80	1.29	25.80	1.80	36.00
Employees understand the most important goals for their department.	3.06	37.45	2.28	45.60	1.61	32.20	2.08	41.60
The department coordinates effectively with other departments to achieve goals of the organization.	3.12	62.40	2.58	51.60	1.67	33.40	2.22	44.40
Overall Average	21.10	60.28	16.37	46.77	10.81	30.88	14.43	41.22

Source: Primary Data

It is observed from the table 1.4 that the total respondents were secured a mean score of 41.22 per cent for performance standards. Among the respondents the higher, middle and lower level management have obtained a mean score of 60.28 per cent, 46.77 per cent and 30.88 per cent respectively. The higher level management employee perceived value was low for the parameter "The employees understand the most important goals for their department". The middle level management employees have

obtained a low mean score for all the parameters except "The higher level authorities solicit my input when making decisions that affect my performance standards" and "The department coordinates effectively with other departments to achieve goals of the organization". Among the lower level management, they perceived low mean score for all the parameters. Therefore, it can be concluded from the table that higher level management employees perceive moderate perception, whereas middle and lower level management employees perceive poor perception about performance standard of the study unit.

PERCEPTION ABOUT PERFORMANCE MANAGEMENT SYSTEM AND FEEDBACK

The Performance management is a process that provides feedback, accountability, and documentation for performance outcomes. Accessing an employee timely, accurate, constructive feedback is key to effective performance. It helps employees to channel their talents toward organizational goals. Therefore, the perception of the employees about the Performance management system and its feedback is shown in table 1.5.

TABLE 1.5

PERCEPTION ABOUT PERFORMANCE MANAGEMENT SYSTEM AND FEEDBACK

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The organization provides written feedback to employees about their performance	3.15	63.00	2.34	46.80	1.74	34.80	2.18	43.60
The performance management system encourages performance improvement of the employees	2.98	59.60	2.15	43.00	1.85	37.00	2.13	42.60
The use of performance management system is supported and encouraged by the leadership of the organization.	2.64	52.80	2.10	42.00	1.72	34.40	2.00	40.00
The performance management system is periodically reviewed and changed to insure its effectiveness	3.00	60.00	2.24	44.80	1.67	33.40	2.08	41.60
Feedback, if it is given has a positive influence on the relationship between different level of employees	3.13	62.60	2.56	51.20	1.78	35.60	2.27	45.40
The higher level authorities communicate with the employees frequently about their performance.	3.26	65.20	2.58	51.60	2.10	42.00	2.45	49.00

The higher level authorities encourage open and frank dialogue with respect to performance related issues.	2.95	59.00	2.36	47.20	1.96	39.20	2.26	45.20
Priorities in terms of objectives are reviewed during the performance review meeting.	3.06	61.20	2.13	42.60	1.48	29.60	1.96	39.20
The performance management system motivates people to work hard	2.86	57.20	2.06	41.20	1.38	27.60	1.85	37.00
The employees are provided with verbal and written feedback about positive performance	3.21	64.20	2.67	53.40	1.83	36.60	2.34	46.80
During the performance review meeting, the higher level authorities and the employees set mutually agreed action plans for future improvements.	3.09	61.80	2.24	44.80	1.96	39.20	2.24	44.80
Negative feedback can not de-motivate an employee in the organization	3.12	62.40	2.43	48.60	1.94	38.80	2.30	46.00
Overall Average	36.45	60.75	27.86	46.43	21.41	35.68	26.12	43.53

Source: Primary Data

Table 1.5 shows that the total sample respondents have acquired the mean score of 43.53 per cent for performance management system and feedback. Among the total respondents, the higher, middle and lower level respondents have gained 60.75 per cent, 46.43 per cent and 35.68 per cent respectively. The respondents of the high level management have secured a mean score of more than 50 per cent for all the parameters. The respondents of middle level have attained the lowest mean score for all the parameters except "Feedback, if it is given has a positive influence on the relationship between different level of employees", "The higher level authorities communicate with the employees frequently about their performance" and "The employees are provided with verbal and written feedback about positive performance". In case of respondents of the lower level management their perceived value was very poor in all the parameters. Therefore, it can be inferred from the table that the higher level employees perceive moderate perception while middle and lower level employees perceive low perception about the performance management system and feedback.

