

# **Study On Effectiveness Of Employee Performance Management System And Influence Of Monetary Rewards On Employee Performance At Hydropneumatics Pvt. Ltd.**

An Internship Report for

Course code and Course Title: MBIR002 Final Internship Report

Credits: 8 Credits

Submitted in partial fulfilment of Masters Degree

MBA in (Human Resource Management)

by

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Roll Number: 2138

Under the Supervision of / Mentor

**Dr. Priyanka Naik**

Goa Business School  
Management Studies



**GOA UNIVERSITY**

Date: 27th April 2023

Examined by:



Seal of the School

### **DECLARATION BY STUDENT**

I hereby declare that the data presented in this Internship report entitled, “Study on Effectiveness of Employee Performance Management System and Impact of Monetary Rewards on Employee Performance at Hydropneumatics Pvt. Ltd.” is based on the results of investigations carried out by me in the (Management Studies) at the Goa Business School, Goa University under the Supervision/Mentorship of Dr. Priyanka Naik and the same has not been submitted elsewhere for the award of a degree or diploma by me. Further, I understand that Goa University or its authorities will be not be responsible for the correctness of observations / experimental or other findings given the dissertation.

I hereby authorize the University authorities to upload this dissertation on the dissertation repository or anywhere else as the UGC regulations demand and make it available to any one as needed.



Disha Dinesh Mandrekar  
Roll Number/Seat no: 2138  
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Date: 27<sup>th</sup> April 2023

Place: Goa University

## COMPLETION CERTIFICATE

This is to certify that the internship report “**Study on Effectiveness of Employee Performance Management System and Influence of Monetary Rewards on Employee Performance at Hydropneumatics Pvt. Ltd.**” is a bonafide work carried out by **Ms Disha Dinesh Mandrekar** under my supervision/mentorship in partial fulfilment of the requirements for the award of the degree of **Master of Business Administration** in the Discipline of Management Studies at the Goa Business School, Goa University.

Date: 27<sup>th</sup> April 2023



Prof. Jyoti Pawar  
Dean,  
Goa Business School

Date: 27-4-2023  
Place: Goa University



Dr. Priyanka Naik  
Management Studies



School Stamp

## **Acknowledgement**

I am grateful to Ms. Sneha Malik, Human Resource Officer of Hydropneumatics Pvt. Ltd. for granting me the permission to undertake my summer internship in this organization for the time frame of 8 weeks and helping me throughout.

I would like to thank all other staff of the company for cooperating with me in spite of having busy schedule.

I also take this opportunity to especially thank Dean of my Institute Prof. Jyoti Pawar Ma'am for giving me this opportunity to get industry exposure through this summer internship.

I would also like to extend my sincere thanks to my mentor Dr. Priyanka Naik, Asst. Professor for giving me valuable inputs and guiding me throughout my internship.

Last but not the least I would like to thank all the mighty professors, family and friends for their moral support.

## Internship Certificate



### **HYDROPNEUMATICS PVT. LTD.**

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E-mail: sales@hydropneumatics.co.in www.hydropneumatics.co.in

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Corporate Identity Number : U31909GA2007PTC005495

Dt: 26<sup>th</sup> Apr 2023  
Ref: HPL/ADMIN/2023/T2

### INTERNSHIP CERTIFICATE

This is to certify that Ms. Disha Dinesh Mandrekar, Student of the Goa Business School, undergoing MBA has successfully completed Internship between 01/03/2023 till 26/04/2023 at M/S Hydropneumatics Pvt. Ltd. She actively participated in the activities during the period of internship and learned the skills needed for various activities such as Recruitment, Selection of candidate, Data entry, Salary Calculation etc.

For, **Hydropneumatics Pvt. Ltd.**



**Sneha Malik**  
(Officer - HR & Admin)

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## **Introduction to the Company**

Hydropneumatics was established in 1975 and engaged in the manufacture of Flow Elements such as Measuring and Restriction Orifice Plates/Assemblies, Flow Nozzle Assemblies, Venturi Tubes and Tank Safety Equipment's Such as Breather Valves and Flame Arrester.

It's partnership firm involving Mr. R.C. Narayan and Mr. S.K. Kannan.

Flow elements manufactured by Hydropneumatics were designed to meet the requirements of ISO- 5167, BS 1042/ BS EN ISO 5167, ISO TR 15377, ASME MFC 3M, ASME MFC 14M and other national and international standards.

Over the years Hydropneumatics has established themselves as one of the reputed companies having an excellent track record in India as well as overseas. It is registered with all major consultants and has a broad customer base in Oil and Gas, Nuclear and Thermal Power, Steel Sectors apart from OEM's Hydropneumatics has a strong design and base adopts sound manufacturing techniques.

Pyro Electric Group of Companies acquired Hydropneumatics in the financial year 2007-08. The company now operates as Hydropneumatics Private Limited.

The manufacturing unit has been re-located in the vicinity of the existing PYRO units at Goa, along with the machinery, test equipment, patterns etc. The company is situated at Bicholim Industrial Estate Goa.

Mr. Dattatray B. Bicchu is the current CEO of Hydropneumatics Pvt. Ltd. He is the key person responsible for growing, managing and leading the company. He is also expertise in providing solutions to process company.

## **Mission**

Their Mission is to give complete focus on customer satisfaction by delivering products that will sense the parameters accurately, just in time when they need it, by using the latest technology, machines and methods contributing towards professional and career development of their employees thus contributing towards higher returns to their investors, who believe in our values and vision.

## **Vision**

We Sense it Best

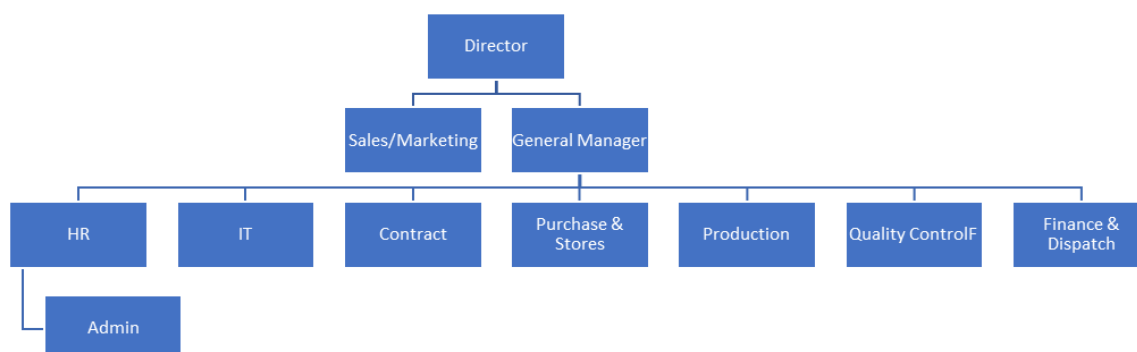
## **Market**

- Indian Oil Corporation Ltd.
- Essar
- Jindal
- Reliance Industries Ltd.
- Bharat Petroleum Ltd.
- Hindustan Petroleum Ltd.
- Thermax Ltd.
- Sanmar Ltd.
- IFFCO Ltd.

## **Products**

- Pressure Gauge
  - Burden Sensing
  - Capsule Sensing
  - Diaphragms Sensing
  - Micro switch bourdon tube
  - Glycerin Filled Pressure Gauge
- Temperature Gauge
  - Bimetal Temperature Gauge
  - Temperature Gauge with Thermo Well
  - Temperature Gauges with filler wire

## **Organization Structure**



## **Overview of Performance Management System**

Project management system is the systematic process which aligns the organizational objectives with the employees' agreed measures, skills, competency requirements, development plans and the delivery of the results. It's an activity that annually evaluate each employee's performance during the year. Its goal is to bring out the best in every employee and align it with organizations long term vision and mission.

There are various factors which influence the performance of the employee such as level of employee satisfaction and engagement, working culture, opportunities to learn more skills, knowledge of the company's objectives and expectations from the employee, training and upskilling, work allocation based on the skills of the employees etc.

An evaluation of an employee's performance over the past year is done in an annual performance appraisal. The manager assesses the employee's performance on predefined criteria, including fulfillment of KPI'S and KRAs' and communication skills.

In order to maintain high performance and to motivate the employees every organization provide either monetary incentives or non-monetary incentives and most of the time both. Monetary rewards are one of the most common type of incentives used in performance management system. These rewards can come in the form of bonuses, commissions or incentives and can be based on the performance, merit or seniority.

This reward helps to motivate employees to demonstrate their loyalty to the company, enable people to correct their mistakes and improve their performance, encourages them to work hard and even to take risks that might otherwise be avoided.

A timely performance review process and achievement recognition helps employees to stay motivated and committed to their work. A stress-free environment acts as a catalyst for the growth of their career and organization and enhances their satisfaction level.

Improving the performance of employees will eventually become the key to success in competition. Evaluating performance of the individual and organization will help managers to control the extent to which the strategic goals of the organization are full filled.

### **Performance Management System at Hydropneumatics Pvt. Ltd**

HR Manager in consultation with the Department Head, examines and evaluates employee's work behaviour by comparing it with pre-set standards, documents the results of the comparison and uses the results to provide feedback to the employee to show where improvements are needed and also explains the reasons behind the stated improvements.

Performance appraisal system are implemented in order determine who needs what training and who will be promoted, demoted, retained or get fired.

The Company follows two formats of performance appraisals one is for staff and workman and another is for Manager.

In order to keep the performance of the employees' high company does not provide diversity of rewards to their employees however the company provides statutory monetary benefits which are salaries and 20% of bonus to each and every employee working there.

The research report will provide a snapshot of how effective and organize is the employee performance system implemented by the company and how it helps them to attain and maintain the best performance of their employees.

Performance appraisal

For the Year: 2014 Performance Appraisal Form for Staff / Workman Period: From: 1/1/2014 To: 31/12/2014

Employee Name: Laxmi Naik Emp Code: \_\_\_\_\_ DOI: \_\_\_\_\_

Designation: Engineer Department: Marketing Probation Completion Date / DOC: \_\_\_\_\_

(Tick mark Appropriate Options below)

Type of Appraisal: Confirmation / Mid-Year / Annual / Normal

Attendance / Award records / Training & Competency (for the competency reference):

A. Attendance: (as on 30.11.14)

Late Marks	Late Comings in Grace Time	Probationary Leaves	Casual Leaves	Sick Leaves	Paid Leaves	LWP	Total Working Days as per Calendar	Actual Worked Days
			<u>5</u>	<u>7.5</u>	<u>6</u>			

B. Awards:

Sr.:	1	2	3	4	5	6	7
Award Name							
Decalred on (Date)							

C. Training & Competency

Previous Competency %	Total Training Hours	Current Competency %	Remarks

D. Analysis

A) (Out of 100)	5	6	7	8	10	Evaluation Score
1. Work Efficiency: Accuracy of the work and contribution towards organization	Always make Mistakes	Sometimes Make Mistakes	Mostly Accurate	Almost no Errors	No Errors and contribute a lot to the organization	
2. Quality of Work: Quality of workload and speed of work carried out	Work very slow	Must push	Reasonable speed & workload	Exceeds normal required speed and workload	Very Fast and Workload very heavy	
3. Work Attitude	Low Spirit	Willingness to work but lack of enthusiasm	Normal	Very Enthusiastic and show good attitude	Very Enthusiastic and outstanding amongst others for attitude	
4. Reliability: Responsibilities towards work, meet the job deadline? Need guidance or follow-up?	Need guidance	Responsible but need follow-up	Reliable and need some guidance	Work independently and sometimes need guidance	Very independent and no need of further guidance once task given	
5. Job knowledge and skills Understand the job assigned? Willingness to learn and improve self	Need a lot of guidance	Need to improve on job knowledge	Adequate with work	Have a lot of working experience.	Excellent	
6. Cooperative Work with others, coordination and communication	Not cooperative cannot communicate with others	Need to improve the cooperation with others and communication skills	Can cooperate with others and Can communicate very well	Can cooperate in work and good communication skills with others	Outstanding in cooperation and communication skills.	
7. Innovative and willingness to learn. Innovative and willingness to find way for work solution.	Lack of innovative perception and always stick to existing method of work.	Sometimes have innovative but normally stick to the existing method.	Innovative and make self improvement.	Innovative and have a lot of ideas, very enthusiasm.	Always make self improvement find ways in work solution and implement more effective system which is cost less and time less.	
8. Judgement and adaptable Adaptability while encounter new problems? Work Independently without instruction.	cannot adapt to new environment feel uneasy while encounter new problems.	Sometimes make wrong judgement and cannot adapt easily.	Normally make right judgement.	Judgement exceed normal std and easily adapt to new environment.	Accurate in judgement and easily handle new problems.	
9. Discipline Honesty, hardworking, trust worthy, tolerate.	Need to improve	Acceptable	Good	Outstanding	Excellent and set a good example.	
10. Industrial Safety Management, QMS and Other Co-ordinations and Implementation?	Roughly follow	Try to pursue it	Moderate understanding & cooperation	Good understanding & cooperation	Constructive & Positive Participation	

Summary Appraisal:

A*	A	A-	B	C	Total Score (Out of 100): _____ (Points)
100-90	89-85	84-80	79-70	69-Below	

\* Performance Appraisals as A\* or C etc. are required to be supported with proper facts by the Assessor

Comments:

Appraised by: \_\_\_\_\_ Reviewed by: \_\_\_\_\_ Approved by: \_\_\_\_\_

To be filled by Assessee:

1. Your Future Planning towards Career Development is in which area?  
☐ Management ☐ Technical ☐ Office ☐ No Comments; Company to decide

2. If Company promotes you on different position, will you co-operate?  
☐ Would like to maintain current Position  
☐ Ready to co-operate. I would like to work as (3 options): 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_  
 (Options to select different positions and inter departmental)

3. Expectations from ownself for Next Year's Annual Appraisal:

4. The Proposed actions for The Company:

Assessee: \_\_\_\_\_

Picture 1 Performance Appraisal Form for Staff/Workman at Hydropneumatics Pvt. Ltd

## **Need Of the study**

Manufacturing Industries has not been able to make the shift from yearly to monthly performance appraisal method as a result factory manufacturers are missing out on actionable performance data that can be used to improve and drive continuous performance. Most of the time company uses traditional methods of performance management wherein they create a form and assess the performance of the employee on the yearly basis on certain factors and then base on the performance, they either provide them increment or training (not always).

