

## Relationship between Performance Management and Organizational Performance

Pankaj Kumar<sup>[a]</sup>, Dr. R. Nirmala<sup>[b]</sup> & Prof. Nandakumar Mekoth<sup>[c]</sup>

### Abstract

The performance management system has been considered as the most significant system in the organization. This research will study the relationship between performance management system and organization performance. The aim of this study is to explore the possible relationship between use of Performance Management and the Organization performance of manufacturing and service firms in India. In this research, a survey is conducted using a questionnaire, in an International corporate HR conference where most of senior HR executives/ Managing Director/proprietors have attended, and a sample of such executives is included in the study. SPSS 16 software is used to analyse the data and interpreted using tools like factor analysis, Regression etc.

**Keywords:** - Performance management, Rewards system, Perceived Organization Performance, Employee development, Goal oriented system etc.

<sup>[a]</sup> <b>Pankaj Kumar,</b> Research Scholar (HR), Department of Management Studies, Goa University, Taleigao Plat- eau, Goa (India). Email:pankajgoauni@yahoo.in	<sup>[b]</sup> <b>Dr. R. Nirmala,</b> Assistant Professor (HR/OB), Department of Management Studies, Goa University, Taleigao Plat- eau, Goa (India), Email:nirmala@unigoa.ac.in	<sup>[c]</sup> <b>Prof. Nandakumar Mekoth,</b> Professor, Department of Management Studies, Goa University, Taleigao Plat- eau, Goa (India), Email: mekoth@rediffmail.com
--	--	---

### 1. Introduction

#### Performance management:

The words “performance management” has, over the recent past, very popular. But what is performance and how will it help any organisation? Is it simply a different pay system, and an objective –setting methodology or an appraisal process, or is it about career management? A true performance management system should comprise all of the above. When successful performance management system is implemented, it helps in evaluating and improving both individual and company performance against pre-defined business strategies and objectives. In literature, there are various models and theories of performance management. Each concept of performance management has its importance as a system for managing organizational performance, managing employee performance, and for integrating the management of organizational and employee performance. Performance management involves many stages of scrutiny, and is clearly linked to the evaluation of Human Resources as well as performance of organisations. Many terms refer to performance management initiatives in organizations, for example, performance based mission and goals, performance based reward system, planning, performance review and appraisal and training and development, and management by objectives (Bevan, S. & Thompson, M. 1991).

Performance management helps an organisation understand the effectiveness of the people who work in it. The literature on employee performance is large and growing continuously, with a number of books and hundreds of articles and case studies published every year. Performance management system can benefit both the organizations and its employees. It provides individual feedback and helps in collecting organizational data which can be used for HR planning and program evaluation.

## 2. Literature Review

Performance management is an ongoing process of identifying, assessing and developing human performance in organizations. It is hoped that data are gathered from systematic observations, not only to measure current performance accurately but also to provide the necessary feedback information for changes that will improve future performance. The purpose is to measure improvement, differentiate between levels of performance, determine training needs, validate rewards and identify employees for promotion (McCarthy, A. M., & Garavan, T. N. 2001, Buchner, T. W. 2007)

Indian managers have been criticized for not involving employees in the performance management process (Virmani and Guptan, 1991). Bredrup and Bredrup (1995) sees performance management as comprising three main processes – planning, improving and reviewing. Of course, these three processes could be taken as applying to the management of performance at all levels – organization, business unit, department, team, individual, etc.

Guinn (1987) and Ainsworth & Smith (1993) have proposed a three-step cycle: performance planning; assessment of performance; and corrective and adaptive mutual action via mutual feedback discussions. Torrington and Hall (1995) also likewise have three stages: planning, supporting and reviewing performance.

McDonald and Smith's (1995) study involved 437 companies in the USA and it demonstrated that companies that applied Performance Management outperformed companies without such systems on a wide range of financial and productivity measures.

