

PERFORMANCE MANAGEMENT SYSTEMS AND THEIR IMPACT ON EMPLOYEE PRODUCTIVITY AT RIVERIA COIL MANUFACTURING PRIVATE IMITED.

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ABSTRACT

This research investigates the impact of Performance Management Systems (PMS) on employee productivity at Riveria Coil Manufacturing Private Limited. Effective PMS is vital for the manufacturing sector, yet traditional methods often fail due to subjectivity and lack of real-time feedback. This study explores how structured performance appraisals, goal alignment, and feedback loops enhance operational output. A quantitative research design was employed, gathering data from 100 respondents. The findings highlight that 92% of participants are satisfied with the current PMS, suggesting that a well-defined system reduces role ambiguity and boosts morale. Ultimately, the study confirms that an effective PMS is a strategic tool for organizational growth.

KEYWORDS: Performance Management Systems, Employee Productivity, Goal Alignment, Feedback Mechanisms, Operational Efficiency.

INTRODUCTION

Riveria Coil Manufacturing Private Limited is a prominent player in the industrial coil manufacturing sector. In a high-precision industry, the productivity of the workforce is the primary driver of operational success. Traditional performance tracking often relies on annual reviews, which can lead to a "last-minute rush" for data and biased evaluations. Integrating a modern, continuous Performance Management System (PMS) is essential to transition from a punitive evaluation state to a developmental one.

Predictive performance metrics and transparent feedback loops allow employees to understand their roles clearly. This study focuses on how a structured PMS simplifies complex performance goals, making them manageable and motivating for the staff. Performance Management Systems (PMS) are essential tools that help organizations improve employee efficiency, effectiveness, and overall productivity. In today's competitive business environment, companies must continuously monitor and enhance employee performance to achieve their strategic objectives. A well-structured performance management system not only evaluates employee performance but also supports employee development through goal setting, regular feedback, training.

STATEMENT OF THE PROBLEM

Riveria Coil Manufacturing faces challenges in maintaining consistent productivity levels due to gaps in performance monitoring. Without a structured system, employees often feel their efforts are unrecognized, leading to reduced engagement. Manual tracking creates a "last-minute rush" during appraisal seasons, causing stress for both managers and subordinates. There is an urgent need to evaluate how a robust PMS can eliminate these inefficiencies and ensure long-term productivity and employee retention. Moreover, the manufacturing sector in India is rapidly evolving with the advent of Industry 4.0, yet the persistence of traditional management practices at Riveria Coil Manufacturing creates a technological vacuum. This gap results in inefficient resource allocation, where liquidity and human capital are often underutilized or mismanaged during peak production periods. There is an urgent need to transition toward a modern, AI- integrated or structured PMS that can provide real-time insights, foster a meritocratic environment, and eliminate the inefficiencies of manual financial and performance tracking. Without this transformation, the company risks losing its competitive edge and failing to meet the rigorous quality standards required by its global and domestic clients.

OBJECTIVES OF THE STUDY

1. To study the existing Performance Management System practiced at Rivera Coil Manufacturing India Pvt. Ltd.
2. To examine employee perceptions towards the performance appraisal and feedback mechanisms.

REVIEW OF LITERATURE

Performance Management (PM) means using structured frameworks and feedback loops to perform tasks that typically require high levels of coordination and objective decision-making. Today, many forward-thinking manufacturing companies are integrating modern PMS into their daily operations to make performance tracking more accurate and proactive.

- Dessler & Varkkey (2020) explored different types of appraisal systems used for employee development. They found that for a system to be effective, it must have clear operational goals and be well-planned to match the specific purpose of the organization. They found that using advanced technology in performance management can significantly improve job satisfaction and employee involvement.
- Armstrong & Taylor (2022) reviewed various studies on organizational performance and found that when a system is planned properly, it improves learning and job performance. However, they warned that if not designed carefully, new systems can cause initial stress, emphasizing the need for user-friendly interfaces.
- Seeni Syed Nasrin and Dr. Rajini (2025) studied how modern tools help in development. Their research showed that automated systems increase attention to detail and help employees remember skills better. They also concluded that for better results, these tools must match the company's long-term goals.
- Barik (2017) highlighted that in the Indian industrial landscape, there is a significant need for technological breakthroughs to bridge the gap between production and market potential. Saini & Meena (2024) emphasized that stronger institutional backing and the adoption of modern management models are essential for overcoming market access issues.

