



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Research proposal(LCMB7020)
Basuri LomeshKumar Parikh – 2242210
Lecturer- Dr. Faizu Edu.

Table of Contents

1. Introduction.....	3
2. Aim.....	4
3. Objectives	4
4. Research Questions	4
5. Background.....	5
6. Theoretical Framework.....	6
7. Research Problem	6
8. Literature Review.....	8
9. Methodology	9
References	12

The role of performance management systems in enhancing employee motivation

1. Introduction

Performance management systems (PMS) have evolved to reflect the fact that organised, systematic employee performance control is essential to organisational success in recent decades. Performance management systems set targets, monitor, review, and give feedback to align employee outputs with corporate goals. This alignment may boost team and individual performance. PMS may benefit employees, but how they affect motivation, which is crucial to productivity and job satisfaction, is unknown (Riyanto et al., 2021). Work atmosphere, leadership style, and reward programmes motivate employees to achieve personal and corporate goals. Understanding PMS motivation is essential for performance management. This study explores the complex interaction between performance management systems and employee motivation to find the most inspiring PMS components (Rasheed et al., 2020). This study examine how goal-setting, feedback, and performance appraisals affect internal and extrinsic motivation and the merits and cons of current PMS practices from employees' perspectives. This systematic research study will synthesise findings to improve PMS staff engagement and motivation. HR professionals, leaders, and politicians can use this information to motivate and succeed through performance management (Van Waeyenberg et al., 2022).

4 Stages of Performance Management

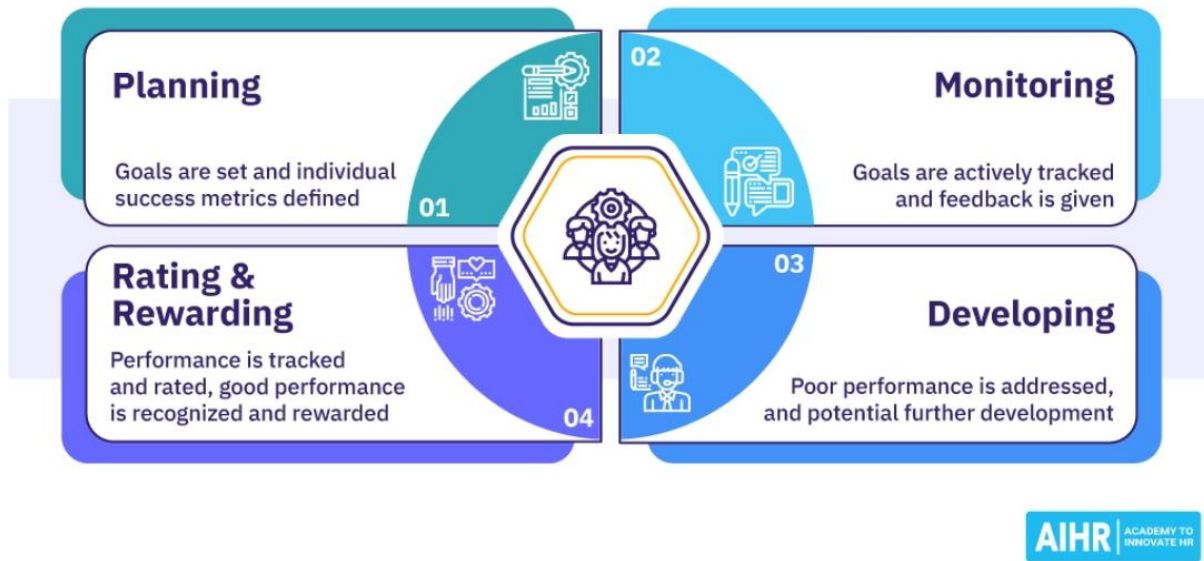


Figure 1 Stages of PMS

2. Aim

The main aim of this study is to investigate how performance management systems can enhance employee motivation.

3. Objectives

- To assess the effectiveness of performance management systems in increasing employee motivation.
- To identify key performance management practices that positively influence employee motivation.
- To evaluate the impact of regular performance reviews and feedback on employee motivation.
- To explore the relationship between goal setting in performance management and employee motivation levels.

4. Research Questions

- How do performance management systems influence employee motivation in the workplace?
- What specific performance management practices are most effective in enhancing employee motivation?

