UNDERSTANDING PERFORMANCE MANAGEMENT:
A FIELD OF RESTAURANT INDUSTRIES

M. Revathy,

Ph.D Research Scholar,
Bharathiar University,
Coimbatore, India.

Dr. K. Anandanatarajan,

Assistant Professor,
Department of Business Administration,
Annamalai University,
Chidambaram, India.

ABSTRACT

The purpose of this research is to make the professionals of restaurant industries aware of the variables of work practice of performance management among the Chidambaram area casual restaurant sector. In the current study, the independent variable is performance appraisal and employee performance is considered to be the dependent variable. The sample population for the study was the professionals of restaurant sectors. The respondents were selected through convenience sampling. For the need of the study, 100 samples are used. Regression analysis was performed to find out which among the six factors of performance appraisal is having highest influencing on the employee performance.

Keywords: Performance Appraisal, Employee Performance.

INTRODUCTION:

Several organizations are making a move towards performance management. This method is embedded with some basic rules; future goals should be planned and should be consented upon by both the supervisor and the subordinate, values for assessing the success of employees for achieving the goals should be clearly expressed, flexible goals should be fixed so as to reflect the ever changing economic conditions and finally the most important, the employees must be made convenient to accept the manager as their guides who assists them in accomplishing success, rather than the as a person giving comments on their performance.

Performance management is expected to explore new ways for fine tuning and making improvements in the systems, rather than pointing out the pitfalls of employee performance.

The history of performance appraisal can be rooted to the early 20th century, that is, during the motion studies and pioneering time studies period of Taylor. Performance appraisal is a procedure of formal management which is used in assessing the employee's work performance and its arrival can be dated from the period of Second World War, nearly 60 years back.

PERFORMANCE MANAGEMENT:

Performance management (PM) is said to be a process which is oriented towards the goal of maximizing productivity of workers, groups and the organization as a whole. This process assists in achieving the strategy of assessing and improving the workforce's value. The process also discloses that there is a close correlation between performance and incentives.

It is a procedure with the help of which managers make sure that the performance of employees is oriented towards the goals of the organization. Performance management needs to know the activities which are expected from the employees, analyzing whether those activities are in line with the organization, offering feedback and finally the expectations are met by the employees and the managers too. During the period of offering feedback, both the supervisors and subordinates examine their performance and create new ways to solve these issues. Performance management is embedded with a main concept of performance appraisal. The system of performance appraisal is considered to be an aspect of motivation. According to a famous theory of motivation, it is rightly said that,

$$PERFORMANCE = ABILITY \times SKILL$$

The Concept of Performance Management:

The concept of performance management has been defined by several authors. Among all these statements, many of them referred this performance management as a trial to gain good outcomes for the concern, groups in the concern and the individual as well. This is done in order to recognize and supervise the employee's performance towards the objectives, capabilities and levels as planned earlier.

The method of performance management is considered to be as a control system which is a closed loop. This method makes use of the policies and strategies and also gets feedback from all the levels of workers in order to administer the performance in business. While Hendry, according to Bradley and Perkins (1997) performance management is regarded as the systematic approach for increasing the performance of employees or groups in order to achieve the goals of the organization as a whole.

OBJECTIVE OF ARTICLE:

The purpose of this research is to make the professionals of restaurant industries aware of the variables of work practice of performance management among the Chidambaram area casual restaurant sector.

REVIEW OF LITERATURE:

Ima Fatima, et al., (2015) have made a study on the Conceptual Framework regarding the system of Performance Management among Construction Companies of Indonesia. There are several factors which determine the success of a company. One important factor that is responsible for the success of the

company is the excellence of the performance management system of the company. The system of performance management is a formal procedure that a company uses to engage its employees for achieving the goals and objectives of the concern. In the face of heavy business competition, the best approach to make the employees more productive, enhance their motivation and create also to increase the performance of the business of the company, the best possible approach is to follow a good performance management system. The authors of this paper had made an attempt to present an alternate framework for performance management among the Indonesian construction companies. The system of performance management which is knowledge based was framed by these authors. This system was found to be more suitable for Indonesian construction companies, particularly in the face of global competition.

Wei-Shong Lin, Jen-Chun Tou and Ming-Yih Yeh (2014) found that in today's era the restaurant industry has taken the form of chain organization. In the face of asymmetric information, indeed, since the managers of chain stores are in the pace of serving varied markets; these restaurant chains are facing difficulties in administering those managers. If the problem of the agency is to be solved, then there is a need to frame a proper system of incentives for those managers. On the other hand, measurement of performance is indeed a serious element of any scheme of providing incentives. Therefore, the current research identified the suitable measures for evaluating the store manager's performance. Findings of the study showed that such measures actually had positive effects in the growth of restaurant chains. Additionally, it was also found that a standardized operation could also help in the fact growth of these chains. Furthermore, strengthening the positive relationship between chain growth and performance measures based on quality is possible only through a compensation which is bonus-based. For the management of these chain stores, there is a need to align the standardization of operations, modes of rewards and quality related measures of performance.

