

REVIEW PAPER ON EFFECTIVE PERFORMANCE MANAGEMENT AND REWARDS SYSTEM EFFECT EMPLOYEES WORK PRODUCTIVITY IN THE ORGANIZATIONS

QASEEM ALHAQ SAFI¹ and OBAIDULLAH ZARIFI²

^{1,2} Faculty of Business and Administration, Ministry of Higher Education, Bakhtar University Program: Master of Business Administration (MBA), Kabul, Afghanistan. ¹E-mail: qaseemsafi.safi@gmail.com

Abstract

Almost each organization have performance management and reward system that is expected to achieve a number of key objective of organization with respect to human resources management, the objectives include motivating performance, helping individuals, develop their skills, determining that who should be promoted and who should be demoted in their jobs through the review of research conducted by previous researcher I want to know whether The effective performance management and reward system have effect on employees productivity to organization, if yes which types of effect, through this review paper I come to find that human resource management practice in performance management and compensation especially employee benefit is found to be more important to organizational competitiveness effective performance management and reward system have very positive fruitful relation or effect with employee productivity commitment and job satisfaction

Keywords: Performance management, Reward system, Employees productivity, Appraisal, Organization

INTRODUCTION

Performance Management In this section, major concepts that relate to the subject-matter of this study were scholarly defined and they include performance management, productivity, performance appraisal, employee recognition, and employee feedback and labour-management relations. This we did to ensure that issues of ambiguity/vagueness in the meaning of concepts did not arise. For instance, Wurim (2012) defines performance management as the process used to identify, encourage, measure, evaluate, improve and of course, reward employee performance in an organization. Also, Idemobi and Onyeizugbe (2011) have defined it as a tool which focuses on managing the individual and work environment in such a manner that an individual or team can achieve set organizational goals.

Armstrong and Baron (1998) define performance management as a “systematic process for improving organizational performance by developing the performance of individuals and team. It is Means of getting better results from the organization, team and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements”

Reward System

Organizational reward systems are programmes established by businesses and government agencies to recognize and inspire employees on an individual or collective level (Barto & locke, 2000). This compensation might be intrinsic or extrinsic, monetary or non-monetary, and direct or indirect. The incentive system inside diverse firms has evolved throughout time, moving

away from only cash remunerating people and team members' performance and engagement levels in the workplace. As a result, it's critical to put in place a reward-based system that can meet the organization's output requirements. Employees should be motivated by an organizational

Reward system are central to the Human Resource Management function. Their purpose is to attract talented individuals, motivate them and retain those that have a better fit with the organization. Reward systems have a direct impact (and in most firms the most important one) on the cost side of the organization's financial statement. They are strategic as they influence people's attitudes, behavior and performance (Gomez-Mejia et al., 2010). Here we provide an overview of reward systems and their main component

Employees Productivity

Employee productivity according to Nwachukwu (2006) is the ratio of output created as a result of the process's use of organizational resources. Here the output refers to the quantity and quality of goods and services generated by the organization and inputs refers to the amount of productive resources such as materials, labour, technologies, energy and time used in the creation of a certain product. It is impossible to overstate the importance of productivity in any business, according to Nwachukwu (2006), because corporations pay millions of naira each year to hire personnel who are most suited for their tasks. These are those who are expected to reach or exceed predetermined production targets. Thus, productivity can be increased by increasing output while maintaining steady inputs, or by providing the same output while lowering inputs, or by growing output while lowering output. OECD (2018) define it as the ratio of a volume measure output to a volume measured input; illustratively, Productivity is simply the output of a given resource input at a particular time

Productivity: if you ask what productivity in terms of economics is, we can call it a measure of the output per unit of input. Productivity is one of the primary sources of economic growth and competitiveness. At an enterprise level, productivity measures the efficiency of a company's production process, and can be calculated from the number of units produced or net sales compared to employee labor hours, By Simplilearn Last updated on May 22, 2023

The word productivity first time appeared in literature in 1766. According to Sumanth (1990, p. 01), the term productivity was probably first time used by French mathematician in an article in 1766. In 1883, another French man, Littré, defined productivity as the faculty to produce. Many organisations have defined productivity in different ways. Hereinafter, diverse meanings of productivity coined by different people and organizations in different periods will be presented

We can separately define the productivity for each activity and job, Authors' productivity is defined as the number of papers an author has published within a given duration

Appraisal: Appraisals are judgments of the characteristics, traits and performance of others. On the basis of these judgments we assess the worth or value of others and identify what is good or bad. In industry performance appraisal is a systematic evaluation of employees by

supervisors. Employees also wish to know their position in the organization. Appraisals are essential for making many administrative decisions: selection, training, promotion, transfer, wage and salary administration etc. Besides they aid in personnel research. Performance Appraisal thus is a systematic and objective way of judging the relative worth of ability of an employee in performing his task. Performance appraisal helps to identify those who are performing their assigned tasks well and those who are not and the reasons for such performance.