PERCEPTION ABOUT PERFORMANCE RATING

Performance rating is the step in the work measurement in which the rater observes the performance of the workers and records a value representing that performance relative to the rater's concept of standard performance. Performance rating helps people do their jobs better, identifies training and education needs, assigns people to work they can excel in and maintains fairness in salaries, benefits, promotion, hiring

and firing. The purpose of performance rating is to provide systematic evaluation of the employees' contribution to the organization. On the managerial level, the will of hierarchy to fulfill performance indicators is dependent on task prioritizing, which is not shared amongst everyone. Performance Rating intensifies the environment of the organization, but provides a structure for production. Performance satisfaction is found to be directly related to both affective commitment and intention of employee. Therefore, the perception of the employees about the performance rating is shown in table 1.6.

TABLE 1.6

PERCEPTION ABOUT PERFORMANCE RATING

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The validity of the ratings is reduced by supervisory resistance to give the ratings, particularly negative ratings	3.12	62.40	2.22	44.40	1.67	33.40	2.09	41.80
The employees of the organization satisfied with their performance rating	3.20	64.00	2.64	52.80	2.03	40.60	2.43	48.60
The rating the employees get is a result of their rater applying performance rating standards consistently across employees	2.96	59.20	2.12	42.40	1.94	38.80	2.17	43.40
The performance rating the employees get is not higher than one should earn based on their effort and contribution	2.24	44.80	1.87	37.40	1.32	26.40	1.66	33.20
The higher level authorities give performance ratings that do not reflect, in part, their personal like or dislike of employees	2.64	52.80	2.11	42.20	1.89	37.80	2.08	41.60
The rater is not rude to the employees	3.46	69.20	2.63	52.60	2.14	42.80	2.52	50.40
The rater is almost always polite	3.24	64.80	2.44	48.80	1.84	36.80	2.27	45.40
The rater treats the employees with respect	3.12	62.40	2.38	47.60	1.93	38.60	2.28	45.60
The rater does not invade the employees' privacy	2.89	57.80	2.14	42.80	1.73	34.60	2.06	41.20
The rater does not make hurtful statements to the employees	3.14	62.80	2.36	47.20	1.58	31.60	2.10	42.00
The higher level authorities show concern to the employees' feelings	3.31	66.20	2.89	57.80	2.16	43.20	2.60	52.00
The higher level authorities show concern for the rights of the employees as an employee	3.17	63.40	2.54	50.80	1.96	39.20	2.36	47.20
The higher level authorities treat the employees with kindness.	3.39	67.80	2.71	54.20	2.20	44.00	2.57	51.40

Overall Average	39.88	61.35	31.05	47.76	24.41	37.55	29.25	45.00
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Source: Primary Data

Table 1.6 reveals that the mean score of 45 per cent was secured by the total sample respondents for performance rating. Among the total respondents, the respondents of the higher, middle and lower level management was acquired the mean score of 61.35 per cent, 47.76 per cent and 37.55 per cent respectively. Therefore, it can be inferred from the table that the employees of higher level management perceive moderate perception, but the employees of middle and lower level management perceive a low perception about the performance rating of the study unit.

PERCEPTION ABOUT PERFORMANCE MANAGEMENT AND TRAINING AND DEVELOPMENT

Employee training is a tool that managers can utilize to help employees bridge the gap between their present level of performance and their desired level of performance. The challenge for the organization is to design training options that give employees the information or skills they need and then measure whether those training options were effective in producing desired outcomes. Training and development of the employees are one of the most vital factors for improving the performance of the employees. Therefore, the perception of the employees about the performance management and Training and development is shown in table1.7.