Performance of the employees at Hydropneumatics Pvt. Ltd., could be seen fluctuating at different point of time on a monthly basis. It has been also noticed that attrition rate among workers has also been rising. Such circumstances happening in a company can result in a measure loss for the company after certain period of time. Therefore, it creates a vital question on how company manages the performance of its employees and whether the rewards that company provide to keep their employees to keep them motivated to perform better really works or not.

This study will help to know effectiveness of current traditional performance management system at different job types that is workers and office staff at Hydropneumatics Pvt. Ltd. and to know whether monetary rewards really influence the performance of the employees or not.

## **Review of Literature**

The performance has the significant role in the growth of company. Most of the manager thinks that personal motivation is the greatest factor that acts as an indicator for good performance of the employee. It is also influenced by the motivating factors such as rewards, promotion, working environment, benefits, clarity of task, communication etc. However, dissatisfaction towards financial rewards, job overload, complexity of the job becomes the way for poor performance. Companies' performance depends upon the performance showcased by its employee for which the company applies best of strategies to increase the performance and retain the best performing employees. The managers believes that the performing employees eventually reduces the costs of the company and will give competitive advantage by meeting goals and needs of the consumer before the competitors. Thus, the performance of an employee is necessity of every company in the growing market. (Vosloban, 2012)

The report speaks about the different kind of activities that should be included in the performance management system of the firm. There should be a formal system instilled the company which should be applicable for all the designation starting from senior management till the trainees. There should be different kind of methods that should be executed by a firm at different span of time to evaluate the performance of the employees. Behavioural based assessment, development-based assessment, 360-degree method, critical incident method are effective methods which evaluate employees based on their performance. There should also inclusion of career management and development plans, training and development programs for the employees as the study states that the more effective is the technique higher will the performance of the employees. There should be the combination of scales in order to provide feedback for the employees. Rewards should be presented to the best performing employees in order to keep them motivated. This kind of activities will play a significant role in the to keep the employee satisfied and happy. (M, 2021)

The study indicates that there are various factors which affect the performance of an employee. Motivation is one of the most important factors which shows positive relations hip with the performance of the employees. It makes employees to meet their needs and to stick to their goals. It also makes them to build a good relation in the organization. Job design is another factor that affects the individual performance of an employee. Every employee holds a different designation which comes up with its own responsibilities. Sometimes it becomes challenging for the employees to meet these responsibilities eventually degrading their performance. The study indicates that participative style of employment increases the performance of the employee. The research also indicates that the conditions provided to employee while working also affects the employee performance. There should be a positive working environment which will help an employee in meeting the performance needs. (Watetu, 2017)

This study indicates that monetary rewards have direct impact on the performance of the employee. Employees feel highly motivated when they are rewarded with financial rewards and are happy with existing salary structure and other monetary allowances which are offered to them as compared to any rewards. Attractive financial incentives motivate employees to work hard and give more productivity in terms of their work. It also increases job satisfaction among the employees. (Fatma Yousuf Al- Belushi, 2017)

The study states that salary and wages have a motivating potential in increasing the performance of the employees. An employee sees his salary as a value that his employer places on him as an employee. This study argues that its not only the rigid pay system that employees want from their employer but they want diversity of incentives and want different things from their workplace. So, it's important for the employer to understand the needs of the employees and accordingly design the monetary incentive policies in order to recognize the performance of its employees. (Lovina, 2020)

### **Research Questions**

- How impactful is the current performance management system adopted by the company is?
- What are the factors that affects the performance of the employees?
- Does Monetary rewards influence employee performance?

### **Research Gap**

- Limitation of this study is that it does not provide in depth study of each factor influencing the Employee Performance Management system and Impact of Monetary Rewards on Employee Performance.
- The time period of 2 months is not sufficient to conduct depth study on topic.
- Another Limitation is the sample that has been choose for this research.

### **Objectives of the Research Study**

#### **Broad Objective**

The primary objective of the report is to generate knowledge about the performance management system at Hydropneumatics Pvt. Ltd.

#### **Specific Objectives**

- To analyze the effectiveness of current performance management system
- To find out factors influencing performance of the employees
- To know whether monetary rewards influence employee performance

### **Research Methodology**

To conduct this research data will be collected from primary as well secondary sources.

### **Primary Data**

Research topic was undertaken after taking the face-to-face interview with the head HR of the company. She explained about the Performance management system that is implemented in the company. Further, the Head HR explained about financial incentives that they provide to their employees. When asked about the impact of the existing PMS and Financial rewards on improving employee performance, she answered that it completely does not provide any positive impact on employee performance. Hence, the research would be undertaken on the selected topic in order answer the research questions.

Further qualitative data will be collected from the sample size comprising of 46 employees which comprises of two different job titles that is 31 workers and 15 staff employees out of which only 37 has responded. In order to learn about the Relevance of current employee performance system, data from staff employees and workers will be collected through a detailed questionnaire consisting 5 point like-rt scale with the options 1) Strongly Agree 2) Agree 3) Neutral 4) Disagree 5) Strongly Disagree. The questionnaire will also consist of some demographic factors such as age, gender, qualification, work experience etc. Questionnaire will also consist of dichotomous questions.

The questionnaire to the staff employees will be shared through e-mails in the form of google form. The data from the workers will be collected through face-to-face interview by asking them questions mentioned in the same questionnaire due to educational background and lack of technological understanding.

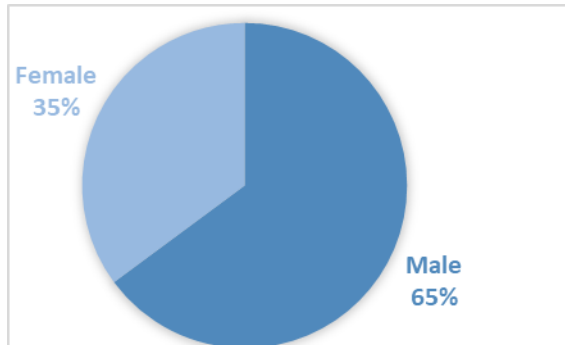
Data Analysis will be done by using MS Excel sheet. The data will be organized in the form of charts and bar graphs.

### **Secondary data**

In order to know about existing literature on the selected topic various journals and reports have been referred by using various websites and online platform such as google scholar, Goa university Library Online Portal. In order to select the company and to know about it data was collected through companies web site.

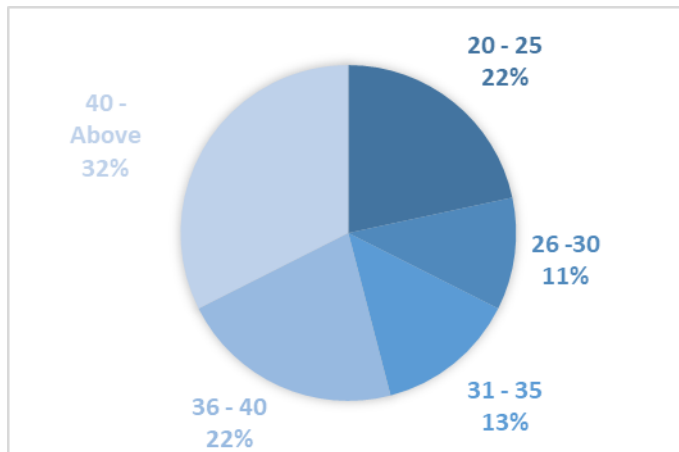
## **Data Analysis & Discussion**

### ➤ Gender



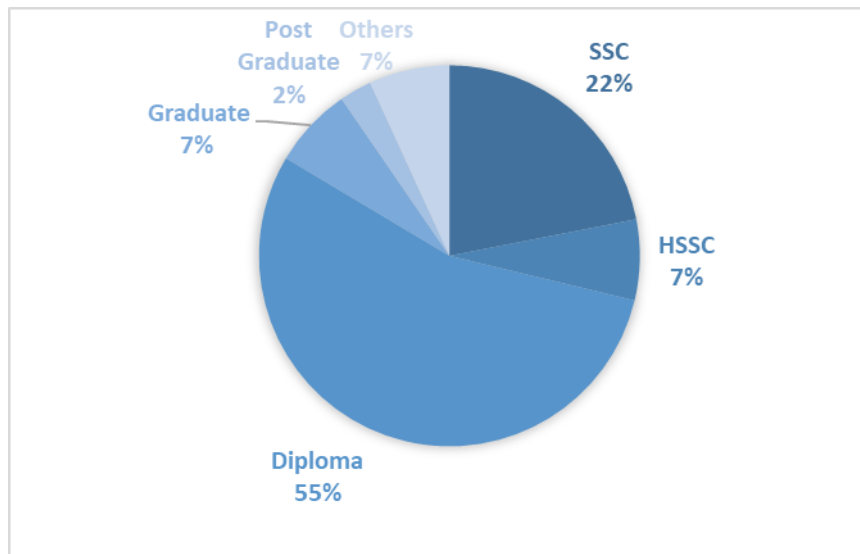
Out of all the respondents 35% of the employees were female where as rest 65% were male employees.

### ➤ Age



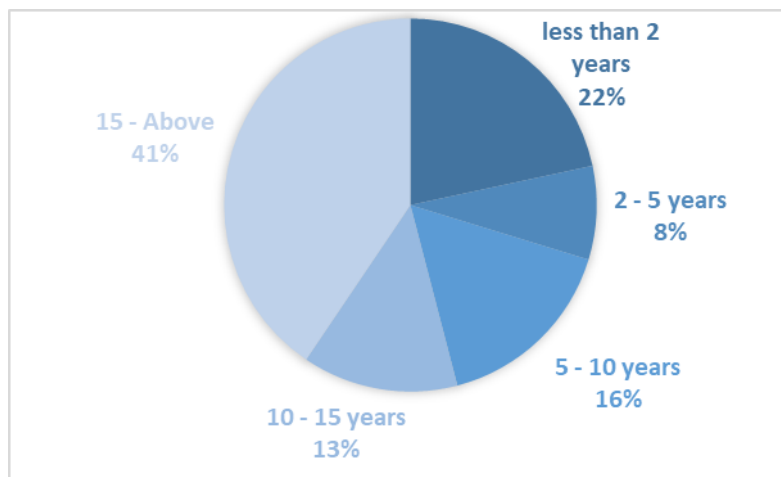
Most of the employees that is 32% of them are of 40 years and above age where as 22% are of between 20-25 years of age, other 22% are between of 36-40 years of age and rest 13% and 11% are from 26-30 and 31 – 35 years of age gap respectively.

➤ Educational Qualification



If we look at the education of the all-respondents majority of them that is 55% of the employees have only Diploma in various areas as the qualification. Whereas 22% of the employees holds SSC as the basic qualification. 7% of the employees have completed their HSSC. 7% of the employees have completed their graduation and rest 7% have completed other courses such as ITI, computer certificates after completion of their 8th std. Only 2% of the employees out of all respondents holds post graduate degree.

