

A STUDY ON IMPORTANCE OF HUMAN RESOURCE MANAGEMENT IN PROMOTING EMPLOYEE PERFORMANCE TOWARDS SCIEL HR SERVICES AT COIMBATORE

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Abstract

This study examines the significant impact of Human Resource Management (HRM) on boosting employee performance within organizations. As companies increasingly value human capital as a vital source of competitive edge, strategic HRM practices—such as effective recruitment, employee training, performance evaluation, fair compensation, and strong employee relations—have become more essential. The research analyses how these HRM strategies contribute to employee motivation, job satisfaction, and overall efficiency. By employing both qualitative and quantitative research approaches, data were gathered from HR professionals and employees across multiple industries. The results demonstrate a clear positive link between well-implemented HRM practices and enhanced employee performance. Additionally, the study emphasizes the importance of aligning HR strategies with organizational objectives to ensure long-term success. The findings advocate for consistent investment in HRM to build and maintain a productive and high-performing workforce. Practical recommendations are provided for HR practitioners and leaders aiming to strengthen employee performance through strategic human resource initiatives.

Keywords: *Employee Performance, Training and Development, Performance Appraisal, Compensation and Benefits, Recruitment and Selection, Motivation, Work Environment, Employee Engagement, Organizational Performance, Talent Management, Job Satisfaction, HR Practices, Employee Productivity, Strategic HRM.*

Introduction

Human Resource Management (HRM) is crucial for boosting employee performance as it focuses on managing people effectively to achieve organizational goals. HRM plays a vital role in talent management, attracting, developing, and retaining skilled employees, ultimately enhancing overall productivity. By implementing effective HR practices, organizations can foster a positive work environment, improve employee engagement, and align individual goals with the company's objectives.

Employee performance is the current buzzword and is the need in the current times of cut throat competition and the organizational battle for leadership. Performance management is a much broader and a complicated function of HR, as it encompasses activities such as joint goal setting, continuous progress review and frequent communication, feedback and coaching for improved performance, implementation of employee development programmes and rewarding achievements. The process of performance management starts with the joining of a new incumbent in a system and ends when an employee quits the organization.

Statement of the Problem

The company are expected to motivate their workers in order to increase their performance so as to be profitable. Some organizations take workers for granted by not providing adequate training and compensations for hard work as human elements in the achievement of the organizational goals. This has in some cases affected the productivities of workers and in turn the profitability of such organizations. The

study therefore finds out how workers can be managed to enhance their productivity and at the same time increases the profitability of the organizations. Managing the employee performance is important for an organization, as it helps organizations ensuring employees are working hard to contribute to achieving the organization's mission and objectives. Moreover, performance management system provides a completed and professional management process for organizations to assess the performance results of organizations and employees.

Objectives of the Study

1. To examine the strategic role of Human Resources Management (HRM) in enhancing employee performance within the industry.
2. To explore the various HRM practices and strategies that contribute to fostering a high-performance culture.
3. To analyse the impact of recruitment and selection processes on employee performance and organizational outcomes.
4. To investigate the role of performance management system in clarifying expectations and driving continuous improvement in employee performance.
5. To highlight the significance of employee engagement initiatives in promoting a positive work environment and enhancing performance levels.
6. To provide commendations based on insights from reputable HRM organizations for optimizing HRM practices and driving sustained improvements in employee performance.

Scope of the Study

The present research study has a very wide scope. It covers various aspects which is useful in several ways.

1. The scope of the study is very wide since management of the performance of various employees have greater impact over the growth of the industry.
2. It is to find out the opinion of respondent regarding performance management system in the organization.
3. From the opinion of the respondents, the study would provide an attempt to monitor the changes in the performance management system and suggest some suitable ways to improve the quality of the organization in order to increase its productivity.

Limitations of the Study

1. Due to time constraint, the researcher has covered only a sample of 120.
2. Employees are hesitate to express their problems about the management system as they feel that performance management system is a management issue and is not ready to give opinion against management is the biggest limitation for the study.
3. Most of the employees are overload with work and don't find time to spend in filling up the questionnaire.
4. Due to lack of time interview schedules could not be used to collect data.

Review of Literature

Armstrong (2023) The appraisal system should be designed towards the development of employees' career through continuous training which leads them to psychometric matters such as right attitudes, perceptions, leadership practices, teamwork and organization culture. Job commitment, motivation and incentives or rewards only work if the organization is able to establish clear performance objective goals at each stage

within the organization. Besides, performance appraisal is a systematic method of appraising individuals and giving meaningful feedback on which employee's performance improvement could be made. Indicated in their research study that performance appraisal is only effective based on the following principles which is, desired performance minus the actual performance equivalent to the need for action—taken by the management to motivate and retain the employees.

Baron (2023) Performance evaluation provides a strategic link through their evaluation and audit, in order to become aware of the skills, abilities, knowledge, and behaviour of employees. In this way, senior management learns about how to meet the current and future needs of their organization and receives appropriate feedback on the alignment of employee behaviour toward the achievement of goals, and whether individuals meet the requirements for achieving organizational goals.