5. Background

In MNC firms, performance management systems (PMS) encourage employee performance through goal setting, monitoring, reviews, and constructive feedback. Strategic HRM solutions improve productivity and efficiency by aligning employee performance with company goals. Annual assessments have given way to dynamic, ongoing performance management solutions for modern workplaces (Hartinah et al., 2020). Internal and external factors affect employee motivation, which boosts productivity, work satisfaction, and company performance. Pay, promotions, and recognition complement intrinsic motivation—personal growth, workplace happiness, and achievement. Goals, feedback, and development boost internal and extrinsic performance management motivation (Atmaja et al., 2022). Understanding how PMS affects motivation is crucial to devising performance-enhancing and engaging methods.



Figure 2 Benefits of PMS

Despite their benefits, PMS's impact on employee motivation is unknown. Few studies have examined how goal setting, feedback, and assessments affect motivation. Some research show that PMS boosts motivation and performance, but poor performance management increases stress and job dissatisfaction. This disparity highlights the necessity for a full literature review to synthesise data and determine PMS's main motivation-boosting properties (Paais et al., 2020).

Organisations utilise performance management systems differently depending on culture, management style, and goals. Successful PMS rollout requires context and employee expectations. Feedback should be relevant and goals should be challenging but realistic. Unbiased performance assessments build management-employee confidence and collaboration (Manzoor et al., 2021). Performance management must contain these traits to motivate and engage people. Organisational success depends on understanding how performance management systems motivate employees. PMS and employee motivation literature was scarce before this thorough literature review. (Alsafadi et al., 2021) This study will synthesise studies on good performance management systems' essential components and motivation. This research should help HR professionals, CEOs, and policymakers create motivating and successful performance management practises.

6. Theoretical Framework

Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Vroom's Expectancy Theory explain employee motivation and performance management in this study. Maslow's Hierarchy says physiological, safety, social, esteem, and self-actualization requirements motivate people (Aguinis et al., 2021). PMS says successful performance management must provide these needs, from a stable and secure workplace to personal and professional progress, to motivate employees holistically.

Herzberg's Two-Factor Theory (Motivation-Hygiene Theory) suggests employees are motivated by 'motivators' like recognition, achievement, and advancement, while 'hygiene factors' such as salary, working conditions, and company policies prevent dissatisfaction if adequately addressed. Thus, performance management systems (PMS) should minimize dissatisfaction by addressing hygiene factors and boost job satisfaction by incorporating motivators (Amjad et al., 2021). A well-designed PMS maintains baseline satisfaction and enhances motivation. Vroom's Expectancy Theory, which links expectation, instrumentality, and valence to motivation, also applies to PMS. This theory advocates for clear, achievable goals, transparent performance rating procedures, and incentive alignment with performance results (Murphy et al., 2020). Effective PMS connects effort, performance, and rewards, necessitating clear standards, regular feedback, and recognition of employee achievements.

7. Research Problem

Performance management systems (PMS) are widely used and have many benefits, but little is known about how they affect employee motivation, a key factor in organisational success (Chien et al., 2020). Performance management systems relate employee performance to organisational goals through systematic goal formulation, continual monitoring, performance reviews, and feedback, but their impact on internal and extrinsic motivation are unknown (Hongal et al., 2020). Some PMS and motivation research show positive effects like job satisfaction and productivity, while others show negative consequences like stress and decreased morale due to poorly managed systems (Al Aina et al., 2020). The gap suggests more research on how PMS components like goal-setting, feedback, and performance reviews drive employees.

