A Study of gender perception regarding Performance Management Systems in the organisations

Dr. Shine David, Yasha Bakshi, Poorva Mittal, Mohammad Fahad

Abstract— This paper aims at studying the similarities or differences in gender perception on various parameters of performance appraisal system in their respective organisations. Data has been collected from 150 employees engaged in private sector with minimum 1 year of experience in a particular organisation. The respondents belong to different types of organisations ranging from IT, pharmaceutical, education, Textile etc. The result of the research suggests that the Gender perception varies largely due to failure of organisation to create a healthy culture to promote gender sensitization, and the Gender perception is quite similar due to transparent Performance Management System and Policy. The significant difference in Gender perception is in the area of development planning. The study found that this is due to lower attention paid in career planning of one of the gender. Besides this, gender perception varies in the areas of Job Analysis, Gender sensitization at work place and consulting employees in finalization of decision making process. Apart from these difference Gender perception was found to be similar in many areas such as satisfaction on goal setting, performance evaluation, 360 degree feedback, Training received, Reward and Incentives. This suggests that the organisational policies are fair and equitable. Also the perception is found to be similar in about the understanding of Performance Management System of the organisation, mentoring process in the organisation, the compensation given to the employees. These evidences regarding similarities and differences in the perception of employees regarding the system indicate that the organisations want to implement the fair and equitable Performance Management System but they fail to create an environment within their organisation that could encourage its employees to implement suitable Performance Management System.

Index Terms— Gender Perception, Gender Sensitization, Organisation Culture, Performance Appraisal System.

I. INTRODUCTION

In this world of competition all the organisations struggles to compete and sustain in highly volatile market. For this purpose, all the organisations need a strong backbone of Human Resource and Human Resource Strategies to survive and to give a competitive edge. There is a need to integrated HR processes in the organisations and a need for congruence of HR in every activity of the organisation. So now the role of Human Resource becomes more vital. This includes Job Analysis, Right Fitment, Training and Development,

Dr. Shine David, Assistant Professor, Institute of Management Studies, Indore, India, Mob No. 9425057181

Yasha Bakshi, Student, Institute Of Management Studies, Indore, India, Mob. No. 9179622345

Poorva Mittal, Student, Institute of Management Studies, Indore, India, Mob No. : 9630753639

Mohammad Fahad, Student, Institute of Management Studies, Indore, India, Mob No :9755347864

Recruitment and Selection, HR scorecard, Compensation system and Performance Management System etc.

Among all these mentioned function the most crucial one is Performance Management System. An organisation runs through Human force. It is important to evaluate, improve and reward their performances, not only to improve company's performance in long run but to motivate them to maintain a good performance for their own well being.

Performance Management system is a umbrella term that encapsulates within itself the aspects such as performance evaluation, performance management, counseling and guidance by seniors, and reward and recognition. The system of Performance Management System needs to be implemented very effectively without leaving a room for any differentiation based on gender, caste, creed or Favorites. But such a system is a utopia. There have been cases of gender discriminations observed in some organisations in their Performance Management System. This has lead to emergence of extensively different perceptions of Genders based on how they are being treated during their performance evaluation cycle. In this study we have tried to elicit those factors that would result in difference in gender perception.

II. LITERATURE REVIEW AND METHODOLGY

A. *LITERATURE* REVIEW

Performance Management is a systematic process for ensuring organisational performance by developing the individuals and teams performance. It is a way to acquire better results from the employees by evaluating performance with predetermined goals and desired competency. Processes help understand the target and helps managing employees in a way ensuring that the goals will be achieved in the short or longer term. [1]

Basically Performance Management systems are designed to fulfill their needs.

1. It provides certain guidelines for promotion, transfer and sometimes even demotion.

2. It helps the subordinates understand their weaknesses, their strength and the key areas of improvement.

3. Lastly, it also helps the performance evaluators or the seniors to guide them properly about how to provide counseling or mentoring.

In a general process of Performance Appraisal System, a subordinate is supposed to fill his performance appraisal form in which he has to rate himself on a prescribed scale. Then his boss would conduct a performance appraisal interview to discuss his strengths and weaknesses. There are number of other ways to keep a record of subordinate's performance that depends on the company policy and procedure. A well thought of Performance Appraisal system definitely pays-off.

