PERFORMANCE MANAGEMENT: A KEY ELEMENT FOR MANAGING FACULTY TALENT

Dr. Vaishali J. Patil
Assistant Professor
Mulund College of Commerce, Mumbai.

ABSTRACT

The globalized economy poses many challenges to the higher education sector where quality and sustainability are the prime concerns. The paper investigates the promotion and implementation of performance management for managing faculty talent in self-financed management institutions. Faculty are one of the important resources for an institution and it is crucial to manage and retain faculty talent. The paper is based on primary survey data collected from 115 faculty members of 23 self-financed management institutions from three regions of Maharashtra viz., Nasik, Jalgaon and Dhule through a structured questionnaire based on 5 point likert scale. The hypothesis testing has been done with the use of sign test. The major findings of this paper are that only 26.1% of the faculty strongly expressed that their institutions have implemented a performance management system. Further, only 25.2% of the faculty expressed good satisfaction with the performance management system of their institution. The findings also indicate that there exists a positive relationship between performance management and the level of motivation, job satisfaction, commitment and performance of faculty. This indicates that performance management plays a vital role in managing faculty talent in the higher education institutions.

Key Words: Performance Management, Talent Management, Globalized Economy, Quality and Sustainability

INTRODUCTION

The paper deals with the concept of performance management in higher education institutions in particularly the self-financed management institutions. Performance Management is a significant component of talent management which focuses on the quantitative and qualitative aspects of employees’ performance under varying circumstances. It analyses their abilities in implementing their knowledge and skills so as to contribute towards the achievement of organizational objectives.

Every organization needs to design and implement an effective performance management system to provide constructive feedback to the employees.
Higher education institutions are no exception to this and its’ essential to incorporate a performance management mechanism for the faculties. The performance management system should be open and transparent that would motivate faculties to deliver high performances. A well-formulated performance management system will lead to a motivated and satisfied workforce and will also contribute to an increase in their level of commitment and performance.

(Dholakia, 2015) has thrown light on “The challenges faced by the Indian management education by highlighting issues like shortage of talented faculty and lack of initiatives for maintaining and enhancing the quality of education. The author has emphasized that there is a need to implement a performance management system for appraisal and monitoring the performance of faculty. The appraisal system should appreciate and reward the performances of faculties for initiatives like research and innovation, devising newer pedagogy, designing newer courses and curriculum which would help in quality enhancement and promote better prospects for management education to flourish.”

(Parthasarathy & Pingle, 2013) have asserted that “Talent management is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of the employees and developing and nurturing them to get the desired results. The concept of talent management has been widely spoken among corporate houses but it is not so common among education industry.” (p. 127).

The present paper focuses on the collection of information about the promotion and implementation of performance management in self-financed management institutions. It attempts to draw attention towards the significance of performance management for talent management of faculty.

LITERATURE REVIEW

(Snehi, 2016) has asserted that “It is important to design an effective performance management system that can provide valuable feedback for performance improvements and the feedback should be properly linked to rewards.

(Grote, 2011) has asserted that “Organizations need to formulate an ideal performance management system which requires the active involvement of top management, establishing the performance criteria or benchmarks, designing the appraisal form, appointing an implementation team, and incorporating the vision, mission, values and core competencies into it. The performance management system also needs continuous communication, training the appraisers, orienting the appraisees, using the results for promotion, training and development and finally monitoring and revising the programme.” (p. 51-53)
(Insler & Becom, 2011) have highlighted that “High performing organizations today realize that effective performance management plays an indispensable role in the successful development of talent.” (p. 65). In this context, the authors have further stated that “Effective performance management is a critical process that aligns the expectations of organizations and individuals, it ensures that there are regular discussions to guide the behaviour and performance of employees and identifies the changes in performance or expectations based on results and changes in the business conditions. Performance management includes both formal and informal performance reviews. The periodic formal reviews should include evaluation and feedback that drives talent development. It should be supported and reinforced with informal reviews for ongoing coaching and career planning.” (p. 71).

(Dhamne A., Jadhav D. & Somvanshi M., 2017) have stated that “Performance appraisal is a formal system that evaluates the quality of teachers’ performance. An appraisal should not be viewed as an end in itself, but rather as an important process within a performance management system. Regular performance appraisals provide a useful opportunity to conduct a checking on various work force development issues that may impact on teacher’s effectiveness and well being. Performance appraisals can be used to recognize and support effective performance, develop and reward effective teamwork and to identify and manage issues likely to impact on retention.”

OBJECTIVES OF THE STUDY

- To study the implementation of performance management system in self-financed management institutions.
- To investigate the satisfaction of faculties with the performance management system of their institution.
- To explore the influence of performance management on the level of motivation, job satisfaction, commitment and performance of faculty.

