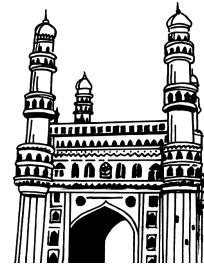


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PERFORMANCE MANAGEMENT SYSTEMS

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UNIT – I

Performance Management: Scope and Significance - Advantages of Performance Management - Organizational Structure - Impact of Organizational structure and Operational Problems Performance management process - Performance Planning - Performance Appraisal - Performance Mentoring - Performance Management Strategic Planning.

UNIT – II

Communication of Performance Expectations: Job Description - Defining Performance and Choosing a measurement approach measuring results and Behaviors. Gathering performance Information – Presentation, Information and Taking Corrective action – Metrics- Types of Metrics - Critical Success Factors Indicators– managing Metrics- Ownership and Responsibility.

UNIT – III

Performance Management and Employee Development: Performance Management Skills, performance Management Framework, Employee Assessment system, Role of HR Professionals in Performance management.

UNIT – IV

Reward Systems and Legal Issues: Reasons for introducing contingent Pay Plan, Problems associated with contingent pay plans- Selecting a contingent pay plan- Pay Structures- Job Evaluation- Broad Banding- Legal Principles affecting Performance Management.

UNIT – V

Relevant Performance related concepts: Bench marking, Six Sigma, Competency Mapping, Balance Score card, Coaching and Mentoring Pygmalion effect, Job Analysis, High Performance Work Teams, Steps for Building High Performance Work Teams, Reward Practices in World-Class Organizations.

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UNIT - I

1. Explain the characteristics of Performance Management.

Ans : (Dec.-19, June-18, Imp.)

Refer Unit-I, Q.No. 2.

2. Explain the objectives of performance management.

Ans : (Feb.-18, Imp.)

Refer Unit-I, Q.No. 3.

3. Describe the scope of Performance Management.

Ans : (May-19, Dec.-19, Dec.-18)

Refer Unit-I, Q.No. 4.

4. What are the advantages of performance management?

Ans : (Dec.-18, May-19, Imp.)

Refer Unit-I, Q.No. 6.

5. Explain the various types of organizational structures and its impact on performance management.

Ans : (Oct.-20, Imp.)

Refer Unit-I, Q.No. 9.

6. Explain the various steps involved in Performance Management.

Ans : (Dec.-19, Imp.)

Refer Unit-I, Q.No. 10.

7. Define Performance Planning. What are the characteristics of Performance Planning.

Ans : (May-19, Dec.-18, Imp.)

Refer Unit-I, Q.No. 11.

8. Explain the importance of Performance Planning.

Ans : (Oct.-20, Imp.)

Refer Unit-I, Q.No. 13.

9. Define performance appraisal.

Ans : (Dec.-18, Imp.)

Refer Unit-I, Q.No. 17.

10. What are the differences between performance management and performance appraisal?

Ans : (Aug.-17, June-13)

Refer Unit-I, Q.No. 24.

11. Explain in detail about Performance Mentoring.

Ans : (May-19, Imp.)

Refer Unit-I, Q.No. 25.

12. Explain how can performance planning be linked to performance mentoring.

Ans : (Oct.-20, Imp.)

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13. Define Strategic Planning. Explain the purpose of Strategic Planning.

Ans : (May-19, Feb.-17, Imp.)

Refer Unit-I, Q.No. 30.

14. What are the components of a mission statement?

Ans : (June-18)

Refer Unit-I, Q.No. 34.

UNIT - II

1. Define job description ? What are the characteristics of good job description ?

Ans : (Oct.-20, May-19, Dec.-19, Imp.)

Refer Unit-II, Q.No. 1.

2. Explain how job description helps in performance enhancement.

Ans : (Oct.-20, Imp.)

Refer Unit-II, Q.No. 2.

3. Define Performance. Explain the determinants of Performance.

Ans : (Feb.-17, Aug.-17, Feb.-15, Imp.)

Refer Unit-II, Q.No. 3.

4. What are the various Approaches to measure performance?

Ans : (May-19, Jan.-18, Dec.-18, Imp.)

Refer Unit-II, Q.No. 5.

5. Explain in detail the various methods involved in Gathering Performance Information.

Ans : (Dec.-18, Feb.-15)

Refer Unit-II, Q.No. 9.

6. Explain briefly about Metrics.

Ans : (Oct.-20, May-19)

Refer Unit-II, Q.No. 14.

7. Explain the classification of metrics.

Ans : (Oct.-20, May-19, Dec.-19, Dec.-18)

Refer Unit-II, Q.No. 15.

8. Explain briefly about Critical Success Factors.

Ans : (Dec.-19)

Refer Unit-II, Q.No. 16.

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1. What are personal development plans? State the objectives of development plans.

Ans : (Imp.)

Refer Unit-III, Q.No. 1.

2. Describe the role that the direct supervisor plays in the design and implementation of a development plan.

Ans : (Sep.-16)

Refer Unit-III, Q.No. 5.

3. What do you mean by 360 Degree Feedback System?

Ans : (Feb.-16, June-13, Imp.)

Refer Unit-III, Q.No. 6.

4. Explain the advantages and dis-advantages of 360 degree feedback system.

Ans : (Jan-18, Imp.)

Refer Unit-III, Q.No. 7.

5. Elaborately mention the various skills of performance management.

Ans : (Feb.-17, Feb.-15, Imp.)

Refer Unit-III, Q.No. 11.

6. Define coaching. Describe the major functions of coaching.

Ans : (Imp.)

Refer Unit-III, Q.No. 12.

7. Explain in detail the various coaching styles.

Ans : (Aug.-17, Feb.-15, Imp.)

Refer Unit-III, Q.No. 17.

8. Define Feedback. Explain the purposes behind providing a feedback.

Ans : (Imp.)

Refer Unit-III, Q.No. 19.

9. What is Performance Review Meetings? State the purposes served by performance Review Meetings ?

Ans : (July-18, Imp.)

Refer Unit-III, Q.No. 23.

10. Elaborate the framework of Performance Management Framework.

Ans : (Oct.-20, May-19, Dec.-18, Imp.)

Refer Unit-III, Q.No. 26.

11. What is performance appraisal. Explain the history of performance appraisal.

Ans : (Imp.)

Refer Unit-III, Q.No. 29.

12. Explain the role of HR Professionals in improving organizational performance.

Ans : (Oct.-20, May-19, Dec.-19, Dec.-18, Imp.)

Refer Unit-III, Q.No. 32.

13. Explain in detail the organization role facilitating employees's performance.

Ans : (Oct.-20, Imp.)

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1. Define Reward System. Explain the characteristics of Reward System.

Ans : (Imp.)

Refer Unit-IV, Q.No. 1.

2. Explain the different types of Reward Systems.

Ans : (May-19, Dec.-19)

Refer Unit-IV, Q.No. 3.

3. Discuss how employee performance will improve by reward system.

Ans : (Feb.-17, Feb.-16, Sep.-16, Imp.)

Refer Unit-IV, Q.No. 6.

4. What are the various reasons for Introducing Contingent Pay Plan?

Ans : (Dec.-19, Jan-18, Dec.-18)

Refer Unit-IV, Q.No. 7.

5. What are the Problems Associated with Contingent Pay Plans?

Ans : (Dec.-19)

Refer Unit-IV, Q.No. 8.

6. How to select a contingent pay plan?

Ans : (May-19)

Refer Unit-IV, Q.No. 9.

7. Explain the advantages and disadvantages of broad banding.

Ans : (Aug.-17, Imp.)

Refer Unit-IV, Q.No. 17.

8. Describe the various legal principles in the implementation of performance management systems.

Ans : (May-19, Dec.-19, Dec.-18, Feb.-16)

Refer Unit-IV, Q.No. 18.

UNIT - V

1. What are the four levels of bench marking?

Ans : (Jan.-18)

Refer Unit-V, Q.No. 5.

2. What is Six Sigma? State the features of Six Sigma.

Ans : (Aug.-15)

Refer Unit-V, Q.No. 6.

3. Explain the role of human resource in six sigma.

Ans : (July-18)

Refer Unit-V, Q.No. 8.

4. Define competency. Explain the characteristics of competency.

Ans : (Dec.-19, Feb.-17)

Refer Unit-V, Q.No. 11.

5. List out the various competency Pay Plans used in organization to improve employee performance with suitable examples.

Ans : (Oct.-20)

Refer Unit-V, Q.No. 17.

6. Explain purpose of Balanced Score Card.

Ans : (May-19, Feb.-17, 16)

Refer Unit-V, Q.No. 18.

7. Explain how does balanced scorecard work in maintaining Performance In Organization.

Ans : (Oct.-20)

Refer Unit-V, Q.No. 20.

8. What are the differences between coaching and mentoring?

Ans : (Feb.-16, Imp.)

Refer Unit-V, Q.No. 29.

9. Outline the process of job analysis.

Ans : (Aug.-17)

Refer Unit-V, Q.No. 33.

10. Explain the usefulness of job analysis.

Ans : (June-18)

Refer Unit-V, Q.No. 36.

11. Define High performance work teams. Explain the characteristics of high performance teams.

Ans : (May-19, Dec.-19)

Refer Unit-V, Q.No. 37.

12. Outline the process for Steps for Building High Performance Work Teams.

Ans : (May-19, Dec.-18)

Refer Unit-V, Q.No. 38.

13. Explain the Reward Practices in World- Class Organizations.

Ans : (Oct.-20, May-19, Dec.-18)

Refer Unit-V, Q.No. 40.

UNIT I

Performance Management: Scope and Significance - Advantages of Performance Management - Organizational Structure - Impact of Organizational structure and Operational Problems Performance management process - Performance Planning - Performance Appraisal - Performance Mentoring - Performance Management Strategic Planning.

1.1 PERFORMANCE MANAGEMENT

Q1. Define the following terms :

- (a) Performance
- (b) Performance Management

Ans : (May-19, Dec.-19)

(a) **Performance**

Performance can be defined as efforts along with the ability to put ability efforts supported with the organizational policies in order to achieve certain objectives.

Performance is the function of

- (a) **Ability:** The basic skills possessed by the individual that are required to give certain performance enhances the level
- (b) **Motivation:** Activities in HRM concerned with helping employees exert high energy levels and to get performance in desirable direction.
- (c) **Opportunity:** Circumstances under which performance is made they can be ideal or vice versa.

Definitions

- (i) **According to Brumbanch,** performance" is a combination of both behaviors and results (outcomes) of behaviors.
- (ii) **According to Campbell,** "performance" is the behavior of employees and he has not included outcomes of behavior in his definition.

By taking into consideration, the above two definitions, the word performance can be described as an employees efforts towards the job and the outcomes/result of such efforts.

(b) **Performance Management**

Performance management is defined as a "continuous process of identifying, measuring and developing the performance levels of individuals and teams and aligning performance with the strategic goals of the organization".

Performance appraisal is the part of performance management system.

Definitions

- (i) **According to Armstrong,** "Performance Management is a means of getting better results from the organization, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements".
- (ii) **According to Goffman,** "Performance refers to all activities of an individual which occurs during a period marked by his continuous presence before a particular set of observers and which has some influence on the observers".

Performance management is a continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization.

Q2. Explain the characteristics of Performance Management.**(OR)****What are the characteristics of Performance Management?***Ans :* **(Dec.-19, June-18, Imp.)**

The following are the characteristics of performance management:

(i) Measures outputs of delivered performance

It is concerned with measuring outputs of delivered performance compared with expectations expressed as objectives. Its complete focus is on targets, standards and performance measures. It is based on the agreement of role requirements, objectives and performance improvement and personal development plans.

(ii) Concerned with inputs and values

Performance management is also concerned with inputs and values. The inputs are the knowledge, skills and behaviors required to produce the expected results from the individuals.

(iii) Continuous and flexible process

Performance management is a continuous and flexible process that involves managers and those whom they manage acting as partners within a framework that sets out how they can best work together to achieve the required results.

(iv) Based on the principle of management by contract and agreement

It is based on the principle of management by contract and agreement rather than management by command. It relies on consensus and cooperation rather than control or coercion.

(v) Focuses on future performance planning and improvement

Performance management also focuses on future performance planning and

improvement rather than on retrospective performance appraisal. It functions as a continuous and evolutionary process, in which performance improves over the period of time; and provides the basis for regular and frequent dialogues between managers and individuals about performance and development needs.

Q3. Explain the objectives of performance management.**(OR)****What are the objectives of Performance Management?***Ans :* **(Feb.-18, Imp.)**

The following are the objectives of performance management are :

- Empowering, motivating and rewarding employees to perform their best for the organization.
- Focusing on employees' tasks, the right things and make them doing right. Aligning everyone's individual goals towards the goals of the organization.
- Proactively managing and resourcing performance against objectives of the organizations.
- Linking job performance to the achievement of the council's corporate strategy and service plans.
- The alignment of individual objectives with team, department and corporate plans. The presentation of objectives with clearly defined goals using measures, both soft and numeric. The monitoring of performance and tasking of continuous action as required.
- All individuals being clear about what they need to achieve and expected standards, and how that contributes to the overall success of the organization; receiving regular, fair, accurate feedback and coaching to stretch and motivate them to achieve their best.

1.1.1 Scope and Significance Performance Management**Q4. Describe the scope of Performance Management.**

Ans : (May-19, Dec.-19, Dec.-18)

The following points highlights the scope of performance management,

1. Framing Reward/Career Policies

Performance Management is the most important factor that helps the human resource department to formulate policies relating to career development, reward and recognition, competency development programs etc. All such policies are formulated based on the performance driven activities of an organization.

2. Business-HR Partnership

Performance management helps to know the contribution of the company's human resource towards key organizational goals such as profits, sales turnover etc. Top management can get a clear idea about the value-addition by each employee only through performance management program.

3. Organizational Survival

In today's highly competitive business environment, human resource is the most valuable resource of any organization. Infact, it is the key to the survival of any organization. Performance management help firms to deal with various performance related issues of the organizational workforce.

4. Assists in Human Resource Practices

Performance management helps to fulfill the human resource practices that aim to satisfy the needs of employees such as self esteem, self actualization etc., by providing an interesting and challenging work environment, rewarding the employees for good performance and updating employee competencies.

5. Acts as Motivational Tool

It motivates the employees to perform better at work. This is because performance management practices are based on well established motivational theories such as Maslaw's need hierarchy theory etc.

6. Facilitates High Performance Work Culture

Facilitation of high performance work culture comes under the scope of performance management. A good performance management system promotes openness, trust, collaboration and team bonding in the organization.

Q5. Describe the Significance of Performance Management.

Ans :

1. Performance management clearly defines the organizational vision, mission, strategy and values to employees to allow them to attain the same.
2. It helps the management in verifying their recruitment and selection process and methods.
3. It enhances capability of organization to change quickly by focussing on gap between potential capabilities and present abilities.
4. At managerial level and front line level, performance management sets up the intellectual capital.
5. It helps the organization to make a move from industrial relations to individual relations by focussing on growth and development of employee.
6. It helps in competency mapping, identification of training and development requirements and implementation as a part of performance development tool.

1.1.2 Advantages of Performance Management

Q6. What are the advantages of performance management?

(OR)

Describe the merits of performance management.

Ans : (May-19, Dec.-18, Imp.)

The various advantages found to be associated with Performance Management System (PMS) are,

1. Provides Protection Against Legal Activities

Existence of PMS, facilitates maintenance of information for fulfilling legal obligation (i.e., whether employees of all the levels are treated equally or not). But in case of absence of PMS, employees performances are assessed randomly and this will generate legal problems within the organization.

2. Knowledge of Self Capabilities and Developmental Needs

Performance management system helps employees to be aware of themselves i.e., the capabilities they possess and the capabilities they need to develop among them selves so as to meet the future requirements of the organization. PMS also helps the employees in conducting SWOT (Strengths, Weaknesses, Opportunities and Threats). Analysis required for the determining their career plans.

3. Enhanced Motivation Levels

In performance management system, performances of employees are assessed and feedback is provided on regular basis. This feedback act as a motivational factor for the employees which encourages them towards high performance levels.

4. PMS Separates Good Performers from Bad Performers

PMS not only helps in differentiating good performers from bad performers, but also

helps them in determining the causes behind discharging poor performance and taking up necessary measures to overcome such problems on time.

5. Enhancement in Self-respect

Identifying and assessing the performance levels of each employee and providing feedback on their respective performances, this process satisfies the self-esteem needs of the employee.

6. Proper Communication of Goals and Objectives

PMS ensures a proper communication of organizational goals and objectives to employees and receive acceptance for the set goals and objectives. A proper communication help employees in connecting their performances with organizational objectives i.e., how their performances would results in the achievement of organizational goals.

7. Role Clarity and Accountability

During performance management process, each employee is provided with a clear information regarding their roles, responsibilities, the performances expected from their role etc. All these information help employees in identifying the activities necessary for achieving success in a particular position.

8. Properly Conveying the Manager's Opinion on Performance

Evaluating and managing the performance levels of employees are the two main responsibilities which indicates the capabilities of managers. PMS provide an opportunity to managers to convey their opinion on performance to the employee's of the organization.

9. Improvement in Employees Capabilities

In PMS, various developmental activities are undertaken in order to improve the performance levels of poor performers. This will ultimately leads to enhancement in employees capabilities.

10. Unbiased and Adequate Decisions

PMS provide some essential data on the basis of which the decisions like promotions, demotions, transfers, increments etc., are taken. This method do not encourage unbiased and unfair practices in the organization and helps in developing a trustworthy relationship between superiors and subordinates.

11. Supervisors will get to know about Employees

The person who is appraising the performances of employees will come to know personally about them. This knowledge help appraiser in building a good relationship with employees. According to Management Standards Centre (MSC) and other government organizations of United Kingdom Building effective relationship with subordinates is one of the essential skills of manager (supervisor).

Appraiser can know the contribution of each employee in the achievement of organizational objectives.

12. Motivation and Employee's Loyalty towards the Organization

Employees having positive opinion regarding the PMS of the organization, will not only get motivated towards high performances but also they become loyal to the organization and never try to quit their job. Performance management system seem to be satisfactory when all employees are treated equally without any discrimination. Thus, a satisfied employee will never turn back and see other organizations for job purpose.

Q7. Explain the disadvantages of poorly implemented performance management.

Ans :

The following are the disadvantages of performance management are :

1. Increased turnover

If the process is not seen as fair, employees may become upset and leave the organization. They can leave physically (i.e., quit) or withdraw psychologically (i.e., minimize their effort until they are able to find a job elsewhere).

2. Use of misleading information

If a standardized system is not in place, there are multiple opportunities for fabricating information about an employee's performance.

3. Lowered self-esteem

Self-esteem may be lowered if feedback is provided in an inappropriate and inaccurate way. This, in turn, can create employee resentment.

4. Wasted time and money

Performance management systems cost money and quite a bit of time. These resources are wasted when systems are poorly designed and implemented.

5. Damaged relationships

As a consequence of a deficient system, the relationship among the individuals involved may be damaged, often permanently.

6. Decreased motivation to perform

Motivation may be lowered for many reasons, including the feeling that superior performance is not translated into meaningful tangible (e.g., pay increase) or intangible (e.g., personal recognition) rewards.

7. Employee burnout and job dissatisfaction

When the performance assessment instrument is not seen as valid and the system is not perceived as fair, employees are likely to feel increased levels of job burnout and job dissatisfaction. As a consequence, employees are likely to become increasingly irritated.

8. Increased risk of litigation

Expensive lawsuits may be filed by individuals who feel they have been appraised unfairly.

9. Unjustified demands on managers' and employees' resources

Poorly implemented systems do not provide the benefits provided by well-implemented systems, yet they take up managers' and employees' time. Such systems will be resisted because of competing obligations and allocation of resources (e.g., time). What is sometimes worse, managers may simply choose to avoid the system altogether, and employees may feel increased levels of overload.

10. Varying and unfair standards and ratings

Both standards and individual ratings may vary across and within units and be unfair.

11. Emerging biases

Personal values, biases, and relationships are likely to replace organizational standards.

12. Unclear ratings system

Because of poor communication, employees may not know how their ratings are generated and how the ratings are translated into rewards.

1.2 ORGANIZATIONAL STRUCTURE**1.2.1 Impact of Organizational structure and Operational Process****Q8. Define :**

- (a) Organizational Structure
- (b) Operational Process

Ans :

(a) Organizational Structure

Organization structure defines the supervisory relationships, departmental structure and workflow within a company. Performance management systems and policies can be greatly influenced by a company's organizational structure, and organizational performance goals can help to shape a company's structure, as well.

(b) Operational Process

Operational processes include how work is performed in the organization and how the activities that constitute such processes are connected.

Q9. Explain the various types of organizational structures and its impact on performance management.

Ans :

(Oct.-20, Imp.)

Different types of organization structure can be created on the basis of arrangement of activities. Accordingly, three broad types of structural forms are :

- (i) Functional Structure
- (ii) Divisional Structure
- (iii) Adaptive Structure

(i) Functional Structure

When units and sub-units of activities are created in organization on the basis of functions, it is known as functional structure. Thus, in any industrial organization, specialized functions like manufacturing, marketing, finance and personnel constitute as separate units of the organization. All activities connected with each such function are placed in the same unit. As the volume of activity increases, sub-units are created at lower levels in each unit and the number of persons under each manager at various levels gets added. This results in the interrelated positions taking the shape of a pyramid.

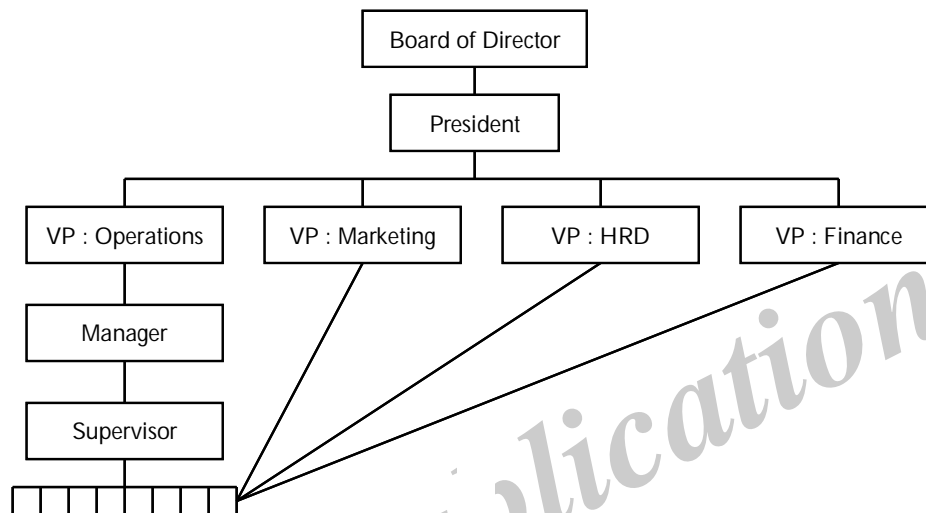


Fig.: Functional Structure

The main advantage of the functional structure of organization is that there is functional specialization in each unit, which leads to operational efficiency of people engaged, and the organization as a whole derives the benefit of specialized operations. The heads of the functional units are in direct touch with the chief executive who can sort out inter-functional problems, if any, and also coordinate the interrelated functions. The chief executive is also able to be in direct touch with lower level subordinates and thereby have full knowledge of the state of affairs in the organization.

However, while the functional arrangement may be well suited to small and medium size organizations, it is incapable of handling the problems of an organization as it grows in size and complexity. Problems of subunits at lower levels do not receive adequate attention of higher level managers while some of the activities tend to be over-emphasized. Functional units become unwieldy and difficult to manage when there are diverse kinds of activities performed in large number of sub-units. Personal contact between superiors and subordinates become rare, and flow of communication is slow leading to problems of coordination and control.

(ii) Divisional Structure

The divisional organization structure is more suited to every large enterprise particularly those which deal in multiple products to serve more than one distinctive markets. The organization is then divided into smaller business units which are entrusted with the business related to different products or different market territories. In other words, independent divisions (product divisions or market division), are created under the overall control of the head office. Each divisional manager is given autonomy to run all functions relating to the product or market segment or regional market. Thus, each division may have a number of supporting functions to undertake. A divisional structure may consist of two or more product divisions or market or territorial divisions.

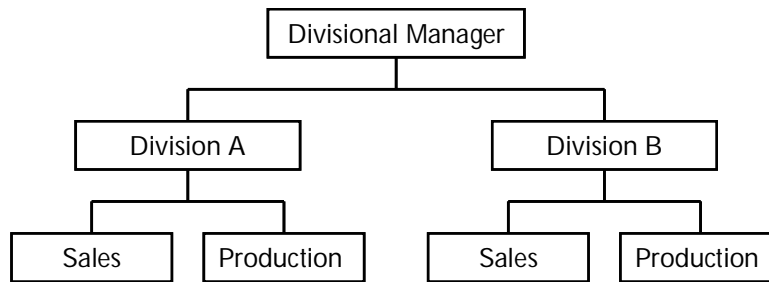


Fig.: Divisional Structure

In a divisional structure each division contributes planned profits to the organization, but otherwise operates as an independent business. The functional units are headed by managers while the final authority vests in the divisional manager, who coordinates and controls the activities of the various functional units in the division. The top management of the organization, besides providing funds, determines the organization goals and formulates policies.

The divisional structure is characterized by decentralization of authority. Thus, it enables managers to take decisions promptly and resolve problems appropriate to the respective divisions. It also provides opportunity to the divisional managers to take initiative in matters within their jurisdiction. But such a structure involves heavy financial costs due to the duplication of supporting functional units for the divisions. Moreover, it requires adequate number of capable managers to take charge of the respective divisions and their functional units.

(iii) Adaptive Structure

Organization structure is often designed to cope with the unique nature of undertaking and the situation.

This type of structure is known as adaptive structure. There are two types in structures.

- (a) Project Organization, and
 - (b) Matrix Organization
- (a) Project Organization:** When an enterprise undertakes any specialized, time-bound work involving one-time operations for a fairly long period, the project organization is found most suitable. In this situation the existing organization creates a special unit so as to engage in a project work without disturbing its regular business. This becomes necessary where it is not possible to cope with the special task or project. Within the existing system, the project may consist of developing a new project, installing a plant, building an office complex, etc. A project organization is headed by a project manager in charge, who holds a middle management rank and reports directly to the chief executive. Other managers and personnel in the project organization are drawn from the functional departments of the parent organization. On completion of the project they return to their parent departments.

The main advantage of such a structural arrangement is that it leaves regular business undisturbed. It is exclusively concerned with the task of completing the project work on time and in conformity with the standards of performance relevant to its goal.

There is better management and control over the project activities as the project manager enjoys necessary authority and is alone responsible for the results. But project organization may create problems as well. Functional managers often resent the exercise of authority by the project manager in the functional areas and hence conflict arises. The stability of the functional departments is disturbed by transfer of personnel to project work from time to time. Shifting of personnel from project to project disrupts their developments in the specialized fields.

- (b) **Matrix Organization:** This is another type of adaptive structure which aims at combining the advantages of autonomous project organization and functional specialization. In the matrix organization structure, there are functional departments with specialized personnel who are deputed to work full time in different projects sometimes in more than one project under the overall guidance and direction of project managers. When a project work is completed, the individuals attached to it go back to their respective functional department to be assigned again to some other project. This arrangement is found suitable where the organization is engaged in contractual project activities and there are many project managers, as in a large construction company or engineering firm.

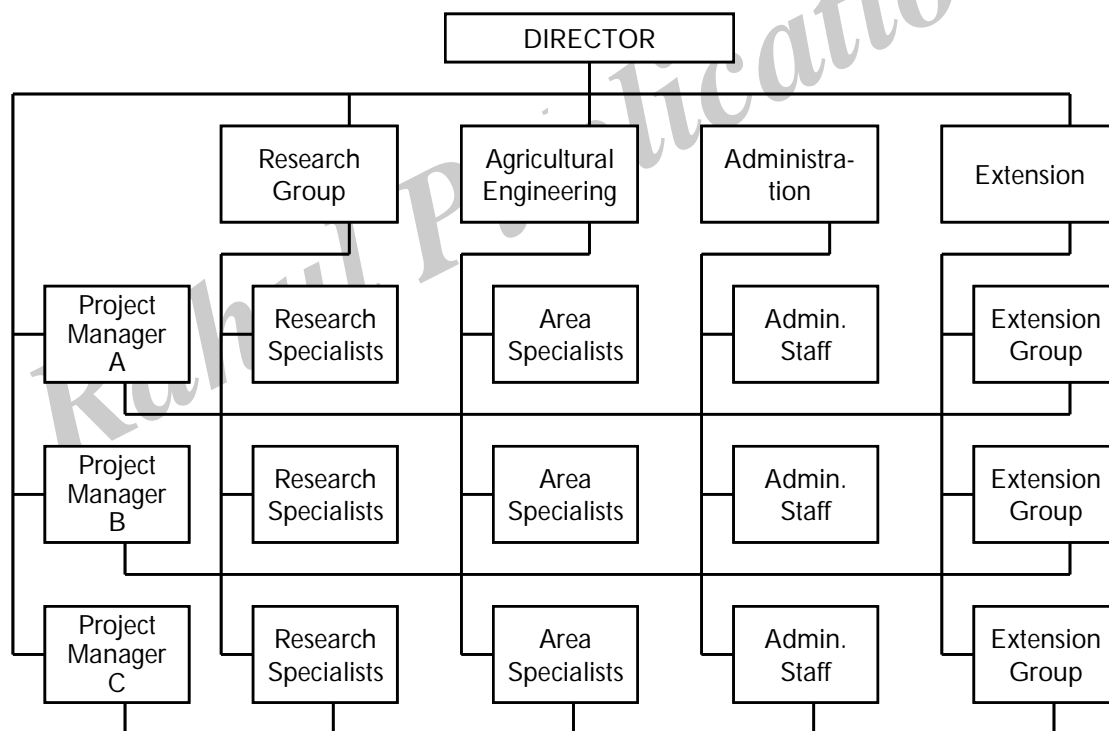


Fig. : Matrix Structure

Matrix organization provides a flexible structure ideally suited to the requirements of changing conditions. It facilitates pooling of specialized and technical personnel from different functional departments, who can be deputed to a number of projects. They acquire valuable experience of handling varied and complex problems in project work. There is speedy exchange of information and decision-making as they work under the coordinating authority of project managers. The major drawback of matrix organization

is that the personnel drawn from specialized functional departments are subjected to dual authority, that of the functional heads and the project managers. The principles of unity of command are thereby sacrificed. This generates stresses and strains in project management, because there is simultaneous engagement of the same individual in a number of projects.

