
**PERFORMANCE MANAGEMENT: EXAMINING THE CURRENT
PRACTICES & PERCEPTIONS OF HR PROFESSIONALS**

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ABSTRACT

Contemporary business organizations are facing novel issues in achieving their performance standards. This may be accounted to either having a lack of an effective PMS or lack of an ability to efficiently implement a well-established PMS. This ultimately may result into low performance, low employee and organizational productivity, wastage and loss of resources, non-achievement of goals, low profitability, low credibility and organizational failure. No business organization is in the position to tolerate low performance in today's highly competitive environment where it can be a matter of life and death for a company's survival. Organization's Performance Management System and Practices plays a crucial role in being instrumental to the achievement of the performance standards of the organization in the best possible manner. Further, performance management tools and practices also serve as the tool of HR. As performance management is all about managing people for improving their individual and organizational performance and PM efforts are mostly linked to various HR sub-systems and functions.

The study aims to highlight the performance management practices undertaken by companies to ensure high performance standards. It further attempts to identify the gaps in organization's Performance Management Systems or Practices and suggest measures to fill the gaps and channelize efforts for improving employee and organizational performance.

To capture the information on current PM practices and views of HR professionals on the same, primary data was collected from a convenience sample of 27 companies of Vadodara District, Gujarat using a structured questionnaire.

The rationale behind the study is to highlight the fact that companies still struggle with having and implementing a proper performance management system. Many companies are still ambiguous about the difference between the traditional performance appraisals and modern performance management. They are unaware about the core elements of performance management systems and

necessary activities to be undertaken as a part of performance management practices. Though believe that they are implementing PM in their organizations; however, they are way far from the actual performance management activities and practices.

Performance Management is a continuous effort of planning the work performance, jointly setting the goals with individual subordinate, managing his performance through continuous coaching, review and feedback and creating opportunities for employee to learn more about his/her own profession, and rewarding well-performing employees. Improved individual and organizational performance, retained and satisfied employees, productive employees, greater accountability, responsibility and commitment, high engagement are the expected outcomes of PM efforts.

Keywords: Performance Management, PMS, PM Practices, PM Activities, PM process, HRM