Likewise, Beer, Ruh, Dawson, McCaa and Kavanagh (1978) evaluated the Performance Development and Review part of their Performance Management System by means of a 136-item questionnaire (the other parts being Management by Objectives and Salary and Placement Review). Results were positive but the 'hard' side of the overall Performance Management System was not addressed.

Nankervis and Compton (2006), in their study (covering 961 organizations across Australian industry), came out with few ideal principles of PMS design and implementation. These are: "strategic alignment of organizational goals and employee goals and outcomes; user friendliness, consistency, equity and transparency, and clear links between an appraisal and salary review, human resource development, coaching and succession plans.

Performance management is the part of Human resource practices so the extensive review of the literature reveals that adopting wide range of HRM practices is the key to achieving outstanding performance (Hoque, 1999). Wan et al. (2002) also found a positive relationship between various company's strategic HRM policies/practices and its HR performance. Delaney and Huselid (1996) found that progressive HRM practices, including selectivity in staffing, training, and compensation were positively related to perceived organizational performance. The author measured perceived organizational performance in terms of product quality, customer satisfaction, and new product development while perceived market performance as growth in sales, Profitability and market share.

In this study both organizational performance and market performance are combined to measure the overall organizational performance in perceptual context such as, Profitability, market share, growth rate, employee productivity, good place to work and public image. However, in proceeding literature review, an attempt is made to separately review the impact of independent variables as below:

### 3. Objectives / Aims of the research study

In the light of the above literature, this paper attempts to determine of Performance management on Perceived Organization Performance. The main objectives are:

- 1) To investigate the impact of Performance management practices on Perceived Organizational Performance
- 2) To Investigate the relationship between Independent variables (Goal Oriented Systems, Reward Systems, Employee development, Performance Appraisal and Review, Justice Perception by Individuals, Individual Competence Review with dependent variables ( Perceived organizational Performance )

### 4. Research Methodology

#### Respondent Sample

This study was conducted in a major three-day Human Resources Management conference conducted in Goa, India, where printed questionnaires were distributed to all individuals. The total number of participants in the conference was 300. As it was a prestigious National HR conference, most of the participants were senior HR executives representing organisations from across the country. Although it took considerable time to collect data, participants have responded enthusiastically to the questionnaire. The filled in questionnaires are collected by the researcher and reviewed. Wherever deficiencies were noted, the respondents have been contacted and the responses are clarified or corrected. The response rate works out to 21-22% of the target sample and compares favourably with responses achieved by similar studies (Delaney et al., 1989; Huselid, 1995; Guest & Hoque, 1994) with a response rate ranging between 6.4 to 23 percent).

Though many of the existing studies in the area collected data from organisations using qualitative research, there is a general observation that the data collected a cross section of organisations, and cross-section of employees in each organisation may reflect reality better. There are also concerns of reliability of studies based on a single respondent. In the corporate setting, usually a single person (Mostly the human resource manager) answers the questionnaire, and hence this survey data collection process is relevant for this study. To reduce the respondent bias, the researchers took great care to brief the respondent on anonymity maintained. On this occasion the researchers had the opportunity to clarify questions, if any, of the respondents while giving the responses.

### 5. Research Analysis

#### Demographic Characteristic of Responding Organisations:

The questionnaire developed for this study has two distinctive parts. The first part listed the demographic variables like name of the company, sectors (manufacturing, services and others), location, annual turnover, average age of employee, financial performance, quantitative data on performance management and employees.

On analysing the demographics of responding organizations, Survey Companies (Table- 1) included 39 Public ltd companies (66.1%) and 20 Private ltd companies (33.9%).

**Table 1: Type of company**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	39	66.1	66.1	66.1
no	20	33.9	33.9	100.0
Total	59	100.0	100.0	

It was found (table -2) according to size of the companies of majority of large companies (33.9 %).