TABLE 1.7

PERCEPTION ABOUT PERFORMANCE MANAGEMENT AND TRAINING AND DEVELOPMENT

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The Performance management system determines individual and organizational training and development needs	3.12	62.40	2.85	57.00	1.86	37.20	2.41	48.20
Performance management interferes with the more constructive coaching relationship that should exist between a supervisor and his/her staff	2.97	59.40	2.12	42.40	1.53	30.60	1.97	39.40
The Performance management system confirms that good hiring decisions are being made	2.69	53.80	1.89	37.80	1.42	28.40	1.79	35.80
Training and developmental needs are	3.18	63.60	2.59	51.80	1.88	37.60	2.34	46.80

identified and documented during the performance review process.								
Performance discussions during the review process emphasize personal development and growth.	2.26	45.20	2.11	42.20	1.56	31.20	1.86	37.20
The employees are provided with required training such that the employee's position to complete their tasks effectively	3.14	62.80	2.45	49.00	1.98	39.60	2.33	46.60
The employees have a structured personal development plan.	3.19	63.80	2.62	52.40	2.15	43.00	2.48	49.66
The employees are encouraged to prepare for greater responsibility in the future.	2.56	51.20	2.08	41.60	1.39	27.80	1.82	36.40
Training that is provided by the teacher have to feedback for a job well done	2.79	55.80	2.41	48.20	1.58	31.60	2.06	41.20
Training that is provided by the teacher about how to provide feedback on those areas needed for improvement	2.91	58.20	2.38	47.60	1.84	36.80	2.20	44.00
Training that is provided how to solve performance problems	3.06	61.20	2.13	42.60	1.92	38.40	2.17	43.40
Training that is provided how to use the performance management system as an employee development tool	3.10	62.00	2.83	56.60	1.97	39.40	2.45	49.00
Overall Average	34.95	58.28	28.46	47.43	21.08	35.13	25.93	43.21

Source: Primary Data

As shown in table 1.7 that there were 12 parameters identified to measure perceptions of the respondents about performance management and training and development. The table clearly exhibits that the total sample respondents was secured a mean score of 43.21 per cent. The respondents of higher, middle and lower level management was obtained the mean score of 58.28 per cent, 47.43 per cent and 35.13 per cent respectively. Therefore, it can be inferred from the table that the employees of the high level management perceive moderate perception, whereas middle and lower level management perceive a poor perception about the performance management and training and development of the study unit.

PERCEPTION ABOUT PERFORMANCE MANAGEMENT AND REWARD

Today, organizations show a high degree of commitment towards reinforcement of reward practices which are aligned with other HR practices and the goals of the organization for attracting, retaining and motivating the employees. Efficient reward practices of the organizations help in attracting result driven professionals who can thrive and succeed in performance based environments. Hence, it is a crucial motivator and

may contribute towards the enhancement of the productivity of the employees if implemented properly.

An effective reward system should be linked to the performance management system, which focuses on performance based pay and offers ample learning opportunities along with a healthy work environment. Variable pay can play a crucial role in boosting the performance of the employees, especially the star performers instead of the fixed pay packages. Few such reward practices may take the forms of gain sharing, bonuses, team based incentives, profit sharing, employees' stock options and equity based incentive awards.

An efficient management of reward system may have a beneficial effect upon the performance in several ways instilling a sense of ownership amongst the employees, may facilitate long term focus with continuous improvement, reduces operating costs, promotes teamwork, and minimizes employee dissatisfaction and enhanced employee interest in the financial performance of the company. Therefore, the perception of the employees about the performance management system and reward of the study unit is shown in table1.8.

TABLE 1.8**PERCEPTION ABOUT PERFORMANCE MANAGEMENT AND REWARD**

Parameters	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
The current performance management system links performance to pay and promotion.	3.12	62.40	2.79	55.80	2.12	42.40	2.51	50.20
There is a direct and strong link between performance and pay.	3.32	66.40	3.12	62.40	2.56	51.20	2.88	57.60
Rewards and recognition is sufficiently given in accordance with performance ratings.	3.26	65.20	3.04	60.80	2.39	47.80	2.75	55.00
Performance appraisal system provides a database for personnel decisions concerning placement, pay, promotion, transfer,	3.15	63.00	2.82	56.40	2.14	42.80	2.54	50.80

punishment, etc.,								
Rewards, be they monetary or non-monetary, are always objectively determined.	3.10	62.00	2.93	58.60	2.19	43.80	2.59	51.80
Awards are used as a technique for motivating both the employees and their families.	2.89	57.80	2.41	48.20	1.85	37.00	2.21	44.20
Overall Average	18.84	62.80	17.11	57.03	13.25	44.16	15.51	51.70