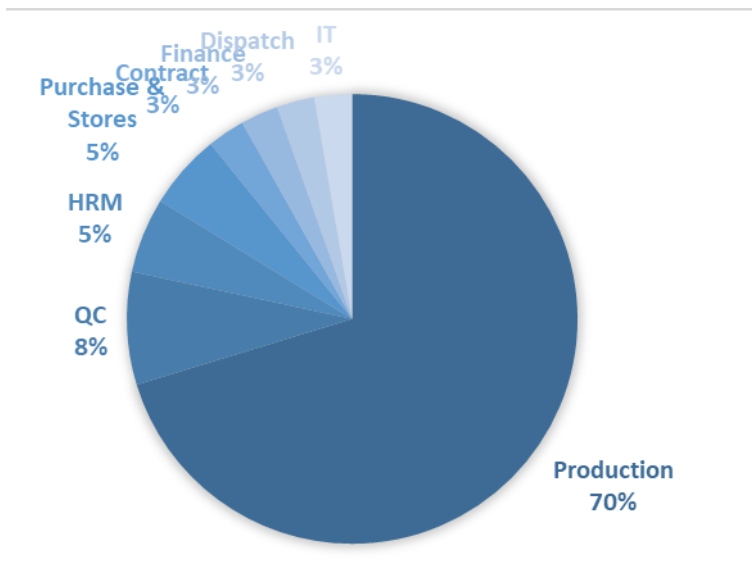
➤ Work Experience



As per the data gathered through survey, 41% of the respondents has 15 and above years of working experience at Hydropneumatics Pvt Ltd. On the other side 22% of the respondents just have less than 2 years of working experience. 13% of the respondents have between 10-15 years of working experience where as 16% of the respondents has

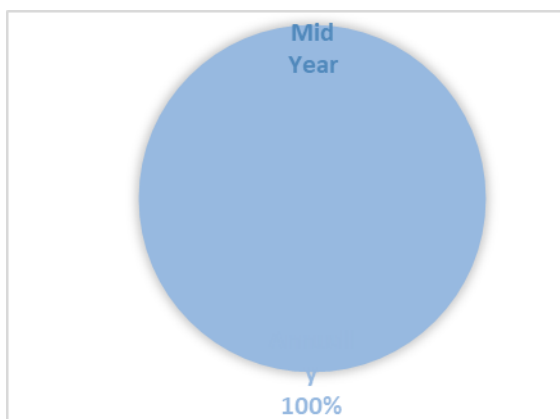
working experience of between 5-10 years and rest 8% of the respondents has 2-5 years of working experience at Hydropneumatics Pvt. Ltd.

➤ Department



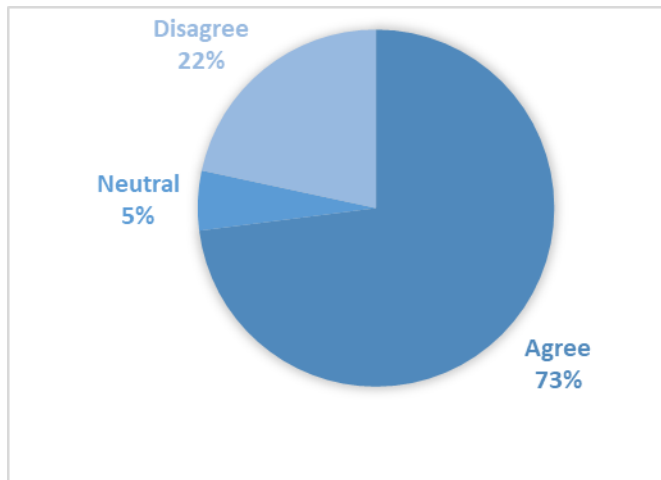
As per the data collected, maximum number of respondents that is 70% of them are from production department. Whereas 8% are from Quality Control (QC). Rest 3 % are from Contract, Finance, Dispatch and IT department. Other 5% are from Purchase and Stores and Human Resource Department.

➤ Performance Review period



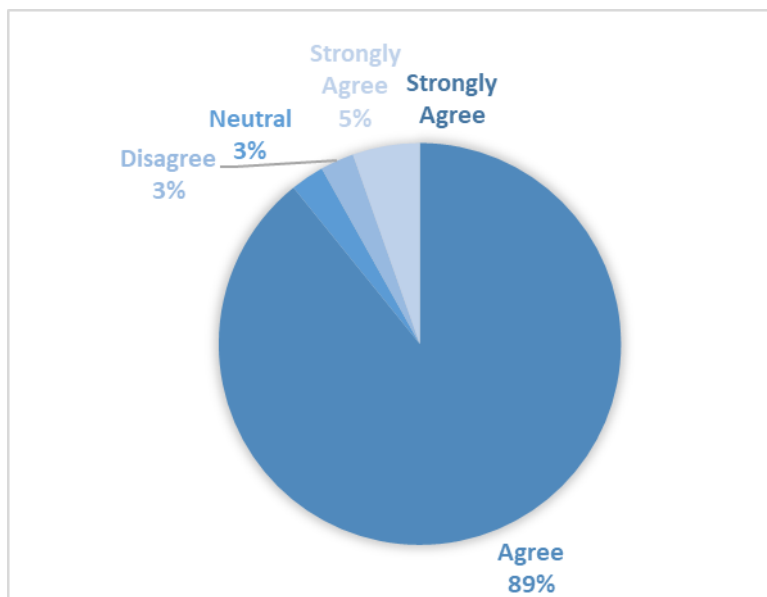
As per the data gathered employee performance at Hydropneumatics Pvt. Ltd. is reviewed annually.

➤ The Process of Performance management system is transparent within the company



On the 5-point Likert scale 73% of the respondents agreed that the process of Performance management system in transparent at Hydropneumatics Pvt. Ltd. On the other hand, 22% of the respondents disagreed to this statement of process of performance management system being transparent across the company. However, 5% of the respondent stayed neutral to the statement.

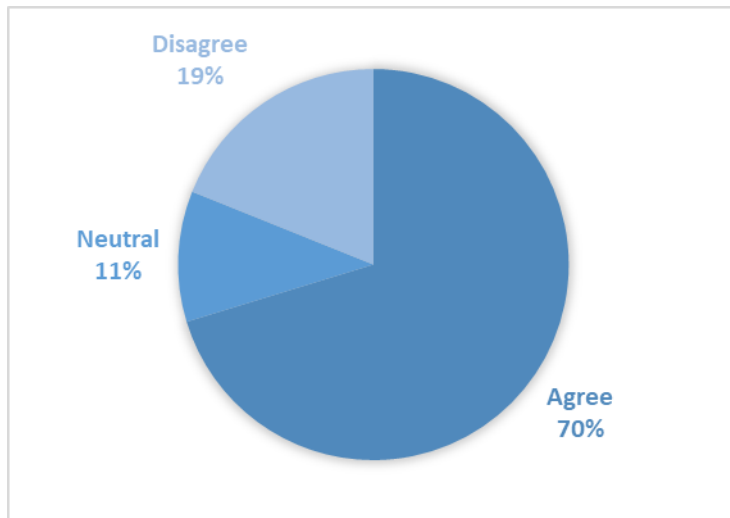
➤ Job Description is clearly defined on which performance is evaluated



On the 5-point Likert scale, majority of the respondent that is 89% of the employees agreed that their job description is clearly defined to them on which their performance get evaluated. 5% of the respondent strongly agreed to the statement that job description being clearly defined to them on which their performance gets evaluated. However, 3% of the respondents

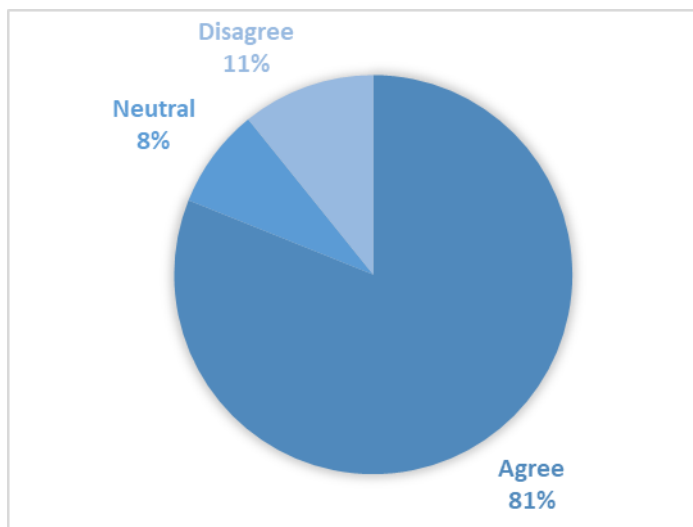
disagreed that their job description is not clearly defined to evaluate their performance. Other 3% of the respondents remained neutral.

➤ Goals set for my performance evaluation is mutually decided goals



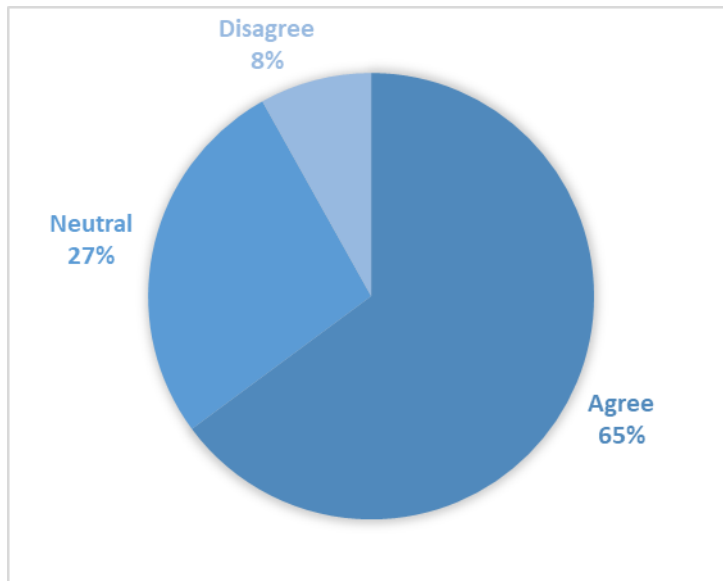
As per the survey 70% of the respondents agreed that the goals set for their performance evaluation is mutually decided goal. Where as 19% of the respondents disagreed that their goals set for performance evaluation are mutually decided. However, 11% of the respondent remained neutral to the statement.

➤ Process and criteria of PMS is well communicated before the time of appraising my performance



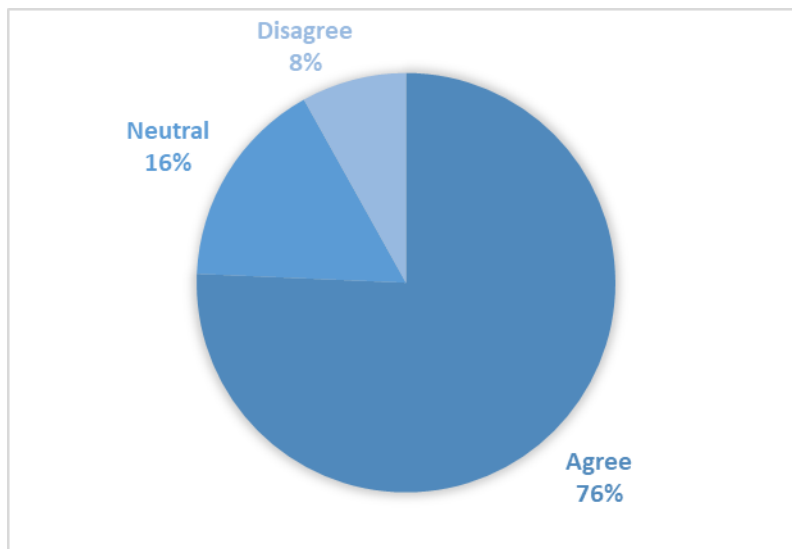
As per the data collected 81% of the respondents agreed that the process and criteria of performance management system is well communicated to them before the time of appraising their performance. On the other hand, 11% of the respondents disagreed that the process and criteria of performance management system is well communicated before the time of appraising their performance. 11% of the respondents remained neutral.

➤ My performance is improved due to current performance management system



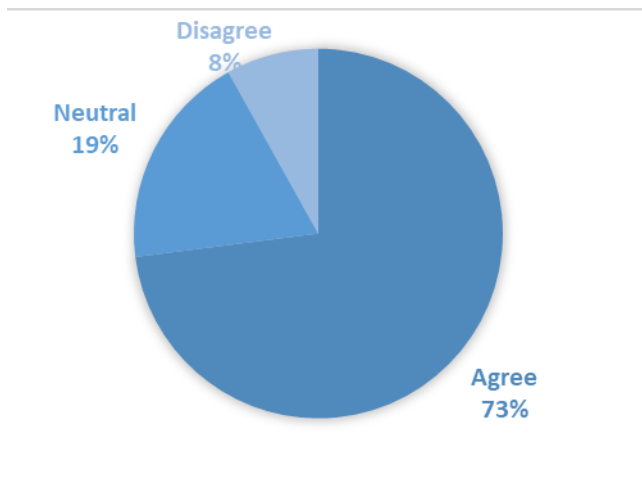
As per the data collected 65% of the respondents agreed that their performance is improved due to current performance management system of their company. However, 27 % of the respondents remained neutral with their opinion on the statement that their performance got improved due to current performance system of the company. Only 8% of the respondents disagreed that their performance got improved due to current performance management system of the company.

