

The Effect of Performance Management System on Teachers' Efficiency: A Case Study of Private Schools in District Peshawar

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Abstract: The aim of this study was to investigate the Impact of Performance Management System on teachers' Efficiency in private high schools in district Peshawar. The model of the study was descriptive and quantitative in nature and 10% private high schools at district Peshawar were selected randomly out of 490 total registered private high schools. To analyze the data Pearson Correlation Coefficient and Regression test were run on the data. From the analyzing of the information, it was found that Performance Management System has a positive and significant impact on teachers' efficiency. While conducting this study the responses of the respondents were average due to lack of knowledge of filling questionnaires and also due to the internal policy of the schools. The implication of the research is private high schools of district Peshawar.

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Introduction

The main object of every organization is to improve its performance but it can never be possible without the efficient performance of employees. Therefore, the performance management system came into effect as a management reform to address and redress concerns, organizations had about performance (Sharif, 2002). In education, a wide range of reforms that focus on the performance of schools have also been implemented (Downs, Chadbourne, & Hogan, 2000; Gleeson & Husbands, 2001).

The period ranging from 1970s up to the 1990s witnessed government around the world introducing management reforms in the public sector from the private sector aiming to improve performance. New Zealand and a couple of other countries like U.K., and Australia emerged as the leading proponents of such reforms which became models emulated elsewhere. Countries such as Korea, Brazil, Portugal and Sweden followed suit as government sector reform transformed public management.

More or less but all human beings have potentials for effective and efficient performance which need to be exploited and utilized. But it is important to convert and utilize these potentials into best outputs and achievements and performance management plays its role as intermediary for conversion these potentials into efficiency and performance by eradicating the in-between bottlenecks and simultaneously motivating the human resource (Kandula, 2006. Barzegar, N., & Farjad, S.

2011). It was expected that a well implemented performance management system would benefit the organization, its managers and employees. That is, the performance management system would integrate with other characteristics that would combinely go toward to enhance the output of organization. It was expected that everyone would know about the expectation of the organization_ its objective, purpose and destination that they move forward to reach the destination and attain the expected objectives (Kettle, 1997).

Moreover, managers were expected that they would play their role as leaders in the change process to ensure public satisfaction through improved performance. It is also important in this process the managers were going to be required to facilitate a culture of continuous improvement in the organizations they were leading. To be able to perform their obligations effectively and produce expected results, the managers together with their employees, were to learn new skills and techniques (Republic of Botswana, 2002). According to Chan and Lynn (1991) the organizational performance criteria should include profitability, productivity, marketing effectiveness, customer satisfaction, but also employee morale. In this perspective, teachers' performance is tightly related to schools performance, effective and efficient teachers' performance would positively influence schools performance. Competent teachers are essential for the successful implementation of teaching learning procedure so that to enhance the capability of teaching learning system,

and performance management system is a factor that elevates the capabilities of teachers to bring out their talent to fulfill the handover task to them.

The efficiency of teachers is affected by many factors such as; high education, method of teaching, different dimensions of personality, organization environment, and skill and potentiality, and performance management system. The performance of teachers' has a significant relationship with schools performance. Performance management system is important for schools management, as it helps schools; ensuring teachers are working hard to contribute to achieving the schools' mission and objectives. Performance management system sets expectations for teachers' performance and motivates teachers to work hard in ways as expected by the schools. Moreover, performance management system provides a complete and professional management process for schools to assess the performance results of schools and teachers.

The importance of Performance Management System is consecutively improving organizational performance, which in turn, improves individual employee's performance. Therefore, improving teachers' performance by using performance management system is a way to improve schools efficiency (Macky and Johnso, 2000). According to Becker, B., and Gerhart, B. (1996) the duty of the performance management is to manage human resources endeavors and evaluate their performance according to the outputs. Therefore, it is vital to determine a structure or model for Performance Management System to how to evaluate and compute the best performance of the employees. Performance Management System would then be effective when we give continuous feedback to the employees, change their behavior set goals for them and giving proper training to the employees (Lawler, 2003). Performance Management System motivates the employees. It makes strategies for the organizations to achieve their goals in a desirable fashion. It makes organizations able to encourage such an environment which supports high efficiency and desired outputs. . It is the main organ of all activities in an organization which helps in pulling effective outputs and desired achievements. The performance management system is a continuous process of determining goals of the organization and transmitting of feedback. Its purpose is to differentiate poor performance and good performance and this is what performance management is all about (Pralhad, C. K., & Bettis, R. A. 1986).

