

Research Article

STUDY OF THE RELATIONSHIP BETWEEN MANAGERS' ACTIONS, ACTIONS OF STAFFS AND MANAGED PERFORMANCE

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ABSTRACT

Growth and sustainable development of organization is the result of assessment, analysis, compare and doing necessary actions about performance. Performance assessment is having negative meaning in organizational behavior and in view of organization staffs it is the same as assessing and ranking individuals by the managers that is usually done through an annual meeting. Therefore, judgment and decision making about personnel performance, groups, units and organization requires choosing appropriate indexes to prove accuracy of perceptions. On this basis, present study is done by the purpose of revising strategies in different steps of implementing strategic management system in order to determine the effectiveness of used strategies within Mehr financial and credit institute in KhoramAbad, also determining criteria and indexes for surveying effectiveness and efficiency according to standard necessities. Research method was survey and population has included 70 people of Khoram Abad Mehr financial and credit institute. In order to increase the reliability of the research, no any sampling has been done. Utilized statistical method includes descriptive statistics and appropriate inferential tests with the kind of data and variables that include two parts, descriptive statistics are: mean, criteria deviation, related diagrams, inferential statistics are: Pearson correlative test and significant correlative coefficient (t). There is a positive relation among managers' actions, employee's actions and managed performance.

Keywords: *Managers' Actions, Employees' Actions, and Managed Performance*

INTRODUCTION

The researchers of management science believe whatever is not measurable, cannot be managed, and within today's fast moving universe, for management within organizations in facing with permanent researches and repetitive changes we require to know how the organization performance is, and how much we achieve our goals and plans. This is possible by settling a comprehensive assessment system that can analyze and assess organization in all aspects. Measuring performance is one of the best ways to access information for decision making within organizations.

Performance assessment of business units is one of the main challenges of managers of these units during history (Kaplan and Norton, 1996). The significance of assessing performance is clear for organizations and it plays an important role either in private section or non-profit ones, since it helps organizations through evaluating the performance (Proper and Wilson, 2003). Performance assessment is one of the best ways to obtain information for decision making within organizations. In past, the success of organizations was only evaluated through financial measurements but, by increasing competition within markets, in addition to financial status we shall consider other aspects of organization performance (Kaplan and Norton, 2004). Regarding the significance of performance assessment for organizations, in assessing the performance of an organization we shall consider non-financial aspects beside financial ones. Between 1850–1975 organizations could rely on their success only by decision making based on financial status. Nowadays, organizations in order to maintain and reinforce their own competitive advantages are widely using performance tests in order to assess, control and improve business processes (Proper and Wilson, 2003). Previous studies indicate the fact that traditional performance tests which were based upon management accounting systems are not adequate; since they only focused on financial aspects that such aspect is never a sustainable competitive advantage on organizations in today's world. Therefore, organizations shall seek for a system that assists them to get succeed in moving forward in addition to assess different parts of organization. Due to available limitation within traditional tests, the features of

