LITERATURE REVIEW

Performance results from the interaction of physical financial & human resources. The first two are inanimate they are translated into “productivity “only when the human element is introduced. However, the human element interjects a variable over which a management has a limited control. When dealing with the inanimate factors of production, a management can accurately predict the input-output relationship and can even vary the factor it chooses in order to achieve a desire rate of production. In dealing with employees, however, an intangible factor of will, volition or freedom of choice is introduced, and workers can increase or decrease their productivity as they choose. This human quality gives rise to the need for positive motivation.

Peter Drucker (1990) professional employees the most rapidly growing group, new promotional opportunities should carry the same prestige, weight & position as the traditional opportunities for promotion to managerial positions

Richard I. Levin & David S. Rubin (1990-1998) Understanding sampling distribution allows statisticians to take samples that are both meaningful and cost effective. Because large samples are very expensive to gather, decision makers should always aim for smallest sample that give reliable result.

Fred Luthans (1995) Learning is a major psychological process, but it has not been as popular in the study of organizational behavior as constructs such as attitudes or motivation. Behavioral management systematically applied through steps such as Organizational Behavior Model can help meet the performance improvement challenges facing today’s organizations in the highly competitive global economy.
Aswathappa K (1997-2005) An organization’s goals can be achieved only when people put their best efforts. Performance Appraisal is the best way, to ascertain whether an employee has given his or her best performance.

Performance Appraisal is an objective assessment of an individual’s performance against well-defined benchmarks.

Anne Bruce & James S. Pepitone (1999) It is no longer sufficient to give people simplistic, behavioral motivators. Employees today are better informed than ever before. They are too sophisticated for the Quasi-manipulative tactics that have worked for many managers in the past?

Beverly Kaye & Sharon Jordan (1999) Reward recognition, which matters more. Praise or pay. pg 143-151

David R. Hampton (1998) Performance appraisal or evaluation can serve at least two broad purposes judgment and development. Judgment refers to making decisions about allocating pay increases and promotions for subordinates. Development refers to helping subordinates improve performance and acquire new competencies.

Sue Shellenbarger (1998) As the next century nears; employers are trying with growing intensity to engage workers from neck up. They are using tender words like commitment and loyalty to describe the bond they want. Some are hiring psychologists to study workers; others are routinely taking employee’s psychic pulse in painstaking attitude surveys.

C.B. Mamoria, Arun Kumar & Rachana Sharma (2000) Worker’s participation in management & profit sharing – Worker’s participation in management has been interpreted as the joint consultation prior to decision making by the management. It has been laid down in India’s Third Five Year plan that the success or failure of an undertaking is not the concern of management alone. For the peaceful evolution of the economics system or a democratic basis,
it is essential that worker’s participation in management should be accepted as a fundamental principal & on urgent need.

**Tom Coens & Mary Jenkins (2000)** The dynamic of people, money & motivation are too complex to fully understand. However, if your organization takes time to clarify what it is trying to achieve & builds from healthy underlying assumptions, it can create more effective compensation practices & a positive work environment.

**Heinz Weihrich & Harold Koontz (2001)** Managerial appraisal has sometimes been referred to as the Achilles’ heel of managerial staffing, but it is probably a major key to managing itself. It is the basis for determining who is promotable to a higher position. One way to integrate organizational demands and individual needs is through career management.

**Porter and Lawler (2000-2006)** came out with a comprehensive theory of motivation. They posit that motivation, performance, and satisfaction are all separate variables and relate in ways different from what was tradionally assumed. The figure below shoes the multivariable model of Porter and Lawler. They point out that an effort (force or motivation) does not directly lead to performance. It is mediated by abilities, traits, and role perceptions. More important – in the Porter and Lawler model – is what happens after the performance. The rewards that follow and how they are perceived will determine the satisfaction.

**Steven H. Appelbaum & Brenda M. Fewster (2001-2002)** In an intensive competitive marketplace where service innovations are so easily replicated, a key strategic variable that nobody can copy is an airline’s culture.

**Burack and Smith (2002) - REWARDS AND INCENTIVES** - An incentive or reward can be anything that attracts an employee’s attention and stimulates him to work. In other words of Burack and Smith, “An incentive programme is most
frequently built on monetary rewards (incentive pay), but also include a variety of non–monetary rewards or prizes.”

Incentives, in general are important motivators. Their effectiveness depends upon three factors: drives, preference value, and satisfying value of the goal objects.

**Andrew von Nordenflycht & Jody Hoffer Gittell (2004)** Both the qualitative and quantitative results suggest that relational factors–conflict and workplace culture–are more important determinants of performance than the structural factors of unionization, shared governance, and wages.