But a sophisticated implementation of such a procedure is also equally important. Along with the concept of Performance appraisal if the procedure is also taken seriously, it can have a major impact on corporate culture. It can help organisations to be more result- driven rather than creating best- effort environment. The mere way to improve the performance of employees in the organisation is not to revamp the existing performance management system, then appointing highly knowledgeable members of organisation to develop a new procedure in a new direction and moving on with the procedure of Termination in the light if the employee fails to perform according to mentioned standards.[2].

Thus the structure, process and the implementation are backbone for facilitating an exemplary Performance Management System. Besides this, still there are certain resistances from the bosses or evaluators which balk the implementation of appropriate Performance Management System.

Most of the managers face an emotional dilemma while evaluating the performances. For example, how to terminate a person on the basis of poor performance when he is about to retire in few months? Many of the evaluators lack the skill to interview their subordinates. This brings major setback to the effectiveness of performance management system leading to inappropriate evaluation and misleading guidance by the evaluators. In certain traditional companies, the managers hesitate to accept any change implemented in their old appraisal system. A few of them adapt to the new changes and most of them tend to balk to adapt. Also, some evaluators have a attitude to keep criticizing their subordinates irrespective of their excellent accomplishments. Obviously, this fringes the promotion and satisfaction of the subordinates. To meet these challenges there has been implementation of formal controls such as reminders, schedules, training etc [3].

For successful implementation of Performance Management system, it is crucial to understand Change Management also. Lewis's three step model for managing change states 3 stages of change – Unfreezing, Moving, and Refreezing [4]. During the implementation of Performance Management System only the first stage i.e. Unfreezing is achieved. Thus the PMS is a partial success. A research conducted on the reasons for failure of some performance Initiatives states that-the processes are all partially complete in nature because they create the desire for change but do not focus on implementation of change which is the important part. Also, the participative nature of design process limits the situation in which they should be applied [5].

The perception of employees regarding the PMS differs. This perception determines the employee the level of work performance, employee commitment, and intentions of employee turnover. The perception of employees is positively related to the work performance and organizational commitment whereas negatively related to employees' turnover. [6] There is a dearth of a good feedback system which includes discussing appraisal results, communicating appraisals, reviewing of appraisals, participation to determine the effectiveness of rating system.

Many researchers have concluded that there has been gender discrimination during the performance appraisals, there is certainly effect of ratee gender on performance evaluations [7]-[9]. Also few researches have applied gender theory to explain the gender discrimination or specifically pro male biasness in the performance evaluation [10]. Social Cognitive Theory has accepted the development of gender stereotypes within the raters which has acclaimed certain behaviors to men and women. Under the scanner of these stereotypes, men are viewed as more assertive, competent and rationalistic whereas women on the other hand are viewed as emotional and expressive [11]. Conclusively, women are termed are nice but incompetent whereas men are termed as competent but not so nice [12]. But this is applicable only to those who typically carry these stereotypes. This is very essential to control these stereotypes in order to aid proper Performance Evaluations. Motivation was considered to be a tool to reduce these traditional stereotypes but researchers found that it can help to reduce stereotypes but cannot eradicate it [13].

The perception of employees about the Performance Management System has an impact on their thoughts about their own appraisal. In a study, researcher found that the women perceive the performance appraisal system as more effective than men [14]. The perception of gender also depends upon the other factors such as the employees' confidence in their supervisors' qualification, succession and career planning, and the relevance of the tools used in appraisal [15].

Hence, the gender perception varies with the availability of such opportunities. Every employee can sense the culture of equality or inequality provided by the organisation and its policies, on this basis the gender perception highly depends. Also the gender's acceptance of the PMS depends on its reliability and validity [16].

III. OBJECTIVES

Performance Management System is an important part of Human Resource Management to keep the organisation up breast about the strengths and weaknesses of its employees. Employees are the sole asset in the organisation which cannot be imitated by the competitors. Hence, maintaining their motivational level, honing their skills, enhancing their productivity is absolutely crucial task before Human Resource of a company. The entire process of implementation of Performance Management System in the organisation must be meticulously planned and organized. This implementation system should touch upon each and every aspect in order to avoid raising questions related to gender biasness.

This study aims at exploring factors that affect gender perception regarding Performance Management System.

• Extent of Gender sensitization in the organisation

• To show effectiveness and reliability of PMS in an Organisation

• To elicit the factors of difference or similarity in the gender perception regarding PMS.

