

Improvement Strategy for Performance Management of Production Workshop of Medium-sized Private Enterprises

Yinghui Gao

Hainan University, Changjiang Street, Hainan, China

276589252@qq.com

Keywords: production workshop, performance management, performance assessment; performance improvement, KPI.

Abstract: Performance management is an important part of the current human resources management of enterprises, which is valued by more and more enterprises, but in the actual operation process, it is inevitable that it encounters difficulties or has irregular applications. This article starts from the current private economy Starting from the high-speed development environment, taking the medium-sized private enterprise pb company as an example, the performance management status of the enterprise's production workshop is analyzed, from the construction of the performance index system, the application of the performance assessment and feedback system in the production workshop, combined with the theoretical basis The optimization strategy is given to make the performance management of production workshops of private enterprises more systematic and scientific, and provide certain reference and reference for the performance management of production workshops of the same type companies.

1. Introduction

Since the reform and opening up, China's private economy has continued to grow and develop. General Secretary Xi Jinping mentioned in his speech at the private enterprise symposium that the number of private enterprises in China has exceeded 27 million and the registered capital has exceeded 165 trillion yuan. Its tax contribution has exceeded 50%, GDP contributed more than 60%, technological innovations contributed more than 70%, and provided a large number of employment opportunities for the urban labor force. However, the private economy also encountered many difficulties in the development process, and private enterprises generally have extensive management , Poor self-management and other issues; its human resources management has not been paid attention to, among which performance management is not standardized and standardized, and employee incentives are not in place. The implementation of a scientific performance management system can ensure the organization members 'work behavior and their work. The results are consistent with the organizational goals, and continuous closed-loop performance management is conducive to the improvement of the performance of employees, departments and organizations, and the realization of organizational strategic goals. Therefore, small and medium-sized enterprises should make institutional improvements and improve their existing performance management problems. Optimization to promote the rapid construction of corporate culture Enhance the core competitiveness.

This article mainly takes the medium-sized private enterprise PB company as the research object, by analyzing the status of the performance management of its production workshop, to provide them with reasonable performance management improvement measures, and discusses how the medium-sized private enterprise should improve performance management in the context of the rapid development of the private economy. Pay attention to what is ignored in the performance management of the production workshop, promote the standardized development of company management activities from the aspect of workshop performance management, enhance the organization and cohesion of the company, mobilize the subjective initiative of employees, and at the same time reduce the employee's sense of injustice and reduce the enterprise Employee turnover

rate to adapt to the rapid development of the private economy.

2. Problem analysis

2.1. Model Assumption

Strategic performance management refers to the performance management process cycle carried out by organizations and managers to achieve the company's vision and strategic goals under the guidance of the company's core values and missions to ensure that employees' work behaviors are consistent with the company's goals and through effective The performance management system encourages employees to achieve excellent work results, thereby achieving departmental goals and corporate goals (Fang Zhenbang and Tang Jian, 2018). Effective performance management can inspire employees to work enthusiasm, improve their ability and quality, achieve personal value, and improve Company performance (Han Jianming, 2009).

2.2. Four processes of performance management

The four processes of performance management are: construction of performance plan and indicator system, performance evaluation, performance feedback, and application of performance results.

2.3. Key Performance Indicators

Key performance indicator (Key Performance Indicator, KPI for short) refers to decomposing the organization's strategic objectives layer by layer, resulting in a operable key indicator system (Fang Zhenbang and Tang Jian, 2018). The theoretical basis is the "Eighth-Eighth Principle", that is, 80% of work tasks are completed due to 20% of key behaviors, so the design of performance indicators must also capture 20% of key behaviors (Li Junfeng and Peng Chong, 2011). The KPI setting should be goal-oriented, and the KPI should be determined according to the company's strategic goals, department goals, job objectives, etc.; to ensure the operability of various indicators, each indicator is clearly defined to measure employees, The work results of departments and enterprises.

Determining the KPI indicator needs to follow the smart principle, which can ensure the accuracy and effectiveness of the target, which is not only conducive to the efficient work of employees, but also ensures that the organization implements the KPI evaluation system more standardized and scientific. The SMART principle is shown in table 1.