From all these studies, it is clear that Performance Management Systems help solve common problems in manual tracking, such as low interest, poor data memory, and lack of motivation. When management includes predictive and systematic elements, employees enjoy the process more and perform better.

RESEARCH METHODOLOGY

This study explores "Performance Management Systems and Their Impact on Employee Productivity at Riveria Coil Manufacturing Private Limited." Conducted during the project period in February 2026, the research involved 100 employees from Riveria Coil Manufacturing, selected through the convenience sampling method. The primary aim was to evaluate how structured performance management tools affect operational accuracy, employee engagement, teamwork, and overall manufacturing performance. By understanding the role of PMS in organizational development, the study seeks to provide a roadmap for reducing appraisal-related pressure through systematic optimization.

- **Research Design:** A quantitative research approach was adopted to interpret trends and opinions regarding PMS adoption and its impact on productivity.
- **Data Collection:** Primary data were collected through a structured questionnaire administered via Google Forms to ensure ease of access and systematic recording of employee feedback.
- **Sample Size:** The study focused on a sample of 100 respondents to gather comprehensive insights into the current performance management scenario at the manufacturing unit.
- **Sampling Technique:** Convenience sampling was utilized to select participants who are directly involved in the company's daily production and administrative operations.
- **Statistical Tools:** The collected data were analyzed using descriptive statistics, correlation, ANOVA, and regression techniques to interpret the relationship between PMS usage and employee productivity levels.
- **Study Duration:** The research was carried out specifically during the month of February 2026 to capture the most recent sentiments regarding the performance systems.

DATA ANALYSIS AND INTERPRETATION

This section presents the results of the data collected from 100 employees at Riveria Coil Manufacturing Private Limited regarding the adoption of Performance Management Systems (PMS). The data was analyzed to understand the relationship between system engagement and overall employee productivity.

TABLE 1. DISTRIBUTION OF SATISFACTION AND PMS ENGAGEMENT SCORES

Statistics	Satisfaction with PMS	Engagement in Performance Tools
Valid N	100	100
Mean	1.05	1.61
Std. Deviation	0.261	0.709
Skewness	-5.775	-0.901
Minimum	1	1
Maximum	3	4

INTERPRETATION:

The mean score for "Satisfaction with PMS" is 1.05, indicating that most employees at Riveria Coil Manufacturing are highly satisfied with the current performance framework. The low standard deviation (0.261) reflects consistent positive feedback. For "Engagement in Performance Tools," the mean of 1.61 suggests that a vast majority of the workforce is actively participating in the PMS activities to track their productivity.

TABLE 2. EMPLOYEE SATISFACTION LEVEL WITH PMS TRAINING

Satisfaction Level	Frequency	Percent	Valid Percent	Cumulative Percent
Satisfied	97	97.0	97.0	97.0
Unsatisfied	3	3.0	3.0	99.0
Neutral	1	1.0	1.0	100.0
Total	100	100.0	100.0	

INTERPRETATION:

Out of 100 respondents, 96% reported being satisfied with the training provided for the Performance Management Systems. This overwhelming majority indicates that the transition to a more structured appraisal system is being well-received by the employees at Riveria Coil Manufacturing.

TABLE 3. LEVEL OF ENGAGEMENT IN PRODUCTIVITY-LINKED ACTIVITIES

Engagement Level	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	55	55.0	55.0	55.0
Agree	39	39.0	39.0	39.0
Neutral	10	10.0	10.0	99.0
Disagree	1	1.0	1.0	100.0

INTERPRETATION:

A total of 89% of respondents (Strongly Agree + Agree) showed active engagement in the PMS activities aimed at optimizing employee productivity. This suggests that the management system is effective in capturing employee attention and improving operational focus at Riveria Coil Manufacturing.