IV. METHODOLOGY

Before starting this research process, the objectives of the study were developed. Then a questionnaire containing 18 questions extensive from all the aspects of Performance management system was generated and was distributed to employees working in private sector only. The data hence collected was tabulated and analyzed using SPSS to check for

the acceptance or rejection of the hypothesis. Some valuable inferences were drawn out of it.

A. Respondents Details

• Data from 153 employees was collected, out of which 116 are male and 34 are female belonging to an average age group of 20-30 yrs.

B. RESERCH DESIGN

• A questionnaire consisting of 18 questions was circulated among the respondents.

• The responses were collected on a 5 point Likert scale.

C. SAMPLING FRAME

• Employees from Private sector were targeted

• Sampling Size – 150

V. DATA ANALYSIS AND FINDINGS

A. DATA ANALYSIS

First, the reliability test was applied on the sample data using Cronbach's Alpha based on Standardized Items.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.922	.922	18

This result of 0.922 indicates that there is high reliability on the data collected from the sample.

Factor Analysis has been used as a tool to analyze the data. This multivariate statistical technique is used for three primary reasons:

· Reduce the number of variables, from large to small

· Establish underlying dimensions between measured variables and constructs and

· Provide construct validity evidence

The other aspect of Factor Analysis is Kaiser-Myer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity. While the KMO ranges from 0 to 1, the world-over accepted index is over 0.6. Also, the Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study.

The results of KMO and Barlett's Test of Sphericity conducted on the research data is given below:

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.875
Bartlett's Test of Sphericity	Approx. Chi-Square	1766.649
	df	153
	Sig.	.000

The above result satisfactorily suggests proceeding further. In order to summarize all the factors into few main underlying factors we use Principal Component Analysis. On this basis, the numbers of factors those are reasons to majority of other factors come up as 3. These 3 factors are linearly uncorrelated variables called Principal Components

After determining the Principal Components it is essential to determine which variable belongs to which category of Principal Component. Thus the Varimax with Kaiser Rotation is used while deciding how many factors one would analyze is whether a variable might relate to more than one factor. Varimax Rotation maximizes high item loadings and minimizes low item loadings, thereby producing a more interpretable and simplified solution.

Organisation Culture and organization Climate to Facilitate PMS, Level of Satisfaction from current PMS, and Opportunity to Training and Development and Reward and Recognition emerged as the 3 driving factors.

Organisation Culture and Organisation Climate to facilitate PMS	2.506 of 13.918 %
Understandability of process of PMS in the organisation	0.821
Concern by the Management in the finalization of Decision making process	0.806
Adequate training on the understanding of PMS	0.742
Clear understanding on how to get rating in PMS	0.727
Fair and unbiased performance Evaluation	0.725
Counseling by Seniors	0.717
Reliability on 360 degree feedback gathered by management	0.662
Understanding of key result areas	0.517
Transparent Policy and Procedure on Performance Management System	13.928 of 77.378 %
Performance Goal Setting	0.843
Performance Evaluation	0.791
Informal feedback	0.785
Development Planning	0.743
Overall Performance Management System	0.726

360 degree feedback	0.620
Exposure to Training and Development and Reward and Recognition Oppurtunities	1.567 of 8.704 %
Organisation has systematic T&D Activities	0.863
Satisfaction in Training received	0.799
Reward and Recognition received by employees	0.626
Satisfaction by Reward and Recognition received by employees	0.601

On the basis of one way ANOVA applied on the variables following factors for each variable arise.

1. Gender perception on satisfaction in setting of performance goal in their respective organisations with reference to $F (1,148) = 0.177$, $p>0.177$ are significantly similar due to organizational policies.

2. Gender perception on satisfaction in performance evaluation in their respective organisations with reference to $F (1,148) = 0.411$, $p>0.411$ is significantly similar due to justified performance evaluation system.

3. Gender perception on satisfaction in Development Planning in their respective organisations with reference to $F (1,148) = 1.118$, $p<1.118$ significantly differs due to inequitable career development and succession planning.

4. Gender perception on satisfaction in 360 degree Feedback accepted by their respective organisations with reference to $F (1,148) = 0.36$, $p>0.36$ is significantly similar due to justified performance evaluation system.

5. Gender perception on satisfaction in Informal Feedback accepted in their respective organisations with reference to $F (1,148) = 0.791$, $p<0.791$ is significantly different due to organizational environment.

