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THE IMPACT OF HUMAN RESOURCE PERFORMANCE MANAGEMENT PROCESS ON THE SUCCESS OF THE ORGANIZATION: CASE STUDY – KOSOVO⁴

It is already known that performance management represents a set of processes and practices of human resource management, i.e. activities that aim to achieve the goals of the organization in the best possible way. In fact, there are numerous studies which are dedicated to the performance management process, showing that this process is now not only applicable in various organizations, but is also the object of analysis to improve it ongoing. Moreover, in organizations in Kosovo, there has been a lack of studies about this process over the years. Previous research has proven that the human factor is one of the key components of a successful organization. As a result, good human resource management with special emphasis on performance management practices and processes can be considered as a successful way to achieve the objectives that the organization aims. Therefore, the main objective of this paper focuses on performance management which is measured through human resource management practices and processes, defining the success or failure of the organizations in Kosovo. Thus, for the realization of this paper, we conducted a survey through a questionnaire that we distributed to employees and managers of organizations throughout the territory of Kosovo. The findings have shown that recruitment and selection, performance appraisal, training, reward system and career development are important factors in the performance of the enterprise. Considering these factors and their importance, the study provides recommendations and suggestions for improving these processes and human resource management practices for the researched organizations and broader.

Keywords: Performance management; human resources; processes; practices; development

JEL: O15; J53

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1. Introduction

Performance management is a factor by which the best results are obtained from organizations, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and attributes/competencies and requirements, according to Armstrong (1994). This means not only meeting the objectives of the individual, but also to guide and assist employees to work effectively and efficiently in accordance with the requirements of the organization according to Walters (1995). Although a number of government organizations and entities have shown great interest in performance management, there is a growing perception, but this process seems to have large gaps in the implementation of Employee Performance Management in both the private and public sectors according to McKinsey and Company (2011). Therefore, based on the above explanations on the need for performance management, the focus of this study is to investigate whether the implementation of HRM in Kosovo organizations will affect their success.

Specifically, the focus of this study is on the manager-subordinate relationship in the organization, in particular on: "The impact of the HR performance management process on the success of the organization." Also, this paper aims to answer some research questions which are related to HR performance management and the success of organizations in Kosovo. Special attention has been paid to the good formulation of the strategy, since "Well-formulated performance management is a strategy which seeks to build a distinctive competence in some key activities and then using it to create a competitive advantage in the market versus other enterprises". This best shows how important it is to formulate a good strategy and then work out detailed plans for its best and easiest implementation in practice.

This study is based on basic assumptions:

1. performance management in the context of the organization affects the successful realization of the objectives of the organization;
2. that the performance management components are characterized by differences in terms of their influence and outcome on the success of the organization with some components being more influential and productive and with some other components being less influential and productive;
3. performance appraisal, done according to standards can strongly affect the high performance of employees; and
4. successful employees who bring success to the organization, especially when these are standardized according to the goals, missions and strategies of the organization.

Our findings show that in Kosovo enterprises general knowledge related to human resource management and their performance is lacking. One of the main requirements of enterprises today is to have qualified employees to fill the gaps and shortcomings of organizations and to be successful in the increasingly global market.

The aim of the study is to explore the relationships between variables such as: recruitment, training and development, motivation, career management, and performance appraisal as

independent variables with dependent variables that are individual performance and organizational performance.

Thus, the study analyzes the relationships between dependent and independent variables and the impact they have on individual and organizational performance. As such, the aim of the study is to research the factors that affect the increase of individual performance in Kosovo organizations and to highlight the effect of these factors on the performance of organizations.

Primary and secondary data of enterprises in Kosovo will be made available to the final results giving the appropriate recommendations for the surveyed enterprises and all those who will be interested in these results. Human resources within organizations are and will remain a fundamental factor in achieving the goals of organizations.

Initially, our study aims to gather information from primary sources; study of organizations in Kosovo about the analysis of practices and processes which influence the performance of employees and how this performance affects the success of organizations.

And secondly, using scientific theories and previous studies similar to our study, the factors that influence the performance of HR and that of the organization have been identified.

The basic purpose of this paper is to show how a well-built process of human resource performance management will affect the success of the organization. The whole axis of the study is based on the confirmation of the hypotheses raised in response to the research questions below:

1. Research question 1: Is organizational performance affected by individual performance?
2. Research Question 2: Does a well-consolidated performance management process affect the success of the organization?
3. Research question 3: Does the training process differ from the educational level of the employees of the organizations?

