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A STUDY ON PERCEPTION OF EMPLOYEE TOWARDS CONTINUOUS PERFORMANCE MANAGEMENT SYSTEM ON PRODUCTIVITY TOWARDS SAKTHI EQUIPMENTS AT COIMBATORE

Mr. Barath.R[1], Dr. A. Giriprakash[2]
[1]*MBA*
[2]*Assistant Professor*
Sakthi Institute of Information and Management Studies Pollachi

ABSTRACT
This study examines employees' perception towards the Continuous Performance Management System and its impact on productivity with special reference to Sakthi Equipments at Coimbatore. The research focuses on understanding employee opinions regarding continuous feedback, performance evaluation, and goal-setting practices within the organization. It analyzes how an effective performance management system influences employee efficiency, motivation, and overall productivity. The study also identifies factors affecting employee satisfaction and organizational performance. The findings help in understanding the role of continuous performance management in improving workforce effectiveness and organizational growth.
KEYWORDS: *Continuous Performance Management, Employee Perception, Productivity, Employee Performance.*

INTRODUCTION

In today's dynamic business environment, organizations are increasingly shifting from traditional annual appraisal systems to continuous performance management systems to enhance employee productivity and engagement. Continuous performance management emphasizes regular feedback, goal alignment, real-time performance tracking, and ongoing communication between employees and supervisors. This approach helps employees clearly understand expectations, improve their skills consistently, and stay aligned with organizational objectives.

In manufacturing organizations like Sakthi Equipments, where efficiency, quality, and timely output are critical, the perception of employees toward such systems plays a vital role in determining their effectiveness. Employees' attitudes, acceptance, and satisfaction with continuous performance management directly influence their motivation and productivity levels. Therefore, studying employee perception provides valuable insights into how these systems contribute to improved performance, identify potential challenges, and support organizational growth.

OBJECTIVES OF THE STUDY

- To examine employees' awareness and understanding of the continuous performance management system implemented at Sakthi Equipments.
- To analyze employees' perceptions and attitudes toward the effectiveness of continuous performance management practices.
- To evaluate the impact of continuous performance management on employee productivity and work performance.
- To identify the factors influencing employee acceptance and engagement with the continuous performance management system.
- To provide suggestions for improving the performance management system to enhance employee productivity and organizational outcomes.

NEED OF THE STUDY

In today's competitive industrial environment, organizations are increasingly shifting from traditional annual appraisal systems to continuous performance management systems to enhance employee productivity and engagement. However, the effectiveness of such systems largely depends on how employees perceive them. At Sakthi Equipments, the implementation of a continuous performance management system aims to provide regular feedback, improve communication, and align individual goals with organizational objectives. Despite these intended benefits, employees may have varying perceptions regarding fairness, transparency, frequency of feedback, and its impact on their motivation and productivity. Therefore, it becomes essential to examine how employees perceive this system and whether it truly contributes to improving their performance and overall productivity. The problem lies in identifying gaps between the intended purpose of the system and employees' actual experiences.

SCOPE OF THE STUDY

The study focuses on analyzing employees' perceptions of the continuous performance management system at Sakthi Equipments and its influence on their productivity. It covers aspects such as feedback frequency, goal setting, communication between supervisors and employees, and overall satisfaction with the system. The study is limited to employees within the organization and does not extend to other companies or industries. It also concentrates on the relationship

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between performance management practices and employee productivity, without delving deeply into other HR functions such as recruitment or compensation. The findings of the study will help the organization understand employee attitudes and improve the effectiveness of the system.

REVIEW OF LITERATURE

Dhanam (2023) In the Indian manufacturing context, Kumar and Sharma (2018) found that employees perceive continuous performance management systems as more transparent and fair compared to traditional appraisal systems, thereby increasing their motivation and efficiency. Furthermore, Singh (2019) highlighted that frequent performance discussions help employees identify skill gaps and improve their work output. In a similar vein, Rao (2020) observed that organizations implementing continuous performance management practices reported higher employee satisfaction and productivity levels.

Dunham. J (2024) The concept of continuous performance management has gained significant attention in recent years as organizations shift from traditional annual appraisal systems to more dynamic and real-time performance evaluation methods. According to continuous performance management enhances employee engagement and productivity by providing ongoing feedback and aligning individual goals with organizational objectives. Similarly, emphasized that regular check-ins between managers and employees improve communication, clarify expectations, and lead to higher performance outcomes. argued that continuous feedback systems reduce performance anxiety and foster a culture of development, which positively impacts employee productivity.

Freidman.M.C.(2025) Overall, the literature indicates that employee perception plays a crucial role in determining the effectiveness of continuous performance management systems. When employees perceive the system as fair, supportive, and growth-oriented, it leads to increased motivation, engagement, and productivity. Therefore, for companies like SakthiEquipments, understanding employee perception towards CPM is essential for maximizing its impact on organizational performance.

Latham and Locke (2025)highlighted the importance of goal-setting in performance management. Continuous systems allow employees to regularly adjust goals, which they perceive as beneficial for achieving higher productivity. Fouund that continuous performance management systems contribute to sustainable performance improvements. Employees perceive these systems as supportive rather than punitive. In the context of manufacturing organizations like Sakthi Equipments, continuous performance management systems help align employee goals with organizational objectives. Employees perceive these systems as enhancing communication, clarity, and recognition, which ultimately improves productivity.