Table 1 Smart principle

smart principle composition	
Specific	Performance indicators need to be specific
Measurable	Performance indicators can be measured
Attainable	Performance indicators are achievable
Relevant	Performance indicators need to be relevant to other goals
Time-bound	Performance indicators must have clear deadlines

3. Model establishment

3.1. PB company status

1) Company Profile

PB company is a medium-sized private enterprise, established in 2006 and formally established in 2008. The company has more than 120 employees, including 10 process technicians, 8 design personnel, 10 inspection personnel, and 10 production management personnel, accounting for the total number of companies. 33%.

The organizational structure of the unit is shown in Figure 1:

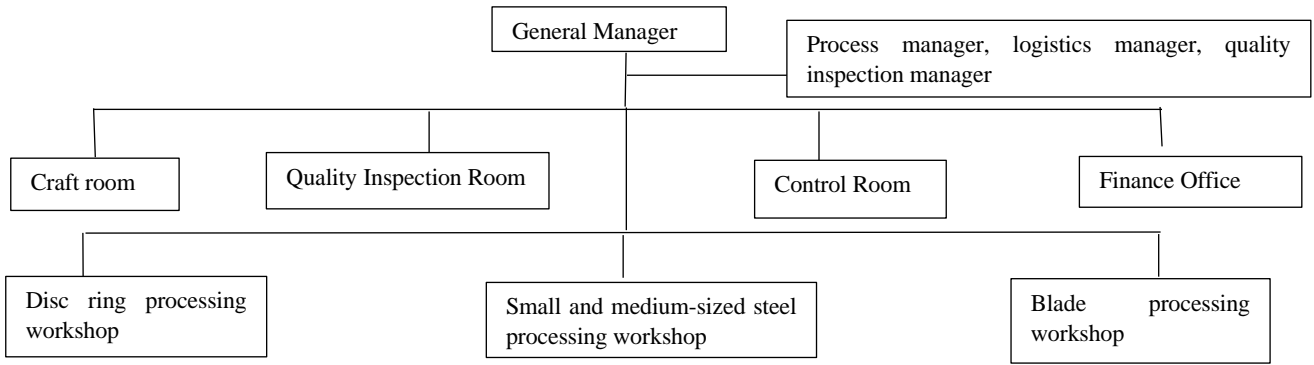


Figure 1 Organizational structure

2) Company workshop overview

PB company divides the processing area into disc ring processing workshop, small and medium-sized parts processing workshop and blade processing workshop for fine processing. The organization structure of each workshop is the same and the operation mode is the same. The company has three workshop directors, each workshop director manages two. Each team has a team leader, and the team shifts to produce white shifts and night shifts, that is, the white night shift rotation system is implemented on a weekly basis. The specific workshop organization structure is shown in Figure 2:

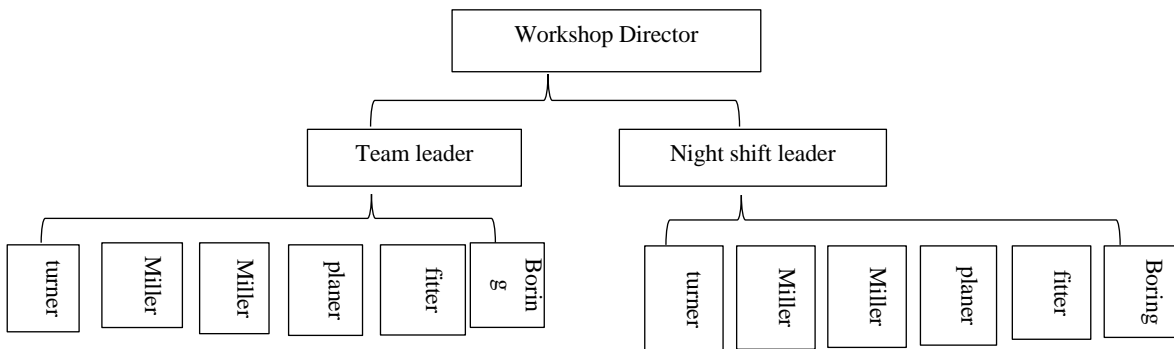


Figure 2 Workshop organizational structure

3.2. Analysis of current situation of performance index system

3.2.1. PB company production worker performance indicator design process

At the beginning of each month, the process room categorizes the products in the order, and divides the categorized products into the production tasks of each workshop in the month, and then splits the products that need to be produced in each workshop in the month into parts that need to be produced. Work time measurement of each part (work time measurement refers to the technical level of ordinary first-line production workers). At the beginning of each month, the workshop directors will receive the production task list of the workshop for the month marked with the estimated working hours of the process room. The indicators are set and assigned to the two teams in the workshop. The team leader makes arrangements for the production workers' daily workload indicators according to the weekly task volume. At the same time, the quality inspection room is notified of the production workers' daily work volume and products. Calculate, record and monitor the pass rate, raw material scrap rate, etc.

3.2.2. Supplementary explanation of PB company performance evaluation indicators

(1) Basic job index: The assessment of the basic job index of the team leader and production

employees depends on the length of service, which is expressed as the monthly basic salary of employees. The basic salary will increase with the increase of the seniority of employees.

(2) Workshop monthly production target value: The performance index of the workshop director's "workshop monthly production target value" is set by the process room, and the actual completion of the workshop's production tasks is recorded by the quality inspection room. The actual completion of the indicator is to pay the workshop director's benefit salary the main basis.

(3) Institutional working hours evaluation standard based on the production workers' working hours: normal monthly index working hours of 180h, if the month meets statutory holidays for more than three working days, the index working hours are 160h. If the actual monthly personal working hours are less than the system working hours standards, the actual completion Working hours \times (basic working hours salary \div 2) The amount of working hours is paid; the actual monthly working hours of an individual is greater than or equal to the system working hours standard, then the working hours are paid according to the amount of actual working hours \times basic working hours. The ordinary lathe is 18 yuan per hour, and the CNC lathe is 20 yuan per hour.

(4) Implementation of quality inspection indicators: The quality inspection room will detect and record the products produced by the production workers. If the product qualification rate does not meet the corresponding evaluation indicators, the basic working hours wages will be partially deducted; if the material utilization rate is lower than the specified value, Appropriate fines for employees based on the price of scrapped raw materials; when there is equipment damage, if it is verified that it is a mechanical failure, no deduction of wages, and if the equipment is damaged due to improper operation, the employees will be appropriately fined; the amount of the above fines depends on the specific circumstances.

(5) Other performance indicators: There is no specific evaluation standard for the evaluation of the competence of the workshop director, the management ability index and work quality index of the team leader, and the production quality index of the production workers. At present, the company adopts The superiors and related personnel directly obtain the score according to the daily impression, and then divide the weight of the different scorers, and then the weighted average of the scores of each participant, and finally get the form of the comprehensive score of such indicators for the employee. There is not too much practical significance, because the score is not linked to the employee's final performance evaluation result, and it is not used as a reference for bonus distribution or job promotion. The scoring is only a process. In addition, PB company only appropriately penalizes employees for irregular behavior. Non-standard behaviors are listed as follows: refusal to accept tasks or passive downtime for temporary tasks; in terms of communication and cooperation, bad attitudes, rough words and deeds, and adverse effects; daily maintenance of equipment after inspection is unqualified; late and early leave without legitimate reasons, etc.

3.2.3. Analysis of Performance Evaluation Index of Production Workshop

The status of the setting of the performance evaluation indicators of the production workshop of the PB company shows that the company has formed a set of its own system in the process of determining the performance indicators, and the focus on the evaluation of the company's economic benefits is obvious, especially the production hours are linked to the wage level, which improves the production. Employees' enthusiasm for work. However, there are still loopholes in the setting of performance evaluation indicators for production workshops. It can be speculated that medium-sized private enterprises may also have the following problems in the setting of performance evaluation indicators for employees in production workshops.

The performance index setting has not yet used professional performance management tools, which has led to an obvious focus on the evaluation of economic benefits, the simplification of the evaluation index, and the neglect of other aspects of performance index evaluation.