According to Liebenberg and Van der Merwe (2004), performance management is a procedure provides outlines to the team leader to how to plan, organize and control the performance of the team members. Performance Management System is a

never-ending progression, which enable the management to identify, evaluate and recognize the performance of teachers.

Purpose of the study

The main purpose of this study was to investigate the impact of Performance Management System on the teachers' efficiency in private schools.

Objectives of the study

1. To find out relationship between performance management system and teachers' efficiency on the job.
2. To find out the impact of Performance Management System on organization output.

Review of Literature

The origin of performance management can be traced to the dawn of human civilization and the pyramids in Egypt gives an inkling that centuries ago a viable performance management system existed which made possible the construction of such super structures by human beings. However formal appraisal system began in the past when there was need to find the source of income justifications which could provide basis for determining employees performance based wages and salaries.

Storey (2002) describes that performance management system is referred to those various attempts that designed to ensure that the organization and employees work efficient and effectively. From this definition it is clear that the target to be managed should be range from individual employee to the entire organization. She further explained that the focus is not just on effort and efficiency but with the effectiveness it means that the right things should be achieved.

Graham (2004) called attention to the fact that organization should make clear in its strategic plan that performance expectation for each employee to be linked to the desire outputs and moreover these expectations should be specific, measureable, and realistic. Amaratunga and Baldry (2002) suggested that function of performance management is that of a tool for an organization and that organizations can use to 'track progress and direction towards strategic goals and objectives and should focus on whether the organization has met its performance goals and targets. They further explained that there must be a goal achievement analysis that makes clear that whether the organization is performing well or there is need of improvement. Flapper, Stoop (1996) and Storey (2002) pointed out that it is the study of the performance management to set the shared and agreed objective for the organization and also set the direction of the employees for achieving these objectives. For Graham if the right people who have the right competencies are not available or managed well, it would be difficult to effectively and efficiently

achieve the strategic goals and objectives of the organization.

Performance can also be defined as combination of results and behavior which leads to the accomplishment of specific objectives within time and cost constraints. At an organizational level of analysis, the success of an organization can be defined as successful attainment of its stated objectives. The organization that achieving its goal efficiently through effective implementation of suitable strategy is that which plays its role well (Otley, 1999). Fletcher (2001) has given a completed and comprehensive HR related performance management definition. To be more specific and comprehensive, performance management is a procedure to ensure that employees are concentrating on their attempt so that to achieve the organization's objectives. In different literature, there are various models of performance management. Every model has its significance as an organism for organizing organizational performance, and employees' performance. To integrate both performances various terms refer to performance management initiative in organizations. For instance, performance-based budgeting, pay for performance, planning, programming and budgeting, and management by objectives are all part and parcel of performance management (Heinrich, 2002).

Rudman (2003) is of the notion that performance management system is a method that combines human resource management performance with the objectives of the organization. Its aim is to concentrate on the areas where management and HR performance are combining to manipulate people behavior to hold up the organization's strategy. He also stressed that the performance management system must fit with the organization's culture. In his view point Performance management system is a kind of completed and integrated cycle for performance management. The performance management system stresses on the performance of the organization and that will depend upon the performance of employees (Macky & Johnson, 2000).

A Performance Management System is also a mechanism that transmitting organizational objectives into employees objectives which will be achieved on periodic basis (Amos, 2008). To look from an organization point of view so an organization performance, in reality, is the performance of an employee who tries to achieve the goal of the organization. In other words when an employee achieves its objectives he actually achieves the objectives of the organization (Luthans & Stajkovic, 1999). Performance management is a mechanism for the achievement of better outcomes from the entire organization by using the predetermined goals,

standards and competence requirements within an agreed framework (Armstrong, 2004).

In simple words, Performance management is a device which converts the raw potential of human resource into performance. Campbell (1990) described performance as work shown quantitatively and qualitatively as expected from staff member is called the performance of the employees. These standards serve as benchmarks for evaluation of performance. Performance is combination of job effectiveness and efficiency, with employee interference (Decenzo, 1998). Performance management system can enhance the efficiency of the employees, if the performance management system is viable one. Employee performance plays an important role for improving and enhancing performance of organizations. The action of an individual originally constitutes his output.

Methodology

This research is quantitative in nature. The Quantitative research is that which tries to find answer to a question through analysis of quantitative data, i.e., the data shown in figures and numbers ((Taylor, 1998). Patton (2002) has argued that a qualitative research methodology can help researchers approach fieldwork without being constrained by any predetermined categories of analysis.