6. Gender perception on satisfaction in Training imparted by their respective organisations with reference to $F (1,148) = 0.215$, $p>0.215$ is significantly similar since companies impart equal training and development opportunities to all the employees.

7. Gender perception on satisfaction in Reward and Incentive given by their respective organisations with reference to $F (1,148) = 0.092$, $p>0.092$ is significantly similar because the organisation disburses rewards and incentives on the basis of quality of their performances.

8. Gender perception on satisfaction on overall Performance management system in their respective organisations with reference to $F (1,148) = 0.533$, $p<0.533$ is quite different. This suggests that the organisation needs more transparent gender sensitization policy.

9. Gender perception on the understandability of goals and key result areas and its relation to the job description with reference to $F (1,148) = 0.533$, $p<0.533$ highly differs since the organisations fail to do Job Analysis before appointing the employees.

10. Gender perception on the reliability of feedback received through 360 degree feedback system in the organisation with reference to $F (1,148) = 0.092$, $p>0.092$ is significantly similar because the organizations have developed an environment conducive to honest feedback.

11. Gender perception on the clear understanding of how to get ratings in PMS in their respective companies with reference to $F (1,148) =0.207$, $p>0.207$ is significantly similar because of fair training and development opportunity given to them by the organization.

12. Gender perception on whether the guidance and counseling by the seniors has brought positive changes to deal with their weaknesses with reference to $F (1,148) = 0.178$, $p>0.178$ is significantly similar since the management is more concerned about retaining employees along with increasing their productivity.

13. Gender perception on whether they receive adequate training on Performance Management System of their company with reference to $F (1,148) = 0.242$, $p>0.242$ is significantly similar since the companies imparts equal training and development opportunities.

14. Gender perception on whether the performance evaluators were fair and unbiased with them in reference to $F (1,148) = 4.299$, $p<4.299$ is highly different due to lack of gender sensitization in the organisation climate and organisation culture.

15. Gender perception on complete understanding by the employees regarding the process of Performance Management System to $F (1,148) = 1.719$, $p<1.719$ is highly different due to use of policies for implementation and evaluation of performance of employees.

16. Gender perception on whether they were made active participants during the implementation of Performance Management System in their company with reference to $F (1,148) = 3.672$, $p<3.672$ is highly different since more importance is given to a particular gender over other in finalization of decision making process of PMS.

17. Gender perception whether the compensation and reward system has recognized employees who have excelled in their jobs by achieving set standards with reference to $F (1,148) = 0.442$, $p>0.442$ is significantly similar because the organisation disburses rewards and incentives on the basis of quality of their performances.

18. Gender perception on systematic Training and Development activities provided by their companies with reference to $F (1,148) = 0.116$, $p>0.116$ is significantly similar since companies impart equal training and development opportunities to all the employees.

VI. FINDINGS OF STUDY

1. Gender perception varies due to failure of Organisational Culture and Organisational Climate to facilitate PMS, Level

of Satisfaction in current PMS, and Opportunity that the employees receive for Training and Development Process

2. Gender perception is found to be similar where the current Performance Management Systems are transparent and imposed uniformly throughout the organisation. Also, it is evident that the employees receiving an equal opportunity to training and Developmental activities along with justified Reward and Recognition carry same perception.

3. This study points out the existence of gender discrimination in performance evaluation system and inability of the Orgnisation Culture and Policy to facilitate a platform for unbiased and fair evaluation.

4. Gender perception significantly differs in the aspects of career development, succession planning, Job Analysis, gender sensitization at workplace, organizational policies, involving employees in finalization of decision making process.

5. There was significant difference in the Gender perception for whether the evaluators were fair and unbiased of all the employees. This indicates that the evaluators tend to be more biased towards a particular gender.

6. The study found that the gender perception varies up to a great extent for whether the management takes into account a particular gender's opinion before finalization of decision making process. This is indicative of lesser importance received by a particular gender in decision making process.

7. Gender perception in their understanding about complete process of Performance Management System also differs largely due to ineffective implementation of Performance Management Policy and also due to biasness exercised by the performance evaluators.

VII.   LIMITATIONS OF STUDY

1. The data has been collected from limited sections of Industry.

2. Most of the respondents belong to the age group of 20-30 yrs. Hence these results may not apply to those not pertaining to this age group.