Based on the research questions we have raised this hypothesis from which 4 sub-hypotheses are derived:

- **Hypothesis 1:** Implementing the human resource performance management process affects the growth of the organization's success.
- **Hypothesis 1a:** Organizational performance in organizations is influenced by motivated employees.
- **Hypothesis 1b:** Organizational performance in organizations is influenced by an ongoing process of employee training.
- **Hypothesis 1c:** The individual performance of employees of organizations is closely related to the well-studied reward process.
- **Hypothesis 1d:** The individual performance of employees of organizations is also related to the ongoing training process.

Therefore, the realization of this research is based on scientific literature and empirical research. Empirical research is field research, research which has the analysis of two questionnaires where one is dedicated to employees and one to managers and interviews for managers. The sample consists of 395 employees of various organizations and 155 managers of 11 different organizations operating in the territory of Kosovo in different sectors of the economy.

2. Literature Review

The potential success of a business depends on organizational performance, which means the ability of the business to effectively implement strategies to achieve institutional objectives according to Kasim Randaree, Hind Al Youha, (2009). This means that organizational performance cannot be successful if its employees are not proficient in performing certain tasks. This means that individual performance is directly related to organizational performance. Researchers and practice managers widely accept that human resource management is a basic organizational function, which makes an important contribution to achieving objectives not only in the field of business, but also in other areas of human activity. We can say that the performance of any organization depends to a large extent on the level of skills that its leaders have when it comes to implementing strategies. Given that there are always obstacles to achieving organizational goals, it is important that the techniques used by managers are flexible enough to accommodate change. The performance of an organization also depends on its employees, who are a key part of the organization and form the team that works towards achieving the goals of the organization according to Almatrooshi, Kumar Singh, and Farouk, (2016).

There are potentially many reasons why organizations evaluate individual HR performance. Some of them include Edmonstone (1996):

- improving communication between the boss and subordinates through the use of feedback between them;
- identifying space for performance improvement and the means to achieve this;
- identifying individual training and development needs;
- identifying individuals' potential for future promotion, promotion or dismissal;
- as a basis for reward, based on performance;
- as a powerful tool of managerial control, through setting hierarchically objectives and a review of success or failure in achieving them.

Performance management is an ongoing process of identifying, measuring, and developing the performance of individuals, groups, and adapting performance to the strategic goals of the organization Aguinis (2009). Human Resource Performance Management aims to improve performance by focusing on key areas of activity responsibilities, which are identified through strategic planning processes. It seeks to provide guidance and establish

clear links between institutional development, the provision of quality services and the personal and professional development of employees at work.

According to Greiling, (2006), proponents of performance measurement are convinced that performance measurement can greatly contribute to increasing efficiency and increasing productivity in public services, further identified four areas in an organization that contribute to success and efficiency, namely, (1) competencies of how employees go about their work, (2) attitude over how employees prepare to work, (3) skills on what the employee can do and knowledge of what the employee knows (4) Institutions tend to not link the performance development plan as an annual activity and implement it every year.

Therefore, Fletcher (2008) thought that there is no clear objective and no direction in most organizations and there are some managers who fail to set objectives from the beginning of the process. Moreover, emphasized that corporate strategies and objectives, performance agreements and plans, ongoing performance management throughout the year, formal performance reviews and development planning are aspects of the key role of the conceptual framework for performance management.

Aguinis (2013) States that performance management has become effective since 1970 in Mexico. He adds that performance management is a process used to link employee activities to the goals and objectives of institutions. Furthermore, performance management is an endless process to identify measure and develop employees in terms of aligning performance with the strategic goals and objectives of the organization.

This is supported by Huprich (2008) who states that the Performance Management Process has been applicable for almost two millennia. She states that performance management is created to help organizations in order to achieve organizational goals and objectives through continuous evaluation. Furthermore, performance management will help organizations align themselves with setting goals that will identify areas of progress, strengths and weaknesses in each employee. She further explains that employees and supervisors are confusing both processes, performance management and performance appraisal. According to Armstrong and Taylor (2014), performance management is an instrument directed at employee performance, their engagement, and skills improvement. Furthermore, it will help to improve productivity and quality levels of customer service, increase growth and productivity. Thus, the organization will be able to achieve its goals and objectives. It is argued by Aguinis (2013) that a well-designed performance management system can be a useful tool in many ways in terms of employee self-esteem and increases motivation that will help improve performance. Thus, it will improve the performance and productivity of the organization. The same further commented that performance management aims to measure what an employee does, the results and outcomes of employee behavior. Therefore, behavioral outcomes can be assessed as neutral, negative, or positive; affecting the effectiveness of the individual and the organization.

