



A STUDY ON PERFORMANCE MANAGEMENT SYSTEM IN GATEWAY HOTEL COONOOR

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ABSTRACT

This research aims at Performance management system is a key factor used in determining whether an organization can manage its human resources and talent effectively. Performance management provides information on who should be trained and in what areas, which employees should be rewarded, and what type of skills are lacking at the organization or unit level. Therefore performance management also provides information on the type of employees that should be hired. When implemented well, performance management system provides critical information that allows organization to make sound decisions regarding their people resources. The researcher have used 8 universal measures to leadership competencies to appraise the employees they are Communication, Leadership, Adaptability, Relationship, Task management, Production Development of others and Personal development.

Keywords: Performance Management, appraisal, employee satisfaction, Appraisal, Hotel Industry

INTRODUCTION:

Performance management is a continuous process of identifying ,measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization. The central tenet of performance management and performance appraisal is the word performance. The Merriam Webster dictionary defines performance in many ways. Two among these definitions are accomplishment of something or working effectiveness. Performance, on the one hand, is the act of carrying out or accomplishing something such as a task or action while, on the other, it is also the way in which somebody does a job as judged by its effectiveness. As such, performance accrues competitive advantage or the position that any firm occupies against its competitors. According to (1985), the basis of above-average performance within any given industry is sustainable competitive advantage. He also argued that a firm can only achieve sustainable competitive advantage when its value-creating processes and position have not been able to be duplicated or imitated by other firms. On the organisation level, competitive advantage could be achieved if the company has the ability to meet customer needs, compete in the marketplace, carry out strategies and achieve goals. Performance at this level is higher and more strategic. If there are internal systems and processes that are well-established to achieve goals, competitive edge is attainable in the performance level. Performance is further honed by means of continuous improvement strategies, Six Sigma

efforts and other similar initiatives. Competitive advantage at individual levels centers the collective performance resulting to organizational process that contributes to the attainment of organizational goals.

ORGANIZATION PROFILE:

The Indian Hotels Company Limited (HCL) and its subsidiaries are collectively known as Taj Hotels Resorts and Palaces and is recognized as one of Asia's largest and finest hotel company. Incorporated by the founder of Tata Group, Mr. Jamsetji N. Tata the company opened its first property. The Taj Mahal Palace Hotel, Bombay in 1903. The Taj, a symbol of Indian hospitality, completed its centenary year in 2003. Taj Hotel Resort and Palaces comprises more 60 hotels in 45 locations across India with additional 15 international hotels in the Malaysia, United Kingdom, United States of America, Bhutan, Sri Lanka, Africa, the middle East and Australia.

OBJECTIVE OF THE STUDY:

- To understand the effectiveness of the performance management system.
- To identify the suitable training program conducted by the "GATE WAY HOTEL".
- To find the relation between the employee experience & performance.
- To measure the criteria of existing performance appraisal process lineup with employee expectation.
- To analysis the problem associated with performance appraisal and suggest measures to be adopted to overcome these issues.

SCOPE OF THE STUDY:

The scope of the study is to measure the performance level of each individual in the organization. It also gives a 360 degree feedback of the executives in the organization. It also allows critical information that allows organization to make sound decisions regarding their people resources. Performance management system consist of the process used to identify, encourage, measure, evaluate, improve, and reward employee performance at work.

THE CHECKPOINT SYSTEM :

The CheckPoint 360° competency feedback system is a multi-layer, customizable appraisal process that provides managers and leaders with an opportunity to receive an evaluation of their job performance from the people around them – their boss, their peers, and the people whose work they supervise. From this feedback, managers can compare the opinions of others with their own perceptions, positively identify their strengths, and pinpoint the areas of their job performance that could be improved.

PURPOSE:

The Checkpoint 360° is used to help managers identify and prioritize their own development opportunities. It is also used to surface management issues that could lead to low employee productivity, morale, satisfaction, and turnover.

MEASURES:

- Communication
- Leadership
- Adaptability

- Relationships
- Task Management
- Production
- Development of Others
- Personal Development

REVIEW OF LITERATURE:

Hackman.J.R stated that if performance management is implemented correctly with specific objectives tied to the strategic and operational plan, organization performance outcomes will likely increase very quickly.

Gilley& Maycunich an author published an article conveying that development organization embrace performance management processes that enable employees to become their greatest asset. When managers function as performance coaches, they become trainers, confronters, mentors and counsellors.