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non-traditional performance tests are emerged in literation (Wongrassamee *et al.*, 2003). Many of today's managers are facing routine due to different reasons, and as a result they do activities with lack of added value that the repetition of them will create wrong beliefs. This research is trying to explain the most important mistakes of managers and employees in connection with performance management and in connection with preventing such mistakes they represent a model. Simultaneously by the tendency of organizations to competition, technology progress and new economics the pressure will be increase on strategic plans within organizations. These plans require a perfect method for implementation to maintain the organization at the top of competition and permanently create value for organization, shareholders and all the beneficiaries (Johnson, 2003). Fortunately organizations in this decade or during recent years have stopped imagination and are trying to create added value. But, there are obstacles in the road of added value, which nobody thinks about it till today. Significant share of these obstacles are coming from mental paradigms, wrong beliefs and sometimes managers' mistakes (GoranOlive and Sjostrand, 2005). It is necessary to say that even the best process of planned management performance will be effective only when it is matched with leadership method, management method, managers and employees' beliefs and organization's culture. This research is trying to state how the process of performance management can support organization in determining the problems and as a result solving obstacles in 7 agent's model by a new and applicable approach. The review of performance management activities indicate although the purpose for reviewing and assessing employees' performance is not to punish them and it is to increase efficiency, it is observed within traditional approach of performance management any fault is faced with punishment, in fact, usual and traditional actions of performance management is unable to increase efficiency and it will not able to train employees to be committed to organization purposes (Robins, 2006). But in today's successful organizations that the approach of optimum performance management is applied with a non-punishment nature, actions like downgrading or non-payable suspensions are eliminated and the employees know that keeping their occupation is subject to their personal behavior and commitment towards satisfactory performance. Therefore, the most important advantage of this approach is that the responsibility of performance is transferred from supervisors to employees. Therefore, employees are facing with these questions, to change themselves to survive in the organization or to lose their job? At first, the purpose of creating performance management was to encourage and guide employees to show their specific skills and adapting their performance with the purposes and important achievements of organization. The challenge of today's performance management is to create effective approaches that meet such requirements and priorities (Abili and Movafaghi, 2003). These organizations in facing with the phenomenon of performance management will require a kind of new attitude and innovative performance management systems, approaches and methods to assist them in creating new methods and efficient employees' management regarding occupational responsibilities and their expected behaviors. Since traditional systems of performance management are more focusing on premiership of individual instead of systematic consideration on quality, a kind of change and rotation from traditional systems of performance to the systems that insisting on training skill and necessary ability in achieving collective responsibility and supporting it will be considered. It is clear that in such system, evaluation is not an interpersonal competition and the employees are competing on achieving pre-determined standards instead of competing against each other. The processes of performance management shall necessarily turn into a status of minimum court-orientation, and focus more on development of performance. Supervisors shall turn performance management to a tool for reviewing procedure continual that focuses on "future" rather than "past". In this process, reciprocal negotiations, mutual agreement, obligation and reliability are considered as the most important activities (Khoshvaghti, 2005). Real commitment to quality means that we shall meet continual progress in the plans of employees' performance management. Organizations shall not seek for a kind of just doing the duty; also they shall seek for ways to improve the plans of performance management to provide better support of business and responding to employees' requirements (Abili and Movafaghi, 2003). Growth and sustainable development of organization is the result of assessment, analysis, compare and doing necessary actions about performance. Performance assessment is having negative meaning in organizational behavior and in

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view of organization staffs it is the same as assessing and ranking individuals by the managers that is usually done through an annual meeting. Therefore, judgment and decision making about personnel performance, groups, units and organization requires choosing appropriate indexes to prove accuracy of perceptions (Akbari, 2007). Now, all small and big governmental and private organizations have understood the importance of self-performance assessment system. In addition to it, the managers of researching projects are requiring an appropriate system for assessing their projects' performance assessment to measure their performances based on determined indexes and proper indexes at any time. Such assessment indicates the progress of doing plan in comparison with pre-determined goals continually and practically (Robins, 2006). Today's universal competition requires that non-financial measures like quality, availability, productivity, flexibility, presenting and employees' performance to be considered in assessing the organizations' performance. Many companies are now believing that severe concentration on financial measures are in contradictory with the significance of depending to these measures. For instance, poll from 203 managers in 1996 indicated that non-financial measures are having high value. But still they are utilized rarely within reports. For instance, 85% of respondents have reported that the information relating to customers are having high value in decision making and only 48% of them are considered in reviewing the usual management (ArbabShirani, 2009). On the other hand the necessity of reviewing strategies in different steps of implementing strategic management system in order to determine effectiveness of utilized strategies within financial institute, also the necessity of determining criteria and indexes in order to survey effectiveness and efficiency in accordance with standard obligations, accessibility to organization purposes in accordance with resource allocation and also since the results of this assessment can be as a guide light of all managerial activities within Mehr financial and credit institute, made the researcher to assess the performance of this institute based on the indexes of this new model, since the banks and financial institutes are the most important places that many people are going to them daily and the performance and attitude of their employees are high effective on satisfactory and tendency of customers, therefore, the study of relation among managers activities, employees attitudes and managed performance within Khoram Abad Mehr financial institute is an issue to increase productivity and also customer satisfaction.