**Table 2: Size of the company**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Small	7	11.9	11.9	11.9
Medium	15	25.4	25.4	37.3
Large	20	33.9	33.9	71.2
Very Large	17	28.8	28.8	100.0
Total	59	100.0	100.0	

As the annual turnover of an organisation reflects its general health, the organisation included in the study are analysed also be their turnover, reflected in table -3

**Table 3 : Annual turnover in crores**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <50	6	10.2	10.2	10.2
50-100	3	5.1	5.1	15.3
101-200	4	6.8	6.8	22.0
200-500	8	13.6	13.6	35.6
>500	38	64.4	64.4	100.0
Total	59	100.0	100.0	

Most of the organisations included in the study belong to manufacturing sector, and only a small percentage of them are providing services.

**Table 4: Sector**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid manufacturing	48	81.4	81.4	81.4
Service	9	15.3	15.3	96.6
others	2	3.4	3.4	100.0
Total	59	100.0	100.0	

Number of employees on company's payroll suggests the size of an organisation, based on its manpower. It has been noticed that most of them employ 1000 or more employees, which also corroborates with the number of organisation having higher turnover.

**Table 5: Number of Employees on Company payroll**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <100	5	8.5	8.5	8.5
100-500	7	11.9	11.9	20.3
501-1000	7	11.9	11.9	32.2
>1000	40	67.8	67.8	100.0
Total	59	100.0	100.0	

At the same time, most of the organisations included in the study have significant number of employees working for them on contract. Also it can be seen that most of the organisations have employed people on contract, and can be understood as order of the day.

**Table 6 : app. no. of contract employee working**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <50	4	6.8	7.0	7.0
50<100	4	6.8	7.0	14.0
100<500	12	20.3	21.1	35.1
>500	36	61.0	63.2	98.2
5	1	1.7	1.8	100.0
Total	57	96.6	100.0	
Missing System	2	3.4		
Total	59	100.0		

Number of branches which an organisation has reflects the extent of reach of the organisation. When analysed for this, it was found that 28 % companies have 2-5 number of branches and that 9 companies have no branches, as shown in table 7.

**Table 7 : Number of branches**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid nil	9	15.3	15.8	15.8
2<5	17	28.8	29.8	45.6
6-10	13	22.0	22.8	68.4
11-15	8	13.6	14.0	82.5
>15	10	16.9	17.5	100.0
Total	57	96.6	100.0	
Missing System	2	3.4		
Total	59	100.0		

#### **Reliability and Validity of the Research Instrument:**

Though there are many performance management practices, not all of them may link to firm performance. The theoretical and empirical work reviewed indicates that there are certain performance management variables which have a bearing on organizational performance. However, for the purpose of the present study, four practices were selected, which had greater support across a diverse literature (Beer, Ruh, Dawson, McCaa, and Kavanagh 1978).

The performance management system as used in the present study include: organization measuring goals, performance reviews and appraisal, reward system, employee development. There are 28 items constructed based on these themes, and 6 items are added to reflect perceived organisational performance, viz., Profitability, market share, growth, employee productivity, a great place to work and public image of the organisation. The data collected from the respondents on the first 28 item are subjected to factor analysis using SPSS 16.0. The exploratory factor analysis done with the 26 independent variables resulted in 6 factors explaining 71.399 percent of the total variance. These factors are named as:

- Goal Oriented Systems
- Performance based Reward Systems
- Performance Oriented Training Systems

- Performance Appraisal and Review
- Justice Perception by Individuals
- Individual Competence Review

Before applying statistical tools, testing of the reliability of the scale is very much important as it shows the scope to which a scale produces consistent results if measurements were made repeatedly. This is done by determining the association in between scores obtained from different administrations of the scales. If the association is high, the scale yields consistent results, this is reliable. Cronbach's alpha is most widely used method. It may be mentioned that its value varies from 0 to 1 but satisfactory value is required to be more than 0.6 for the scale to be reliable (Malhotra, 2002; Cronbach's, 1951). In the present study, we, therefore, have been using Cronbach's alpha scale as a measure of reliability (Table-8).

