Chapter II
CHAPTER II

REVIEW OF PREVIOUS LITERATURE

The intention of this chapter is to review and to acquire knowledge in the specific area of interest through other authors, articles in journal, books and magazine.

Michael K Mount (1983), The study was given to executives and employees of a large multinational to assess satisfaction with various aspects of a performance appraisal system. Comparisons between managers and employees were made by analyzing the factors for each sample. The result shows a moderate similarity between the two groups. However, two significant analyzes were revealed by the analysis. First, there are indications that employees perceive some aspects of the rating system around the world, while managers differentiate between different components and see them as different entities. Second, the relative importance of factors between the two groups is different. Most of the variance represented in the employee sample refers to the overall satisfaction of the system, while it refers to the types of rating according to the type of valuation. The results are discussed with respect to different managers and potential employees in the evaluation process

Hartley and Stephenson (1992), Keep in mind that PMS has created new ideas about motivation, instead of controlling employees and creating a climate of commitment, flexibility and real adaptability, and employee concerns about quality. PMS plays a significant role in individual and organisational performance and it is a knowledge intensive industry which capitalises on the basis of tacit skills of its employees. One of the most important areas of HRM is performance management. Historical evidence suggests that one of the key dimensions of organizations regardless of their size and structure was the performance of their employees who determined organizational performance and their success.

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Blakburn and Rosen (1993), the study focused on the customer-oriented organization focused on excellence and abilities in the performance management system. The results of the study were the components of the performance management system that, in line with a quality approach, will have a greater positive impact on organizational performance when the strategic integration of human resources management is greater.

Ignace Ng and Dennis Maki (1993), the study traced a sample of 356 Canadian manufacturing organizations, this study examined that the pattern of implementation of a wide range of HRM practices including external recruitment procedures, internal job posting systems, performance appraisal methods, job evaluation methods and pay-for performance systems. A comparison of the adopted HRM practices between large and small firms and between union and non-union firms is also made. The study finds that the main difference between large and small firms lies in the recruitment procedure and the job evaluation process. The difference between the union and non-union firms is associated with the greater emphasis placed on performance by the latter. The study suggested that the three most important activities include health and safety compliance, employee/labour relations and disciplinary issues. On the other hand, the three least important ones are conducting attitudinal surveys, public relations activities and career planning development.

Latham and Wexley (1994), In its influential discussion on the evaluation of performance selection, evaluation, training and motivation identified as the four main systems needed to ensure the proper management of human resources in an organization. Of these four, performance evaluation is more important because it is the "prerequisite for the establishment of the other three"

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Scott I Tannenbaum and Lisa M Dupreee-Bruno (1994)\(^6\), the study to identify potential correlates of progressive HR practices, concepts from the innovation literature were applied. In particular, the extent to which size, standard climate structure, external state, and labor force variables were linked to the use of human resource innovations in a sample of 40 New York State offices. The size of the agency and the external variables of work availability and public control showed the strongest linear relationships with human resource innovation. External preference showed a nonlinear relationship with human resource innovation. The outcomes of this study found the variances among the group, thoughts and the acceptance, the official and unofficial inventions, the biological and mechanical structure and the part of the outside atmosphere.

Holden Tony and Wilhelmij Paul (1996)\(^7\), the study identified the business progressions and the application of real business problems. Important management involves the identification of non-process factors that allow a business process to achieve maximum performance. The study were designed the application of the WNWA (KNOVA) technique. In this techniques result were showed that the which factor influenced the success or failure of the business. Its application to the processes of a diagnostic team within a department of a large hospital is illustrated in two benefits ensue that the articulation of a common understanding of the factors that affect team performance, and also the pinpointing of resource investment to maintain performance and reduce risk or cost.

Sathish P. Deshpande and Damodar Y. Golhar (1997)\(^8\), the study made an attempt to examined human resource management practices in manufacturing companies in two different countries. In the sources of the selection and selection tools used by companies in the two countries, differences were discussed. This study also likened

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training, payment, and other issues related to the human resource maintenance system. It also found great differences in the HRM practices of manufacturing companies in the United States and Canada.

**Rick Delbridge and James Lowe (1997)**, it shows an influence on the relationship. The conference was "Manufacturing Materials: Organization and Employee Relationships in the Field of Modern Manufacturing". As a result, the study focuses on developments in the manufacturing sector. However, the issues discussed in this volume are beyond the reach of production and the subject of the study addresses key aspects in the management of contemporary human resources. The general observation of the study was theoretical nature and it was give more effective steps to taken found the modern production possibilities.

**Malcolm Warner (1999)**, the study explored the human resources management in computer parts, programs and other relevant products. The study mainly concentrated big and small electronic companies and selected variables such as human resource characteristics, in their performance reports, service agreements, the value system, social assurance and individual such as rental, work and Dismissals. The study concluded that a certain degree of institutional continuity with past workplaces, as well as the result of a new employment relationship, had been confirmed with a weakening of the old patron client ratio.

**Paul J Taylor and Jon L Pierce (1999)**, the study aims at investigate the effect of the two major PMS components are performance planning and goal setting and appraisals on work related attitudes and effort. The study used a within participant, time serious design and included surveys administrated to all 218 professionals. The study suggested that the performance planning and goal setting component of the system had favourable consequence for at least some employee’s attitudes.

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Lionel Becherel (2001)\textsuperscript{12}, the study showed the importance of human resource in tourism sector. It describes a framework based on the strategic planning process and includes a series of steps to investigate the employment conditions in the tourist and labor market in a destination and to identify the HENN obstacles. Experience shows that the success of a strategic plan is based on the participation of all stakeholders in the tourism sector in the preparation and implementation and that it is necessary to create a consultative body to develop the human resources development strategy.