3. Research Methodology

One of the research instruments, among others, is the analysis through questionnaire observation, which provides an analysis with concrete data from the field, enables us through data analysis to argue the connection or correlation of variables between them in time and certain fields. Our sample has the analysis of 395 employees of 11 different organizations as well as the interviews of 155 of their managers. These two questionnaires were completed in different organizations operating in the territory of Kosovo in different sectors of the economy.

Our sample contains the analysis of 395 employees as well as the structured interviews of their 155 managers. Referring to the information of the Kosovo Institute of Statistics regarding the total number of organizations operating in the country which registers 2251 enterprises and with an error margin of 4.5% we have that the sample size of our sample would be 392. On the other hand, by calculating SS according to the following formula we have that for $z=1.96$, $p=0.7$, $1-p=0.3$ and $c=4.5\%$ we have that $SS=395$

$$SS = Z^2 * (p) * (1-p) / c^2 \text{ (almost the same as our champion)}$$

The primary research instruments of this study are: the questionnaire of the employees of the organizations as well as the structured interview of the managers who lead these organizations.

So, both levels have been studied precisely, both the executive level (employees) and the managerial level (management) to face their opinions and evaluations on each concrete issue.

This analysis includes information from 155 managers of different levels in medium and large organizations and belonging to different sectors as well. This is due to having a more comprehensive representation and a more complete and realistic analysis.

Data collection through questionnaires, respectively the questionnaire of company employees but also managers was realized mainly through direct contacts with them, but also through completing and sending them by e-mail where it was mostly used by company managers.

This survey with questionnaires was conducted in the time frame of 6-7 weeks not only for their completion but also for the preparation of the database by working simultaneously with their completion and dumping. Their realization according to the selected organizations was realized through a well-thought-out calendar.

The analysis of the data obtained from the completion of both questionnaires was performed through specific computer programs for these analyses such as SPSS 25.0 and Excel. This analysis contains not only descriptive analysis presented with specific tables or graphs but also through analyses such as Chi Square Independence Test, ANOVA Analysis, and Crosstabs etc.

4. Statistical Analysis

The whole axis of the study is based on the confirmation of the hypotheses raised in response to the research questions below:

Hypothesis 1: Does implementing the human resource performance management process affect the increase of organizational success?

- Hypothesis 1a: Organizational performance in organizations is influenced by motivated employees.
- Hypothesis 1b: Organizational performance in organizations is influenced by an ongoing process of employee training.
- Hypothesis 1c: The individual performance of employees of organizations is closely related to the well-studied reward process.
- Hypothesis 1d: The individual performance of employees of organizations is also related to the ongoing training process.

Research Question 1: Is organizational performance affected by individual performance?

Research Question 2: Does a well-consolidated performance management process affect the success of the organization?

Research question 3: Does the training process differ from the educational level of the employees of the organizations?

The independent variables are:

- Recruitment/selection (which is measured by 7 questions);
- Training (which is measured by 5 questions);
- Motivation (which is measured by 18 questions);
- Reward process (which is measured by 7 questions);
- Career development (which is measured by 7 questions).

While the dependent variables are:

- Organizational performance (which is measured by 7 questions);
- Individual performance (which is measured by 14 questions).

We first look at the factor weights and Alpha reliability coefficients for each of them which refer to the Principal Component Analysis method. The data in the table below show that the factor weights of all queries measuring this variable are greater than their threshold value of 0.4; hence they are all kept in their further analysis. Even their Cronbach Alpha coefficient or in other words the reliability coefficient has a value of 0.675 a relatively high value (Table 1).

Table 1. Factor weights of the independent variable Recruitment / selection

Alternatives	Factor weight
What has been the way of recruiting you to the organization where you currently work?	0,658
Did you win the employment contract immediately or were you initially on probation?	0,584
What was the number of competitors for the position where you currently work?	0,657
The selection systems for employment in our organization are very scientific and rigorous.	0,659
In our organization, line managers and human resource managers participate in the selection.	0,702
Valid and standardized tests are used in our organization when needed in the selection process.	0,678
The selection process in our organization selects those candidates who have the right knowledge as well as skills and attitudes.	0,664

Extraction Method: Principal Component Analysis

Source: Authors' calculations in the SPSS program

We also see the factor weights and the Alpha coefficient for the other independent variable, training. From the following data, it is noticed that except for the third question all the other questions have a factor weight greater than 0.4 therefore only these questions continue the further analysis, while the value of the reliability coefficient for the other questions is 0.778 (Table 2).