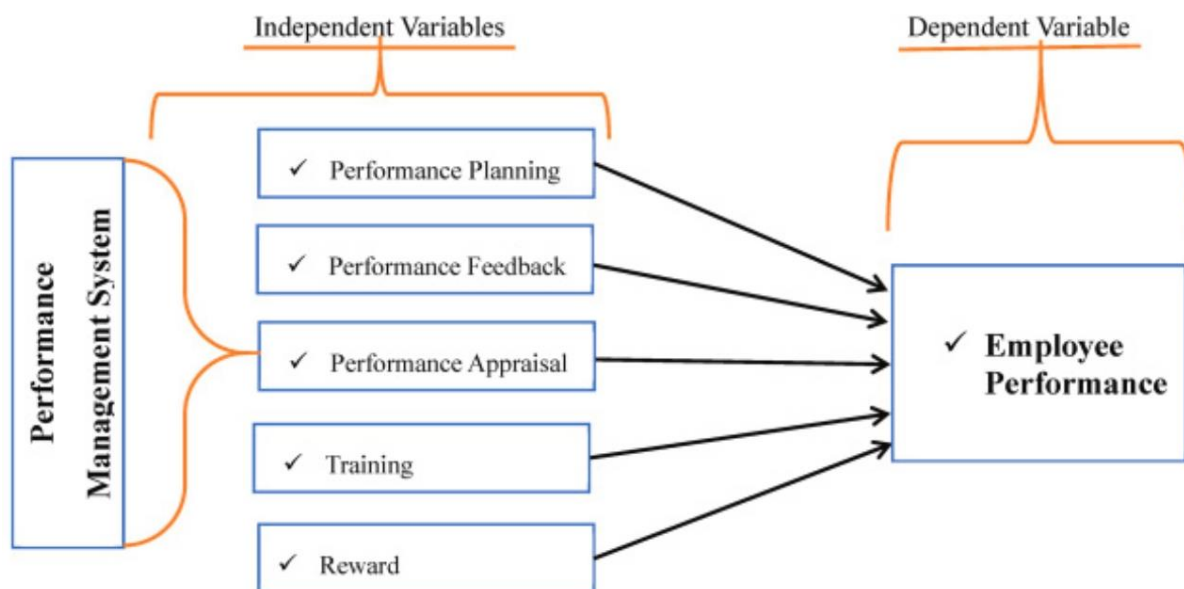


Figure 3 Variables of PMS

Performance management systems (PMS) vary by company, complicating the measurement of motivational impacts. Organizational culture, leadership, and employee expectations influence PMS effectiveness, necessitating an examination of contextual factors. Companies use PMS to motivate, engage, and satisfy employees, highlighting the study's importance (Muisyo et al., 2021). This systematic literature review (SLR) synthesizes research, identifies gaps and inconsistencies, and enhances understanding of PMS and employee motivation. This can assist HR professionals, leaders, and policymakers in developing performance management procedures that effectively motivate employees and enhance company success (Goestjahjanti et al., 2020).

8. Literature Review

Performance management systems (PMS) have been extensively examined for their effects on employee performance, motivation, job satisfaction, and organisational success. Riyanto et al. (2021) found that employee involvement influences job satisfaction, performance, and motivation. Staff motivation and performance depend on effective PMS, according to their findings (Riyanto et al., 2021). Rasheed et al. (2020) found that job design and perceived remuneration fairness motivate employees through the workplace. Fair remuneration and well-designed roles can inspire employees in a well-structured PMS (Rasheed et al., 2020).

Performance management affects teacher performance, say Van Waeyenberg et al. (2022). Affective organisational commitment and tiredness were examined. Their study suggested that PMS should focus on staff, emotional participation, and performance indicators to increase teacher performance by increasing organisational engagement and reducing burnout (Waeyenberg et al., 2022). Hartinah et al. (2020) found that effective principle leadership and a supportive workplace motivate and improve Indonesian teacher performance, highlighting PMS's organisational context (Hartinah et al., 2020).

Atmaja et al. (2022) developed performance management models for the Indonesian Ministry of Education in 2022 to improve human resources, economic potential, and financial governance. Their research showed that PMS must be tailored to each company to address obstacles and maximise opportunities, enhancing employee engagement and performance (Atmaja et al., 2022). Paais and Pattiruhu (2020) examined how motivation, leadership, and organisational culture affect employee satisfaction and performance, supporting the idea that a holistic performance management approach that includes motivational strategies, strong leadership, and a positive culture improves employee performance (Paais et al., 2020).

Manzoor et al. (2021) examined how employee motivation affects intrinsic rewards and performance. Their study indicated that intrinsic rewards like recognition and personal improvement boost employee engagement and performance, suggesting that PMS should promote intrinsic motivation alongside extrinsic benefits (Manzoor et al., 2021). Alsafadi and Altahat (2021) examined how PMS affects job satisfaction and staff performance. HRM improves job satisfaction and performance (Alsafadi et al., 2021).