Pawan S. Budhwar and Yaw Debrah (2001)\textsuperscript{13}, the study highlighted the growth and need for the human resources management. In order to examine the applicability of human resource management models in different contexts, five major HRM models are critically analyzed and the most important search suggestions are identified. The study found the basic outline for human resource valuations in a dissimilar situation. Finally, based on this framework and a development of the literature, a context model is proposed to carry out internal studies and comparisons of human resources.

Pawan S. Budhwar and Naresh Khatri (2001)\textsuperscript{14}, the study briefly reviewed importance of human resource developments and management of stress. The results of the analysis are presented by two corresponding studies of national and international organizations. The main objective of the study was to examine a broad range of personnel policies and practices in a national comparative context. The study was carried out in six production areas. The study was examined a many variables like size of business, invention and production and worker involvement. The study found that the significant changes in staffing, payment, preparation and expansion, and employee communication practices between the countries.


Orlando C. Richard and Nancy Brown Johnson (2001), this study examined the efficiency of tactical human resources management has an important impact on managerial performance. The study was examined the real use of human capital in organizational performance. It also explores the role of a contextual factor - capital intensity - in modelling. The results showed in this study that the efficacy of

Pieter Grobler and Surette Warnich (2002), in his study made an attempt to become more competitive, and many international companies have shown a keen interest in doing business in the country. As a result of the important role that helps companies grow and achieve success can replicate human resources management practices, a study conducted in the company was required to create the scope, will apply to human resources practices.

Jan A.P. Hoogervorst, and others (2002), the study suggests that the impact of technological evolution on the content and design of the work is a recurring theme in many publications. Advances in information and communication technology (ICT) a reform of the design of internal organization and require new types of skills and behavior of employees. As shown, the advances in ICT create a high level of business and market dynamics. Obviously, this dynamic affected even more skills and behaviors of the necessary employees. In the same way, the operation of companies and the formation of relations between customers, suppliers and business partners for the rapid advance of ICT will affect. Addresses the key factors that will shape the new business environment. The study found that the organizational changes required with the developments described above are connected, emphasizing the importance of consistency and consistency between elements of the organization's environment. The determination of the variation of the terms of consistency and consistency is identified as an important organizational competence.

Agrawal and Thite (2003), explores his study of the growing software of India. The service industry focuses on one of its key challenges: personnel management. With several in-depth interviews of stakeholders of a representative selection of organizations software services from India, the authors analyze the characteristics of software experts from India and some of the problems and challenges of key human energy; This is the voluntary suspension for booking a transition from art for these positions, to keep the lack of management skills, difficulty with teamwork, work preferences and the balance between work and family. The study found that organizational strategies explored to direct and motivate to create learning opportunities, career bifurcated effective software experts how the value chain moves up, generating wealth and a smoother conducting work environment.

Leda Panayotopoulou et al., (2003), this study has developed a new model of personnel management and tries to clarify what kind of human resources management in terms connected to the focus function on different aspects of the business. For much sought to gain a better understanding of these issues by three other factors were added, the impact on this relationship: the competitive strategy, the external environment and the size of the organization. The research found that the when HRM is consistent with the competitive strategy it has significant effects on financial performance and the market performance is positively influenced by HRM flexibility and negatively influenced by HRM control, unless the external environment is complex, when the most successful combination is control internal orientation.

Kuldeep Singh (2003), in his study, he examined the relationship between human resource orientation and good business performance. The study was conducted in the Indian environment, where the importance of human resources has grown over the past ten years. The results of the hypothesis have showed that there is a positive relationship between the orientation of human resources and business performance.

Kuldeep Singh (2003)\textsuperscript{21}, in his examined that there are two implications for the human resource managers and practitioners. The first requires the function of human resources and those involved to provide human resources as a formulation strategy closer to the center, and secondly, it will be necessary that human resources show that investment in human resources contribute to the results of the deal.

Carmen Camelo et al. (2004)\textsuperscript{22}, In her study, Carmen Camelo (2004) has pointed out that there is no shortage of bibliographies that examine the relationships between the different human resource management processes, individually, and the strategy. In this study, working on the universal, contingent and configurable perspectives, we have tried to identify the possible existence of human resources management models and their connections with corporate strategy. The empirical analysis was carried out with 130 industrial companies, which contained three different models of personnel management, but with behavior independent of company strategies. At the same time, we have found in each model certain processor orientations that are common to each other and therefore are characteristics of a universal list approach.

Nada Zupan and Irena Ograjensek (2004)\textsuperscript{23}, focused on the study of the transformation of the human resources department into the Slovenian society, they had to change their behavior from a socialist market economy due to the transition and increased competitive pressure. The conclusion that Slovenian companies use many different staff model as the transformation of traditional staff in the human resources management function occurred mainly in those enterprises which favor most of the objectives of the people in the formulation of the corporative strategy. However, the positive effects of this transformation on the performance of the company have not yet been confirmed.


Bonnie Bei Yu and Carolyn P Egri (2005)\textsuperscript{24}, None Zupan and Irena Ograjensek (2004) focused on the study of the transformation of the human resources department into the Slovenian society, they had to change their behavior from a socialist market economy due to the transition and increased competitive pressure. The conclusion that Slovenian companies use many different staff model as the transformation of traditional staff in the human resources management function occurred mainly in those enterprises which favor most of the objectives of the people in the formulation of the corporative strategy. However, the positive effects of this transformation on the performance of the company have not yet been confirmed.