Table 2. Factor weights of the independent training variable

Alternatives	Factor weight
Our organization develops extensive training programs for its employees in all aspects of quality.	0,443
Workers in any job will normally go through training programs each year.	0,460
Training needs have been identified through a formal performance appraisal mechanism.	0,334
New knowledge and skills are passed on and passed on to employees periodically to work in teams.	0,547
Training needs are realistically identified, useful and based on the organization's business strategy.	0,555

Extraction Method: Principal Component Analysis

Source: Authors' calculations in the SPSS program

We already refer to the other independent variable motivation which is measured by 18 questions but according to the data of the analysis for factor weights the third, tenth question and the last question do not have the necessary weights to continue the analysis and therefore in the analysis continue to be the other questions for which the Alpha value is 0.862 (Table 3).

Regarding the other instrument which is also an independent variable, the data in the table below show that all the questions that measure this variable have weights greater than 0.4, while their reliability coefficient has a value of 0.698 (Table 4).

Regarding the career development variable, the following analysis shows that except for the first question which has a factor weight of less than 0.4, all other questions are kept in the analysis estimating that their Alpha has a value of 0.833 (Table 5).

Table 3. Factor weights of the independent variable Motivation

Alternatives	Factor weight
I like the work I do because I am given the opportunity to express my creativity.	0,568
The work I do I am allowed to do in my own way.	0,483
I can take on responsibilities related to my work because there is no interference.	0,380
I can discuss issues related to my work with my superiors.	0,649
Supervisors, my managers, listen to and follow my recommendations related to my work	0,446
I work here because the payments are considerable.	0,618
The work I do is rewarded with modest pay to cover expenses.	0,569
If I continue to work well, I will not lose my job.	0,628
If I cannot fulfil the job planning, then I can be fired.	0,591
I work better when I have job security and work security.	0,236
In any case, I can get a job promotion at any time, as a result of fulfilling work plans and performance.	0,635
I am asked to expand my knowledge, my skills to have a higher performance.	0,562
I believe I have considerable knowledge, skills and abilities to successfully accomplish the job.	0,490
I have the special skills needed to successfully perform the tasks associated with my job.	0,595
There is always a career development opportunity in the organization.	0,487
My current job gives me constant satisfaction, and I am respected as a result of my work.	0,559
I would recommend employment in this organization to all friends, if there were vacancies.	0,609
Even if my income were cut I would continue to work here.	0,339

Extraction Method: Principal Component Analysis.

Source: Authors' calculations in the SPSS program

Table 4. Factor weights of the independent variable Reward

Alternatives	Factor weight
The payroll process in our organization is motivating.	0,900
The payroll process is in line with country rules and legislation.	0,739
The salary of each employee of the organization is related to the performance of their work	0,520
The employees of the organization are generally satisfied with their salaries	0,558
The payment process of our organization is competitive compared to other organizations.	0,630
In our business, the principle of internal justice of salaries and financial assistance is respected (that is, the same salary is given for work of equal value)	0,539
Organizations distribute differentiated bonuses to motivate its employees.	0,605

Extraction Method: Principal Component Analysis

Source: Authors' calculations in the SPSS program

Table 5. Factor weights of the independent variable career development

Alternatives	Factor weight
Employees in the enterprise have a clear path to their career development.	0,297
The employee's career aspirations within the organization are recognized by Management.	0,492
Employees in our organization have more than one potential position for promotion.	0,599
The company supports employee career and development plans.	0,612
The company prefers an in-house employee whenever there is a vacancy.	0,530
Every employee is aware of his / her career path in the organization.	0,466
These promotion opportunities as well as the integration of performance appraisal components affect the behavior of qualified and competent employees	0,609

Extraction Method: Principal Component Analysis

Source: Authors' calculations in the SPSS program

We do the same with the analysis for the questions that measure individual performance, where it is noticed that all the questions have a factor weight greater than 0.4 and are therefore kept in the further analysis. Their Alpha has a value of 0.759 (Table 6).

Table 6. Factor weights of the individual performance independent variable

Alternatives	Factor weight
In your opinion, how well the components of the performance management process are integrated with each other (performance planning and evaluation; career development and planning, Feedback, Coaching, training, development, and rewards)	0,588
How important is your job analysis during the job process?	0,680
How often is job evaluation/analysis performed in your organization?	0,605
Performance planning/goal setting	0,676
Performance appraisal	0,593
Development planning	0,531
360-degree feedback (full)	0,664
Informal feedback	0,542
Coaching and/or Mentoring	0,764
Training	0,454
Leadership development	0,481
Rewards	0,721
Discipline at work	0,611
The performance management process as a whole	0,606

*Extraction Method: Principal Component Analysis
Source: Authors' calculations in the SPSS program*

While in terms of organizational performance also the questions that measure this variable have weights all greater than 0.4 and a reliability coefficient of 0.872 (Table 7).