Common success criteria for organizational structures are:

- Decentralized reporting
- Flat hierarchy
- High transient speed
- High transparency
- Low residual mass
- Permanent monitoring
- Rapid response
- Shared reliability
- Matrix hierarchy

1.3 PERFORMANCE MANAGEMENT PROCESS

Q10. Explain the various steps involved in Performance Management.

(OR)

Describe the various stages involved in Performance Management Process.

(OR)

Outline the various steps involved in Performance Management Process.

Ans : (Dec.-19, Imp.)

Performance management is an ongoing process. Performance management does not take place just once a year. Performance management is a continuous process including several components.

These components are closely related to each other, and the poor implementation of any of them has a negative impact on the performance management system as a whole. The components in the performance management process are shown in figure.

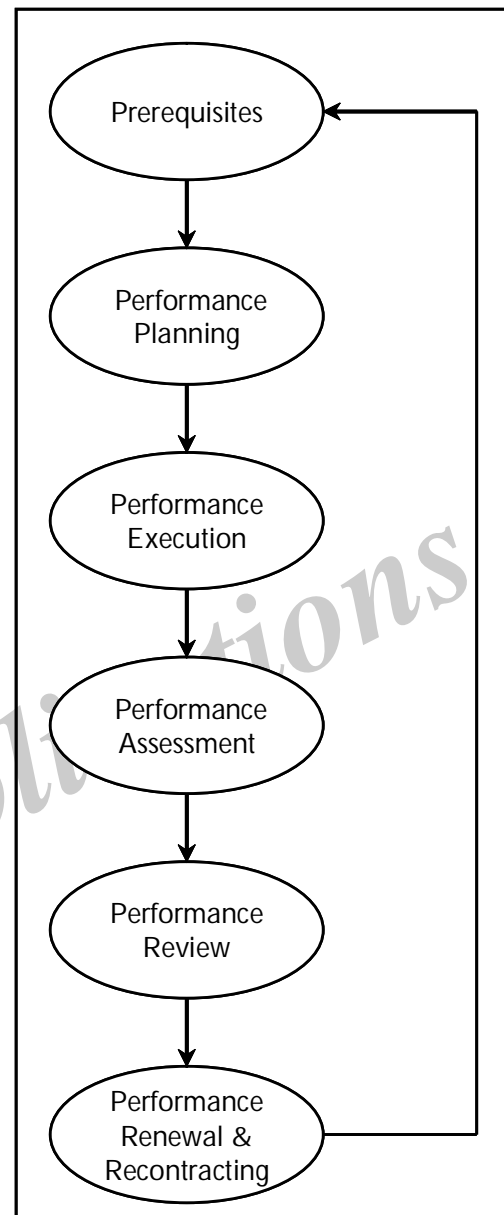


Fig. : Performance Management Process

1. Prerequisites

There are two important prerequisites that are required before a performance management system is implemented:

- (i) knowledge of the organization's mission and strategic goals and
- (ii) knowledge of the job in question.

Knowledge of the organization's mission and strategic goals is a result of strategic planning (the strategic planning process may take place *after* the mission and vision statements are created; thus, there is a constant interplay between mission and vision and strategic planning). Strategic planning allows an organization to clearly define its purpose or reason for existing, where it wants to be in the future, the goals it wants to achieve, and the strategies it will use to attain these goals. Once the goals for the entire organization have been established, similar goals cascade downward, with departments setting objectives to support the organization's overall mission and objectives)

The second important prerequisite before a performance management system is job analysis is a process of determining the key components of a particular job, including activities, tasks, products, services, and processes. A job analysis is a fundamental prerequisite of any performance management system. Without a job analysis, it is difficult to understand what constitutes the required duties for a particular job. If we don't know what an employee is supposed to do on the job, we won't know what needs to be evaluated and how to do so.

2. Performance Planning

The performance-planning part of the performance-management sequence is primarily a joint exploration of what individuals need to do and know to improve their performance and develop their skills and competencies, and how their managers can provide the support and guidance they need.

The performances aspect of the plan obtained agreement on what has to be done to achieve objectives, raise standards and improve performance. It also establishes priorities—the key aspects of the job to which attention has to be given. Agreement is also reached at this stage on the basis upon which performance will be measured and the evidence that will be used to establish levels of competence. It is important that these

measures and evidence requirements should be identified and fully agreed now, because they will be used jointly by managers and individuals and collectively by teams to monitor progress and demonstrate achievements.

3. Performance Execution

Once the review cycle begins, the employee strives to produce the results and display the behaviours agreed upon earlier as well as to work on developmental needs. The employee has primary responsibility and ownership of this process. Employee participation does not begin at the performance execution stage, however. As noted earlier, employees need to have active input in the development of job descriptions, performance standards, and the creation of the rating form. In addition, at later stages, employees are active participants in the evaluation process in that they provide a self-assessment and the performance review interview is a two-way communication process.

- (i) Commitment to goal achievement
- (ii) Ongoing performance feedback and coaching
- (iii) Communication with supervisor
- (iv) Collecting and sharing performance data
- (v) Preparing for performance reviews

4. Performance Assessment

In the assessment phase, both the employee and the manager are responsible for evaluating the extent to which the desired behaviours have been displayed, and whether the desired results have been achieved. Although many sources can be used to collect performance information (e.g., peers, subordinates), in most cases the direct supervisor provides the information. This also includes an evaluation of the extent to which the goals stated in the development plan have been achieved.

5. Performance Review

The performance review stage involves the meeting between the employee and the manager to review their assessments. This meeting is usually called the appraisal meeting or discussion. The appraisal meeting is important because it provides a formal setting in which the employer receives feedback on his or her performance.

1.3.1 Performance Planning

Q11. Define Performance Planning. What are the characteristics of Performance Planning.

Ans : (May-19, Dec.-18, Imp.)

Introduction

The performance-planning part of the performance-management sequence is primarily a joint exploration of what individuals need to do and know to improve their performance and develop their skills and competencies, and how their managers can provide the support and guidance they need.

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Definition

- (a) Performance planning may be defined as a systematic outlining of the activities that the manager is expected to undertake during a specified period so that he is able to make his best contribution to developmental and organizational outcomes.

- (b) Performance planning define executions the results to be achieved and the skills, knowledge, expertise, and capabilities required to attain these results.

Characteristics

The given below are the key characteristics of performance planning:

1. Performance planning is the key essential for an effective performance management system.
2. Performance planning is a continuous process which starts with understanding of organisational objectives and ends with setting of performance criteria.
3. Performance planning helps in attaining the goals and objectives of the organisation.
4. Performance planning motivate the employees to contribute their best in achieving the key goal of the organisation.
5. Performance planning is an integral part of performance management system.
6. Performance planning identifies the criteria for assessing the employee's performance.
7. Performance planning helps in setting the basis for making distinguish between the different levels of performance.
8. Performance planning helps in deciding the criteria for rewarding the employee as per their achievements.

Q12. What are the objectives of Performance Planning?

Ans :

The key objective of performance planning as given as below:

1. Performance planning clearly defines the purpose of the organisation and to establish realistic goals and objectives consistent with that mission in a defined time frame within the organization's capacity for implementation.
2. Communicate those goals and objectives to the organization's constituents.

3. Ensure the most effective use is made of the organization's resources by focusing the resources on the key priorities.
4. Provide a base from which progress can be measured and establish a mechanism for informed change when needed.
5. Listen to everyone's opinions in order to build consensus about where the organization is going.
6. Provides clearer focus for the organization, thereby producing more efficiency and effectiveness.
7. To clearly identify the performance metrics used to measure employee's success in meeting predetermined targets.
8. Produces great satisfaction and meaning among planners, especially around a common vision.
9. Increases productivity from increased efficiency and effectiveness.
10. Solves major problems in the organization.
11. To provide an ongoing on-the-job feedback.

Q13. Explain the importance of Performance Planning.

(OR)

Discuss the importance of Performance Planning.

Ans : **(Oct.-20, Imp.)**

1. Performance planning helps in aligning the individual goals with the organisational goals.
2. Performance planning makes the process of performance management more accountable and objective.
3. Performance planning focus on key results area and key performance area.
4. Performance planning helps in maximum utilisation of resources.
5. Performance planning is important to make clarity in role and responsibilities of employees.

Q14. Describe briefly about the methodologies of performance planning.

Ans :

The following are some of the methodologies of performance planning.

1. Key Performance Areas (KPA's)
2. Key Result Areas (KRAs).

1. Key Performance Areas (KPA's)

KPA's stands for Key Performance Areas. In KPA's method, key performance areas are identified and suitable targets are set for the identified areas in quantitative terms. KPA's are considered as a one way of planning one's own level of performance. Few organizations focus upon increasing objectivity in ratings using KPA's. The results may be inappropriate as the rating method suffers from its own drawbacks such as lots of time is consumed in objective setting exercise and so on.

Identification and selection of the KRA's are vital and indicate the contributions made by the appraisee that is, his/her job performance.

Process of Key Performance Areas (KPA's)

The following are steps involved in key performance areas process.

- (i) Determination of major tasks and activities by employee as well as manager.
- (ii) Evaluation and identification of priority areas.
- (iii) Set targets and goals in the recognized areas.
- (iv) Documentation and seeking employee's commitment.
- (v) Committing resources which are needed.

2. Key Result Areas (KRAs)

KRAs are also called as key work outputs (KWO's). Key results areas refers to general areas of outputs or outcomes for which a role is responsible.

Individual employees are benefited from KRAs in various ways as follows,

- (i) KARs define roles of individual employees clearly.
- (ii) Link employes roles with the business or strategic plan of the organization.
- (iii) Emphasis is laid on outcomes instead of activities.
- (iv) Communicate the objectives of employees roles to others.
- (v) Specify, objectives and goals.
- (vi) Set priorities for employees activities which there by improve time management or work management. Take value added-decisions.

Q15. Explain the various steps involved in performance planning.

Ans :

The following are the key components of performance planning:

1. Preparation of Performance Plans

Performance plans are usually prepared at the beginning of annual review period, or when an employee first starts their new job. Preparing for the initial planning meeting should be undertaken by both the supervisor and the employee. Both supervisor and employee should be reviewing the goals, objectives and needs of the work unit and looking at the current job description. The supervisor should list the things in the job that they intend to measure, and the standards you will measure to. The employee could write down the ways they think each of their tasks could be measured and how well each should be performed.

2. Identification of Key Success Factors

Performance objectives and results to be achieved should be focused on results and set in order of priority. Measures should be

specific to each task, with clear standards which include dates and times when appropriate.

3. Setting Departmental and Individual Objectives

After setting the organisational goals and objectives the departmental goals and objectives are defined. The departmental objectives are further categorised into individual goals. The individual goals include the key duties and responsibilities to achieve the final goals of the organisation.

4. Providing Regular Feedback

The next step in the process is providing regular feedback. The supervisor should be maintaining a log of performance facts, which will ensure that important issues are given the attention that is required and will help the formal review proceed in a more focused and potentially more positive way. The employee should also maintain a record of accomplishments and special achievements, or issues that need to be resolved. Discussion of these things during scheduled or spontaneous feedback sessions will allow resolution of problems in a timely manner.

5. Performance Review

Reviewing performance gives the supervisor and the employee the opportunity to look at results that have been achieved in relation to the original plan and standards of performance that were established. At this meeting, you should review all performance records and assess each task, discussing whether they met the standards of performance or not, and whether they exceed those standards.

Review any outside factors that may have had an effect on performance. At this time, the supervisor should be identifying any areas where improvement may be necessary or performance could be enhanced. The employee should also have the opportunity to discuss areas where they could have used more help.

6. Action Planning

Another important aspect to completing this cycle is action planning. This is where the supervisor and employee would plan for any training that needs to occur, and could also be where you discuss career planning.

Q16. Explain the barriers to performance planning.

Ans :

The barriers to performance planning can be categorised as follows:

1. Organisational Barriers

Most of the traditional organisations are not in the favour of performance planning. According to these organisations spending time on performance planning is just the wastage of time. These organisations believe that they have strong implementation strategy.

Example: Indian companies tend to spend 30% time on planning and remaining 70% on implementation whereas MNCs usually spend 70% time on performance planning and the remaining 30% time on strategy implementation.

2. Individual Barriers

Lack of commitment in organisation's employees or management is another important barrier to performance planning. Sometimes managers or employees or both show less commitment towards the achievement of organisational goals. The reasons could be personal, organisational, competitive or any other HR factor.

Example: Organisational politics, workplace bullying or high conflict causes employees to show less interest towards their job responsibilities.

1.3.2 Performance Appraisal**Q17. Define performance appraisal.**

Ans : (Dec.-18, Imp.)

Introduction

The work performed by the different employees differ in many aspects due to the difference in their backgrounds, experiences, knowledge, skills, abilities and aptitudes. Such differences determine the need of training and development activities. So, it is necessary for management to identify such differences so that employees having better job performance ability, skills and knowledge can be rewarded in one hand, and the wrong placements of the employees may be checked through transfer or punishments on other hand. In this regard, performance appraisal provides a measure in order to know the level of performance so that the employee may improve his/her performance.

Meaning

Performance appraisal is a process of identifying, measuring and managing employee's performance in order to enhance organizational efficiency and effectiveness. It is a merit rating that denotes the appraisal of the performance of the employees in an organization. Performance appraisal systematically evaluates the personality and performance of each employee so that the productivity can be measured in terms of efficiency and effectiveness.

Definitions

- i) **According to Dale S. Beach** Performance appraisal as the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.
- ii) **According to Edwin B. Flippo** Performance appraisal is a systematic, periodic and an impartial rating of employee's excellence in matter pertaining to his/her present job and his/her potential for a better job.

- iii) **According to Mondy *et al.***, "Performance appraisal is a system of review and evaluation of an individual's for team's) performance".
- iv) **According to Gomej-Mejia *et al.***, "Performance appraisal involves the identification, measurement, and management of human performance in organisations".
- v) **According to DeNisi**, "Performance appraisal is the system whereby an organisation assigns some score is indicate the level of performance of a target person or group".
- vi) **According to Flipppo**, "Performance appraisal is defined as a systematic, periodic and so far as humanly possible, an impartial rating of an employee's excellence in matters pertaining to his present job and to his potentialities for a better job".

Q18. What are the characteristics of performance appraisal ?

Ans :

The following are the characteristics of Performance Appraisal.

1. A Process

Performance appraisal is not a one-act play. It is rather a process that involves several acts or steps.

2. Systematic Assessment

Performance appraisal is a systematic assessment of an employee's strengths and weakness in the context of the given job.

3. Main Objective

The main objective of it is to know how well an employee is going for the organization and what needs to be improved in him.

4. Scientific Evaluation

It is an objective, unbiased and scientific evaluation through similar measure and procedures for all employees in a formal manner.

5. Periodic Evaluation

Although informal appraisals tend to take place in an unscheduled manner (on continuous) basis with the enterprises a supervisors evaluate their subordinates work and as subordinates appraise each other and supervisors on a daily basis, yet the systematic (i.e., formal) appraisal of an individual employee is likely to occur at certain intervals throughout that person's history of employment (say quarterly, six monthly, annually, etc.)

6. Continuous Process

In addition to being periodic performance usually is an ongoing process. It means that appraisals are regularly scheduled and are not dumped on the employee on whimsical dates without relevance. The process has not been broken in person's history of employment however, the periodicity of appraisal may be changed as per needs of the situation.

Q19. Explain the purpose of performance appraisal ?

Ans :

The following are the main purposes of performance appraisal.

1. Appraisal Procedure

It provides a common and unified measure of performance appraisal, so that all employee are evaluated in the same manner. It gives an in discriminatory rating of all the employees.

2. Decision Making

Performance appraisal of the employees is extremely useful in the decision making process of the organization. In selection, training, promotion, pay increment and in transfer, performance appraisal is very useful tool.

3. Work Performance Records

Performance appraisal gives us a complete information in the form of records regarding

every employee. In the case of industrial disputes even arbitrator accepts these records in the course of grievance handling procedure.

4. Employees Development

Performance appraisal guides the employees in removing their defects and improving their working. The weaknesses of the employee recorded in the performance appraisal provide the basis for an individual development programme. If properly recorded and used, the performance appraisal gives the fair opportunities to employees to correct and rectify their mistakes.

5. Enables Supervisors to be More Alert and Competent

Performance appraisal enables supervisor to be more alert and competent and to improve the quality of supervision by giving him a complete record of employee's performance. He can guide an employee, where he is prone to commit mistakes.

6. Merit Rating

Merit rating is another name of performance appraisal, it gives supervisors a more effective tool for rating their personnel. It enables them to make more careful analysis of employee's performance and make them more productive and useful.

Q20. Explain the various approaches to performance appraisal.

Ans :

1. **Personality-based systems:** In such systems the appraisal form consists of a list of personality traits that presumably are significant in the jobs of the individuals being appraised. Such traits as initiative, drive, intelligence, ingenuity, creativity, loyalty and trustworthiness appear on most such lists.

2. **Generalized descriptive systems:** Similar to personality-based systems, they differ in the type of descriptive term used. Often they include qualities or actions of presumably good managers: "organizes, plans, controls, motivates others, delegates, communicates, makes things happen," and so on. Such a system, like the personality-based system, might be useful if meticulous care were taken to define the meaning of each term in respect to actual results.
3. **Behavioral descriptive systems:** Such systems feature detailed job analysis and job descriptions, including specific statements of the actual behavior required from successfully employees.
4. **Result-centered systems:** These appraisal systems (sometime called work-centered or job-centered systems) are directly job related.

Q21. Explain the Process of Performance Appraisal System.

Ans :

The performance appraisal process follows a set pattern and it consists of the following steps:

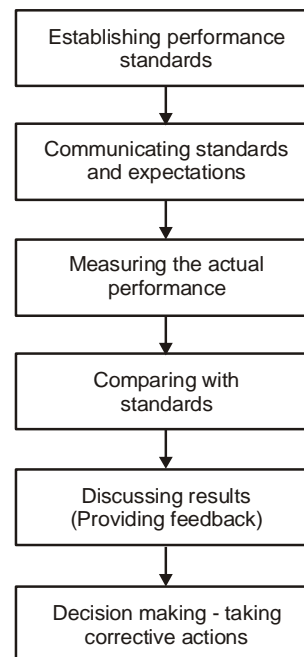


Fig.: The performance appraisal process

1. Establishing performance standards

The appraisal process begins with the setting up of criteria to be used for appraising the performance of employees. The criterion is specified with the help of job analysis which reveals the contents of job. This criteria should be clear, objective and on writing. It should be discussed with the supervisors to ensure that all the relevant factors have been included.

Where the output can be measured is clean. If work performance cannot be measured, the personal characteristic which contributes to employee performance must be determined. These characteristics include work quality, honesty and reliability, cooperation, initiative, leadership etc. These standards should be indicated on the Appraisal form. Appraisals form should be carefully designed for higher jobs.

2. Communicating the standards

The performance standards specified in the first step are communicated and explained to the employees so that they come to know what is expected of them. The standards should be conveyed to the evaluators. The reactions of employees to the standards should be obtained. If necessary the standards may be revised or modified in the light of feedback obtained from the employees and the evaluators.

3. Measuring Performance

Once the performance standards are specified and accepted, the next stage is the measurement of actual performance. This requires choosing the right technique of measurement, identifying the internal and external factors influencing performance and collecting face to face contacts are the means of collecting data on performance. The performance of different employees should be so measured that it is comparable. What is measured is more important than how it is measured.

4. Comparing the actual with the standards

Actual performance is compared with the pre determined performance standards. Such

comparison will reveal the deviation which may be positive or negative. Positive deviations occur when the actual performance exceeds the standards. On the other hand, excess of standards performance over the actual performance represents negative deviations.

5. Discussing the appraisal

The results of the appraisal are communicated to and discussed with the employees. Along with the deviations the reasons behind them are also analysed and discussed. Such discussion will enable an employee to know his weaknesses and strengths. Therefore, he will be motivated to improve himself. The impression the subordinate received about his performance has an impact on his performance.

6. Taking corrective actions

Through mutual discussions with employees, the steps required to improve performance are identified and initiated. Training, coaching, counseling etc. are examples of corrective actions that helps to improve performance.

Q22. Explain the Factors Effecting Performance Appraisal.

Ans :

1. Organizational Leadership

The leadership at the top determines to a large extent the loyalty and commitment of the employees to the goals of the organization. Effective top leadership orients and motivates the entire organization for better performance.

2. Organizational Structure

There are two types of organization structures: organistic and mechanistic. Organistic structures tend to be flexible. Such organizations change themselves very fast to cope up with the present changing environment. This dynamism makes such structures readily responsive to innovations of all kinds. Mechanistic structures are very rigid and have clearly defined relationships

and responsibility. These structures are static and are designed to carry out a nearly fixed strategy in a relative stable environment. Initiative, drive and imagination do not receive encouragement in a mechanistic structure.

3. Environmental Constraints

Various environmental constraints affect the performance of an employee. For example, the quality of new material may affect the productivity and performance of an employee. If the selection of materials and other things are done at the higher levels in the organization, the performance appraisal of the worker wouldn't be affected.

4. Interdependence of Subsystems

Every subsystem of a larger organizational system is interdependent. The malfunctioning of a subsystem affects the other subsystems functioning. Because of this interdependence of subsystems it is suggested that the performance appraisal should start from the apex. This leads to more systematic and logical cause and effect tracing of performance at all levels within the organization.

Q23. Explain the Problems of Performance Appraisal.

Ans :

The problems inherent in performance appraisal may be listed thus :

1. Judgment Errors

People commit mistakes while evaluating people and their performance. Biases and judgment errors of various kinds may spoil the show. Bias here refers to distortion of a measurement.

2. Poor Appraisal Forms

The appraisal process might also be influenced by the following factors relating to the forms that are used by raters:

- i) The rating scale may be quite vague and unclear.
- ii) The rating form may ignore important aspects of job performance.

iii) The rating form may contain additional, irrelevant performance dimensions.

iv) The forms may be too long and complex.

3) **Lack of Rater Awareness:** The raters may not be adequately trained to any out performance management activities. This becomes a serious limitation when the technical competence of a rater is going to be evaluated by a rater who has limited functional specialization in that area. The raters may not have sufficient time to carry out appraisals systematically and conduct thorough feedback sessions. Sometimes, the raters may not be competent to do the evaluations owing to a poor self-image and lack of self-confidence. They may also get confused when the objectives of appraisal are somewhat vague and unclear.

4) **Ineffective Organizational Policies and Practices:** If the sincere appraisal effort put in by a rater is not suitably rewarded, the motivation to do the job thoroughly finishes off. Sometimes, low ratings given by raters are viewed negatively by management - as a sign of failure on the part of rater or as an indication of employee discontent. So, most employees receive satisfactory ratings, despite poor performance. Normally, the rater's immediate supervisor must approve the ratings. However, in actual practice, this does not happen. As a result, the rater 'goes off the hook' and causes considerable damage to the rating process.

Q24. What are the differences between performance management and performance appraisal?

(OR)

Enumerate the differences between performance management and performance appraisal?

(OR)

Enlist and elaborate the various differences between performance management and performance appraisal?

Ans :

(Aug.-17, June-13)

Performance management	Performance appraisal
1. Performance management is about actually helping an employee to develop and increase his performance and productivity.	1. Performance appraisal evaluates the actual performance of the employee, but it does not focus on the employee's performance productivity.
2. Performance management looks at an employee's performance keeping in mind the present and the future.	2. Performance appraisal evaluates the employee's performance based on how he has performed in the immediate past.
3. Performance management proactively manages an employee's performance and ensures that the employee has accomplished all the goals, vision, mission and the core values of the organization.	3. Performance appraisal only looks at the employee's performance objectively for the year and give a final feedback to the employee.
4. Performance management has a holistic approach that evaluates the relationship between the employee and the organization and examine ways in which employee engagement can be fostered.	4. Performance appraisal is individualistic in nature and pertains to the employee and his past performance.
5. Performance management is strategic in the sense that it is constantly measuring an employee's performance and formulating new strategies for the employee's development.	5. A performance appraisal system is operational because it follows certain protocol for performance, and it focuses only on the result of the employee's performance.
6. Performance management is very dynamic because it involves a lot of dialog between the employee and the senior managers. There is more room for discussion in performance management.	6. Performance appraisals are very linear in terms of the communication because it has a very top down approach towards employee performance. There is a discussion that takes place only after the performance appraisal process.
7. Performance management is future oriented keeping in mind the strategies required for maintaining the employee performance for the next year. Performance management finds ways to improve employee performance.	7. Performance appraisal is very retrospective in the sense that it looks back on past events and situations. It looks at an employee's performance over a period. Performance appraisal is very past oriented.
8. Performance management is a continuous ongoing process by giving real time instant performance reviews. Luckily, with the advent of an employee performance management software, there is a performance management tool that has a continuous feedback mechanism for effective performance management.	8. Performance appraisal system facilitates performance appraisals only once or twice a year. There is a performance management tool for appraisals, feedback happens in a periodic manner during appraisals, but the feedback may not focus on development. Typically, the discussion during appraisals revolves around justifying the rating and feedback.
9. Performance management has a qualitative and quantitative approach in the sense it has ratings and more continuous feedback. If an organization has an employee performance management software, then performance management is usually in the form of comprehensive feedback given to the employees and their performance.	9. Performance appraisal on the other hand, has a quantitative approach towards an employee's performance. In an employee performance management software, performance appraisals use rating scales to evaluate employee performance. There is minimal scope for constant feedback. The ratings are the only final measurement that is used for performance appraisal.
10. Performance management is flexible in terms of keeping in mind the growth of the organization. Compensation and salary revisions are a part of PMS, but performance management comes up with developmental plans for more improvement	10. Performance appraisal is usually rigid because it is only confined to an employee's past performance. It has little to do with his growth.

1.3.3 Performance Mentoring

Q25. Explain in detail about Performance Mentoring.

Ans : (May-19, Imp.)

Meaning

Mentoring is often referred to as training by experienced workmen. Mentoring is a longer-term development process. Mentoring is one of the individual and informal activities that mainly occurs through encouraging experienced workers to share their knowledge with those who are less experienced and encouraging workers to take further training. Thus, mentoring involves a senior manager or other experienced employee providing job- and career-related information to a mentee.

Definitions

- (i) **According to Collin**, "Mentoring is a one-to-one relationship between a more experienced person and an inexperienced person, until the latter reaches maturity".
- (ii) **According to Haines**, "Mentoring as a symbiotic relationship between two adults who facilitate each other in achieving mutual career objectives in an organization or professional discipline".
- (iii) **According to Reidy-Croft**, "Mentoring refers to the information and advice provided by an older, experienced individual to a younger and less experienced individual to help in latter's growth and development".

A mentor facilitates personal and professional growth in an individual by sharing the knowledge and insights that they learned through the years. A mentor's purpose is to be a role model, a coach, a broker, and an advocate.

- **Role Model** : A role model is a person so effective in a professional or personal way that he or she is a model for others. Since a mentor's behavior will influence their mentee's behavior, they should consider how they would appear if their actions were videotaped over a day. Would they be proud of themselves and of their mentee if they emulated the mentor's behavior?

- **Coach** : Mentoring includes being supportive of the mentee's ideas; but it also requires acknowledging the strengths and helping the mentee to see the weaknesses in their ideas and overcome any shortcomings.
- **Broker** : Mentees look to their mentors to help increase their contacts in their chosen profession. That means that the mentor must be skilled in building a network of individuals to whom they can go to help their mentees. Once they know the mentee's career goals, they can draw upon their established peer relationships to get the additional information or resources that their mentee needs.
- **Advocate** : Mentors serve as cheerleaders for their mentees, offering positive feedback to the mentee and to others about their work. Mentors need to acquire a reputation for being genuine and sincere with their praise by citing specific instances in which their mentee demonstrated his or her potential.

Q26. Explain the Characteristic of Mentor.

Ans :

A mentor should be :

1. **A consummate professional**, who
 - a) Is a role model in activities associated with being a scientist – research, collaborating, teaching, reading the literature, writing and presenting
 - b) Engages the mentee in level-appropriate activities, easing the mentee into the research process
 - c) Understands the importance of networking and helps the mentee build his or her own network
 - d) Models the highest ethical standards
 - e) Works to guide an individual toward independence and career success
2. **A good listener** – attentive, perceptive, unbiased, and diplomatic
3. **Accessible and available** – willing to get to know the mentee and keep in touch, understanding that the frequency depends on the mentee's needs.