Rishma Vedd and Reza Kouhy (2005)\textsuperscript{25}, the main objective of this study was to determine the role of Accounting Manager. To achieve these goals, four case studies of two British and two Canadian organizations have carried out, which took an in-depth approach. The two most important human resource strategies in these cases were training and leadership development, which were linked to the total resources of individual organizations. Management accountants have helped establish human resource goals by measuring human resource performance through communication and communication with human resources managers. Four hypotheses or conclusions emerge from the interrogation of these cases. The study concluded that the management accountants in these four cases had several roles in relation to SHRM and the management accountants agreed that, in the future, management accountants needed to develop even further their business partnership role with HR managers.

Bernice Kotey and Peter Slade (2005)\textsuperscript{26}, the use of data from micro, small and medium enterprises in Australia, examined the introduction rates of formal human resources management (HRM) practices to increase the size of the enterprise. The study identified proven results and increased administrative processes as the number of


employees increases. The adoption of formal practices starts early in the process of growth, initially at a rapid pace and then at a slower pace. Smaller human resource management practices were less formal for managers and operators. The study concluded that the static model can not be used to represent human resources management practices in small enterprises, and that management and consulting training for small businesses must be connected with various business dimensions to recognize the diversity of practices.

Nada Zupan and Robert Kase (2005) explain the relationship between HR and business performance in SHRM models; However, due to various internal and external factors, it is necessary to modify them to apply to companies in European Transformation (ETE) countries. Analyzing the current state of the HRM and the HR environment in Slovenia, the study develops a conceptual model for SHRM es. The model represents a new specification of the context of human resources, presenters emphasized human resources and other human resources Moderator build power to have more importance to study the link performance of human resources company in the ETE. The study found that the importance of issues in states is related to the empirical validation of the model and shows ways to develop more SHRM in these countries.

Fischer Andrea (2005), in his study to identify trends of the human resource management model in Brazilian organizations, in order to do this, employed the research methodology known as Delphi, which consists of gradually adjusting the perceptions of specialists. After consulting more than 160 people, we have observed that issues such as knowledge management, corporate education and learning promotion will be gradually absorbed by the company. The study concluded that the change in human resources has not reacted. Data on the changes in the 1980s and 1990s showed that the focus on internal restructuring, the reduced number of specialized staff, the promotion of outsourcing of operational processes and the creation of a new model of customer service.


Eleni Stavrou-Costea (2005)²⁹, the study wanted to examine the challenges of human resources management in the EU and their impact on organizational performance. In their study, significant challenges were identified in the existing literature. Therefore, these challenges were adapted to those most frequently reported in the CRANET questionnaire. These challenges work in current organizational practices, which were also reported in the questionnaire. The study found that the most important challenges, training and development, efficiency and flexibility of employees and relationships in all countries and also examined the practical challenge of training and development, the challenge of employees and employees Efficiency and flexibility challenges were significantly associated with the productivity of the organization more Southern EU.

Wan-Jing April Chang and Tung Chun Huang (2005)³⁰, suggest previous studies that strategic human resources management (SHRM) for a stable performance advantage. This study examined the moderate impact of the product market strategy (PMS), one of the context factors, the relationship between SHRM and company performance. This study carried out a survey of 235 Taiwanese companies and performed the hierarchical regression analysis. The results did not support the "universalist" perspective of SHRM. Only the interaction between an innovative PMS and SHRM has significantly affected the performance of the company, which has supported the issue of "contingency". The results of this study confirmed the validity of the contingency model and the Asian society. Unlike most previous studies carried out in a Western context, this study investigated the date of Taiwan and then explored a very different cultural and institutional environment. Although this study has yielded valuable results, subjective data constraints, number of measurement elements and cross-section were discussed. In a future study, it must do more work to demonstrate the impact of other unexplored factors to better understand the determinants of company performance. To meet the needs of innovation, the degree of transformation of traditional management personnel (THRM) into SHRM, how well a company maintains growth and can improve. The recommended that the businesses to keep up with the rapid ecological changes linked with globalization.


Thomas W Ferratt et al. (2005), the study found that more and more scientists and doctors recognize that human capital (IT) is a strategic resource and that its effective management is a great organizational capacity. The study was used to configure the theory to investigate organizational practices related to human capital management of IT. In contrast to many previous work on individual HRM, our study focuses on the organizational level of analysis. Based on the strategic research of Human Resource Management (SHRM) in general and research in IT management professionals, in particular, the broader question is examined: are different practical configurations of IT HR with different rates of rotation Associated IT staff? A multidimensional view of IT HRM practices is presented on the basis of the first IT and SHRM charts. We formulate assumptions about the turnover rate with the configurations of IT HRM practices based on theory and empirical research to date. Based on survey responses from 106 organizations, IT HRM dimensions and configurations are provided and assumptions tested. A solution of five configurations obtained by cluster analysis contains two contradictory configurations corresponding to two archetypes found in the previous literature.

Marta M and Elvira and Anabella Davilla (2005), the study argues that the nature of these challenges, such as the balance of global and local HRM approaches that focus on people through a hybrid system to manage deployment and generally cultural and Economic, requires a redefinition of strategic HR in relation to social contract theories. These theories consider various actors and research focus on the employment relationship as a unit of analysis, which fits well with the outstanding leaders as an easy and focused benefit goals.

Jeff Ericksen and Lee Dyer (2005), found in their study that comprehensive Strategic Management of Human Resources (SHRM) thought that theory and research on

High Reliability Organizations (HRO) a behavioral approach. After examining profitability reliability as an organizational performance indicator, we identified a series of eight behavior-oriented employee reliability (ROEBs) that could foster the trust of the organization and organizations particularly valuable for the reliability of the search to suggest that Operates under "test" conditions. A robust human resource strategy (RHRS) has been developed to facilitate the demonstration of these ROEBs. The study found that the behavioral approach gives scientists the opportunity to explain the SHRM how people contribute to specific business objectives in specific contexts and in turn recognize the HR strategy, the overall HR strategy extends to high (HPHRS) in new and important ways.

