Performance Management: Impact of Organizational Behaviors on Collective Performance

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Abstract. This study addresses the impact of organizational behavior on employee performance, highlighting the qualitative measurements of performance management. The essay outlines the implications of performance management in human resource management and underpins the multifaceted perspectives in the theoretical approach to performance management. The research is conducted through a survey, data collection and analysis to be compared with the hypothesis, and hence conclude at its discussion of determinants in performative management. Subsequently, a discussion of the research outcomes and their limitations for further suggestions on how to improve performance management to stimulate organizational citizenship behavior among knowledge-based employees.

Keywords: Collective performance, performance management, organizational behavior

1 Introduction

In the modern age of enterprises, expansion of the corporate environment and introduction of foreign firms intensifies the competitive market, it raises a question on level of efficiency in order to maintain core competencies, responses to the market competition, and the principles of performance management within such environment to obtain economics of scale[1]. The majority of the current research on innovation is focused on the organizational level and is often considered to be the result of teamwork, while relatively little research has been conducted on the impact of individual-level innovation behavior, particularly human resource management (HRM) practices, on employee innovation behavior, but in fact organizational innovation is mostly translated from individual innovation ideas.

Over the past decade or so, a growing body of research has sought to identify ways to influence employee innovation from a human capital and HRM perspective, and to explore the relationship between HRM practices and innovation performance and has shown that organizational innovation can be stimulated by enhancing the creativity of individual employees. This essay takes this as a focal point of the research and attempts

to examine the effectiveness in performance management in its elation to organizational behaviors[2].

2   Implications of Performance Management

Performance management is an integral component of human resources management, encompassing two prominent viewpoints: the outcome theory and the behavioral theory. The outcome theory posits that performance assessment should revolve around an organization's responsibilities, objectives, tasks, and competencies. It entails evaluating employees based on how effectively they fulfill these responsibilities and meet these criteria.

A more comprehensive interpretation of performance extends to encompass the progress and completion of tasks across all organizational roles. Within this broader scope, "performance" or "achievement" encompasses not only quantifiable business outcomes assessed through economic indicators but also aspects of performance that defy direct economic measurement[3,9].

Critics contend that performance management constitutes the orchestration of organizational performance, entailing a triad of processes: planning, enhancement, and appraisal. Performance planning involves the systematic elucidation of organizational expectations and strategies, as well as the delineation of performance parameters, among other elements. Performance enhancement encompasses a spectrum of activities, ranging from business process reengineering and continuous process improvement to standardization and total quality management. Finally, performance measurement involves the establishment of performance metrics and the subsequent evaluation of performance[4].

3   Performance Management Theories

Human Resource Management (HRM) refers to a series of activities to ensure the achievement of organizational goals and the development of individual members through the effective use of human resources, both inside and outside the organization, through recruitment, training, performance management, compensation and incentives, human resource planning and other forms of management, in order to achieve organizational goals.

The concept of human resource management was born out of the Resource-Based View (RBV), which considers human resources as a specific organizational resource, valuable, scarce, irreplaceable, and proprietary resources that can create new value. This requires the management of human resources, which is indispensable in order to maximize their effectiveness and performance for the organization. Only an integrated human resource system is characterized by its specificity, complexity, complementarity and manageability of risk[8], and therefore human resource management is generally studied from a systems perspective. The development of theories related to HRM has been characterized by three main changes of perspective, namely the Universalistic Perspective, the Configurational Perspective and the Contingency Perspective: "The

Universalistic Perspective believes that the best HRM practices can be identified through research and analysis, and that the best representative HRM practices can be identified by classifying practices through factor analysis and cluster analysis, and that it is applicable to all enterprises and can maximize the achievement of corporate goals and benefits. The best HRM practices are considered to be applicable to all companies and to maximize the achievement of corporate goals and benefits[5].

The "contingency perspective" is a theoretical framework that asserts that the link between Human Resource Management (HRM) practices and organizational performance is not fixed but rather flexible. It rejects the idea that there is a one-size-fits-all approach to HRM practices that universally leads to optimal organizational outcomes. Instead, this perspective posits that HRM practices must be carefully tailored and adapted to fit the specific external and internal circumstances of an organization in order to be effective.In essence, the contingency perspective acknowledges that HRM practices cannot be applied uniformly across all organizations.

It recognizes the complexity of the organizational environment, internal strategies, and various conditions that can influence the effectiveness of HRM practices. Therefore, to achieve the best results, HR practices must be aligned with and responsive to the unique context in which they are implemented. While the contingency view introduces a multitude of variables that can impact HRM practices, it does not assume that these practices operate in isolation within an organization. Instead, it focuses on exploring how HR practices interact with and affect organizational performance within the context of these contingent variables. This perspective emphasizes the need for HR professionals and managers to be adaptable and strategic in their approach to HRM, taking into account the ever-changing external and internal factors that shape an organization's success[10].

4   Research Methodologies

This research paper adopts a comprehensive and multi-faceted research approach, integrating diverse methodologies to effectively address our research objectives. Our research commenced with an exhaustive literature review as its initial phase. We systematically examined an array of previous studies and existing scholarly works pertaining to the subject matter. This meticulous literature review served as the cornerstone of our knowledge base, allowing us to identify gaps in the current understanding of the topic. Building upon this existing knowledge, we formulated our research hypotheses.