Performance management is essential for people management throughout the COVID-19 pandemic and beyond, argue Aguinis and Burgi-Tian (2021). Their data reveals that PMS must be adaptable and robust to maintain staff morale and performance throughout crises (Aguinis et al., 2021). Environmental and employee performance influence green HRM's impact on organisational sustainability, say Amjad et al. (2021). Sustainability goals should drive and improve PMS performance while safeguarding the environment (Amjad et al., 2021).

Murphy (2020) suggested performance management above reviews. PMS must innovate to improve employee engagement and performance. Chien et al. (2020) used Mongolian hotel sector data to illustrate that work motivation improves employee performance and that good PMS is vital to building motivated and high-performing staff in various organisational contexts (Chien et al., 2020).

According to Hongal and Kinange (2020), talent management affects organisational performance and PMS can improve employee and organisational outcomes. Al Aina and Atan (2020) examined how talent management practises affect sustainable organisational performance and proposed combining PMS with talent management to boost performance immediately and long-term. PMS with environmental sustainability can encourage employees to fulfil green performance standards. Innovative culture moderates green HRM's impact on green performance (Qin et al., 2021).

Talent management, authentic leadership, and employee engagement improve job satisfaction and performance, suggesting PMS should include talent management and leadership development, according to Goestjahjanti et al. (2020). Younas and Waseem Bari (2020) found that competency development mediated personnel management techniques and Generation Y employee retention. They suggested adapting PMS to generational requirements and expectations to boost motivation and retention (Younas et al., 2020). Gabriel & Aguinis (2022) desired performance-managed workplaces to reduce burnout. To maintain motivation and performance, PMS should monitor and reduce burnout. Niati et al. (2021) found that motivation influences training, work performance, and career growth, suggesting that PMS should include ongoing learning and development to keep people engaged and productive (Niati et al., 2021).

9. Methodology

- **Research Approach**

A qualitative research approach examines subtle and contextual factors that affect performance management systems and employee motivation using the research subject and objectives. Qualitative research is useful when quantitative methods miss rich, detailed ideas and opinions (Gabriel et al., 2022).

- **Data Collection**

By finding, screening, and choosing relevant papers, the PRISMA model standardises systematic review methods and promotes transparency and reproducibility (Niati et al., 2021). This study extensively examined academic resources for relevant studies.

- **Sample Size**

To get the requisite level of accuracy and trust in the findings, the bare minimum of respondents can be determined using a sample size calculation that use statistical methods or equations specific to survey research. A sample size of 50 respondents may be appropriate for complex research and diverse audiences.

- **Sample Type**

The sample should represent the company's diverse population, including employees from various departments, roles, and demographics (age, gender, tenure). This ensures sufficient representation of each subgroup, allowing for relevant comparisons and analyses across different company segments.

- **Method**

The systematic literature review (SLR), a rigorous and structured method that identifies, evaluates, and synthesises relevant research on the topic of interest, in this case the role of performance management systems (PMS) in employee motivation, should be used because it consolidates findings from dive (Younas et al., 2020)

- **Data Analysis**

This study uses thematic analysis to uncover, assess, and summarise data themes. This method analyses chosen papers to identify recurring themes and insights concerning performance management systems' influence on employee motivation, enabling the synthesis of data into coherent themes that provide a full understanding of this study (Niati et al., 2021).

10. Significance of Study

This study could show how goal-setting, feedback, and performance appraisals in performance management systems (PMS) affect intrinsic and extrinsic motivation. By investigating PMS and motivation's theoretical foundations and empirical data, it aims to fill knowledge gaps and offer practical insights for creating more effective PMS frameworks. Synthesizing motivational theories like Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Vroom's Expectancy Theory, the research seeks to boost productivity, engagement, and corporate loyalty. This will benefit HR experts, leaders, and policymakers by providing strategies to enhance workplace support, meet employees' needs, and improve performance, thus reducing attrition and increasing competitiveness.

