

Subject Code: MB947/R09

M B A - IV Semester Regular/Supply Examinations, Nov - 2014

PERFORMANCE MANAGEMENT

Time: 3 hours

Max Marks: 60

Answer any FIVE of the following

All questions carry equal marks. Q.No.8 is compulsory

1. Define the scope of performance management. What are the foundations for the evolution of performance management?
2. Discuss the importance of performance management planning. How is performance management planning linked to strategic planning?
3. What are the major functions of performance management system? Explain in detail about the Performance management cycle
4. What is the importance of Balanced Score Card in Performance management? Explain in detail about 360 Degree performance appraisal.
5. Explain about the process of Performance monitoring with suitable examples. What are the concepts and skills of performance monitoring?
6. What are the various steps in implementing an effective performance appraisal system?
7. How to bring about operational change through performance management? Discuss the role of HR manager as leader in bringing about that change.

8. Case Study:

Pratham Cements is a 25 – year – old company that has been following the traditional methods of performance appraisal. But with the changing business environment, the CEO, felt that the company should change its performance appraisal system. The Company's employee strength was 5000 plus and implementing an appraisal system that catered to employees across different areas was not a simple task. The company held its monthly review meetings at which all the departmental heads discuss their current problems and future strategies. These meetings provided a forum for the managers in various departments to interact.

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During one such meeting, the CEO emphasized the importance of changing the appraisal system to sustain in a highly competitive industry, it needed to appraise its employees effectively so that they would put in their best efforts. He felt that HR department must change its functioning to more strategic functions like resource planning, organization planning etc. apart from the traditional functions like recruitment, selection etc., The new initiative was proposed in a meeting. For the effective implementation of these initiatives HR manager suggested that

- The company need to change the base of its variable pay incentives
- The processes in their operations had to be standardized and so the HR department had to play a vital role in training incentive plan, etc., The HR goals had to be in congruence with organizational goals so that performance management could be effectively designed.
- The management had to be flattened and a culture of empowerment brought in so that it could change the corporate culture.
- The employees had to be made more competitive and individual goals aligned with organizational goals.
- The HR department had to play an important role in reengineering the firm, as it had to create the base for all the staff and development activities.
- The promotion system had to emphasize on internal hiring so that employees would get the opportunity to apply for the job of their choice. This would also encourage the employees to make themselves marketable and overcome their shortcomings so as to qualify for particular vacant positions.

The CEO asked all the departmental heads to go through the above recommendations and suggest any changes.

Questions

- a) The case suggests that the HR manager was interested in implementing a performance management system. What is the difference between a performance appraisal system and a performance management system and how it will be useful for the firm?
- b) What steps should the management take to convince the employees about the implementation for the performance management system?