Paolo Taticchi, Flavio Tonelli and Luca Cagnazzo (2010) have made a study on the performance measurement and management. The main idea of this research is to analyze the literatures regarding the PMM (performance measurement and management) for every type of enterprises, may it be small, medium or even large. Based on their study, the authors also tried to present information for future studies in the same field. Update of the Neely's work is made in this paper (''the evolution of performance measurement research''). Two types of methodologies have used in the literature review of this paper. The literature regarding performance management was analyzed using the analysis of citation/co-citation. On the other hand, the literature for performance measurement and management was analyzed through a chronological review. The findings of these reviews revealed the fact that the literatures for large companies was somewhat matured, but there was still a lack in literature regarding small and medium scale industries. On the whole the study states that the research field is nowadays entering a new phase of research. The current paper dealt only with the wok that is directly related to performance measurement and program. But the research topic regarding management accounting and control was missing in this paper and hence future studies can be done on those topics. The research enlarges Neely's work in two magnitudes: the evolution of the field of research from 2005 to 2008 and the examination of the ''performance management'' aspect. The research done by these authors will be useful for those scholars who are making a research on the measurement and management of business performance and for those who are interested in the evolution of the literature and also to those who are engrossed in areas for future research.

A comparative study was done by Cappelli and Anna (2016) between the traditional PMS with the existing needs of the concerns. PMS evolved from several decades by getting influenced by economic and historical contexts. Appraisal system mainly focused on the concept of finding the ones who are fit for the concern, how to give rewards, and how to make the unfit persons go out of the concern in early days. But as years passed by, this scenario totally changed. The present day PMS sheds its focus on both the performance of employees and the employee's overall development.

KAMRAN AHMED MALIK AND BARIRA BAKHTAWAR, (2014) had made a research on the influence of the system of performance appraisal on the performance of employees, how their respective systems are perceived by the employees and also what are the effects of this system on their performance. Data was collected with the help of a questionnaire. the sample population was the employees of both contractual and permanent nature. Sample size was fixed at 96. the perceptions of

employees regarding their system of performance appraisal were analyzed with the help of a Z-test and 7 hypothesis were also framed for this purpose. The results of the study show that there exist heavy deviations related to the replies from the permanent as well as contract workers. The workers of permanent cadre exhibited anger towards the existing system of performance appraisal. They expressed the feeling that it is an irrelevant system which had no value as it is poorly linked to the benefits and compensation system.

Research Gaps:
The above literature reviews show the fact that a very few researches have been made on PMS and its effect on the performance of the organization. Also, most of the studies have been done from the viewpoint of nations that are developed. It is a real fact to consider that only limited studies are done from the viewpoint of nations that are developing, in particular, the restaurant industries (Joshi, 2001)

RESEARCH METHODOLOGY:

The sample population for the study was the professionals of restaurant sectors. The respondents were selected through convenience sampling. This type of sampling was opted as it provided easy accessibility and ease to the scholar. Further, this mode of selecting sample population saved time and money too. For the need of the study, 100 research questionnaires were printed. These questionnaires were given for getting response from the target population from the period of March 2017 to July 2017.

ANALYSIS AND INTERPRETATION:

Model Summary

R	R Square	Adjusted R Square	F	Sig.
.747(a)	.557	.552	106.843	.000(a)

a Predictor: (Constant), Performance appraisal

Coefficients (a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.931	.100		29.208	.000
Performance is effectively monitored	.103	.026	.151	3.978	.000
Do you agree with the evaluation results you get	.121	.018	.247	6.614	.000
Promotion opportunities fair and satisfactory	-.079	.024	-.179	-3.227	.001
Performance Appraisal affects performance	-.190	.021	-.531	-9.002	.000
Level of wage affects performance	.089	.029	.136	3.037	.003
Rewarding mechanism affects performance	.197	.020	.369	9.691	.000

a) Dependent Variable: Employee Performance

The 6 predictors are focused to see if they are significant statistically. If they are significant, the next step was to see the way or direction in which they are related. It was found that all the factors of performance management are significant. It was also seen that there was a positive coefficient, which in turn indicated that all the statements in the table were seen to influence this performance management. Analysis through regression of the performance appraisal in an overall way is exhibited in the above table. The table of correlation shows that employee performance is related with the other variables. Regression analysis was performed to find out which among the six factors is having highest influencing nature on the performance appraisal. In the current study, the independent variable is performance appraisal variable and employee performance is considered to be the dependent variable.

Multiple regression analysis showed that the coefficient value (R^2) is 0.557. This shows that 55.7% of the variables that are independent influenced the performance of the employees.

ANOVA was performed to find out if this coefficient value (R^2) is significant. 106.843($P<0.000$) was the value obtained for "F". Therefore it was determined that dependent and independent variables were having significant relationship. It was also ascertained that employee performance is predicted by performance appraisal.

CONCLUSION:

On the basis of the results of the study, findings and suggestions were made. The results of the study showed that performance appraisal is predicted by all the statements discussed in the table.

It is a well-known fact that every field of study is embedded with certain drawbacks. This applies to the current study too. Future researches may help to rectify all these limitations. The area of the research of this study was limited to the workers in the restaurants of Chidambaram area alone, which is a major drawback. In future researches, other areas of Tamilnadu can also be taken to rectify this limitation.

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