

Proposing Performance Review Method to Improve Employee Productivity in PT MAPI

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ARTICLE INFO	Abstract
Article History: Accepted : Juni 2023 Fixed : Juni 2023 Approved: Juni 2023	<p><i>Objectives of this study are to find the employee and management perception related to the employee productivity in PT MAPI and how impactful the employee performance review that produces an annual reward to the level of employee productivity at work, and to develop current performance review method which will be used in the future to boost employee productivity. The author use qualitative techniques to gather information from relevant stakeholders, from HRGA staff and related managers. The study found that of the qualitative interview, it provides insight to the company that the existing performance review method still has many deficiencies that need improvement in terms of preparation and implementation and monitoring of the follow-up results of the performance review. In order to address issues with the performance review process currently being used by the company, PT MAPI must review the current process so that improvements can be made from changes to the performance review process, which, based on the results of the interviews, will impact employee productivity.</i></p>
Keywords: <i>Performance Management; Employee Productivity; Performance Appraisal</i>	
	Abstraks
Kata Kunci: <i>Manajemen Kinerja; Produktivitas Karyawan; Penilaian Kinerja</i>	<p>Tujuan dari penelitian ini adalah untuk menemukan persepsi karyawan dan manajemen terkait dengan produktivitas karyawan di PT MAPI dan seberapa besar dampak tinjauan kinerja karyawan yang menghasilkan penghargaan tahunan terhadap tingkat produktivitas karyawan di tempat kerja, dan untuk mengembangkan metode tinjauan kinerja saat ini yang akan digunakan di masa depan untuk meningkatkan produktivitas karyawan. Penulis menggunakan teknik kualitatif untuk mengumpulkan informasi dari pemangku kepentingan terkait, dari staf HRGA dan manajer terkait. Studi ini menemukan bahwa dari wawancara kualitatif, memberikan wawasan kepada perusahaan bahwa metode tinjauan kinerja yang ada masih memiliki banyak kekurangan yang perlu perbaikan dalam hal persiapan dan implementasi serta pemantauan hasil tindak lanjut dari tinjauan kinerja. Untuk mengatasi masalah dengan proses tinjauan kinerja yang saat ini digunakan oleh perusahaan, PT MAPI harus meninjau proses saat ini sehingga perbaikan dapat dilakukan dari perubahan pada proses tinjauan kinerja, yang berdasarkan hasil wawancara, akan berdampak pada produktivitas karyawan.</p>
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INTRODUCTION

The development of the manufacturing industry in Indonesia helps the economy in Indonesia. The manufacturing industry is a mainstay sector for Indonesia to increase national income as one of the stages of development of the economic sector in Indonesia (Basu, 2015). In carrying out its business activities engaged in manufacturing requires strong resources both natural resources and human resources. In running its business in the field of aluminum manufacturing, the human capital aspect is an important aspect of the company where PT MAPI currently manages 149 employees to deliver its business. The primary asset that is crucial in evaluating whether corporate operations will continue is the availability of human resources. The corporate employee should be used as effectively as

possible so that they can give their best effort and produce high-quality output.

In return employee gets individual rewards fairly, equitably, and consistently in accordance with their worth to the organization. According to Armstrong & Murlis, (2007) the complete reward idea highlights the significance of viewing all aspects of reward as a cohesive whole that is interwoven. Each of the elements of total reward, namely base pay, pay contingent on performance, competence or contribution, employee benefits and non-financial rewards, which include intrinsic rewards from the employment environment and the work itself, are linked together. The components of total reward according to Armstrong & Murlis, (2007) describe below:

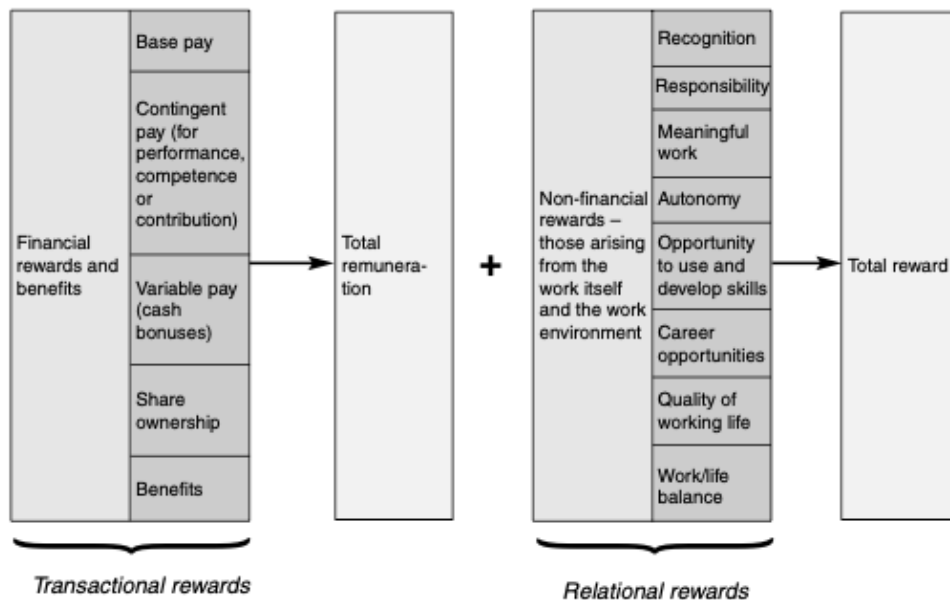


Figure 1: Component of Total Rewards

Considering that post-pandemic covid 19 the economic situation is still not completely stable, individuals must be able to use their abilities to do meaningful jobs for which they are shown appreciation is likely to be a more certain way to enhance motivation and performance and get more rewards for their performance. Employees will get maximum performance, one of which is that

employees feel worthwhile and well appreciated by the company. The employee should feel appreciated and acknowledged by the company. One of the most effective ways to motivate individuals is by recognizing them. If they feel less recognition from the company will affect their performance (Timpe, 2018).

METHOD

The author will use qualitative techniques to gather information from relevant stakeholders, from HRGA staff and related managers. Qualitative research is investigating

and comprehending the meaning that individuals or groups assign to a social human problem (Creswell & Creswell, 2017). The research process entails developing study questions and methods, gathering data from participants in their environment, inductively

analysing the data, building from specifics to general themes, and interpreting the significance of the findings. The final report's writing structure is adaptable.

RESULTS AND DISCUSSION

Summary of In-depth Interview Result

The qualitative interviews with 4 interviewees (1 HRGA Manager, 1 HRGA Assistant Manager, 1 HRGA Supervisor and 1 HRGA staff) further highlighted how crucial it is for the organization to upgrade its performance management system. The performance management system has to be improved, specifically the performance review process, to account for any shortcomings and implementation-related challenges. The current performance review is still unclear in terms of assessment, both the assessment items and the scoring system are not transparent. Based on the results of interviews, employees and heads of departments, managers feel that the current

performance management has an impact on reducing employee productivity levels due to unclear and poorly monitored systems. HRGA department employees tend to work normally by not setting work goals every day. This results in low employee productivity levels.

Business Solution

The author derived the business solution options for PT MAPI regarding the performance review is the performance review method need to be developed into new method to improve employee productivity.

Based on the summary of in-depth interview result the author has identified areas where can be improve are how performance reviews are conducted to address the issue which the low of employee productivity in HRGA Department. To address the issue the author, propose the mixing method of performance review and will describes in the figure below:

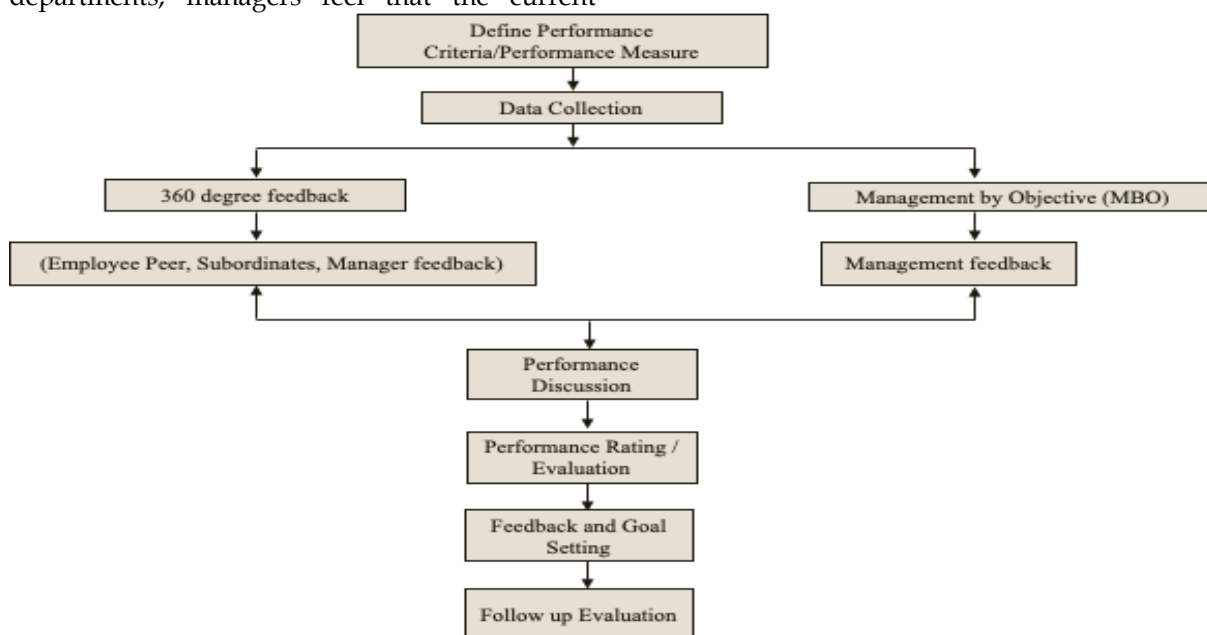


Figure 2: Stages of The Performance Review using The Mixing Method

The author will propose a mixing method of performance review combining 360-degree feedback with Management by Objective method in the performance review process in the company (Gary, 2011). The implementation of proposed method of performance review is done through several steps as follows:

1. Define Performance Criteria/Performance Measure

The performance criteria should be explained and agreed by both part the employee and the manager as part of the management. The performance criteria should be set between the manager and the employee of how the latter is expected to perform in terms of results and behaviours. Employees and managers must have one-on-one meetings to review the workload for each employee in the HRGA department,

- and managers must outline the behavior expectations for each employee.
2. Data collection
 - a. 360 Degree feedback method
Manager, supervisor, colleagues as in HR Staff, GA Staff and legal staff , subordinates, and external stakeholders like clients and vendor provide feedback to the individual. Employee gather feedback through feedback forms. This process enables a thorough evaluation of the employee's performance from several angles(Baroda et al., 2012).
 - b. Management by Objective method
After managers, supervisors, colleagues, subordinates and external stakeholders give a thorough feedback forms, according to the stages in the process described earlier in performance criteria and performance measure, managers and employees set a discussion to reach a mutual agreement on the objectives. Both parties clarify expectations, ensure understanding, and establish a shared commitment to the objectives as stated in the next step below. The stages below explain in detail which management by objectives method are adapted(Maurer et al., 1998).
 3. Performance Discussion
The employee and the supervisor have a meeting to go through the evaluation's findings. Based on the 360-degree feedback and the assessment against the predetermined objectives, they offer feedback. Strengths, potential areas for improvement, and career prospects are the main topics of this discussion.
 4. Performance Rating/Evaluation
The manager or assistant manager as a review panel compares the employee's

performance to the stated goals using the comments they got from supervisor, manager itself, colleagues, subordinates and external shareholder like clients and vendor using the 360 degree approach. The results as a tool to establish if an employee has reached the predetermined goals or targets, the MBO approach offers a framework.

5. Feedback and Goal Setting
The feedback gathered from various sources are combined and arranged. The manager or assistant manager as a review panel examines the input to look for recurring themes, trends, and areas of disagreement or consensus. The goal setting create by the supervisor or assistant manager and employee that addresses the identified areas for improvement. The goal setting also including strategy could involve mentorship relationship, skill-development exercise, or added responsibility. The MBO technique makes sure that the employee's goals are reached and that the development plan advances the general objectives of the company.
6. Follow up Evaluation
The manager or assistant manager periodically does follow-up evaluations to assess how well the employee is doing in relation to the predetermined goals. This makes it feasible to adapt the development plan and guarantees that the employee continues to improve better.