REVIEW METHOD/ LITERATURE REVIEW

First I have created literature review matrix and then I have been noticed and reviewed 21 journals about Effective Performances Management and Rewards System in Organizations effect employee's work productivity, as some term defined as following and after that the Literature Review Matrix is also I have written below

Management: Is the administrstion of an organization whether it is business,not profit organization or governmentsector

Performance: means the accomplishment of given task measured aginst present known standerd of accuracy, complereness, cost and speed

Performance management: as the process used to identify, encourage, measure, evaluate, improve and of course, reward employee performance in an organization

Is the basis of every human resources management HRM area,PM is described as asystem, which identifies ,measures and develops employees performance,

Reward system is outcomes or events in the organization that satisfy work related needs.

Reward systems are much more than bonus plans and stock options.they often include intrinsic reward extrinsic reward system

Extrinsic Rewards: system it is known as financial rewards. These include salaries, bonuses, allowances and benefits. It is a well-known fact that rewards are link with performance of employees in any organization

Intrinsic Rewards: this mostly refers to autonomy an employee has over the job.most people want the jobs that's provide with the right and priviles to make decisions people want to operate without being closely supervised.

Employees Work Productivity:

Employees work productivity is an assessment of efficiency of worker or group of worker. In actual terms productivity is a component which directly affects company's profits. Productivity may be evaluated in term of output of an employee in a specific period of time.

Table 1

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Adaora chinelo Uzochukwu, Ernest Chukwuebuka Nwankwo and Sunday Okwuchukwu Okafor, 2023	Effect of Reward system on employee's Productivity	Descriptive survey research	Enugu State: hospitality Industry Nike lake Hotel Enugu	Questionnaire	Used Structured Questionnaire to collect data

Table 2

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Stanley Egbe. 2022	rganizational Reward System and Employees' Productivity	descriptive research	Faith Plant Limited Cross River State, Nigeria	questionnaires distributed	Visits sampled company for data collection

Table 3

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Ogbu,Kenneth Chukwuemeka,PHD et all 2020	The effect of Reward management on employee performance	The data were analyzed Quantitatively	Private sector organization in Anambra state Nigeria	Questionnaire	Descriptive Survey

Table 4

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Okafor Chizoba Adaeze, 2019	Performance Management and Employee Productivity: A Study of Selected Firms in Anambra State	Descriptive Research	medium scale organizations in Anambra State, Nigeria	academic journals, textbooks and other academic works Questionnre	descriptive survey

Table 5

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Ajita Chandra , Dr. Durgeshmani Tripathi, Dr.D.S.Chaubey, 2018	Reward management practice and its impact on employees motivation	exploratory as well as Descriptive in nature	Service Organization in lucknow	books, magazine, journals, research paper, questionnaire	survey method, a structured is designed

Table 6

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Tasamba- Bohyi Samson 2018	Performance appraisal Management and teachers effectiveness	Used both Qualitative and Quantitative Approach are used	Colleges in Busoga sub region in Uganda	Question naire Interview Case study	Interview Designed Questionnaire

Table 7

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Dr.Burton A.Aggabao et all 2017	The Performance Appraisal and employees productivity	Descriptive Research method	SIB	Survey Questionnire SPSS is used to aid the researcher in statistical computation of data	Descriptive Research

Table 8

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Naeem Akhter et all 2016	Impact of Training and Development, Performance Appraisal and Reward System on Job Satisfaction	Research study is descriptive	Different COLLEGES	journal, and books, Collected data survey	study journal,books

Table 9

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Stephan Pessl 2016	The performance Management Process	Qualitative research	Austrian Consulting Company	Online survey Using of social media Questionnaire	Study of article, books report

Table 10

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Onyekwelu Njideka Phina1, Anah Stanley Arinze2, Ejike Daniel Chukwuma3* 2015	Effect of Reward and Performance Management on Employee Productivity	Quantitatively approach descriptive survey	Large South-East of Nigeria Organizations in the (Nigeria Breweries PLC Ama-Enugu, Serbmila Industries PLC Onitsha and Nigeria Bottling Company, Irette-Owerri. The choice of these companies)	questionnaire to the respondents Used academic journals and other published works in academics	Used academic journals and other published works in academics

Table 11

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Gichuki, Beatrice W 2014	Influence of performance management on employee productivity in the civil service	descriptive survey	immigration department	structured questionnaire	analysed using descriptive statistics mainly

Table 12

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Anantha Raj A. Arokiasamy, Huam Hon Tat and Abdul Ghani Kanesan bin Abdullah 2013	The Effects of Reward System and Motivation on Job Satisfaction	Qualitative approach	Education Industry in Malaysia	Questionnaire Using college website	Questionnaire distributed to academics staff Using college website

Table 13

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Sufyan Mehmood, Dr. Muhammad Ramzan, Muhammad Tahir Akbar 2013	Managing Performance through Reward System	The Descriptive research design	service organizations	constructive analysis from different articles	exploratory research design were used to conduct the research