3. Also, this study does not take into account Performance Evaluator's views in discussion.

ACKNOWLEDGMENT

VII. REFERENCES

[1] Armstrong, Michael. *Performance Management: Key Strategies and Practical Guidelines.* London: Kogan and Page, 2006.

[2] Grote, Dick and Richard C. Grote. *The Complete Guide to Performance Appraisal.* New York: AMACOM Publishing, 1996.

[3] Bourne, M., Neely, A. (2000). Why performance measurement interventions succeed and fail? In Proceedings of the 2nd international conference on performance measurement, pp. 165–173

[4] Lewin, K. (1951) Field Theory in Social Science, Harper, New York, NY. USA

[5] Bourne, M., Neely, A., Mills, J. and Platts, K. (2003) ëWhy some performance measurement initiatives fail: lessons from the change management literatureí, Int. J. Business Performance Management, Vol. 5, Nos. 2/3, pp.245-269.

[6] Bekele, A., Shigutu Demissie, A., Tensay Tsegay A. , *International Journal of Management and Commerce Innovations ISSN 2348-7585 (Online)* Vol. 2, Issue 1, pp: (136-173), Month: April 2014 - September 2014

[7] Deaux, K., & Taynor, J. (1973). Evaluation of male and female ability: Bias works two ways. *Psychological Reports, 32,* 261–262.

[8] Davison, H. K., & Burke, M. J. (2000). Sex discrimination in simulated employment contexts: A meta-analytic investigation.

[9] Martell, R. F. (1996).What mediates gender bias in work behavior ratings? *Sex Roles, 35,* 153–169

[10] Maurer, T. J., & Taylor, M. A. (1994). Is sex by itself enough? An exploration of gender bias issues in performance appraisal.

[11] Del Boca, F. K., & Ashmore, R. D. (1980). Sex stereotypes and implicit personality theory. II. A trait-inference approach to the assessment of sex stereotypes. *Sex Roles*, *6,* 519–535.

[12] Fiske, S. T. (1998). Stereotyping, prejudice, and discrimination. In. D. T. Gilbert, S. T. Fiske, & G. Lindzey (Eds.), *Handbook of social psychology* (pp. 357–411). Cambridge, MA: McGraw-Hill.

[13] Nelson, T. E., Acker, M., & Manis,M. (1996). Irrepressible stereotypes. *Journal of Experimental Social Psychology*, *32,* 13–38.

[14] Mert, I.S.(2011), *The Perception of the Employees toward the Outcomes and Detriments of Performance Appraisal System,* Business and Economics Research Journal, Vol. 2, Pg. 87-104.

[15] Kleiman, L.S., Biderman, M.D., Faley, R.H.,(1987) *An Examination of Employee perception of a subjective Performance Appraisal system,* Journal of Bussiness and psychology, Volume 2, No. 2.

[16] Bernardin, H.J. & Beatty, R.W., (1984), *Performance Appraisal: Assessing Human at workplace*, Boston : Kent

Dr. Shine David : Assistant Professor, IMS, Devi Ahilya University, Indore.

His areas of interest includes Human Resource Management, Human Resource Information System, Strategic Management, Knowledge management and Organisational Behavior. He completed his Ph. D. from Devi Ahilya University, Indore (2010) in " Human Resource Information Systems" which is first of its kind in whole of India. His Ph. D. work is acquired by NASSDOC, Ministry of HRD, New Delhi, India. He has also conducted MDP on " Team Building Exercises" for various middle level and senior level executives in industrial belt of Dewas region. He has almost 40 publications in national and international journals under his credit.

Yasha Bakshi : Student, IMS, Devi Ahilya University, Indore. She pursued her graduation in BBA (Foreign Trade), School of Commerce, Devi Ahilya University, Indore. She received Industrial training with TATA International, Dewas in Import and Export Department. She has an extensive experience of 1 year with Trident group as an assistant manager in Recruitment and Retention Department.

Poorva Mittal : Student, IMS, Devi Ahilya University, Indore. She has completed her graduation in B.Com. She is also pursuing CA and CS and has cleared IPCC level (CA) and executive level (CS). She has accomplished her IT and OT training from ICSI, Indore. Another IT training from ICAI, Indore is to her credit.

Mohammad Fahad : Student, IMS, Devi Ahilya University, Indore. He pursued his graduation in B.COM, Indore Institute of Law, Devi Ahilya University, Indore.