➤ Performance management system helps me to set and achieve meaningful goals



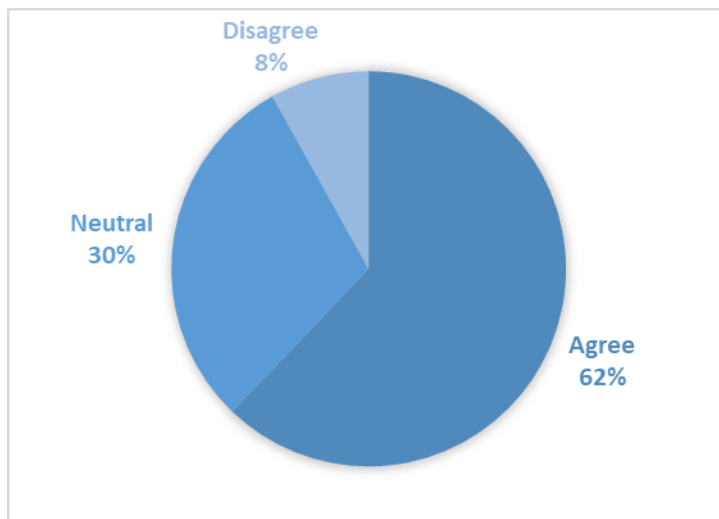
76% of the respondents agreed that the performance management system of their company helps them to set and achieve meaningful goals. On the other side 16% of the respondents remained neutral. However, 8% of the respondent disagreed that the performance management system helps them to set and achieve meaningful goals.

➤ I feel free to express my disagreement regarding the appraisal decision



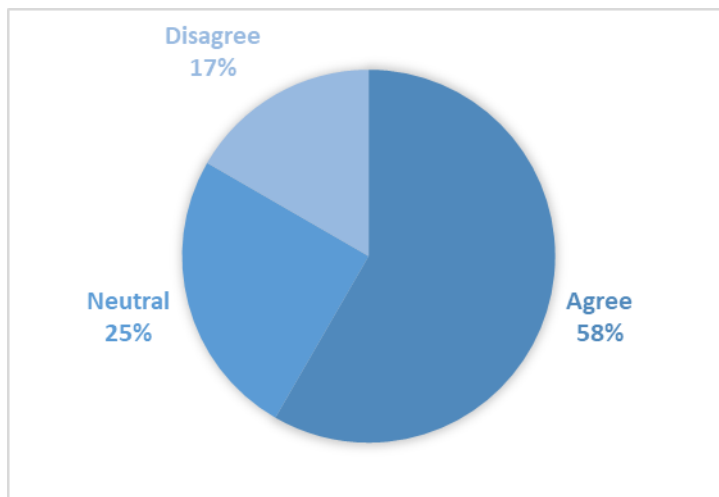
As per the data gathered it can be seen that 73% of the respondents agreed that they feel free to express their disagreement regarding the appraisal decision. However, 19% of respondents remained neutral on the statement that they feel free to express their disagreement regarding the appraisal decision. 8% of the respondents disagreed to the statement that they feel free to express their disagreement regarding the appraisal decision.

➤ I am satisfied with the weightage given to each activity that I am supposed to perform on which my performance is evaluated



As per the data collected, 62% of the respondents agreed that they are satisfied with the weightage given to each criterion on which their performance is evaluated. However, 30 % of the respondents stayed neutral. Only 8% of the respondents disagreed that to the statement.

➤ My promotion is strictly based on performance management system

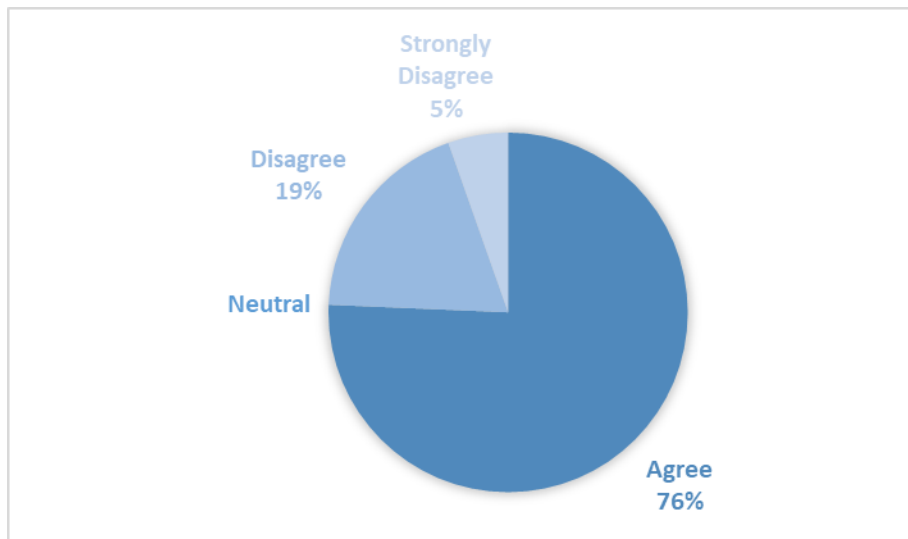


As per the data gathered, 58% of the respondents agreed that their promotion is strictly based on the performance management system of the company. On the other hand, 25% of the respondents remained neutral, and the rest 17% of the respondents disagreed to the statement that their promotion is strictly based on the performance management system of the company.

➤ Factors Impacting Employee Performance

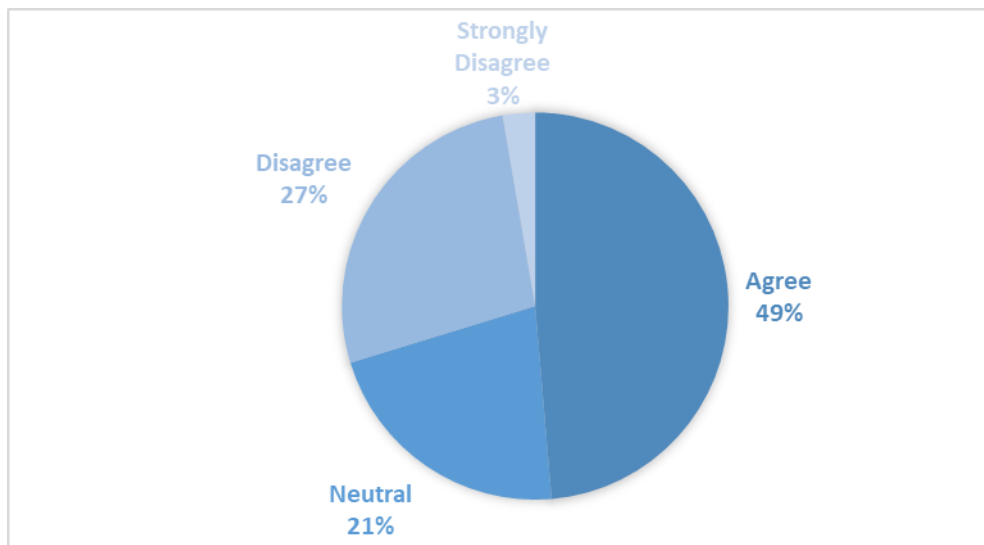
○ Motivation

➤ Recognition by my superior for a job done motivates me to perform better



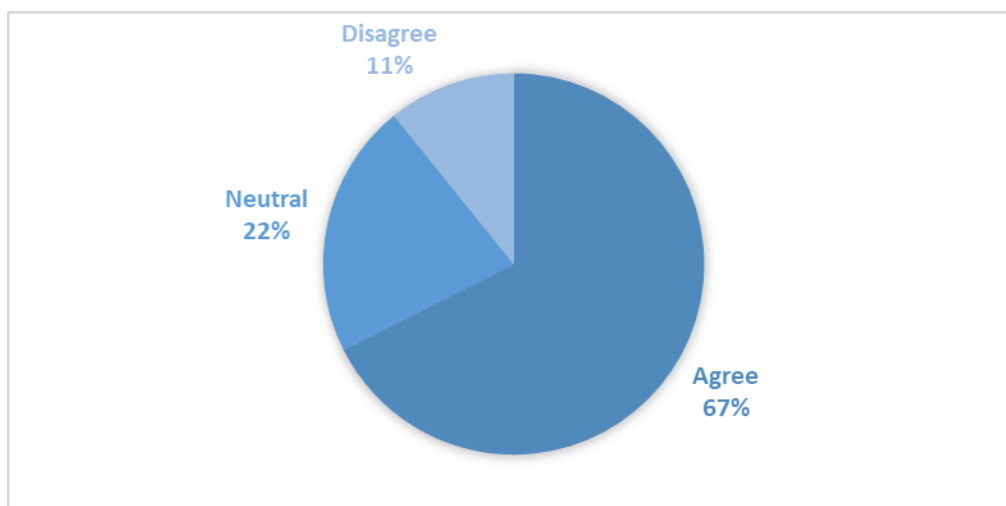
As per the data gathered, majority of the respondents, that is 76% of them, agreed that recognition from employee's superior for a job done by them motivates them to perform better. However, 19% of the respondents disagreed to the statement. 5% of the respondents strongly disagreed that recognition by from employee's superior for a job done by them motivates them to perform better.

- I am motivated by the company's reward system and it makes me perform better



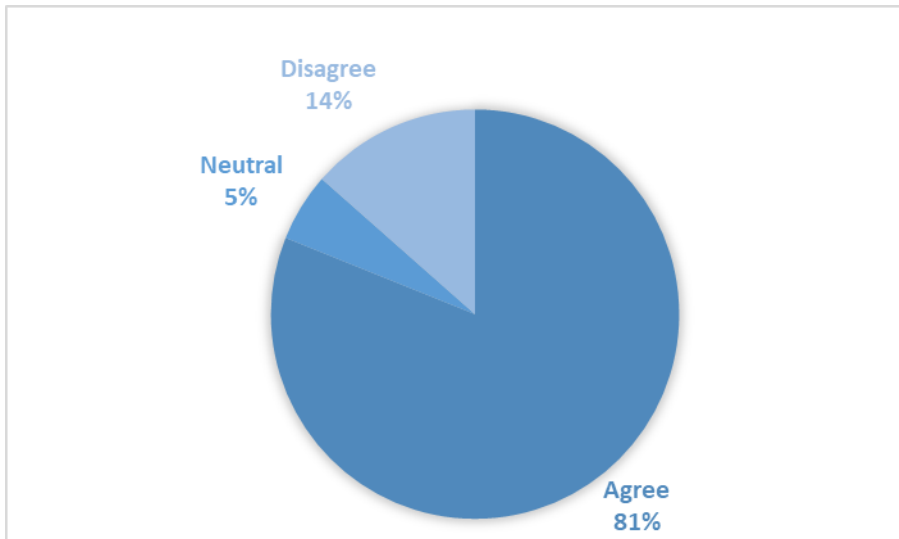
As per the data gathered from survey 49% of the respondents agrees that they are motivated by the companies reward system which makes them perform better. On the other side 27% of the respondents disagreed that they get motivated from the companies reward system which makes them perform better. Also 3% of the respondent strongly disagreed to this. However 21% of the respondent remained neutral.

- My company uses monetary rewards like salary, bonus incentives to motivate me and to make me perform better



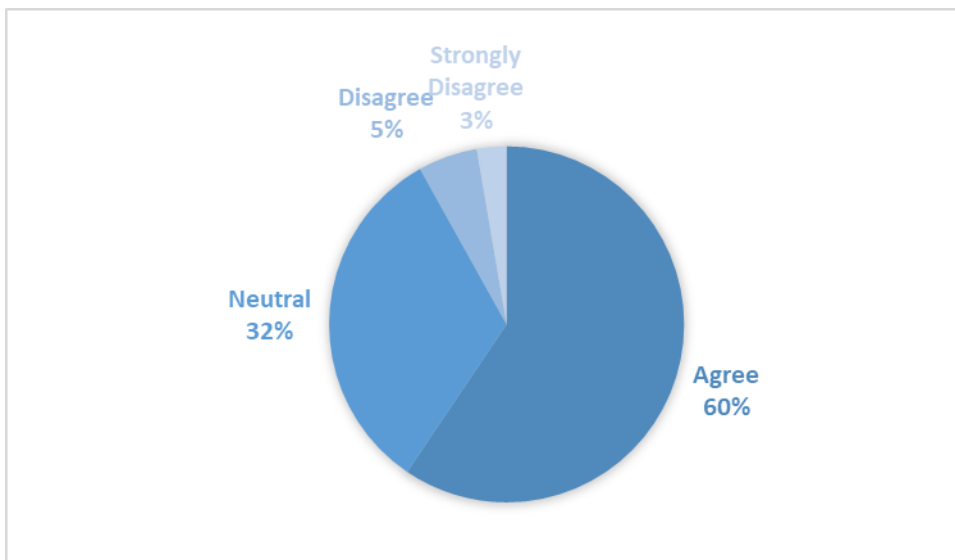
67% of the respondents agreed that company uses monetary rewards like salary, bonus to motivate and make employees perform better. However 11% of the respondents stated their disagreement over it. 22% of the respondent remained neutral.

- I regularly receive constructive feedback from my superiors which motivates me to perform better



81% of the respondents agreed that they regularly receive constructive feedback from their superiors which motivates them to perform better. 14% of the respondents disagreed that they regularly receive constructive feedback from their superiors which motivates them to perform better. Only 5% of the respondent stayed neutral.