Table 8: Reliability value of the Scale		
Scale	No. of Items	Cronbach's Alpha ( $\alpha$ )
Goal Oriented Systems	5	.861
Performance Based Reward Systems	5	.826
Performance Oriented Training Systems	5	.868
Performance Appraisal and Review	5	.803
Justice Perception by Individuals	4	.850
Individual Competence Review	2	.496
Source: Survey data		

From the table-5, it is seen that the reliability value was estimated to be  $\alpha = .496$  to  $.868$ , if we compare the reliability value of the scale used in the present study with the standard value alpha of 0.6 advocated by Cronbach's (1951). Here only five variables are better perform than last one individual competence review. Hence that, researchers satisfied reliability and validity of the scale.

The exploratory factor analysis done with the 28 independent variables resulted in 6 factors explaining 71.399 percent of the total variance, and two items did not load on any of the six factors, and hence they are removed from further analysis. The first factor could be explained as goal oriented systems, while the second as performance based reward system and the third as performance oriented training systems. The fourth factor included variables corresponding to performance appraisal and review, the fifth had variables representing justice perception by individuals and the last had variables representing individual competence review. The results of the factor analysis are provided in table 9

Table 9: Rotated Component Matrix<sup>a</sup> of data reduced using SPSS

	Component					
	1	2	3	4	5	6
formal training to teach new employee the skills need to perform in their jobs	.788					
goals documented very specifically & detailed	.765					
PMS current focus of org appraisal scheme	.745					
appropriate system for periodic interim review of performance	.651					
objective & goal clear to employee for appraisal & monitor	.610					
salary & other benefits compare to market		.747				
Profitability sharing is used reward higher performance		.717				
unambiguously related to goals of the org.		.595				
promotion criteria r clearly spelled out for employee		.591				
org conduct extensive training program aspect of quality		.536				
work environment is conducive to implement the learning derived in training program			.710			
Provide the facility for counselling & coaching to improve indi, team behav.			.708			
superior & peers involved in determining training need of individual			.659			
Performance based skill training identified through Performance appraisal.			.635			
each job will go through training programme every year			.614			
POM is measured basis of objective quantifiable result				.659		
Performance Planning & Monitoring consider by Org's strgy and goals				.632		
job performance important factor determining d incentive comp				.573		
performance goals clear defined beginning year				.533		



especially incentive compensation, are positively related to perceptual measures of organizational performance

**Performance Oriented Training Systems:** Noe, R. A. (1986) defined training as a planned effort to facilitate the learning of job related knowledge, skills and behaviour by employees. It represents activities that teach employees, how to perform their present job (Werther and Davis, 1985). Research studies have demonstrated that training has a positive influence on organizational performance. Zwick (2006) stated that increasing the training intensity has a positive and significant effects on establishment of productivity. In the same way Bartel (1991) also demonstrated a direct and positive relationship between productivity and training program. The amount of training is an important antecedent for firms who wish to improve their productivity (Savery and Luks, 2004). Delaney and Huselid (1996) took a broad view of HRM practices and found that training along with other HRM practices were positively related to perceptual measures of organizational performance.

**Justice Perception by Individuals:** Performance management mechanism that has broad implications for attitude and behaviours in organizations. In this study justice perception research has been mainly focused on how employee evaluates justice in the performance management context. Researchers have recently differentiated procedural from interactional justice by examining the source of the justice perception (supervisor and organization). Moorman (1991) differentiated procedural justice and not procedural justice. Erdogan, B. (2003) said Justice Perception is related to different attitude and behaviours and justice perceptions are important reactions in the performance appraisal context and his study focused on what makes appraisal fair and the consequences of appraisal fairness. Still there is a need to pay attention to operationalization of justice perception used by researcher and need to modify these measures in line with their respective theories.

**Individual Competence Review:** Armstrong and Baron (2002) described the concept of performance management therefore underpins the philosophy of the learning organization, promoting continuous improvement, focusing on the accumulation of skills and competencies in the short term to meet the organizations long term requirements. The process involves creating linkage between strategy and organization's skills, competencies, policy, internal support systems, the reward structure and organizational culture. Thus, the tighter the linkage, the more powerful strategy execution and more likely targeted performance can be achieved.