There is a lack of soft indicator assessment, and performance assessment is too focused on hard indicators such as job completion. Although the company pays attention to the completion of workers' work tasks and has more complete assessment methods for production task monitoring,

the company lacks assessment of workers' work attitudes, which is not conducive to production. A positive working atmosphere is formed in the workshop. At this time, performance management only plays a certain restrictive role to avoid employees' irregular behavior, and it cannot motivate employees to work actively. Soft indicators are the standard to test whether workers are proactive and complete their work tasks efficiently, and work attitude Active employees have high work efficiency, and can complete work tasks with quality and quantity or exceed work tasks.

When setting the performance evaluation indicators, only the performance indicators of the production employees are emphasized, and the evaluation of the organizational performance indicators is ignored. There are problems such as the lack of organizational performance evaluation indicators, inadequate evaluation, and the evaluation results are only linked to the benefits and wages of the workshop director, which is not conducive to enhancement. The cohesion of the organization also leads to a lack of benign competition between the workshop teams and groups. A reasonable assessment of organizational performance indicators can allow the organization to form a good competitive atmosphere, improve the overall production efficiency of the workshop, and thus improve the company's production efficiency.

3.3. Optimization measures of production worker performance index system

Based on the analysis of the status quo of the performance indicators of the production workshops of PB companies, considering that the number of employees in medium-sized private enterprises is not large, the daily production projects of the workshop are relatively fixed, and there is no special management organization, it is recommended to retain the original performance evaluation indicators. On the basis of the setting process, use scientific performance management tools to combine goal management with key performance indicators. When setting performance indicators for production workshop employees, apply key and effective evaluation indicators and make full use of soft index assessments; The results are included in bonus distribution, job promotion, etc. The following is the optimization plan, and at the same time provide a reference for the production workshop of medium-sized private enterprises of similar scale.

3.3.1. KPI design ideas

Fully learn from and retain the beneficial parts of the original company's performance appraisal system, and make certain improvements and optimizations on this basis. Based on the company's strategic goals, establish a full range of key performance indicator systems in the production workshop, which reflects the evaluation of key performance indicators It also meets the purpose of enterprise performance assessment.

3.3.2. KPI system establishment

First use the goal management performance management tools in the performance planning stage to decompose the company's goals layer by layer, establish the enterprise goals and decompose them into departmental goals, and then decompose and transform them into the personal goals of employees. The general direction, clarify the key tasks of each department, and combine the personal goals of employees with the company's strategic goals more closely, and the goals at all levels are the basis for the establishment of a key performance indicator system.

After decomposing the company's strategic goals, determine the key success areas (kpa) according to the direction of the strategic goals, combine the departmental goals to find out the key performance factors (kpf) that affect the workshop performance assessment through the fishbone diagram analysis method, and finally combine the personal goals and positions Responsible for designing employees' performance appraisal indicators, and then deriving an optimized production workshop performance appraisal indicator system.

By decomposing the company's strategic objectives, six key success areas are obtained: profit growth, technical support, manufacturing workshop, customer service, market leadership, and manpower status, as shown in Figure 3.

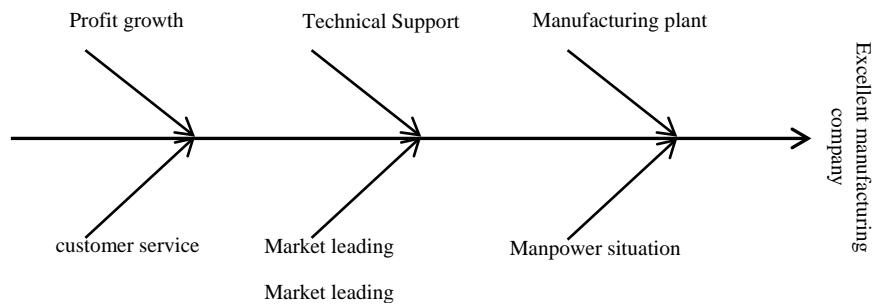


Figure 3 Key success areas

Figure 3 Key success areas

Subsequently, each key success area is analyzed and refined. Here, only the key success area of the company's "manufacturing workshop" is refined, which is used as a reference for the refinement of other key success areas. After refining the "manufacturing workshop", the following is obtained Five key performance elements: cost control, product production, product quality, internal operations, and delivery; then the key performance indicators at this level are extracted based on the key performance elements and combined with daily work tasks in the production workshop For display, see Figure 4:

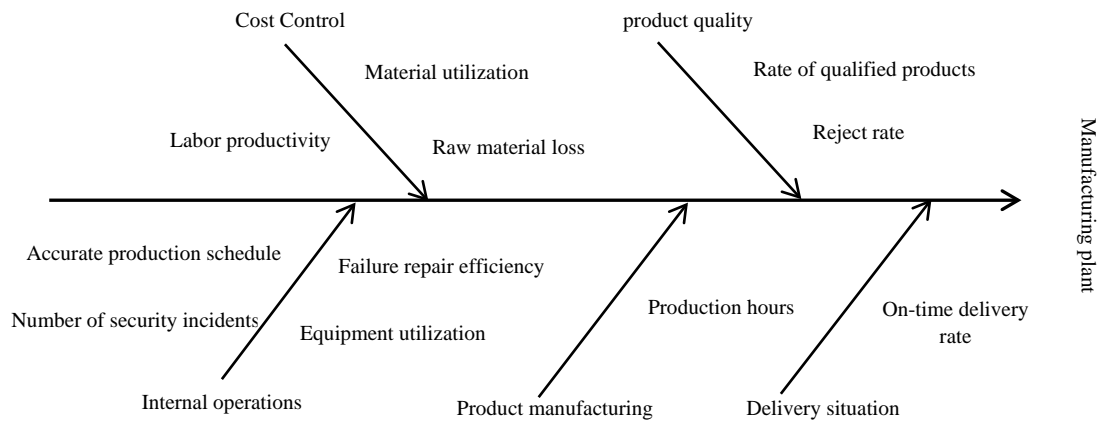


Figure 4 Key performance elements and workshop KPI

3.4. Analysis of the current situation of performance evaluation and feedback system in production workshop

3.4.1. Performance evaluation system needs to be improved

PB company did not select and commend or publish outstanding employees and excellent teams. In the performance evaluation, the lack of public rewards and commendations for excellent employees will suppress the enthusiasm of excellent employees to a certain extent, and there is a lack of healthy competition among employees. It will lead to low work efficiency in the workshop, making most employees only satisfied with the basic working hours set by the workshop, which is not conducive to the improvement of employee productivity. At the same time, there is no institutional regulation on the competition between workshop teams and teams, resulting in excellent teams not being able to obtain Corresponding rewards may cause the collective sense of honor of the production employees in the team to be missing, and the team that is passively unable to work can not find the reason for the work in time in order to correct it.

The performance evaluation scores are in a formal manner, and the evaluation results do not provide a reference for bonus allocation, job promotion, etc., only considering the punishment of production workers for violations; and there is no more manifestation in terms of employee salaries, which cannot effectively solve the employee's Problems such as uneven production distribution on a daily or ten-day basis. The company needs to set up more performance measures to motivate

employees, increase employees' enthusiasm for work, and increase employees' loyalty to the company, such as encouraging employees to complete system working hours tasks in advance, holding skill competitions, and excellence Workshop evaluation.

Employees are unclear about their specific performance in each assessment cycle, and can only check their completion of working hours in the month by setting their wages in the financial room at the end of the month, in order to judge whether the salary is paid accurately for the current month, regarding work attitude, work ability, etc. The results of the assessment are unclear; at the same time, only by observing the work of colleagues during daily work can you make subjective judgments on your work performance in the workshop. There may be situations where employees make subjective judgment errors and affect their fair feelings.

3.4.2. Ignore the establishment of performance feedback appeal system

The current performance feedback of PB company is too simplified. Employees only check the performance of this month when the monthly salary is settled, and the main purpose is to let employees compare the monthly wage settlement situation, did not conduct performance feedback analysis interviews, and cannot analyze poor performance. Or improvement. It can be seen that the company does not pay attention to the feedback of performance evaluation results, has not established a good two-way communication channel, and neither side of performance evaluation can take improvement measures by analyzing performance evaluation results, and the evaluation results have not been effectively used. At the same time, there is a lack of effective performance Appraisal channels, the company's production workshops have no shortage of front-line production employees who are dissatisfied with the eccentricity of the work assigned by the workshop director or production team leader, which has caused certain employees' performance to be affected to some extent, and some employees have their own performance when querying monthly performance. The assessment of doubts but nowhere to appeal has affected the work of employees in the next cycle.

