International Journal of Management Research and Economics Vol. 2 No. 1 February 2023



e-ISSN: 2986-7398, p-ISSN: 2987-6311, Hal 101-110 DOI: https://doi.org/10.54066/ijmre-itb.v2i1.1275

Implementation of performance management in improving quality of work of Lava Cheese employees

¹Adhine Iadhalia, ²Fera Uswatun Khasanah, ³Gita Armelina, ⁴Heni Purweny, ⁵Satriadi STIE Pembangunan Tanjungpinang

¹adhineiadhalia@gmail.com ²ferauswatunkhasanah390@gmail.com, ³giarmelinagita@gmail.com ⁴henipurwenyy@gmail.com, ⁵satriadi@stie-pembangunan.ac.id

Campus Address: JL. R. Haji Fisabilillah NO.34 Sei Jang, Bukit Bestari, Sei Jang, Kec Bukit Bestari Tanjungpinang City, Riau Islands

Author correspondence: adhineiadhalia@gmail.com

Abstract. In a company, the application of maximum performance management must be applied for the sustainability of the company itself, because a company must have effective performance management to achieve predetermined goals, in this study the performance management applied by Lava Cheese to improve employee performance based on 4 stages, namely the planning, implementation, assessment and follow-up stages. The application of performance management implemented by Lava Cheese includes assessing employees, actions taken when problems occur, what matters are taken into consideration. Lava cheese is an F&B restaurant engaged in fast food, this restaurant is located at Jalan Kuantan KM 5 Tanjungpinang, Riau Islands. The purpose of this research is to find out how the implementation of performance management in the Lava Cheese restaurant, this research was conducted using descriptive qualitative methods and with the results of interviews and surveys, the resource persons in this study were lava cheese managers who played an important role in the implementation of performance management at Lava Cheese.

Keywords: Implementation, Work Management, Employees

BACKGROUND

Developments in the business world are increasingly rapid and diverse, one of which is in the culinary business which is increasingly widespread and quite popular in Indonesia, especially in big cities. With an interesting to unique concept of the characteristics of the taste or place that makes the attraction of various culinary businesses. The spread of the sector in the culinary business has also spread to the Riau Islands Region, especially in the city of Tanjungpinang. Various types of culinary businesses that are quite popular in Tanjungpinang, one of which is the F&B restaurant Lava Cheese, Lava Cheese is a company engaged in food or F&B which was founded in mid-2022, in a relatively new time frame Lava Cheese has developed rapidly and is able to compete among other F&B competitors.

Mere popularity is not enough to make an F&B business sustainable and successful in the long run. One of the things that can be caused by the rapid change of trends among young people, which is a benchmark for the development of this culinary business, is that the existence of F&B with a more attractive concept will be a fairly constant competition for other F&B. The hard work of business people does not stop after their business becomes popular in the market. Received: November 20th, 2023; Accepted: December 18th, 2023; Published: February 28th, 2024

Thus, the company certainly carries out various strategies so that this business continues to run forward and survive according to future developments.

In this growing era, almost all companies, both large and small, must have performance management planning, a good performance management is planning for existing employees or human resources, because human resources are an important factor in a company. Performance management requires effective and efficient governance (Azizah, 2021). Performance management is defined as a form of communication that is carried out continuously, this communication is carried out directly by superiors and employees, containing setting goals to achieve company expectations and explaining work in detail.

With the existence of performance management can help companies in planning steps as a way for companies to achieve goals. Therefore, it is necessary to understand performance management for employees within the company. The achievement of company goals shows the results of the company's work in terms of performance. In essence, performance management is managing all company activities in order to achieve predetermined goals. Performance management supports the process by which the company and employees successfully achieve the desired goals. Performance management in companies involves the process of goal setting, performance measurement, feedback, and employee development to achieve optimal results. It ensures that every team member contributes effectively to the achievement of company goals.

Performance management is also a mechanism that connects employees and companies The implementation of performance management plays a role in achieving the best results for your employees Performance management in the company system itself is a very useful method not only for employees but also for the company The future success of a company depends largely on the good performance of its employees It is very important to implement performance management in the company.

With the application of performance management plays a role in organizing and managing employees, the application of performance management can have a positive impact on the development of the company so that quality and competent human resources are formed. And through this, the company better understands and understands the importance of implementing performance management in the company in the employee performance process. The purpose of writing this journal is that researchers want to know the stages in implementing performance management to improve the quality of employee work at the Lava Cheese restaurant and see and look for the application of performance quality at Lava Cheese that has

been carried out. Researchers also hope that this journal can be understood and accepted by readers of the general public and can also be used as learning materials and knowledge for further research materials.