HYPOTHESIS OF THE STUDY

$H_{01}$: The faculties are not satisfied with the performance management system of their institution.

$H_{11}$: The faculties are satisfied with the performance management system of their institution.

$H_{02}$: There exists no relationship between performance management and the level of motivation, job satisfaction, commitment and performance of faculty.

$H_{12}$: There exists a positive relationship between performance management and level of motivation, job satisfaction, commitment and performance of faculty.
SIGNIFICANCE OF THE STUDY

The present study holds relevance due to the growing need of talent management in higher education institutions for developing and retaining faculty talent. This cannot be possible in the absence of an effective performance management system. Human resources being one of the valuable assets are the pillars for the success and sustenance of an organization.

The paper attempts to draw attention towards the need to promote and implement performance management in self-financed higher educational institutions. The study would facilitate in understanding the role of performance management for improving faculty performances and in achieving institutional objectives.

RESEARCH METHODOLOGY

The research study is descriptive and analytical in nature. The paper is based on primary survey data collected from 115 faculty members of 23 self-financed management institutions from three regions of Maharashtra viz., Nasik, Jalgaon and Dhule through a structured questionnaire based on 5 point likert scale. The data has been analyzed through graphical presentation and the use of sign test for hypothesis testing. The paper has also made use of secondary data from peer-reviewed national and international journals, reports, magazines, periodicals, books, newspapers and other online sources.

DATA ANALYSIS AND DISCUSSION

The present paper discusses the promotion and implementation of performance management and its influence on faculties in self-financed management institutions. The data has been analyzed through graphical presentation and the use of sign test for hypothesis testing.

CHART 1: Implementation of Performance Management System

Source-Primary Survey Data
CHART 2: Sharing of Performance Feedback with Faculty

Source- Primary Survey Data

INTERPRETATION: The figures pinpoint that only 26.1% of the Faculty who responded in the first two categories strongly expressed that their institutions have implemented a performance management system for faculty whereas, the remaining 73.9% of the Faculty demonstrated lack of proper efforts on the part of the institution in implementing a performance management system.

Further, regarding sharing of performance feedback, only 36.5% of the Faculty who responded in the first two categories strongly expressed that their higher authorities provide feedback to them about their performances whereas, the remaining 63.5% of the Faculty expressed lesser attention by higher authorities about sharing performance feedback with them.

CHART 3: Recognition and Appreciation of Good Performance

Source- Primary Survey Data
INTERPRETATION: The statistics depict that only 26.1% of the Faculty who responded in the first two categories authenticated that the institution recognizes and appreciates good faculty performances whereas, the remaining 74% of the Faculty expressed little consent regarding the recognition and appreciation of good faculty performance.

The statistics further reflect that only 25.2% of the Faculty who responded in the first two categories expressed good satisfaction with the performance management system of the institution whereas, the remaining majority of 74.7% of the Faculty revealed lesser satisfaction with regard to the performance management system of the institution.
CHART 6: Influence of Performance Management on Job Satisfaction of Faculty

Source- Primary Survey Data

INTERPRETATION: The data manifests that the majority of 71.3% of the Faculty who responded in the first two categories strongly authenticated that performance management system has a major impact on the motivation level of faculty whereas, the remaining 28.7% of the Faculty exhibited little consent regarding the impact of performance management system on the motivation level of faculty.

The data also reflects that the majority of 67% of the Faculty who responded in the first two categories strongly accentuated that performance management system has a major impact on the job satisfaction of faculty whereas, the remaining 33% of the Faculty denoted little consent regarding the impact of performance management system on the job satisfaction of faculty.

CHART 7: Influence of Performance Management System on Commitment of Faculty

Source- Primary Survey Data
INTERPRETATION: The data demonstrates that the majority of 74% of the Faculty who responded in the first two categories strongly emphasized that performance management system has a major impact on the commitment of faculty whereas, the remaining 26.1% of the Faculty expressed little consent regarding the impact of performance management system on the commitment of the faculty.

The data also reveals that the majority of 85.2% of the Faculty who responded in the first two categories strongly authenticated that performance management system has a major impact on the performance of faculty whereas, the remaining 14.8% of the Faculty demonstrated little consent regarding the impact of performance management system on the performance of faculty.