Moreover Gay, Mills and Airasian (2009) explained that the strength of quantitative research is the opportunities that it provides researchers to interact and gather data directly from their research participants to understand a phenomenon from their perspectives. On the other hand, qualitative research carries the uniqueness because it does not give conclusion in advance. It is often regarded as a scientific methodology of management sciences research (Taylor, 1998).

Sample Size of the study

Population means the totality of individuals from which some sample is drawn. (Ostle, 1963). The population of this study was consisting of 490 high schools in private sector in district Peshawar.

The population was spread over the whole district of Peshawar; therefore 10% of the whole population was selected for the research study. To achieve the objectives of the research 500 questionnaires were distributed among 50 private high schools at District Peshawar. In response 349 questionnaires were returned. The response rate was 70%. The questionnaire was designed on Likert 5 Rating Scale (1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree and 5=Strongly Agree). To test the impact of the variables the data were analyzed through SPSS.

Data Collection

The required information for the study was collected through questionnaire. The questionnaire used to allow the response of the respondents in a standard way, unbiased approach and objective oriented. The use of questionnaire provides the information to be presented in a numeric way. Questionnaire method also has several limitations, for example lackadaisical attitude of respondents, non-attendance and lack of cooperation.

Reliability Analysis

Coefficient Cronbach' alpha was used to measure reliability of Data. At first coefficient Cronbach' alpha was applied in 1951. In this study reliability approximates calculated separated and combined, that are alike to the usually used coefficient alpha statistics. It is standard that if Cronbach Alpha value is ($\alpha = .7$) than the significance shows the

acceptable reliability. In this study the reliability coefficients of independent and dependent variables were attained which was ($\alpha=.70$). If the coefficient is ($\alpha = 1.0$) than the reliabilities and coefficient is better and if less than ($\alpha = .60$) is poor. Performance Management System was computed by 10 questions and Cronbach's alpha was ($\alpha = .780$) and the same way dependent variable, teachers' efficiency, was also calculated by 10 questions with Cronbach's alpha' is ($\alpha = .757$). As a whole the reliability for every question was shown individually in the below given table. The value of 10 different questions is ($\alpha > .70$) which signifies the satisfactory reliability limit. Separate Cronbach's alpha for every question is yet greater than ($\alpha = .70$) so the inner consistency reliability of the calculators used in the study be considered to be good and reliable.

Cronbach's Alpha	Values
Performance Management System	($\alpha = .780$)
The school Management System focuses on Staff punctuality.	.778
The school Mgt. Sys: focuses on the assurance of quality performance.	.776
In our school Employees get training and development opportunities.	.789
Task is clearly communicated to employees	.758
Feedback is given to the teachers, on their performance	.753
Faculty is highly motivated to participate in decision making process	.751
Personal support is given to staff	.763
Excellent performance is recognized and rewarded	.754
Staff commitment and morale are high.	.740
Performance evaluation is done in time	.745
Cronbach's Alpha	Values

Teachers' Efficiency

	($\alpha=.757$)
Teachers are punctual in our school	.749
Teachers come well prepared to the class	.746
Teachers have the skill of time management in the class	.743
Teachers allow class discussion in our school	.749
Teachers in our school have communication skills	.722
Teachers in our school are devoted to improve quality	.756
Teacher in our school are hardworking	.717
Teachers are creative to promote healthy activities in our school	.726
Teachers in our school have optimistic attitude	.725
Teachers in our school have the sense of forgiving	.731

Data Analysis

Pearson Correlation and Regression Analysis were used to analyze the variables.

Correlations between variables		
Pearson Correlation	Correlation	
	PMS	TE
Pearson correlation PMS		.558**

The table of correlation coefficient shows the interrelatedness of the data of the independent

variable to one another. It also illustrates about the exit linear relationship between the dependent variables. Since the value of $r = .558$ indicates about the exit strong and positive relationship of teachers' efficiency and performance management system.

The correlation coefficient value is always in between -1 to +1 it has the following predefine standards

- If p is equal to -1 it indicates the negative or inverse correlation between dependent and independent variables.

- If p is equal to 0 it indicates no connection or correlation between the dependent and independent variables.
- If p is equal to +1 it indicates the strong and positive connection or correlation between dependent and independent variables.