Sensitive to diversity – aware of differences such as physical disability, gender, culture, or life circumstances that may require special accommodations; aware of campus and local support groups that can help the mentee; and aware of one's own limits in dealing with diversity issues

4. A **team player** – receptive to the mentee's need for other mentors
5. A **character builder** – providing the mentee with an honest assessment of his or her strengths and weaknesses and helping the mentee acquire the confidence and tools to function in the competitive world of science.

Q27. Explain the various Participation involved in a mentoring programme.

Ans :

Various participants involved in a mentoring programme are as follows:

1. Mentors

Mentors are individuals with advanced experience and knowledge who are committed to providing upward support and mobility to their protege's career. Mentors are usually in their mid-career stages that involve a re-assessment of life accomplishments and generativity to help them avoid stagnation and allow them to progress to the next life stage. Mentors can provide the challenge and support that engage talented proteges to increase their job satisfaction and work effectiveness in the process. By doing this, mentors help to "raise the performance bar" in their profession while gaining new insights from a inherent viewpoint.

2. Proteges

Proteges are in their early career stages that require developing a sense of professional identity and role modelling to help proteges advance through this stage. Normally, both the mentor and the protege are employees of the same organisation. The protege contributes to the success of mentoring by evincing interest in it, by successfully participating in the mentoring activities and

by benefiting himself through mastering workplace competencies, exhibiting high performance beyond his comfort zone and with the consequential reward and recognitions.

3. Organisation

The organisation is the establishment where the protege or both protege and mentor work. The organisation participates itself as an artificial person by allowing employees to participate in mentoring programme, by recognizing mentoring as a useful developmental tool, by providing necessary support to the participants and by creating a conducive environment for the mentoring programme to survive and succeed.

Q28. Explain the Classification of Mentoring Programs.

Ans :

Mentoring programs can be classified as :

1. Procedural Classifications

Mentoring programs can be classified based on how they are initiated, conducted, and concluded as formal mentoring (i.e., arranged by the company) and informal mentoring (i.e., naturally by the people themselves) which is called as procedural classification. These are classified as :

- i) **Formal Mentoring:** Formal mentoring relationships are typically assigned to one another by a program coordinator on the basis of application forms submitted by the potential mentor and protege. Mentors are selected on the basis of their competency, but this judgment is made by the program coordinator rather than the protege.

Additionally, formed mentors may view their proteges as 'at risk performers' who enter the program because they needed remedial attentions. In many cases, the mentor and protege do not even meet until after the match has been made. Thus, in contrast to an informal relationship, identification, role modeling, and interpersonal comfort do not play any useful role in the development of formal relationships.

- ii) **Informal Mentoring:** Informal mentoring relationships develop on the basis of mutual identification and the fulfillment of career needs. Mentors select proteges who are viewed as younger versions of themselves and the relationship provide mentors with a sense of generativity or contribution to future generations.

Proteges select mentors who are viewed as role models. This mutual identification leads to the often-cited intensity of the informal relationship and the parallels are drawn between mentoring and parent-child relationships. Informal mentoring relationships also develop on the basis of perceived competence and interpersonal comfort. Mentors tend to select high performing proteges who are considered rising stars or even diamonds in the rough.

Similarly, proteges select mentors with desired expertise. There basically exists a mutual attraction of professionalism that sparks the development of the relationship. Informal relationships often evolve on the basis of mutual interests, job functions, and career paths. Informal mentors can sponsor their proteges into upwardly mobile positions, give them challenging assignments and offer them protection from adverse forces in the organization.

2. Purposive Classifications

Another approach to classification of mentoring programs is based on the purpose for which it is initiated like career mentoring (aimed at developing the career of the protege) and psycho-social mentoring (aimed at providing psycho-social support to the protege) which is called as purposive classification. These are classified as :

- i) **Career Mentoring:** Career-related mentoring and psycho-social mentoring differ in the magnitude of their relationship to various outcomes. For example, the behaviors associated with career mentoring are highly focused on preparing proteges for advancement (i.e., exposure and visibility, sponsorship, challenging assignments, etc.).

According to Kram, mentors can provide five specific career development functions - namely sponsoring promotions and lateral moves; coaching the protegee; protecting the protege from adverse forces; providing challenging assignments; and increasing the proteges exposure and visibility.

- ii) **Psycho-Social Mentoring:** Psycho-social mentoring (i.e., role modeling, acceptance and confirmation, and counseling) centers on enhancing proteges self-esteem, confidence, and identity. Given the more relational focus of psycho-social mentoring, it may relate to affective outcomes such as career and job satisfaction than does career mentoring. Proteges self-esteem, confidence and identity are likely to be enhanced under this type of mentoring.

Behaviors associated with psycho-social mentoring such as role modeling, acceptance and confirmation, counseling and friendship were more highly related to satisfaction with the mentor than was with career mentoring. Psycho-social mentoring represents a deeper, more intense aspect of mentoring relationships the success of which depends upon the quality of relationship. For realizing the benefits of psycho-social mentoring, the relationships should mature into an emotional bond, since relational depth and intimacy are important markers of satisfying dyadic relationships.

3. Other Classifications

The other classification of mentoring includes the following :

- i) **One-to-One Mentoring :** One-to-one mentoring places one mentor with one protege. At a minimum, the mentor and protege should meet regularly atleast four hours per month.
- ii) **Group Mentoring:** Group mentoring involves one adult mentor mentoring a group of upto four proteges. The mentor assumes the role of leader and makes a commitment to meet regularly with the group over a period of time.

- iii) **Team Mentoring:** Team mentoring involves several mentors working with small groups of proteges, with a mentor-to-protege ratio no greater than one to four.
- iv) **Peer Mentoring:** Peer mentoring involves employees in the same grade/scale mentoring their colleagues.
- v) **E-Mentoring:** E-mentoring connects mentors and proteges who are located in different places through communication technology.

Q29. Explain how can performance planning be linked to performance mentoring.

Ans : (Oct.-20, Imp.)

Mentors typically use guided conversations and observations to report on performance and develop mentee talent. These programs are helpful not only to measure individual productivity and provide desired learning opportunities but also to help management identify high-performing individuals and future leaders.

(i) High-potential Mentoring

High-potential mentoring programs help proactive employees find mentors who can advance their careers and access the development they need to be ready for future roles. Popular content resources include 360-degree or multi-rater feedback tools; advanced communication models; business acumen training; and training to improve soft skills, such as problem-solving, collaboration and emotional intelligence.

(ii) Succession Planning Mentoring

The final phase in the employee life cycle that can benefit from proactive performance management is the succession planning program. These types of mentoring programs help ensure a talent pipeline for an organization's executive leadership roles. Executives hand-select protégés from an exclusive list of highly qualified candidates and choose one or two mentees to develop over a longer period of time.

1.4 PERFORMANCE MANAGEMENT STRATEGIC PLANNING

Q30. Define Strategic Planning. Explain the purpose of Strategic Planning.

Ans : (May-19, Feb.-17, Imp.)

Meaning

Strategic planning is a process that involves describing the organization's destination, assessing barriers that stand in the way of that destination, and selecting approaches for moving forward. The main goal of strategic planning is to allocate resources in a way that provides organizations with a competitive advantage. Overall, a strategic plan serves as a blueprint that defines how the organization will allocate its resources in pursuit of its goals.

Purpose

Strategic planning serves the following purposes:

- First and foremost, strategic planning allows organizations to define their identities. In other words, it provides organizations with a clearer sense of who they are and what their purposes are.
- Second, strategic planning helps organizations prepare for the future because it clarifies the desired destination. Knowing where the organization wants to go is a key first step in planning how to get there.
- Third, strategic planning allows organizations to analyze their environment, and doing so enhances their ability to adapt to environmental changes and even anticipate future changes. Although knowledge of the environment does not guarantee that an organization will be more likely to change and adapt, knowledge is the first step toward possible adaptation.
- Fourth, strategic planning provides organizations with focus and allows them to allocate resources to what matters most. In turn, the improved allocation of resources is likely to stimulate growth and improve profitability.

- Fifth, strategic planning can produce a culture of cooperation within the organization given that a common set of goals is created. Such a culture of cooperation can gain organizations a key competitive advantage.
- Sixth, strategic planning can be a good corporate eye-opener because it generates new options and opportunities to be considered. New opportunities to be considered may include expanding to new markets or offering new products.
- Finally, strategic planning can be a powerful tool to guide employees' daily activities because it identifies the behaviors and results that really matter.

Q31. Explain the various steps involved in process of strategic planning.

Ans :

Step 1: Developing the Vision and Mission

Vision

The vision statement helps the organizational members to know where the organization is going to be in future: Vision mainly deals with the "what and where" aspects of the company.

All the individuals should participate while creating a vision, so that it can be accepted by everyone in the organization.

A strategic vision is defined as an imaginary view of future which all the organizational members believe in and is not easily achieved.

Mission

According to Thomson (1997) defines mission as the "essential purpose of the organization, concerning particulars why it is in existence, the nature of the businesses it is in, and the customers it seeks to serve and satisfy.

Organizations legitimize themselves by performing some functions that are valued by society. A mission statement defines the basic reason for the existence of that organization. Such a statement reflects the corporate philosophy, identity, character and image of an organization.

Step 2: Analyzing the Environment

In environmental analysis, both internal and external parameters are determined to understand issues of industry. Analysis of external environment involves opportunities and threats and internal environmental involves strengths and weaknesses.

Step 3: Setting Objectives

"Objectives may be defined as the means of the achievement of specific result for which an organization is striving". Formulation of clear and correct objectives is very important for an organization as they give the direction for planning, resource allocation, prioritizing activities, etc.

Objectives are of two types i.e., Long term objectives and short term objectives. Short term/ annual objectives are those objectives which can be accomplished within or less than one year. Long term objectives are the objectives which require more time for their accomplishment (i.e., more than 1 year) and are found to be very much important for the success of an organization.

Step 4: Developing the Strategy

A strategy acts as a source for attaining the objectives. A strategy is an amalgamated or integrated plan which helps in connecting all the components of an organization together. A strategy is formulated mainly for assuring that the organizational objectives are effectively attained by implementing it in the organization.

Step 5: Implementing and Controlling Strategies

The strategic plans are assigned to the middle level management by the top level management for its execution.

Once the plan is assigned to the middle level management, the top level management starts monitoring the strategic planning process.

Q32. Define vision ? Explain the benefits of vision.

Ans :

Meaning

A vision statement is sometimes called a picture of your company in the future. Vision statement is your inspiration; it is the dream of what you want your company to accomplish.

A strategic vision is defined as an imaginary view of future which all the organizational members believe in and is not easily achieved. Strategic vision provides an overview of an organization in the coming future.

Definitions

Vision has been defined in several different ways.

- (i) **According to Kotter**, "Description of something (an organization, corporate culture, a business, a technology, an activity) in the future."
- (ii) **According to Namaki**, "Mental perception the kind of environment and individual, or an organization, aspires to create within a broad time horizon and the underlying conditions for the actualization of this perception."

The common strand of thought evident in these definitions and several others available in strategic management literature relates to 'visions' being future aspirations that lead to inspiration to be the best in one's field of activity.

Benefits

- Good visions are inspiring and exhilarating.
- Visions represent a discontinuity, a step function and a jump ahead so that the company knows what it is to be.
- Good visions help in the creation of a common identity and a shared sense of purpose.
- Good visions are competitive, original and unique. They make sense in the marketplace as they are practical.
- Good visions foster risk-taking and experimentation.
- Good visions foster long-term thinking.
- Good visions represent integrity; they are truly genuine and can be used for the benefit of people.

Q33. Define mission ? Explain the characteristics of a effective mission statement.

Ans :

Meaning

Mission is what an organization is and why it exists. Organizations relate their existence to satisfying a particular need of the society. They do this in terms of their mission.

Mission is "a statement which defines the role that an organization plays in a society".

Definition

- (i) **According to Thompson**, "Mission is the essential purpose of the organization, concerning particularly why it is in existence, the nature of the business(es) it is in, and the customers it seeks to serve and satisfy".
- (ii) **According to Hunger and Wheelen**, "Mission is the purpose or reason for the organization's existence".
- (iii) **According to Drucker**, "Mission focuses the organization on action. It defines the specific strategies needed to attain goal. It creates a disciplined organization. The business purpose and business mission are so rarely given adequate thought, is perhaps the most important single cause of business failure and business frustration".

Characteristics

1. It should be feasible

A mission should always aim high but it should not be an impossible statement. It should be realistic and achievable its followers must find it to be credible. But feasibility depends on the resources available to work towards a mission.

2. It should be precise

A mission statement should not be so narrow as to restrict the organization's activities nor should it be too broad to make itself meaningless. 'Manufacturing bicycles' is a

narrow mission since it severely limits the organization's activities while 'mobility business' is too broad a term, as it does not define the reasonable contour within which an organization could operate.

3. It should be clear

A mission should be clear enough to lead to action. It should not be a high-sounding set of platitudes meant for publicity purposes. Many organizations do adopt such statements but probably they do so for emphasizing their identity and character.

4. It should be motivating

A mission statement should be motivating for members of the organization and of the society, and they should feel it worthwhile working for such an organization or being customers.

5. It should be distinctive

A mission statement, which is indiscriminate, is likely to have little impact. If all Scooter manufacturers defined their mission in a similar fashion, there it would not be much of a difference among them. But if one defines it as providing scooters that would provide value for money, for 1 year it creates an important distinction in the public mind.

6. It should indicate major components of strategy

A mission statement, along with the organizational purpose, should indicate the major components of the strategy to be adopted.

7. It should indicate how objectives are to be accomplished

Besides indicating the broad strategies to be adopted, a mission statement should also provide clue regarding the manner in which the objectives are to be accomplished. These mission statements specifically deal with objectives to be achieved within a given time period.

Q34. What are the components of a mission statement?

Ans :

(June-18)

1. Basic product or service to be offered.
2. Customers groups or primary markets to be served.
3. Advantages and benefits of products or services.
4. Technology in production and delivery.
5. Basic concern for survival of organization through profitability and growth.

Mission statement also includes information regarding the values and beliefs of the organization including.

1. Organization's managerial philosophy.
2. Self concept that its adopted by stockholders and employees for the business.
3. Organization's public image.

Short Question & Answers

1. What are the characteristics of Performance Management?

Ans :

(i) Measures outputs of delivered performance

It is concerned with measuring outputs of delivered performance compared with expectations expressed as objectives. Its complete focus is on targets, standards and performance measures. It is based on the agreement of role requirements, objectives and performance improvement and personal development plans.

(ii) Concerned with inputs and values

Performance management is also concerned with inputs and values. The inputs are the knowledge, skills and behaviors required to produce the expected results from the individuals.

(iii) Continuous and flexible process

Performance management is a continuous and flexible process that involves managers and those whom they manage acting as partners within a framework that sets out how they can best work together to achieve the required results.

(iv) Based on the principle of management by contract and agreement

It is based on the principle of management by contract and agreement rather than management by command. It relies on consensus and cooperation rather than control or coercion.

2. What are the objectives of Performance Management?

Ans :

- Empowering, motivating and rewarding employees to perform their best for the organization.

- Focusing on employees' tasks, the right things and make them doing right. Aligning everyone's individual goals towards the goals of the organization.
- Proactively managing and resourcing performance against objectives of the organizations.
- Linking job performance to the achievement of the council's corporate strategy and service plans.
- The alignment of individual objectives with team, department and corporate plans. The presentation of objectives with clearly defined goals using measures, both soft and numeric. The monitoring of performance and tasking of continuous action as required.

3. State the challenges faced by performance management.

Ans :

The challenges faced by performance management are as follows,

- (i) Linking the reward system with performance management.
- (ii) Evaluating the outcomes of organization and employee as well.
- (iii) Making use of capabilities in PMS (Performance Management System).
- (iv) Making use of performance management tool in order to enhance effectiveness of organization.
- (v) Strengthening organizational culture with performance management.
- (vi) Designing and executing performance management.
- (vii) Aligning employees with objectives and strategies of the organization.

4. Significance of Performance Management.*Ans :*

- (i) Performance management clearly defines the organizational vision, mission, strategy and values to employees to allow them to attain the same.
- (ii) It helps the management in verifying their recruitment and selection process and methods.
- (iii) It enhances capability of organization to change quickly by focussing on gap between potential capabilities and present abilities.
- (iv) At managerial level and front line level, performance management sets up the intellectual capital.
- (v) It helps the organization to make a move from industrial relations to individual relations by focussing on growth and development of employee.

5. Define Performance Planning.*Ans :***Introduction**

The performance-planning part of the performance-management sequence is primarily a joint exploration of what individuals need to do and know to improve their performance and develop their skills and competencies, and how their managers can provide the support and guidance they need.

The performance aspect of the plan obtained agreement on what has to be done to achieve objectives, raise standards and improve performance. It also establishes priorities—the key aspects of the job to which attention has to be given. Agreement is also reached at this stage on the basis upon which performance will be measured and the evidence that will be used to establish levels of competence. It is important that these measures and

evidence requirements should be identified and fully agreed now, because they will be used jointly by managers and individuals and collectively by teams to monitor progress and demonstrate achievements.

Definition

- (a) Performance planning may be defined as a systematic outlining of the activities that the manager is expected to undertake during a specified period so that he is able to make his best contribution to developmental and organizational outcomes.
- (b) Performance planning defines the results to be achieved and the skills, knowledge, expertise, and capabilities required to attain these results.

6. What are the objectives of Performance Planning?*Ans :*

The key objective of performance planning as given as below:

- (i) Performance planning clearly defines the purpose of the organisation and to establish realistic goals and objectives consistent with that mission in a defined time frame within the organization's capacity for implementation.
- (ii) Communicate those goals and objectives to the organization's constituents.
- (iii) Ensure the most effective use is made of the organization's resources by focusing the resources on the key priorities.
- (iv) Provide a base from which progress can be measured and establish a mechanism for informed change when needed.
- (v) Listen to everyone's opinions in order to build consensus about where the organization is going.
- (vi) Provides clearer focus for the organization, thereby producing more efficiency and effectiveness.

- (vii) To clearly identify the performance metrics used to measure employee's success in meeting predetermined targets.

7. Explain the importance of Performance Planning.

Ans :

- (i) Performance planning helps in aligning the individual goals with the organisational goals.
- (ii) Performance planning makes the process of performance management more accountable and objective.
- (iii) Performance planning focus on key results area and key performance area.
- (iv) Performance planning helps in maximum utilisation of resources.
- (v) Performance planning is important to make clarity in role and responsibilities of employees.

8. Define performance appraisal.

Ans :

Introduction

The work performed by the different employees differ in many aspects due to the difference in their backgrounds, experiences, knowledge, skills, abilities and aptitudes. Such differences determine the need of training and development activities. So, it is necessary for management to identify such differences so that employees having better job performance ability, skills and knowledge can be rewarded in one hand, and the wrong placements of the employees may be checked through transfer or punishments on other hand. In this regard, performance appraisal provides a measure in order to know the level of performance so that the employee may improve his/her performance.

Meaning

Performance appraisal is a process of identifying, measuring and managing employee's performance in order to enhance organizational

efficiency and effectiveness. It is a merit rating that denotes the appraisal of the performance of the employees in an organization. Performance appraisal systematically evaluates the personality and performance of each employee so that the productivity can be measured in terms of efficiency and effectiveness.

Definitions

- i) **According to Dale S. Beach** Performance appraisal as the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.
- ii) **According to Edwin B. Flippo** Performance appraisal is a systematic, periodic and an impartial rating of employee's excellence in matter pertaining to his/her present job and his/her potential for a better job.

9. Performance Mentoring

Ans :

Meaning

Mentoring is often referred to as training by experienced workmen. Mentoring is a longer-term development process. Mentoring is one of the individual and informal activities that mainly occurs through encouraging experienced workers to share their knowledge with those who are less experienced and encouraging workers to take further training. Thus, mentoring involves a senior manager or other experienced employee providing job- and career-related information to a mentee.

Definitions

- (i) **According to Collin**, "Mentoring is a one-to-one relationship between a more experienced person and an inexperienced person, until the latter reaches maturity".
- (ii) **According to Haines**, "Mentoring as a symbiotic relationship between two adults who facilitate each other in achieving mutual career objectives in an organization or professional discipline".

- (iii) **According to Reidy-Croft**, "Mentoring refers to the information and advice provided by an older, experienced individual to a younger and less experienced individual to help in latter's growth and development".
-

10. Define Strategic Planning.

Ans :

Strategic planning is a process that involves describing the organization's destination, assessing barriers that stand in the way of that destination, and selecting approaches for moving forward. The main goal of strategic planning is to allocate resources in a way that provides organizations with a competitive advantage. Overall, a strategic plan serves as a blueprint that defines how the organization will allocate its resources in pursuit of its goals.

11. What are the components of a mission statement?

Ans :

- (i) Basic product or service to be offered.
 - (ii) Customers groups or primary markets to be served.
 - (iii) Advantages and benefits of products or services.
 - (iv) Technology in production and delivery.
 - (v) Basic concern for survival of organization through profitability and growth.
-

Q12. Explain the objectives of performance appraisal.

Ans :

- 1. To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
 - 2. To identify the strengths and weaknesses of employees to place right men on right job.
 - 3. To maintain and assess the potential present in a person for further growth and development.
 - 4. To provide a feedback to employees regarding their performance and related status.
 - 5. To provide a feedback to employees regarding their performance and related status.
 - 6. It serves as a basis for influencing working habits of the employees.
 - 7. To review and retain the promotional and other training programmes.
-

Q13. Define Performance Planning.

Ans :

- (a) Performance planning may be defined as a systematic outlining of the activities that the manager is expected to undertake during a specified period so that he is able to make his best contribution to developmental and organizational outcomes.
- (b) Performance planning define executions the results to be achieved and the skills, knowledge, expertise, and capabilities required to attain these results.

UNIT II

Communication of Performance Expectations: Job Description - Defining Performance and Choosing a measurement approach measuring results and Behaviors. Gathering performance Information - Presentation, Information and Taking Corrective action - Metrics - Types of Metrics - Critical Success Factors Indicators - managing Metrics - Ownership and Responsibility.

2.1 JOB DESCRIPTION

Q1. Define job description ? What are the characteristics of good job description ?

Ans : (Oct.-20, May-19, Dec.-19, Imp.)

Meaning

Job Description is an important document which is basically descriptive in nature and contains a statement of Job analysis. It serves to identify a job for consideration by other job analysis. It tells us what should be done, why it should be done and where it should be done.

A job description is "an organized, factual statement of duties and responsibilities of a specific job". It tells what is to be done, how it is done and why ?

Contents

- Job title
- Location of the job
- Supervision given and receive
- Materials, tools, machinery
- Designation of superior/subordinates
- Salary particulars
- List of duties
- Conditions of work
- Training and development facilities

Characteristics

- Job description should indicate the scope and nature of the work including all important relation ships.

- It should be clear regarding the work, duties etc.
- More sportive words should be selected to show (a) Kind of work (b) degree of complexity (c) degree of skill required (d) extent to which problems are standardized (e) the extent of workers responsibility for each phase of the work (f) degree and type of accountability
- Supervisory responsibility should be shown to the incumbents. Brief and accurate statement should be used in order to accomplish the purpose.
- Utility of the description in meeting the basic requirements should be checked form the extent of understanding the job by reading the job description by a new employee.

Job description is prepared on the basis of data collected through job analysis. It is a functional description of the activities and duties to be performed in a job, the relation ship of the job with other jobs, equipment and tools involved, nature of the supervision, working conditions and hazards of the job and so on. All the major categories of jobs need to be spelled out in clear and comprehensive manner to determine the qualifications and skills required to perform a job. Thus job description differentiates one job form the other. Job description is a written statement of what a job does, how it is done and why it is done.

Q2. Explain how job description helps in performance enhancement.

Ans : (Oct.-20, Imp.)

Job descriptions affect your employees' performance in a variety of ways, and the detailed,

written descriptions guide both your managers and their subordinates in their day-to-day work.

1. Effective Recruiting

Hiring employees without a written job description can lead to reduced productivity when the new hires are unprepared for their duties and require extra training to fulfill their jobs, according to Recruiter box. Even when you are thorough during the interview process, you might be surprised to learn a new hire is missing a skill he needs for a particular position. Just because someone worked in human resources, he doesn't necessarily have experience in payroll, benefits planning or legal compliance

2. Productivity

A key benefit of job descriptions is that they enhance employee productivity and reduce role ambiguity and the effects of overlapping responsibilities in the workplace. In some cases, lack of a job description causes employees to emphasize the wrong aspects of their jobs. A written job description should not only include the tasks an employee is expected to perform but also a ranking of importance of each duty.

Job descriptions prevent employees from misunderstanding which work is theirs, reducing instances of work not being done because someone thought the duty was not in her job description or work being duplicated because two employees assumed they were responsible for a task. Employees who know not only what they're supposed to do but also what their peers' responsibilities are become stronger team members.

3. Morale and Retention

Employees who work without clear direction can become confused, frustrated and demoralized. They can also feel managers are shifting work to them unfairly, further contributing to decreased morale and high turnover. Review job descriptions with each employee to make sure he understands what you want and if he agrees with your assessment of his position. Ask for suggestions regarding how to improve the job description.

2.2 DEFINING PERFORMANCE

Q3. Define Performance. Explain the determinants of Performance.

(OR)

What are the various determinants of performance ?

Ans : (Feb.-17, Aug.-17, Feb.-15, Imp.)

Meaning

Performance is about behaviours or what employees do, and not about what employees produce or the outcomes of their work. However, performance management systems typically include the measurement both of behaviours (how the work is done) and of results (the outcomes of one's work).

Definitions

- (i) **According to Brumbanch**, "Performance is a combination of both behaviour and results (outcomes) of behaviours".
- (ii) **According to Campbell**, "Performance is the behaviour of employees and he has not included outcomes of behaviour in his definition".

Performance is evaluative (i.e., we judge it based on whether it helps advance or hinder organizational goals) and multidimensional (i.e., many behaviours are needed to describe an employee's performance).

Determinants

A combination of three factors allows some people to perform at higher levels than others:

1. Declarative knowledge
2. Procedural knowledge
3. Motivation

1. Declarative Knowledge

Declarative knowledge is information about facts and things, including information regarding a given task's requirements, labels, principles, and goals.

2. Procedural Knowledge

Procedural knowledge is a combination of

knowing what to do and how to do it and includes cognitive, physical, perceptual, motor, and interpersonal skills.

3. Motivation

Finally, motivation involves three types of choice behaviors :

- (i) Choice to expend effort
- (ii) Choice of level of effort
- (iii) Choice to persist in the expenditure of that level of effort

Table summarizes the components of declarative knowledge, procedural knowledge, and motivation.

Declarative knowledge	Procedural knowledge	Motivation
Facts	Cognitive Skill	Choice to perform
Principals	Psychomotor Skill	Level of effort
Goals	Physical Skill	Persistence of effort
	Interpersonal Skill	

All three determinants of performance must be present for performance to reach high levels. In other words, the three determinants have a multiplicative relationship such that

$$\text{Performance} = \text{Declarative Knowledge} \times \text{Procedural Knowledge} \times \text{Motivation}$$

Q4. Explain the various dimensions of performance.

Ans :

Performance is multidimensional, meaning that we need to consider many different types of behaviors to understand performance. Although we can identify many specific behaviours, two types of behaviours or performance facets stand out

- 1. Task performance and
- 2. Contextual performance.

1. Task Performance

Activities that transform raw materials into the goods & services that are produced by the organization. Activities that help with the transformation process by replenishing the supply of raw materials, distributing its finished products, or providing important planning, coordination, supervising, or staff functions that enables the organization to function effectively & efficiently.

2. Contextual Performance

It is defined as those behaviors that contribute to the organization's effectiveness by providing a good environment in which task performance can occur. Contextual Performance includes behaviors such as the following:

- i) Persisting with enthusiasm & exerting extra effort as necessary to complete one's own task activities successfully (e.g., being punctual & rarely absent, expending extra effort on the job)
- ii) Volunteering to carry out task activities that are not formally part of the job (e.g., suggesting organizational improvements, making constructive suggestions)
- iii) Helping & cooperating with others (e.g., assisting & helping coworkers & customers)

- iv) Following organizational rules & procedures (e.g., following orders & regulations, showing respect for authority, complying with organizational values & policies)
- v) Endorsing, supporting rules & defending organizational objectives (e.g., organizational loyalty, representing the organizational favorably to outsiders)

2.2.1 Choosing a Measurement Approach

Q5. What are the various Approaches to measure performance?

(OR)

Briefly explain about the approaches or performance management.

Ans : (May-19, Jan.-18, Dec.-18, Imp.)

1. Trait Approach

The trait approach emphasizes the individual performer & ignores the specific situation, behaviours, & results. If one adopts the trait approach, rates evaluate relatively stable trait. These can include abilities, such as cognitive abilities (which are not easily trainable) or personality (which is not likely to change over time).

Features

The features of trait approach include the following :

- (i) It assumes that performance is driven by certain traits in the individuals.
- (ii) The emphasis is upon individual personality, style, values etc.
- (iii) Traits are considered to be generic in nature (i.e.,) one size fits all.
- (iv) Performance rating is dependent upon the positive traits exhibited by the employees.

Advantages of Trait Approach

The advantages of trait approach are as follows,

- 1. It is one of the simplest approach of performance measurement.

- 2. Important traits can be communicated directly to all the employees.
- 3. It may be applied to different groups of employees.