MATERIALS AND METHODS

Methodology

Present study is a descriptive-correlation study and in terms of its purpose, it is an applied one. Population and statistical sample of the research included all employees of Mehr credits and financial institution of Khorramabaad (n=70) that participated as sampling in this study. Data collection tools were three researcher made questionnaires (including a 45-item questionnaire to measure the actions of managers, an 11-item questionnaire to measure the actions of employees and a questionnaire with 20 questions to measure management performance) that were scoring based on 5-choice Likertrom strongly agree to strongly disagree. 20 validity questionnaires were distributed among professors to evaluate the reliability of research and validity of indicators that were used. 14 of them have been responded out of this number from each aspect. Reliability of responses in each questioner is one of the three options of perfectly appropriate and appropriate, partly appropriate, inappropriate and totally inappropriate. Number of people who responded to each indicator, perfectly appropriate and appropriate answer will be added and will have percentage based on the other options. An index that the percentage of its respondents to perfectly appropriate and appropriate is more than 70% will be chosen as the idea index and a question is designed for that. 49 questions are considered in the aspect of managers' actions that 45 of them were faced with more than 70 percent of fortune. 11 questions of 15 have been accepted regarding actions of the staffs. And 20 questions of 25 were accepted regarding managers performance. Questions of the questionnaire are designed according to indicators listed in every aspect. Determining validity of the research is based on content and it means fitness indicators and items with the concept or the variable of interest. Therefore, professors responses indicated that the appropriateness of indicators with the size of the model. To check the reliability of the questionnaires, 20 questionnaires were randomly distributed between statistical

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sample and after collecting, their reliability has been calculated using Cronbach's alpha coefficient and 76/0 is the obtained amount for management performance questionnaire and 71/0 is for staffs' actions questionnaire and 72/0 is for managers actions questionnaire. The analysis of data collected from questionnaires was used through Kolmogorov–Smirnov test (to determine the normal distribution of data), Pearson correlation test and correlation (t) to analyze the hypothesis.

RESULTS AND DISCUSSION

Findings

Test results of Kolmogorov - Smirnov test showed that management performance ($=0/19$ Sig. $=1/07$; Z) manager's actions ($=0/32$ Sig. $=0/95$; Z) and staff's behavior ($=0/19$ Sig. $=1/08$; Z) had a normal distribution. Pearson correlation test was used to explain the relationship between research variables. The amount of correlation coefficient between actions of employees and managed performance has lots of different from zero and t-test value in alpha / 01 is significant and observed t (17/33) is bigger than t of table (2/65). This means that correlation coefficient is statistically significant. This means that there was a significant positive correlation between managed performance and attitude of the staffs. The amount of correlation coefficient between actions of employees and actions of managers has lots of different from zero and t –test value in alpha / 01 is significant and observed t(9/875) is bigger than t of table (2/65). This means that there was a significant positive correlation between actions of employees and actions of managers. The amount of correlation coefficient between actions of employees and actions of managers has lots of different from zero and t –test value in alpha / 01 is significant and observed t (5/75) is bigger than t of table (2/65). This means that correlation coefficient is statistically significant. This means that there was a significant positive correlation between actions of employees and actions of managers.

Table 1: Results of the correlation between the research variables

Variables	The correlation coefficient	Sig	t	Observed value
Managed performance Employee's actions	0/79	0/0001	2/65	17/33
managers actions Employee's actions	0/766	0001	2/65	9/875
managers actions Managed performance	0/572	0001	2/65	5/75

Discussion

The correlation matrix between the research variables showed that the three variables are significantly related to each other. The results of Abdolahi (2007), Khaloozadeh (1997), James (2010), Kanji (2002), Erickson and Garvar (2005) is parallel with current research. Managers' actions must be considered as factor affecting performance of financial institutions. And it must be tried to apply main actions to improve their performance in different fields to increase the efficiency and customer's satisfaction through continues training of managers. To raise the motivation, it is needed to increase salary, promotion and...Actions of employees are associated with increase of staff job satisfaction of, including personal, group and organizational factors. It must be tried to apply main actions to improve their performance to increase the efficiency and customer's satisfaction. Relationship of these must be such as to improve the performance of these institutions to increase service quality and customer satisfaction and it must be tried to design sources depended on these institutions to increase efficiency and effectiveness as well as reducing costs. Also some fair salary must be considered to compensate for the efforts of staff and finally this will lead to increase the efficiency. It is possible to develop organization with careful planning and coordination among the different units and providing useful recommendations and identifying talents of employees. The objectives of this organization should be such a way that Staff efforts use to improve performance of these institutions in order to improve service quality as well as customer satisfaction.

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Service of financial institutions is considered as an effective component on act of managers in these institutions. Therefore, provided services must be in such a way that can increase performance of these institutions as effective factor on behaviors of the employees. Therefore, it must be tried to increase efficiency and effectiveness and also providing customer's satisfaction by creating healthy and safe work environment for employees in these institutions.

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