Regression Output

Dependent Variable: T E

Method: Linear regression method

Variable	Coefficient	Std. Error	t-Statistic	Probability (P-V)
C	.759	.107	7.103	.000
PMS	.588	.047	12.530	.000

Sample: 500

Included observations: 349

R-squared	.312	Mean dependent var	36.815
Adjusted R-squared	.310	S.D. dependent var	6.06
S.E. of regression	.48424		
Sum squared residual	81.369		
F-statistic			157.001
Prob(F-statistic)			.000 ^b

*, **, *** indicates significance at the 90%, 95% and 99% level, respectively.

Level of Significance

The tables demonstrate the result produced by linear regression on the data collected from 349 respondents through questionnaires. After applying the linear regression on the collected data to check the cause and effect relationship between the Performance Management System (independent variable) and Teachers' Efficiency (dependent variable) the above mentioned result has been drawn. In the above table the adjusted R square value, the outcome of the data plainly illustrates that teachers' efficiency, the dependent variable of the study is influenced 31% by the Performance Management System, the independent variable of the research. Whereas R square value 0.312 is far away from "1" that is standard value of r square. Thus it illustrates that Performance Management System (independent variable) has slightly influenced the teachers' efficiency (dependent variable)

The probability of f-statistic shows the significance of the research. According to the standard if the p value is < 0.05 so than it is significant. In this study the above given table demonstrates the p value is 0.000 which is < 0.05 thus the model of the research is statistically significant. So the independent variable of the study, Performance Management System, has significant relationship with dependant variable of the study, Teachers' Efficiency.

The un-standardized value of the mentioned table illustrate obviously that independent variable

the performance management system has a positive impact on teachers' efficiency in this study.

Discussion, Conclusion and Recommendations**Discussion**

This study contributes to the body of research on performance management system in private high schools in district Peshawar. There is a lot of research on performance management system in schools, but these studies have mainly taken place in western countries. This study contributes to a small but developing research literature on the performance management system in district Peshawar.

Limitations

One major limitation of this study was that it was based only on private schools, Government schools were not included. Another limitation was that due to the time constraint only high schools were studied primary schools were not included.

Conclusion

As the increase of concentration on administrative management during these years, HRM plays a more important role in managing an organization, such as the effects of HRM on innovation, 'new way of working principles' for working relations. Performance management system, as a field of study, is a popular topic in HRM over time. It is also important for schools, to manage punctuality of teachers, provide training and development opportunity to the teachers and reward the performance. In doing so, schools performance

would be increased as well through supervising the whole process of performance management, such as building objectives, checking feedback and evaluating performance. On the other hand, teachers are the resources and assets of schools. Schools need to figure out strategies to identify, encourage, measure, evaluate, improve and reward those teachers who are efficient. Consequently, improved teachers' efficiency could also influence schools performance. Therefore, the purpose of this study was to find out the relationship between performance management system and teachers' efficiency, and to make a conclusion, also to develop a set of recommendations.

Findings of the study indicated that teachers working in private high schools in district Peshawar considered the Performance Management System as a main factor of teachers' efficiency and were in favor of it. As we observed that the adaptation of the performance management system in these schools signifies that Performance Management System plays a vital role in teachers' efficiency.

Recommendations

On the basis of the above mentioned findings the following are some necessary recommendations:

1. Performance management System should be given due weight-age and be considered as potential factor contributing towards teachers efficiency, because performance management system has a positive influence on teachers' efficiency.
2. A suitable training program regarding teachers' performance must be developed for the teachers and practically implemented; keeping in view the thorough needs assessment of training for the teachers.
3. Task must be clearly communicated to the teachers.
4. Teachers' punctuality must be ensured.
5. Teachers should be given the opportunities to take part in decision making, particularly in curriculum decisions.
6. The management makes sure that timely and accurate feedback is provided to the teachers about their performance.
7. The management makes sure that the teachers have full command over communication skill.
8. Teachers must be supported in their personal matter in this way they would be more motivated and would perform whole heartedly.
9. It is necessary for the management to recognize and reward excellent performance of the teachers.

10. The evaluation for reward and recognition must be done in time that the teachers get inspiration and motivation and give a better performance.

This study revealed that Schools Management interested in their productivity and efficiency is left with no other option than to adopt Performance Management System. In the same way they should boost teachers' high commitment and morale for high efficiency and productivity of the teachers, training & development opportunities should be provided to them. Schools management needs to involve teachers 'in decision-making, because some- times, they know better about the curriculum activities, what the management does not.

Reward and performance recognition, for which majority of the people work should be done in time, on merit and according to the other competitive organizations packages, thus this will make teachers more contented and motivated and they will perform well. The study indicated that the schools that use Performance Management System effectively, their teachers' performance were higher.

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