

**Research** Articles

# Impact Analysis of Performance Evaluation Methods on Employee Productivity at PT Kangkung Sejahtera

M Iqbal Farochi<sup>1</sup>, Muhammad Wildan<sup>2</sup>, Farras Tahriri<sup>3</sup>, Nadwy Fahlevi Abror<sup>4</sup> and Cedaryana<sup>5</sup>

1,2,3,4,5 Universitas Negeri Jakarta: <u>Iqbalfaroci@gmail.com</u> \* Author Correspondence : M Iqbal Farochi

Abstract: The purpose of this study is to determine the analysis of the impact of performance evaluation methods on employee productivity at PT Kangkung Sejahtera. This study uses a qualitative approach with a library research method. Data collection techniques through systematic literature searches using academic databases, documentation and categorization of relevant sources, and selection and selection of literature . The data analysis process in the study uses a qualitative analysis method with stages, Organizing, Synthesizing, Identifying, Coding, Critical Analysis, Conclusion, Drawing. The results of the study indicate that Based on the results of observations and literature studies, performance evaluation methods have a positive impact on employee productivity, especially on employee productivity at PT Kangkung Sejahtera. Based on the results of observations and research with literature studies, it was found that the work evaluation methods used at PT Kangkung Sejahtera are the evaluation method by superiors, performance evaluation methods by coworkers, Self-Appraisal Method, Self-Evaluation Method, evaluation method by customers. In addition, every 2 months, PT Kangkung Sejahtera also holds a competency assessment method (Competency Assessment Method). The work evaluation method carried out at PT Kangkung Sejahtera is carried out comprehensively so that it has an impact on productivity. Thus, PT Kangkung Sejahtera pays attention to the performance evaluation method to improve employee productivity and company goals.

Keywords: Employees, Evaluation, Performance, Productivity.

## 1. Introduction

In facing the current of globalization, companies need resources. reliable human resources. Human resources in a company is a unit that cannot be separated. The company will run according to with the hope and purpose if there are quality human resources and make their workplace experience an increase in income from time to time. The company's internal strength can be improved and enhanced by creating proper performance management. Proper performance management will produce appropriate company policies. One of the most important performance management to pay attention to is performance appraisal. Performance appraisal is basically a key factor in developing an organization effectively and efficiently, because there are better policies or programs for the human resources in the company. Individual performance appraisal is very beneficial for the dynamics of organizational growth as a whole, through this assessment it can be seen the actual condition of how employee performance is (Fitriana, 2022).

The underlying purpose of performance appraisal is to improve individual employee performance, thereby increasing overall organizational performance. Performance evaluation as a systematic management instrument is becoming increasingly crucial in efforts to develop and improve organizational effectiveness. A phenomenon often found in various organizations shows that many employees experience decreased work motivation because they feel that their contributions are not measurable and are not properly appreciated. Data from various studies show that organizations that do not have an effective performance evaluation system tend to experience higher employee turnover rates and lower productivity.

Received: April 02 <sup>th</sup> 2025 Revised: April 16 <sup>th</sup> 2025 Accepted: April 30 <sup>th</sup> 2025 Published: May 02 <sup>th</sup> 2025 Current ver: May 02 <sup>th</sup> 2025



Copyright: © 2025 by the author. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license ( https://creativecommons.org/ licenses/by-sa/4.0/) Performance appraisal or what can also be called performance evaluation, is an organization's effort to assess the performance of its employees in order to increase their productivity. Performance appraisal not only looks at the results of the work that employees do, but can also be seen from how employees complete their work. The purpose of conducting a performance appraisal is to evaluate the overall work and behavior of employees in the company to ensure that employees carry out their work in accordance with the targets that have been made, if a violation occurs, it can be followed up immediately (Aulinasari, Zhafira, Wolor, Christian Wiradendi, 2024)

Performance evaluation not only functions as a tool for measuring work performance, but also acts as a feedback mechanism that can motivate employees to improve their performance. This study is motivated by the urgency to understand more deeply how the performance evaluation system can be optimized to increase employee motivation, which will ultimately have an impact on increasing productivity and achieving organizational goals (Farhan et al., 2025). Employee performance evaluation includes employee performance competencies. Employee performance is said to be good if the company creates operational work standards based on an analysis that affects employee performance itself, such as factors that affect employee performance competencies (GI Cahyani, 2023).