Hyatt.J stated that within an organization there are three levels of performance. The first level deals with organization as whole, the second level is multifunctional and perform in relation to others make up the third level.

RESEARCH METHODOLOGY

Methodology is a way to solve the research problem systematically . It is a science how research is done scientifically.

TYPE OF RESEARCH:

Research can be defined as a scientific and systematic search for pertinent information on a specified topic. Here, descriptive type of research was followed . Descriptive research includes surveys and fact – finding enquiries of different kinds. The purpose is description of the state of affairs as it exists at the present.

NATURE OF DATA:

The nature of data was primary data. Since the information of data was collected for the first time by the researcher , it is referred to primary data.

POPULATION :

All the items under consideration in any field of inquiry constitutes the niverse or population , here the population is 120.

SAMPLING SIZE:

The sample size was 120 in total which consist of 100 employees and 20 trainers.

SAMPLE DESIGN:

Systematic sampling were used in this study.

TOOLS USED FOR DATA ANALYSIS:

The collected information has been processed manually and analyzed suitably.

The following statistical tools are used in this study ,

- 1.Simple percentage analysis.
- 2.chi –square analysis
- 3.Spearman’s Rank Correlation

SIMPLE PERCENTAGE ANALYSIS:

Simple percentage analysis refers to a ratio, with the help of absolute figures it will be difficult to interpret any meaning from the collected data, but when percentage are found out then it becomes easy to find the relative difference between two or more attributes.

$$\text{PERCENTAGE} = \frac{\text{No .of respondents}}{\text{Total no. respondents}} \times 100$$

CHI-SQUARE TEST:

The chi-square test is also referred to as a test of a measure of fit or "goodness of fit" between data. Typically, the hypothesis tested is whether or not two samples are different enough in a particular characteristic to be considered members of different populations. The chi-square analysis is used to test the null hypothesis (H_0), which is the hypothesis that states there is no significant difference between expected and observed data. Investigators either accept or reject H_0 , after comparing the value of chi-square to a probability distribution. Chi-square values with low probability lead to the rejection of H_0 and it is assumed that a factor other than chance creates a large deviation between expected and observed results.

$$\chi^2 = \sum \frac{(\text{Observed frequency} - \text{Expected frequency})^2}{\text{Expected frequency}}$$

SPEARMAN ‘S RANK CORRELATION COEFFICIENT:

The Spearman correlation coefficient is often thought of as being the Pearson correlation coefficient between the ranked variables. In practice, however, a simpler procedure is normally used to calculate ρ . The n raw scores X_i, Y_i are converted to ranks x_i, y_i , and the differences $d_i = x_i - y_i$ between the ranks of each observation on the two variables are calculated.

If there are no tied ranks, then ρ is given by:

$$\rho = 1 - \frac{6 \sum d_i^2}{n(n^2 - 1)}$$

DATA ANALYSIS AND INTERPRETATION**TABLE SHOWING THE GENDER WISE CLASSIFICATION OF THE RESPONDENTS**

GENDER	NUMBER OF RESPONDENTS	PERCENTAGE%
MALE	86	72
FEMALE	34	28
TOTAL	120	100

INFERENCE:

It can be inferred from the above table that 72% of the respondents are male and 28% of the respondents are female.

TABLE SHOWING THE CATEGORY WISE CLASSIFICATION OF THE RESPONDENTS

CATGORY	NUMBER OF RESPONDENTS	PERCENTAGE%
EXECUTIVE	10	8
SUPERVISOR	15	13
STAFF	95	79
TOTAL	120	100

INFERENCE:

It can be inferred from the above table that 8% of the respondents are at executive category and 13% of the respondents are at supervisor category and 79% of the respondents are at staff category.

TABLE SHOWING THE AGE WISE CLASSIFICATION OF THE RESPONDENTS

DEPARTMENT	NUMBER OF RESPONDENTS	PERCENTAGE%
FRONT OFFICE	12	10
FOOD PRODUCTION	27	22
F&B SERVICE	30	25
HOUSE KEEPING	20	17
ENGINEERING	20	17
FINANCE	11	9
TOTAL	120	100

INFERENCE:

It can be inferred from the above table that 10% of the respondents are from front office department. 22% of the respondents are from food production department. 25% of the respondents are from f&b service. 17% of the respondents are from house keeping department. 17% of the respondents are from engineering department. 9% of the respondents are from the finance department.