Moreover, implementing a strategy is a job for the whole management team and all employees are participants (Thompson and Strickland, 1995).

#### **Dependent Variables:**

Further regression analyses were performed with factor scores as independent variables and the 6 firm organisational performance indicators as dependent variables. The six indicators included are relevant for study, as explained below:

**Profitability:** Bruns, W. (1998) studies Profitability is the powerful tools to measure the performance of the business.

**Market share:** it is indicate the market performance of the organization. Economic theory also suggests that when an organization becomes more efficient and is able to lower its prices due to improved technology, it can increase its sales, and therefore, overcome its competitors (Chang and Sing, 2002). Several competition measures have been proposed to compare how a firm is performing relative to its competitors. Market share is the proportion of the total available market that is being served by an organization.

**Growth rate:** is an indicator of organisation performance, as it reflects the potential of organisation in the near future. Many independent research organisations publish relative growth rates of organisations in a particular industry and that is given significant importance by the organisations and its various stakeholders. Hence this dimension has been included for study.

**Employee Productivity:** Caves (1974) and Kokko (2006) use employee productivity to compare efficiency among organizations in a specific industry. They define employee productivity as the total output divided by the number of employees. Patterson et al. (1997) propose the use of an alternative measure of employee productivity

**Great Place:** The primary defining characteristic of a great place to work is the level of trust between management and employees, not specific policies and practices. Fulmer, I. S., Gerhart, B., & Scott, K. S. (2003) created instrument of great work place to measure performance of the organization. Romero, E. J. (2004) found positive relationship between great place in organisation and firm performance.

**Public Image:** public image with their company-image, and here examining how the relationship between their perceived public image and company-image was associated with organizational performance.

## 6. Data Analysis

Therefore, have been using Cronbach’s alpha scale as a measure of reliability in table 10.

Cronbach's Alpha	No of Items
.812	6

In social science research, Cronbach’s alpha >0.80 is preferred and is considered “Good reliability”. From the table-7, it is seen that the reliability value was estimated to be  $\alpha = .812$ . Here is only six items are better performing. Hence that, researchers satisfied reliability and validity of the scale.

The results of the regression analyses are provided in table 11.

Influence of Performance Management Systems on Firm Performance and Employee Productivity

Factor	Profitability	Market Share	Growth Rate	Employee Productivity	Great Place	Public Image
Goal Oriented Systems	0.134	0.094	0.085	0.149	0.231**	0.090
Performance Based Reward Systems	0.349***	0.258*	0.326***	0.368***	0.076	0.054
Performance Oriented Training Systems	-0.021	0.056	-0.014	0.370***	0.110	0.120
Performance Appraisal and Review	-0.082	0.093	-0.150	-0.104	-0.079	-0.057
Justice Perception by Individuals	0.243**	-0.024	-0.207	0.157	0.497***	0.455***
Individual Competence Review	-0.178	-0.031	-0.079	0.178	0.237**	-0.119
R Square	0.237	0.089	0.185	0.362	0.381	0.250
ANOVA	S	N S	N S	S	S	S

\*\*\* Significant at 1% level, \*\*Significant at 5% level and \*Significant at 10% level

Of the six multiple regression analyses performed four models were found to be having good predictive power in terms of R squares and ANOVA results. Two R squares were considerably low and the corresponding F ratios were insignificant. The models predicting firm performance in terms of Profitability, employee productivity, great place to work and public image were significant but those predicting market share and growth rate were found to be insignificant.

Of the independent variables, performance based reward system was found to be the most influential factor which predicts the maximum number of firm performance measures. Profitability, growth rate and employee productivity were predicted with beta coefficients being significant at 1% error level and market share at 10% error level. Performance oriented training was found to influence employee productivity and the coefficient is significant at 1% level. Justice perception by individuals was the second most influential factor and was found to predict greatness of the place to work, public image and Profitability. Goal oriented systems and individual competence review were found to make the firm a great place to work. Performance appraisal and review was found to predict none of the firm performance measures. Thus performance based reward system was found to have the most powerful influence on most measures of firm performance.