Table 7. Factor weights of the independent variable organizational performance

Alternatives	Factor weight
Employee performance is measured based on computable objective results.	0,622
The evaluation process in our organization is growth and development-oriented.	0,580
Employees of our company are given performance-based comments and advice.	0,590
Employees trust the performance appraisal process.	0,786
The evaluation process has a strong impact on individual and team behaviour.	0,715
Evaluation data is used to make decisions such as job rotation, training and compensation.	0,773
The objectives of the evaluation process are clear to all employees.	0,567

In summary, the following table presents all the Cronbach Alpha coefficients of the independent and dependent variables as well.

Table 8. Cronbach Alpha coefficients

Independent variables	Cronbach's Alpha	Number of questions
Recruitment / selection	0.765	7
Trainings	0.778	4
Motivation	0.862	15
Rewards	0.698	7
Career development	0.833	6
Dependent variables		
Individual performance	0.759	14
Organizational performance	0.872	7

5. Results

Hypothesis 1: Does implementing the human resource performance management process affect the increase of organizational success?

Hypothesis 1.a: Organizational performance in organizations is influenced by motivated employees.

To analyze this hypothesis, we refer to the Chi-Square independence test which measures the correlation or not of variables. Referring to the data of Pearson coefficient, Asymptotic Significance (2-sided) it is noticed that this value is $0.030 < 0.05$, which allows us to say that these two variables are dependent, so organizational performance is affected by the process of motivating its employees regardless of the type of this motivation (Table 9).

Table 9. Independence test for organizational performance and motivation

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.412 ^a	2	0.030
Likelihood Ratio	2.996	2	0.224
Linear-by-Linear Association	0.407	1	0.524
N of Valid Cases	395		

Hypothesis 1.b: Organizational performance in organizations is affected by the ongoing process of employee training.

Again we refer to the analysis of this correlation through the Chi-square test which in this case as expected and has been analyzed in special literature, the value of Asymptotic Significance (2-sided) = 0.017 again less than $p = 0.05$ shows that the continuous training of employees of organizations whether they are at the senior management level or at the executive level undoubtedly increase not only their performance in results but also of the organization as a whole, as and consequently this training process directly affects the overall performance of the organization (Table 10).

Table 10. Independence test for organizational performance and training

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.881 ^a	4	0.017
Likelihood Ratio	7.645	4	0.105
Linear-by-Linear Association	0.987	1	0.321
N of Valid Cases	395		

So far, we have analyzed the elements of the management process one by one for their direct impact on organizational performance. But referring to the fact that these processes go hand in hand and complement each other, we already analyze these elements taken together as well as the practical process of organizations through the following hypothesis in which other factors such as recruitment and career are equally important.

Hypothesis 1: Implementing the human resource performance management process affects the increase of organizational success?

To analyze this hypothesis, we need to construct the equation of multiple linear regression which has the general form as follows.

$$Y_i = b_0 + b_1X_1 + b_2X_2 + \dots + b_nX_n + \varepsilon_i$$

An important element which is realized along the construction of multiple linear regression is the analysis of the interaction between independent variables which is otherwise known as "multicollinearity". Multicollinearity occurs when an independent variable has a high correlation with a set of other independent variables. The presence of multicollinearity can lead us to incompletely fair and accurate conclusions about which of the independent variables is statistically significant (Bronwyn Lind, Don Weatherburn, Shuling Chen, Marian Shanahan, Emily Lancsar, Marion Haas, Richard De Abreu Lourenco, 2002). Therefore, this connection between them is analyzed first, which should be between the interval -0.7; 0.7 [Referring to the data in the table below, it is noticed that the correlation values of the independent variables between them are within the allowed limits and therefore we have no problem in the conclusions of the analysis of this hypothesis. Variance Inflation Factor values vary from 1.039 to 1.055 and that limit should be VIF = 5, or Tolerance Values are all > 0.2 (Table 11).

Table 11. Co linearity values

Co linearity Statistics	
Tolerance	VIF
0.961	1.040
0.948	1.055
0.962	1.039
0.952	1.051
0.962	1.039

Table 12. Correlation between independent variables

	Recruitment	Training	Motivation	Reward	Career
Recruitment	1				
Training	.566**	1			
Motivation	.611**	.635**	1		
Reward	.492**	.558**	.508**	1	
Career	.491**	.451**	.478**	.483**	1

** . Correlation is significant at the 0.01 level (2-tailed)

Based on these data we can already construct this equation of multiple linear regression starting with the analysis of variance ANOVA, from which it is observed that for df (5,389) and F = 4.782 we have that the value of Sig. = 0.000 < 0.05, which will that is, it is statistically significant for the correlation between the independent variables and the dependent variable that is organizational performance (Table 13).