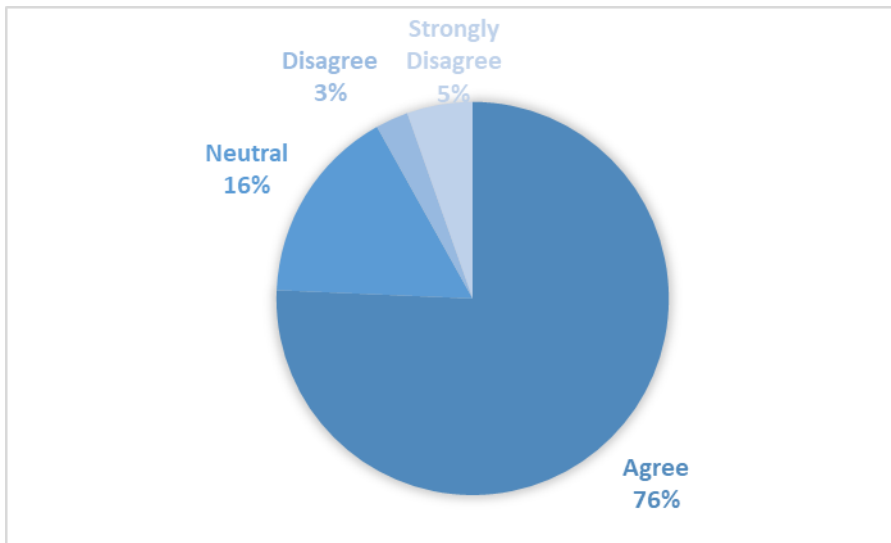
- The challenges that my job provides, motivates me to perform better



As per the data gathered from the survey, 60% of the respondents agreed that the challenges that their job provides motivates them to perform better. However, 32% of the respondents remained neutral over it. Only 5% & 3% of the respondent disagreed and strongly disagreed to the statement respectively.

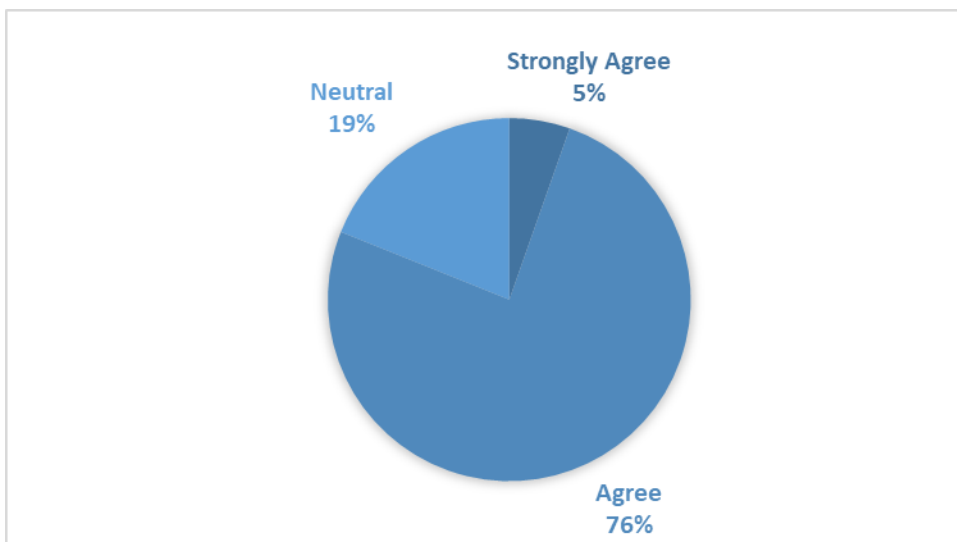
- **Job Design**

- I am required to use number of high skills while conducting my job for better performance



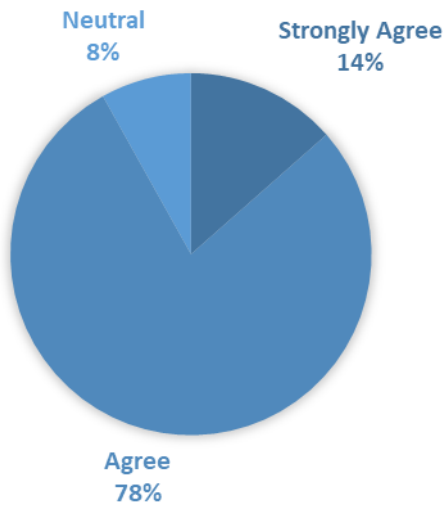
As per data gathered, 76% of the respondents agreed that they required a high skill to while conducting their job for their better performance. 16% of the respondents stayed neutral and 3% and 5% of the respondents disagreed and strongly disagreed with the statement respectively.

- My job enable me to organize my work that boost my performance



76% of the respondents agreed that their job enable them to organize their work which boost their performance. However, 19% of the respondent remained neutral with the statement. Only 5% of the respondents strongly disagreed with the statement.

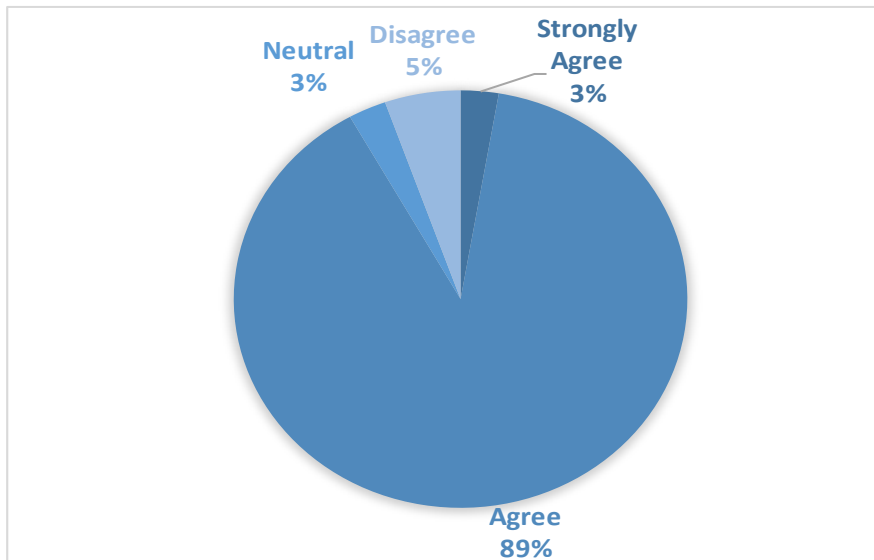
- The Job description provides a clear information about the job to be performed which helps in boosting my performance



78% of the respondents agreed that the job design provides them a clear information about the work to be performed which boost their performance. 14% of the respondents strongly agreed with the statement. However, 8% of the respondent remained neutral.

- **Management Style**

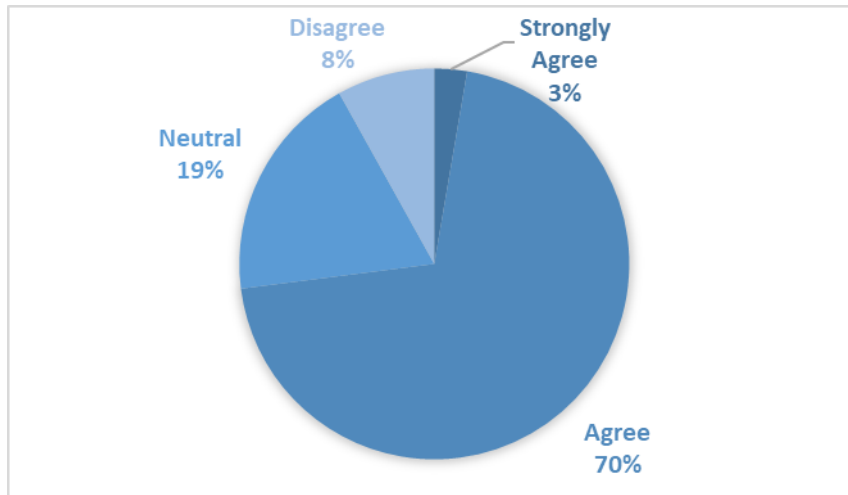
- The department has a clear division of responsibilities that helps me to perform my job better



As per the data gathered 89% of the respondents agreed that the department has a clear division of responsibilities that helps them to perform their job better. 5% of the respondents

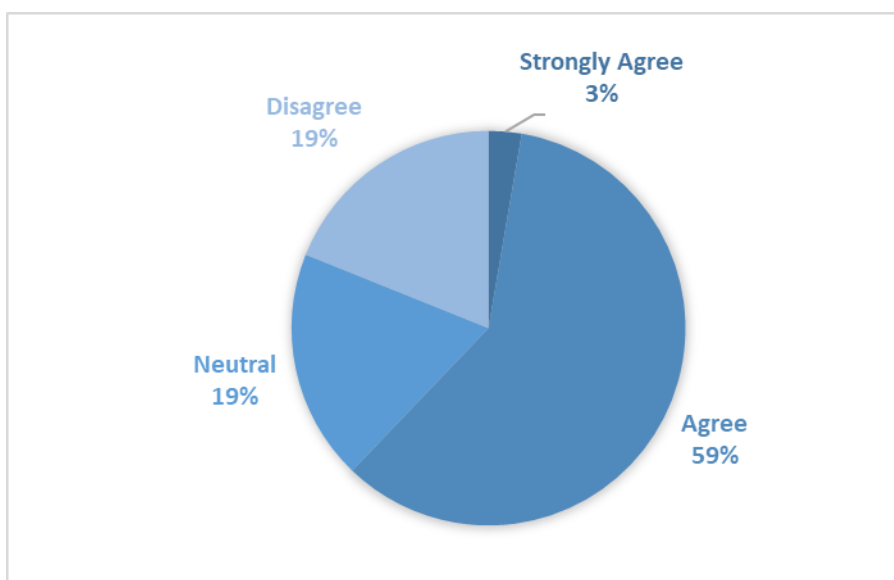
disagreed with the statement. 3% of the respondent strongly agreed with the statement. However, rest 3% of the respondent remained neutral.

- Senior management gives a clear picture of the direction in which the organization will progress that motivates me to perform better



70% of the respondents agreed that senior management gives them a clear picture of the direction in which the organization will progress which helps them to perform better. 3% of the respondents strongly agreed with the statement. However, 19% of the respondent remained neutral with the statement.

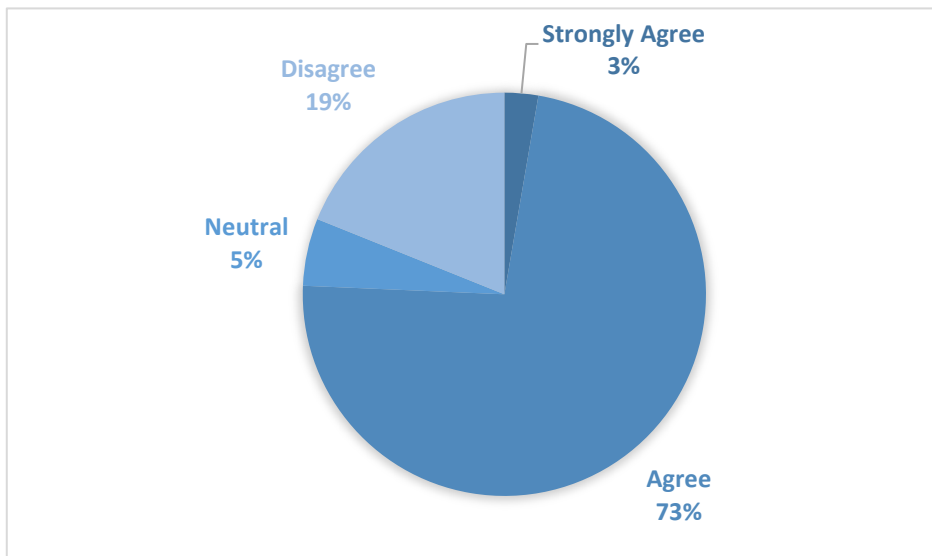
- I am actively involved in the decision making process due to which I am able to deliver good performance



59% of the respondents agreed that they are actively involved in the decision-making process due to which they are able to deliver good performance. 3% of the respondent were strongly

agreed with the statement. However, making it tie 19% of the respondent disagreed with the statement and remaining 19% of the respondent remained neutral.