NEED TO IMPROVE THE EXISTING PMS

LEVEL	NUMBER OF RESPONDENTS	PERCENTAGE%
STRONGLY AGREE	0	0
AGREE	0	0
DISAGREE	98	98
STRONGLY DISAGREE	2	2
TOTAL	100	100

INFERENCE:

It can be inferred from the above table that 98% of the respondents disagree that there is no need to improve the existing performance management system, 2% strongly disagree that there is no need to improve the existing performance management system.

It is been inferred that the majority of Gateway hotel employees has refused to improve the existing performance appraisal system.

CHI-SQUARE ANALYSIS:

OPINION TOWARDS EXISTING PERFORMANCE MANAGEMENT				
OCCUPATIONAL CATEGORY	YES	NO	NOT CERTAIN	TOTAL
EXECUTIVE	7	0	3	8
SUPERVISOR	12	0	1	13
STAFF	78	0	1	79
TOTAL	95	0	5	100

O	E	(O-E)	(O-E) ²	(O-E) ² /E
7	7.6	-0.6	0.36	0.04736
0	0	0	0	0
3	0	2.6	6.76	16.9
12	12.35	-0.35	0.1225	0.00991
0	0	0	0	0
1	0	1	1	0
78	75.05	2.95	8.7025	0.11595
0	0	0	0	0
5	3.95	1.05	1.1025	0.27911
TOTAL				17.3523

Degree of freedom = 4

Calculated value = 17.3523

Level Of Significance =0.05

CHI- square value = 9.488

Inference: Since the calculated value is greater than the table value, hence H_0 is rejected, category of employees is not independent with their opinion towards the satisfaction level of the existing performance management system.

Activities in annual performance appraisal	Implemented (X)	Not implemented (Y)	RANK (X)	RANK (Y)	D=X-Y	D ²
Circulation of employee feedback	95	5	2	3	-1	1
Recommendation by supervisor	76	24	4	1	3	9
Interview for promotion	90	10	3	2	1	1
Counseling and feedback	98	2	1	4	3	9
N = 4					$\sum D^2 = 20$	

SPEARMAN'S RANK CORRELATION:

$$=1 - \frac{6\sum D^2}{N(N^2-1)}$$

$$=1 - \frac{6*20}{4(4-1)}$$

$$=1-2$$

$$=1$$

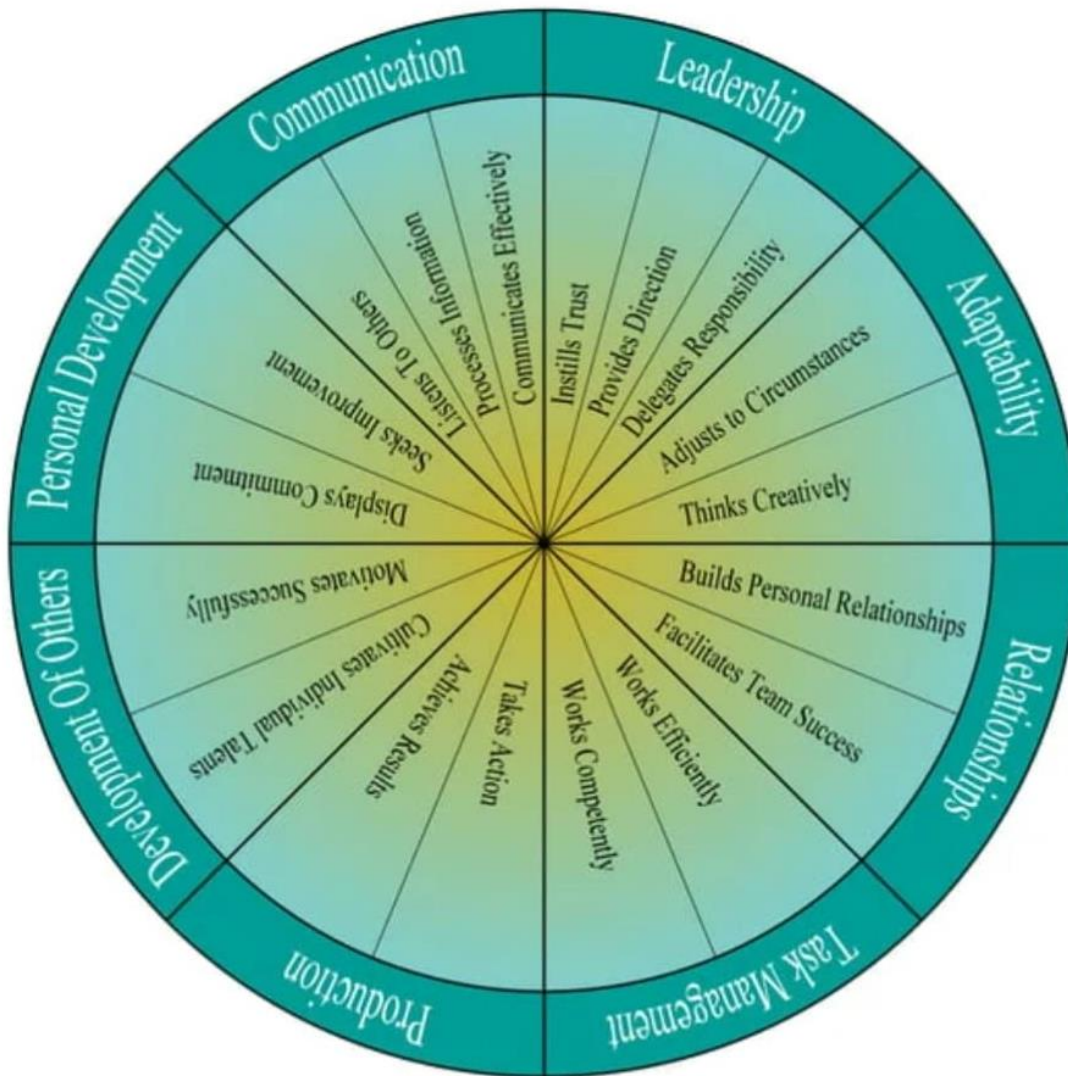
INFERENCE:

There is a positive correlation coefficient thus the activities in annual performance appraisal is effectively incorporated.

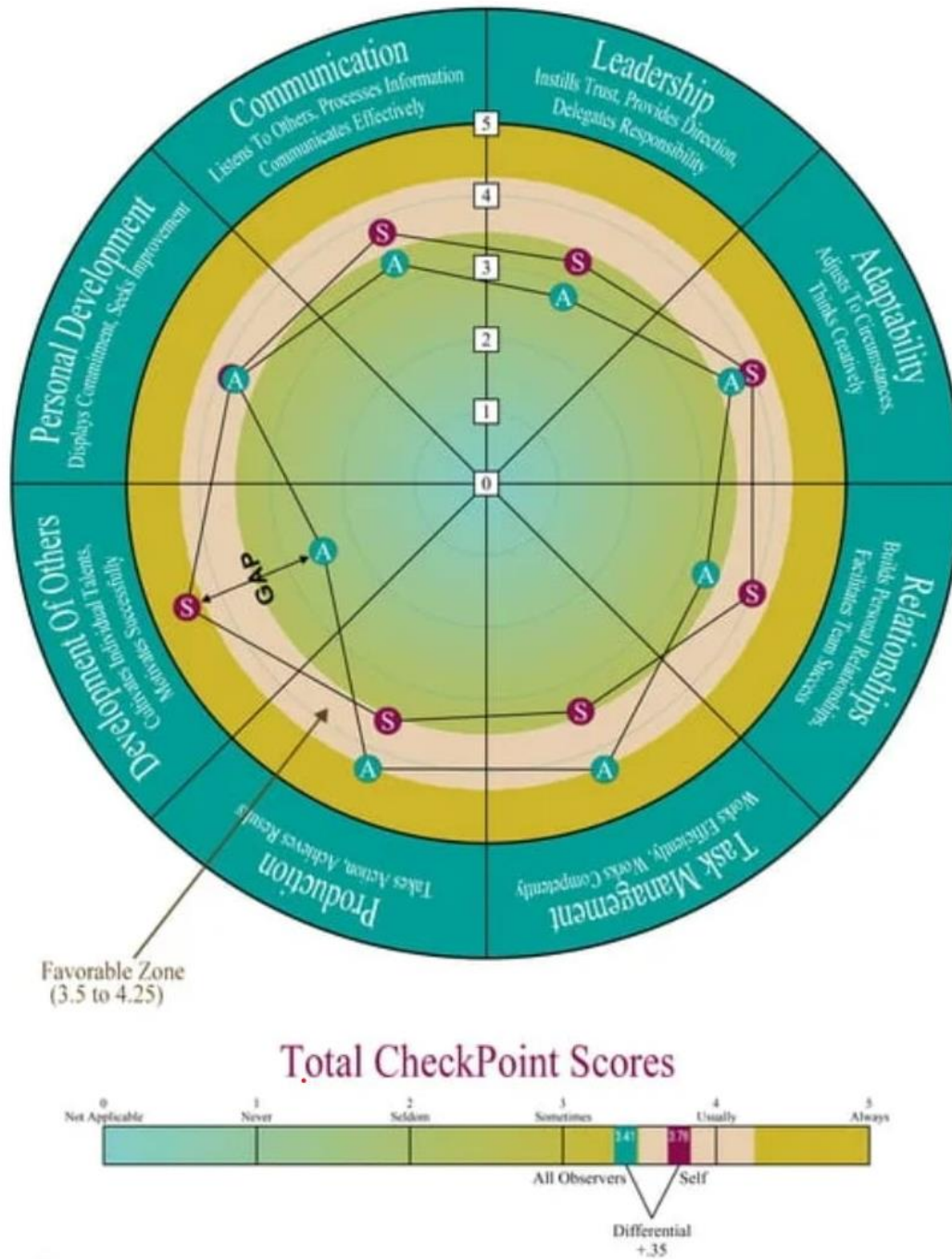
CHECK POINT ANALYSIS

360 DEGREE COMPETENCY FEEDBACK SYSTEM

This report includes responses from: Self,Boss,3Direct Reports,4 Peers



OVER VIEW OF SELF vs. ALL OBSERVERS



COLOR KEY : S SELF A ALL OBSERVERS

FINDINGS:

- It has been found that **72%** of the respondents are male and **28%** of the respondents are female.
- It has been found that table that **8%** of the respondents are at executive category and **13%** of the respondents are at supervisor category and **79%** of the respondents are at staff category.
- It has been found that **10%** of the respondents are from front office department. **22%** of the respondents are from food production department. **25%** of the respondents are from f&b service

.17% of the respondents are from house keeping department. 17% of the respondents are from engineering department .9% of the respondents are from the finance department.

- It has been found that **100%** of the respondents are aware of the existing performance management system of the organization.
- It has been found that **95%** of the respondents satisfied with the excising performance management system of the organization
- It has been found that **92%** of the respondents have agreed that guidelines and criteria of performance management process are in line with the employee's expectations.
- It has been found that **86%** of the respondents agreed that the existing performance management system is effective enough to retain employees in the company.
- It has been found that **98%** of the respondents have agreed that there is no need to improve the existing performance management system.
- It has been found that activities in annual performance appraisal are effectively incorporated by using spearman's rank.

SUGESSTIONS:

- Performance management must require a partnership in which both manager and employee participate and are held mutually accountable.
- The performance management process is the cornerstone for creating a culture of accountability and development necessary for GateWay Hotel to reach its goals.
- Effective performance management requires all employees with supervisory responsibilities to develop new coaching skills.
