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## Analysis of the Performance Management System and its Application to Company Employees

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### ABSTRACT

This Research Aims To Describe How The Implementation Of An Employee Performance Management System At PT. Bangun Niaga Company In Medan Municipality. The type of research used in this study is qualitative with 55 respondents. Data Collection Techniques Are Done Through Observations And Interviews. Technical Data Analysis Namely Qualitative Descriptive Analysis Expressed In The Forms Of Questions, Responses And Interpretations Obtained From Observations And Direct Interviews. The results of this study show that in general it has not run effectively. This can be seen from the indicators (A) Commitment and Policies are running smoothly, (B) Planning is going well, (C) Implementation is running well, (D) Inhibiting factors are not running according to the indicators that have been set and (E) Factors Support Goes Well.

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### 1. INTRODUCTION

National development today goes hand in hand with the rapid and independent development of industry in the context of realizing industrialization which is characterized by mechanisms, electrification and modernization. Due to the need for high mobility, it is necessary to have a type of transportation, transportation provider and facilities that can adapt to current human needs. Due to the many uses of airplanes, it must also be considered regarding the Company as a place for aircraft facilities and other supporting facilities. Performance in an organization is always strived for improvement because increasing performance will not only have a direct impact on the organization, but will have an impact on increasing employee abilities. In addition, increased performance will create a more conducive atmosphere which in turn will lead to healthy competition between employees which has an impact on the self-development of each employee. In other words, if performance is realized, it will support the achievement of goals effectively and efficiently which in turn creates acceleration, speed, effectiveness and efficiency of work within the organization concerned. The occupational safety and health management system is getting very important attention nowadays because of the high number of work accidents. Performance management aims to create an occupational safety and health system in the workplace by involving elements of management, workforce, working environmental conditions that are integrated in order to prevent and reduce accidents and occupational diseases and create a safe workplace. Article 87 of the law requires every company to implement employee performance management as part of company

management, and those who do not apply it will be subject to sanctions. The main cause of work accidents is the less than optimal implementation of performance, while the real cause is Mis Management, which means that management does not make efforts to prevent work accidents in line with company management activities.

Wibowo, 2007 states that performance management is a communication process that is carried out continuously in partnership between employees and their direct superiors to get better results from the organization, team and individual by understanding and managing performance within a framework of goals, standards, and requirements. attribute requirements agreed between managers and employees concerning goal setting, providing feedback from both managers to employees and vice versa. Performance management is the foundation and founding force behind all organizational decisions, Armstrong (2003:12) states that performance management is a systematic process to improve operational performance by developing individual and team performance. It is a means of getting better results by understanding and managing performance within an agreed framework of plan objectives, standards and competency requirements. Armstrong (2009: 9) The formulation shows that Armstrong emphasizes the position of performance management as a systematic process to improve performance, not only as a means to get better results. Thus, performance management in achieving results is carried out through a systematic process.

Wungu and Brotoharsojo (2003:58) suggest that the performance of the quantity and quality of work achieved by employees is compared to the targets and targets of individual work in their positions. A person's performance is a combination of abilities, efforts and opportunities that can be assessed from the results of his work. According to George R. Terry (2000:344) a.) Planning is the process of determining the goals or objectives to be achieved and determining the paths and resources needed to achieve those goals as efficiently and effectively as possible. b) Organizing is the whole process of grouping people, tools, tasks, and authorities and responsibilities in such a way as to create an organization that can be moved as a unified whole and unanimous in order to achieve predetermined goals, c. ) Implementation or mobilization can be interpreted as the overall effort, method, technique and method to encourage members of the organization to be willing and sincere to work as well as possible in order to achieve the organization efficiently, effectively and economically. d) Controlling or supervision is a basic managerial function that is intentionally designed for a specific purpose in accordance with the expected control objectives, so that managers can find out the effectiveness of information sources in their organization, the effectiveness of group activities, and the effectiveness of the activities of each individual member of the organization. Budget (2008:7), performance management is a strategic and integrated process that supports organizational success through the development of performance aspects that support the existence of an organization. In its implementation, performance management is not only oriented to one aspect, but integrated aspects in supporting the running of an organization.