Table 13. ANOVA analysis

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2.003	5	0.401	4.782	.000b
Residual	32.579	389	0.084		
Total	34.582	394			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Career, Recruitment, Reward, Motivation, Training

From the following data, it is noticed that, of all the independent variables whose fulfilment or maximization of their values leads to the benefit of the success of the organization only two factors (variables) have more impact on the organizational performance of organizations. They are training and motivation. The other factors are not that important but in this case, their impact is less significant in relation to the other two variables. The linear multiple regression equation takes the form:

$$(Organizational\ performance) = 4.163 + 0.118 (Training) + 0.161 (Motivation).$$

Table 14. Multiple regressions between organizational performance dependent variable and independent variables

Model	R2	R2 regulated	T	Sig.
Constant	0.058	0.046	9.042	0.000
Recruitment			-1.654	0.099
Training			-2.729	0.007
Motivation			2.386	0.018
Reward			-1.618	0.107
Career			0.675	0.500

From the equation, it is observed that motivation has a higher impact than training referring to the coefficient $\beta = 0.161$. So, the more motivated the employees of the organizations, the higher the organizational performance of the organizations themselves and its impact is even greater in relation to the increase of the level of their training. As for the other factors (other

independent variables), their influence in which case was very low but not insignificant, said this because some of them were high-level employees and perhaps the impact of remuneration, recruitment or career development does not have that significant impact on organizational performance as it is thought that all these elements run parallel to organizational performance or the other fact that it is precisely the management of organizations that assesses the need for training, career development assessment other employees or even reward as well.

We are already analyzing the other dependent variables with independent variables such as reward and training as two processes and at the same time as two factors namely that are directly related to the employees of organizations and their performance through the following hypotheses.

Hypothesis 1.c: *The individual performance of employees of organizations is closely related to the well-thought-out reward process.*

Independence test analysis in this case also shows the relationship of dependence between the dependent variable individual performance and the reward process showing their direct relationship, confirmed by the value of the Pearson coefficient via Asymptotic Significance (2-sided) = 0.027 < 0.05 (Table 15). So, this correlation is not only significant but also important in the whole process of human resource management and performance as a whole.

Table 15. Individual performance independence test and reward

	Value	df	Chi-Square Tests
			Asymptotic Significance (2-sided)
Pearson Chi-Square	2.582 ^a	2	0.027
Likelihood Ratio	2.338	2	0.311
Linear-by-Linear Association	2.129	1	0.144
N of Valid Cases	395		

Hypothesis 1.d: *The individual performance of employees of organizations is also related to the ongoing training process.*

The analysis shows that the value of Asymptotic Significance (2-sided) = 0.010 < 0.05 (Table 16), which shows that the training process of employees of organizations is necessary mainly in updating knowledge in economic, legal, technical, etc. which are consequence of the evolution of socio-economic life but also valuable and visible in the indicators of their individual performance.

Table 16. Individual performance and training independence test

	Value	df	Chi-Square Tests
			Asymptotic Significance (2-sided)
Pearson Chi-Square	1.346 ^a	2	0.010
Likelihood Ratio	1.505	2	0.471
Linear-by-Linear Association	1.223	1	0.269
N of Valid Cases	395		

If we analyze the elements together which in this case also act simultaneously in the organizational environment, we refer to the following analysis.

To further analyze these sub-hypotheses, we again refer to the construction of the multiple linear regression equation from where we first analyze ANOVA. The data of this analysis show that for $df(5,389)$ and $F = 4,588$ we have that the value of $Sig. = 0.00 < 0.05$, which shows that there is really a statistically significant relationship between these variables. This allows us to proceed with further analysis.

Table 17. ANOVA analysis

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	0.734	5	0.147	4.588	.000 ^b
Residual	12.451	389	0.032		
Total	13.185	394			

a. Dependent Variable: Individual Performance

b. Predictors: (Constant), Career, Recruitment, Reward, Motivation, Training

So, referring to the linear regression data we have the dependent variable, individual performance depends largely on training and reward, two factors really important and expected to be important in this relationship, as their SIG values. are 0.001 and 0.025, respectively, both smaller than 0.05. Therefore, the shape of the multiple linear regression equation is:

$$(Individual\ performance) = 4.057 + 0.087 (Training) + 0.059 (Reward)$$

The equation states that both variables have positive coefficients and respectively the coefficients β are 0.087 and 0.059 from which it is observed that training has a higher value of the coefficient β indicating that its impact is higher in relation to the reward related to the evaluation of individual performance of them. Of course, these two factors were expected to have an impact on individual performance, and even other factors such as recruitment, motivation and career are certainly very significant elements, but in our case study, their impact has been lower (Table 13).