Disadvantages of Trait Approach

The major drawbacks of trait approach are,

- 1. One of the drawbacks of this approach is that it is not job specific.
- 2. It lacks objectivity as it focuses more upon subjective features.
- 3. It is a difficult to link traits to employee

2. Behavior Approach

The behavior approach emphasizes what employee do on the job & does not consider employees traits or the outcomes resulting from their behaviours. This is basically a process-oriented approach that emphasizes how an employee does the job.

The behavior approach is most appropriate under the following circumstances:

- (i) **The link between behaviors & results is not obvious:** Sometimes the relationship between behaviors & desired outcomes is not clear. In some cases, the desired result may not be achieved in spite of the fact that the right behaviors are in place.
- (ii) **Outcomes occur in the distant future:** When the desired results will not be seen for months, or even years, the measurement of behaviors in beneficial.
- (iii) **Poor results are due to causes beyond the performer's control:** When the results of an employee's performance are beyond the employee's control, then it makes sense to emphasize the measurement of behaviors.

Advantages of Behaviour Approach

The major advantages of behaviour approach are,

- 1. This approach can be tailor made according to the requirement of different jobs.

2. It facilitates the employees to understand how the job may be performed.
3. Emphasis on behaviour helps to reinforce the organizational values, culture and ethics among all the employees.

Disadvantages of Behaviour Approach

The major disadvantages of behaviour approach are,

1. Development and implementation of this approach is time consuming and a slow process.
2. Sometimes, emphasis on behaviour may not produce the desired results.
3. It requires the appraiser to accurately observe and measure desired behaviour else, the performance measurement becomes ineffective

3. Results Approach

The results approach emphasizes the outcomes and results produced by the employees. It does not consider the traits that employees may possess or how employees do the job. This is basically a bottom-line approach that is not concerned about employee behaviors and processes but, instead, focuses on what is produced (e.g., sales, number of accounts acquired, time spent with clients on the telephone, number of errors). Defining and measuring results usually takes less time than defining and measuring behaviors needed to achieve these results. Also, the results approach is usually seen as more cost-effective because results can be less expensive to track than behaviors. Overall, data resulting from a results approach seem to be objective and are intuitively very appealing.

The results approach is most appropriate under the following circumstances:

- **Workers are skilled in the needed behaviors:** An emphasis on results is appropriate when workers have the necessary knowledge & skills to do the work. In such

situations, workers know what specific behaviors are needed to achieve the desired results & they are also sufficiently skilled to know what to do to correct any process related problems when the desired results are not obtained.

- **Behaviors & results are obviously related:** In some situations certain results are obtained only if a worker engages in a certain specific behaviors. This is the case of job involving reparative task such as assembly-line work or newspaper delivery.

- **Results show consistent improvement over time:** When results improve consistently over time. It is an indication that workers are aware of behaviors needed to complete the job successfully. In these situations it is appropriate to adopt a result approach to assessing performance.

- **There are many ways to do the job right:** When there are different ways in which one can do the tasks required for a job, a results approach is appropriate. An emphasis on results can be beneficial because it could encourage employees to achieve the desired outcomes in creative & innovative ways.

Advantages of Results Approach

The advantages of results approach are as follows,

1. The most important advantage of this approach is that it can be tailor made as per the requirement of different job.
2. It is the most widely used approach, as it emphasizes upon the results rather than just traits, knowledge or behaviour.
3. It can be directly linked to the organizational pay system.
4. It encourages and motivates employees to perform better and produce better results.

Disadvantages of Results Approach

The major limitations of results approach are,

1. Development and implementation of this approach is time consuming and slow process.
2. It can be effectively used for only those jobs where specific objectives can be established and measured.
3. It may not align well with the short term and long-term goals of the organization period of time.

2.2.2 Measuring Results

Q6. Describe how performance can be evaluated when result approach is used.

Ans :

Result approach is adopted to evaluate the performance of employees they need to focus on following three areas such as :

1. Determining Accountabilities
2. Determining Objectives
3. Determining Performance Standards

1. Determining Accountabilities

The first step in determining accountabilities is to collect information about the job. The primary source is, of course, the job description that has resulted from the job analysis and a consideration of unit- and organization-level strategic priorities. The job description provides information on the tasks performed. Tasks included in the job description can be grouped into clusters of tasks based on their degree of relatedness. Each of these clusters or accountabilities is a broad area of the job for which the employee is responsible for producing results.

➤ **Process Leadership**

Leads the strategy and direction of assigned processes. Coordinates related projects and directs or manages resources. This is extremely important to the functioning of Target leadership and the ability of executives to meet strategic business goals. If this position

is managed improperly, then it will lead to a loss of time and money in training costs and leadership ineffectiveness.

➤ **Supervision of Nonexempt Staff**

Supervises nonexempt staff working in the unit. This is relatively important to the functioning of the work unit. If nonexempt staff members are supervised improperly, then the development of the employees and the ability to meet business targets will be compromised.

➤ **Coaching**

Conducts one-on-one executive coaching with managers and executives. This is extremely important to the development of internal leaders. If managers and executives are not coached to improve their performance, there is a loss of time and money associated with their poor performance as well as the cost of replacing them if necessary.

➤ **Team-building Consultation**

Assists company leaders in designing and delivering their own team-building sessions and other interventions. This is relatively important to the successfulness of teams at Target. Mismanagement of this function will result in teams not meeting their full potential and wasting time and resources on conducting the team sessions.

➤ **Assessment Instrument Feedback**

Delivers feedback based on scores obtained on assessment instruments of skills, ability, personality, and other individual characteristics. This is relatively important to the development of leaders. If assessment is incorrect, it could derail leader development.

➤ **Product Improvement**

Continuously seeks and implements opportunities to use technology to increase the effectiveness of leadership and team

development programs. This is important to the effectiveness of training delivery and could result in significant gains in efficiencies of the systems if carried out effectively.

2. Determining Objectives

After the accountabilities have been identified, the next step in measuring results is to determine specific objectives. Objectives are statements of an important and measurable outcome that, when accomplished, will help ensure success for the accountability. The purpose of establishing objectives is to identify a limited number of highly important that, when achieved, will have a dramatic impact on the overall success of organization. After objectives are set, employees should receive feedback on their progress toward attaining the objective. Rewards should be allocated to those employees who have reached their objectives.

Objectives are clearly important because they help employees guide their efforts.

Objectives must have the following characteristics:

- **Specific and Clear**
Objectives must be easy to understand. In addition, they must be verifiable and measurable.
- **Challenging**
Objectives need to be challenging (but not impossible to achieve). They must be a stretch, but employees should feel that the objective is reachable.
- **Agreed Upon**
To be most effective, objectives need to result from an agreement between the manager and the employee. Employees need an opportunity to participate in setting objectives. Participation in the process increases objective aspirations and acceptance, and it decreases objective resistance.

➤ **Significant**

Objectives must be important to the organization. Employees must believe that if the objective is achieved, it will make a critical impact on the overall success of the organization. In addition, achieving the objective should give the employee the feeling of congruence between the employee's performance and the goals of the organization. This, in turn, is likely to enhance feelings of value to the organization.

➤ **Prioritized**

Not all objectives are created equal; therefore, objectives should be prioritized and tackled one by one.

➤ **Bound by Time**

Good objectives have deadlines and mileposts. Objectives lacking a time dimension are likely to be neglected.

➤ **Achievable**

Good objectives are doable; that is, employees should have sufficient skills and training to achieve them. If they don't, then the organization should make resources available so that the necessary skills are learned and equipment is made available to achieve the goals.

➤ **Fully Communicated**

In addition to the manager and employee in question, the other organizational members who may be affected by the objectives need to be aware of them.

➤ **Flexible**

Good objectives are not immutable. They can and likely will change based on changes in the work or business environments.

➤ **Limited in Number**

Too many objectives may become impossible to achieve, but too few may not make a sufficient contribution to the organization.

Objectives must be limited in number. Between 5 and 10 objectives per review period is a manageable number, but this can change based on the position and organization in question.

3. Determining Performance Standards

After accountabilities and objectives have been determined, the next step is to define performance standards. These are yardsticks designed to help people understand to what extent the objective has been achieved. The standards provide raters with information about what to look for to determine the level of performance that has been achieved. Standards can refer to various aspects of a specific objective, including quality, quantity, and time. Each of these aspects can be considered a criterion to be used in judging the extent to which an objective has been achieved.

In writing standards, consider the following characteristics that often determine whether one has a useful standard:

1. **Related to the position.** Good standards are based on the job's key elements and tasks, not on individual traits or person-to-person comparisons.
2. **Concrete, specific, and measurable.** Good standards are observable and verifiable. They allow us to distinguish between different performance levels. A good standard allows supervisors to measure the employee's actual performance to determine if it is below expectations, fully satisfactory, or above expectations. Standards are specific and concrete so that there should be no dispute over whether and how well they were met.
3. **Practical to measure.** Good standards provide necessary information about performance in the most efficient way possible. Good standards are created by taking into account the cost, accuracy, and availability of the needed data.
4. **Meaningful.** Good standards are about what is important and relevant to the purpose of

the job, to the achievement of the organization's mission and objectives, and to the user or recipient of the product or service.

5. **Realistic and achievable.** Standards are possible to accomplish, but they require a stretch. There should be no apparent barriers to achieving the standard. Employees should be able to reach the standards within the specified time frame.
6. **Reviewed regularly.** Information should be available on a regular basis to determine whether the employee has reached the standard, and if not, remedial action should be taken)

2.2.3 Measuring Behaviors

Q7. Define competency. Explain different types of competencies. Discuss the relationship between competency and its indicators.

Ans :

A behavior approach to measuring performance includes the assessment of competencies. Competencies are measurable clusters of knowledge, skills, and abilities (KSAs) that are critical in determining how results will be achieved. Examples of competencies are customer service, written or oral communication, creative thinking, and dependability.

Types

There are two types of competencies

(a) Competencies Differentiating

Competencies differentiating are the competencies, which are those that allow us to distinguish between average and superior performers;

(b) Competencies Threshold

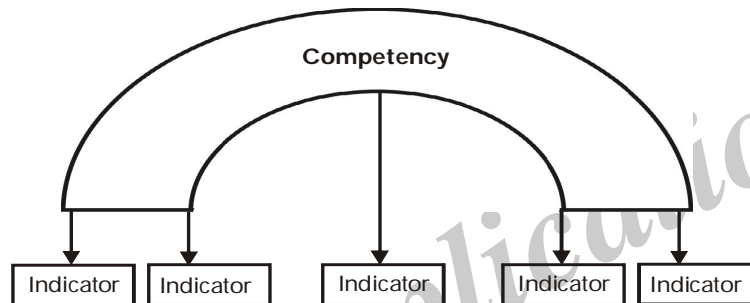
Competencies threshold are the competencies, which are those that everyone needs to display to do the job to a minimally adequate standard.

For Example

For the position Information Technology (IT) Project Manager, a differentiating competency is process management. Process management is defined as the “ability to manage project activities.” For the same position, a threshold competency is change management. The change management competency includes knowledge of behavioral sciences, operational and relational skills, and sensitivity to motivators. Therefore in order for an information technology project manager to be truly effective, she has to possess process management and change management competencies.

Relationship between Competency and Its Indicator

Each indicator is an observable behavior that gives us information regarding the competency in question. In other words, we don't measure the competency directly, but we measure indicators that tell us whether the competency is present or not indicators. An indicator is a behavior that, if displayed, suggests that the competency is present.



Five indicators whose presence would indicate the existence of the consideration competency are the following:

- Supports subordinates' projects
- Asks about the well-being of employees' lives outside of work
- Encourages subordinates to reach their established goals
- Gets to know employees personally
- Shows respect for employees' work and home lives

In describing a competency, the following components must be present:

1. Definition of competency
2. Description of specific behavioral indicators that can be observed when someone demonstrates a competency effectively
3. Description of specific behaviors that are likely to occur when someone doesn't demonstrate a competency effectively (what a competency is not)
4. List of suggestions for developing the competency in questions.

Q8. Describe the different types of systems to measure competencies.

Ans :

1. Comparative systems

Comparative systems of measuring behaviors imply that employees are compared to one other.

(a) Simple Ranking Method

Ranking method is a conventional and the easiest method wherein each employee is ranked in comparison with all other employees. Ranks are provided by taking into consideration some traits or characteristics.

(b) Alternative Ranking Method

It is an alternation rank order procedure, the supervisor initially lists all employees. Then, the supervisor selects the best performer as Rank-1, then the worst performer Rank-n, then the second best Rank-2, then the second worst performer as Rank n – 1, and so forth, alternating from the top to the bottom of the list until all employees have been ranked.

(c) Paired Comparison Method

Paired comparisons is another comparative system. In contrast to the simple and alternation rank order procedures, explicit comparisons are made between all pairs of employees to be evaluated. In other words, supervisors systematically compare the performance of each employee against the performance of all other employees. The number of pairs of employees to be compared is computed by the following equation:

$$\frac{n(n-1)}{2}$$

where n is the number of employees to be evaluated

(d) Relative Percentile Method

Another type of comparison method is the relative percentile method. This type of measurement system asks raters to consider all rates at the same time and to estimate the relative performance of each by using a 100-point scale. The 50-point mark on this scale (i.e., 50th percentile) suggests the location of an average employee—about 50% of employees are better performers and about 50% of employees are worse performers than

this individual. Relative percentile methods may include one such scale for each competency and also include one scale on which raters evaluate the overall performance of all employees.

(e) Forced Distribution Method

A fifth comparison method is called forced distribution. In this type of system, employees are apportioned according to an approximately normal distribution. For example, 20% of employees must be classified as exceeding expectations, 70% must be classified as meeting expectations, and 10% must be classified as not meeting expectations.) General Electric (GE) is one organization that has adopted a forced distribution system.

2. Absolute System

In absolute system of evaluating competencies, employees are compared based on the pre-established performance standard of the organization. This system uses the following methods to compare the employees performance for evaluating their competencies,

(a) Essays Method

In this method, appraiser evaluates each individual in his own words and by taking into consideration some parameters like,

- (i) Employees awareness regarding rules, regulations
- (ii) Employees strong and weak points.
- (iii) Awareness regarding job activities etc.

An essay method generates important data regarding an employee which is more accurate and definite and can be used in evaluating employees performances.

Few limitations of this method are, chances of appraiser bias in evaluation process, some evaluators may not have the capability to describe employee in his own words, highly subjective/personalized etc.

(b) Behavior Checklist Method

In checklist method, the human resource department is entrusted with the job of setting a list of questions for each position/job of an organization describing the work behaviour of employees. Each question is to be answered in two alternatives i.e., yes or no. An appraiser is required to tick any one alternative on the basis of the behaviour of employee with respect to such questions. After the completion of checklist, a detailed report is sent to the personnel department to perform some additional activities.

(c) Critical Incidents Method

The main objective of critical incidents method is to identify and evaluate employees who are capable of working in critical situations. The step by step procedure followed in critical incidents method are,

- (i) The list of critical activities taken up by an employee during the performance period are recorded in a written form.
- (ii) Some specialists are appointed to allocate weights to each critical event based on their significance in a particular job.
- (iii) A checklist of events (incidents) determining good and bad employees is prepared.

(d) Graphic Rating Scale

Graphical rating scale/linear rating scale is a popular method of performance evaluation system. In this method a separate hard copy is prepared for each employee (assessee). Hard copy looks like a form consisting of numerous traits and work performance of employees. Traits may be leadership skills, innovativeness, evaluating capabilities etc. Work performances like punctuality, targets attained, activities undertaken and so on. A scale may contain three to unlimited points.

In graphical rating method, appraiser rates the employee on a scale consisting of various points. Points in a scale may be represented through words or through numericals. Words like excellent, very good, better average, bad, very bad and worst or numerical points like 7,6, 5,4,3, 2 and 1. It is the best method to evaluate work behaviours of employees. One limitation of this method is that it is difficult to describe the points of each trait and work performance.

2.3 GATHERING PERFORMANCE INFORMATION - PRESENTATION, INFORMATION
Q9. Explain in detail the various methods involved in Gathering Performance Information.

Ans : (Dec.-18, Feb.-15)

1. Surveys and Questionnaires

Surveys and questionnaires is the cheapest type of data collection method. Data is usually collected from a massive people who might be situated at different places. Even though this method is helpful in eliminating the problems, but it is being observed that people finds it difficult to complete a survey. Thus, it is necessary to reduce the amount of time and efforts required to gather information for organization including customers, suppliers and employees.

2. Observations

Observation is another useful method of gathering performance information. In this, the observe acts as a passive onlooker outsider and totally gets involved in the activities in order to observe the situations. This method provides much better understanding of the experience to the observer. Data is recorded in the form of score sheets, narrative reports, audio taping/video taping, checklists and so on relying on the type/degree of the information needed.

3. In-depth interviews

This method involves including the people in a friendly and non-threatening conversation with reference to the performance. Interviews are conducted either face-to-face or via telephone or video conference. The main advantage of this method is that it basically allows the organization to interact directly with respondents which results in better understanding of the performance.

4. Focus Groups

Focus groups are nothing but the group discussions which involves interaction between people where the participants of focus group expresses and shares their opinions, ideas and experiences. Usually, the group has 5-20 participants. This method is helpful in collecting good and qualitative information.

2.3.1 Appraisal Form

Q10. Define Appraisal Form. What are the components of Appraisal Form?

Ans :

At the core of any performance management system is the assessment of performance. Information on performance is collected by using forms, which can be filled out on paper or electronically.

Appraisal Forms usually include a combination of the following components:

1. Basic Employee Information

This section of the form includes basic employee information such as jobtitle. division. Department and other work group information. employee number, and pay grade (or) salary classification.

2. Accountabilities, Objectives, and Standards

If the organization adopts a result approach, this section of the form would include the name and description of each accountability, objectives agreed upon by manager and employee, and the extent to which the objectives have been achieved.

3. Competencies and indicators

If the organization adopts the behavior approach, this section of the form includes the definition of the various competencies to be assessed, together with their behavioral indicators.

4. Major achievements and contributions

Some forms include a section in which a rater asked to list the two or three major accomplishments of the individual beings rated during the review period.

5. Developmental achievements

This section of the forms includes information about the extent to which the development goals set for the review period have been achieved.

6. Developmental needs, plans and goals

This section of the form is future oriented and includes information about specific goals and timetables in terms of employees development.

7. Stakeholder input

Some forms include section to be filled out by other stakeholders, such as customers with whom the employee interacts

8. Employee comments

This section includes reactions to and comments provided by the employee being rated.

9. Signatures

The final section of most forms includes a section in which the employee being rated, the rater, and the rater's supervisor provide their signatures to show they have seen and discussed the content of the form.

Q11. What are the characteristics of appraisal form? Show the performance appraisal and performance review form.

Ans :

(i) Simplicity

Forms must be easy to understand, easy to administer, quick to complete, clear, and concise. If forms are too long, convoluted, and complicated, it is likely that the performance assessment process will not be effective.

(ii) Relevancy

Good forms include information related directly to the tasks and responsibilities of the job; otherwise, they will be regarded as an administrative burden and not as a tool for performance improvement.

(iii) Descriptiveness

Good forms require that the raters provide evidence of performance regardless of the performance level. The form should be sufficiently descriptive that an outside party (e.g., supervisor's supervisor or HR department) has a clear understanding of the performance information conveyed.

(iv) Adaptability

Good forms allow managers in different functions and departments to adapt them to their particular needs and situations. This feature encourages widespread use of the form.

(v) Comprehensiveness

Good forms include all the major areas of performance for a particular position for the entire review period.

(vi) Definitional clarity

Desirable competencies and results are clearly defined for all raters so that everyone evaluates the same attributes. This feature enhances consistency of ratings across raters and levels of the organization.

(vii) Communication

The meaning of each of the components of the form must be successfully communicated to all people participating in the evaluation process. This enhances acceptance of the system and motivation to participate in it both as raters and as rates.

(viii) Time orientation

Good forms help clarify expectations about performance. They address not only the past but also the future).

Rahul Publications

Performance Appraisal and Review Form

Employee Name : _____

Date : _____

Immediate Superior : _____

Hr Manager : _____

CEO : _____

A. Performance Review Against Targets (Team Leader)

S.No.	Given Targets	Results Achieved	Outstanding	Very Good	Good	Adequate	Inadequate
1.							
2.							
3.							
4.							
5.							

B. Appraisal of Critical Attributes (Project Leader)

Attribute	Outstanding	Good	Very Good	Adequate	Inadequate
Innovativeness					
Initiative					
Interpersonal and Team Relationship					
Resourcefulness					
Communication Skills					

C. Areas of Strengths and Improvements (by HR Manager)

Major Strengths	
Areas of Improvement	

D. Recommendations of Training and Development (by HR Manager)

In company Training	Description
Development Plants	
➤ Job Rotation	
➤ Specific Assignment	
➤ Job Enlargement	

E. Comments (by HR Manager)

F. Signature :

Date :

Q12. Who should gather performance information from employees?

Ans :

Performance information can be collected from various sources. Each source play an important role in evaluating performance.

The various sources of performance information are shown in the following figure,

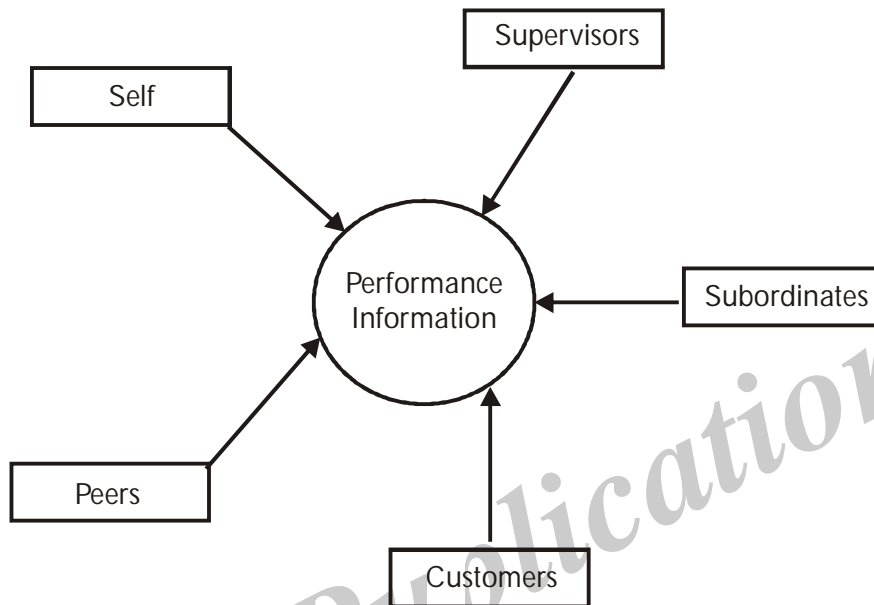


Fig.: Sources of Performance Information

1. Supervisors

Supervisors are found to be one of the most important source of performance information. As they have a close eye on their subordinates performances, they can provide useful insights on various activities of an employee. Even they are well aware and experienced about the type of work and its consequences like they know that a specific type of task can be completed with in a specific period of time. Most of the times reviewers rely on supervisors information. But under certain circumstances, only supervisors information may not be profitable.

2. Subordinates

Subordinates also have close contact with their managers and supervisors. They are well aware of the working style, motivation and supportive behaviour of the managers. In some organizations, subordinates are asked to rate their supervisors on the following aspects,

- Deciding plans.
- Eliminating performance barriers.
- Improving employees competencies.
- Developing required skills.

Information from subordinates about their supervisor's performance will also be useful in appraisals.

3. Customers

Feedback from customers on performance of employees is another source of information. This source is mainly used for salesforce mobile network agencies, healthcare and so on. Customers are requested to fill a feedback form highlighting, how they felt the service. Federal Express (Fedex) is one of the organization that consider this source for acquiring performance information.

4. Peers

Performance Evaluation by peers is one of the traditional source which is mostly used by organizations. Peers are found to provide more appropriate and accurate performance information, as they clearly understand the strategic goals and objectives of the company. Though information from peers is widely used source, but it may have certain limitation due to which supervisors are termed as more beneficial source.

5. Self

Self information is another source wherein the employee himself/herself evaluate his/her performance. It gives various benefits to both employee and supervisor. Also this source make supervisors to understand the difficulties faced by employee while performing the tasks.

2.3.2 Taking Corrective Action

Q13. Explain about performance measures in taking corrective action?

Ans :

Performance management systems can include six formal meetings between the subordinate and the supervisor :

1. System inauguration
2. Self-appraisal
3. Classical performance review
4. Merit/salary review
5. Development plan
6. Objective setting

1. System Inauguration

The first meeting, system inauguration, includes a discussion of how the system works and the identification of the requirements and responsibilities resting primarily on the employee and on the supervisor. This discussion includes the role of self-appraisal and the dates when the employee and supervisor will meet formally to discuss performance issues. This meeting is particularly important for new employees, who should be introduced to the performance management system as soon as they become members of the organization.

2. Self-appraisal

The second meeting, the self-appraisal, involves the employee's assessment of herself. This meeting is informational in nature and, at this point, the supervisor does not pass judgment on how the employee regards her own performance. This meeting provides an opportunity for the employee to describe how she sees her own performance during the review period. It is helpful if the employee is given the same form to be filled out later by the supervisor so that she can provide self-ratings using the same dimensions that will be used by the supervisor.

3. Classical Performance Review

The third meeting, the classical performance review meeting, during which employee performance is discussed, includes both the perspective of the supervisor and that of the employee. Most performance management systems include this type of meeting only. No other formal meetings to discuss performance are usually scheduled. This meeting is mainly past oriented and typically does not focus on what performance should look like in the future.

4. Merit/Salary Review

The fourth meeting, the merit/salary review, discusses what, if any, compensation changes will result from the period's performance. It is useful to separate the discussion of rewards from the discussion of performance so that the employee can focus on performance first and then on rewards. If these meetings are not separated, employees may not be very attentive during the discussion of performance and are likely to feel it is merely the price they must pay to move on to the part of the meeting that really matters: the discussion about rewards. Although these meetings are separate, supervisors should explain clearly the link between the employee's performance, discussed in detail in a previous meeting, and the rewards given. Rewards are not likely to carry their true weight if they are not linked directly to performance.

5. Development Plan

The fifth meeting, the development plan, discusses the employee's development-tal needs and what steps will be taken so that performance will be improved during the following period. This meeting also includes information about what types of resources will be provided to the employee to facilitate the development of any required new skills.

6. Objective Setting

The sixth and final meeting, objective setting, includes setting goals, both behavioral and result oriented, regarding the following review period. At this point, the employee has received very clear feedback about her performance during the past review period, knows what rewards will be allocated (if any), understands developmental needs and goals, and knows about resources available to help in the process of acquiring any required skills.

Although these six meetings are possible, not all six take place separately. For example, the self-appraisal, classical performance review, merit/salary review, develop-mental plan, and objective setting meetings may all take place during one umbrella meeting. Nonetheless, it is best to separate the various types of information discussed so that the employee and the supervisor will focus on each of the components separately.

2.4 METRICS

Q14. Explain briefly about Metrics.

(OR)

What are the performance metrics ?

Ans : (Oct.-20, May-19)

Meaning

A metric is a parameter for quantitatively expressing characteristics of an object, person, process, or institutions. Examples would be weight in grams of an object, height in feet of a person, process availability, or number of employees in a school.

A metric would have its definition along with the units in which the measurement is expressed. This would be accompanied by procedures of measurement. The procedures of measurement often go along with the procedures for interpretation of data compiled on the basis of a particular metric.

Performance metrics refer to the parameters along which information regarding efficiency and effectiveness of various processes is assessed.

The advantage of performance metrics in an organization is that when clearly defined and properly implemented they provide early warning on trends within the organization. These data along with information regarding the situation in the external environment enable decision makers to take timely corrective action and orient their resources so as to achieve the plans of the organization.

Providing the desired and right kind of information to decision makers is an essential role of performance metrics.

The information may be related to performance either in terms of the process (process-related) or outcome (result-oriented), or a combination of both.

Metrics providing information about results or outcomes are referred to as lag metrics. On the other hand, some metrics are required so as to allow proactive management by decision makers. These are provided by what are referred to as lead indicators.

For example, on-time delivery of purchase orders would be an outcome important for a garment manufacturer. The past performance on its ability to meet the delivery schedule would be a good indicator of performance but of a lagged nature. One of the processes that would significantly impact the firm's ability to achieve on-time delivery would be equipment maintenance process. Information regarding equipment maintenance would be more in the nature of a lead indicator, giving information on which the management can act in a proactive manner to prevent slippages on its delivery schedules in future.

2.4.1 Types of Metrics

Q15. Explain the classification of metrics.

(OR)

Explain the types of metrics in detail.

Ans.: (Oct.-20, May-19, Dec.-19, Dec.-18)

In order to formulate a plan of action and to execute that plan, a decision maker has to have at his or her disposal all the relevant information. For most commercial organizations such information can typically be categorized as those that relate to

1. External Metrics
2. Internal Metrics

1. External Metrics

- External metrics provide information regarding the external environment. Such information regarding different products/services in the market may be obtained from the customers, or may be related to how a certain company's product/service compares with other competing products/services, or how certain external agencies rate the product/service on different characteristics of the product.
- External metrics should typically focus on customers to what extent the organization is perceived as responsive to the customer needs vis-a-vis the competitors.
- The external metrics may also be focused on external stakeholders like rating agencies, who influence customers or incorporate the customer feedback in their rating process, if such a rating is relevant for the organization's strategy.
- A common example would be the annual survey of different business schools carried out by different magazines all over the country. While there is no consistency among the parameters across the different surveys, some of the magazines survey the current student population while others take a mix of recruiters and current students. The ranking of any particular institute on such surveys would be an example of an external metric.
- Some of these metrics may be based on perception data using the feedback of the customers, while some may be based on objective data.
- **For example,** 'best employers of true year' is based on perception of

employees while 'most widely read newspaper' is based on circulation data of newspapers.