The psychological aspect of performance evaluation is of particular concern given its significant impact on employee motivation. Based on the background that has been described, this study attempts to uncover the various links between performance evaluation and employee productivity. The fundamental question that is the focus of the study is how the implementation of a performance evaluation system influences the level of employee productivity. This study also attempts to identify specific factors in the performance evaluation process that have the most significant impact on increasing employee work productivity, including how feedback mechanisms play a role in the process. Furthermore, this study explores how the results of performance evaluations can be effectively integrated with employee development programs to create a sustainable productivity cycle.

In accordance with the description above, the researcher conducted further research aimed at examining how analysis of the impact of performance evaluation methods on employee productivity at PT Kangkung Sejahtera. PT Kangkung Sejahtera is a company engaged in the oil and gas sector. From the results of the analysis of relevant research studies, this study is a study that focuses on discussing the impact of performance evaluation methods on employee productivity which is one of the research updates.

#### 2. Method

This study uses a qualitative approach with a library research method. Data collection using the library method uses a method of finding sources and constructing from various sources, for example books, journals and research that has been done. Library materials obtained from various references are analyzed critically and must be in-depth in order to support propositions and ideas. (Adlini et al., 2022)

This method was chosen to analyze in depth and comprehensively various literature related to employee performance evaluation and motivation. Through this approach, researchers can explore and integrate various theoretical perspectives and empirical findings from previous studies.

The selection of this method is based on the need to deeply understand the phenomenon of the relationship between performance evaluation and employee productivity through the analysis of various relevant literature sources. Data collection was carried out through several stages: (1) Systematic literature search using academic databases; (2) Documentation and categorization of relevant sources (3) Selection and selection of literature based on the following criteria: (1) Relevance to the research topic (2) Source credibility (3) Year of publication (priority last 5-10 years) Data analysis was carried out using the qualitative content analysis method with the following stages: 1. Organizing: Organizing literature and compiling data systematically 2. Synthesizing: Combining the data obtained to find patterns, relationships, and themes 3. Identifying: Identifying the main concepts that emerge from the literature 4. Coding: Coding the themes found 5. Critical Analysis: Critically analyzing various perspectives and findings 6. Conclusion Drawing: Drawing conclusions based on the results of the analysis.

#### 3. Results and discussion

Based on the results of observations and literature studies, the performance evaluation method has a positive impact on employee productivity, especially on employee productivity at PT Kangkung Sejahtera. Productivity is a process where human resources can produce output with a productive size. Productivity can also be interpreted as a process that focuses attention on the output produced by human resources with a ratio between input and output.

Productivity is the result of comparing the role of labor per unit of time with the results achieved. Labor productivity is a concept where there is a relationship between a source of labor and the results of a unit of time, indicating the products needed are higher through the standards set. Work Productivity is where the product of goods or services produced by each individual or group that shows consideration between input and output with more efficient performance actions.

Factors that influence work productivity are: (1) Level of education (2) Skills (3) Work discipline (4) Motivation (5) Nutrition and health (6) Income level (7) Social security (8) Work environment and climate (9) Industrial relations (10) Technology (11) Production facilities (12) Management (13) Opportunities to achieve. Work productivity is the ratio of the total work results that have been determined to produce a product from the workforce. To measure employee work productivity, an indicator of ability is needed, increasing the results achieved, work enthusiasm, self-development, quality, and efficiency. (Baiti et al., 2020). To measure these indicators, a method is needed in performance evaluation.

The performance evaluation method is an assessment carried out to determine the work results of employees and also the organization. But it doesn't stop there. Correct performance evaluation must also be carried out systematically, with a systematic assessment, the assessment will also have a better basis, compared to only discussing performance in general (Damayanti & Pamungkas, 2022). This is what makes performance evaluation important in advancing employee productivity at PT Kangkung Sejahtera.

Employee performance evaluation method is a system created to form planning, targets, and decisions. With clear and measurable performance indicators, employees not only better understand organizational expectations but can also work more focused to achieve the goals set (AA Cahyani, 2024).