To empirically investigate the research hypotheses, we conducted a comprehensive questionnaire survey.

A carefully structured questionnaire was designed and administered to a targeted group of respondents. This survey enabled us to collect quantitative data related to the variables of interest. The responses from the questionnaire were subjected to rigorous analysis using a variety of statistical techniques.The data collected through the questionnaire underwent an extensive and thorough statistical analysis. We applied various statistical methods, including regression analysis, correlation analysis, and hypothesis testing, to evaluate the relationships between the variables and to rigorously test the

formulated hypotheses. Statistical analysis provided us with empirical evidence to either substantiate or challenge our research hypotheses.

Beyond the questionnaire survey, our research strategy encompassed a comprehensive field survey aimed at delving deeper into the intricacies of enterprise performance management practices. During this phase, we actively engaged in direct observations, conducted in-depth interviews, and established meaningful interactions with individuals situated within the organizations under scrutiny. The wealth of insights garnered through this field survey proved to be indispensable in shedding light on the specific challenges and opportunities entwined with performance management in these organizational contexts.

This multifaceted research approach was meticulously designed to ensure a thorough and all-encompassing exploration of our research objectives. It entailed a synergistic blend of established knowledge, empirical data, and firsthand observations. By fusing these various components together, we aimed to bolster the depth and validity of our research findings. In essence, our approach allowed us to triangulate information from diverse sources, providing a more nuanced and holistic understanding of the complexities inherent in enterprise performance management.

4.1   Survey Research, Outcomes, and Evaluation

Table 1. Measurement of fairness in performance management determinants

Measurement of fairness in performance management determinants			
The leader is able to remove personal bias when applying rewards and sanctions	Factor 1	Factor 2	Factor 3
The leader is willing to listen to me when I disagree with him/her	0.746	0.129	0.076
When making decisions related to my work, the leader will discuss the purpose of the decision with me	0.738	0.119	0.109
The leader clearly explains to me any decisions related to my performance	0.678	0.046	0.231
When making decisions related to my work, the leader will consider the issue from my perspective	0.599	0.206	0.268
I have a say in setting my work goals	0.596	-0.045	0.268
Employees who do well on job evaluations have more opportunities for promotion	0.463.	-0.021	0.446
The results of my work appraisal will be directly linked to my salary	0.437	0.388	0.251

For each subscale of the formal questionnaire, we conducted a comprehensive analysis, calculating correlations among the individual items as well as between each item and both the total score for its corresponding dimension within the scale and the overall score for the entire scale. In the case of the Performance Management Fairness Scale, it was observed that questions 17 and 18 displayed relatively low correlations with the total score and exhibited weak associations with the other items. Consequently, these two items were subsequently removed from the scale to enhance its reliability.

Within the Instrumental Expectations Scale, the items demonstrated a high degree of significance in relation to one another and contributed significantly to the total score. Furthermore, all items displayed notably positive correlations with each other. This robust interconnectedness among the items reinforced the reliability of the scale.

Turning to the Organizational Civic Behavior scale, we observed that all items exhibited significant and positive correlations with the total score, underlining their collective contribution to the scale's overall measurement. Additionally, most items within this scale demonstrated significant correlations with each other, indicating their alignment in capturing the construct being measured.

Furthermore, when we delved deeper into the correlations within the altruism dimension, we noted that items 1, 2, and 3 displayed stronger associations with each other compared to their correlations with the items from the other two dimensions. Items 4, 5, 6, 7, 8, and 9 showed higher correlations with the dimensions of identification with the organization and sense of responsibility, as opposed to their connections with the dimensions of altruism and valuing organizational resources and relationships. Meanwhile, items 10, 12, 13, 14, and 15 exhibited more robust correlations with valuing relationships and organizational resources than with the other two variables, a finding corroborated by subsequent analysis.

In the context of the Organizational Commitment scale, most items demonstrated highly significant correlations with one another, solidifying the scale's internal consistency. Notably, the only exception was question 15, which displayed weaker correlations with the other items, a detail that will be further explored in the subsequent factor analysis.

These inter-item correlations provide essential insights and serve as a foundational reference point for the subsequent factor analysis, which will help uncover underlying patterns and structures within the data[6].

5   Conclusion

In summary, the findings of this study offer substantial support for the initial hypothesis. To begin with, our research reveals a significant connection between fairness in performance management and organizational civic behavior among Chinese employees. Nevertheless, within the rich tapestry of Chinese culture, we also unearthed additional variables that serve as predictors of organizational citizenship behavior, alongside the fairness of the performance management process. These include factors like organizational commitment and instrumental expectations. Furthermore, it became evident that the predictive power of fairness in the performance management process doesn't stand alone; it is subject to moderation by other variables.

This implies that while fairness in performance management plays a crucial role in predicting organizational citizenship behavior, its influence can be shaped and even tempered by the interplay of other variables[7].This suggests a nuanced relationship between fairness in performance management and organizational citizenship behavior within the Chinese cultural context, where multiple factors come into play to shape

employee behavior and engagement beyond just the fairness of performance evaluations.

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