Table 18. Multiple regression analysis between independent variables and individual performance dependent variable

Model	R2	R2 regulated	t	Sig.
Constant	0.056	0.044	14.253	0.000
Recruitment			-0.755	0.451
Trainings			3.269	0.001
Motivation			-1.695	0.091
Reward			2.253	0.025
Career			-0.057	0.955

A very important element for this study is the analysis of the interaction of factors between them through research questions which is considered as an additional and complementary analysis. On the other hand, it was shown that the training process is a key factor not only as

an indicator of individual performance but also in the organizational one therefore, in order to emphasize the importance of this process, even at the hierarchical level related to the educational level of employees within organizations, the research question arises as follows:

Research Question 1: *Is organizational performance affected by individual performance?*

To analyze this research question, we refer to the analysis through the Chi-Square independence test. The data of this test show that the value of Sig. = 0.021 < 0.05. This allows us to express that there are statistically significant relationships between these variables. So, in other words, organizational performance depends on the individual performance of employees (Table 19).

Table 19. Group averages for educational level

Homogeneous Subsets		
Training		
Tukey HSD _{a,b}		
What is your educational level?	N	Subset for alpha = 0.05
Secondary education	170	1
Primary school	53	3.97
High education	172	4.00
Sig.		4.03
Means for groups in homogeneous subsets are displayed.		
a. Uses Harmonic Mean Sample Size = 98.154.		
b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.		

Research Question 2: *Does a well-consolidated performance management process affect the success of the organization?*

Analysis through the independence test shows that the success of the organization through performance indicators and the achievement of its goals and objectives is closely linked to a consolidated process of managing human resources along with other factors such as strategies and so on. Statistically, the value of Asymptotic Significance (2-sided) = 0.008 < 0.05 (Table 20) confirms this fact.

Table 20. Independence test of the success of the organization and the managerial process as a whole

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	.248a	2	0.883
Likelihood Ratio	0.476	2	0.788
Linear-by-Linear Association	0.001	1	0.975
N of Valid Cases	395		

So, we can say that the correct functioning of all the links of the performance management process at the same time undoubtedly leads to important results and towards the indisputable success of the organization.

Research question 3: Does the training process differ from the educational level of the employees of the organizations?

To analyze the first part of this research question we refer to the ANOVA analysis which is used to show whether or not there are differences between more than two different groupings of a variable, as in our case the levels of education.

Table 21. Independence test for organizational performance and training

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.881 ^a	4	0.017
Likelihood Ratio	7.645	4	0.105
Linear-by-Linear Association	0.987	1	0.321
N of Valid Cases	395		

Thus, referring to this analysis presented in Table 21, where it is observed that the Pearson Chi-Square value measured via Asymptotic Significance (2-sided) = 0.028 < 0.05. This proves that there is a dependence between education and training.

Table 22. Chi-Square between training and educational level of employees of organizations

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	10.852 ^a	4	0.028
Likelihood Ratio	11.916	4	0.018
Linear-by-Linear Association	1.276	1	0.259
N of Valid Cases	395		

But let's see if there are differences between each level. The analysis of the comparison of means by ANOVA (Table 22), shows that for df (2,392) and F = 1.317 we have that the value of Sig. = 0.269 > 0.05. So, we can say that there is indeed a dependency between the training and the educational level of the employees, but there are no statistically significant differences between them.

Table 23. Analysis of comparison of means through ANOVA

ANOVA					
Training					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	0.354	2	0.177	1.317	0.269
Within Groups	52.644	392	0.134		
Total	52.997	394			

This is also confirmed by the analysis of the Post Hoc test according to the Tukey procedure where it is noticed that the value of Sig. (Significance value) in the comparison between each group, two by two is significantly greater than 0.05 (Table 23).

Table 24. Post Hoc Tests

Multiple Comparisons						
Dependent Variable:	Training					
Tukey HSD						
(I) What is your educational level?		Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Primary education	Secondary education	0.029	0.058	0.866	-0.11	0.17
	High education	-0.035	0.058	0.817	-0.17	0.10
Secondary education	Primary education	-0.029	0.058	0.866	-0.17	0.11
	High education	-0.064	0.040	0.237	-0.16	0.03
High education	Primary education	0.035	0.058	0.817	-0.10	0.17
	Secondary education	0.064	0.040	0.237	-0.03	0.16

On the other hand, the averages calculated for each comparison between groups are almost the same, again showing that there is no difference between these groups (Table 24).

So, we can say that the correct functioning of all the links of the performance management process at the same time definitely leads to important results and leads to indisputable success of the organization.