Youngok Kim and Sidney J Gray (2005), a conceptual model based on the theory was used to identify the factors that the International Human Resource Management (IWRM) activities of Australian companies form (MNC) in their overseas branches. The results show that their IHRM activities are modeled in varying degrees on strategic factors. The main factors are the limited role and national cultural distance between countries of origin and host, even if the results of the national culture through the adoption of a more demanding definition and measurement of the variables can change. It is interesting to note that human resources managers have discovered the role of secondary factors in the realization of HR policies and practices in their stores. However, these results should be interpreted with caution because the cross-sectional nature of the study is limited in explaining very complicated evolutional phenomena in human resource management over time.

Cho Joonmol (2005), examined in his study the effects of human resources management (HRM) and the corporate governance structure of the company's performance in Korean companies. Before the Asian economic crisis, the main Korean companies largely followed the Japanese-style human resources management paradigm, guaranteed in lifelong learning. But after the crisis, they have carried out a structural

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recession and its paradigm for the SHRM (paradigm) model changes in the mobility of business projects in the flexible labor market. The results presented in this empirical evidence confirm the argument that the first step towards a paradigm shift in HR in Korea should be to create an efficient corporate governance structure. This means that a simple step by the Japanese human resources management paradigm in the United States business model no less than change is accompanied by a solution to the problems associated with minority control structure of Korean enterprises can improve. The study concluded that orientation policy in the developing world was clear with rigid labor market and underdeveloped business governance.

Carmen Perez Canol (2006)36, analyzed the study, the most recent literature Human Resource Management (HR) and in particular how this could influence innovation in a company. The study mentions the hypothesis that some management practices in this area, such as the recognition of achievement goals and rewards, the organization of group work, the creation of a common language and the exchange of experiences among R & D is among other positive effects in the performance of the innovations of the company. The study found that the effects of the industrial sector to which a company belongs and will take into account the combined applications of this policy.

Burke Ronald J (2006)37, the study identified the changes in the outside business atmosphere of the organization. While global trends were identified, particular attention was given to the Canadian context. Canada was currently experiencing a period of economic growth. But some new challenges have arisen. Canadian organizations faced shortages of manpower and aging labor. The first has been addressed by the increased use of technology and a higher level of immigration, which concerns the use of skills, discrimination and the need to take advantage of this increasing diversity of the workforce raises. The study found that organizations in Canada, similar to other developed economies, attitudes and values, the inclusion and use of rapid technological

advances and in response to the problems of globalization such as increased competition, outsourcing and deactivation. The labor force, the highest price on sensitivity and intercultural competence.

**Karin Bredin and Jonas Soderlund (2006)**\(^38\), the study made an attempt to contribute to the intersection between challenges facing HRM in four large Swedish firms. The following questions were raised: How has human resources management changed in the study business due to the increasing identification of the project? What are the main challenges for the practice of HRM in the case studies? The study suggested that the current HRM practice perspectives include competence, trust, change and individuals.

**Chris Forde and Gary Slater (2006)**\(^39\), study, employees and employers of agency workers in the UK Agency Experience Agency to evaluate claims to this form of competing work. The study is based on the results of the three recent employment surveys in the UK to study the current nature and experience of agency work: the labor force survey; The survey showed that there was little evidence of the alleged association between agency work and the emergence of the knowledge economy, as some suggest. Returning to employers using agency work, it was found that this was driven by pressure on labor costs, which may reflect short-term considerations. With regard to the Agency's work experience, this study concluded that dissatisfaction with many aspects of work agencies, resulting in a low commitment and fear for their work situation.

**David Finegold and Stephen Frenkel (2006)**\(^40\), highlights the study found that Human Resource Management (HR) has stated that companies must play a strategic role in the knowledge industry. An exploratory study of people management should play a strategic role. An exploratory study of eight new biotech companies in the United States and Australia, however, believes that human resource professionals or most do not have a

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subordinate human resource manager. The study concluded that there are many potential benefits to hiring a human resources professional in a biotech launch that is likely to occur in a set of rare conditions.

**John Burgess, Julia Connell (2006)**\(^{41}\), the main objectives of the study to investigate a series of problems, challenges and responses to the temporary management of workers and staff (HRM). The study emphasized eight important research questions and described the structure of the problem. The various study examines six key areas, such as the rationale for the use of temporary workers rather than permanent workers, the factors that determine the types of temporary work, the logic for temporary workers entering temporary employment, the relationship Between the TWA and users of the relationship between labor regulations and the use of a workplace by a temporary work organization and the challenges related to the continuous and extensive use of temporary workers. The study found that there were many differences in workers' temple skills, demographics, and reasons for performing a work.

**Marlow and Susan (2006)**\(^{42}\), to clarify the study-oriented working relationship to ensure that employee efforts were strategically focused on achieving organizational performance and competitiveness in increasingly volatile markets. Since then, there has been a lot of consideration when human resource management is a robust academic concept that supports a specific orientation ideology, a label for improving the status of people's heads or a set of tools for professionals. This study suggests that the concept of human resources management is detected unsafe in many cases, and therefore, how they can be identified, these companies are demanding.