- Analysis of performance management in terms of key result areas KRA's refer to general areas of outcomes or outputs for which a role is responsible. The KRA's should be clearly defined. Once, the KRA's are defined the individual can chart a process to achieve the KRA's. KRA's are also known as Key Work Output's (KWO's).
- New methods of appraisal should be adopted so that both appraiser and the appraise take interest in the appraisal process.
- The employees who have excellent performance should be used as a mentor for other employees which would motivate others to perform better.
- Employee should be given feedback regarding their appraisal. This will help them to improve on their weak areas.
- Explain to employees how their performance impacts the achievement of their personal and professional goals.

CONCLUSION:

Performance measurement has long been used by hospitality industry to assess different business factors. In general, three methods are being used to measure performance: financial, non-financial and integrated approaches. While these approaches have their own advantages and drawbacks, the goal of their application remains one and the same. Through the beneficial effects of performance measurement, businesses are able to create successful strategies towards success. Therefore there is no lack of energy and enthusiasm by the employees of the Gate Way. Employees have a passion for the mission of the hotel and work here because of the creativity, innovation and knowledge generated by the hotel. The hotel can reach its goal by investing in its employee's .By committing to its employees, they will in turn, give much more to the Gate Way Hotel.

SCOPE FOR FUTRE RESEARCH:

The present study on performance management helps to get a clear picture about the effectiveness of the employee. This in turn helps the organization to make sound decision regarding their people resources. The study can also be extended for the guests to find the satisfaction level of service provided by the employees of Gateway hotels. It can also focus on reward system based on employee performance. Hence performance management system is a key factor used to determining whether an organization can manage its human resource and talent effectively.

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