

**Impact Of Organizational Culture On Performance Management****Dr. B. S. Suresh Babu**

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**Abstract:**

**Introduction:** Performance Management is the systematic process by which an agency involve its employees, as individuals and members of a group, in improving organisational effectiveness in the accomplishment of agency mission and goals. The concept of performance management is based on approaches that aim to overcome the negatives of performance appraisal by emphasizing that performance management is a continuous and forward looking process in which managers and individuals work together in partnership. **Review of Literature:** The review of literature provides insight into the methods, measures, subject, and approaches used by other research workers and can thus lead to significant improvement in the design. **Objectives:** To review the Measurement, Competency and Leadership based performance management strategies in RINL. To extract the perceptions of performance management outcomes of the employees in RINL. Data collection is one of the important aspects in the empirical research which play an important role in determining the output results. Research instrument is a generic term used for a measurement device. The research instruments used for this study are: questionnaire and interview schedule. A sample is a small proportion of a population selected for observation and analysis. Much care has been taken while selecting the sample for the study. **Organizational culture based performance management strategy** This infers that Asst. Managers are more positive towards organizational culture based performance management in Vizag Steel Plant than other category employees where managers perceived least performance. This infers that male employees are more positive towards organizational culture based performance management in Vizag Steel Plant where female employees perceived least performance. **conclusion:** To conclude performance Management should be linked with strategic goals and objectives in order to improve business performance and develop organizational cultures that foster innovation and flexibility. All the above futuristic vision with PM strategies should be based on 3 H's of Heart, Head and Hand i.e., we should feel by Heart, think by Head and implement by Hand. Last but not the least; The popular slogan, "service of God" exemplified the significance of the human resources in this context.

**Key Words:**

Organizational Effectiveness, Accomplishment, Measurement, Competency, Strategic Goals

**Introduction:**

Performance management is the systematic process by which an agency involve its employees, as individuals and members of a group, in improving organisational effectiveness in the accomplishment of agency mission and goals. The concept of performance management is based on approaches that aim to overcome the negatives of performance appraisal by emphasizing that performance management is a continuous and forward looking process in which managers and individuals work together in partnership. It is a joint process in which managers and individuals work together in partnership. It is a joint process in which top-down appraisals no longer have a part. In

many cases, performance is not rated and the principal outcome of any formal reviews is a personal development plan that aims to provide opportunities for learning and experience that will not only improve performance but will also enhance potential and employability. Performance management reacts a change of emphasis in organisations away from command and control towards a facilitation model of leadership. This change has been accompanied by recognition of the importance to the strategic or long term and overarching mission of the organisation as a whole. Employee goals and objectives are derived from their departments, which in turn support the mission and goals of the business. Performance management is a strategic and integrated approach to delivering sustained success to organisations by improving performance of the people who work in them and by developing the capabilities of teams and individual contributions. Performance management is the process of planning performance, appraising performance, giving its feedback, and counseling an employee to improve his performance. Thus, Performance Management involves different activities, planning performance, that is what an employee expected to achieve with a set of given resources and within a time frame, appraisal of whether the given result has been received or not, and then giving feedback to the employee concerned about where he lacks and counseling him how he can improve his performance.

According to Armstrong (1987), performance management is a means of getting better results from the organisation, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements.

**The review of literature** is an important part of the scientific approach and it is collected from in all areas of scientific research. The general purpose of the review is to help the researcher to develop a thorough understanding and insight into previous work and the trends that have emerged; the review can also help the researcher in reaching a number of important specific goals. It also helps in both limiting and clearly defining the research problems. The review of literature provides insight into the methods, measures, subject, and approaches used by other research workers and can thus lead to significant improvement in the design.

According to Gilliland, S. W. & Langdon, J. C. (1998), the primary advantages of defining competencies in terms of behavioral performance standards are; to help employees understand what is expected of them and; to provide uniform standards that managers can apply in evaluating employees, thereby increasing consistency, transparency and fairness. Research has shown that it is important for employees to perceive that the performance management system is fair. Further, perceived fairness can mitigate negative outcomes, such as unfavorable ratings.