Figure 4 Gantt chart

Tasks	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week
Introduction	✓	✓														
Literature Review	✓	✓	✓	✓												
Research Methodology			✓	✓												
Development of Survey/Questionnaire				✓	✓	✓										
Data Collection (Survey)						✓	✓	✓	✓							
Data Analysis										✓	✓	✓	✓	✓	✓	
Report Writing														✓	✓	
Review and Revision															✓	✓
Presentation/Publication																✓

References

- Riyanto, S., Endri, E. and Herlisha, N., 2021. Effect of work motivation and job satisfaction on employee performance: Mediating role of employee engagement. *Problems and Perspectives in Management*, 19(3), p.162.
- Rasheed, M.I., Jamad, W.N., Pitafi, A.H. and Iqbal, S.M.J., 2020. Perceived compensation fairness, job design, and employee motivation: The mediating role of working environment. *South Asian Journal of Management*, 14(2), pp.229-246.
- Van Waeyenberg, T., Peccei, R. and Decramer, A., 2022. Performance management and teacher performance: the role of affective organizational commitment and exhaustion. *The International Journal of Human Resource Management*, 33(4), pp.623-646.
- Hartinah, S., Suharso, P., Umam, R., Syazali, M., Lestari, B., Roslina, R. and Jermstittiparsert, K., 2020. Retracted: Teacher's performance management: The role of principal's leadership, work environment and motivation in Tegal City, Indonesia. *Management Science Letters*, 10(1), pp.235-246.
- Atmaja, D.S., Fachrurazi, F., Abdullah, A., Fauziah, F., Zaroni, A.N. and Yusuf, M., 2022. Actualization of performance management models for the development of human resources quality, economic potential, and financial governance policy in Indonesia ministry of education.
- Paais, M. and Pattiruhu, J.R., 2020. Effect of motivation, leadership, and organizational culture on satisfaction and employee performance. *The journal of asian finance, economics and business*, 7(8), pp.577-588.
- Manzoor, F., Wei, L. and Asif, M., 2021. Intrinsic rewards and employee's performance with the mediating mechanism of employee's motivation. *Frontiers in psychology*, 12, p.563070.
- Alsafadi, Y. and Altahat, S., 2021. Human resource management practices and employee performance: the role of job satisfaction. *The Journal of Asian Finance, Economics and Business*, 8(1), pp.519-529.
- Aguinis, H. and Burgi-Tian, J., 2021. Talent management challenges during COVID-19 and beyond: Performance management to the rescue. *BRQ Business Research Quarterly*, 24(3), pp.233-240.
- Amjad, F., Abbas, W., Zia-Ur-Rehman, M., Baig, S.A., Hashim, M., Khan, A. and Rehman, H.U., 2021. Effect of green human resource management practices on organizational sustainability: the mediating role of environmental and employee performance. *Environmental Science and Pollution Research*, 28, pp.28191-28206.
- Murphy, K.R., 2020. Performance evaluation will not die, but it should. *Human Resource Management Journal*, 30(1), pp.13-31.
- Chien, G.C., Mao, I., Nergui, E. and Chang, W., 2020. The effect of work motivation on employee performance: Empirical evidence from 4-star hotels in Mongolia. *Journal of Human Resources in Hospitality & Tourism*, 19(4), pp.473-495.
- Hongal, P. and Kinange, U., 2020. A study on talent management and its impact on organization performance-an empirical review. *International Journal of Engineering and Management Research*, 10.
- Al Aina, R. and Atan, T., 2020. The impact of implementing talent management practices on sustainable organizational performance. *Sustainability*, 12(20), p.8372.
- Muisyo, P.K. and Qin, S., 2021. Enhancing the FIRM'S green performance through green HRM: The moderating role of green innovation culture. *Journal of cleaner production*, 289, p.125720.
- Goestjahjanti, S.F., Novitasari, D., Hutagalung, D., Asbari, M. and Supono, J., 2020. Impact of talent management, authentic leadership and employee engagement on job satisfaction: Evidence from south east asian industries. *Journal of Critical Reviews*, 7(19), pp.67-88.
- Younas, M. and Waseem Bari, M., 2020. The relationship between talent management practices and retention of generation 'Y' employees: mediating role of competency development. *Economic research-Ekonomska istraživanja*, 33(1), pp.1330-1353.

Gabriel, K.P. and Aguinis, H., 2022. How to prevent and combat employee burnout and create healthier workplaces during crises and beyond. *Business horizons*, 65(2), pp.183-192.

Niati, D.R., Siregar, Z.M.E. and Prayoga, Y., 2021. The effect of training on work performance and career development: the role of motivation as intervening variable. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(2), pp.2385-2393.