- Rating by external agencies who are experts in their respective industries also have a significant role in providing information about the external environment and constitute an important external metric.

2. Internal Metrics

- Internal metrics provide information regarding processes that are internal to the organization.
- A common example would be the employee satisfaction or employee engagement surveys carried out on employees of a particular company.
- Other examples of internal metrics are percentage rejects to measure the quality of production processes, or number of unplanned plant shutdowns for assessing the plant management.
- Internal metrics are used by the management for monitoring internal processes-specifically to scrutinize the effectiveness and efficiency of the processes.
- Data on those internal metrics in some cases would never be made available to the external world. 'Ford doesn't give you numbers on defect rates on its assembly line.'

2.4.2 Critical Success Factors Indicators

Q16. Explain briefly about Critical Success Factors.

Ans : (Dec.-19)

Critical Success Factors for a decision maker, information regarding performance has to be selective. If the decision maker is bombarded with all kinds of information on all aspects of the

organization, that may be irrelevant for the decisions to be made, it will present a huge challenge to analyse and make sense of the data in a timely manner.

Therefore, the most critical information-related to the factors which drive an organization's success-should be considered first. *Critical success factors*, or CSF for short, as indicated by the name, highlight the processes, or tasks, and outcomes that need to be focused on so that the organization can be successful.

The concept of success factors was first formally articulated by Ronald Daniel in 1961 in his article 'Management Information Crisis' published in Harvard Business Review. The use of this concept is as old as the history of warfare-as each successful strategy in a battle hinged on certain crucial aspects. For example, the use of war elephants was a crucial component for war elephants great military commanders like Hannibal and Pyrrhus of Epirus among other great generals in the ancient world. War elephants were deployed on a large scale in India, where the elephant corps served as one of the four classical wings of the Indian Army.

Similarly, an analysis of the history of industrialization would show how successful businessmen focused on certain critical aspects of their business. A classic example would be Henry Ford's focus on mass production of large numbers of inexpensive automobiles using the assembly line. This ensured that a large percentage of the population would be the potential market for his cars. This was coupled with high wages for his workers to ensure that they stayed with his firm which reduced the cost of hiring and training new workers.

Originally developed for use at an organizational level, the concept of CSF is now extended to departments and sections. An organization's strategy is the starting point for the development of metrics which are deployed as CSFs for the organization. For instance, Domino's Pizza strategy is based on home delivery pizza. The factor that Domino's uses to differentiate itself from its competitors is the 30 minute delivery time for its customers, made famous in its advertisements. Any other pizza delivery organization, catering to the same customer base of pizza lovers, might have

different critical success factors like quality of toppings, freshness of bread and so on, depending on their strategy.

While CSFs are usually internal metrics, an organization may have a combination of both internal and external metrics as its CSFs. For example, for many suppliers, being a part of the approved vendor list of many state and central government departments is a necessary condition for being allowed to compete for tenders floated by these departments. Therefore, this external metric would be a part of CSFs for organizations. In a similar fashion, being among the top ranks of JD Power list could be a CSF for automobile manufacturers, among other CSFs.

Q17. Explain briefly about key performance indicators(KPI).

Ans :

Key performance indicators (KPI) are quantified indicators the an organization uses to measure for achieving its critical success factors. KPIs reflect the critical success factors of an organization in a hierarchical fashion. There can be more than one KPI per CSI For a particular organization, a particular metric may denote both a CSF and a KPI. To ensure that the KPIs selected are aligned to the organizational strategy, a tree structure is often used to understand the different processes that lead to a particular CSF and then KPIs are developpe for each process.

2.4.3 Managing Metrics

Q18. Explain the various issues involved in Managing the Metrics.

Ans :

Once appropriate metrics have been obtained, organizations can use them to track performance on critical metrics. Real time data on critical indicators provide information that is concurrent and might point out the need for managerial intervention. Management using metrics need the information to be presented in an easy to comprehend fashion so that action can be taken when the performance metrics so indicate. This section includes the issues in managing the metrics.

1. Designing Metrics

The actual design process is outlined in along with the detailed steps involved.

Metric Selection

- Identification of Critical Success Factors (CSFs) for the organization.
- Identify the external indicators which the organization needs to monitor.
- Translating the CSFs to the Key Performance Indicators (KPIs) at organizational level and for each process within the organization.

Dashboard Design

- Study the different options of representing data in visual form.
- Link up different metrics in a cascading manner with higher order outcomes at the forefront and data on the contributing processes at the backend.

Implementation

- Assign responsibility for each process along with the requisite authority to employees.
- Set performance targets or control limits for each of the metrics.
- Determine monitoring, interpretation, and feedback procedures and guidelines.

2. Presentation of Performance Information

Decision makers need to obtain information in a form that allows easy and quick understanding. Voluminous reports do not provide that kind of understanding as critical and relevant information often gets intertwined with substantial amounts of text. In contrast, graphical presentation of data offers a superior alternative. The visual representation of data allows rapid identification of trends Tong with a possibility of early intervention based on the direction of the trends (Janson 1980).

Visual representation of data has been used not only in the business domain, but also in the

political sphere to track performance in different regions. An example of visual representation of data in the 2008 presidential election in the United States of America was made available on the Yahoo website. Scrolling the mouse over the states gave a zoomed up box with further details regarding the percentage of votes polled by each candidate, the popular votes, and the inner in the state.

Dashboards

Borrowed from the car industry, the dashboard provides critical indicators together so that information is available in one snapshot. Dashboards are called by different names: business dashboards, executive dashboards, operational dashboards, performance dashboards, etc. Dashboards typically contain various metrics which are represented graphically as dials, gauges, graphs, or alerts to indicate how the organization is doing. The gathering of data for updating dashboards has been enabled to a large extent by the use of Internet. Most dashboards are now web enabled, using either the Internet or the organization's intranet to gather data as and when it is generated.

Dashboards do more than just present information. Depending on the design of the dashboards, senior executives can drill down to the details for any particular metric. Managers can see the changes in the metrics and can also look into the factors that caused the changes, for example when sales targets are being missed, and take fast corrective action.

The use of dashboards enables quick decision making and is popular among many leading American companies. Dashboards vary in their representation, detail of information presented, and the focus areas. Dashboards are often customized by different organizations to provide the relevant data in a tabbed format-so that the reader gets only the data that he/she is looking for, without getting overburdened with voluminous sales reports.

2.4.4 Ownership and Responsibility

Q19. Explain briefly about Ownership and Responsibility.

Ans :

Each process in an organization should typically have a process owner, or the person who is responsible for maintaining the process with the aim of achieving certain results. The individual (or the group of individuals) responsible for the process can be and ought to be held accountable for the results. Such a practice ensures that relationship between key performance indicators (KPIs) and key result areas (KRAs) is maintained. In the absence of such a relationship, it would be difficult to maintain accountability. The results of key result areas are linked to key performance indicators which the organization considers important so that strategic goals are achieved.

While translation of KPIs to KRAs is often a single step, what organizations generally forget is the allocation of necessary authority and resources. A mismatch between accountability and the authority, and resources breaks down the entire process of performance management. For example, if one of the KRAs for the Domino's outlet is minimizing the number of free sales, then the necessary authority has to be given to the staff posted there. They should have the authority of refusing to take an order in certain bad-weather conditions when meeting the 30 minute deadline would not be feasible. Similarly, they should have overall authority of how to ensure the upkeep of the delivery fleet, authority over the delivery persons, the maintenance and the upkeep of the kitchen equipment and so on. In a similar manner, if the delivery persons have KRAs of meeting the deadline of 30 minutes, they should be empowered with knowledge of roads networks, location of housing societies, and colleges' hostels, etc. If these details are ignored by the organization, then performance management does not fully exist in the organization.

Short Question and Answers

1. Define job description.

Ans :

Meaning

Job Description is an important document which is basically descriptive in nature and contains a statement of Job analysis. It serves to identify a job for consideration by other job analysis. It tells us what should be done, why it should be done and where it should be done.

A job description is "an organized, factual statement of duties and responsibilities of a specific job". It tells what is to be done, how it is done and why ?

Contents

- Job title
- Location of the job
- Supervision given and receive
- Materials, tools, machinery
- Designation of superior/subordinates
- Salary particulars
- List of duties
- Conditions of work
- Training and development facilities

2. Define Performance. Explain the determinants of Performance.

Ans :

Meaning

Performance is about behaviours or what employees do, and not about what employees produce or the outcomes of their work. However, performance management systems typically include the measurement both of behaviours (how the work is done) and of results (the outcomes of one's work).

Definitions

- (i) **According to Brumbanch**, "Performance is a combination of both behaviour and results (outcomes) of behaviours".

- (ii) **According to Campbell**, "Performance is the behaviour of employees and he has not included outcomes of behaviour in his definition".

Performance is evaluative (i.e., we judge it based on whether it helps advance or hinder organizational goals) and multidimensional (i.e., many behaviours are needed to describe an employee's performance).

Determinants

A combination of three factors allows some people to perform at higher levels than others:

1. Declarative knowledge
2. Procedural knowledge
3. Motivation

1. Declarative Knowledge

Declarative knowledge is information about facts and things, including information regarding a given task's requirements, labels, principles, and goals.

2. Procedural Knowledge

Procedural knowledge is a combination of knowing what to do and how to do it and includes cognitive, physical, perceptual, motor, and interpersonal skills.

3. Motivation

Finally, motivation involves three types of choice behaviors :

- (i) Choice to expend effort
- (ii) Choice of level of effort
- (iii) Choice to persist in the expenditure of that level of effort

3. What are the various Approaches to measure performance?

Ans :

1. Trait Approach

The trait approach emphasizes the individual

performer & ignores the specific situation, behaviours, & results. If one adopts the trait approach, rates evaluate relatively stable trait. These can include abilities, such as cognitive abilities (which are not easily trainable) or personality (which is not likely to change over time).

Features

The features of trait approach include the following :

- (i) It assumes that performance is driven by certain traits in the individuals.
- (ii) The emphasis is upon individual personality, style, values etc.
- (iii) Traits are considered to be generic in nature (i.e.,) one size fits all.
- (iv) Performance rating is dependent upon the positive traits exhibited by the employees.

2. Behavior Approach

The behavior approach emphasizes what employee do on the job & does not consider employees traits or the outcomes resulting from their behaviours. This is basically a process-oriented approach that emphasizes how an employee does the job.

The behavior approach is most appropriate under the following circumstances:

- (i) **The link between behaviors & results is not obvious:** Sometimes the relationship between behaviors & desired outcomes is not clear. In some cases, the desired result may not be achieved in spite of the fact that the right behaviors are in place.
- (ii) **Outcomes occur in the distant future:** When the desired results will not be seen for months, or even years, the measurement of behaviors in beneficial.
- (iii) **Poor results are due to causes beyond the performer's control:** When the results of an employee's performance are beyond the employee's control, then it makes sense to emphasize the measurement of behaviors.

3. Results Approach

The results approach emphasizes the

outcomes and results produced by the employees. It does not consider the traits that employees may possess or how employees do the job. This is basically a bottom-line approach that is not concerned about employee behaviors and processes but, instead, focuses on what is produced (e.g., sales, number of accounts acquired, time spent with clients on the telephone, number of errors). Defining and measuring results usually takes less time than defining and measuring behaviors needed to achieve these results. Also, the results approach is usually seen as more cost-effective because results can be less expensive to track than behaviors. Overall, data resulting from a results approach seem to be objective and are intuitively very appealing.

4. Define competency. Explain different types of competencies.

Ans :

A behavior approach to measuring performance includes the assessment of competencies. Competencies are measurable clusters of knowledge, skills, and abilities (KSAs) that are critical in determining how results will be achieved. Examples of competencies are customer service, written or oral communication, creative thinking, and dependability.

Types

There are two types of competencies

(a) Competencies Differentiating

Competencies differentiating are the competencies, which are those that allow us to distinguish between average and superior performers;

(b) Competencies Threshold

Competencies threshold are the competencies, which are those that everyone needs to display to do the job to a minimally adequate standard.

5. What are the characteristics of appraisal form?

Ans :

(i) Simplicity

Forms must be easy to understand, easy to administer, quick to complete, clear, and concise. If forms are too long, convoluted, and complicated, it is likely that the

performance assessment process will not be effective.

(ii) Relevancy

Good forms include information related directly to the tasks and responsibilities of the job; otherwise, they will be regarded as an administrative burden and not as a tool for performance improvement.

(iii) Descriptiveness

Good forms require that the raters provide evidence of performance regardless of the performance level. The form should be sufficiently descriptive that an outside party (e.g., supervisor's supervisor or HR department) has a clear understanding of the performance information conveyed.

(iv) Adaptability

Good forms allow managers in different functions and departments to adapt them to their particular needs and situations. This feature encourages widespread use of the form.

6. Metrics.

Ans :

A metric is a parameter for quantitatively expressing characteristics of an object, person, process, or institutions. Examples would be weight in grams of an object, height in feet of a person, process availability, or number of employees in a school.

A metric would have its definition along with the units in which the measurement is expressed. This would be accompanied by procedures of measurement. The procedures of measurement often go along with the procedures for interpretation of data compiled on the basis of a particular metric.

Performance metrics refer to the parameters along which information regarding efficiency and effectiveness of various processes is assessed.

The advantage of performance metrics in an organization is that when clearly defined and properly implemented they provide early warning on trends within the organization. These data along with information regarding the situation in the external environment enable decision makers to take

timely corrective action and orient their resources so as to achieve the plans of the organization.

Providing the desired and right kind of information to decision makers is an essential role of performance metrics.

7. Critical Success Factors.

Ans :

Critical Success Factors for a decision maker, information regarding performance has to be selective. If the decision maker is bombarded with all kinds of information on all aspects of the organization, that may be irrelevant for the decisions to be made, it will present a huge challenge to analyse and make sense of the data in a timely manner.

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10. What corrective measures are needed if performance is deviated? Explain.

Ans :

The following corrective measures can be initiated by the management in case of deviation of employee performance.

1. The first step is to inform the employee about the type and extent of his performance deviation from the set standard performance.
2. One common corrective measure for improving employee performance is to provide tailor made training and development sessions to the employee so that he can learn the required skill sets, increased his/her knowledge base clasify any doubts that they may have related to the workflow.
3. Another corrective measure includes providing informal coaching to the employees. Wherein which a senior or a subject matter expert would assist and facilitate them to boost their performance.

UNIT III

Performance Management and Employee Development: Performance Management Skills, performance Management Framework, Employee Assessment system, Role of HR Professionals in Performance management.

3.1 PERFORMANCE MANAGEMENT AND EMPLOYEE DEVELOPMENT

3.1.1 Personal Development Plans (PDP)

**Q1. What are personal development plans?
State the objectives of development
plans.**

(OR)

**Describe the various objectives of a
development plan.**

Ans :

(Imp.)

Meaning

Personal developmental plans specify courses of action to be taken to improve performance. Achieving the goals stated in the developmental plan allows employees to keep abreast of changes in their fields or professions. Such plans highlight an employee's strengths and the areas in need of development, and they provide an action plan to improve in areas of weaknesses and further develop areas of strength.

Developmental plans can be created for every job, ranging from entry level to the executive suite. No matter how high up the position within the organization and how simple or complex the nature of the job in question, there is always room for improvement. Information to be used in designing developmental plans comes from the appraisal form. Specifically, a developmental plan can be designed

based on each of the performance dimensions evaluated. For example, if the performance dimension "communication" is rated as substandard, this area would be targeted by the developmental plan. In addition, however, developmental plans focus on the knowledge and skills needed for more long-term career aspirations.

Objectives

The overall objective of a developmental plan is to encourage continuous learning, performance improvement, and personal growth. In addition, developmental plans have other more specific objectives:

- **Improve performance in current job.** A good developmental plan helps employees meet performance standards. Thus, a developmental plan includes suggested courses of action to address each of the performance dimensions that are deficient.
- **Sustain performance in current job.** A good developmental plan provides tools so that employees can continue to meet and exceed expectations regarding the current job. Thus, the plan includes suggestions about how to continue to meet and exceed expectations for each of the performance dimensions included in the appraisal form.
- **Prepare employees for advancement.** A good developmental plan includes advice and courses of action that should be taken so that

employees will be able to take advantage of future opportunities and career advancement. Specifically, a good plan indicates which new competencies and behaviors should be learned to help with career advancement.

- **Enrich the employee's work experience.** Even if career opportunities within the organization are not readily available, a good plan provides employees with growth opportunities and opportunities to learn new skills. These opportunities provide employees with intrinsic rewards and a more challenging work experience, even if the new skills learned are not a formal part of their jobs. Such opportunities can make jobs more attractive and serve as a powerful employee retention tool. In addition, the new skills can be useful in case of lateral transfers within the organization.

Q2. Explain the factors promoting successful implementation of personal development plans.

Ans :

The factors promoting successful implementation of personal development plans are as follows :

- All employees have a plan (including managers from all levels in the organization).
- All employees are entitled to developmental opportunities on an ongoing basis.
- Managers are involved in the assessment of objective accomplishment and monitor progress toward accomplishing developmental objectives.
- Managers are committed to the development of their employees and to helping their employees fulfill their career aspirations.

- The developmental plan becomes an integral part of the performance management system.
- The performance of managers is evaluated, in part, based on how well they manage the developmental process for their employees.

Q3. Explain briefly about the contents of development plan.

Ans :

- Plans should include a description of specific steps to be taken and specific objectives to reach. In other words, what is the new skill or knowledge that will be acquired
- It includes information on the resources and strategies that will be used to achieve the objectives.
- The plan's objectives should include not only the end product, such as the new skill to be learned, but also the completion date and how the supervisor will know whether the new skill has indeed been acquired.
- An additional important feature of developmental plans is that they should keep the needs of both the organization and the employee in mind.
- The choice of what specific skills or performance areas will be improved is dictated by the needs of the organization, especially when the organization is investing in the plan.
- In addition, the plan created is dictated by the needs of the individual.
- The supervisor and the employee need to agree on what development or new skills will help enrich the employee's work experience as well as help accomplish organizational goals now or in the near future.

- This information presents employees and managers with various options they can use to achieve the developmental objectives.
- The form includes space so that each professional developmental need is paired with a description of resources (or) support needed and a time frame for completion.

Q4. Describe briefly about various development activities. Give an example of a development plan form.

Ans :

There are several ways through which employees can reach the objectives stated in their developmental plans, including.

- **On-the-job Training:** Each employee is paired with a coworker or supervisor who designs a formal on-the-job training course. The design of these mini-training programs includes how many hours a day or week training will take place and specific learning objectives.
- **Self-guided reading:** Employees can read books and study other resources on their own. Once again, it is important that an objective be set regarding what will be read and within what time frame as well as what measure(s) will be used to assess whether learning has taken place.
- **Mentoring:** Many organizations have mentoring programs. In general terms, mentoring is a developmental process that consists of a one-on-one relationship between a senior (mentor) and junior (protege) employee. For such programs to be successful, it is best to allow the mentor and protege to choose each other rather than arbitrarily assigning who will be mentoring whom. In general, mentors serve as role models and teach proteges what it takes to succeed in the organization. In more specific terms, mentors can help proteges gain targeted skills.
- **Attending a conference.** Another way to acquire required knowledge and skills is to sponsor an employee's attendance at a conference or trade show. It is useful to require that the employee provide a written report or even deliver a presentation upon returning from the conference. In this way, it is easier to assess what has been learned and, in addition, the knowledge gained can be shared with other organizational members.
- **Job rotation.** Another way to gain necessary skills is to be assigned to a different job "on a temporary basis. This is the model followed in the medical profession in which residents have to rotate across specialty areas for several months.
- **Temporary assignments.** A less systematic rotation system includes the opportunity to work on a challenging temporary assignment. This allows employees to gain specific skills within a limited time frame.
- **Membership or leadership role in professional or trade organizations.** Some employers sponsor membership in professional or trade organizations. Such an organization distributes publications to its members and holds informal and formal meetings in which employees have an opportunity to learn about best practices and other useful information for their jobs.

Example

Update Date :							
Name :							
Job Title/Job Code :							
Department:							
Primary Reviewer :							
Education :							
Prior Training :							
Job History :							
Career Goals :							
Next 1 Year							
Next 2 Years							
Next 3 Years							
Next 5 Years							
Development Options							
OJT (on the job)	Description	Type of Development	When	How Long	Completed Hours (this Qtr.)	Comments– Approx. Cost –Other	Objectives/ Evaluation
training							
Classes	<u>Current Qtr.</u>						
Conferences							
On-line							
Self-study							
Job rotation	<u>Next Qtr.</u>						
Videos							
Books							
Temp. assignment							
Mentorship	<u>Current +2</u>						
Other (specify)							
	<u>Current +3</u>						

Fig. : Example of a Developmental Plan Form**3.1.2 Direct Supervisor's Role**

Q5. Describe the role that the direct supervisor plays in the design and implementation of a development plan.

Ans :

(Sep.-16)

Line managers are also known as "Direct Supervisor". Line managers possess the authority with which they can give orders to other managers or the employees. The line authority helps in developing a

superior-subordinate relationship. Usually, the managers link line managers with the managing operations such as sales or production which are necessary for the existence of the company. The human resource managers are the staff managers who help and guide the line managers in various fields like recruiting, hiring and compensation.

Direct supervisor or line manager plays a vital role in establishing and completing the employee's development plan. As the role of direct supervisor is significant in employee development, it is important for the supervisor to create his own development plan.

The following points highlights the role of direct supervisor in employee's performance development,

- (i) The direct supervisor explains what all is needed for the employees to attain set levels of performance.
- (ii) He specifies the steps that an employee must take to improve his/her performance.
- (iii) He refers the employee to the suitable developmental activities that helps the employee in attaining the goals.
- (iv) He facilitates the employee in selecting a mentor, proper reading resources, causes and so on.
- (v) He reviews the developmental objectives of an individual and provides necessary suggestions.
- (vi) He ensures the set goals are specific, attainable and doable to the employer.

3.1.3 360 Degree Feedback System

Q6. What do you mean by 360 Degree Feedback System?

(OR)

What is 360 Degree Feedback?

(OR)

Briefly explain the concept of 360 Degree Feedback.

Ans : (Feb.-16, June-13, Imp.)

- The 360-degree feedback system has become a preferred tool for helping employees,

particularly those in supervisory roles, improve performance by gathering information on their performance from different groups. These systems are called 360-degree systems because information is gathered from individuals all around the employee.

- Specifically, information on what performance dimensions could be improved is gathered from superiors, peers, customers, and subordinates.
- This information is usually collected anonymously to minimize rating inflation.
- Employees also rate themselves on the various performance dimensions and compare self-perceptions with the information provided by others.
- A gap analysis is conducted to examine the areas for which there are large discrepancies between self-perceptions and the perceptions of others.
- A 360-degree feedback system report usually includes information on dimensions for which there is agreement that further development is needed.
- The 360-degree feedback system is most helpful when it is used for developmental purposes only and not for administrative purposes. This is because people are more likely to be honest if they know the information will be used to help the individual improve and not to punish or to reward him or her. However, it is possible to implement such systems successfully for administrative purposes after they have been in place for some time usually two years or so.
- The 360-degree feedback system is usually implemented for individuals who have supervisory roles, but these systems can be used for all positions within the organization.
- Many organizations take advantage of technology to minimize the amount of paperwork and time involved in collecting such data.
- The Internet is becoming a pervasive medium by which to administer 360-degree feedback

systems. The service provider, usually an outside consulting firm, sends an e-mail message with instructions and time frames for assessment to each employee to be rated.

- Then, employees can access a secure Web site and, after entering their personal IDs and passwords, create individual lists of raters who will be asked to provide feedback about their performance.
- To make things easier, the employee can even select names from a drop-down menu that includes company managers and employees.
- Allowing employees to select the raters who will provide information on their performance is likely to increase acceptance of the results.
- The raters selected are asked to visit the Web site and to provide performance feedback within a certain time period.
- After the data have been collected electronically, it is fairly easy to compile the results and e-mail a report to the employee who has been evaluated.

Q7. Explain the advantages and disadvantages of 360 degree feedback system.

(OR)

Explain the advantages and the risks of implementing a 360 degree feedback system for improving a performance.

Ans : (Jan-18, Imp.)

Advantages

- **Decreased possibility of biases:** It include information from more than one source, there is a decreased possibility of biases in the identification of employees' weaknesses.
- **Increased awareness of expectations:** Employees become very aware of others' expectations about their performance. This includes not only the supervisor's expectations but also the expectations of other managers, coworkers, subordinates, and customers.
- **Increased commitment to improve:** Employees become aware of what others

think about their performance, which increases their commitment to improve because information about performance is no longer a private matter.

- **Improved self-perceptions of performance :** Employees' distorted views of their own performance are likely to change as a result of the feedback received from other sources. In other words, it is difficult to continue to have distorted views of one's own performance in the presence of overwhelming evidence that these perceptions may not be correct.

- **Improved performance :** Although receiving information about one's performance is not sufficient cause to improve, it is certainly a very important step. Thus, having information on one's performance, if paired with a good developmental plan, is likely to lead to performance improvement.

- **Reduced undiscussables :** 360-degree feedback systems provide an excellent opportunity to coworkers, superiors, and subordinates to give information about performance in an anonymous and nonthreatening way. Many supervisors may feel uncomfortable about providing negative feedback, but a 360-degree system makes providing such feedback easier.

- **Employees enabled to take control of their careers :** By receiving detailed and constructive feedback on weaknesses and strengths in various areas, employees can gain a realistic assessment of where they should go with their careers.

Disadvantages

The disadvantages of 360 degree appraisal system are as follows,

1. Usually, team members prefer to give positive feedback to their colleagues because it may have effect on his colleague's carrier growth.
2. Appraisal based rewards is considered as wrong.
3. The chances of bias are more in 360° appraisal process.

4. Lack of connection between performances and organizational objectives.
5. Sometimes, 360° appraisal system is used to degrade a person.
6. Unfavourable feedback given by a person may inturn effect his performance feedback from others.

Q8. Explain the characteristics of a good 360 degree feedback system.

Ans :

- **Anonymity** : In good systems, feedback is anonymous and confidential. When such is the case, raters are more likely to provide honest information regarding performance, particularly when subordinates are providing information about superiors.
- **Observation of employee performance**: Only those with good knowledge and first-hand experience with the person being rated should participate in the process. There is no point in asking for performance feedback from people who are not able to observe performance.
- **Feedback interpretation** : Good systems allow the person being rated to discuss the feedback received with a person interested in the employee's development. In most cases, feedback is discussed with the direct supervisor. In other cases, the discussion can involve a representative of the HR department or a superior to whom the person does not report directly.
- **Follow-up** : The information gathered has little value if there is no follow-up action. Once feedback is received, it is essential that a developmental plan is created right away.
- **Used for developmental purposes only (at least initially)**: When 360-degree feedback systems are used for administrative purposes such as promotions and compensation, raters are likely to distort the information provided. Make it clear that the purpose of the system is developmental and developmental only. Initially, the information collected should not be used for making

reward allocations or any other administrative decisions. However, the system may be used for administrative purposes after it has been in place for some time—approximately two years or so.

- **Raters go beyond rating** : In addition to providing scores on the various dimensions, rates should provide written descriptive feedback that gives detailed and constructive comments on how to improve performance. It is helpful if this information also includes specific examples that help support the rating and recommendations provided.
- **Raters are trained** : As in the case of providing evaluations for administrative purpose, raters should be trained. Mainly, this includes skill to discriminate good from poor performance and how to provide feedback in a constructive manner

Q9. Explain in detail about check point 360 degree feedback system.

Ans :

Check point 360 degree feedback system, designed for employees in supervisory roles, includes information on the following competencies:

- Communication (listens to others, processes information, communicates effectively)
- Leadership (instills trust, provides direction, delegates responsibility)
- Adaptability (adjusts to circumstances, thinks creatively)
- Relationships (builds personal relationships, facilitates team success)
- Task management (works efficiently, works competently)
- Production (takes action, achieves results)
- Development of others (cultivates individual talent, motivates successfully)
- Personal development (displays commitment, seeks improvement)

The CheckPoint system includes self-evaluations as well as evaluations provided by the direct supervisor, direct subordinates, and peers.

After performance information has been collected from all these sources, the evaluated manager receives feedback in the form of the graph shown in Figure. This graph illustrates the discrepancies between self- and others' ratings as well as the scores obtained for each competency.