Based on the proposed performance review strategy, the author would like to elaborate more about the difference between existing performance review process to the proposed performance review process. The table 1 below shows the step difference.

Table 1: Difference between Existing and Proposed Performance Review Process

No.	Existing Performance Review Process	Proposed Performance Review Process
1	-	Define Performance Criteria/Performance Measure
2	Filling evaluation forms for each employee	Feedback form from employee itself
3	-	Feedback Form from Colleagues
4	-	Feedback Form from Subordinates

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5	-	Feedback Form from Clients/Vendor (if any)
6	Evaluation form scored by Supervisor	Feedback Form from Supervisor
7	Evaluation form scored by Assistant Manager	Feedback Form from Assistant Manager
8	Evaluation form scored by Manager	Feedback Form from Manager
9	Evaluation form scored by management representative (Managing Director/President Director)	-
10	-	Performance Discussion
11	-	Performance Rating/Evaluation
12	Final Result Announcement (New Grade and Level)	Feedback and Goal Setting
13	-	Follow up Evaluation

Based on the table above the author wants to highlight important process of performance review method as follows:

1. Define Performance Criteria/Performance Measure

The performance criteria should be explained and agreed by both part the employee and the manager as part of the management. The performance criteria should be set between the manager and the employee of how the latter is expected to perform in terms of results and behaviours.

2. Feedback Form from Colleagues

Colleagues provide feedback on an employee's interpersonal, teamwork, and collaboration abilities, including peers and co-workers at the same level or in different areas. For instance, at the HRGA Department, co-workers' input is provided by other co-workers who are HR Staff, GA Staff, and Legal Staff in departments that have little contact with employees directly. This evaluation of the employee's interpersonal skills, communication abilities, and contribution to a supportive and effective work environment. The ability of the individual to forge connections, encourage teamwork, and share information and experience can be highlighted by feedback from co-workers. This is process that does not yet exist in the performance review method that exists, Review panels, which are assistant managers and supervisors, can learn how employees

engage with their peers both in one area and in multiple work areas, as well as how they collaborate or work together with these employees, through feedback from peers.

3. Feedback Form from Subordinates

As an employee has direct reports, their subordinates can be requested for feedback. The employee's leadership style, communication skills, and capacity to guide and encourage their team members are all revealed by this feedback. The impact an employee has on their team's performance, their capacity to motivate and encourage others, and how they approach and resolve conflict can all be revealed through subordinate feedback. This is process that does not yet exist in the performance review method that exists, which is necessary because if an employee has subordinates, the evaluation of subordinates is crucial feedback, because the performance of employees who have subordinates also affects the results of the work done by these subordinates.

4. Feedback Form from Clients/Vendor

As part of the 360-degree assessment, external stakeholders like clients, customers, vendors, or partners can additionally provide feedback. This criticism focuses on the employee's relationships with other parties and their capacity to fulfil the demands and expectations of external stakeholders. Feedback from external stakeholders offers perspectives on a

worker's business connections, customer service abilities, and their ability to represent the company. For instance, HR staff have vendors for health facilities to clinics or hospitals, GA staff connect with waste management vendors and legal staff deal directly with company lawyers. Vendors here can be asked for additional feedback which includes how the employee's relationship, in this case HRGA staff, is with the vendor or third party.

5. Feedback Form from Supervisor

The employee's direct manager or supervisor provides this input. It focuses on how well the individual performs in regard to their job duties, adherence to corporate guidelines, and achievement of objectives. Feedback from supervisors frequently include insights into an employee's skills, areas for development, and advice for career advancement. It offers a valuable perspective on the employee's general performance and alignment with company expectations. What is different from the existing method is that it does not only give numbers quantitatively but also provides detailed feedback to employees on their performance. Because the supervisor is a person who directly works for the employee, it is hoped that the feedback given is in accordance with the performance criteria/performance measure as determined at the beginning of the performance review discussion

6. Performance Discussion

The employee and the supervisor have a meeting to go through the evaluation's findings. Based on the 360-degree feedback and the assessment against the predetermined objectives, they offer feedback. Strengths, potential areas for improvement, and career prospects are the main topics of this discussion. In terms of performance discussion, it must be conveyed in detail to all employees through their supervisor or manager. It is necessary to set the right time for the scheduling discussion per employee to obtain maximum discussion results. So that the feedback delivered during the discussion both their achievements, strengths, weaknesses, potential areas for improvement in the upcoming year can be delivered to both parties, both employees

and supervisors to achieve maximum employee productivity.