THEORETICAL STUDY

Performance Management

Udekusuma defines performance management as a process of management designed to link organizational or company targets with individual targets, so that organizational or company and individual targets are in line with each other. (*Penerapan Manajemen Kinerja Pada Toko Buku Rumah Pintar Tanjungpinang*, 2019)

According to Wibowo, performance management is also a style of management when managing resources that focuses on performance that carries out a transparent and sustainable communication process by creating a shared vision and a strategic approach as a motivation to achieve the targets of an organization or company. (Sihombing, 2021). Performance management is a management style whose basis is open communication between superiors and subordinates regarding setting goals to be achieved, providing feedback both from superiors to subordinates and vice versa. (Tara Chairunnisya et al., 2022)

Performance management is based on the idea that employees know and understand what is wanted from an organization or company and are included in determining what goals are to be achieved. (Jaya & Munzir, 2021). The purpose of performance management is to increase productivity, effectiveness and efficiency in accordance with the standards set by the organization or company. (Saputra & Nur, 2019)

A performance management can be implemented properly if the system implemented is also appropriate, the impact is to increase high employee participation and be more committed to the duties and responsibilities of a company. (Noronha et al., 2016). An important issue that should be considered by all members of an organization or company in order to improve performance can be resolved by performance management. Performance management indicators also differ based on performance improvement factors.(Indriyani, 2019)

A good performance management system will affect individual workers, work units and other aspects of the company. Here are some common reasons for failure that should be avoided when implementing performance management as discussed by Oliver and Dessler below:

- 1. Lack of standardization
- 2. Relevant and specific standards
- 3. Unrealistic standards
- 4. Inappropriate achievement indicators
- 5. Appraiser error
- 6. Giving negative feedback
- 7. Poor communication
- 8. Unsuccessful utilization of evaluation data

Mathis states that an effective performance management system includes relevance, sensitivity, reliability, acceptability, practicality. (Subandi, 2021)

Basically, performance management is a process of managing all activities of an organization or company in order to achieve predetermined target goals, performance management can benefit an organization and individuals. The benefits of performance management for an organization or company are aligning organizational or company goals with team and individual goals, improving performance, motivating employees, increasing loyalty, increasing training and development activities, increasing the skill base, improving continuous improvement and development, and supporting total quality initiatives and customer service. The benefits of performance management for individuals are clarifying tasks and goals, encouraging and supporting individuals, helping to develop performance abilities and skills, and setting targets and plans to improve future evaluations.(Nursam, 2017)

In performance management, there must be an effective application of performance management so that it can run well. The performance management system cannot run smoothly and will not be effective if in management there is no implementation or application of performance management, a performance management can be said to run smoothly and purposefully if there is structured management in it.(Gautam & Jain, 2014)

According to Wibowo, the implementation of performance management is an absolute necessity in an organization/company to achieve its targets through work and harmony between superiors and subordinates. (unila, 2011)

According to "Performance Management: Key Strategies and Practical Guidelines" the implementation of performance management is a strategic process that can improve the performance of workers in an organization or company, which refers to the success of an organization/company going forward.(Armstrong, n.d.)

A performance management can be implemented properly if the system implemented is also appropriate, the impact is to increase high employee participation and be more committed to the duties and responsibilities of a company. (Noronha et al., 2016). In the implementation of performance management focuses on 4 stages applied by organizations or companies in the performance management system, the 4 stages are the planning stage, the implementation stage, the assessment stage and the follow-up stage

4 stages of implementing performance management

1. Planning stage

Wibowo states that performance planning is a process in which managers and employees work together when planning future organizational or company goals, describing performance measurement, performance identification and overcoming obstacles and understanding each other about work. (Anas et al., 2023)

Performance Management Planning (PMK) is a management technique for performance improvement that prioritizes the analysis of driving forces and performance inhibitors in order to determine strategies and steps for coordinated activities in order to achieve organizational goals. (Yuliani, 2020)

2. Implementation stage

According to Abdullah, implementation is a process of continuous collection or predetermined policies that include making decisions, strategic or operational steps and implementing policies so that the goals of the organization or company are achieved.(Julaiha Juli, Nurul Farhaini, Rollin fadilah Hasibuan, 2022)

3. Assessment stage

According to Wirawan, performance appraisal is the stage of planning, organizing, monitoring, controlling and assessing performance. Effective performance appraisal compares the performance of workers with the standards set by an organization or company. (Qurrotu Ayyun, 2011)

4. Follow-up stage

According to (Rojuaniah, 2012) follow-up is a stage in performance management that includes giving rewards or punishments for the performance achieved by workers

RESEARCH METHODS

Qualitative Methods

In this study, researchers used data collection to obtain information by applying descriptive qualitative methods. In this method describes or describes in detail the conditions in the field. Data collection obtained through this method is in the form of direct observation or review of the Lava Cheese location, interviews with the Lava Cheese manager and references to the bibliography as data reinforcement.