**Maxwell G A. and Watson S (2006)**\(^{43}\), discuss the study, the guidelines of specialist line driver and human resources on the participation of the line driver in the management of personnel theoretically and empirically. The main work includes a survey of line managers and human resources specialists in transferring a number of HR


activities to line managers in an organization case, Hilton International in the UK. The differences between the human being and the guidelines of the HR specialists are in five aspects: understanding and responsibility of the Human Resources Service and the strategy of the company; Inclusion of line manager and classification of human resources activities; Support of human resources specialists for line managers; Obstacles to the participation of line managers in human resources activities; And the competence of line managers in human resources activities. The study shows that if there are divergent opinions between line managers and their staff employees at your hotel, the hotel's economic performance is bad and vice versa convergent views in hotels that are effective are obvious.

**Prahlad Kasturi and others (2006)**, the revels that the firm performance can be examined at the systems architecture the policy or practices levels. The study suggested that at least for small and medium sized enterprises in developing countries. The study concluded that the attitude of the firm’s owners towards its employees is a major determinant of the firm’s profitability. The effect of HRM philosophy on productivity is smaller, albeit still highly significant.

**Abdul Basit and others (2007)**, The study identified the personnel management scenario and the factors influencing it in the Sultanate of Oman. An analysis has been made on the background information and aspects of social environment of the Sultanate of Oman along with key national initiatives that are likely to influence the take-up and endorsement of HRM in Oman and also research evidence in support of key issues related to management of human resources was presented. The study concluded that the significances of the reported findings. This is done taking into account the current situation in Oman and assessing key challenges for the future.

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Asad Mohsin (2007), studied Human Resources Management at Hamilton Hotels in New Zealand. The study used an in-depth survey and interview techniques to gather information from the owners / operators of 31 hotels out of a total of 37 listed 47. The purpose of this study was to examine the human resource problems under the "motel industry and find out If you hit gaps in education or professional knowledge of the employees of the study requires that gaps in seven sectors such as food and beverages. The implications of managing these gaps and the challenges facing the management of motels are also becoming more common Highlighted.

Wahyu Sutiyono (2007)47, to compare the study of human resources management (HRM) in two main organizations of the modern sector industry, one state and another privately owned, rapidly deregulated as part of Indonesia in the midst of the 1990th The two Organizations differ significantly to the extent that HRM could support the efficient management of the organization. Because of the fundamentally different approaches to hiring, training and development, employee performance management and compensation, human resource management state enterprise far less effective than its counterpart in the private sector and could learn a lot from how private organization Responded to the challenges of deregulation. The finding suggests that the effectiveness of the company depends on the human resources management function significantly and the performance of state enterprises are a consequence of alterations in the management of human resources usually suffer processes by their respective owners.

Mohinder Chand and Anastasia A Katou (2007)48, examined in their study whether some specific properties of Hotels affect the performance of the organization and also to investigate whether some human resources management systems influence the performance of the organization in the hotel industry in the India. The results show that the hotel business is positively linked to the hotel category and the type of hotel (chain or individual). In addition, hotel services for the selection and selection of staff human

resources management systems, personnel planning, work organization, training and development, quality circles and the payment system are positively related.

**Srinivasu Rao (2007)**\(^49\), investigated the effectiveness of performance management systems in some Indian companies. The study focuses on the factors responsible for the effectiveness of performance management systems and alignment with the objectives of the organization. The study also found that the background and effects of effective performance management systems were also investigated in the context of India. The study was found that the performance in academic experiences with high outlines are effective implementers of the system. The study also suggested that the most essential requirements of the system such individual attitude/values, employee discipline, disclosure system, effective interpersonal relationships and co-operation for effective implementation of the system are essentially required.

**Shay S. Tzafrir, Ilan Meshoulam and Yehuda Baruch (2007)**\(^50\), the study were focused the recent development in human resource strategies and practice. A comprehensive analysis was conducted of how Israeli companies have addressed people-related issues and situations in a challenging and unique environment. Based on the historical perspective of the empirical findings, he described the development of HRM in Israel during its existence, to its present state. The function of HRM was examined in light of the dynamics of the economy, technology and the legal system. Examples of two different sectors (high technology and health) to reflect the strategy and practice that characterize HRM in Israel. It seems that we represent a future perspective of human administration in Israel.

**Ashok Som (2008)**\(^51\), examined the study, the role of innovative human resources management (HRM) practices and especially applications such as human resource management practices, such as the role of human resources department, recruitment,

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recycling And redistribution, performance evaluation and compensation during the change process. A multiple survey of 69 Indian organizations has been conducted to investigate the impact of innovative human resource management practices on business performance. The study found that innovative hiring and compensation practices have a significant positive relationship to consistent performance. It has been observed that it seems to assume the role of human resource and compensation practices clearly within the Indian companies in the context of economic liberalization in India to change. The synergy between innovative HRM practices was not significant in improving business performance during the liberalization process.

**Tanuja Sharma (2008)**⁵², the study aims to explore the linkage between the employees perceptions of performance management systems and customers perceptions of service quality in the banking industry in India. Analysis was made on data collected from employees and customers across 48 branches of 8 public sector, private and foreign banks in New Delhi. The results was found that the strong linkage between the employees perceptions of performance management systems and customers perceptions of service quality.

**Ilias Vlachos (2008)**⁵³, in his study, investigated that research and human resources management contribute to organizational performance. The study examined the following human resource practices, such as job security, selective recruitment, stand-alone teams, decentralization of decision-making processes, compensation policies, advanced training and information exchange. The study analyzed food managers in Greece and recorded their perception of HR practices and their relationship to business performance. The study found that the provide overall support for all HR practices except of job security and selective hiring was found to be a key practice that improved organizational performance. Compensation policy, information exchange, decentralization of decision-making and extensive training were significant predictors for all performance variables.