According to Radcliff (2002), the most effective practices not only involve management in the design and implementation stages but also emphasize coaching and feedback. Greater employee involvement is also associated with effective PM processes because employees who are committed to a particular program are most likely to make significant contributions to its success. If the day-to-day dynamics of performance improvement is positive, employees can take a lead in the appraisal process

McDonald & Smith (1995) have given their opinion that performance management processes have acted as a lever for modifications to the employer-employee relationship and an individual and team accomplishment, PM has been a powerful tool when downsizing and shifting to a more rigorous performance culture. PM systems facilitate the values and culture that a company has around performance, an attraction and retention perspective, and early research indicates that firms with PM processes produce better results with fewer people. Allegedly, management challenges have the potential for becoming competitive opportunities with the implementation of PM strategies.

Pattanayak. B (1998) has developed the notion of work culture as the human environment within which an organization's employees perform their jobs. A positive culture would improve the performance of an organization in different ways such as placing constraints on the individual's freedom of choice and providing a source of reward and punishment.

According to Chandrasekar.K (2011), to drive their organizations to peak performance, managers and supervisors must put out front the human face of their organization. Paramount here is the human-to-human interaction through providing individualized support and encouragement to each

and every employee. From this study it is known that public sector organisations are providing a good workplace environment to their employees, which does not affect more on their work performance.

**Objectives:**

To review the Measurement, Competency and Leadership based performance management strategies in RINL.

To extract the perceptions of performance management outcomes of the employees in RINL.

**Data Collection**

Data collection is one of the important aspects in the empirical research which play an important role in determining the output results. The data can be collected by two types; the first one is primary and the other the second one is secondary. The primary data is collected through schedules, questionnaires, etc., and the secondary data will be collected from the books, statements, publications, articles, etc.

**Primary Data**

The researcher has collected the necessary information from various sections and departments in study organization. The employees working in different departments and managers working in these departments are the source of the primary data. Thus, the researcher took prior permission from the Section Heads and Department Heads, so as to make the employees feel free to give the required information without any hesitation. In collecting the primary data from the employees of the selected organization a pre-designed questionnaire was used. An interview schedule was used to collect the information from those who are working in managerial positions.

**Secondary Data**

In order to acquire the secondary data, the researcher had visited offices of various departments of selected organization, and had gone through their official records and annual reports. The researcher also visited Dr. V.S. Krishna Library at Andhra University and department library for collection of additional information from the books, journals, articles etc. The researcher was supported vehemently by the online electronic data bases, such as EBSCO, Google Scholar, etc.

**Research Instrument**

Research instrument is a generic term used for a measurement device. The research instruments used for this study are: questionnaire and interview schedule. The researcher also distinguishes between instrument and instrumentation; instrument is the device and instrumentation is the course of action, which includes the process of developing, testing and using the device. The following paragraphs deal with instruments and instrumentation processes.

**Sample of the Study**

A sample is a small proportion of a population selected for observation and analysis. Much care has been taken while selecting the sample for the study. Emphasis was given on collection of information during the period 2015 – 16. While the study is concentrating on the perceptions of employees on performance management strategies in Visakhapatnam Steel Plant, the employees are the subjects for this study. Therefore, the questionnaire was administered to the employees working in the company. The total employees' structure of the Visakhapatnam Steel Plant is categorically divided into three groups, i.e. Executives, Supervisors and Non-Executives. The interview schedule was used for collecting data from executives and the questionnaire was used for the sample managerial group. The sample structure is given below;

**Table1: Population and Sample of the Study**

S.No.	Employee Category	Total No.	Sample Selected	Sample Achieved
1	Junior Officer	650	163	160
2	Assistant Manager	436	109	106
3	Deputy Manager	428	107	104
4	Managers	540	135	130
	<b>Total</b>	<b>1854</b>	<b>514</b>	<b>500</b>

**Source: Researcher's own computations**

The employee structure of Visakhapatnam Steel Plant is categorically divided into nine groups i.e. General Managers, Deputy General Manager, Assistant General Manager, Senior Manager, Managers, Deputy Managers, Assistant Manager and Junior Officers /Assistant Executives out of which only four categories of employees have been considered in the present study with 25% sample method from selected four categories i.e. Junior managers, Assistant Managers, Deputy Managers and Managers. Among the sample selected 514 questionnaires were administered to the respondents for data collection.

The filled questionnaires were gathered from the selected employees and scrutinized for final observations. In this process few questionnaires were not returned and some are not filled properly, and finally the sample is considered for the study with 500 employees.