7. Performance Rating/Evaluation

The manager or assistant manager as a review panel compares the employee's performance to the stated goals using the comments they got from supervisor, manager itself, colleagues, subordinates and external shareholder like clients and vendor using the 360 degree approach. The results as a tool to establish if an employee has reached the predetermined goals or targets, the MBO approach offers a framework.

8. Follow up Evaluation

The supervisor periodically does follow-up evaluations to judge how well the employee is doing in relation to the predetermined goals. This makes it feasible to modify the development plan and ensures that the worker continues to improve better.

The form of follow-up evaluation can be set according to the department's time availability. For example, for the HRGA department follow up evaluation as the results of interviews with HRGA supervisors can be carried out through the weekly meeting agenda which is routinely held every Friday to monitor how employee development is related to goal setting based on performance review results and discussion. The supervisor monitors employees for the goals and plans previously set.

Implementation Plan

At this step, the author proposes an implementation strategy, as stated in table 5 on the following page. The total timeline to implement this recruitment program will be 24 weeks including the follow up evaluation. The timeline can be adjusted according to company needs and policies. The end-to-end process are as follows:

1. Define Performance Criteria/Performance Measure. This process in the crucial phase. The performance criteria should be explained and agreed by both part the employee and the manager. The performance criteria should be set between the manager and the employees about how the latter is expected to perform in terms of results and behaviour. This step is carried out within a time frame. One week with PIC supervisor from HRGA department.

- Supervisor is defining criteria should be explained and agreed by both part the employee and the manager and how the latter is expected from employee.
2. Feedback form from employee. Colleagues, including co-workers and peers who are at the same level or in different areas, offer feedback on an employee's interpersonal, teamwork, and collaboration skills. Employee filling form from existing software using computer technology and not using paper based like previous performance appraisal to avoid unwanted events (paper lost, damaged or dirty).
 3. Feedback Form from Colleagues. Colleagues give a rating about of the employee's interpersonal skills, communication abilities, and contribution to a supportive and effective work environment. The ability of the individual to forge connections, encourage teamwork, and share information and experience can be highlighted by feedback from co-workers. The colleagues who are required to fill in are within the department, and given one week to be supervised by HR to monitor the assessment process.
 4. Feedback Form from Subordinates. If employee has direct reports, their subordinates can be requested for feedback. The employee's leadership style, communication skills, and capacity to guide and encourage their team members are all revealed by this feedback. If employee do not have a subordinates this process can be skipped to be continued with an assessment from clients or vendors with supervision from HR.
 5. Feedback Form from Clients/Vendor
The external stakeholders like clients, customers, vendors, or partners can additionally provide feedback at the same time when the employee completes the self-assessment. This criticism focuses on the employee's relationships with other parties and their capacity to fulfil the demands and expectations of external stakeholders. Basically the external shareholder will fill in a written opinion regarding his opinion on working with the relevant employee which will later be collected by HR as part of the appraisal process. For the number of clients or vendors, the average is determined for each employee 3 clients.
 6. Feedback Form from Supervisor. After gathering feedback from employee, colleagues, and vendor the supervisor fills in the employee assessment based on predetermined performance criteria within 1 week As the official representative of HR and the person in charge of carrying out the performance review process.
 7. Feedback Form from Assistant Manager. Next step is assistant manager fills in employee feedback based on previous feedback (employee, colleagues, subordinates, and supervisor) in regard to their job duties, adherence to corporate guidelines, and achievement of objectives. The assistant manager is given one week to provide an assessment of all employees working under his supervision before then the results will be given to the manager to obtain an assessment from the management side.
 8. Feedback Form from Manager. Manager give feedback in general based on the assessment and feedback given by the previous party representing management where the feedback will be used as evaluation material in the performance discussion stage.
 9. Performance Discussion
On the performance discussion will discuss about evaluation's findings. Based on the 360-degree feedback and the assessment against the predetermined objectives, they offer feedback. Strengths, potential areas for improvement, and career prospects are the main topics of this discussion. In terms of performance discussion, it must be conveyed in detail to all employees through their supervisor or manager. It is necessary to set the right time for the scheduling discussion per employee to obtain maximum discussion results. So that the feedback delivered during the discussion both their achievements, strengths, weaknesses, potential areas for improvement in the upcoming year can be delivered to both parties, both employees and supervisors to achieve maximum employee productivity. This process is given 2 weeks for the completion of all employees in the department. Henceforth, based on the results of the discussion, a rating will be given to the employee's performance for one