TESTING OF HYPOTHESIS

<table>
<thead>
<tr>
<th>Variables</th>
<th>Median</th>
<th>p-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with the Performance Management System</td>
<td>3.00</td>
<td>0.228</td>
<td>Insignificant</td>
</tr>
<tr>
<td>Influence of Performance Management on Motivation Level of Faculty</td>
<td>4.00</td>
<td>3.30E-15</td>
<td>Significant</td>
</tr>
<tr>
<td>Influence of Performance Management on Job Satisfaction of Faculty</td>
<td>4.00</td>
<td>3.18E-12</td>
<td>Significant</td>
</tr>
<tr>
<td>Influence of Performance Management on Commitment of Faculty</td>
<td>4.00</td>
<td>2.55E-15</td>
<td>Significant</td>
</tr>
<tr>
<td>Influence of Performance Management on Performance of Faculty</td>
<td>5.00</td>
<td>5.91E-19</td>
<td>Significant</td>
</tr>
</tbody>
</table>
INTERPRETATION: The first hypothesis is associated with the satisfaction of the faculty with the performance management system. Whereas, the second hypothesis is associated with performance management and the level of motivation, job satisfaction, commitment and performance of faculty.

The results of Sign Test for the variables associated with the first and the second hypothesis have been presented above in Table 1 and with reference to it the following inferences have been drawn.

- **Satisfaction of Faculty with the Performance Management System**: The Sign Test provides the median 3.00 which indicates that the responses of the Faculty are inclined towards the response category ‘Moderately’. Since the \( p \)-value is 0.228, which is greater than the level of significance \( (\alpha = 5\%) \), there is no evidence to reject the null hypothesis and it is considered to statistically insignificant. This indicates that the faculties are not satisfied with the performance management system of their institution.

- **Influence of Performance Management System on the Motivation Level of Faculty**: The Sign Test provides the median 4.00 which indicates that the responses of the Faculty are inclined towards the response category ‘Very’. Since the \( p \)-value is 3.30E-15, which is less than the level of significance \( (\alpha = 5\%) \), there is no evidence to accept the null hypothesis and it is considered to statistically significant. This indicates that the performance management system has a strong influence on the motivation level of faculty.

- **Influence of Performance Management System on the Job Satisfaction of Faculty**: The Sign Test provides the median 4.00 which indicates that the responses of the Faculty are inclined towards the response category ‘Very’. Since the \( p \)-value is 3.18E-12, which is less than the level of significance \( (\alpha = 5\%) \), there is no evidence to accept the null hypothesis and it is considered to statistically significant. This indicates that the performance management system has a strong influence on the job satisfaction of faculty.

- **Influence of Performance Management System on the Commitment of Faculty**: The Sign Test provides the median 4.00 which indicates that the responses of the Faculty are inclined towards the response category ‘Very’. Since the \( p \)-value is 2.55E-15, which is less than the level of significance \( (\alpha = 5\%) \), there is no evidence to accept the null hypothesis and it is considered to statistically significant. This indicates that the performance management system has a strong influence on the commitment of faculty.

- **Influence of Performance Management System on the Performance of Faculty**: The Sign Test provides the median 5.00 which indicates that the responses of the Faculty are inclined towards the response category ‘Very’. Since the \( p \)-value is 5.91E-19, which is less than the level of significance \( (\alpha = 5\%) \),
there is no evidence to accept the null hypothesis and it is considered to statistically significant. This indicates that the performance management system has a strong influence on the performance of faculty.

CONCLUSION

The analysis and discussion in this paper throws light on the need of implementing an effective performance management system in self financed management institutions and the influence it has on the faculty. The Sign Test performed for the first hypothesis provides a $p$-value which is greater than the level of significance ($\alpha = 5\%$). Hence, it is statistically insignificant and therefore, the null hypothesis is accepted and the alternative hypothesis is rejected. On the basis of the results, it can be stated that the faculties are not satisfied with the performance management system of their institutions.

Further, the Sign Test performed for all the variables associated with the second hypothesis provides a $p$-value which is less than the level of significance ($\alpha = 5\%$). Hence, it is considered to be statistically significant and therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. On the basis of the results, it can be stated that there exists a strong relationship between performance management and the level of motivation, job satisfaction, commitment and performance of faculty. This indicates that performance management has a positive impact on the level of motivation, job satisfaction, commitment and performance of faculty.

Therefore performance management is an important element of managing and retaining faculty talent in higher education institutions. Thus, it requires to be prominently implemented in the institutions for attaining quality, success and sustainability.

RECOMMENDATIONS

- The institutions need to design and implement an effective and transparent performance management system for faculty that provides constructive feedback for faculty development as the majority of the faculty demonstrated lack of proper efforts on the part of the institution in implementing a performance management system and also expressed lesser satisfaction with the performance system.

- There should be an effective system that regularly monitors faculty performance. Higher authorities should encourage regular interaction with the faculty and provide them valuable inputs regarding their performance.

- The performance reviews should be linked to the compensation structure. Institutions need to develop a standardized method for collecting feedback about faculty performances that is authentic and reliable.

- Faculty Recognition Programmes should be organized at the end of each academic year where good and outstanding performances are appreciated and felicitated in a faculty gathering or in the year end meeting.
REFERENCES