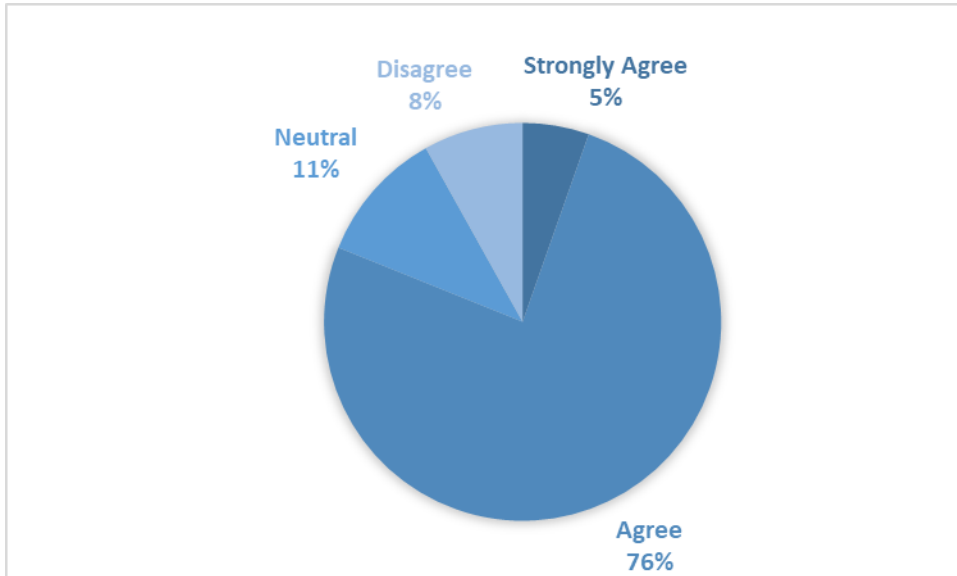
- The organization encourages us to always come up with the innovative ideas which helps me to enhance my performance



73% of the respondents agreed that the organization encourages them to always come up with the innovative ideas which helps them to enhance their performance. 5% of the respondent strongly agreed with the statement. But 19% of the respondents disagreed over it. 5% of the respondents remained neutral.

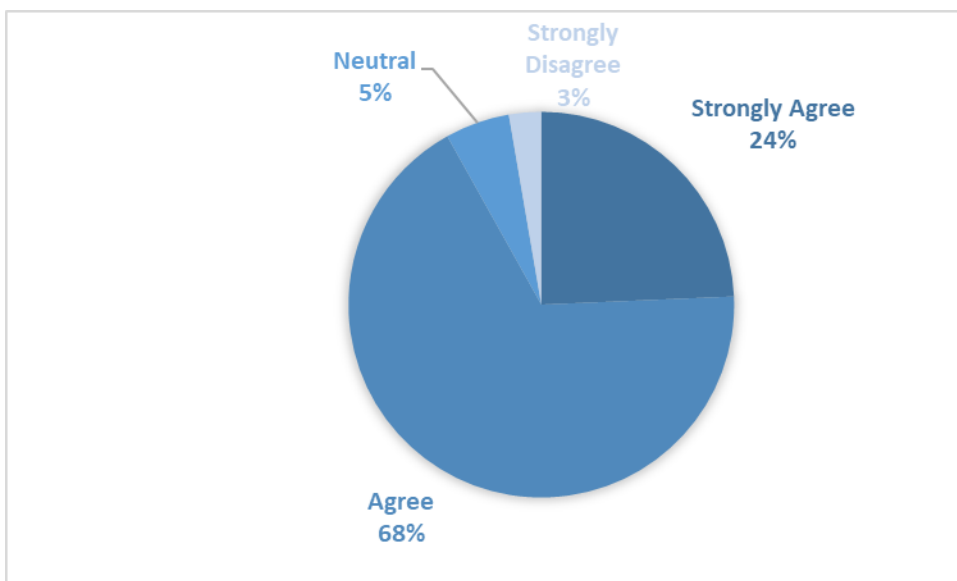
- **Working Conditions**

- My workplace provides an undisturbed environment that allows me to perform my duties hence excelling my performance



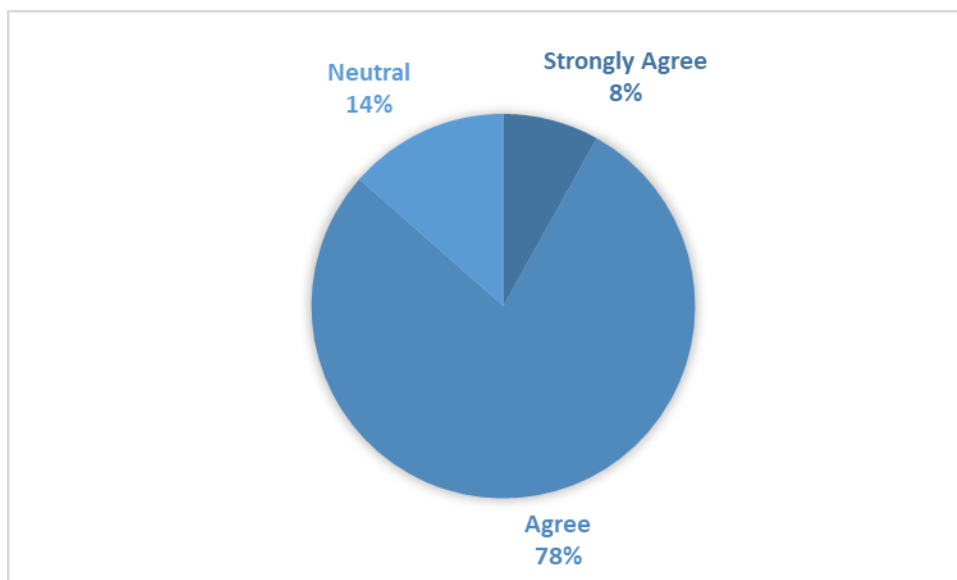
As per the data gathered from the survey, 76% of the respondents agreed that their workplace provides them undisturbed working environment due which they are excelling their performance. 5% of the respondents strongly agreed with the statement. 12% of the respondent remained neutral. However, 8% of the respondents were disagree with the statement.

- There are no cases of harassment and bullying at the workplace due to which I am able to perform better



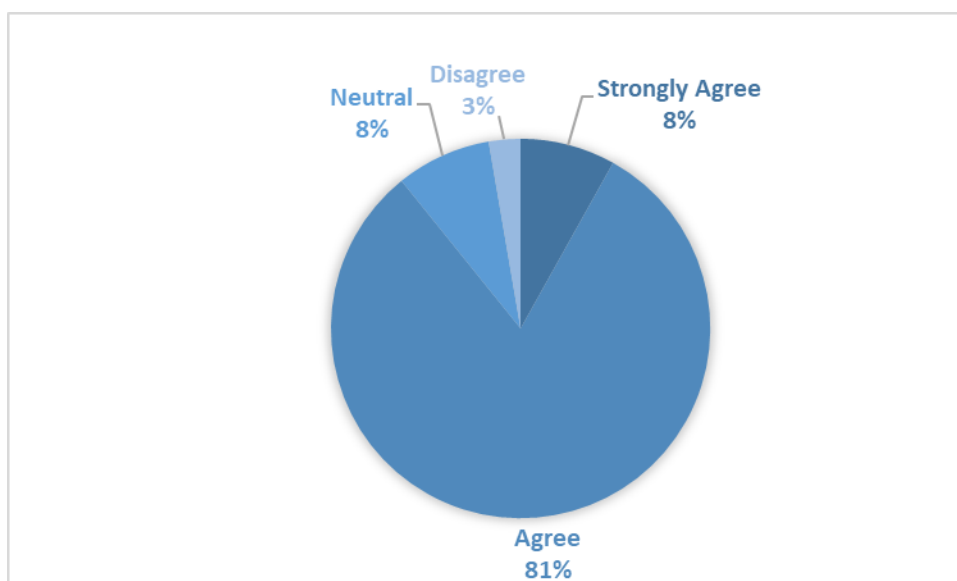
68% of the respondents agreed that there are no cases of harassment and bullying at the workplace due to which they are able to perform better. 24% of the respondents were strongly agreed with the statement. 5% of the respondent remained neutral. However, 3% of the respondents strongly disagreed with the statement.

- The culture of the company is generally positive and supportive due to which I am able to perform better



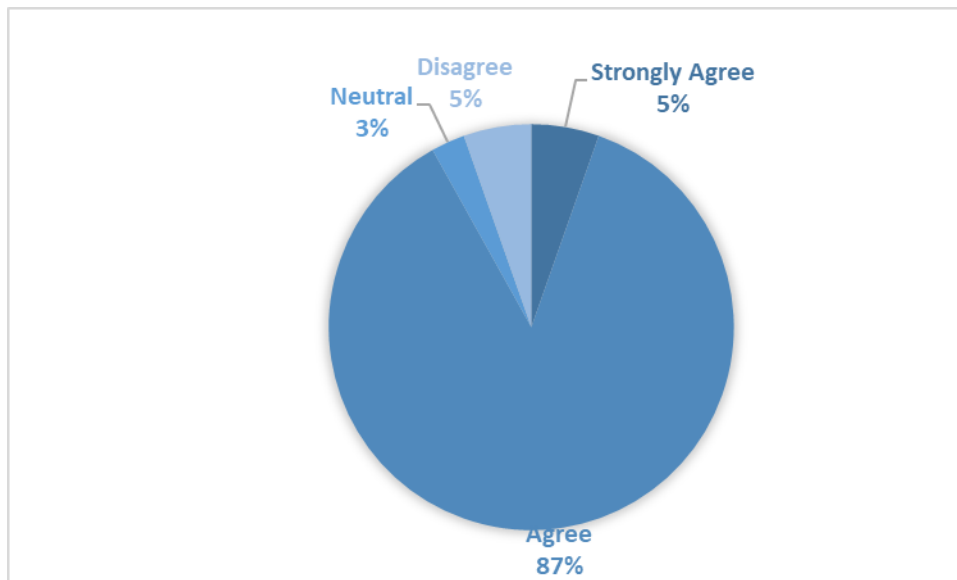
78% of the respondent agreed that the culture of the company is generally positive and supportive due to which they are able to perform better. 8% of the respondents strongly agreed with the statement. However, 14% of them stayed neutral over it.

- The company provides a healthy and safe working environment that helps me in performing better without having any concern



81% of the respondents agreed that the company provides a healthy and safe working environment that helps them in performing better without having any concern. 8% of the respondents strongly agreed to it. 8% of them remained neutral. Whereas 3% of the respondents were disagree with the statement.

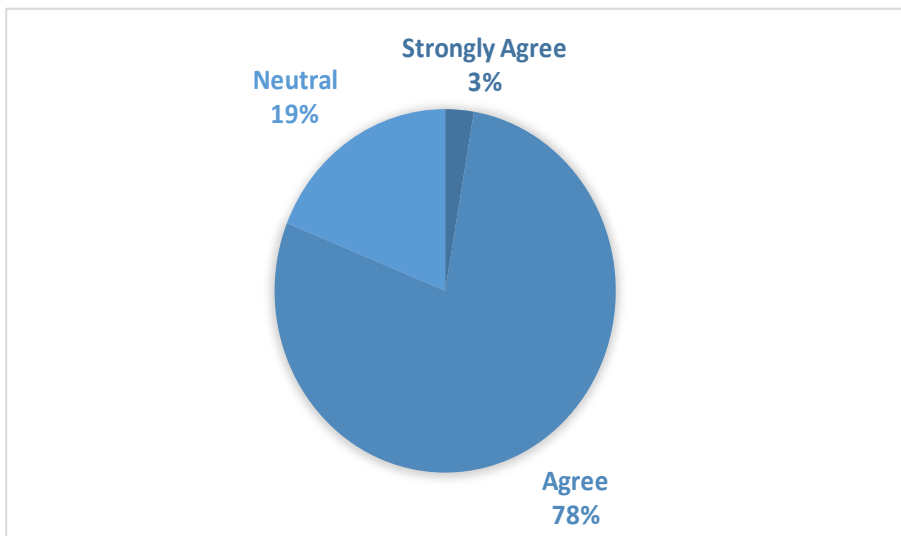
- My workplace provides a good balance of work life which supports my quality of life thus it helps in boosting my performance



87% of the respondents agreed that their workplace provides a good balance of work life which supports their quality of life thus it helps in boosting their performance. 5% of the respondents strongly agreed to it. Where as other 5% of the respondents disagreed with the statement. 3% of the respondent remained neutral.

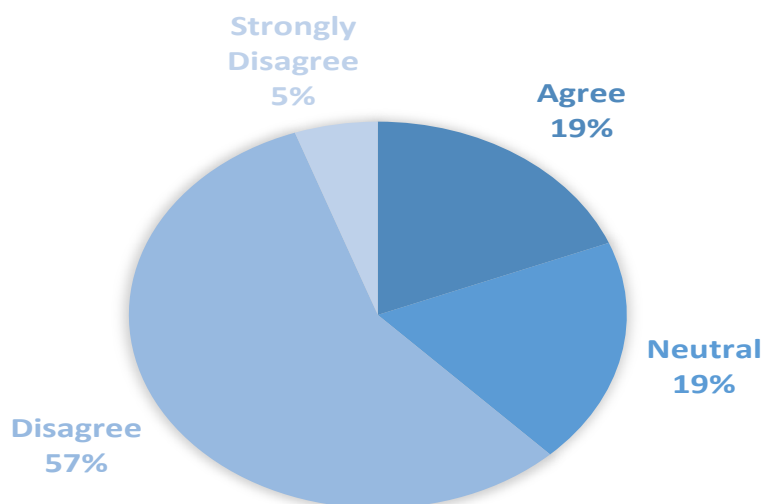
➤ **Influence of Financial Rewards on Employee Performance**

- **I give importance to monetary incentives due to which I perform my work in better manner**



As per the data collected from the survey 78% of the respondents agreed that they give importance to the monetary incentives due to which they perform their work in better manner. 3% of the employees strongly agreed to the statement. However, 19% of the respondents remain neutral.