Descriptive quantitative research as part of research that analyzes or examines in detail what happens in the field naturally and understands a person's experience in a realistic situation, so that problems can be resolved or solved individually. (Nurmalasari, Y., & Erdiantoro, 2020)

The research team made observations or direct observations to the research location of the Lava Cheese restaurant to conduct direct research and observations, to be a reinforcement in this study, the researchers also attached the results of interviews and photos with the sources. The sample used in the study was a manager of Lava Cheese. The population in this study at Lava Cheese has 8 employees who are divided into 2 shifts every day.

RESULTS AND DISCUSSION

After studying the theory of performance management, researchers analyzed the application of the performance management system implemented by Lava Cheese. The following are the results and discussion of the application of performance management through 4 stages, planning, implementation, assessment and follow-up stages.

a. Planning stage

At this stage, all operational activities and employee performance management are regulated in the company's SOP (Standard Operating Procedure), where everything runs in accordance with the applicable SOP, the Lava Cheese SOP includes how the existing management system, standards in serving consumers include friendliness, courtesy and ethics, time discipline regulations, implementation of attendance for employees with predetermined limits and conditions, division of labor according to their respective sections, joint search for solutions regarding problems experienced by employees, good communication between managers, superiors and employees, because in a company, communication is the most important factor so that all company work systems can be well conditioned.

In this planning stage, the preparation of a work system that is also directed and systematically arranged, the Lava Cheese system does not implement a work contract system as a plan in maintaining and minimizing the occurrence of continuous employee turnover.

b. Implementation stage

At this stage where the Lava Cheese restaurant realizes or realizes the planning stages that have been made previously, in this case the Lava Cheese planning regulations regarding the division of employee work, where in this division it is divided into two shifts, the morning shift and the night shift, and for the team it is determined from the beginning and is not changed until the end, the division of labor is carried out to make it easier for employees to complete work according to their expertise, so that it has an impact on the absence of workload and work stress because they have to complete work that is not their expertise, then the implementation of employee attendance which is assessed directly by the manager.

Punctuality in coming and going home and working according to their respective sections, implementation of the attitude and manner of employees in serving consumers by reprimanding and greeting, Lava Cheese has a standard that employees during operational hours must have good ethics to consumers, performance management applied by Lava Cheese is open and does not pressure employees, so that employees are able to work casually, as evidenced by the open communication between employees and managers to discuss.

c. Design stage

At this stage, evaluation and observation of employee performance are carried out, in the Lava Cheese restaurant, the main assessment indicator is the attendance of employees to arrive on time during the morning shift at 9:00 and 3:00 for the afternoon shift, this attendance affects the assessment of employee performance related to work discipline, then the most important indicator that becomes an assessment is the ethics and attitude of Lava Cheese employees, not only to customers but also to fellow employees, related to employee performance problems, the manager conducts several stages and directs employee performance gradually and gives employees time to process in understanding Lava Cheese's performance.

This assessment affects the quality of employee work, with an assessment being able to assess and understand employee performance, good or bad, in accordance with the objectives set at the beginning or vice versa. With an assessment being able to increase employee motivation, in the form of input or suggestions to be used as material for self-evaluation of Lava Cheese employees, then the assessment also acts as a discussion material for employee

improvement steps, this assessment also has an impact on the existence of rewards or awards that are given equally and fairly to all employees and are not personalized.

d. Follow-up stage

At this stage, Lava Cheese takes several actions against problems that exist or arise in the midst of implementing performance management. For example, in the problem of attendance, in the results of the interview the manager said that to follow up on problems related to this attendance by giving personal reprimands and warnings to maintain employee privacy, if indeed the reprimands and suggestions did not provide changes, then Lava Cheese took action by unilaterally dismissing employees if there was no change, in several cases the lava cheese had dismissed several employees with poor attendance records.

The actions or steps taken by Lava Cheese to minimize employee turnover by removing or not applying the work contract system, giving freedom to employees and as a step to overcome turnover at Lava Cheese. At the assessment stage, the action taken by Lava Cheese is by looking at the results of evaluation and supervision, a breafing is held to discuss and reveal problems with the performance carried out by employees.

CONCLUSIONS

Based on the results of the research, it can be concluded that, the stages in implementing performance management at Lava Cheese have been running properly, but there are still obstacles from several aspects that need further attention, such as a more inclusive strategy to improve performance and reduce employee turnover. Evaluation of this management method also needs to be carried out periodically to ensure its effectiveness, especially in the aspect of assessment, there is a need for improvement of rewards or awards that are given personally to employees who have performance in accordance with existing company standards.