3.4.3. Ignore performance appraisal system for apprentice employees

The company has not yet implemented an applicable appraisal system for apprentices. The current monthly salary of apprentices is fixed and not linked to the production situation of the month; the apprentice masters have no corresponding appraisal standards. Since the apprentices are not skilled in lathe operation, production efficiency is relatively Low, so it is recommended to develop a complete and dedicated appraisal system for apprentices and separate assessment from formal employees to avoid suppressing the work enthusiasm of apprentices; at the same time, apprentices with high production efficiency should also be appropriately rewarded and corrected in time.

3.5. Production hall performance assessment and feedback system optimization measures

In view of the problems in the performance evaluation system of the production workshop mentioned in the previous section, the following recommended measures are given after analysis.

The optimization measures and theoretical basis of PB company performance management system are shown in Table 2:

3.5.1. Internal benchmarking

Introduce internal benchmarking management methods to PB company to form a white night team competition mechanism. While publicizing the performance evaluation results, publicly commend and reward the excellent workshop teams and outstanding production employees, and set up a model benchmark within the company. The final score and ranking of the "Workshop Team Performance Appraisal Form" is used as the basis for the recognition and reward of excellent workshop teams. An excellent workshop team is selected every six months, and the employees in the group who are rated as excellent teams can be given a certain amount of bonuses and at the end of the year Uniform distribution.

Table 2 Optimization Measures and Theoretical Basis of Effective Management System

Existing Problems	Optimization measures	Theoretical basis
Lack of public recognition and rewards for outstanding employees and excellent teams	Internal benchmarking	Achievement needs theory Goal setting theory
Employees are unclear about the assessment results of themselves and colleagues in each assessment cycle, and subjective judgment errors are prone to unfair feelings	Publicize performance evaluation results	Organizational justice theory
The results of performance appraisal did not reflect more in terms of employee salaries; performance appraisal scores existed in the form, and there was no reference for bonus allocation and job promotion	Salary structure optimization	Demand hierarchy theory Equity theory
Ignore performance appraisal system for apprentice employees	Apprentice Performance System Improvement	Theory of matching between man and environment Motivation theory
Ignore the establishment of a performance feedback system and have not conducted a certain performance feedback analysis interview	Performance feedback system improvement	Social Information Processing Theory Feedback intervention theory Feedback communication model
Ignore the establishment of performance appeal system	Establish a performance appeal channel	Organizational justice theory

3.5.2. Publicize the results of performance appraisal

Set up excellent employees and excellent team groups in the bulletin board, encourage everyone to look at the learning of excellent employees and team groups; employees who have problems and poor performance in each assessment period should also be publicly reminded according to the actual situation, so that employees can learn from it in time. Experience and make corrections.

3.5.3. Production employee salary structure optimization

It is recommended that the performance evaluation method be related to the employee's salary, and set up competitive reward wages, class production evaluation reward wages, and ten-day compliance evaluation reward wages to encourage employees. At the same time, the setting of the salary structure needs to reflect more the employee performance evaluation results and integrate employees. The individual's investment in work is reasonably quantified, and the corresponding salary reward items are set to enhance the expression of fairness. Here, we can refer to the class production evaluation system and the ten-year evaluation system of the production workshop of a large state-owned manufacturing enterprise to carry out the salary structure of the company. Adjust and optimize, so that the salary is more linked to performance evaluation, so as to motivate employees. This method is based on the specific production situation of private enterprises to decide whether to adopt it. For companies that need to implement the class production evaluation system or the ten-year evaluation system, The salary structure of production employees is added to the wages for class assessment and ten-year assessment.

3.5.4. Apprentice Performance System Improvement

The company can establish systematic apprenticeship training System, analyze the skills and personality characteristics of the master's matching arrangements, select qualified employees to assume the role of master; design a set of suitable training programs for apprentices. In terms of

system hours, it is recommended to apprentice The monthly working hours of the system is set to 100H; when the legal holidays exceed three working days, the monthly working hours are 80H. And the apprentices do not participate in the assessment of class production and the assessment of ten-day standard work, and their production results are temporarily not included in the competition assessment of the workshop team. I am not familiar with production work. Overtime tasks need to be completed by formal workers, so apprentices have no overtime pay.