## 7. Findings

- 1) A statistical correlation has been found between Goal oriented system and perception of it being a great place to work, significant at 95% confidence level
- 2) Performance based reward systems in an organization found to have a statistically significant relationship with profitability (at 99% confidence), Market share of the organization (at 90% confidence), Growth rate (at 99% confidence) and employee productivity (at 99% confidence).
- 3) Performance oriented training system correlates significantly with employee productivity at 99% confidence
- 4) Performance appraisal and review does not correlate significantly with any of the organizational performance variables included in the studied.
- 5) Justice perception by individuals correlates significantly with profitability (95% confidence level), great place to work (99% confidence) and public image (99% confidence)
- 6) Individual competency review correlates significantly only with the organization being perceived as a great place to work at 95% confidence.

## 8. Suggestions:

- 1) Organisations that focus on goals, this research suggests are considered to be great place to work by employees. Hence, it makes sense for organisations to involve employees in goal setting, and have a focused approach to achieving the same, with the added benefit of improving employee image of the organisations.
- 2) Organisations place emphasis on performance based reward systems to improve individual employee productivity. This research showed that performance based reward system was found to have maximum impact on organisation productivity. Hence, it is suggested that organisations give maximum importance to these dimensions, which can significantly impact the overall organisation performance.
- 3) The relationship observed between performance oriented training system and employee productivity is predicted, and the organisations interested in improving employee productivity are suggested to invest in performance oriented reward systems.
- 4) However, one of the factors, performance appraisal and review was found not to have any significant impact on any of the firm performance variables. This is quite surpris-

ing since performance appraisal is a basis for all performance related systems like training, rewarding, and so on in many organisations. This research suggests that while employees place a lot of importance on the performance management process, actual review and appraisal is not considered significant and does not contribute to organizational performance.

- 5) Justice perception by the employees, which may be considered as an outcome of the review and appraisal process, on the other hand has a significant impact on organizational productivity and perceived image of the organization. Thus, organisations can be suggested to ensure that the process of performance management be made transparent to the employees and involving people in the design and implementation of Performance management system may yield benefits and add to organizational performance.
- 6) Individual competence and review, as perceived by employees, significantly impacts their perception of the organization as a great place to work. So, organisations will do better to adopt competence based performance management systems.

## 9. Conclusion

Statistical analysis shows relationship between performance management practices and perceived organizational performance. This indicates that such practices of performance management help an organization to achieve sustained growth. The current study shows a significant relationship between the independent and dependent variables. It is interesting to note that the variable 'performance appraisal and review' was found not to have any significant impact on organization performance. This is quite surprising since performance appraisal is a basis for all performance related like training, rewarding in most of the organisations. This relationship can be explored further, as it suggests that organisations may have to take a re-look at the total performance management system so as to improve organisational performance

## 10. References

- 1) **Ainsworth, W. M., & Smith, N. I. (1993).** *Making it happen: Managing performance at work.* Prentice Hall.
- 2) **Armstrong, M., & Baron, A. (2002).** *Strategic HRM: The key to improved business performance.* CIPD Publishing.
- 3) **Bartel, A. P. (1994).** *Productivity gains from the implementation of employee training programs.* *Industrial relations: a journal of economy and society*, 33(4), 411-425.
- 4) **Boice, D. F., & Kleiner, B. H. (1997).** *Designing effective performance appraisal systems.* *Work Study*, 46(6), 197-201.
- 5) **Brown, M., & Heywood, J. S. (2005).** *Performance appraisal systems: determinants and change.* *British Journal of Industrial Relations*, 43(4), 659-679.
- 6) **Bevan, S., & Thompson, M. (1991).** *Performance management at the crossroads.* *Personnel Management*, 23(11), 36-9.
- 7) **Buchner, T. W. (2007).** *Performance management theory: A look from the performer's perspective with implications for HRD.* *Human Resource Development International*, 10(1), 59-73.
- 8) **Bredrup, H. (1995).** *Background for performance management.* In *Performance Management* (pp. 61-87). Springer Netherlands.
- 9) **Beer, M., Dawson, J. E., Ruh, R., McCaa, B. B., & Kavanagh, M. J. (1979).** *A Performance Management System: Research, Design, Introduction, and Evaluation.* *Compensation & Benefits Review*, 11(3), 56-70.