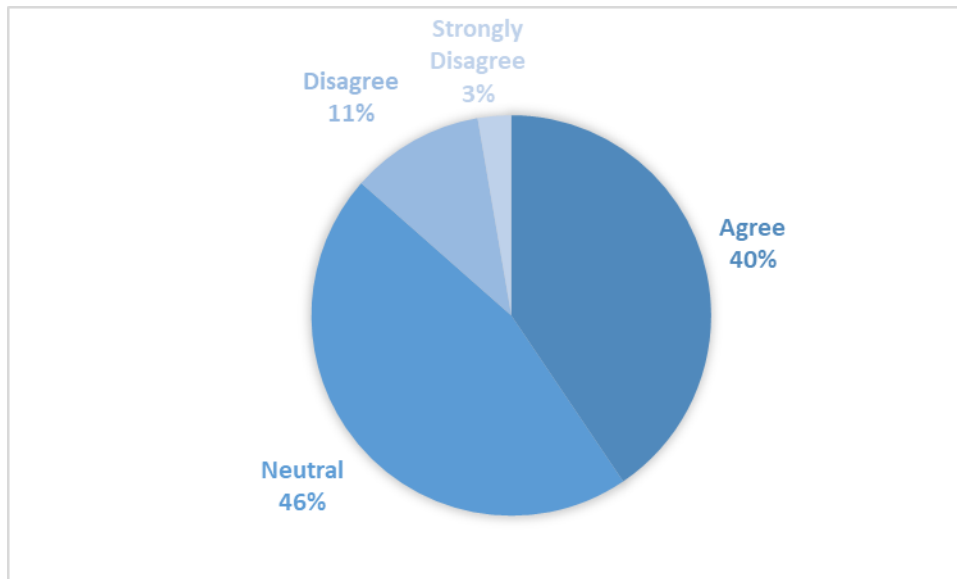
- **Monetary incentives are of no value to me and it does not have any impact on my performance at work**



57% of the respondents disagreed that monetary incentives are of no value to them and it does not impact their work performance. 5% of the respondents strongly disagreed with the

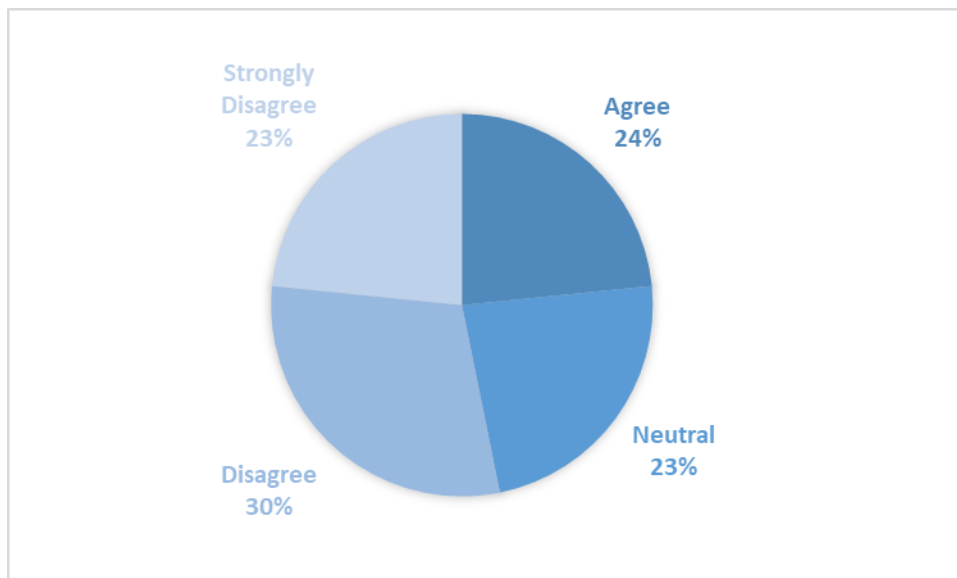
statement. However, 19% of the respondent agreed to the statement, while other 19% remained neutral.

- Monetary incentives offered matches my work effort hence I am performing better



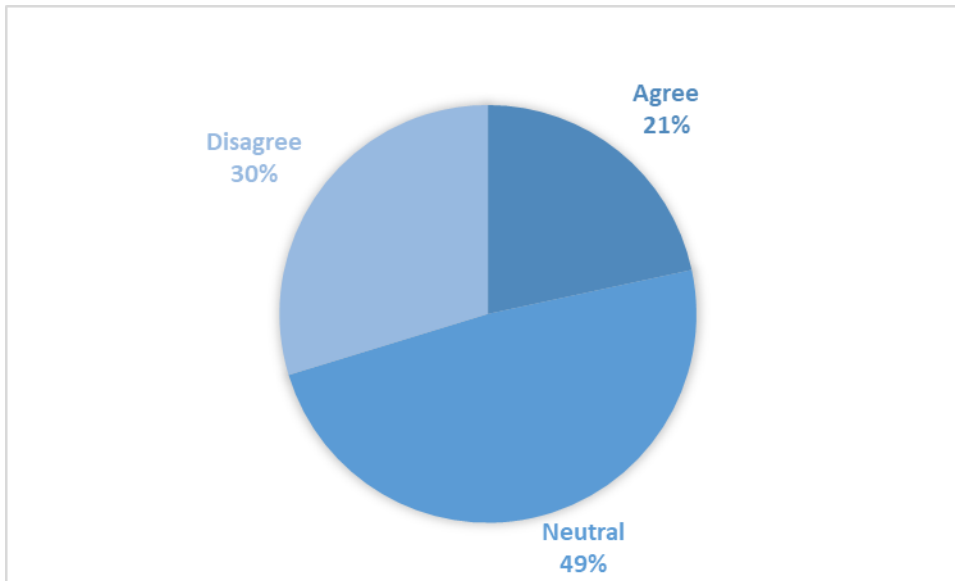
40% of the respondent agreed that the monetary incentives offered to them matches their work effort due to which they perform better. However, majority of the respondents that is 46% of them remain neutral over the statement. While 11% of the respondent disagreed with the statement. 3% of the respondent strongly disagreed to it.

- Monetary incentives are not timely due to which my performance gets affected



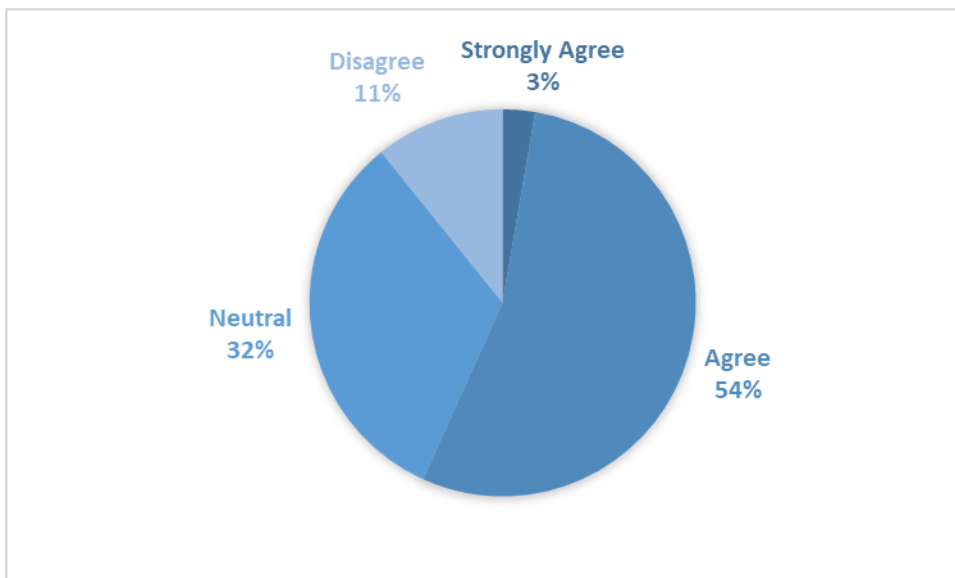
30% of the respondents strongly disagreed that monetary incentives are not timely due to which their performance get impacted. While 23% of the respondents disagreed with the statement. However, 24% of the respondent agreed that monetary incentives are not timely due to which their performance get affected. 23% of the respondents remained neutral.

- Monetary incentives provided to me are not up to my expectation level, hence I do not perform satisfactorily



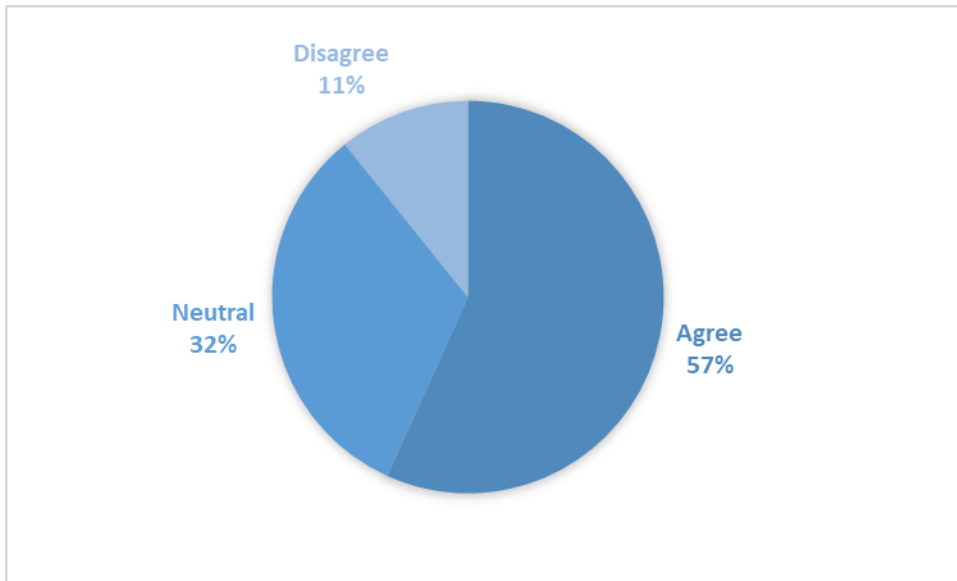
Out of all respondents 49% of the respondents remained neutral to the statement that monetary incentives provided to them are not up to their expectation level hence they do not perform satisfactorily. 30% of the respondent disagreed with the statement. While 21% of the respondent agreed with it that monetary incentives provided to them are not up to their expectation level hence, they do not perform satisfactorily.

- Monetary incentives increase my loyalty towards organization therefore I perform better



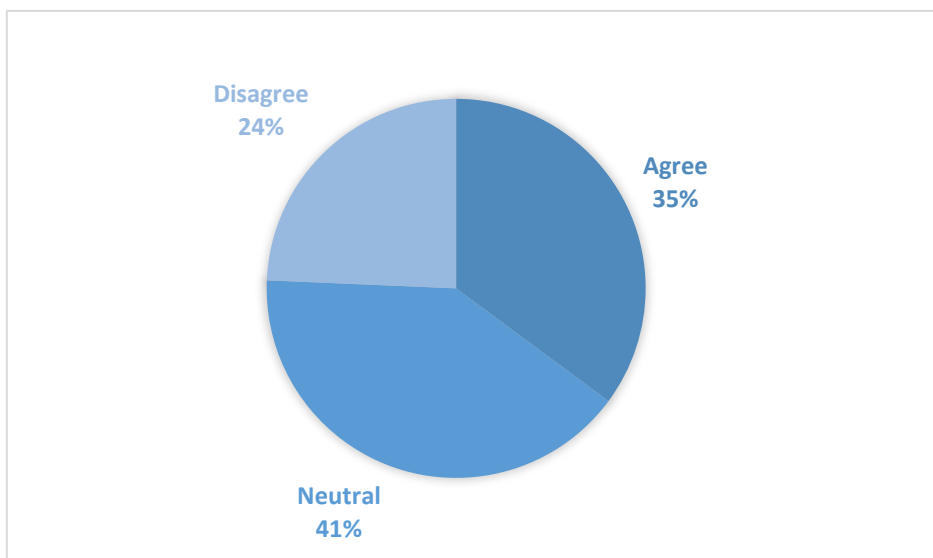
54% of the respondents agreed that monetary incentives increase their loyalty towards the organization therefore they perform better. 3% of the respondent strongly agreed with the statement. While 32% of the respondent remained neutral, 11% of the respondent disagreed with the statement.