Research methodology

Research methodology is a way to systematically solve the research problem by applying various research techniques along with the logic behind problem. Research methodology is the specific procedures or techniques used to identify, select, process, and analyse information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability

Research design

The problem that follows the task of defining the research problem is the preparation of the design of the research, popularly known as the research design. Research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

Sample Design

Sampling may be defined as the selection of some part of an aggregate or totality on the basis of which a conclusion or inference about the aggregate or totality is made. In other words, it is the process of obtaining information about an entire population by examining only a part of it.

Data Collection Method

Primary Data: Primary data has been the data originated by the researcher for the specific purpose of addressing the research problem. A questionnaire was used to obtain the information from the respondent.

Secondary Data: Secondary data means data collected by someone else earlier. Surveys, observations, experiments, questionnaire, personal interview, etc. Government publications, websites, books, journal articles, internal records etc.

Sample Size: A total of 120 samples have been selected for the study.

Sampling Techniques

We have adopted convenient sampling technique in our survey in this method sampling units are chosen primarily in accordance with the investigator's convenience. The following statistical tools have been used to analyse the data. The collected data have been analysed with the help of statistical tools like chi-square test and simple percentage analysis.

Chi-Square analysis Null Hypothesis H₀: There is no significance between the experience of the respondents and effective in increasing productivity.

Alternative Hypothesis: H₁: There is significance between the experience of the respondents and effective in increasing productivity.

	Value	df	Asymp.Sig.(2-sided)
Pearson Chi-Square	2.341E2 ^a	16	.000
Likelihood Ratio	227.516	16	.000
Linear-by-Linear Association	103.347	1	.000
N of Valid Cases	123		

Result

The Chi-Square tests (Pearson and Likelihood Ratio) both reveal a highly significant association ($p < .001$) between the variables. The Linear-by-Linear Association also indicates a significant linear trend ($p < .001$). However, the high percentage of cells with low expected counts (60%) suggests these significance levels should be interpreted with caution due to potential reliability issues.

Correlation: The table shows that the relationship between income of the respondents and satisfaction level of present appraisal system

Correlations

		Income of The Respondents	Satisfaction Level of Present Appraisal System
Income of there spondents	Pearson Correlation	1	.975**
	Sig.(2-tailed)		.000
	N	123	123
Satisfaction level of present Appraisal system	Pearson Correlation	.975**	1
	Sig.(2-tailed)	.000	
	N	123	123

** .Correlation is significant at the 0.01 level (2-tailed).

Result

A very strong positive correlation ($r = .975$, $p < .001$) exists between respondents' income and their satisfaction with the appraisal system. Higher income levels are very strongly linked to greater satisfaction with the appraisal process.

ANOVA

Null Hypothesis

H₀: There is no significant relationship between educational qualification of the respondents and suggest some parameters have to be included in performance.

Alternative Hypothesis

H₁: There is a significant relationship between educational qualification of the respondents and suggest some parameters have to be included in performance.

ANOVA						
Educational Qualification of The Respondent		Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	(Combined)	119.243	4	29.811	228.307	.000
	Linear Term	Unweighted	98.457	1	98.457	754.038
Weighted		115.399	1	115.399	883.785	.000
	Deviation	3.844	3	1.281	9.814	.000
Within Groups		15.408	118	.131		
Total		134.650	122			

Result

From the above analysis, we find that calculated value of the F-value is positive 228.307 value, so H₁ accept. Since the P value 0.000 is less than < 0.05 regarding there is a significant relationship between educational qualifications of the respondents and suggest some parameters have to be included in performance. The results are **significant** at 4% level.

Suggestions

1. The company investigate the reasons behind dissatisfaction with provided benefits and consider adjusting them to better suit employees' needs.
2. The company provide clearer communication regarding promotion policies to align employee perceptions with organizational objectives.
3. The company address gaps in training opportunities to ensure all employees have access to sufficient skill development resources.
4. Company should enhance communication channels to address concerns regarding communication effectiveness with in the organization.
5. The company implement initiatives to support employees in achieving a better work life balance, considering the prevalence of work-related stress.
6. The company provide more opportunities for career growth and advancement to address dissatisfaction and promote employee retention.

Conclusion

HR's performance management role is evolving. It comprises long-term planning, new hire training, and cutting-edge software. By adapting to these changes, human resources professionals may help companies succeed, keep employees happy, and develop. Every organization should adopt a performance management system to maximize employee potential to achieve its goals. The integration of performance management systems in to larger HR technology ecosystems will facilitate more data exchange and insights among HR departments. The future will witness a substantial influence on the capacity of human resources to develop and implement effective performance management systems due to the transformations occurring



in the nature of work. Human resources professionals will need to adapt to these changes and seek innovative strategies for enhancing productivity, growth, and achievement.

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