Source: Primary Data

Table 1.8 reveals that there were six parameters framed to measure the perception of the respondents about the performance management and reward for which the total respondents got a mean score of 51.70 per cent. Among the total respondents, the respondents of the higher, middle and lower management attained the mean score of 62.80 per cent, 57.03 per cent and 44.16 per cent respectively. Therefore, it can be inferred from the table that the employees of higher and middle level management perceive moderate perception, whereas employees of the lower level management perceive a poor perception about the performance management and reward of the employees in the study unit.

OVERALL PERCEPTION ABOUT PERFORMANCE MANAGEMENT SYSTEM

The overall perception of the employees about performance management system of the study unit taken together, all the eight variables of the performance management system with regard to organizational strategy, performance planning, goals and performance measures, performance standard, performance management system and feedback, performance rating, performance management and training and development and performance management and reward is shown in table 1.9.

TABLE 1.9**OVERALL PERCEPTION ABOUT PERFORMANCE MANAGEMENT SYSTEM**

Variables	Higher level Management		Middle level Management		Lower level Management		Overall Average	
	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)	Mean Score	Mean Score (%)
Organizational strategy	17.25	57.50	13.10	43.66	10.27	34.23	12.39	41.30
Performance planning	27.47	61.04	23.63	52.51	16.52	36.71	20.79	46.20
Goals and performance measures	30.03	60.06	24.18	48.36	16.54	33.08	21.41	42.82
Performance standard	21.10	60.28	16.37	46.77	10.81	30.88	14.43	41.22
Performance management system and feedback	36.45	60.75	27.86	46.43	21.41	35.68	26.12	43.53
Performance rating	39.88	61.35	31.05	47.76	24.41	37.55	29.25	45.00
Performance management and training and development	34.95	58.28	28.46	47.43	21.08	35.13	25.93	43.21
Performance management and reward	18.84	62.80	17.11	57.03	13.25	44.16	15.51	51.70
Overall Average	225.99	60.26	181.76	48.47	134.29	35.81	165.87	44.23

Source: Primary Data

It can be seen from the table 1.9 that there were eight variables framed to measure the overall perception of the respondents about performance management system, for which the total sample respondents secured a mean score of 44.23 per cent out of a total score of 374. The higher, middle and lower level management have obtained the mean score of 60.26 per cent, 48.47 per cent and 35.81 per cent respectively. The respondents of higher level management have gained a mean score of more than 50 per cent for all the selected eight variables. The respondents of middle level management have obtained a mean score of less than 50 per cent except the parameters "Performance planning" and "Performance management and reward". In case of the lower level management they have a lower mean score for all the eight variables. Therefore, the result of the reveals that the employees of the high level management perceive moderate perception about the variables Organizational strategy, Performance planning, Goals and performance measures, Performance management system and feedback, Performance rating,

Performance management and training and development and Performance management and reward. The middle level management has gained a low mean score for all the variables except Performance planning and Performance management and reward. The lower level management has acquired a low mean score for all the variables. Therefore, it can be inferred from the table that the employees of higher level management perceive moderate perception, whereas employee of middle and lower level perceived value is low about the overall performance management system of the study unit.

SCOPE OF FUTURE RESEARCH

The study was paying attention to one public sector Company in the Indian Heavy Electricals industry. The outcome is specific because the researcher has used only one kind of business field. Therefore, further research should investigate public and private sector Heavy Electricals companies. The similar studies may also carry out other unit of the BHEL in India with more sample size.

CONCLUSION

To conclude, the performance management has become a part of a more strategic approach in integrating HR activities and business policies. It assess the employees and develop their competence, enhance performance and distribute rewards. The system must be based on a deep regard for people and recognize that employees are the most important resource. The system should first of all contribute to the satisfaction of all the employees. This system will require a continuous effort in counseling, coaching and mentoring, open communications between the employee and supervisors. The implementation an effective performance management is one of the essential factors for the organization to survive in the highly competitive business environment. In added to that the lower level employees and Middle level employees had poor awareness about PMS particularly in technical aspects.

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