Dessler (2003:322) definition of Performance Management is the process of consolidating goal setting, assessment, and performance development into a single common system, which aims to ensure employee performance supports the company's strategic goals. Udekusuma (2007:3) Performance management is a management process designed to link organizational goals with individual goals in such a way that both individual goals and company goals can be met. In this case, for workers, not only their individual goals are achieved but also play a role in achieving organizational goals, which make themselves motivated and get greater satisfaction. The purpose of Performance Management according to Baron, 2005;22 Wibisono, 2006:32 Regulating organizational performance in a more structured and organized manner. Knowing how effective and efficient an organization's performance is. Help determine organizational decisions related to organizational performance, performance of each part of the organization, and individual performance. Improve the overall organizational capability with continuous improvement. Encouraging employees to work according to procedures, with enthusiasm, and productively so that work results are optimal. The implementation of the employee performance management system according to M. Sukaelan, 2013:45), namely.

Commitment and Policy states that commitment is an intention or determination to explain something that is a very strong impetus to achieve goals. This determination and desire will be

reflected in attitudes and actions regarding OSH. Without commitment from all elements in the organization, especially the leaders, the implementation of K3 will not run well. Based on the Regulation of the Minister of Manpower of the Republic of Indonesia No. Per-05/MEN/1996 on commitments and policies. Planning Company must make an effective plan in order to achieve the successful implementation of the Management System with the targets and performance indicators applied by considering the identification of hazard sources, assessment and risk control in accordance with the requirements of applicable laws and the results of the initial review of occupational safety and health. Implementation establishes policies effectively by developing the capabilities and supporting mechanisms needed to achieve the policies, objectives and targets of implementation.

The company must provide personnel who have quality, adequate facilities according to the applied management system by creating procedures that can monitor the benefits that will be obtained as well as the costs that must be incurred. To prove the application, the data company needed through observation, documentation, interviews with employees in the company PT. Bangun Niaga Data analysis techniques in qualitative research, carried out during data collection, and after completing data collection within a certain period with the data reduction stage. obtained from the field, and the conclusion and data verification stages, which support the data collection stage.

## **2. RESEARCH METHODS**

This research was conducted at PT. Bangun Niaga and lasted for 2 months. The reason for choosing PT. Bangun Niaga as the location of this study was determined on the basis of considerations because it saw the condition of the employee performance management system at PT. Bangun Niaga Company which was less effective. This type of research is qualitative research. This type of research is Phenomenology. The data sources used in this study include primary data and secondary data. The informants in this study were 55 respondents. Data collection techniques are a very important step in research. Data collection is a systematic and standard procedure to obtain data validation which consists of sources that compare and check the degree of trustworthiness of information obtained through time and tools. who are in qualitative research.

## **3. RESULTS AND DISCUSSION**

In achieving performance goals, employees must carry out their duties according to the abilities they have and leaders have an important role to coordinate subordinates and have the ability to influence and move their subordinates to work towards goals. In an organization, leadership plays a very important role, the leader must be able to influence and move subordinates in order to achieve organizational goals effectively and efficiently, namely a maximum work spirit. To achieve organizational goals as expected, it is necessary to have an appropriate leadership style so that the implementation of the employee performance management system can run according to what was previously planned and a reliable, optimal and integrated air transportation network. Realizing effective, efficient institutions supported by professional human resources and comprehensive laws and regulations and guaranteed legal certainty. Setting performance goals is very necessary as a management process that ensures that every employee knows what role they must perform and what results they need to achieve to achieve the target. Commitment must be accompanied by a motive because employee performance is determined by the goals to be achieved and to do so requires employee motivation. Without motivation to achieve goals, performance will not work and in carrying out this work a leader must be able to provide policies that can make employee performance even more optimal in completing the tasks assigned to him.

Implementation of the Employee Performance Management System is the performance that follows the procedures or procedures according to the standards that have been set. However, the performance must have several criteria in order to increase productivity so that what is expected can run according to what is desired. To improve good performance, you must introspect yourself in order to achieve better performance in the future, work according to your respective positions, portions, and jobs. Based on the variables contained in the framework chart, namely, a) commitment and policy, b) planning, c) implementation, d) inhibiting factors, e) supporting factors. This is not as easy as turning the palm of the hand but there must be a direct role for management participation to get

the first variable, namely.