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**Hui-O Yang and Nita Cherry (2008)**\(^{54}\), Hui-O Yang and Nita Cherry (2008), the study included interviews with executives from a sample of Taiwan hotel chains ordered by hotels such as HRM. In this study, we examined whether three major HRM problems are identified in the literature are perceived by Taiwanese hoteliers as important. The results suggest that while most participants are aware of these important and challenging issues, they focus on operational and non-strategic solutions to address these issues. It is argued that the current and emerging challenges facing industry require an HRM approach that is much more strategic than traditional HR. The study concluded that HRM plays a key role in creating and supporting competitive advantage in hotels.

**Gopinath (2009)**\(^{55}\), the study demonstrated that the people constitute the primary resource for any entity and unless their performance is managed effectively the entity cannot be effective in enriching the stake holders. The real differentiator are the people and how their performance is managed, especially, in these days of ‘knowledge workers’ as all other resources become productive only through the efforts of people. The study found that the components of a PMS are the Performance Evaluation System and Performance Reward System. Increments, bonus, stock options and promotions are the basic components of the performance reward system. The success of the performance reward system in encouraging superior performance is dependent on the effectiveness of the performance evaluation system.

**Sakthivel Murugan (2009)**\(^{56}\), the study comprehensively explored that the organizational culture and strategies followed by information technology companies are designed to attract and retain the professionals and are formulated to meet the current market conditions. The finds about culture system becomes imperative as the competitors are willing to more and poach the skilled workforce, intensifying the demand for talent in the market. It is reveals that organizational culture influencing performance among the employees in the IT industry depends on the major factors such as organizational culture,

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work environment, safety and negotiation. It is concluded that the employees realized a conducive organizational culture influencing organizational performance in the IT industry. It helps employees to realize the main objectives of the organization and its culture for their benefits.

Sripirabaa and Krishnaveni (2009)57, the study to investigated the influence of partnering and financial support on the functions of a performance management system and the capacity of the system to align its functions to help achieve an organization’s strategic goals is also examined. The study included 165 respondents. The study has shown that collaboration has a significant negative impact on performance management system functions. And the alignment. Financial support has a negative impact on management, while the functions of the overall management system have a significant positive influence on the direction. Also, financial support has a significant positive influence on the performance management system's functions.

David P. Lepak and Jason D. Shaw (2009)58, In his study, he explained the strategic management of human resources (HRM). In this study, he carried out a selective review of the strategic literature of UMM with a particular focus on the search of the North American context. After delineating the research landscape and areas of consensus and disagreement, we have discussed some new issues that will implement effective HRM systems in the future, including demographic changes in technology, demographic changes in the workforce and Change in employee values. The study concluded that an expansion of performance leads to strategic HR research and emphasizes the importance of effective management of HRM systems for various groups of employees.

Geeta Kumari and Pandey (2010)59, in his study entitled to performance management system of Sona group of companies are studied. From the analysis the study revealed that the majority of the employees are gratified in Performance Management

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System. And the study suggested that Performance Management System in the company has increased the satisfaction level of the employees.

Irene Hon-fun Poon and Chris Rowley (2010)\textsuperscript{60}, the present study examined the theoretical development and empirical evidence in Human Resource Management changes in Asia in the early twenty-first century. In their study, three research themes, common to the change in HRM, are discussed, since the context of change refers to the issues of forces that facilitate or hinder the change in HRM. The process of change includes the rhythm, order and magnitude of HRM changes. The change in HRM and the direction of change is the result of the change. Comparisons of personnel changes are carried out in Asian economies and between Asia and other regions. It is concluded that the interaction between different perspectives can create a wide variety of complex understanding of the context of change, whereas a longitudinal approach can create an additional value to explain the dynamic process and the resulting direction.

Geeta Kumari and others (2010)\textsuperscript{61}, the study has been done on performance management system applied in Endurance private limited, Maharashtra in India. The study found that the 60\% of the respondents are agreed that environment & relationship during review meetings are open & cordial. Besides these 20\% are strongly agree with these. 60\% of the respondents strongly agree that analysis & review of Performance are significant. The study concluded that most of the employees are of the opinion that performance management system is strongly needed and it carries a very high impact on performance of the employees.

Peter K. Ross and Lutz Michael Buchner (2010)\textsuperscript{62}, the study made an attempt to analyse the requirements to maintain global stability and local receptiveness, while attempting to coordinate their personnel management strategies. Consider to what extent the former Eastern European economies and political history influence and / or limit the


strategies and practices of multinational corporations in the post-2000 period. Dependence on institutional procedure, management of international strategic personnel, and theories of International labor relations are used to help the data to be analyzed. They study that countries quickly lose weight, so that multinational companies can implement "Western-style" personnel management strategies. Therefore, multinational corporations must pursue international strategic management of integrated human resources and international labor relations

 Priyanko Guchait and Seonghee Cho (2010)\(^6^3\), the study was to examine the impact of a package of eight human resources management practices on the intent and effect of the organization's commitment on the relationship between brokers to take into account the practices of Human resources management and intends to staff a service organization in India. Most previous HRM practices - Employee Employee Surveys - came from the perspective of the human resources manager. This study has taken as diverse method such as the association from an employee's experience. Online data were collected from hindered and eighty three respondents was working at a service industry. The study found that not only does it hold that organizations around the perception of employees should focus on human resource management practices of organizations, but also noted that human resources must go beyond establishing policies and procedures to create an environment Work environment for employees.