year, and it will affect the reward, level and grade of the employee.

10. Performance Rating/Evaluation

The manager or assistant manager as a review panel compares the employee's performance to the stated goals using the comments they got from supervisor, manager itself, colleagues, subordinates and external shareholder like clients and vendor using the 360 degree approach. After get feedback from related parties as mention above the manager as management representative rate the employee performance and set the new level and grade to further affect the rewards given to employees for the results of the performance review.

11. Feedback and Goal Setting

At this process supervisors have to acknowledging employee's successes, pointing out areas for development, and talking about any modifications required for future goals are all included in this discussion determining the goals has been discussed in first process. The feedback should in the form of discussion not only given in the form of letters or indirect media

because both employees and superiors need a clear explanation regarding the evaluation or assessment that leads to the next process, namely follow-up evaluation, namely ongoing activities that need to be followed up and discussed periodically.

12. Follow up Evaluation

Periodically, the manager or assistant manager conducts follow-up evaluations to determine how well the employee is progressing toward the stated objectives. This allows for the development plan to be modified and ensures that the employee keeps getting better. For the HRGA department follow up evaluation as the results of interviews with HRGA supervisors can be carried out through the weekly meeting agenda which is routinely held every Friday to monitor how employee development is related to goal setting based on performance review results and discussion and will continue every 6 months. The supervisors need to documenting weekly follow evaluations up to 6 months to serve as evidence of monitoring of performance discussions held at the end of the year.

Table 2: Timeline Implementation of New Performance Review Method

Performance Review Timeline																												
No.	Action Plan	PIC	Duration	October-23				November-23				December-23				January-24				February-24				March-24				Remarks
				W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	
1	Define Performance Criteria/Performance Measure	Supervisor	1	■																								
2	Feedback form from employee itself	HR Professionals	1		■																							
3	Feedback Form from Colleagues	HR Professionals	1			■																						
4	Feedback Form from Subordinates	HR Professionals	1			■																						
5	Feedback Form from Clients/Vendor (if any)	HR Professionals	1		■	■																						
6	Feedback Form from Supervisor	HR Professionals	1				■																					
7	Feedback Form from Assistant Manager	HR Professionals	1					■																				
8	Feedback Form from Manager	HR Professionals	1						■																			
9	Performance Discussion	Supervisor & HR Professionals	2						■	■																		
10	Performance Rating/Evaluation	Supervisor & HR Professionals	1								■	■																
11	Feedback and Goal Setting	Supervisor & HR Professionals	3									■	■	■														
12	Follow up Evaluation	Supervisor & HR Professionals	8																									

CONCLUSIONS

Research on proposing performance

review methods to increase employee productivity at PT MAPI provides valuable

insights for companies about how performance reviews lead to giving rewards to employees that affect the level of employee productivity in carrying out work every day. The qualitative interview highlight correlation between performance review method to employee productivity. Based on the results of the qualitative interview, it provides insight to the company that the existing performance review method still has many deficiencies that need improvement in terms of preparation and implementation and monitoring of the follow-up results of the performance review. In order to address issues with the performance review process currently being used by the company, PT MAPI must review the current process so that improvements can be made from changes to the performance review process, which, based on the results of the interviews, will impact employee productivity.

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