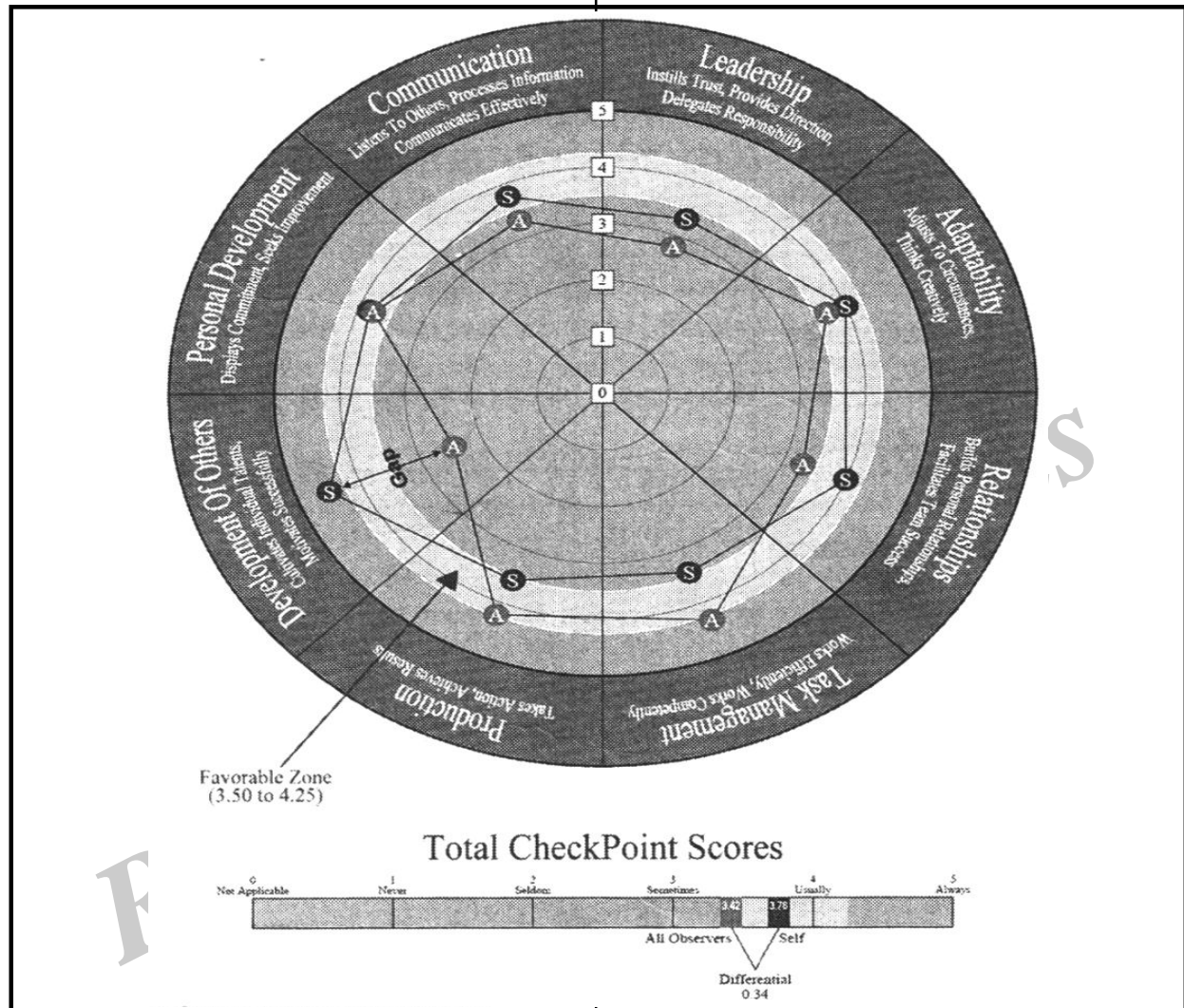


Fig. : Checkpoint 360-Degree Competency System: Executive Overview

For example, this graph shows that this particular manager has the greatest gap for the competency "development of others." Specifically, the manager assigned a score of about 4.5 to herself, whereas the average score provided by her direct supervisor, direct subordinates, and peers is only 2.55. The CheckPoint system uses the following scale to rate competencies.

- 0 **Not applicable** (not averaged into scores)
- 1 **Never** demonstrates this
- 2 **Seldom** demonstrates this
- 3 **Sometimes** demonstrates this
- 4 **Usually** demonstrates this
- 5 **Always** demonstrates this

In the figure, 'S' denotes self and 'A' denotes All observers. This figure shows that the manager thinks that his behavior shows the competency "development of others" is somewhere between usually and always. Whereas, other observers such as his boss, employees, and peers think that the manager's behavior is somewhere between "seldom" and "sometimes". It can be observed that self rating falls under the favourable zone, and the ratings provided by others may not reflect the same.

In order to show the manager that he has certain problems related to a particular competency, the checkpoint system also provides a "development summary", that describes the strengths of the manager and the areas where he need improvement. Infact, 360-degree feedback system provides some suggestions on how to improve competencies.

3.2 PERFORMANCE MANAGEMENT SKILLS

Q10. Define the term Performance Management Skill.

Ans :

A performance management system can be used to help employees develop and improve their performance and to address more long-term career goals and aspirations. Performance management systems are not likely to help employees develop and improve their performance if managers do not have the necessary skills to help employees accomplish these goals. Such skills include being able to serve as coaches, to observe and document performance accurately, to give both positive and negative feedback, and to conduct useful and constructive performance review.

Q11. Elaborately mention the various skills of performance management.

(OR)

Explain in detail different skills for managing the performance of an employees in an organization.

Ans : (Feb.-17, Feb.-15, Imp.)

1. Coaching

Coaching is a collaborative, ongoing process in which the manager interacts with his or

her employees and takes an active role and interest in their performance. In general, coaching involves directing, motivating, and rewarding employee behavior. Coaching is a day-to-day function that involves observing performance, complimenting good work, and helping to correct and improve any performance that does not meet expectations and standards. Coaching is also concerned with long-term performance and involves ensuring that the developmental plan is being achieved. Being a coach thus is similar to serving as a consultant and, for coaching to be successful, a coach must establish a helping relationship.

2. Giving Feedback

Giving feedback to an employee regarding her progress toward achieving her goals is a key component of the coaching process. Feedback is information about past behaviour that is given with the goal of improving future performance. Although "back" is part of feedback, giving feedback has both a past and a future component. This is why, when done properly, feedback can be relabeled feed forward.

Feedback includes information about both positive and negative aspects of job performance and lets employees know how well they are doing with respect to meeting the established standards.

3. Disciplinary Process and Termination

In some cases, an employee may not respond to the feedback provided and may not make any improvements in terms of performance. In such cases, there is one intermediate step that can be taken before the employee enters a formal disciplinary process which involves a verbal warning, a written warning, and may lead to termination. The employee can be given a once-in-a-career decision making leave.

4. Performance Review Meetings

Supervisors who manage employee performance often feel uncomfortable in this role because managing performance requires that they judge and coach at the same time.

In other words, supervisors serve as judges by evaluating performance and allocating rewards. In addition, supervisors serve as coaches by helping employees solve performance problem, identify performance weaknesses, and design developmental plans that will be instrumental in future career development. In addition, supervisors feel uncomfortable because they feel they need to convey bad news and employees may react negatively. In other words, there is a concern that managing performance unavoidably leads to negative surprises.

3.2.1 Coaching

Q12. Define coaching. Describe the major functions of coaching.

(OR)

What is coaching? State the functions of coaching.

Ans :

(Imp.)

Coaching is a collaborative, ongoing process in which the manager interacts with his or her employees and takes an active role and interest in their performance. In general, coaching involves directing, motivating, and rewarding employee behavior. Coaching is a day-to-day function that involves observing performance, complimenting good work, and helping to correct and improve any performance that does not meet expectations and standards. Coaching is also concerned with long-term performance and involves ensuring that the developmental plan is being achieved. Being a coach thus is similar to serving as a consultant and, for coaching to be successful, a coach must establish a helping relationship.

Functions

- Giving advice to help employees improve their performance. In other words, coaching involves not only describing what needs to be done but also how things need to be done. Coaching is concerned with both results and behaviors.
- Providing employees with guidance so that employees can develop their skills and knowledge appropriately. Coaching involves providing information both about the skills

and knowledge that are required to do the work correctly and information about how the employee can acquire these skills and knowledge.

- Providing employees support and being there only when the manager is needed. Coaching involves being there when the employee needs help, but it also involves not monitoring and controlling an employee's every move. In the end, coaching is about facilitation. The responsibility for improving performance ultimately rests on the shoulders of the employee.
- Giving employees confidence that will enable them to enhance their performance continuously and to increase their sense of responsibility for managing their own performance. Coaching involves giving positive feedback that allows employees to feel confident about what they do, but it also involves giving feedback on things that can be improved.
- Helping employees gain greater competence by guiding them toward acquiring more knowledge and sharpening the skills that can prepare them for more complex tasks and higher-level positions.

Q13. Explain the Need for Coaching.

Ans :

Coaching helps turn feedback into results. For this to happen, coaches need to engage in the following:

- **Establish development objectives:** The manager works jointly with the employees in creating the developmental plan and its objectives.
- **Communicate effectively:** The manager maintains regular and clear communication with employees about their performance, including both behaviors and results.
- **Motivate employees:** Managers must reward positive performance. When positive performance is rewarded, employees are motivated to repeat the same level of positive performance in the future.

- **Document performance:** Managers observe employee behaviors and results. Evidence must be gathered regarding instances of good and poor performance.
- **Give feedback:** Managers measure employee performance and progress toward goals. They praise good performance and point out instances of substandard performance. Managers also help employees avoid poor performance in the future.
- **Diagnose performance problems:** Managers must listen to employees and gather information to determine whether performance deficiencies are the result of a lack of knowledge and skills, abilities, or motivation or whether they stem from situational factors beyond the control of the employee. Diagnosing performance problems is important because such a diagnosis dictates whether the course of action should be, for example, providing the employee with resources so that she can acquire more knowledge and skills or addressing contextual issues that may be beyond the control of the employee (e.g., the employee is usually late in delivering the product because he receives the parts too late).
- **Develop employees:** Managers provide financial support and resources for employee development (e.g., funding training, allowing time away from the job for developmental activities) by helping employees plan for the future and by giving challenging assignments that force employees to learn new things.

Q14. What are the characteristics of coaching?

Ans :

The various characteristics of coaching are as follows :

(i) Coaching is Beneficial to the Organization

Coaching does not require any additional cost because it is provided within the premises of the organization with their own supervisor for which organization need not pay any special remuneration.

(ii) Secondary Learning

After selecting the employee, the first process is to provide them with proper training to learn the basic skills of the job. Whereas, coaching constitutes the secondary learning which is a continuous process.

(iii) Continuous Process

Training is provided only for a specified period of time. Whereas coaching tends to be a continuous affair which will be continuing till the existence of supervisor and employee relationship.

Coaching Acts as a Practice in the Job
Coaching occurs in the process of the job. It does not require any time gap between learning and practice. It is easy for the employees to convert their learning into practice. Such conversion is found to be smooth and simple.

(iv) Universal Practice

Coaching is found to be a universal practice which is adopted in every field of the business. It is used at different managerial levels, different industries and even at manufacturing and service sectors.

Q15. What qualities are required for coaching?

Ans :

The key skills in coaching are as follows:

1. Goal-Setting

Coaching is a goal-focused (or solution-focused) approach, so the ability to elicit clear, well-defined and emotionally engaging goals from a coachee is one of the most important skills for a coach to possess. Like many aspects of coaching, there are both formal and informal aspects of this ability. On the formal side, a coach needs to know how and when to introduce goal-setting into the coaching process, and will usually be familiar with models such as SMART goals (a SMART goal is Specific, Measurable, Attractive, Realistic and Timed). On the informal side, a coach will typically have the habit of thinking and asking questions from a goal-focused mindset.

2. Looking

A good deal is rightly written about the importance of listening in coaching, but looking is often overlooked. The individuals' body language tells a huge amount about his/her emotional state and level of commitment, yet it is so easy to ignore that if they are too focused on their own ideas about what needs to happen next.

3. Listening

This is often referred to as 'active listening' to emphasize the difference between passively talking in what the other person is saying and actively engaging with them and showing that the coach is giving them his undivided attention. This involves putting his own concerns and idea 'in a box' while he listen, so can be particularly challenging for manager- coaches, but it is a skill well-worth developing.

4. Empathizing

Empathy develops naturally out of looking and listening. If the coach do this attentively, he can start to 'get a feeling' for the other person's emotional state. Some people experience empathy as a powerful physical sensation they literally seem to feel the other person's emotions. For others it is more like being able to imagine what it is like to be 'in the other's shoes'. The ability to empathize with the coachee is critical to the coaching process, as it not only helps the coach to accept the other person on their own terms, but also sometimes to 'tune in' to emotions and thoughts of which they are not fully aware.

5. Questioning

At the heart of coaching is a willingness to put aside one's own ideas about the 'best/ right/obvious way' to do something, and to ask a question to elicit someone else's ideas about how to approach it. For a coach, asking questions is an expression of his curiosity about life in general and human creativity in particular. For coachees, being asked a question can do two very important things:

(i) **Focus Attention** : Questions are not directive but they are influential. They prompt the coachee to look for a new idea or solution in a particular area. Experienced coaches are proficient at using questions to help people step outside the 'problem mindset' and look for answers in unexpected places.

(ii) **Elicit New Ideas** : However 'obvious' the answer may seem to the coach, it is amazing how often a coachee will come-up with several different and often better alternatives. Unless the ask the question, he risk leaving the coachee's creativity untapped.

6. Giving Feedback

The key to delivering effective coaching feedback is that it is observational and non-judgmental. If clear, specific feedback is provided about the coachee's actions and their consequences, then the chances are the coachee will be perfectly capable of evaluating his performance for himself.

7. Intuiting

Like empathy, this is either an innate ability or emerges from practicing the other coaching skills. Sometimes during a coaching session the coach can get a sudden thought or feeling about the coachee or the subject under discussion - it is as if something is prompting him to ask a question or share what he is thinking/feeling. It does not matter whether he call this a hunch, an intuition, a sixth sense, mirror neurons or his unconscious mind - what does matter is how willing he is to trust this feeling and act on it, in the hope that it might help the coachee. Sometimes the effect can be like a thunderbolt - the other person cannot believe how he has 'picked up' something vitally important that they had not been fully aware of. Because of this uncertainty, it is very important not to get too attached to coaching intuition, and to always check whether it matches the coachee's reality.

8. Checking

Checking is one of the most important habits for a coach to get into, and it can take considerable skill to know what, when and how to check. It might seem pedantic or boring relative to the ideas and energy encountered elsewhere in the coaching conversation, but if the coach do not keep checking, he risk letting all that creativity and enthusiasm evaporate.

Q16. Explain the process of coaching.

(OR)

Outline the various steps involved in coaching process.

Ans :

The coaching process is shown in Figure

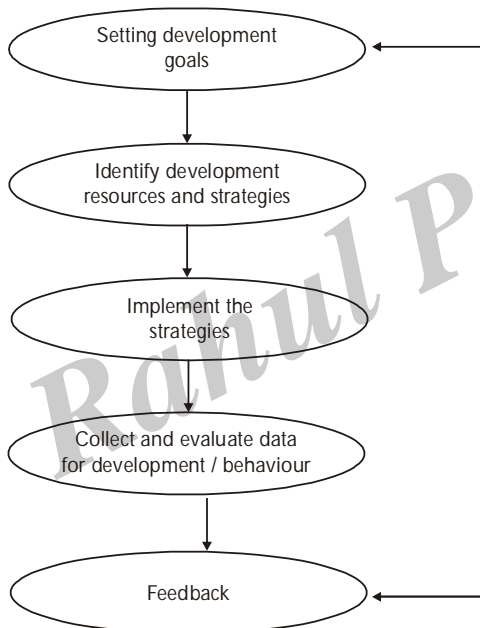


Fig.: Coaching Process

1. Setting Developmental Goals

The first step involves setting developmental goals. These developmental goals are a key component of the developmental plan. These goals must be reasonable, attainable, and derived from a careful analysis of the areas in which an employee needs to improve. In addition, goals should take into account both short- and long-term career objectives.

2. Identify Resources and Strategies

The second step in the coaching process is to identify resources and strategies that will help the employee achieve the developmental goals. These can include on-the-job training, attending courses, self-guided reading, mentoring, attending a conference, getting a degree, job rotation, a temporary assignment, and membership or a leadership role in a professional or trade organization.

3. Implementing the Strategies

The third step involves implementing the strategies that will allow the employee to achieve the developmental goals. For example, the employee may begin her job rotation plan or take a course online.

4. Collect and Evaluate Data for Developmental Behaviour

The next step in the process is to collect and evaluate data to assess the extent to which each of the developmental goals has been achieved.

5. Feedback

Finally, the coach provides feedback to the employee, and, based on the extent to which each of the goals has been achieved, the developmental goals are revised, and the entire process begins again.

The coaching model includes developmental goals and developmental resources and strategies. Let's discuss two remaining components of the coaching model: observing and documenting developmental behavior data and giving feedback.

Q17. Explain in detail the various coaching styles.

(OR)

Explain various behaviours that managers need to display to perform the various coaching functions.

Ans :

(Aug.-17, Feb.-15, Imp.)

There are four main coaching styles: driver, persuader, amiable, and analyzer.

(i) The Driver

The coaches can adopt a driving style in which they tell the employee being coached what to do. Assume that the coach wants to provide guidance regarding how to deal with a customer.

(ii) Persuader

Coaches can use a persuading style in which they try to sell what they want the employee to do. Someone who is a *persuader* would try to explain to the employee why it is beneficial for the organization as well as for the employee himself to talk to a customer in a specific way. Like drivers, persuaders are assertive, but they tend to use expansive body gestures, talk more about people and relationships, and expose others to a broad range of personal feelings.

(iii) Amiable

The other coaches may adopt an *amiable* style and want everyone to be happy. Such coaches are likely to be more subjective than objective and direct employees to talk to customers in a certain way because it "feels" like the right thing to do or because the employee feels it is the right way to do it. Such coaches tend not to be very assertive and to speak deliberately and pause often, seldom interrupt others, and make many conditional statements.

(iv) Analyzer

Coaches may have a preference for analyzing performance in a logical and systematic way and then follow rules and procedures when providing a recommendation.

Q18. Explain the Observation and Documentation of Developmental Behavior and Outcomes.

Ans :

People may make intentional and unintentional errors Performance. Managers may make similar errors in observing and evaluating behaviors related to developmental goals. For example, a manager might make a halo error by assuming that if an employee does a good job at working toward one developmental goal (e.g.,

improving her typing skills), she is also doing a good job at working toward a different developmental goal (e.g., improving customer service). As is the case for performance in general, it is important to observe and document behaviors specifically related to developmental activities. Documentation can include memos, letters, e-mail messages, handwritten notes, comments, observations, descriptions, and evaluations provided by colleagues. Although the discussion presented in this section is specifically related to behaviors regarding developmental activities, it can be easily generalized to behaviors related to performance in general. In other words, the following discussion applies to the observation of all performance behaviors, not just those displayed while working toward achieving developmental goals.

Observing an employee's progress in achieving developmental goals is not as easy as it may seem. Consider the following constraints that managers might experience in attempting to observe an employee's performance regarding developmental activities:

1. Time constraints

Managers may be too busy to gather and document information about an employee's progress toward his developmental goals. Consequently, too much time may elapse between the assignment of the activity and the manager's checking on the employee's progress.

2. Situational constraints

Managers are often unable to observe employees as they engage in developmental activities and therefore may not have firsthand knowledge about their performance. For example, managers do not observe the extent to which an employee enrolled in an online course is an active participant and contributor or is a passive learner.

3. Activity constraints

When the developmental activity is highly unstructured, such as an employee's reading a book, the manager may have to wait until the activity is completed to assess whether the activity has been beneficial.

The importance of documenting an employee's progress toward the achievement of developmental goals cannot be overemphasized. Similarly, it is critical to document employee performance in general. Why is this so important? Consider the following reasons:

1. **Minimize cognitive load:** Observing and evaluating developmental activities, and performance in general, is a complex cognitive task. Thus, documentation helps prevent memory-related errors.
2. **Create trust:** When documentation exists to support evaluations, there is no mystery regarding the outcomes. This, in turn, promotes trust and acceptance of decisions based on the evaluation provided.
3. **Plan for the future:** Documenting developmental activities and their outcomes enables discussion about specific facts instead of assumptions and hearsay. A careful examination of these facts permits better planning of developmental activities for the future.
4. **Provide legal protection:** Specific laws prohibit discrimination against members of various classes (e.g., sex or religion) in how developmental activities are allocated.

Recommendations for Developmental Activities and Performance

The importance of keeping thorough performance documentation and taking actions consistent with this documentation is illustrated by the outcome of several cases.

What can managers do to document performance regarding developmental activities and performance in general in a useful and constructive way? Consider the following recommendations:

1. **Be specific:** Document specific events and outcomes. Avoid making general statements such as "He's lazy." Provide specific examples to illustrate your point, for example, "He turns in memos after deadlines at least once a month."
2. **Use adjectives and adverbs sparingly:** The use of evaluative adjectives (e.g., good, poor) and adverbs (e.g., speedily, sometimes)

may lead to ambiguous interpretations. In addition, it may not be clear whether the level of achievement has been average or outstanding.

3. **Balance positives with negatives:** Document instances of both good and poor performance. Do not focus only on the positives or only on the negatives.
4. **Focus on job-related information:** Focus on information that is job related and specifically related to the developmental activities and goals at hand.
5. **Be comprehensive:** Include information on performance regarding all developmental goals and activities, and cover the entire review period as opposed to a shorter time period. Also, document the performance of all employees, not just those who are not achieving their developmental goals.
6. **Standardize procedures.** Use the same method and format to document information for all employees.
7. **Describe observable behavior.** Phrase your notes in behavioral terms and avoid statements that would imply subjective judgment or prejudice.

3.2.2 Feedback

Q19. Define Feedback. Explain the purposes behind providing a feedback.

(OR)

Describe the purposes served by feedback on performance regarding the achievement of developmental goals and performance in general.

Ans :

(Imp.)

Meaning

Feedback means expressing the opinions (both positive as well as negative opinions) about the performance of the employees. The performance is checked by the management, customer and consultants and finally the resultant feedback is provided.

Purpose

- **Helps build confidence:** Praising good performance builds employee confidence regarding future performance. It also lets employees know that their manager cares about them.
- **Develops competence:** Communicating clearly about what has been done right and how to do the work correctly is valuable information that helps employees become more competent and improve their performance. In addition, communicating clearly about what has not been done right and explaining what to do next time provide useful information so that past mistakes are not repeated.
- **Enhances involvement:** Receiving feedback and discussing performance issues allow employees to understand their roles in the unit and organization as a whole. This, in turn, helps employees become more involved in the unit and the organization.

Q20. Explain the Suggestions for Enhancing Feedback.**(OR)**

Explain the various recommendations that will lead to creating useful and constructive feedback system.

Ans :

1. **Timeliness :** Feedback should be delivered as close to the performance event as possible. For feedback to be most meaningful, it must be given immediately after the event.
2. **Frequency :** Feedback should be provided on an ongoing basis, daily if possible. If performance improvement is an ongoing activity, then feedback about performance should also be provided on an ongoing basis.
3. **Specificity :** Feedback should include specific work behaviors, results, and the situation in which these behaviors and results were observed. Feedback is not about the employee and how the employee "is," but about behaviors and results and situations in which these behaviors and results occurred.
4. **Verifiability :** Feedback should include information that is verifiable and accurate. It should not be based on inferences or rumors. Using information that is verifiable leads to more accurate feedback and subsequent acceptance.
5. **Consistency :** Feedback should be consistent. In other words, information about specific aspects of performance should not vary unpredictably between over-whelming praise and harsh criticism.
6. **Privacy :** Feedback should be given in a place and at a time that prevent any potential embarrassment. This applies to both criticism and praise, because some employees, owing to personality or cultural background, may not wish to be rewarded in public.
7. **Consequences :** Feedback should include contextual information that allows the employee to understand the importance and consequences of the behaviors and results in question.
8. **Description first, evaluation second :** Feedback should first focus on describing behaviors and results rather than on evaluating and judging behaviors and results. It is better first to report what has been observed and, once there is agreement about what happened, to evaluate what has been observed. If evaluation takes place first, employees may become defensive and reject the feedback.
9. **Performance continuum :** Feedback should describe performance as a continuum, going from less to more in the case of good performance and from more to less in the case of poor performance. In other words, feedback should include information on how to display good performance behaviors more often and poor performance behaviors less often. Thus, performance is a matter of degree, and even the worst performer is likely to show nuggets of good performance that can be described as a starting point for a discussion on how to improve performance.
10. **Pattern identification:** Feedback is most useful if it is about a pattern of poor

performance rather than isolated events or mistakes. Identifying a pattern of poor performance also allows for a better understanding of the causes leading to poor performance.

- 11. Confidence in the employee:** Good feedback includes a statement that the manager has confidence that the employee will be able to improve her performance. It is important for the employee to hear this from the manager. This reinforces the idea that feedback is about performance and not the performer. Note, however, that this should be done only if the manager indeed believes the employee can improve her performance. In the case of a chronic poor performance, this type of information could be used out of context later if the employee is fired.
- 12. Advice and idea generation:** Feedback can include advice given by the supervisor about how to improve performance. In addition, however, the employee should play an active role in generating ideas about how to improve performance in the future.

Q21. What are the different types of feedback?

Ans :

(i) Positive Feedback

The feedback is given in a positive way by appreciating the employee and recognizing his/her contribution towards the accomplishment of task. The management has full faith on such employees and expect them to carry the same performance in future also.

(ii) Negative Feedback

In negative feedback, the performance related results are conveyed in a negative manner to the employees. Sometimes it is also conveyed in a aggressive manner containing negative emotions like anger, frustration and despair etc.

The employee may lose his self esteem, feel bad and may leave the job.

(iii) Neutral Feedback

This feedback is free from any kind of emotions. In this type, the feedback is given only on the basis of performance but not on the basis of individual attributes (or) competencies. This type of feedback is easy to convey and is also welcomed by the employees.

3.2.3 Disciplinary Process and Termination

Q22. Describe briefly about disciplinary process and termination. What are the pitfalls that are to be avoided.

Ans :

In some case, an employee may not respond to the feedback provided and may not make any improvements in terms of performance. In such cases, there is one intermediate step that can be taken before the employee enters a formal disciplinary process which involves a verbal warning, a written warning, and may lead to termination. The employee can be given a once-in-a-career decision-making leave.

1. Pitfall 1: Acceptance of poor performance

Many supervisors may just want to ignore poor performance hoping that the problem will go away. Unfortunately, in most cases, the performance problems escalate and become worse over time. Suggested course of action: Do not ignore the problem. Addressing it as soon as possible can not only avoid negative consequences for the employee in question, coworkers, and customers but also help put the employee back in track in terms of his career objectives.

2. Pitfall 2: Failure to get the message through

The poor performing employee may argue that she did not know the problem was serious or that it existed at all. Suggested course of action: In the decision-making leave

described earlier, make sure to be very specific about the performance problem and the consequences of not addressing it effectively. Make sure you document the action plan and that you have secured the employee's agreement regarding the plan.

3. Pitfall 3: Performance standards are "unrealistic" or "unfair."

The employee may argue that performance standards and expectations are unrealistic or unfair. Suggested course of action: Remind the employee that his performance standards are similar to others holding the same position. Also, remind the employee that performance standards have been developed over time with the participation of the employee in question, and share with him documentation regarding past review meetings, including past appraisal forms with the employee signature on them.

4. Pitfall 4: Negative affective reactions

The employee may respond emotionally ranging from tears to shouts and even threats of violence. This, in turn, may create an emotional response on the part of the supervisor.

Suggested course of action: Do not let emotional reactions derail you from your mission, which is to describe the nature of the problem, what needs to be done, and consequences of not doing so. If the employee is crying, do offer compassion, and give him some space to compose himself. You can give the employee some time and resume the meeting a few minutes later or a rescheduling of the meeting at a later time may be a good alternative. If the employee reaction involves a threat or suggest possible violence, call security immediately. If such threats do take place, report them to the human resources (HR) department.

5. Pitfall 5: Failure to consult HR

There are hundreds of wrongful termination cases that have cost millions of dollars to organizations that have not followed the appropriate termination procedures.

Suggested course of action: If you are planning on implementing a disciplinary or termination process, consult with your HR department regarding legal requirements. For the most part, if you have a good performance management system in place, you have all necessary steps in place. However, consulting with HR is a good idea to ensure you are following all appropriate steps.

3.2.4 Performance Review Meetings

Q23. What is Performance Review Meetings? State the purposes served by performance Review Meetings ?

(OR)

What are the various purposes that are served with performance Review Meetings ?

Ans : (July-18, Imp.)

Performance review is also known as appraisal meeting or appraisal discussion. During performance review a discussion goes on between appraiser and appraiser. Performance review is the review of past performance of an employee i.e., the outcomes of the performance and in what way those outcomes were attained. Performances review emphasizes on past, present as well as future aspects.

Performance review meeting is conducted to discuss the performance of employee during a specific period. Conducting a performance review meeting is one of the step in performance management process. The performance management system of an organization may comprises six formal meeting.

Purpose

The various purposes of performance review meetings are as follows :

- To enhance job performance of the employee.
- To increase employee's job satisfaction level.
- To communicate and review performance.
- To improve organizational performance.

Q24. Explain different types of formal meetings.

Ans :

1. **System inauguration:** The purpose of this meeting is to discuss how the performance management system works, which requirements and responsibilities rest primarily on the employee, and which rest primarily on the supervisor.
2. **Self-appraisal:** The purpose of this meeting is to discuss the self-appraisal prepared by the employee.
3. **Classical performance review:** The purpose of this meeting is to discuss employee performance, including the perspectives of both the supervisor and the employee.
4. **Merit/salary review:** The purpose of this meeting is to discuss what, if any, compensation changes will result from the employee's performance during this period.
5. **Developmental plan:** The purpose of this meeting is to discuss the employee's developmental needs and what steps will be taken so that performance will be improved during the following period.
6. **Objective setting:** The purpose of this meeting is to set performance goals that are both behavior and results oriented for the following review period.