 Anupriya Singh and Tanuja Agarwala (2011)\(^6^4\), the study examined that the software services industry difficulties with the purpose of understanding industry context and its relationship with performance management. The results of the study show that the software services sector is unique in nature, namely, intensive and dynamic knowledge, leading to greater complexity in performance management. The study finds the implications for facilitating the alignment between the context and the performance of the software services sector in achieving the goals and objectives of the organization.

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**Princy Vij and Manisha Sharma (2011)**, the study analysed to address the role that innovative human capital management practices play in enhancing a firm's performance through the maximization of employees' positive behavioural outcomes. The study predicted that a positive relationship between human resource practices and employee behavioural outcomes in terms of job satisfaction and commitment.

**Sameer S Pingle and Vrinda Sood (2011)**, the study aims to understand the challenges and expectations of these expatriates from the HR system in terms of policies, procedures, and framework. Based on a questionnaire that was developed from the literature review, responses from 55 expatriate were taken from the IT/ITES sector. It was found that in order to be selected for the international assignment, a good job performance is a prerequisite.

**Sahil Raj and others (2011)**, the study investigated that the needs and expectations of employees and further provides an overview of the factors that lead to dissatisfaction and poor performance. By using questionnaire data, 100 employees were selected on the basis of convenience sampling methods. The study reveals that the people with higher experience are more dissatisfied with promotional opportunities available and the employees with higher experience are more inclined toward non-financial incentives as recognition, promotion and

**Praveen Ahmed and Kaushik (2011)**, in his study deal with Career Planning in totality, from concept to implementation stage. The study was conducted to find out the employee mix based on their performance and potential in organisations from government as well as private sector and management decisions to be taken for each such mix. It is suggested that CP should be done for only those who are performers and/or those who have potential to perform to ensure sustainable development.

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Chandan Kumar Sahoo and Sambedna Jena (2012), the study examined that the various performance management systems utilized by the manufacturing units. The study reveals that the important issues and practices of performance management in manufacturing sector and to improve understanding of the different approaches utilized to manage and measures.

Sandeep Gudla and Valli Sri Krishna Veni (2012), the main objectives of the study to find the existing performance management system, employee satisfaction and factors influencing the performance system of select IT companies. The study found that performance management system plays a key role in the organization are clear about how this system works and also aware their goals and objectives.

Andreas Georgiadis & Christos N. Pitelis (2012), examined the relationship between HR (HR) and the company's superior performance, as well as the role of business strategy as an important mediating factor for small and medium-sized enterprises (SMEs) results suggest that efficient SMEs in the THL sector are managed by experienced entrepreneurs. It is also found that the most profitable small medium enterprises combine a highly qualified workforce with technology differentiation strategies and know-how and / or product differentiation strategies based on quality of service and personalized customer service.

Sahoo C K and Sukanta Mishra (2012), the descriptive study examined that the performance management system viewed the performance level that the employee should consistently maintain, the support and resources that will be provided to help the employees, the plan for providing feedback to the employee and sources of additional information, such as the employee handbook and standing orders.


Muhammad Aleem and others (2012)\textsuperscript{73}, the study analyzed the relationship between human resource (HR) practices and employee performance in healthcare settings. This study examines the relationship between HR practices and perceived employee performance in the health sector of Pakistan. The HR practices discussed in this study are compensation, performance appraisal, employee relations, job security, promotion, employee participation and pension fund. Furthermore, satisfaction with HR practices is a moderating variable between employee performance and HR practices. Data were collected from 220 employees of autonomous medical institutions of Pakistan (Punjab) through questionnaires. The results indicated that performance of health sector employees is affected by the compensation, employee relations, job security, promotion, and pension. However, workers participation and performance evaluation do not have a significant impact on employee performance. The study also specifies that satisfaction with HR practices is a moderating variable between HR practices and perceived employee performance.

Deepali Bhatnagar (2013)\textsuperscript{74}, the study to evaluate that the perception of the employees about the fairness of the performance appraisal practices in their organization. This study seeks to understand how perceived fairness in the performance appraisal process affects employees’ satisfaction. The perception of fairness on performance appraisal was discussed and analyzed in the light of theory of organizational justice; Greenberg’s taxonomy of four-factor model of organizational justice was taken as a theoretical framework.

Adelien Decramer and others (2013)\textsuperscript{75}, in his study entitled the satisfaction with employee performance management systems in higher education institutions. The performance of the employee performance management system and its satisfaction


comes from a survey conducted with 589 employees of the Flemish university. Separate estimates are made for the various academic holders. The study found that a higher level of internally consistent management systems management, more communication and control, is associated with greater employee satisfaction management performance. The study also points out that satisfaction of employee satisfaction depends on the nature of the content, suggesting that a diversified employee performance management policy should be taken into account in universities.

Annalisa Cristini and others (2013)\textsuperscript{76}, the study examines whether high-level work involves workers in terms of wages, wage inequalities, and labor force composition. The analysis is based on a survey of Danish companies relevant to employer and employee data and also examines whether the relationship between high-level workplaces and employee outcomes is influenced by the context of labor relations.

Anupriya Singh (2013)\textsuperscript{77}, the main objective of the study was to understand the perceptions of software professionals regarding certain performance management process dimensions. The study resulted in a sample of 431 software professionals in four software companies. Three identification tools were used, such as the perception of the size of the performance management process, the questionnaires of the perceived system and the perception of the magnitude of organizational justice. The study found that significant effects for human resource professionals. Strong correlations were found between all dimensions related to the performance management process, knowledge of the perceived system and the dimensions of justice.