- Financial incentives encourages me towards productivity and to deliver better performance



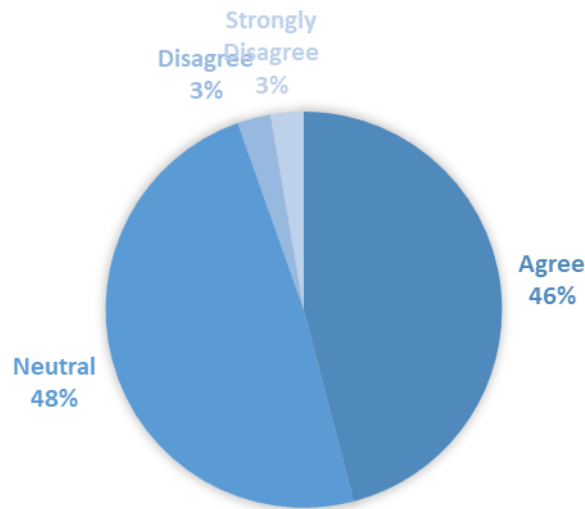
57% of the respondents agreed that financial incentive encourages them towards productivity and to deliver better performance. While 32% of the respondent remained neutral, 11% of the respondent disagreed to it.

- I am satisfied with the financial incentives provided by the company due to which I am able to work well



While 41% of the respondents remained neutral, other 35% of the respondents agreed that they are satisfied with the financial incentives provided by the company due to which they are able to perform better. 24% of the respondent disagreed over the statement.

- Monetary incentives help me to develop attitude towards organizational success because of which I always try to perform my work well



48% of the respondents remained neutral, while 46% of the respondent agreed that monetary incentives help them to develop attitude towards organizational success because of which they always try to perform their work well. 3% of the respondent disagreed and strongly disagreed to it.

### **Project Findings & Conclusion**

From the total 37 responses gathered from the employees at Hydropneumatics Pvt. Ltd. it can be seen from the majority responses that the performance management system is transparent and employees over there are well aware about the system. The performance of the employees is evaluated specifically on the job description provided to every individual employee. Majority of the employees agreed that the goals set for their performance evaluation are mutually decided goals and the goals are not just pushed on them. Criteria and process of performance management system is communicated well in advance to all the employees and not on the day of performance appraisal. Major section of the employees believes that their performance got improved due to the current performance system of the company. However, some employees were of the opinion that their performance has not been improved due to current performance management system.

Majority of the employees who responded agreed that the current performance management system helps them in setting and achieving meaningful goals for themselves. Most of the respondents agreed that they feel free to express their disagreements regarding their performance appraisal to the management. Majority of the respondents agreed that they are

satisfied with weightage given to every criterion on which their performance is evaluated. However, some section of the respondents remained neutral over their decision. Promotions are believed to be strictly given based on the performance management system.

The survey also indicates that the factors like Motivation, Job design, Management style, Working Conditions impact on the performance of the employees. As majority of the employees agreed that when company motivates them through recognition, monetary rewards, feedback from their superiors as well as the challenges that their job provides motivates them to perform more better. Providing every employee their job design which consist of all the duties and responsibilities and skills that need to perform their job helps them to organize their work properly and provides them clear information about their job which enhance their performance. Management style also contribute positively in employee performance, as management of the company has given clear picture about the direction in which the organization will be heading, also division of responsibilities in every department has been done precisely, management also encourages employees to come up with innovative ideas and include them in decision making process. Working conditions of the company also impact positively on the employee performance due to which they are able to perform better. Majority of the employee agreed that undisturbed working environment, safe and healthy working space, work-life balance and bullying & harassment free working environment helps majority of the employee perform better.

In addition to this, I have also found out that monetary rewards heavily influence the employee performance. Majority of the employees agreed that they give importance to the monetary rewards due to which they perform better. Monetary rewards are much valuable to them and it does impact their performance. However certain section of the employees agreed that monetary rewards are of no value to them and it does not impact their performance. However, majority of the employees have kept their answer neutral as on the matching of the monetary incentives to their work effort. However, there was a section of respondents who agreed that the monetary incentives provided to them matches their work effort due to which they perform better. Getting these monetary incentives also impact the performance of the employees as majority of them believes that they get these incentives on time due to which they perform their work better. However certain section of the employees agreed that their incentives are not on time which impacts their performance. Majority of the employees remained neutral on their expectation of monetary incentives and its impact on their

performance. Only few employees agreed that monetary incentives are up to their expectation due to which they are performing satisfactorily. Majority of the employees believes that financial incentives increase their loyalty towards the company and encourages them to become more productive due to which they perform better. As majority of the employees remain neutral, other section of the employees agreed that they are satisfied with the financial incentive provided to them by the company which helps them in improving their work performance. Employees believe that financial incentives help them in developing a attitude towards the organizational success because of which they try to perform well, however majority of the employees remain neutral on this with their opinion.

## **Conclusion**

After analysing all the above parameters, I would like to conclude that the Performance management system adapted by Hydropneumatics Pvt. Ltd. is effective at a certain level. It is also giving them a fair chance to get promotions only on the basis of their performance which eliminates the favouritism. The system helps employee in setting goals for themselves with discussion with their superiors. A common performance management system for both staff as well as workers creates a sense of equality among the employees. Thus, the current system of performance management improves the performance of maximum employees.

Various factors such as Motivation, Job design, Working Conditions and Management style has an impact on the performance of the employees. Each of this factor contribute in the way how employee perform. Less of these factors create a negative impact on employee performance, hence decreasing their performance. But in study we come to know that Hydropneumatics Pvt. Ltd. is providing their employee with every factor mention which helps them in boosting their performance at work. However, there was a section of employee who remained neutral with their opinion at many instances.

Also, most of the employees who works give most of the priority to financial rewards. Their performance is heavily influenced by the financial rewards that they are getting. But there is a section of employees were not satisfied with the number of financial incentives they are getting; hence their performance gets impacted due to this. However, some section of the employees tends to remain neutral on their point of view on influence of monetary rewards on their performance.

## **Recommendations to the Company**

- Company should review the performance of the company twice a year. This will help the employees working for them to improve their flows within time and this would help company to develop career development programs for its employees to manage their performance and to retain their best talent.
- Company should implement 360-degree feedback, which is collected from manager, peers etc. This kind of feedback will give data of how that employee is performing at the workplace. Such type of reviews will eliminate the bias from one person from influencing the performance review.
- In the era of AI company should introduce E-Performance which is a web-based integrated solution designed performance management in small and mid-enterprises. Its features include learning and development, appraisals, reviews and coaching, target and performance standards setting, team and individual performance rating and other benefits. The system will also provide detailed information of every staff in order to monitor each and every stage of their development. Company can define the KPIs and KRAs to track employee performance against each area. Using this information head of the department and HR can effectively review the performance of each employee. This will eliminate the traditional method of performance management used by company which was otherwise very time consuming.
- They should create more awareness about their PMS to the workers. As most of the employees who work in the company are workers with limited education who does not have proper knowledge about the process though they have limited knowledge about the PMS used by the company.
- Rather than sticking to only monetary rewards company should introduce non-monetary rewards for its employees such as appreciating through word of mouth or through posting appreciation post with a picture of the employee on notice board, giving employee of the month rewards based on the performance, flexible working hours, lunch with department head etc. This will reduce the cost of the company and will create a feeling of consideration among the employees due to which they will give their best in terms of their performance. As company is only providing monetary

rewards and some of the employees are not satisfied with it company can implement this.

- Company should also conduct frequent training sessions to their employees in order to enhance their performance. As technologies are upgrading, company should ensure that their staff members are familiarising themselves with the most recent innovations. Upskilling the employees will boost their confidence. When company will invest time and energy into developing employees' skills, they will be more assured in their work. Training employees with additional responsibilities and skills in their career path will benefit in employee retention. This will assist the company convince its staff that it cares about their personal development, which will ultimately lower the cost of new hires by keeping the current workforce.
- Company should conduct fun games to increase the inter department employee participation to enhance skills of its employees such as team work, communication skills, conflict resolution, adaptability, collaboration etc.

### **Work Done & Learnings Derived**

- Assisted in Recruitment of 4 positions: I was responsible to call candidates through their resumes to inform them about the vacant positions and to know their interest for joining. I was also responsible to shortlist suitable candidates by matching the suitable guidelines provided by the HR and then calling and scheduling the interviews. This helped in improving my communication skills as well I learned how to approach the candidates for job vacancies and how selection process takes place in real.
- Maintaining the muster roll using ESSL software: Assisted in maintaining the muster roll using the ESSL software by the punching details of the employees. The software provides all the data of individual employees in-out timings and attendance. I was responsible to update weekly attendance of the employees and they're in-out details. This helped to get familiar with new technology and how to work with it.
- Maintaining and issuing of safety tools to Employees: Issued the safety tools such as shoes, earplugs, masks etc and maintained the record of the same. The company has paper sheet of every employee which consist of issuing details of safety tools to each employee.

- Calculation of salary: Assisted in calculating the salaries of employee. Provided the details of attendance of the employees which helped HR in the calculation of their salaries.
- Maintaining petty cash records: Assisted in maintaining the petty cash record which HR uses to calculate the bills of various essentials brought in and to track the money spend.
- Done other work such as data entry, sorting and maintaining of resumes on the basis of demographic details, qualification and other essential details in the excel sheet. This would help HR to get all the details of the candidates at one place rather than going through all the printed resumes which might consume a lot of time at the time of hiring and I also did document scanning.

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## **Annexure I**

### **Research Questionnaire**

#### **Demographic Particulars**

- Gender
  - Male
  - Female
  - Other
- Age
  - 20 – 25 years
  - 26 – 30 years
  - 31 – 35 years
  - 36 – 40 years
  - 41- above years
- Years of Experience
  - Less than 2 years
  - 2 – 5 years
  - 5 – 10 years
  - 10- 15 years
  - 15 years and above
- Educational Qualification
  - SSC
  - HSSC
  - Diploma
  - Graduate
  - Post Graduate
  - Others
- Department
  - Contract
  - HRD
  - Purchase & Stores
  - Finance & Dispatch
  - IT

- Production
- Quality Control
  
- How often your Performance is reviewed?
  - Mid-year
  - Annually
  
- The Process of Performance management system is transparent within the company
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
  
- My Job description is clearly defined on which my performance is measured
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
  
- Goals set for my performance evaluation are mutually decided goals
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
  
- The Process and criteria of PMS is always well communicated before the time of appraising the performance
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
  
- My Performance improves due to current performance management system
  - Strongly Agree

- Agree
- Neutral
- Disagree
- Strongly Disagree
- Performance Management system helps me to set and achieve meaningful goals
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
- I feel free to express my disagreement regarding the appraisal decision
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
- I am satisfied with the weightage given against each activity that I am supposed to perform in the specified period by PMS
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree
- My promotions are strictly based on the performance management system
  - Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree

❖ **Factors Affecting Employee Performance (Add my performance)**

**A. Motivation**

- Using the key below, please indicate the extent to which you agree with each statement

Sr No	Statements	SA	A	N	D	SD
1	Recognition by my superior for a job done is very important for me to perform better					
2	I am motivated by the companys reward system and it make me perform better					
3	My company uses monetary rewards like base pay, bonus incentives to make me perform better					
4	I regularly receive constructive feedback from my superiors which helps to perform better					
5	The challenges that my job provides motivates me to perform better					

**SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree**

**B. Job Design**

- Using the key below, please indicate the extent to which you agree with each statement

Sr No	Statements	SA	A	N	D	SD
1	I am required to use a number of high skills while conducting my job for better performance					
2	My job enables me to organize my work that boost my performance					
3	The job description provides a clear information about the job to be performed, which helps in boosting my performance					

**SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree**

### C. Management Style

- Using the key below, please indicate the extent to which you agree with each statement

Sr No	Statements	SA	A	N	D	SD
1	The department has a clear division of responsibilities that helps me to perform my job better					
2	Senior management give's a clear picture of the direction in which the organization will progress that motivates me to perform better					
3	I am actively involved in the decision-making process due to which I am able to deliver good performance					
4	The organization encourages us to always come up with innovative ideas which helps me to enhance my performance					

SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree

### D. Working Conditions

- Using the key below, please indicate the extent to which you agree with each statement

Sr No	Statements	SA	A	N	D	SD
1	My workplace provides an undisturbed environment that allows me to perform my duties, hence I am able to excel my performance					
2	There are no cases of harassment and bullying at the workplace due which I am able to work perform better					
3	The culture of company is generally positive and supportive due to which I am able to perform better					
4	The company provides a healthy and safe working environment that helps me in performing better without any concern					
5	My workplace provides a good balance of work life which supports my quality of life thus it helps in boosting my performance					

SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree

- **Monetary Incentives**
- using the key below, please indicate the extent to which you agree with each statement

Sr No	Statements	SA	A	N	D	SD
1	I give importance to monetary incentives due to which I perform my work in better manner					
2	Monetary Incentives are of no value to me and it does not have any impact on my performance at work					
3	Monetary incentives offered matches my work effort hence I am performing better					
4	Monetary incentives are not timely due to which my performance gets affected					
5	Monetary Incentives provided to me are not up to my expectation level hence I does not perform satisfactorily					
6	Monetary incentives increase my loyalty towards organization therefore I perform better					
7	Financial Incentives encourages me towards productivity and to deliver better performance					
8	I am satisfied with the financial Incentives provided by the company to me due which I am able to perform well					
9	Monetary incentives help me to develop attitude toward organizational success because of which I always try to perform my work well					