Q25. Explain the Suggestions for Performance Review.

Ans :

1. **Establish and maintain rapport:** It is important that the meeting take place in a good climate. As noted earlier, this can be achieved by choosing a meeting place that is private and by preventing interruptions from taking place. Also, the supervisor should emphasize two-way communication and put the employee at ease as quickly as possible. This can be done by sitting next to the employee as opposed to across a desk, by saying his name, by thanking him for coming, and by beginning with small talk to reduce the initial tension.
2. **Be empathetic:** It is important for the supervisor to put herself in the shoes of the employee. The supervisor needs to make an effort to understand why the employee has performed at a certain level during the review period. This includes not making attributions that any employee success was caused by outside forces (e.g., a good economy) or that employee failures were caused by inside forces (e.g., employee incompetence).
3. **Be open-minded:** If the employee presents an alternative and different point of view, be open-minded, and discuss them directly and openly. There is a possibility that the employee may provide information that is relevant and of which you are not aware. If this is the case, ask for specific evidence.
4. **Observe verbal and nonverbal cues:** The supervisor should be able to read verbal and nonverbal signals from the employee to determine whether further clarification is necessary. The supervisor should be attentive to the employee's emotions and react accordingly.
5. **Minimize threats:** The performance review meeting should be framed as a meeting that will benefit the employee, not punish him.

6. **Encourage participation:** The employee needs to have her own conversational space to speak and express her views. The supervisor should not dominate the meeting; rather, she should listen without interrupting and avoid confrontation and argument.

3.3 PERFORMANCE MANAGEMENT FRAMEWORK

Q26. Elaborate the framework of Performance Management Framework.

(OR)

List out the framework that are used for the development of the organizational model.

(OR)

Explain in detail hierarchical framework.

(OR)

What is process oriented framework. List out the process oriented frameworks.

Ans. :

(Oct.-20, May-19, Dec.-18, Imp.)

For the development of the organizational model, two broad categories of frameworks are generally used. These are as follows :

- A) Hierarchical frameworks
- B) Process oriented framework

A) Hierarchical frameworks

Hierarchical frameworks link the overall organizational goals of an organization to the outcomes desired of different activities/processes being carried out in an organization in a top-down pyramid-like fashion. The most widely used frameworks are as follows:

1. DuPont Framework—1919
2. Tableau de Bord-circa 1920s
3. SMART Pyramid-circa 1950s
4. Performance Management Matrix-1989
5. Results Determinants Framework-1991
6. Balanced Scorecard-1992

1. DuPont Framework – 1919

Developed by F. Donaldson Brown in 1919, an electrical engineer who had joined the Treasury department of General Motors Corporation in 1914, the DuPont Framework was used to clear the tangled finances of the company, whose stock had been purchased by E.I. du Pont de Nemours and Co., of Wilmington, Delaware (Blumenthal 1998). As presented in Figure, the overall organizational performance indicator of profitability, articulated in terms of Return on Assets (ROA), is broken down into the contributing factors, viz., net profit margin and asset turnover. These are further broken down into lower level factors. For example, net profit margin is broken down into net profits and sales. This process is followed till the lowest level of indicators is obtained.

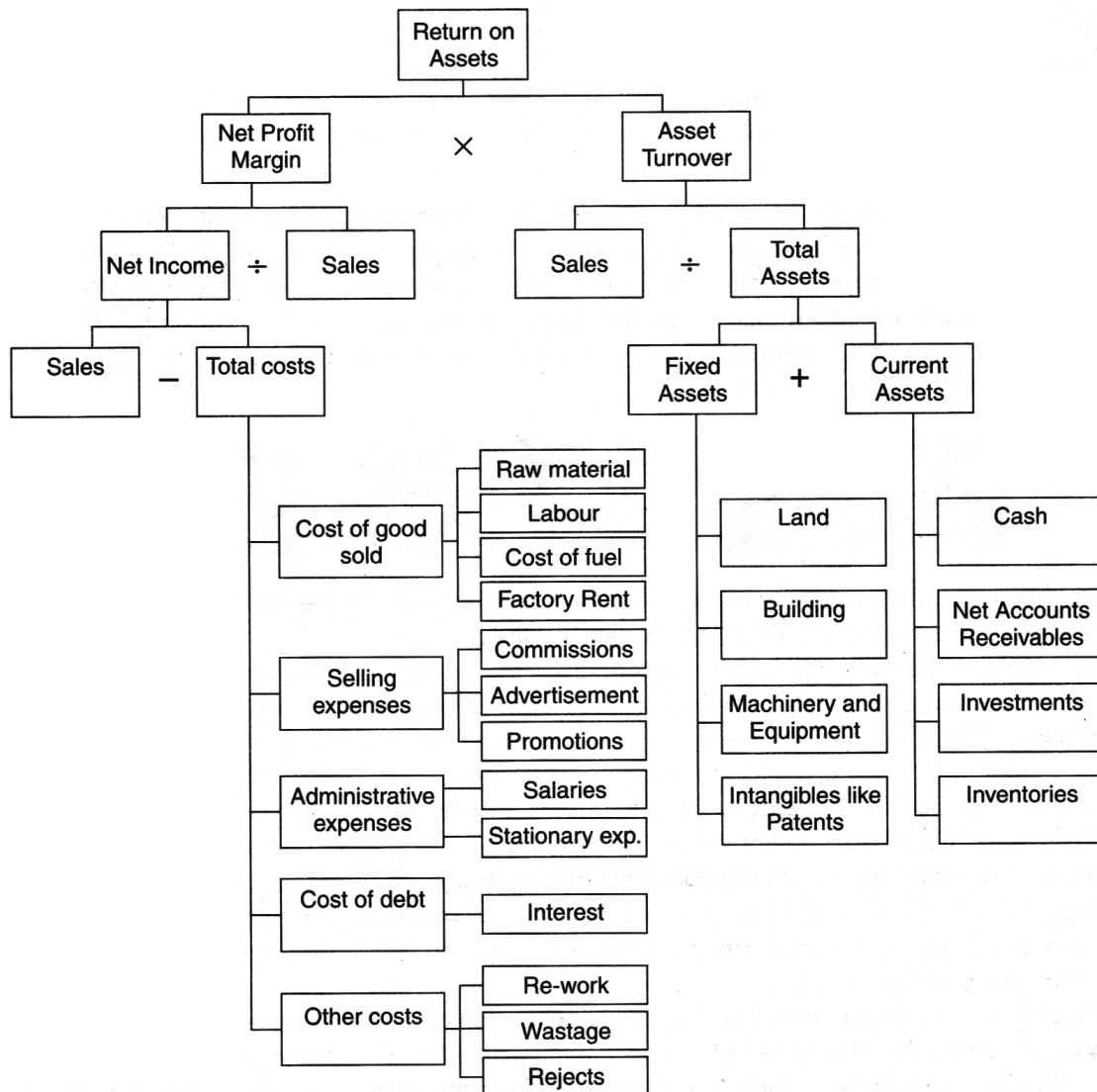


Fig. : Chart depicting the DuPont framework

At each level in the framework, indicators can be combined to generate the next higher level indicators. Problem in one level can be broken down into its components and the next lower level indicators can be analyzed to see where things are unsatisfactory. This model also allows the manager to understand the consequences of policy decisions like credit period allowed to customers. An increase in credit period may result in an increase in sales, but if that is countered by an increase in working capital requirement, the advantage of increased sales to the firm may be nullified.

How different policy decisions would impact certain factors and the overall profitability of the firm are presented in Figure. The different indicators at different levels also allow goal setting and monitoring of performance to be carried out at different levels in the organization. Discounts that may be allowed to different customers based on the volumes that each customer is purchasing from the company, and the costs-advantages trade-offs in making capital investments can also be analysed through this framework. For example, spending on capital expense needs to be adequately compensated by reduction in operating costs, either in terms of labour, fuel, or reduction in wastage, in order to be considered viable.

Using the DuPont model as a performance management framework: The DuPont model allows the management to visualize and understand the interactions among important variables, especially in terms of cause and effect relationships (Van Voorhis 1981). This allows business managers to analyze their organizational performance to see how their business is doing. This framework also helps to focus the management's attention on the most critical areas rather than pay attention on all aspects of business.

2. Tableau de Bord-circa 1920s

In French, tableau de bord means dashboard. The manager is considered analogous to a pilot who uses the tableau de bord to get a global view of the operations of his / her company along with that of its environment (Malleret, Bourguignon and Norreklit 2001). The use of tableau de bord in management field has been traced to 1932 where initially it was a set of 'physical' performance measures, nearer to engineers' language than accounting ones. That along with the early versions of French tableau de bord is a proof that entrepreneurs had been interested in converting their intuitive knowledge about the cause-effect relationship among the variables in their enterprise into a formal tool. The tableau de bord predated the Balanced Scorecard by nearly six decades (which was first published in 1992 in Harvard Business Review).

The tableau de bord was used to monitor progress towards previously fixed objectives, and also to diagnose problems (Malleret, Bourguignon and Norreklit 2001). The evolution of the tableau de board included extensive 'performance management' methods such as ABM (Activity-Based Management) (Malleret, Bourguignon and Norreklit 2001) or OVAR (Objectives-Variables Action-Responsables, which means objectives-action variables responsible persons). Relationship among objectives, action variables, and action plans. There are several similarities between the cause-effect diagrams as given in Tableau de bord and the strategy linkage maps that were proposed by the proponents of the balanced scorecard or the activity system maps of Michael Porter.

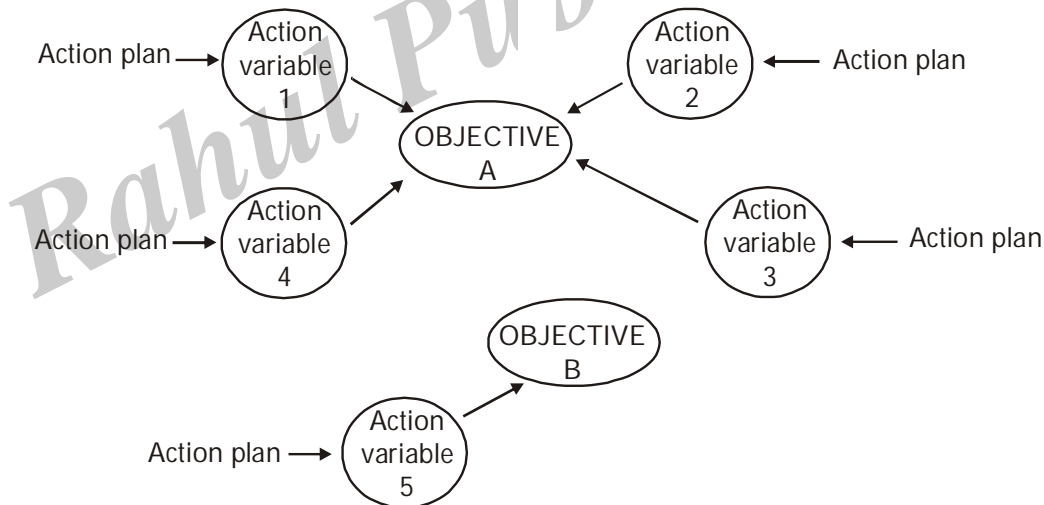


Fig.: Relationship between objectives, action variables, and action plans

Central to the development of tableau de bord is that it should be developed within the context of the mission of the organization. 'The development of the Tableau de Bord thus involves translating the unit's vision and mission into a set of objectives from which the unit identifies its Key Success Factors (KSF), which then get translated into a series of quantitative Key Performance Indicators (KPI).

Like the DuPont framework, the potential for using this model for strategic purposes is limited more by the intent and competency of the user rather than by the limitations of the model itself. Most of the frameworks, when stripped of their different terminologies, have the same top-down, cause and effect linked structure.

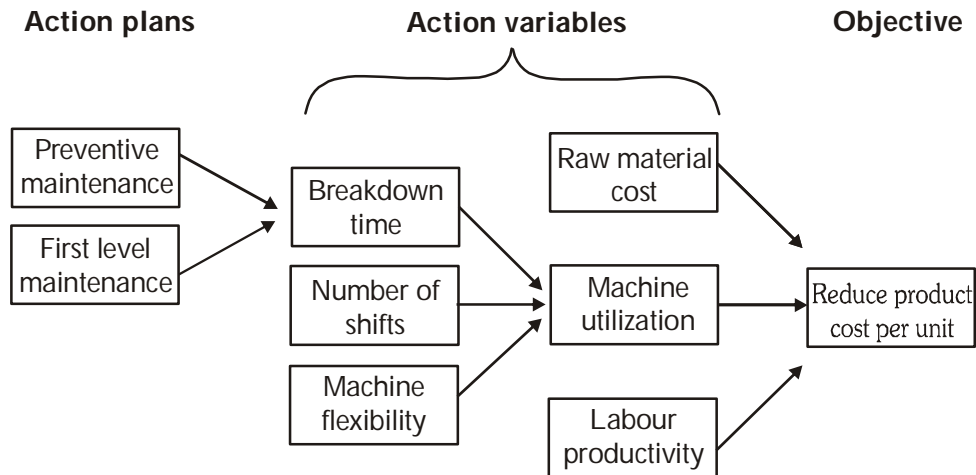


Fig.: The SMART pyramid as developed by Wang Laboratories

3. SMART Pyramid-circa 1950s

The SMART (strategic measurement and reporting technique) pyramid was developed by Wang Laboratories (Neely et al. 2000). It included internally focused and externally focused performance measures along with the idea of cascading the measures down the organization. This ensured that the measures at departmental/divisional level and the work centre level were aligned to the corporate strategic goals (Figure).

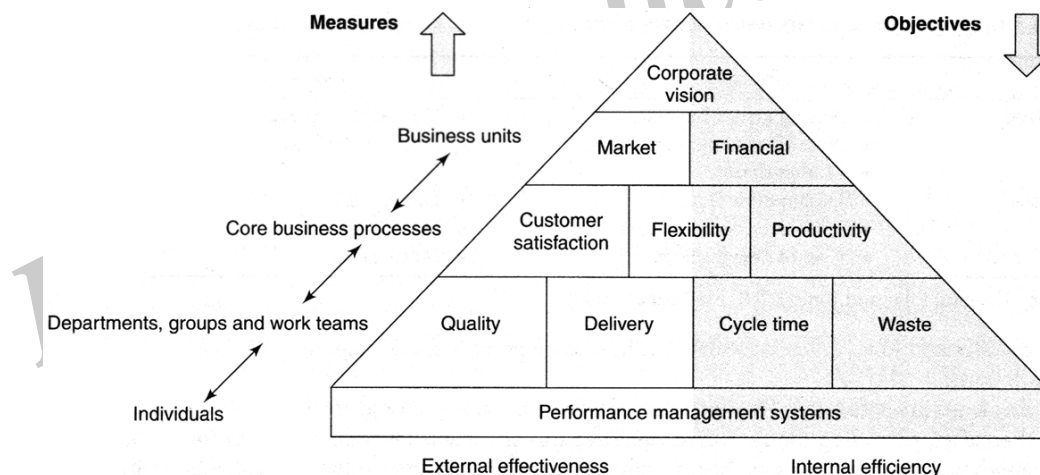


Fig.: The SMART pyramid as developed by Wang Laboratories

The SMART framework had the following elements:

- It was driven by the corporate vision which was then broken down into goals for business units.
- It was process focused since it was based on the premise that only by concentrating on the core processes, the business units could achieve their goals.
- It linked the overall business unit goals to processes' goals which were later cascaded down to process owners the department, groups, (or) work teams.
- Responsibilities and performance targets for departments, groups, and work teams were related to individual responsibilities and performance targets, thus ensuring a clear line of sight of the overall organizational goals to each and every employees.

4. Performance Management Matrix-1989

One framework which gained reasonable following was the Performance Measurement Matrix (PMM) of Keegan, Eiler and Jones (1989). It presented financial and non-financial metrics in two categories- that which were important externally to compete in the market and that which were the enablers and internal to the organization. The advantage of this framework was that it forced the management to focus not only on the internal metrics, but also on the external ones. Apart from that, it signalled the importance of operational non-financial metrics.

Non-cost		Cost
External	<ul style="list-style-type: none"> Nos. of repeat buyers Nos. of customer complaints Market share 	<ul style="list-style-type: none"> Competitive cost position Relative R&D expenditure
Internal	<ul style="list-style-type: none"> Design cycle time Percent on-time delivery Nos. of new products 	<ul style="list-style-type: none"> Design cost Manufacturing cost Material cost

Table : Two-Dimensional Performance Measure Matrix

5. Results Determinants Framework-1991

Following research in service industry, Fitzgerald et al. (1991) proposed their performance framework. It focused on two dimensions of performance - the outcomes and the determinants of the outcomes.

The advantage of this two-dimensional approach was that the management could obtain the results only when they focused on the determinants. Therefore, this prevented the managers from trying to focus only on the results or outcomes, which were obtained with a time lag, while ignoring the determinants that were the leading indicators. These leading indicators were also more relevant in managing the company on a daily basis rather than the results. Table 5.2 provides an insight into the factors that are considered as results and those that are considered as determinants or elements that influence or affect the outcomes.

Results	Financial performance Competitiveness
Determinants	Quality Flexibility Resource utilization Innovation

Table : Results-Determinants Framework

6. Balanced Scorecard-1992

As a performance management tool, balanced scorecard began with the limited use to analyze whether the internal activities of an organization were aligned to its overall strategy. By doing so, it provided a more comprehensive view of an organization helping the managers to understand the drivers of long-term performance, similar to determinants in the results- determinants framework, or objective-action variable linkage of the *tableau de bord*. By stressing the need to focus on the areas where the management need to act in the prevailing situation in order to have an impact on the financial outcomes, the balanced scorecard followed the same basic structure as that of pre-existing frameworks.

B) Process oriented framework

Results measures are descriptors of the output; they relate directly or indirectly to things that “a customer of that process can sense or measure.

Process measures are the internal measures from within the process that determine these results.

Other characteristics of these two categories of metrics are tabulated here.

Results measures	Process measures
Output	Input
Outcome	Driving
Lagging	Leading
External	Internal
Reactive	Predictive
Static	Dynamic
Effect	Causal
Retrospective	Prospective
Dependent	Independent

This focus on the business processes signifies its crucial role as the outcomes desired by the organization depend on it. The performance measurement frameworks discussed so far have tended to be hierarchical in orientation. There are, however, several frameworks, which encourage executives to pay attention to the horizontal flows of materials and information within the organization, i.e., the business processes. The fundamental premise in these frameworks is that the organization is treated as a place where inputs are processed to deliver products or services as desired by the customers.

The above basic framework forms the building block for all process-oriented frameworks. To ensure that the processes deliver what is important for customers, organizations have to monitor three categories of metrics that will be related to

- inputs which may be raw materials, or data;
- the transforming process; and
- the output

1. Porter's Value Chain Framework (1985):

First described by Michael Porter in his 1985 best-seller, *Competitive Advantage: Creating and Sustaining Superior Performance*, the value chain is a frame-work that forces the management to analyze the organization as a chain of value creating activities. The costs and value drivers are identified for each value activity. The value chain framework was rapidly adopted by organizations as a powerful tool for providing guidance on maximizing value creation while minimizing costs. A schematic representation of Porter's value chain framework is depicted in Figure.

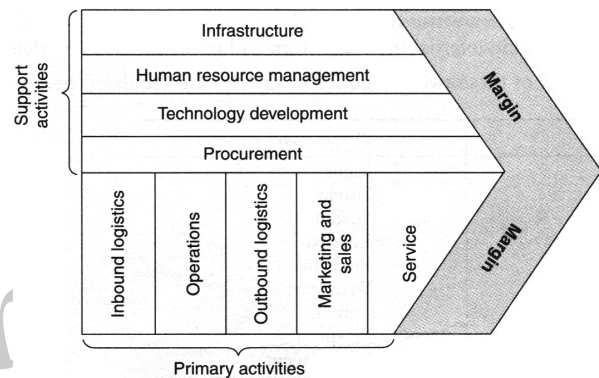


Fig. : Michael Porter's value chain framework

2. EFQM Business Excellence Framework (1992)

The EFQM Excellence Model is a frame - work for organizational management systems, promoted by the European Foundation for Quality Management (EFQM) and designed for helping organizations in their drive towards being more competitive. With its focus on processes, the EFQM excellence model tries to take a holistic view of an organization starting with the desired results. It then works backwards to identify what processes lead to the results and how can those processes be improved upon. (see Figure).

The following are the fundamental concepts which underpin the EFQM model:

- Results orientation
- Customer focus
- Leadership and constancy of purpose
- Management by processes and facts

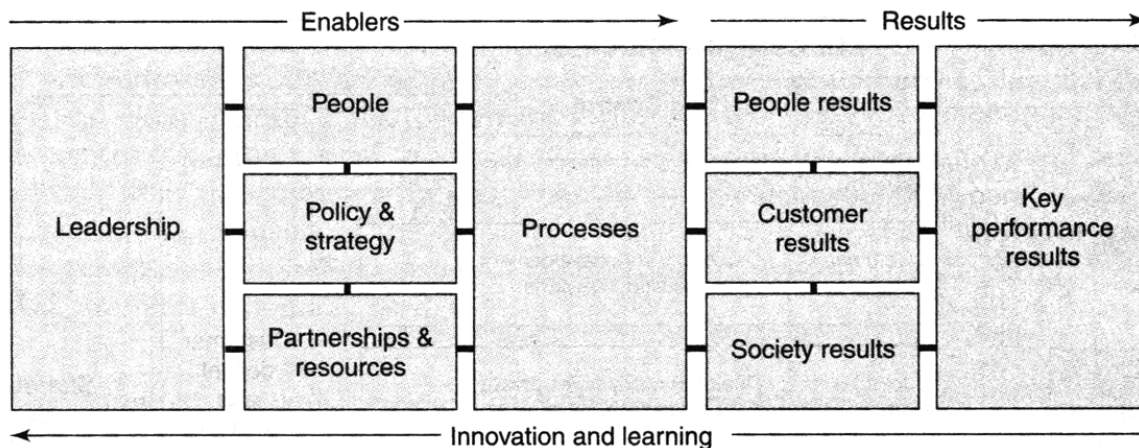


Fig. : EFQM business excellence framework

3. Inputs, Processes, Outputs, Outcomes Framework - (1996)

The most basic process-based framework is that proposed by M. Brown in 1996 as given in Neely et al. (2000). The framework (as depicted in Figure) maps the different inputs which go into the processing system, the outputs which the system delivers, and the final outcome from the customers' perspectives. Each of these components would be monitored using metrics. The nearer the metrics are to the outcomes end of the framework, the more the metrics are of a lag nature as compared to metrics nearer to inputs/ processing system where the metrics are of leading nature.

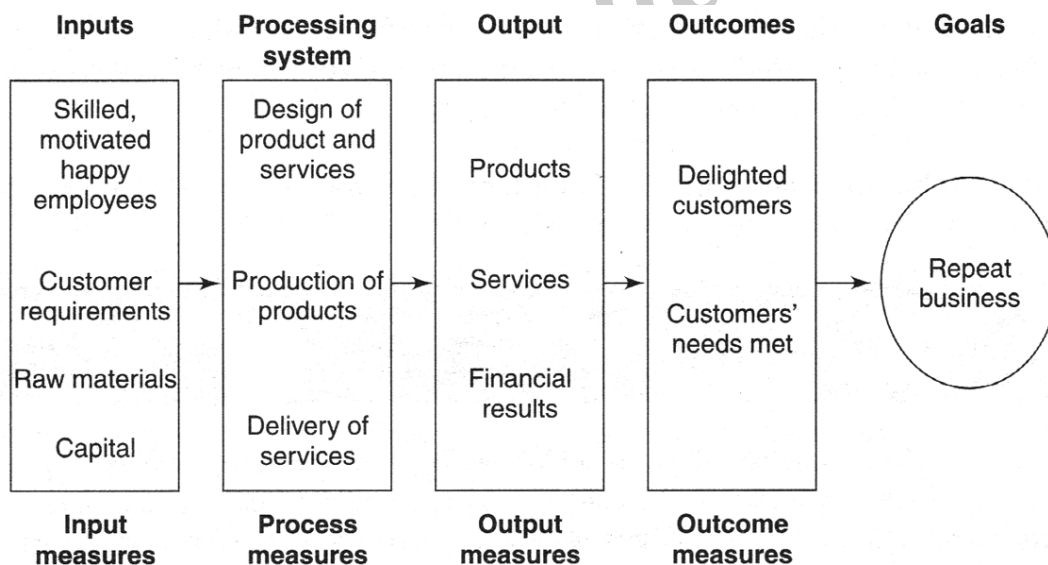


Fig.: Inputs, processes, outputs, outcomes

Metrics related to inputs may be cost of inputs, quality of inputs, or availability of inputs as required by the processes. Metrics related to processing system would be to ensure that the different processes are within control limits or are delivering as per the goals set for them. Output and outcome metrics would be related to specifications as designed for the products and services along with feedback from the customers to understand to what extent the customers' needs were met. While it retains the elements of the above two frameworks-Value chain framework and EFQM excellence model, the comprehensiveness of the other two frameworks has ensured that they are the ones which are most commonly used.

Q27. Explain the various perspectives of balanced score card.*Ans :*

As a framework, the implementation of balanced scorecard starts with the understanding of the organization's strategy, which is then translated into operational goals on different parameters. The performance parameters are grouped into the following four general categories, also termed as perspectives.

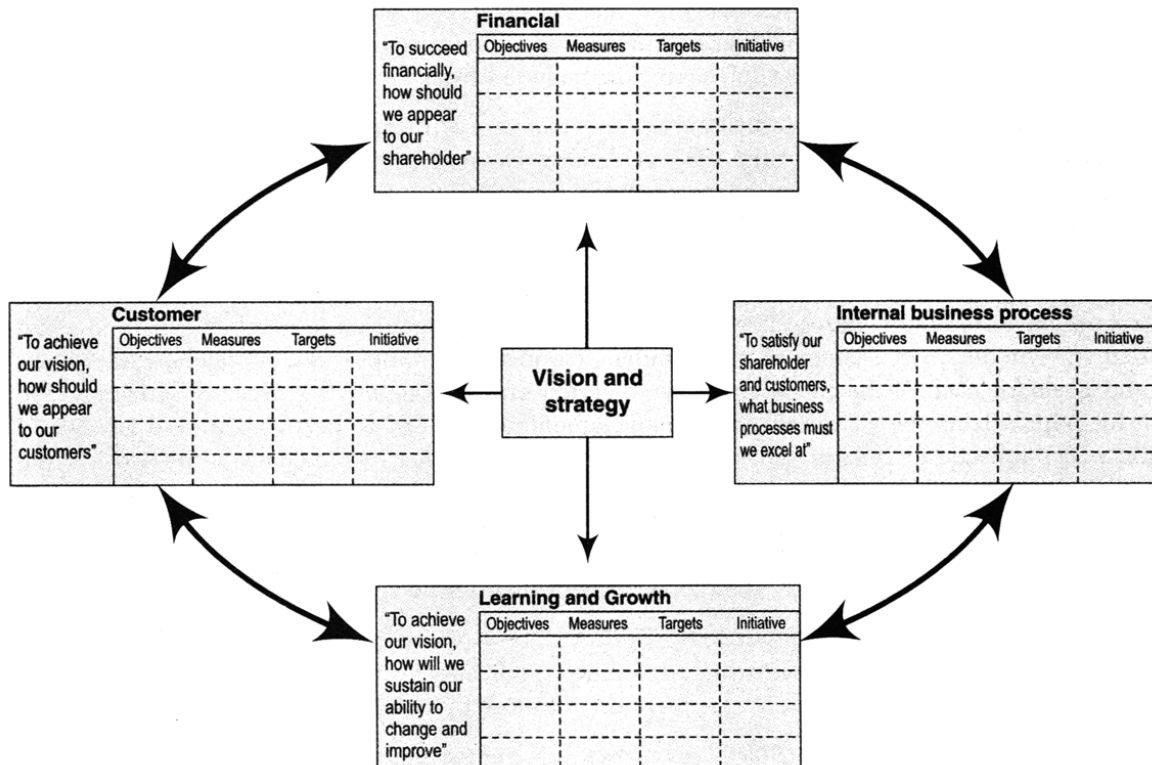


Fig. : Translating vision and strategy: four perspectives

- (i) **Financial perspective:** The parameters within this perspective are the results that are important from the financial stakeholders' point of view. The metrics usually are financial metrics focusing on the return on investment. Additional parameters like increase in sales or cash flow from operations are added by different organizations based on their particular requirements. Other financial measures that are commonly used are revenue growth, costs, profit margins, net operating income, etc.
- (ii) **Customer perspective:** Parameters covered in this perspective relate to what the customers need/expect from a particular organization (for example, percentage of orders delivered as per customers' schedule), or consequences of meeting customer expectations (for example, ranking in customer satisfaction surveys like J.D. Power rankings for automobiles or market share).
- (iii) **Internal process perspective:** This relates to the process-oriented metrics regarding the different processes that are carried out in order to deliver what the customer wants. By focusing on all the activities and key processes, the parameters allow the organization to monitor the internal drivers that lead to a satisfied customer both efficiently and effectively.
- (iv) **Innovation and learning perspective:** The parameters under this perspective focus on those activities which allow the organization to innovate and improve so that it can successfully compete with its competitors in the future.