6. Conclusions

The organization today is paying more attention to employee performance and productivity than ever before; in an effort to not only remain competitive but to survive (Jamal Abu-Doleh, David Weir, 2007). The employee's role in performance management must take an active role in achieving performance excellence. The role of the employee should initiate challenging but realistic objectives, which support the strategies of the organizations and the goals of the departments, in order to be able to create action plans and follow through to achieve the objective and let the managers know when they need information, help or advice to meet their objectives. By monitoring their performance is actively seeking feedback from others on year-round performance and initiating suggestions for improvement. This should be informed of progress towards achieving their objectives and demonstrating competencies. Critical success factors for the human resource performance management process to be effective in organizations must respect many things; all actors must understand and support the vision, mission and strategy of the organization. This research on the human resource performance process made it clear that the biggest challenges are not related to the development of adequate models of the human resource performance management process in organizations. However, these systems cannot work or cannot have high performance without motivated and dedicated employees.

The solution requires a system that will inspire and motivate the person, because organizational performance ultimately depends on motivated employees. The solution requires one that is holistic and able to create synergy between different organizational processes, systems and subsystems.

However, motivated employees can generate high performance, regardless of any performance management system. The simple logic is that motivated people make high-performance organizations. Ultimately, the role of leadership is to inspire human resources and create commitment to the vision of the organization and create an organizational culture based on the foundation of a strong work ethic and responsibility. Another leadership role is to harmonize and channel individual, team, and organizational energies.

The results suggest that the majority of respondents are satisfied with the overall quality of the current performance management process, it is argued that high-performance organizations should strive for excellence rather than mediocrity in terms of the performance management systems that they use. However, the results show that respondents have identified a number of areas that require significant improvements.

Improving a performance management process requires better design, higher commitment to implementation, enhanced skills and knowledge, skilled leadership, regular monitoring and evaluations. Performance management is not an event – it is an ongoing process, which requires continuous learning and improvement. There is no performance management recipe or magic formula for success. To create a successful performance management system, organizations need to take a multidimensional approach to address performance issues.

Organizations need to align their performance management process with organizational strategy, structure, processes, culture, and capacity. There should be balance and emphasis on the technical and human aspects of performance management. Organizations need to harmonize individual, team, and organizational objectives, needs, and aspirations. By approaching performance management from an integrated and holistic perspective, organizations will have a better chance of building a successful and sustainable performance management system- a system that will be able to harness human potential and keep people motivated and committed to the department's mission. Performance management, as a cross-cutting management methodology, integrated with similar methodologies such as strategic planning, human resource management, financial management and quality management, should be considered as a critical tool for improving the performance of individuals, teams and organizations in general.

The new Performance Management process proposed in this study is informed by the key performance management challenges identified in the research. The model addresses these challenges systematically and provides sustainable solutions. Solutions to these challenges are supported by strong theoretical foundations informed by a review of the literature in the field of performance management. Implementation of a new performance management process and the subsequent change management process accompany its implementation. And it is not a battle to be won and to be declared victory. It is an ongoing learning process.

In an increasingly global and competitive operating market, improving performance is a major challenge, especially for city departments operating within bureaucratic constraints,

rules and different parties. However, high performance is the only way to achieve the lasting success of any individual, organization or society.

In conclusion, although the results suggest that the majority of respondents are satisfied with the overall quality of the current performance management process, it is argued that high-performing organizations should strive for excellence rather than mediocrity in relation to their performance management systems. that they use. However, the results show that respondents have identified a number of areas that require significant improvement.

Improving a performance management process requires better design, higher commitment to implementation, enhanced skills and knowledge, capable leadership, regular monitoring and assessments. Performance management is not an event – it is an ongoing process, which requires continuous learning and improvement. There is no performance management recipe or magic formula for success. To create a successful performance management system, organizations must take a multidimensional approach to addressing performance problems.

Organizations must align their performance management process with organizational strategy, structure, processes, culture and capacity. There should be balance and emphasis on the technical and human aspects of performance management. Organizations must harmonize individual, team and organizational objectives, needs and aspirations. By approaching performance management from an integrated and holistic perspective, organizations will have a better chance of building a successful and sustainable performance management system – one that will be able to exploit the potential human resources and keep people motivated and committed to the department's mission.

Performance management, as an interdisciplinary management methodology, integrated with similar methodologies, such as strategic planning, human resource management, financial management and quality management, should be considered as a critical tool for improving the performance of individuals, teams and organizations in general.

We hope that the findings and knowledge developed in this study will help organizations to improve the performance of their human resources and achieve the highest possible success.

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