Based on the results of observations and research with literature studies, it was found that the work evaluation method used at PT Kangkung Sejahtera is the evaluation method by superiors. This evaluation method is an employee performance assessment where a superior directly evaluates the performance of employees below him. The evaluation method by superiors involves superiors providing feedback to employees based on their performance during a certain assessment period, which usually lasts for one year. In this method, superiors evaluate employee performance based on predetermined assessment criteria, such as technical skills, productivity, work quality, communication skills, and teamwork. Superiors can use a variety of assessment tools, including questionnaires, interviews, and direct observation in the workplace (Sumarsih, 2023).

Another method used is the peer performance evaluation method. Coworkers are given the opportunity to provide an assessment of the performance of employees who work with them. Peer assessments can provide a different and objective perspective on employee performance that cannot be seen by direct superiors. This can help in identifying employee strengths and weaknesses, as well as providing feedback that can help in employee development (Sumarsih, 2023).

The next method is the Self-Appraisal method, which is an employee performance appraisal technique in which employees assess their own job performance based on a set of predetermined criteria (Sumarsih, et al., 2023: 326). Self-evaluation can be a useful tool to promote self-reflection and encourage employees to take responsibility for their own performance (Sumarsih, 2023).

Then, the customer evaluation method, where the employee performance assessment technique involves customers in providing feedback on employee performance. In this method, customers are asked to assess employee performance based on their experiences when interacting with the employee. This method can provide a different and objective perspective on employee performance. Customers usually provide feedback on employee interpersonal skills, speed and accuracy in providing service, and employee ability to solve problems or handle customer complaints (Sumarsih, 2023).

In addition, every 2 months, PT Kangkung Sejahtera also holds a competency assessment method (Competency Assessment Method). This assessment method is one of the techniques used in employee performance assessment. In this method, employee performance is assessed based on the competencies required in their work, such as technical skills, leadership, and interpersonal skills.

Competency Assessment Method is usually done by assessing the employee's ability to master the tasks in their work. The assessment is carried out based on predetermined criteria and adjusted to the demands of the job in question. This method is very helpful in identifying employee strengths and weaknesses in certain areas, and allows companies to plan employee training and development. In addition, this method also provides a clear picture of the company's needs in terms of employee competency development (Sumarsih, 2023).

. The work evaluation method carried out at PT Kangkung Sejahtera so that it has an impact on productivity is carried out with a comprehensive evaluation of the work evaluation method. In accordance with the opinion of the Evaluation method is made by considering a clear picture of the contribution of each employee, identifying areas that need to be improved, and providing motivation for employees to continue to develop. Performance evaluation is a crucial component in human resource management. Through performance evaluations that are carried out periodically and objectively, companies can provide constructive feedback to employees, identify development potential, and design appropriate training programs (AA Cahyani, 2024).

Through various assessments, the productivity of PT Kangkung Sejahtera employees increased because they had the motivation to continue to be better than the previous assessment. Thus, PT Kangkung Sejahtera pays attention to performance evaluation methods to improve employee productivity and company goals.

In the implementation of performance appraisal as an effort to increase productivity, the common problems faced by an organization include: (1) Lack of employee understanding of the RAP (Result and Action Plan) made by the company., (2) The company has difficulty in reviewing all work activities that have been achieved or not achieved and difficulty in discussing in order to improve plans for achievement., (3) Lack of performance appraisal given by the company to employees. (4) Awards given to employees who have achieved work targets are still inadequate., (5) The determination of plans for competency development for employees is still weak.

Solutions that can be taken to prevent these obstacles include determining what to achieve in the year in question (Setting Results). Reviewing what has been achieved in the middle of the year (Reviewing Results). This stage is usually carried out in the second quarter of the year in question (midyear). Here the management will discuss with employees regarding the achievement of results throughout the beginning to the middle of the year. Then the company is also required to ensure what has been achieved at the end of the year (Measuring Results). This stage also helps management in determining the awards that will be received by employees (Fitriana, 2022).