Commitment and policy which consists of one sub variable, namely: a) Leadership and commitment b) Review c) Policy and Safety and health these variables will be explained below, Commitment and Policy to achieve performance goals, employees must carry out their duties according to their abilities they have and the leader has an important role in coordinating subordinates and has the ability to influence and move his subordinates to work towards goals. In an organization, leadership plays a very important role, the leader must be able to influence and move subordinates in order to achieve organizational goals effectively and efficiently, namely a maximum work spirit. To achieve organizational goals as expected, an appropriate leadership style is needed. The commitment standards and performance policies that have been established in this office are very important to guide the behavior of workers to complete the standards that have been built and provide a basis for employee performance to be assessed effectively and honestly. So that in carrying out the task, first, make commitment standards and policies that have been agreed so that employees are also able to be motivated to achieve good work results, there is a clearly measured key performance indicator. This measure must be able to answer the various problems faced by the organization. If the company is profit-oriented, then the size is financial measures such as sales turnover, net profit, sales growth and others. Whereas in non-profit organizations such as government organizations, the performance measure is various forms of service to the community.

Commitments and policies in implementing the lower performance management system in achieving performance goals, employees must carry out their duties according to their abilities and leaders have an important role to coordinate subordinates and have the ability to influence and move their subordinates to work towards goals. In an organization, leadership plays a very important role, the leader must be able to influence and move subordinates in order to achieve organizational goals effectively and efficiently, namely a maximum work spirit. To achieve organizational goals as expected, an appropriate leadership style is needed. Planning the concept of planning is making decisions about what to do, how to do it, when to do it, who does it and how to measure the success of its implementation. Knowing this, the authors choose 3 (three) sub-variables as a benchmark for this approach, hazard identification and risk control, policy goals and objectives in making effective planning in order to achieve the implementation of occupational safety and health policy systems that are clear and measurable so that leaders can responsible and the occupational health and safety management system has been implemented properly. In implementing the risks that may be experienced by the company, an evaluation of each risk is carried out in terms of severity and frequency. Controlling risk needs to be determined by controlling measures that are selected from various ways, such as choosing control technologies such as elimination, substitution of machine tools or self-protection.

Commitment in an organization is closely related to the dedication of employees to achieve a goal to be achieved so that the effort can develop properly. There are two things that need to be included in the performance contract, namely the final target to be achieved (lag) and the work program to achieve it (lead). Both need to be included so that at the time of evaluation, various parties act fairly, and do not only look at the final result, but also the work process. It is possible that a subordinate has not achieved all the targeted work results, but he has carried out all the work programs that have been outlined. Of course, superiors still have to give rewards for their dedication, even though the final target has not been achieved. This can also be the basis for future improvements (continuous improvement). Employee performance management policies will not succeed if they are not supported by all parties in the organization. A company must have a person or group of people who can manage the company's operations. Like a motor vehicle, management is the driver who runs and directs the direction where to go and dock. This task is very important and quite heavy. Therefore, management is usually held by several people in a company. These people are competent in their fields, so they are able to take strategic policies in a company. Management must also be fully responsible for the success or failure of a company's operations. They will be held accountable by the owner of the company, who may not be involved in a management task.

A management process that ensures that each employee knows what role they must perform and what results they need to achieve to achieve the target. Commitment must be accompanied by a motive because employee performance is determined by the goals to be achieved and to do so

requires employee motivation. Without a motivational drive to achieve goals, performance will not run according to the commitment standards and performance policies that have been set in this office are very important to guide the behavior of workers to complete the standards that have been built. Providing a basis on which employee performance can be assessed effectively and honestly, employee performance commitments and policies must be made for the job itself regardless of who occupies the job. Therefore, there should be one commitment and policy for a particular type of work, not a set for everyone doing the job.

Implementation establishes policies effectively by developing the capabilities and supporting mechanisms needed to achieve the policies, objectives and targets of implementation. Knowing this, the authors choose 2 (two) sub variables as a benchmark for this approach, namely: creating a harmonious relationship for employees and the company, good machine tools so that the tool will last longer. Industrial relations in a broader sense means that there is a relationship between all parties who are related or have an interest in a production process for a production process in a company so that industrial relations that need to be built are not only between employers and employees but also include relations with the government and society. combining each principle and purpose requires good intentions and trying and being able to resolve various problems that arise so that the best solution can be achieved and does not harm any party.