**Peter Ducker (2004-2007)** the foremost management guru has observed that productivity is the first step of management competence. And, according to Deming, 85% of all productivity problems relate to management and only 15% relate to workers performance. Effective managers must demonstrate high productivity.

We know that productivity is not a measure of production or output. It is an index of measurement calculated as a ratio of total input. In other words, productivity is a measure of how well resources are combined and utilized to accomplish desired results or outcomes.”

**J.S.Chandan (2005)** It has now become an accepted fact an organization has no life but for the people working in it. There is thus a shift in the managerial approach from task oriented. This has resulted in the increased emphasis on the need for understanding people. Organizational Behavior is the study of individual & group behavior in a work setting.

**Conference paper (2006)** Motivation is critical dimension of capacity, defined as the ability of people, institutions & societies to perform functions, solve problems & set & achieve objectives There is a distinction between formal incentive & informal ones. It is thought that intrinsic & extrinsic motivation were additive & could easily be combined to produce optimal performance.
Vineetha Ravipati and Sujatha Subramaniane (2007) Employee productivity an effective way to control costs is by increasing the employee productivity, that is, available seat miles per employee.

Southwest Airlines employee development and retention (2008) Companies can learn from best practices followed at Southwest Airlines to provide assessment and coaching to enhance employees’ personal and professional growth. An online component to help assign and align people’s personal development needs as well as enhancing their strengths in order for them to grow more effectively and a skills assessment and skills management system to help judge each employee’s degree of fit with a particular job role and the company.

R J Devi and B V S Prasad (2008) - Effective Performance Management – Approaches and Experience - Today’s competitive environment forces every organization to identify under performers because they are harmful to the organization, in spite of their good behavior. If organizations do not pay attention to under performers, it may affect the performers too. It is a natural tendency among employees to feel that the organization should recognize their performance and reward them appropriately.

Gary Dessler & Biju Varkkey (2008) Tying worker’s pay to their performance is widely popular. Indeed with the emphasis on competitiveness, productivity and delivering measurable bottom line results the trends for virtually all employers is to tie at least some portion of their worker’s pay to the worker’s and / or the company’s performance. In India, pay performance is gaining wide acceptance and having a Performance linked pay (PRP) plan is considered as a good HR practice.

Stephen P. Robbins (2008) Organizational behavior is an applied behavioral science that is built upon contributions from a number of behavioral disciplines. The predominant areas are psychology, sociology, social psychology, anthropology, and political science. The decision to perform that is to work hard
in pursuit of high levels of task performance (satisfaction causes performance/ performance causes satisfaction/ rewards cause both performance and satisfaction).

The Porter and Lawler model has definitely made a significant contribution to the better understanding of work motivation and the relationship between performance and satisfaction. But to date, it has not made impact on the actual practice of HRM.

There are various factors that contribute to productivity. Basically productivity is the result of efficiency of the workforce besides other resources. It is the people who take care of the finances, it is the people who order and maintain supplies, it is the people who man the machines, and it is the people who maintain the processes. Therefore, the efficient utilization of the resources is in the hands of the human resource. With the rate of change today, though the same resources are being used, but there is a constant need to update and upgrade the competencies of the workforce. Hence the HR developer’s role has become even more important. However, the other needs of the human resource, besides skills development and education, have also increased in demand.

“Human Resource (HR) Managers must with the times and keep abreast with developments. They must be pro-active, innovative and move into new frontiers and paradigms to achieve standards of excellence.”

According to Schuster the success of any organization is the relentless pursuit of continuous performance improvement.

Human Performance Technology: With reference to the need for continuous performance improvement, the concept of Human Performance Technology (HPT), is gaining interest among organization today. Human Performance Technology has evolved since the 1960’s. The International Society for Performance Improvement (formerly known as the National Society for Performance and Instruction) has contributed largely to the propagation of the
technology as an approach to improving human performance in the workplace. Sometimes it is called just Performance Technology but the human aspect must not be forgotten as the focus is on the people in the organization system. Performance indicates some output, a result, an achievement or something carried out to a desired accomplishment level. The word technology generally brings images of mechanism but in this sense it refers to some systematic, researched procedure to deal with problems and issues in the workplace.

**R J Devi and B V S Prasad (2008)** - Effective Performance Management – Approaches and Experience - Today’s competitive environment forces every organization to identify under performers because they are harmful to the organization, in spite of their good behavior. If organizations do not pay attention to under performers, it may affect the performers too. It is a natural tendency among employees to feel that the organization should recognize their performance and reward them appropriately.

