

CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

Performance Management (Ministry of HRM, 2002) is a systematic process by which an organization involves its employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of organization mission and goals. It will ensure staffs are doing the best of their ability whilst developing their potentials. It is undeniable that human resource management is of paramount importance for any profitable or non-profitable organization. Since late 80s, the evolution of the concept of *performance management* as a new Human Resource Management model over the years reflects a change of emphasis in organizations away from command-and-control toward a facilitation model of leadership. This change has been accompanied by recognition of the importance to the employee and the institution of relating work performance to the strategic or long-term and overarching mission of the organization as a whole. Employees' goals and objectives are derived from their respective departments, which in turn support the overall mission and goals of the organization.

The performance management process provides an opportunity for the employee and performance manager to discuss development goals and jointly create a plan for achieving those goals. Development plans should contribute to

organizational goals and the professional growth of the employee. It is stated that the process includes the following:

1.0.1 Planning work and settings expectations.

1.0.2 Monitoring Performance.

1.0.3 Developing the capacity to perform.

1.0.4 Rating performance periodically.

1.0.5 Rewarding good performance.

In the Army, it is imperative that unit commanders have grasp of their unit performance level to provide directions so as to advocate effective performance in the organization. As far as the mid level leaders are concern in the Army, it involves officers from the rank of Captain to Lieutenant Colonel. The mid level leaders play an important role as the command, control and communication link between the hierarchy and completely associate with the first line leaders and the troops pertaining to all aspects. Therefore the performance management within the organization especially involving the mid-level leaders is pertinent to ensure the overall effectiveness and efficiency of the individual and the entire unit's preparedness for undertaking its eventual roles and tasks.

Currently, the adherence of the annual appraisal system with the annual work target, SSM pay/remuneration system requirement seems to be the practice in evaluating performance amongst the individuals serving the Army. This evaluation system is conducted following the chain of command in the unit and implemented annually. This implemented system is been in existence for more than two decades except the new remuneration system and its relevancy and

effectiveness need to be pondered especially when the Army is undergoing tremendous modernization. Is everybody well versed with the inherent system is the next factor that needs clarification. Finally, it is hoped that the outcome of the research will provide input on the effectiveness of the inherent system and the avenue whether a new model be introduced to replace the current system.

Motivation as explained by the oxford dictionary is an inducement to or stimulates interest of the job by an individual. Motivation (Alasdair White, 2000) is getting the people to do what they want. It is a reason to do anything, the reason for their actions and at the basic lowest level it has to do with survival. Alasdair states that according to Maslow's study on motivation that created the theory 'hierarchy of needs' which has five levels or tiers starting with basic physiological needs (survival), safety and security needs, social and 'belongingness' needs, esteem needs and the Self Actualization needs. Diagram explains the five levels:

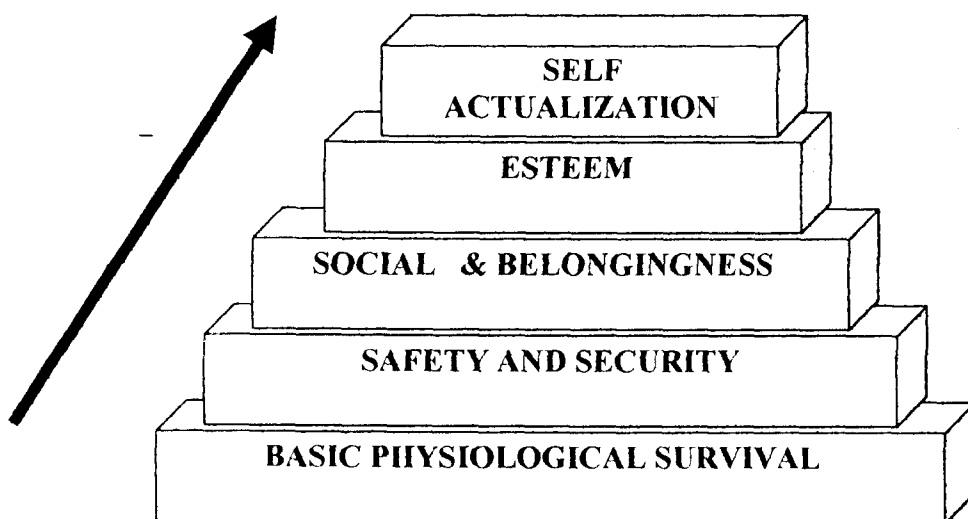


Figure 1.1 Maslow's Hierarchy of Needs

Alasdair reiterates that we are motivated to survive; therefore survival becomes our personal goal. All other things that we are motivated to achieve will also become personal goals. However there are many personal goals that precede achieving professional or work related goals. Alasdair summarizes that everyone is motivated to achieve his or her personal goals and achieve the basic needs before they are motivated to achieve organizational goals. People work harder for recognition rather than money. The expectancy theory crystallized by Victor Vroom also links effort to affect action, that actions dictate results and that those results are actually desirable then motivation acts as a catalyst to ensure greater effort to this concept.

Motivation is considerably important for any organization because it involves principal behavioral factors that are unarguably critical to the functioning of the organization as an entity. Performance management, which is aimed to provide functional guidelines and the organization reward/recognition system, is one of the factors that will have affects on individual behavior as he/she does the job. Therefore does the implementation of performance management have any relationship with motivation? Motivation is an essential ingredient especially for a military organization which the actions of one individual will have a tremendous effect overall especially when individual are specifically trained for war or conflict resolution. It is presumed that the level of motivation of an individual must be high in order for him/her to do his/her best and in culmination every individuals performance will portray the units overall performance during a conflict. It is

undeniable that the military doctrines reflect motivation as a combat multiplier and it is pertinent especially in an organization that is structured for battle deployment.