A leader must increase work loyalty by fostering a willingness to sacrifice through more rewards associated with the contribution of each individual employee so that subordinates can see from the point of view of positive satisfaction with performance. Apply the concept of competency-based HR management. Generally, high-performing organizations have a competency dictionary and apply these competencies to important matters, such as performance management, recruitment, selection, education, employee development, and promotion. These competencies include organizational core competencies, behavioral competencies, and job-specific technical competencies. If these competencies have been standardized within the organization, HR management activities will become more transparent, and organizational leaders will also easily find out what competencies need to be improved to bring the organization into high performance. The supporting factor for performance appraisal, which management must understand is that performance appraisal aims to provide feedback in order to improve the performance of the employees themselves.

Thus, the implementation of a good and fair performance appraisal for employees is the responsibility of management. In order for the performance appraisal to achieve its objectives. Carrying out its activities optimally, an organization requires the availability of adequate facilities and infrastructure both in quantity and quality. to form an employee so that the company is more abreast of the times, what is needed is the level of employee education needed by the company in education there is an ongoing process and not just a moment. The inhibiting factor of labor or employees is a production factor that is always moving and always changing, has reason and feelings and motivation, if the workforce as a production factor feels happy to work with enthusiasm and enthusiasm, it can be ascertained that the goals that have been set company or organization will be more easily achieved.

A high level of awareness of the officers Carrying out its activities optimally, an organization requires the availability of adequate facilities and infrastructure both in number and quality based on the level of awareness of the company's officers, they are still very undisciplined regarding the ability of employees to solve work problems on a regular basis and work seriously because they are aware that the task is a The trust that will be responsible for the world and the hereafter, means discipline with respect to the obedience of someone who consciously carries out everything that has been determined and there is motivation for employees. An important factor that must be considered is the discipline of government officials as the spearhead of the state in meeting the needs of the community. Besides that, employee discipline is important in supporting the success of discipline as well as other principles. Education (formal) is a process of developing abilities in the direction desired by the organization concerned to improve the special abilities and skills of a person or group of people, it can also be referred to as an effort to increase a person's general knowledge including mastery of theory to decide issues concerning activities to achieve goals. companies need to be adapted to the needs of development. The existence of a manpower planning is to prevent the

wastage of funds and power and to increase production and productivity as optimally as possible.

An effective plan to achieve the implementation of an occupational safety and health policy system is clear and measurable so that leaders can be held accountable and an occupational health and safety management system has been implemented properly. Environmental monitoring should include both internal and external components. While most organizations are comfortable with the internal environment, they still have more difficulty with the external. Inward-looking organizations are still missing half of the full equation for making more effective decisions for the company. Some of the elements commonly used to examine external conditions include industry as a whole (including trends impacting the industry), and social trends in four main areas: economics, technology, political-legal trends, and socio-cultural.

There are three levels of strategy created within the larger organization, which includes corporate, business, and functional (or operational) strategies. While the company's strategy will determine what businesses the company will actually operate in, the business strategy will determine how the company will compete in each of the businesses it has chosen. And the operational level strategy will determine how each functional area (such as human resources or accounting) will actually support the business and corporate strategies. All of these strategies must be closely linked to ensure that the organization moves in a unified direction

#### 4. CONCLUSION

Based on the results of the research that has been stated, it can be concluded that, The implementation of the employee performance management system has been effective but has not been maximized. This can be seen in several explanations as follows, a) Commitment and policies for implementing employee performance management systems run with the running of the programs that have been given in the company running with sportsmanship because the company's employees are proven to have carried out the commitments and policies that have been implemented in the office. b) Planning for an employee performance management system that goes well because employees in the company do the work in accordance with the plans that have been implemented in the company so that employee performance can run effectively. c) The implementation of the employee performance management system has been effective by creating harmonious relationships for employees who are truly competent so that they can take advantage of the opportunities provided by the leader. The inhibiting factors for implementing the performance management system have not been running effectively because we can see that in the Company there is still a lack of manpower so that there are employees who crawl from one job to another. b) lack of work motivation based on the abilities possessed so that they can do office work poorly, and on time and produce a satisfactory performance, because there are still many employees who lack motivation in doing work. Factors supporting the implementation of the employee performance management system have been running well, judging from the capabilities possessed so that they can do office work well. a) The level of awareness of the apparatus is getting higher in carrying out the work so that it can be completed, b) The level of knowledge is increasing so that it can run effectively and efficiently. c) Time consistency with employees' time consistency so that employees are able to produce a satisfactory performance.

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