**Schachaceter (2008)** Two-factor theory it is also known as Herzberg’smotivation-hygiene theory and Dual-Factor Theory states that there are certain factors in the workplace that cause job satisfaction, while a separate set of factors cause dissatisfaction.

**Smita Gupta (2009)** in her book Effective Performance Management explains that performance management aims at improving the performance of the employees with the help of a broad set of activities It aims at as well as helps in motivating and improving the performance of individuals and that of the organization.

**Johanna Mac Neil (2009)** The ideas, complimented with some selective but very interesting data on trends in profit, industrial action, costs, aircraft and labour productivity, service quality and employee morale, provide the foundation for a clear and engaging overview of what has happened in the airline industry in the last 30 years.
**R. N. Misra (2009)** Human Resource Management After Globalization says: “Beyond subsistence level, becoming needs 9 self- actualization needs) posses greater preference value and satisfying than deficiency needs (which are necessary for survival). Below the subsistence level, however the reverse holds true.” He makes the following generalization:

- Incentives, whether they are monetary or non monetary, tend to increase the level of motivation in a person.
- Financial incentives relate more effectively with basic motivation or deficiency needs.
- Non – financial incentives are linked more closely with higher motivation, or becoming needs (not possessed by many individual in the organization).

The higher the position of a person in an organization’s hierarchy, the greater is his vulnerability to non-financial incentives.

**Brenda Scott-Ladd, Antonio Travaglione, Chris Perryer & David Pick (2010),** Managers at all levels have to deal with changing organizational structures, work patterns and diversity management strategies if they are to retain ‘top talent’ and become employers of choice.

HPT is relevant to organizations because it adopts a systematic view of organizations weaving all aspects of organizational behavior into the performance fabric. Another important aspect of HPT, according to Rosenberg (1982) -is that “…It is evolved from the realization that instructional or training systems were ineffective or inappropriate if other factors were not attended to.”

Gilbert calls a performance audit based i.e. opportunities based on the following steps:

- Identify current accomplishments
- Identify desired accomplishments
- Identify exemplary (realistic potential) performance
- Measure exemplary performance
• Measure typical performance
• Computing the potential for improvement
• Translating the potential into economic stakes

The HPT Model is very much akin to the Instructional technology. The difference is in that the parameters are wider and the Performance Technologist has to be a generalist with knowledge of various interventions but with expertise in some of them. In this context it has to be a collaborative effort in dealing with problems rather than leaving the onus on the trainers or individual consultants. It caters for
• Wider responsibility from within the organization
• Higher accountability
• Greater commitment
• More cooperation
• Alignment to organization objectives
• Staff attuned to problem solving culture
• Focused to measurement and result

**CAPA Center for Aviation (22 June 2010)** Human resource issues remain
Following Air India – Indian airlines Merger. Promotion and career progression: Establishment of departmental promotion committees to recommend and review promotions formed of equal numbers of workers from Air India & Indian Airlines.

**Times of India PTI (Oct 31st 2011), Air India Pilots allege discrimination, threaten to quit.** The decision and action of management provide a windfall gain to the pilots of Indian Airline at the expense of the career progression prospects of the pilots of erstwhile Air India.

**The Economic Times (4th May 2012)** Government links AI’s equity infusion to performance says airline to get funding only if it achieves targets.
Times of India PTI (May 15th 2012) Pilots’ strike Air India stops international booking.

The Economic Times (10th August 2012) James Thomas Productivity measures are stringent for workforce but engagement initiatives for them are relatively low. The initiatives to engage are usually restricted to the senior employees.

The Economic Times (28th August 2012) Yasmine Taj A talent strategy that emphasis the frequent use of the right financial ad non financial motivators would benefit most companies in bleak times and fair.

Thomas F. Gilbert (2012) Review - Beginnings of Engineering Staff performance, Peter J Dean 2008 analysis, Thomas F. Gilbert, frequently referred to as the Father of HPT, explains that “The purpose of performance ….is to increase human capital which can be defined as the product of time and opportunity…. technology is an orderly and sensible set of procedure for converting potential into capital.”

V. R. Krishna Iyer (2012) In service jurisprudence, integration is a complicated administrative problem where, in doing broad justice to many, some bruises to a few cannot be ruled out. Some play in the joints, even some wobbling, must be left to government without fuss forensic monitoring.…’All life including administrative life, involves experiments, trail and error, but within the leading strings of fundamental rights and absent unconstitutional excesses.’