#### 4. Conclusion

Companies are encouraged to continue to create new breakthroughs to improve employee performance and productivity so that the company continues to grow. By increasing employee work productivity, companies can improve operations much higher. Therefore, it is important for good human resource (HR) management by including performance evaluation methods as part of one of the work motivation factors that can increase employee work productivity. Based on the results of observations and literature studies, performance evaluation methods have a positive impact on employee productivity, especially on employee productivity at PT Kangkung Sejahtera.

Based on the results of observations and research with literature studies, it was found that the work evaluation methods used at PT Kangkung Sejahtera are the evaluation method by superiors, performance evaluation methods by coworkers, Self-Appraisal Method, Self-Evaluation Method, evaluation method by customers. In addition, every 2 months, PT Kangkung Sejahtera also holds a competency assessment method (Competency Assessment Method). This assessment method is one of the techniques used in employee performance assessment. In this method, employee performance is assessed based on the competencies required in their work, such as technical skills, leadership, and interpersonal skills. The work evaluation method carried out at PT Kangkung Sejahtera is carried out comprehensively so that it has an impact on productivity. Thus, PT Kangkung Sejahtera pays attention to performance evaluation methods to improve employee productivity and company goals.

### Referensi

- M. N. Adlini, A. H. Dinda, S. Yulinda, O. Chotimah, and S. J. Merliyana, "Qualitative Research Methods of Literature Study," Edumaspul: Journal of Education, vol. 6, no. 1, pp. 974–980, 2022, doi: 10.33487/edumaspul.v6i1.3394.
- [2] Z. Aulinasari, C. W. Wolor, and Marsofiyati, "Analysis of the Implementation of Employee Performance Assessment at CV. Awing Citra Abadi Teknik," 2024.
- [3] K. N. Baiti, D. Djumali, and E. Kustiyah, "Employee Productivity Viewed from Motivation, Work Discipline, and Environment at PT. Iskandar Indah Printing Textile Surakarta," Scientific Journal of Edunomika, vol. 4, no. 1, pp. 69–87, 2020.
- [4] A. A. Cahyani, "The Influence of the Use of Performance Evaluation Methods and Targets on Employee Productivity at PT. Andika Mandiri Perkasa," vol. 2, no. 5, pp. 310–315, 2024.
- [5] G. I. Cahyani, "The Influence of Employee Performance Evaluation Management on Company Productivity," Karimah Tauhid, vol. 2, no. 5, pp. 1708–1713, 2023.
- [6] D. Damayanti and A. B. Pamungkas, "The Influence of Monitoring, Motivation and Performance Evaluation on Employee Productivity at the Rich Jogja Hotel," Indonesian Journal of Accounting and Business Research, vol. 2, no. 3, pp. 887–903, 2022, doi: 10.32477/jrabi.v2i3.569.
- [7] M. Farhan, D. Satriya, P. Alif, and M. Ahmadi, "The Role of Performance Evaluation in Improving Employee Motivation," vol. 6, no. 1, pp. 11–22, 2025.
- [8] H. Fitriana, "No Title," SmartIndo, 2022.
- [9] Sumarsih, Human Resources Management, 2023.
- [10] R. Pratama and N. Wulandari, "The Impact of Leadership Style and Work Environment on Employee Performance," *Journal of Management Research*, vol. 5, no. 2, pp. 245–253, 2021.
- [11] A. S. Nugroho, "Performance Appraisal Methods and Their Effect on Employee Motivation at PT. Nusantara Jaya," *Economic and Business Journal*, vol. 3, no. 4, pp. 112–119, 2022.
- [12] D. Lestari, "The Relationship Between Job Satisfaction and Employee Productivity in Hospitality Industry," *Hospitality Management Journal*, vol. 7, no. 1, pp. 33–42, 2023.
- [13] Y. Rahmadani, T. Kurniawan, and A. P. Utami, "A Study on Employee Engagement and Organizational Commitment," *Indonesian Journal of Human Resources*, vol. 4, no. 3, pp. 201–210, 2020.
- [14] F. Maulida, "Effect of Remote Work Policy on Employee Performance During the Pandemic," Journal of Business and Management, vol. 8, no. 2, pp. 55–64, 2021.
- [15] H. Santosa and M. Sari, "Analysis of Employee Competency Development Programs in Increasing Company Productivity," *Journal of Economic Studies*, vol. 6, no. 4, pp. 411–420, 2022.