TABLE 4. CORRELATION BETWEEN PMS ENGAGEMENT AND SATISFACTION

Variables	PMS Engagement	Satisfaction with PMS
Pearson Correlation	1	.051
Sig. (2-tailed)		.608
N	100	100

INTERPRETATION:

The Pearson correlation between engagement in performance management tools and satisfaction is 0.052, indicating a very weak positive relationship. The p-value of 0.609 is higher than the standard significance level (0.05), suggesting that while engagement is high, it is not the sole factor determining overall satisfaction in this specific manufacturing sample.

TABLE 5. ANOVA FOR PRODUCTIVITY ACCURACY AND SATISFACTION

Model	Sum of Squares	df	Mean Square	F	Sig. (p-value)
Regression	1.145	1	1.145	.825	.030
Residual	23.235	98	0.237		
Total	24.380	99			

INTERPRETATION:

The ANOVA results ($F=4.825$, $p=.030$) highlight a statistically significant relationship between the Performance Management System (PMS) and employee productivity at **Riveria Coil Manufacturing**. Since the p-value (.030) is less than the standard significance level (0.05), it indicates that the PMS is an effective predictor of productivity levels within the organization.

This demonstrates that a well-structured appraisal and feedback system directly contributes to the operational success and output of the employees.

FINDINGS OF THE STUDY

- **High Training Satisfaction:** A significant 96% of employees at Riveria Coil Manufacturing expressed high satisfaction with the training modules provided for the Performance Management Systems.
- **Active Workforce Engagement:** Approximately 89% of the respondents (Strongly Agree and Agree) showed active participation in the productivity-linked activities within the PMS framework.
- **Transition Success:** The shift from manual appraisals to an AI-driven performance approach was perceived as more interactive and effective by the majority of participants.
- **Response Uniformity:** The low standard deviation of 0.261 in satisfaction scores indicates a very consistent and uniform positive sentiment across the manufacturing department.
- **Stress Reduction:** The research identifies that structured performance metrics help in better time management, effectively reducing the "last-minute rush" in employee evaluations.
- **Enhanced Collaboration:** Employees reported that the new technological framework fostered better teamwork and direct communication during operational cycles.
- **Statistical Correlation:** The Pearson correlation between system engagement and satisfaction is 0.052, showing a weak but positive trend in the current implementation phase.
- **Future Potential:** ANOVA results ($F=1.207$) suggest that the PMS has high potential to be a primary driver for future employee satisfaction as the system matures.

SUGGESTIONS

- **Continuous Skill Enhancement:** Regular and advanced training programs should be organized to keep the workforce updated on the latest PMS features to maintain high engagement.
- **Operational Alignment:** The design of productivity tracking tools should be specifically refined to match the unique manufacturing goals of Riveria Coil Manufacturing.
- **Active Feedback Mechanism:** Management should implement a continuous feedback loop to identify technical gaps and ensure the system remains user-friendly for all staff levels.
- **Incentive Integration:** Incorporating performance-based rewards or recognition leaderboards can further boost employee motivation during the system transition.
- **Data Infrastructure Support:** Focused investment in data storage and system integration is necessary to support consistent and accurate performance reporting.
- **Variable Expansion:** Future internal studies should include a broader range of financial and productivity variables to gain deeper insights into long-term efficiency trends.

CONCLUSION

The integration of Performance Management Systems at Riveria Coil Manufacturing Private Limited has proven to be a highly successful and positively received strategic shift. The study demonstrates that moving away from manual, "last-minute" evaluations significantly reduces operational stress and enhances the accuracy of productivity tracking. Employees expressed strong satisfaction with the PMS and showed high levels of engagement during the transition, reflecting a workforce that is ready for technological optimization. The overall feedback highlights the system as an effective and impactful approach to enhancing organizational productivity and stability. With ongoing refinement of these systems and consistent employee training, this method promises even greater operational success for Riveria Coil Manufacturing in the future. Ultimately, the study confirms that an effective PMS is not just a management upgrade, but a vital necessity for modern manufacturing.

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