RESEARCH METHODOLOGY

RESEARCH DESIGN

"A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure".

HYPOTHESIS

Null Hypothesis (H_0)

There is no significant relationship between employees' perception of the Continuous Performance Management System and employee productivity at Sakthi Equipments.

Alternative Hypothesis (H_1)

There is a significant relationship between employees' perception of the Continuous Performance Management System and employee productivity at Sakthi Equipments.

DATA COLLECTION

Primary data: Primary data means data which is fresh collected data. Primary data mainly been collected through personal interviews, surveys etc.

Secondary data: Secondary data means the data that are already available. Generally speaking secondary data is collected by some organizations or agencies which have already been processed when the researcher utilizes secondary data; the process of secondary data collection and analysis is called desk research. Secondary data provides economy in time and cost. It is easily available and unbiased. Secondary data may either be published data or unpublished data.

SAMPLING

POPULATION: The aggregate elementary units in the survey are referred to as the population. Here it covers the entire employees of Sakthi equipments.

Sample Size: Sample size, often denoted as , is the number of observations, individuals, or items included in a study or survey, chosen to represent a larger population. It is critical for ensuring research reliability; a larger generally increases precision and reduces the margin of error, while a smaller may lead to invalid results. Sakthi equipments working in 187 employee. The study based only on the employee engage. Total number of sample taken for the study is 150 respondents.

Sample design: Convenience sampling techniques were used for the study.

TOOLS FOR ANALYSIS

The commonly used statistical tools for analysis of collected data are:

1. Simple Percentage analysis
2. Chi-square Analysis
3. Correlation
4. Anova

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DATA ANALYSIS AND INTERPRETATION

WORKERS PARTICIPATION IN MANAGEMENT TEND TO PROMOTE

MANAGEMENT TEND TO PROMOTE	NO. OF RESPONDENTS	PERCENTAGE (%)
Increase in production	93	62.0%
Improve relation between Workers & management	42	28.0%
Both of them	15	10.0%
Total	**150**	**100%**

Source: Primary Data

Inference

The above table depicts that 62% of the respondents are said Increase in production, 28% of the respondents are said Improve relation between Workers & management, 10% of the respondents are said both.

Majority 62.0% of the respondents are said Increase in production.

POSITIVE IMPACTS OF YOUR PARATICIPATION

POSITIVE IMPACTS	NO. OF RESPONDENTS	PERCENTAGE (%)
Strongly agree	53	35.3
Agree	22	14.7
Disagree	21	14.0
Strongly Disagree	54	36.0
Total	**150**	**100%**

Source: Primary Data

Inference

The above table depicts that 35.3% of the respondents are strongly agree to positive impacts of your participation, 14.7% of the respondents are agree to positive impacts of your participation, 14% of the respondents are Disagree to positive impacts of your participation, 36% of the respondents are strongly disagree to positive impacts of your participation

Majority of 36% of the respondents are strongly disagree to positive impacts of your participation

CHI-SQUARE ANALYSIS

NULL HYPOTHESISHO: There is no significance between the Educational Qualification and satisfied with the present system of workers involvement in production.

ALTERNATIVE HYPOTHESISH1: There is significance between the Educational Qualification and satisfied with the present system of workers involvement in production.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Educational qualification * Satisfied with the present system of workers involvement in production	150	100.0%	0	.0%	150	100.0%

Educational qualification * Satisfied with the present system of workers involvement in production Crosstabulation

Count		Satisfied with the present system of workers involvement in production				Total
		Highly Satisfied	Satisfied	Dissatisfied	Highly Dissatisfied	
Educational qualification	School level	34	55	0	0	89
	Diploma	0	14	11	0	25
	Graduation	0	0	13	8	21
	Post-Graduation	0	0	0	15	15
Total		34	69	24	23	150

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Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.965E2[a]	9	.000
Likelihood Ratio	201.727	9	.000
N of Valid Cases	150		
a. 8 cells (50.0%) have expected count less than 5. The minimum expected count is 2.30.			

Symmetric Measures					
		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Ordinal by Ordinal	Kendall's tau-c	.665	.045	14.893	.000
N of Valid Cases		150			
a. Not assuming the null hypothesis.					
b. Using the asymptotic standard error assuming the null hypothesis.					

RESULT

Since the calculated value is greater than the table value. So we reject the null hypothesis. There is no significance between the Educational Qualification and satisfied with the present system of workers involvement in production.

SUGGESTIONS

1. Employees perceive CPMS as a more effective and supportive system than traditional performance appraisals.
2. Regular feedback improves communication, trust, and reduces evaluation-related stress.
3. Goal clarity through CPMS helps employees align their work with organizational objectives.
4. Employee participation in goal setting increases engagement and productivity.
5. Proper training, transparent communication, and technology support improve CPMS effectiveness.

CONCLUSION

Employees at Sakthi Equipments generally have a positive perception toward the Continuous Performance Management System as it promotes regular feedback, goal clarity, employee engagement, and timely recognition, which enhance motivation and productivity. Although some employees may initially find the system time-consuming, effective implementation through transparent communication, manager training, and a supportive work culture can make CPMS a valuable tool for employee development and improved organizational performance.

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