**Table – 2 : Perceptions on Organisational culture focused performance management strategy (OCPMS)**

Sl. no	Statement	Strongly agree	Agree	Neither agree Nor disagree	Disagree	Strongly disagree	Total
5.1	Good organizational culture contribute encouraging work environment.	71 (14.2)	232 (46.4)	99 (19.8)	43 (8.6)	55 (11.0)	500 (100.0)
5.2	Good organizational culture contribute Optimization of resources	88 (17.6)	107 (21.4)	202 (40.4)	60 (12.0)	43 (8.6)	500 (100.0)
5.3	The organizational culture implants interdisciplinary effectiveness	66 (13.2)	92 (18.4)	186 (37.2)	74 (14.8)	82 (16.4)	500 (100.0)
5.4	The organizational culture lodge the Job satisfaction	61 (12.2)	93 (18.6)	169 (33.8)	131 (26.2)	46 (9.2)	500 (100.0)
5.5	The organizational culture execute excellence of firm	27 (5.4)	32 (6.4)	234 (46.8)	83 (16.6)	124 (24.8)	500 (100.0)
5.6	organizational culture promote the effective decision making	79 (15.8)	53 (10.6)	151 (30.2)	129 (25.8)	88 (17.6)	500 (100.0)
5.7	organizational culture sustain the Innovativeness	38 (7.6)	32 (6.4)	226 (45.2)	62 (12.4)	142 (28.4)	500 (100.0)
5.8	Appropriate organizational culture carry on the Organisational citizenship behaviour	91 (18.2)	84 (16.8)	104 (20.8)	139 (27.8)	82 (16.4)	500 (100.0)
5.9	performance maximisation is possible through the good organisational culture	111 (22.2)	125 (25.0)	142 (28.4)	25 (5.0)	97 (19.4)	500 (100.0)
5.10	One of the potential of organisational culture is Internalization of performance values.	79 (15.8)	179 (35.8)	112 (22.4)	49 (9.8)	81 (16.2)	500 (100.0)
5.11	Using organisational culture to mediating variable in institutionalization	102 (20.4)	109 (21.8)	106 (21.2)	91 (18.2)	92 (18.4)	500 (100.0)
5.12	Using organisational culture to ground equitable reward	99 (19.8)	112 (22.4)	152 (30.4)	65 (13.0)	72 (14.4)	500 (100.0)
5.13	Using organisational culture to create competency based careers	203 (40.6)	124 (24.8)	91 (18.2)	49 (9.8)	33 (6.6)	500 (100.0)
5.14	Using organisational culture to institutionalize team work	154 (30.8)	150 (30.0)	102 (20.4)	42 (8.4)	52 (10.4)	500 (100.0)
5.15	Using organisational culture to create objectivity in subjectivity.	83 (16.6)	95 (19.0)	197 (39.4)	74 (14.8)	51 (10.2)	500 (100.0)



The perceptions of the Vizag Steel Plant employees on organizational culture based performance management strategy in the organisation are reveals in the above table 4.5. In this context the opinions of the employees regarding the statement “Good organizational culture contribute positive work environment” shows 46.4 percent agree, 14.2 percent strongly agree, whereas 11.0 percent strongly disagree, 8.6 percent disagree and remaining 19.8 percent of the employees neither agree nor disagree with this.

While 40.4 percent of the total employees neither agree nor disagree that good organizational culture contribute optimization of resources in the industry, but 21.4 percent agree, 17.6 percent strongly agree and 12.0 percent disagree, 8.6 percent strongly disagree with this.

From the total employees 37.2 percent opined neither agree nor disagree, but 18.4 percent agree, 13.2 percent strongly agree and 16.4 percent strongly disagree, 14.8 percent disagree with the statement “The organizational culture implants interdisciplinary effectiveness”.

Among the total employees in the sample 33.8 percent said neither agree nor disagree, but 26.2 percent said disagree, 9.2 percent strongly disagree and 18.6 percent agree, 12.2 percent strongly agree with statement “The organizational culture lodge the Job satisfaction.

Regarding the organizational culture execute excellence of firm, it is notable thing to point out that 46.8 percent opined neither agree nor disagree, still 24.8 percent strongly disagree, 16.6 percent disagree, 6.4 percent agree and 5.4 percent opined strongly agree with this.

It shows that total sample 25.8 percent opined disagree, 17.6 percent strongly disagree, whereas 15.8 percent opined strongly agree 10.6 percent agree and 30.2 percent of the employees opined neither agree nor disagree with organizational culture promote the effective decision making.

Out of the total employees majority of the employees (45.2%) opined neither agree nor disagree with organizational culture sustain the innovativeness, but 28.4 percent strongly disagree, 12.4 percent disagree, 7.6 percent strongly agree and 6.4 percent opined agree.