1.1 OBJECTIVES OF THE RESEARCH

Ultimately the main purpose of the study is to identify the significant relationship between performance management and motivation amongst the mid level leaders in the Army. In order to achieve the underlying purpose, it is essential to determine the objectives of the study, which ultimately will identify the relationship between the two variables. The dependent variable will be motivation whilst the independent variable will be performance management. Therefore the specific objectives are:

1.1.1 To provide an overview on the existence of the performance management amongst the mid-level leaders in the Army.

1.1.2 To examine the views of the mid-level leaders with regards to the implementation of the inherent performance management in the Army.

1.1.3 To gauge the mid-level leaders satisfaction of the inherent performance management system.

1.1.4 To determine whether there is a relationship between performance management and motivation amongst the mid-level leaders in the Army.

1.2 RESEARCH QUESTIONS

Since the research wants to ascertain the system been implemented for performance management in the Army and its effectiveness. Simultaneously, it will also ponder whether a new model of performance management inline with the current modernization and technological advancement in the field of human resource is needed to replace the existing appraisal cum remuneration system adopted by the Army. With this in mind, the research will attempt to answer the following questions:

1.2.1 Is performance management practiced in the Army?

1.2.2 What is the level of understanding of performance management amongst the mid-level leaders in the organization?

1.2.3 Does the existing performance management system in the Army effective and efficient.

1.2.4 Does the Army require a form of control in managing the performance management system?

1.3 SIGNIFICANCE OF THE RESEARCH

It is hoped that the findings of the research will contribute greatly to the Army especially in the field of human resource management. The relevant authorities will have the opportunity to consider if any review is necessary of the inherent system or vice versa based on the recommendation made by the researcher. It is also hoped that this study will provide answers to the implementation of performance management in the Army. The answers are perceived to assist in identifying any shortcomings especially involving the performance management amongst the mid level leaders in the Army.

Finally, the study is to identify whether there is a relationship between performance management and motivation. The confirmation of all pertinent data on the subject matter and the recommendations from the researchers will provide the platform for further enhancement of the performance management practiced in the Army. This is intended to assist in the realignment of the Army human resource management requirements on the subject matter and provide suggestions to improve the practices of performance management in the Army specifically. This is hoped to enhance the professionalism and pave the way for continuous improvement to achieve excellence in tandem with the modernization process.

1.4 DATA DEVELOPMENT

The respondents will be officers from the rank of Captain to Lieutenant Colonel in correct perspective of the study. This group makes up an estimated 15 percent of the overall Army strength, which is approximately 80 thousand. The selection of the sample of the study will be on probability basis preferably using stratified sampling which will give mid level leaders a known and equal chance to be selected. The survey is directed to approximately 250 respondents hailing from Kuantan, Sungai Petani, Malacca. Port Dickson, Seremban and Kuala Lumpur. Respondents from Port Dickson will also cover students attending courses at the Army Institute of Management. The students are expected to come from all over the country including East Malaysia. The appointments of the respondents will be a culmination of command and also staff officers in Headquarters who are responsible directly for managing performance and the existing system.

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The feedbacks will provide the much-needed database for the study. This will give a broader perspective since all respondents would have been exposed to the subject matter. Basically, the collection of the data will not be extended more than a month since the time constraints. If time permits, the researchers will conduct the interviews at destinations within the institute otherwise the questionnaires will be posted or sent via proxy to the various destinations and given to the unit commanders to request for the cooperation.

1.5 LIMITATION OF THE RESEARCH

The limitations of the study that the researchers envisage are as follows:

1.5.0 Time allocation for the completion of the study is limited to actually carry out extensive research on the subject matter. A timeline is a good guide to assist to complete the project.

1.5.1 A research has been conducted pertaining to the performance appraisal in the Army and it was looking at improvement of the human resources for the future. Generally, information is important and prudent to carry out further research. All information available from past researchers must be coordinated and be easily available for future research. This will be beneficial for all concerned.

1.6 ORGANIZATION OF THE RESEARCH REPORT

The overall report of the study conducted is compiled and presented in six Chapters. The Chapter 1 provides an overview of the problem statement, objectives, research questions, the significance of the research, data collection plan, limitations and the organization of the research report. Actually it is hoped that this chapter will clearly define the subject matter and subsequently provide

the dimensions to answer the, who, what, when, where and how questions of the study. Analyzing this chapter will allow the approach taken to meet the challenges of the study. It will assist to get the data required for presiding with the study and also identify the limitation if not dealt with seriously can be a hindrance. This chapter ends with the approach on the formulation and arrangement of the entire research. Chapter 2 will provide information on the subject matter through the extensive literature review with relevant highlights on the process, concepts or models currently in existence regarding performance management. It will be able to provide information on the benefits and also the shortcomings of the performance management system. Chapter 3 gives an overview on the inherent approach of performance management as practice in the Army. The chapter will also look into the latest development by the Public Service Department on the subject matter and comparing it with the Army's interpretation and implementation. Chapter 4 is dedicated to how the research was conducted and subsequently collection of the data for the research. Explanation on the respondents and the utilization of the questionnaires to carry out the survey is extensively elaborated. Chapter 5 will concentrate on the analysis carried out from the collected data. The process of cleaning the data and transforming it for the analytic phase using the SPSS was meticulously carried out. Finally, Chapter 6 will take cognizance of the research results and provide findings and recommendation of the research members on the enhancement of the performance management amongst the mid-level leaders in the Army. It is envisaged that if there is a link between performance management

and motivation then this will expedite the enhancement process since motivation is prudent to the individuals especially amongst the mid-level leaders in the organization.