3.5.5. Performance feedback system improvement

It is recommended that superiors often communicate informally with employees. According to the theory of social information processing, individuals will obtain information in their daily work environment and then subjectively construct and explain events to make decisions about their own behavior and attitudes (Salancik, 1978) That is to say, different employees may have very different evaluations and views on the same work task, and employees will make judgments and evaluations based on their subjective feelings, and such evaluations will also be affected by the information provided by others. Work tasks, but produce different work attitudes or behaviors of employees, and even produce unfair feelings that lead to negative slacking. In the face of such situations, superiors need to communicate with employees in a timely manner, and this informal communication is often reflected in daily life. At work.

3.5.6. Establish a performance appeal channel

Establishing a complaint channel for performance appraisal results is a more equitable manifestation of the appraisal system. It is recommended that the company establish a performance appeal channel. Appeal Form: Within 5 days after the end of the performance appraisal feedback, file an objection with the Quality Supervision Department and fill out the complete performance appraisal appeal form. If the team leader and production staff cannot reach an agreement, they will appeal to the company manager until they reach an agreement on the performance complaint.

4. Model evaluation

4.1. Advantages of the model

Based on a comprehensive analysis of the problems to be solved, according to the actual agreement, our model has the following advantages:

- (1) This model can more truly reflect the current situation of PB company's production workshop performance management.
- (2) Many KPI indicators in the model are studied to reduce the complexity of the model itself.
- (3) The model comprehensively considers various factors, and has better completeness.

4.2. Disadvantages of the model

At the same time, our model also has some disadvantages:

- (1) The factors considered in the model are not comprehensive enough, resulting in a certain gap between the results and the actual situation.
- (2) The anti-interference ability of the model is not strong.
- (3) The model cannot avoid uncertainty.

4.3. Model improvement

For the problems in the model, for our model, we consider more factors to improve it. The multi-factor consideration method is indispensable, so we need to explore the influencing factors according to the multi-factor and multi-level.

5. Conclusion

This article analyzes the current situation of the performance management of the production workshop of the PB company, based on the relevant performance management concepts and

theories, elaborate on how to use the performance management tool combining target management and key performance indicators to design the production workshop in the setting of the performance evaluation indicators of the production workshop employees. The performance evaluation indicators of the company; in accordance with the design and application status of the company's performance evaluation indicators, the fishbone diagram method was used to analyze, and a set of systematic performance evaluation indicator setting methods was given. In terms of performance management system, it is recommended that the company apply internal benchmarking methods to commend and reward outstanding workshop teams and outstanding production employees to establish benchmarks and set up at the same time. The bulletin board publishes the results of employee performance appraisal to motivate employees; set up separate appraisal methods for apprentices; establish a performance feedback mechanism and performance appeal channel to form a closed-loop performance management process. Private enterprises more need to focus on performance management, improve the performance appraisal system, we have some reference to other medium-sized private enterprises to improve production plant performance management system aspects.

References

- [1] Fang Zhenbang, Tang Jian. Strategic Performance Management [m]. Fifth Edition, Beijing: Renmin University of China Press, 2018.
- [2] Wang Ting, Yang Fu. Incentives and mechanisms of career success in a borderless career [j]. Advances in Psychological Science, 2018, 26 (08): 1488-1500.
- [3] Ma Yongjin. A company performance management system construction and application research [d]. South China University of Technology, 2019.
- [4] Yin Xiaoguo. Strategy-oriented construction strategy of enterprise performance management system——Innovative reform practice based on h company performance management [j]. Enterprise Economics, 2018, 37 (9): 111-117.
- [5] McClelland D C. Need Achievement and Entrepreneurship: A Longitudinal Study [J]. Journal of Personality and Social Psychology, 1965, 1(4): 389-392.
- [6] Kristof-Brown A.L. Person-organization Fit: An Integrative Review of Its Conceptualizations, Measurement, and Implications [J]. Personnel Psychology, 1996, 49(1): 1-49.