ADVICE

- 1. Lava Cheese can review strategies that involve all employees in the decision-making process or provide input to improve performance.
- 2. Identify the causes of employee turnover and offer incentives, training, or a better work environment to achieve goals and minimize it.
- 3. Conduct regular evaluations of the performance management methods in place to ensure their effectiveness and make adjustments as needed.

- 4. Lava Cheese must focus on improving certain aspects that are still an obstacle in the implementation of performance management.
- 5. Lava Cheese needs to adjust rewards more individually, perhaps with more varied choices or more specific recognition of the performance achievements of its employees

LITERATURE

EBOOK

- Azizah. (2021). MANAJEMEN KINERJA. In Penerbit NEM (Vol. 1266). https://books.google.co.id/books?id=kaJGEAAQBAJ
- Armstrong, M. (n.d.). Performance Management Key strategies and practical guidelines.

NASIONAL JOURNAL

- Penerapan Manajemen Kinerja Pada Toko Buku Rumah Pintar Tanjungpinang. (2019). 196 205.
- Sihombing, J. (2021). Analisis Penerapan Manajemen Kinerja Terhadap Evaluasi Kinerja Karyawan. *Jurnal Manajemen*, *Organisasi*, *Dan Bisnis*, *Vol.* 1(No 2), 287–297.
- Indriyani, A. (2019). Analisis Penerapan Sistem Manajemen Kinerja Berbasis Kompetensi (Studi Pada Pt. Bintang Indokarya Gemilang). *Jurnal Ilmiah Indonesia*, 4(4), 36–47.
- Jaya, F., & Munzir, T. (2021). Manajemen Kinerja Karyawan Pada PT Duta Dimensi Batam. Jurnal Manajemen, Organisasi, Dan Bisnis, 2(1), 55–62.
- Nursam, N. (2017). Manajemen Kinerja. Kelola: Journal of Islamic Education Management, 2(2), 167–175. https://doi.org/10.24256/kelola.v2i2.438.
- Saputra, A. P., & Nur, M. I. (2019). 6311-17315-2-Pb. *Jurnal Birokrasi & Pemerintahan Daerah*, 1(November), 1–18.
- Sihombing, J. (2021). Analisis Penerapan Manajemen Kinerja Terhadap Evaluasi Kinerja Karyawan. *Jurnal Manajemen, Organisasi, Dan Bisnis, Vol. 1*(No 2), 287–297.
- Subandi. (2021). Manajemen Kinerja dalam Peningkatan Pelayanan Terhadap Kepuasan Pelanggan di Asrama Haji Batam Kota Batam. *Jurnal Manajemen, Organisasi, Dan Bisnis, 1(2), 206–218*.
- Tara Chairunnisya, Tri Ayu Cahyani Putri, Hery Setiawan, & Jefri Akbar. (2022). Penerapan Manajemen Kinerja Dalam Sumber Daya Manusia Pada Umkm Cafe Uncle Jack. *Prosiding Seminar Nasional Manajemen Dan Ekonomi*, 1(1), 45–57. https://doi.org/10.59024/semnas.v1i1.5
- Nurmalasari, Y., & Erdiantoro, R. (2020). Perencanaan Dan Keputusan Karier: Konsep Krusial Dalam Layanan BK Karier.

- unila. (2011). *Tinjauan kinerja manajemen*. 11–39.
- Anas, A. M., Bado, B., Manda, D., Azis, M., & Najamuddin. (2023). Pengaruh Perencanaan Kinerja dan Motivasi Kerja terhadap Kinerja Karyawan di KPRI UNM. JIAN: *Jurnal Ilmiah Akuntansi Dan Keuangan*, 2(1), 18–27
- Julaiha Juli, Nurul Farhaini, Rollin fadilah Hasibuan, N. A. S. (2022). *Jurnal Pendidikan dan Konseling. Jurnal Pendidikan Dan Konseling*, 4, 1349–1358.
- Qurrotu Ayyun. (2011). Penilaian Kinerja (Performance Appraisal) pada Karyawan di Perusahaan. *Majalah Ilmiah Informatika*, 2(3), 74–88.
- Rojuaniah. (2012). Manajemen Kinerja. Https://Www.Esaunggul.Ac.Id/.
- Yuliani, F. (2020). Perencanaan Peningkatan Kinerja: Upaya Merancang dan Meraih Kinerja Prima. 09, 118–125.

INTERNASIONAL JOURNAL

- Gautam, A., & Jain, S. (2014). Implementing Performance Management Systems: A Strategic Tool for Human Resource Management. *Prabandhan Guru*, 5(August), 28–32.
- Noronha, S. F., Aquinas, P. G., & Manezes, A. D. (2016). Implementing Employee Performance Management System: A Scoping Review. *International Journal of Management and Applied Science*, 2(25), 85–89. http://www.iraj.in/journal/journal_file/journal_pdf/14 256-146502076485-89.pdf