Rakesh Yadav (2013)\textsuperscript{78}, the study analyses the challenges human resource faces in Information technology industry of India. The focus of HR practitioners should not be only on to attract, motivate and retain key 'knowledge workers. But HR practitioners must also play a proactive role in IT industry. Profitability and sustainability of company in long run cannot be ensured without focusing on HR Management practices.


An implication of this study is the HR policies of the IT companies are not appropriate to deal with the future challenges IT sector in India. This conceptual study demonstrates that HR policies of the companies are inefficient in managing the key success HR factor for IT sector. This study offers insight into the practices with respect to the HR policies of the IT industry in India.

Di Fan and others (2014), the study showed that the impact of HPWS on workers was marginalized. In their study examined the effects of STARs on two psychological consequences for the employee, ie subjective well-being (BS) and attrition at work, in 1488 by physicians and nurses collected data was used in 25 hospitals in China. It also examines the moderating effect of organizational organization-based organization (OBSE) as a single intervention and the relationships between physician and nursing, as an organizational intervention, the relationship between high-performance systems and the outcomes of employees. It was found that the study increased employees' SWB and reduced dismantling. These effects that improve fatigue well-being and fatigue are more pronounced when employees have a high level of OBSE. The positive effect of HPWS on SWB is even stronger when there is a collaborative relationship among the employees of an organization.

Sheelam Jain and Ravindra Jain (2014), evaluated the study and compared the number of Performance Evaluation (BP) reactions among managers in the public sector, the private sector and foreign banks operating in India. The study was measured in terms of performance improvement and employee performance; The accuracy of the PA classification; Accuracy of AP evaluation; Give feedback; Determination of qualification decisions; And satisfaction with the evaluation system. The study found, and suggested that while all seven dimensions of PA reactions at a moderate level in the three banking sectors, responses and explaining rating decisions are at significantly higher levels of foreign banks being Have found in India, as compared to, The Public Sector and Private Banking.


Jaya Bhalla and Giri (2014)\textsuperscript{81}, the study investigated the impact of human resource management practices on employee turnover and employee productivity. The study found that the competitive business environment has a lot of pressure on personnel management to define its own existence. As such, human resource management practices must demonstrate that they can create added value and deliver results to companies and their shareholders. It concludes that human resource management practices maintain and maintain good employees, which in turn enables a company to provide high quality products and services.

Neetu Yadav (2014)\textsuperscript{82}, the study examines the strategic aspects of flexibility in the performance management system through the use of the latest developments as a flexible strategy game. This framework includes aspects that relate to situations, actors, processes and services related to a company and combines a dual performance perspective. The flexible game plan implementation mechanism, associated with an Indian automobile company and tested by the study of an effective performance management system adopted a dynamic, external dynamic and internal environment can be through integration, Feedback and corrective actions in existing strategic As well as in the development of new strategies and business plans.

Alamelu and others (2014)\textsuperscript{83}, the study shows that the employee in the existing SMPs, analyze their strengths and weaknesses and ways to impress the existing system. The study found that respondents are aware of existing performance management system practices in their workplace and clearly defined goals and adapt to changes in their work environment. The study showed that existing SMP can be improved by including workers in the process of identifying performance measures, adequate training for staff, frequent interactions with employees by supervisors / management representatives, maintenance Of PMS records


Ashutosh Muduli (2015), the study analyzes the relationship between the work system with high performance and organizational performance and examines the role of human resource development environments in the exchange ratio between work, high Performance and performance of the organization. The study found that most of the research, the STARs, agreed positively correlated with the performance of the organization. The result is not consistent with HPWS research in Asian countries. Taking into account the evidence of a "black box" approach to the role of climate HRD was studied as a mediating factor. The result showed that hpws affect organizational performance through sustainable development environment (HRD air) is based on openness, confrontation, trust, Authenticity, autonomy, collaboration and experimentation.

Ushus Mathew and Johney Johnson (2015), to explore the study and to examine the relationship between performance on the job and the performance evaluation and motivation of nurses at a multi-specialty hospital in Kerala. Primary data were collected by the survey. The sample size consists of 100 nurses from the hospital's special staff. Convenience patterns were used to collect data due to time and resource constraints. Regression and correlation techniques were used for the analysis. The reliability analysis was used to test the reliability of the data. The study noted that the analysis of correlation and regression shows that there is a positive relationship between work performance and motivation of hospital industry employees between work performance with the evaluation of the results and the negative relationship. The study concluded that the motivation process motivated employees and improved the existing performance appraisal system.

Vineet Chouhan and others (2016), the main objective of this study is to analyze the need for the traditional performance evaluation system (PAS) with a case study approach for the selection of companies in the industry to replace the public sector Public, mines of the state of Rajasthan Minerals limited. The study shows that employees

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perceive PAS measures objectively, accurately and independently and that the PAS system is transparent, and tied to personal growth opportunities based on performance. In addition, there were significant differences in workers 'and managers' perception of established PAS data

2.2 Research Gap

The study identified the research gap based on the review of previous literature. After the review of the existing knowledge about the study, the researcher feels the following gaps.

There are many academicians and practitioners have conducted many studies on the aspect of measure the performance evaluation system. However very limited studies are availed in the part of the PMS. The performance management system models, Job evaluation system designs and employee satisfaction studies were conducted in various service and manufacturing industries such as software companies, hospitals, banks, insurance sectors, hotels, restaurants, air transport, other educational services and others. Only a small number of studies were conducted in software companies, at various times in different regions of the world and also in India. Only a few studies were identified in Software Company’s employee performance management system in different places in India. Similarly till now no study was conducted in performance management system and practice in Bangalore city. Hence, the present study identified the research gap through a review of previous studies. The present study mainly focused on the employee performance management system and practices of selected software companies in Bangalore city.