Regarding to the data it infers the statement “Appropriate organizational culture carry on the Organisational citizenship behaviour”, 27.8 percent of the employees opined disagree, 16.4 percent said strongly disagree and 18.2 percent strongly agree, 16.8 percent agree, 20.8 percent opined neither agree nor disagree with this.

According to the data it infers the statement “Performance maximisation is possible through the good organisational culture”, 25.0 percent said agree, 22.2 percent said strongly agree and 19.4 percent strongly disagree, 5.0 percent disagree, 28.4 percent opined neither agree nor disagree with this.

More than thirty percent of the employees opined agree (35.8) and 15.8 percent strongly agree, whereas 16.2 percent said strongly disagree, 9.8 percent disagree and 22.4 percent of the employees opined neither agree nor disagree with statement “One of the potential of organisational culture is Internalization of performance values.

Out of the total sample 21.8 percent opined agree, 20.4 percent strongly agree and 18.4 percent strongly disagree 18.2 percent disagree, 21.2 percent of the employees opined neither agree nor disagree with the statement “Using organisational culture to mediating variable in institutionalization”.

It shows that 22.4 percent of the employees opined agree and 19.8 percent strongly agree towards using organisational culture to ground equitable reward, whereas 30.4 percent of the employees opined neither agree nor disagree, 14.4 percent strongly disagree and 13.0 percent disagree with this.

It infers 40.6 percent strongly agreed and 24.8 percent agreed that Using organisational culture to create competency based careers in the company, whereas 9.8 percent disagree, 6.6 percent strongly disagree and 18.2 percent of the employees neither agree nor disagree with this.

More than thirty percent of the employees opined strongly agree (30.8), 30.0 percent said agree, whereas 10.4 percent strongly disagree, 8.4 percent disagree and 20.4 percent of the employees opined neither agree nor disagree with the statement “Using organisational culture to institutionalize team work”.

While 39.4 percent of the total employees neither agree nor disagree that using organisational culture to create objectivity in subjectivity, but 19.0 percent agree, 16.6 percent strongly agree, 14.8 percent disagree and 10.2 percent strongly disagree with this.

From the above analysis and discussion it infers that organizational culture based performance management strategy is also showing mixed response from the employees in Vizag Steel Plant, where it is observed that in some of the factors there is a positive response from the employees, in some other cases there is negative response from the employees and still in some cases there is neutral response from the employees regarding organizational culture based management strategies.

### **Organizational culture based performance management strategy**

1. This infers that Asst. Managers are more positive towards organizational culture based performance management in Vizag Steel Plant than other category employees where managers perceived least performance.
2. This infers that male employees are more positive towards organizational culture based performance management in Vizag Steel Plant where female employees perceived least performance.
3. This infers that less than 3 years experienced employees are more positive towards organizational culture based performance management in Vizag Steel Plant than other experienced group employees where above 12 years experienced employees perceived least performance.
4. This infers that under graduation qualified employees are more positive towards on organizational culture based performance management in Vizag Steel Plant than other employees, whereas Post graduation qualified employees perceived least performance.
5. This infers that between 26 to 35 years age group employees are more positive towards organizational culture based performance management in Vizag Steel Plant then other age group employees whereas, above 45 years age group employees perceived least performance.
6. This infers that married employees are more positive towards performance management on organizational culture based in Vizag Steel Plant whereas, un-married employees perceived least performance.
7. This infers that below 5 lakhs income group employees are more positive towards organizational culture based performance management in Vizag Steel Plant then other employees whereas, above 12 lakhs income group employees perceived least performance.

### **conclusion:**

To conclude performance Management should be linked with strategic goals and objectives in order to improve business performance and develop organizational cultures that foster innovation and flexibility. All the above futuristic vision with PM strategies should be based on 3 H's of Heart, Head and Hand i.e., we should feel by Heart, think by Head and implement by Hand. Last but not the least; The popular slogan, "service of God" exemplified the significance of the human resources in this context. Influence human behaviour in work settings and provide a distinct value to them as compared to physical resources. Human resources are of significance from performance standpoint. They require a particular psychological environment, to work. The essence of psychological environment is motivation which provides dynamism to these unique resources. Apt performance management is in this respect one gets  $2+2=5$  (when adequately motivated through the performance strategies) and  $2 + 2 = 3$  (when carelessly handled). "Service of mankind is the

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