Table 14

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Edward E. Lawler III, George S. Benson, and Michael McDermott (2012)	Performance Management and Reward Systems	Survey	Swedish Transport Administration (STA)	-Interviews survey, Email	-Interviews Survey questions asked from employee

Table 15

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Ong Tze San and Yip Mei Theen, Teh Boon Heng 2012	The Reward Strategy and Performance Measurement	Case study approach	Malaysian Insurance Companies	Case study	Case study method

Table 16

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Éva Gergel 2012	Performance Management Examination in Human Resource Management	statistical tests	Certain Profit Oriented Organizations and Mayor's Offices	Questionnaire interviewee different surveys Questionnaire	statistical tests

Table 17

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Pamela F. Resurreccion 2012	Performance Management and Compensation as Drivers of Organization Competitiveness	descriptive research	small and medium enterprises in the Philippines	Survey questionnaire	descriptive research metod

Table 18

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Giovanni Azzone, Tommao Palermo 2011	Adopting Performance Appraisal and Reward Systems a Qualitative Analysis of Public Sector Organizational Change	Qualitative approach Case Study	Italian central government institutions are illustrated	problem is investigated empirically through a multiple case study	Case study

Table 19

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Paolo Taticchi, Flavio Tonelli, Luca Cagnazzo 2010	Performance measurement and management	Citation/co-citation Analysis	small and medium enterprises (SMEs) and large companies		two different Citation/co-citation methodologies

Table 20

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Kulno Türk 2008	Performance appraisal and the compensation of academic staff in the University of Tartu	quantitative and qualitative research methods	University of Tartu University of Tartu Economics and Business Administration Faculty of Education	interviews Questionnaire	Questionnaires and semi-structured interviews

Table 21

Author/s (Year)	Topic/title of the Paper	Type of research	Source of data/Intervention area	Research tools	Research Methodology
Edward E. Lawler III 2003	Reward Practices and Performance Management System Effectiveness		500 companies were under the study	Questionnaire were designed data were collected by e-mail	Survey question were asked from respondents

FINDING AND DISCUSSION

Effective performance management and rewards system plays very crucial role for improving work performance or work productivity of employee in an organization, it has direct relation on profits of organization or company. And it is well known that reward systems are linked with performance of an employee but In condition to use the system in better and appropriate way without any kind of bias the most research paper, journal and article that I have reviewed was agreed that performance management and reward system has direct and positive effect on employees work productivity but if performance management and reward system don't implement properly it will have inverse impact on organization and employees work productivity some organization that cannot identify the requirement of performance appraisal and they don't understand the final result of performance management and also was failed to identify the role and responsibilities of each of their employees in organization and don't apply appropriate reward system these kind of organization faced with a lots of problems in motivating , developing, satisfying their employees finally they are not able to increase work productivity of their employees

CONCLUSION

In current situation the entire working environment they are confronting with lots of challenges related to bring productivity ,employees commitment and job satisfaction to the organization and working environment, The purpose of this paper is to know that whether the effective performance management and reward system effect employees productivity and how it effect employees productivity, therefore I conduct the study to review previous or Existing related research article, literature, published paper, of different researcher and scholar after reviewing different related research paper, articles ,literatures, books that are published by previous researcher and scholar I found that effective performance management and reward system as a highlighted important function of human resource management plays very important and significant role in employees productivity. They strongly support the view that performance Management systems are more effective when there is a connection between the results of the performance management system and the reward system of the organization. Some study shows sizeable wage and salary reward system has very important role on employee's quality of service delivery in hospitality industry since the wage and salary promotes the willingness of employees to use their creativity in workplace the study shows that benefit reward system

has significant effect on employee's commitment.

Also another study was conducted with main aim of determining the influence of Performance Management on employee productivity in Civil Service. More specifically, the study wanted to show the extent to which performance appraisal, explore the extent to which training and development and determine the extent to which rewarding systems influence employee productivity in Immigration Department, The study established that the majority (79.6%) of the respondents who agreed that Performance appraisal gives recognition for good performance and only a small proportion (1.1%) strongly disagreed with this statement

Some study examine that the effect of reward management system on employees 'performance in selected private sector, finding from the study indicate that both extrinsic and intrinsic reward have positive and significant effects on employees 'performance in the organization,. As well some of study revealed that one unit increase in employee performance appraisal process can raise employee productivity by 6.8 percent if other variables are held constant.

It was found that positive and significant relationship exists between employee recognition and productivity, and that a unit increase in employee recognition will lead to 5.4 percent increase in Productivity if other factors are not allowed to vary.

It was also revealed that positive and significant relationship exists between employee feedback mechanism and productivity, such that on unit increase in employee feedback will lead to 4.9 percent increase in productivity.

The result also showed that positive and significant relationship exists between harmonious labour-management relations and employee productivity. In fact, a unit increase in positive labour management relations will increase productivity by 7.1 percent if other variables are held constant.

Some organization they also agree that the mentioned system has crucial role in employees work productivity and for organization success but due to different reasons they are not able to implement the effective performance management and reward system in their organization

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