- 10) **Bruns, W. (1998, July).** *Profit as a performance measure: powerful concept, insufficient measure.* In *Performance Measurement–Theory and Practice: The First International Conference on Performance Measurement* (pp. 14-17).
- 11) **Chang, W. J. A., & Huang, T. C. (2005).** *Relationship between strategic human resource management and firm performance: A contingency perspective.* *International Journal of Manpower*, 26(5), 434-449.
- 12) **Cronbach, L. J. (1951).** *Coefficient alpha and the internal structure of tests.* *psychometrika*, 16(3), 297-334.
- 13) **Caves, R. E. (1974).** *Multinational firms, competition, and productivity in host-country markets.* *Economica*, 176-193.
- 14) **Delaney, J. T., & Huselid, M. A. (1996).** *The impact of human resource management practices on perceptions of organizational performance.* *Academy of Management journal*, 39(4), 949-969.
- 15) **Erdogan, B. (2003).** *Antecedents and consequences of justice perceptions in performance appraisals.* *Human Resource Management Review*, 12(4), 555-578.
- 16) **Fulmer, I. S., Gerhart, B., & Scott, K. S. (2003).** *Are the 100 best better? An empirical investigation of the relationship between being a “great place to work” and firm performance.* *Personnel Psychology*, 56(4), 965-993.
- 17) **Guinn, K. (1987).** *Performance management: not just an annual appraisal.* *Personnel*, August, 39-42.
- 18) **Heinrich, C. J. (2002).** *Outcomes-based performance management in the public sector: implications for government accountability and effectiveness.* *Public Administration Review*, 62(6), 712-725.
- 19) **Hoque, K. (1999).** *New approaches to HRM in the UK hotel industry.* *Human Resource Management Journal*, 9(2), 64-76.
- 20) **Kokko, A. (2006).** *The home country effects of FDI in developed economies (Vol. 225).* *European Institute of Japanese Studies.*
- 21) **Locke, E. A. (1967).** *Relationship of goal level to performance level.* *Psychological Reports*, 20(3c), 1068-1068.
- 22) **Locke, E. A., & Latham, G. P. (2006).** *New directions in goal-setting theory.* *Current directions in psychological science*, 15(5), 265-268.
- 23) **McCarthy, A. M., & Garavan, T. N. (2001).** *360° feedback process: performance, improvement and employee career development.* *Journal of European Industrial Training*, 25(1), 5-32.
- 24) **Nankervis, A. R., & Compton, R. L. (2006).** *Performance management: theory in practice?.* *Asia Pacific Journal of Human Resources*, 44(1), 83-101.
- 25) **Noe, R. A. (1986)** *Trainees' attributes and attitudes: Neglected influences on training effectiveness* **Savery, L. K., & Luks, J. A. (2004).** *Does training influence outcomes of organizations?: Some Australian evidence.* *Journal of Management Development*, 23(2), 119-123.. *Academy of management review*, 11(4), 736-749.
- 26) **Romero, E. J. (2004).** *Are the great places to work also great performers?.* *The Academy of Management Executive*, 18(2), 150-152.
- 27) **Torrington, D., & Hall, L. (1995).** *Personnel Management: Human Resource Management in Action.* *Europe: Prentice-Hall International.*
- 28) **Thompson, A. A., & Strickland, A. J. (1998).** *Crafting and implementing strategy: text and readings.* *Irwin/McGraw-Hill.*
- 29) **Virmani, B. R., & Gupta, S. U. (1991).** *Indian management.* *New Delhi: Vision Books.*