Although it focuses attention on critical issues that are related to the successful implementation of organizational strategy, it is important to note that the balanced scorecard itself plays no role in strategy formulation. Goals and initiatives columns were added on in another article published by Kaplan and Norton in 1996 so that the scorecard included both the metrics and the targets.

3.4 EMPLOYEE ASSESSMENT SYSTEM

Q28. What is Employee Assessment System?

Ans :

Employee assessments are performance appraisals or reviews used to evaluate employees' performance and productivity. These tests assess personality, aptitude and skills.

Employee assessments are usually done for compensation review, performance improvement, promotions, terminations etc.

Human resource management conducts employee assessments in order to improve their performance and to monitor what the employee is doing according to what he/she is expected to do.

Methods

1. **360 degree feedback** : multiple evaluation process which includes assessments from superiors, peers and ones' self.
2. **SWOT analysis**: evaluating strengths and weaknesses of an employee.

Q29. What is performance appraisal. Explain the history of performance appraisal.

Ans :

(Imp.)

According to Dale S. Beach. Performance Appraisal is the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.

History

The history of performance appraisal can be traced back to the history of civilization. There is consistent emphasize on avoiding under performance either by the willing individuals or because of inadequate competence. In 206 BC-220 AD, during the time of Han Dynasty of China, examination were conducted to recognize candidates who could be promoted and there are records regarding the use of Imperial rates to rate their official family member's performance during early 3rd century AD. Kautilya, in his famous Arthasashtra suggested a "judicious mix of incentives-based compensation, inspection, supervision and appropriate punishment to reduce

cheating and shirking". In the work associated with administration, the officers who were under performing were recognized and removed. For instance, Ramchandra Pant Amatya, a diplomat and warrior of the Maratha Empire commands in Adhyapatra, which is a royal edict on the principles of Maratha policy that " inefficient officers should be sidetracked and relieved skillfully".

War is associated with commerce and the soldiers who had shown extraordinary courage and bravery were rewarded. This motivates the soldiers and make them aware of the type of behaviour which is expected and rewarded. The importance of soldier's bravery recognition is brought in a quote assigned to the great French monarch Napoleon Bonaparte: "A soldier will fight long and hard for a bit of coloured ribbon."

Q30. Explain the issues in Employee Assessment.

Ans :

1. Employee-Task Allocation

Is the employee competent enough to perform the assigned job?

2. Faith in the Performance Appraisal System

Do the employees involved in, have trust in performance appraisal system? Do the employees work hard to reach the goals of the organization or does the employees change their actions to match the appraisal system? Is the system transparent enough so that the rate can be aware of why he is being given a specific rating?

3. Individual Performance Versus Group Performance

It should be taken care to make sure that individual assessment would not effect team work. When teams are involved in performance appraisals it becomes very difficult. It is a general fact that employees behave in the manner of how they are rewarded.

4. **Validity and Reliability of the Performance Appraisal System**

Performance appraisal system should not be affected by personal feelings of evaluators while evaluating. Hence, the performance appraisal system should be strong enough so that the employee receives an even rating irrespective of who the evaluator is.

The above mentioned questions should be taken care while designing the appraisal system.

Q31. Explain the various methods of Employee Assessment System.

Ans :

Employee appraisal systems help managers evaluate employee job performance and develop a fair system of pay increases and promotions. Appraisals in turn can help staff members improve performance, and assist companies in devising or reorganizing job functions to better fit the position or the employee. In addition, employee appraisals may reveal outdated or inefficient business practices. Effective employee appraisal systems incorporate goals to help improve the employer as well as the employee, through the application of appropriate and timely feedback and training.

1. Trait-Focused Performance Appraisal

The trait-focused system centers on attributes such as helpfulness, dependability and punctuality. Supervisors rate employees by indicating specific traits each employee exhibits. Most trait-focused systems use a simple checklist with ratings of excellent, satisfactory or needs improvement, or similar options. This system is traditionally popular with customer service departments. These types of evaluations are subject to the supervisor personal bias, however, and the majority of employees end up with marks of satisfactory, which limits this system reliability and accuracy.

2. Behavior - Focused Performance Appraisal

The behaviorally anchored rating system

(BARS) judges your employees actions using a rating scale to measure specific behaviors. Four rating scales are used in behavior-focused evaluations: graphic rating scales, behaviorally anchored rating scales, forced choice scales and mixed standards scales.

Graphic rating judges behaviors on a sliding scale from "excellent" to "poor;" average employees results should cluster in the middle, with poor employees near the bottom and exceptional employees near the top.

Behaviorally anchored scales rely on very specific evaluators to score the employee actions as pass or fail. For example, "Does the employee answer the telephone with the correct greeting?" or "Does s/he verify all customer information in the correct order?"

The forced-choice scale lists rankings of performance such as "poor," "needs improvement," "average," "above average" or "excellent," with no other options; a mixed standards scale is a forced-choice scale with room for administrator comments.

3. Straight Ranking

The straight ranking method compares employees to each other, ranking them from best to worst. While it often easy to point out the top and bottom performers, those in the middle can prove harder to put in order. An example of straight ranking would be a customer service center that gave points for completed service tickets. Employers often post ranks anonymously by employee number. Although the ranking criteria are specific, they also are subjective due to the customer input where ticket completion would not always be in the employee's hands.

4. Paired Comparison

The paired comparison method compares each employee with every other employee in a group. According to CHRM, paired comparison considered more reliable as it is based on a systematic method of comparison

and evaluation. Paired comparisons work best in situations where only one employee will be promoted; each is compared and ranked against the others on various factors until one stands out.

5. Grading and Checklist

The grading method uses standard A to F letter grades in different categories to rate each employee, while the checklist method relies on a list of yes or no questions such as, Is the employee helpful to his peers? In each of these evaluation types, the specific standards are set in advance and defined as categories to evaluate.

6. Management By Objective

Modern evaluation methods try to remove some the subjectivity and bias inherent in traditional methods. MBO, or management by objective, appraisals require the employee and supervisor to agree on a set of objectives before the evaluation. The process relies on goal setting and constructive feedback to be successful.

7. Psychological Appraisals

Psychological appraisals assess the employee intellectual ability, emotional stability, analytical skills and other psychological traits using objective psychological evaluation processes. These evaluations are useful in preparing and developing training methods, and for placing employees on appropriate teams.

8. 360-Degree Feedback

360-degree feedback requires the employer to survey co-workers, supervisors, subordinates and even customers about each employee actions. The multiple feedback channels offer objective perspectives of behavioral traits and actions. "From [360-degree] feedback, the worker is able to set goals for self-development, which will advance their career and benefit the organization".

3.5 ROLE OF HR PROFESSIONALS IN PERFORMANCE MANAGEMENT

Q32. Explain the role of HR Professionals in improving organizational performance.

(OR)

Evaluate the role of HR professionals in performance management.

Ans. : (Oct.-20, May-19, Dec.-19, Dec.-18, Imp.)

Organization is regarded as a cohesive organism, which learns to adopt, or finds better ways of doing things essentially as a response to its environment. Where organizational success was once dependent only on technology and financial resources, HR is now recognized as a key source of competitive advantage as they are inimitable and non-substitutable.

Peter F. Drucker has said, "The productive capacity of all businesses depends on three factors: the capital resource, the physical resource and the human resource. Of all three, only the human resource possesses a productive capacity whose upper limits are undefined.

Therefore, the performance of HR function is critically linked to the performance of human resources and ultimately the organization. Successful HR professionals know that to win in today's competitive marketplace they must attract, develop, and retain talented and productive employees. Winning organizations get their competitive edge from a performance management system that helps them hire talented people, place them in the right position, align their individual performance with the organization's vision and strategic objectives, develop their abilities and reward performance commensurate with contribution to the organization's success.

Employees are the most valuable asset. Optimizing that asset through comprehensive performance management is the key to organizational success. Unfortunately, in many organizations today the performance management process is followed :

- There is little or no alignment of performance goals with the business strategy.
- Performance criteria is likely to be missing, or inappropriately applied.
- The process is so time and labour-intensive that it interferes with productivity, rather than enhancing it.

1. Competency Builder

Human resource management function must become the 'corporate resource centre' for boosting performance of the organization. HR professionals have to play a vital and profound role in devising, implementing, monitoring, and integrating organization-wide performance improvement programme. Performance management system by itself would be grossly inadequate if the owners themselves are satisfied with donning the role of mere facilitators. HR professionals have to ensure that the organizational environment, processes, and people are all aligned along the business strategy of the organization as an active constituent of the system, and also that performance is the sole criteria of being a member of the organization. They have to create an enabling environment so as to harness the natural talents and abilities of the people and leverage it for easy integration with performance improvement programmes.

2. Linking Work Goals to Performance Expectations

HR professionals have to ensure that the line management spells out clearly the role, responsibilities, and behaviours necessary for effective performance of a given job, especially in case of new staff members. Often, it has been found that there exists only a vague and broad job expectation which only leads to role ambiguity and conflict, thereby undermining performance of the employees.

HR professionals must act as a strategic partner in counselling, training, and educating line management and employees alike to develop appropriate models of actions and behaviours for appropriate results in conjunction with business strategies.

3. Change Agent

All organizations are political systems comprising of different individuals and personalities competing for power. When a change is considered, all relationships that have been nurtured to create a given power structure may be altered, creating breakdown of the informal organizational structures that guides most organizations. HR professionals must become more focused on their ability to define, understand, and create future rather, than concentrating on the traditional roles of implementing tasks in organizational structures.

In the context of performance improvement programmes, it is worth noting that work goals are a moving target than being a stationary one because of immense uncertainty, complexity, and undependability prevailing in the contemporary business scenario.

HR professionals have to, therefore, act as a key organizational change agent for bringing a greater fit between the environment and the organization by improving adaptability, capability, and the capacity of the employees. This will be possible only when employees know very well the change necessary for attaining the objectives and strategy of the organization.

4. Customer Relationship Management Trainer

Those employees who work most closely with key customers can be a font of ideas for improving customer service – if they are motivated properly.

HR professionals should provide effective training and development programmes and opportunities for harnessing an employee's customer management skills, based on the feedback received from the customers. Training provided by HR professionals must add 'value' to employees (trainees), organization (investor) and customers (intended recipient).

5. Talent Farmer

HR professionals must promote investment in the best talent. When trouble brews, the best employees may be the first to leave, because they enjoy the best job opportunities elsewhere. HR professionals must act early to identify those people

who are essential to a successful turnaround, and provide them with retention bonuses tied to performance criteria.

6. Strategic Recruiter

HR professionals must be selective in recruiting. Developing a recruiting approach that identifies the best talent and the best fit for the organization's evolving culture is critical. For example Southwest Airlines (USA) receives some 98,000 job applications per year; the company has refined its system to determine which 16,000 applicants will be interviewed and which 2,700 will be hired. The process requires a thorough understanding of the relationship between Southwest's employees and the organization's success.

7. Strategic Outsourcer

Given cost imperatives, some of the HR activities are now being outsourced. Therefore, HR professionals must assess the value of outsourcing certain HR functions. Outsourcing offers scalability as an organization grows and retrenches over time. It is also an effective way to reduce fixed administrative costs while focusing on ensuring the best return on invested HR efforts.

Q33. Explain the 7 sins of HR Professionals.

Ans :

Sin 1: Decision Making is Prerogative of CEO

The first sin of HR professionals encompasses a belief that only top management is best qualified to take a decision. They are mere facilitators, a fact they proudly and publicly profess. There seems to be two reasons for this: one, that very few HR professionals understand the business of their organizations and tend to restrain themselves in the HR domain only without making adequate references to the business strategy of the organization. The second reason pertains to their lack of inclination to assume the role of an organizational architect and envision an entrepreneurial streak to their roles and responsibilities. Line managers have not only understood the business of the organization, but they have actually mastered HR skills.

Sin 2: Tunnel Vision

The HR professionals are under the impression that they are the best-qualified people on the whole earth to take unmatched decisions on human resources matters. They tend to send people on journeys they themselves have not undertaken. They would always be willing to force upon line managers pre-packaged HR programmes, and whether the same meets either their own or the organizational requirements is of least consequence to the HR professionals. This has resulted in lesser involvement of HR professionals in many key business and strategic plans of the organizations, thereby restricting the periphery of HR professionals in their own organizations.

Sin 3: Fault Finding

Whenever any HR plan or strategy goes awry, HR professionals are the first to put the blame on line management. They would vehemently contend that in spite of their best intentions and efforts, the HR plan or strategy simply failed because of non-cooperation and lack of support of line managers. If this argument fails, then they would say that HR can only be successful if, and only if the top management is committed. Does this mean that line managers or top management do not understand that people are the prime source of competitive advantage? They definitely understand this and that is the reason why HR professionals exist in organizations. It is the skill and responsibility of HR professionals to ensure the success of HR plans and strategy in the same way that business managers make business plans and strategies successful. Therefore, HR professionals need to work more like business leaders than service providers.

Sin 4: Never Trust Anybody

The HR professionals would always advise line managers about the need of maintaining confidentiality. If one goes by the advice of HR professionals, then business managers would not allow the left part of their brain to know what the right part is thinking, and vice versa. In this knowledge age, information sharing is taking place all over the organization, and it has become a

necessity. The HR professionals should instead concentrate on their roles as knowledge transfer agents, so that knowledge creation is not restricted, but widely shared for the benefit of their organizations and its customers.

Sin 5: Role Model

Very few HR professionals have found a role model in another HR professional (a senior practitioner). Most of the role model of HR professionals is either their CEO (mostly) or some senior line manager. Does it imply that there is an intellectual bankruptcy among HR professionals? The fact is that very few HR professionals have reached to the top slot, and there are not enough such top HR professionals in the industry. Nevertheless, many of us spend more time in criticizing those who exist on the horizon, rather than taking a cue from their good thoughts, actions, habits, attitude and skills.

Sin 6: Not Cost-sawy

Today the business landscape is marked with high productivity, better quality, and low cost. Most of the HR professionals are not very cost conscious. They would willingly assume the role of cost container once thrust upon by their CEOs. However, HR professionals tend to focus on cost saving in trivial matters like cutting down tea/coffee consumption, mobile bills, etc. Such cost cutting does not generate enough revenues but instead impacts business negatively. Cost cutting implies controlling wastage, either of material, time, or money, which HR professionals may kindly note. Moreover, business growth results from not cutting cost, but from creating value. Therefore, all cost cutting means and measures must add value to the organization, a fact which HR professionals need to emphasize.

Sin 7: Move Alone

Another sinful habit of HR professionals is that they tend to move alone in the path of organizational success and growth. They have over the years developed a well-oiled and maintained parallel track. That is why HR profession is still a parallel function which can be dispensed with any time. A software company in the US employing over 12,000 IT professionals has no HR department. This is simply

because line managers play that role very aptly. Hence, unless HR professionals move along the main track, their role and status shall remain at best peripheral to the organizational existence.

Q34. Explain in detail the organization role facilitating employees's performance.

Ans : (Oct.-20, Imp.)

1. Clearly communicate the strategy, direction of the organization

In order to ensure an employee's career goals are aligned with the company's goals, the company needs to be open about its strategy and future directions.

If the company plans on pursuing new opportunities which would make some skill sets obsolete, employees should know this up front and decide for themselves if it is time to move on or if they want to be on the forefront of developing new skills to help explore new opportunities. Employees can't be in charge of their career and make good career decisions if they don't understand where the organization is going.

2. Helping to learn about new opportunities within the organization

Many employees find it easier to leave their current organization to get new experiences and build their portfolio of skills than to take a new role in a different function within the current organization. In fact, it is common for managers to hoard good talent for their own personal needs than to look at what is best for the individual and the organization.

Senior management can help change this behavior by encouraging and facilitating internal transfers. Some organizations even help employees' broker relationships with people in other functions/divisions to help them explore new opportunities within the organization.

If employees value growth and learning, then we must find new ways for them to learn the business within the organization. Moving to different functions can help build a breadth of knowledge of the organization that will help individuals build

leadership skills. Managers need to get better at looking beyond their own group for growth opportunities for their direct reports.

3. Proactively manage opportunities for high-potential employees

Most people learn through experience, so getting access to development opportunities is key for retaining top talent and keeping them engaged. However, more often than not access to new opportunities is either dependent on being in the right place at the right time, or being connected and hearing about the opportunity before others.

When we leave it up to managers to find development opportunities for their employees our results are often hit or miss.

When considering your most valuable employees it is important to be more purposeful in their development and to plan for key experiences that will help to develop the skills they need to become good managers or leaders. Some companies have taken the approach of creating a talent council where the most high-potential employees are discussed and their development needs identified. Then this council works to identify upcoming openings or special assignments that will help to build the skills or experiences needed for personal growth.

4. Help employees customize their own career

Employees have different cycles in their lives and the employers who are most able to attract them are those that will allow employees to ramp up or ramp down during their career depending on different events going on in their personal lives.

This allows the individual to integrate themselves with their work as opposed to choose work or family. For some organizations this may mean redesigning some roles to allow for individuals to be successful as they define success.

If organizations were better at customizing careers for individuals we would not see the type of mass exodus of women leaders that has historically been true. These women are not leaving the workplace because they don't want to work; they are leaving because it is impossible to manage their workloads from their personal and work lives.

Although women may have been the proverbial "canary in a coal mine" we are now seeing these new expectations being held by all employees men and women alike.

5. Clearly articulate expectations at different levels

Employees often get frustrated when they don't know how to get ahead and they don't understand how to develop themselves for the future. By being clear about performance expectations for the future, and at different levels of the organization, employees will be able to more accurately self-assess if they have what it takes to move ahead in the organization.

Many organizations have employees rate themselves and managers rate their employees as part of a performance management or career management conversation. Sometimes employees may have an inaccurate perception of their ability to advance in the organization, and having clear expectations will help managers with that very difficult conversation.

6. Managers are the key source for developmental experiences

Most organizations are stuck in the model of offering a laundry list of training courses for employees and believing that this suffices for the organization's responsibility in career management. But if you open up any article or text book on adult learning, it will say that 70 percent of our learning should come from on-the-job developmental experiences, 20 percent should come from learning from others, and only 10 percent from taking courses/reading books.

Managers have not fully realized the critical role they play in understanding the career goals of their employees and crafting development opportunities that help them to achieve their goal.

Short Question and Answers

1. What is 360 Degree Feedback?

Ans :

- The 360-degree feedback system has become a preferred tool for helping employees, particularly those in supervisory roles, improve performance by gathering information on their performance from different groups. These systems are called 360-degree systems because information is gathered from individuals all around the employee.
- Specifically, information on what performance dimensions could be improved is gathered from superiors, peers, customers, and subordinates.
- This information is usually collected anonymously to minimize rating inflation.
- Employees also rate themselves on the various performance dimensions and compare self-perceptions with the information provided by others.
- A gap analysis is conducted to examine the areas for which there are large discrepancies between self-perceptions and the perceptions of others.

2. Advantages of 360 degree feedback.

Ans :

- **Decreased possibility of biases:** It include information from more than one source, there is a decreased possibility of biases in the identification of employees' weaknesses.
- **Increased awareness of expectations:** Employees become very aware of others' expectations about their performance. This includes not only the supervisor's expectations but also the expectations of other managers, coworkers, subordinates, and customers.
- **Increased commitment to improve:** Employees become aware of what others think about their performance, which

increases their commitment to improve because information about performance is no longer a private matter.

- **Improved self-perceptions of performance :** Employees' distorted views of their own performance are likely to change as a result of the feedback received from other sources. In other words, it is difficult to continue to have distorted views of one's own performance in the presence of overwhelming evidence that these perceptions may not be correct.

- **Improved performance :** Although receiving information about one's performance is not sufficient cause to improve, it is certainly a very important step. Thus, having information on one's performance, if paired with a good developmental plan, is likely to lead to performance improvement.

- **Reduced undiscussables :** 360-degree feedback systems provide an excellent opportunity to coworkers, superiors, and subordinates to give information about performance in an anonymous and nonthreatening way. Many supervisors may feel uncomfortable about providing negative feedback, but a 360-degree system makes providing such feedback easier.

- **Employees enabled to take control of their careers :** By receiving detailed and constructive feedback on weaknesses and strengths in various areas, employees can gain a realistic assessment of where they should go with their careers.

3. Define the term Performance Management Skill.

Ans :

A performance management system can be used to help employees develop and improve their performance and to address more long-term career goals and aspirations. Performance management systems are not likely to help employees develop and improve their performance if managers do not

have the necessary skills to help employees accomplish these goals. Such skills include being able to serve as coaches, to observe and document performance accurately, to give both positive and negative feedback, and to conduct useful and constructive performance review.

4. Define coaching.

Ans :

Coaching is a collaborative, ongoing process in which the manager interacts with his or her employees and takes an active role and interest in their performance. In general, coaching involves directing, motivating, and rewarding employee behavior. Coaching is a day-to-day function that involves observing performance, complimenting good work, and helping to correct and improve any performance that does not meet expectations and standards. Coaching is also concerned with long-term performance and involves ensuring that the developmental plan is being achieved. Being a coach thus is similar to serving as a consultant and, for coaching to be successful, a coach must establish a helping relationship.

5. Need for Coaching.

Ans :

Coaching helps turn feedback into results. For this to happen, coaches need to engage in the following:

- **Establish development objectives:** The manager works jointly with the employees in creating the developmental plan and its objectives.
- **Communicate effectively:** The manager maintains regular and clear communication with employees about their performance, including both behaviors and results.
- **Motivate employees:** Managers must reward positive performance. When positive performance is rewarded, employees are motivated to repeat the same level of positive performance in the future.
- **Document performance:** Managers observe employee behaviors and results. Evidence must be gathered regarding instances of good and poor performance.

- **Give feedback:** Managers measure employee performance and progress toward goals. They praise good performance and point out instances of substandard performance. Managers also help employees avoid poor performance in the future.

6. Define Feedback.

Ans :

Feedback means expressing the opinions (both positive as well as negative opinions) about the performance of the employees. The performance is checked by the management, customer and consultants and finally the resultant feedback is provided.

Purpose

- **Helps build confidence:** Praising good performance builds employee confidence regarding future performance. It also lets employees know that their manager cares about them.
- **Develops competence:** Communicating clearly about what has been done right and how to do the work correctly is valuable information that helps employees become more competent and improve their performance. In addition, communicating clearly about what has not been done right and explaining what to do next time provide useful information so that past mistakes are not repeated.

7. What are the different types of feedback?

Ans :

(i) Positive Feedback

The feedback is given in a positive way by appreciating the employee and recognizing his/her contribution towards the accomplishment of task. The management has full faith on such employees and expect them to carry the same performance in future also.

(ii) Negative Feedback

In negative feedback, the performance related results are conveyed in a negative

manner to the employees. Sometimes it is also conveyed in a aggressive manner containing negative emotions like anger, frustration and despair etc.

The employee may lose his self esteem, feel bad and may leave the job.

(iii) Neutral Feedback

This feedback is free from any kind of emotions. In this type, the feedback is given only on the basis of performance but not on the basis of individual attributes (or) competencies. This type of feedback is easy to convey and is also welcomed by the employees.

8. What is Performance Review Meetings?

Ans :

Performance review is also known as appraisal meeting or appraisal discussion. During performance review a discussion goes on between appraiser and appraisee. Performance review is the review of past performance of an employee i.e., the outcomes of the performance and in what way those outcomes were attained. Performance review emphasizes on past, present as well as future aspects.

Performance review meeting is conducted to discuss the performance of employee during a specific period. Conducting a performance review meeting is one of the step in performance management process. The performance management system of an organization may comprises six formal meeting.

Purpose

The various purposes of performance review meetings are as follows :

- To enhance job performance of the employee.
- To increase employee's job satisfaction level.
- To communicate and review performance.

9. What is performance appraisal.

Ans :

According to Dale S. Beach. Performance Appraisal is the system of evaluation of the individual with regard to his/her performance on the job and his/her potential for development.

History

The history of performance appraisal can be traced back to the history of civilization. There is consistent emphasize on avoiding under performance either by the willing individuals or because of inadequate competence. In 206 BC-220 AD, during the time of Han Dynasty of China, examination were conducted to recognize candidates who could be promoted and there are records regarding the use of Imperial rates to rate their official family member's performance during early 3rd century AD. Kautilya, in his famous Arthashastra suggested a "judicious mix of incentives-based compensation, inspection, supervision and appropriate punishment to reduce cheating and shirking". In the work associated with administration, the officers who were under performing were recognized and removed. For instance, Ramchandra Pant Amatya, a diplomat and warrior of the Maratha Empire commands in Adhyapatra, which is a royal edict on the principles of Maratha policy that " inefficient officers should be sidetracked and relieved skillfully".

10. Trait-Focused Performance Appraisal.

Ans :

The trait-focused system centers on attributes such as helpfulness, dependability and punctuality. Supervisors rate employees by indicating specific traits each employee exhibits. Most trait-focused systems use a simple checklist with ratings of excellent, satisfactory or needs improvement, or similar options. This system is traditionally popular with customer service departments. These types of evaluations are subject to the supervisor personal bias, however, and the majority of employees end up with marks of satisfactory, which limits this system reliability and accuracy.

11. What are the important requirements for any management framework.*Ans :*

1. The management framework must combine hierarchies and functions within the organization.
 2. The group of measures must be in balance with non-financial and financial measures, effectiveness and efficiency measures and external measures.
 3. The complete list of metrics must show the organizations performance status in a brief manner.
 4. Performance frameworks should assist strategic planning and thinking, beside being controlling and monitoring techniques.
-

12. What coaches need to do turn feedback into results ?*Ans :*

- (i) Set development plan and its objectives for employees.
 - (ii) Maintain effective communication with employees regarding their job performance.
 - (iii) Motivate the employees by rewarding their good performance.
 - (iv) Maintain a record of employee's good and bad performance.
-

13. Explain the role of performance management framework.*Ans :*

The role of performance management framework is to ensure that all the different parties involved in the process of performance management are on the same page i.e., everyone in the organization understands the need, objective and uses of performance management.

The performance management frame work includes the formulation of performance management plan, the organization goals and mission, the expectations of the organization from the employees, the various methods of performance evaluation and appraisal the performance feedback process etc.

Thus, it can be stated that the performance management framework provides a blue print of the performance management system of the organization to all the related stakeholders.

UNIT IV

Reward Systems and Legal Issues: Reasons for introducing contingent Pay Plan, Problems associated with contingent pay plans- Selecting a contingent pay plan-Pay Structures- Job Evaluation - Broad Banding- Legal Principles affecting Performance Management.

4.1 REWARD SYSTEMS

Q1. Define Reward System. Explain the characteristics of Reward System.

(OR)

State the characteristics of Reward System.

Ans :

(Imp.)

Reward system in the context of performance management is defined as an integrated system that ensures equitable avenues to employees for fulfillment of their financial and non-financial needs and recognition urge for their contribution to attainment of organizational goals.

An employee reward system consists of an organization's integrated policies, processes and practices for rewarding its employees in accordance with their contribution, skill and competence and their market worth. It is developed within the framework of the organization's reward philosophy, strategies and policies and contains arrangements in the form of processes, practices, structures and procedures which will provide and maintain appropriate types and levels of pay, benefits and other forms of reward.

Characteristics

Performance-stimulated reward system possesses the following characteristics :

1. Reward emphasizes not only financial compensation, but also nonfinancial rewards like enrichment of job, work autonomy/

freedom, company sponsored family tours, best employee awards and popularization of employee achievements in house journals, etc.

2. Rewards must be offered in proportion to respective employee contribution/services in fulfillment of organizational responsibilities and achievement of organizational goals.
3. Reward must be equitable implying that there should be equilibrium in reward offered to an employee in comparison to others.
4. Reward must be integrated implying that there must be balance and comprehensiveness in design and application of the reward management strategy.

Q2. Explain the significance of Reward system.

Ans :

- (i) The reward system helps the organization in securing the participation of employees as to attain corporate goals and objectives.
- (ii) It increases the employees morale in the organization.
- (iii) The reward system acts as a source of communication and feedback.
- (iv) It ensures the reward to the employees with high level skills and responsibility.
- (v) It makes the employees more responsible toward their specific jobs.

Q3. Explain the different types of Reward Systems.**(OR)****Classify the different types of Reward Systems.****Ans :** **(May-19, Dec.-19)**

There are two types of reward systems. They are :

- (i) Traditional Reward system
- (ii) Contingency Reward system

(i) Traditional Reward system

A traditional approach in implementing reward systems is to reward employees for the positions they fill as indicated by their job descriptions and not necessarily by how they do their work. In other words, employees are rewarded for filling a specific slot in the organizational hierarchy. In such traditional pay systems, one's job directly determines pay and indirectly determines benefits and incentives received. Typically, there is a pay range that determines minimum, midpoint, and maximum rates for each job. For example, a university may have five ranks for professors who have just been hired:

- (a) Instructor (pay range: ₹ 30,000- ₹ 45,000)
- (b) Senior instructor (pay range: ₹ 40,000- ₹ 55,000)
- (c) Assistant professor (pay range: ₹ 60,000 - ₹ 90,000)
- (d) Associate professor (pay range: ₹ 85,000- ₹ 105,000)
- (e) Professor (pay range: ₹ 100,000- ₹ 140,000)

In a traditional reward system, each of these positions would have a minimum, midpoint, and the maximum salary. For assistant professors, the minimum is ₹ 60,000 per year, the midpoint is ₹ 75,000, and the maximum is ₹ 90,000. Salary increases at the end of the year would be determined by seniority or by a percentage of one's base salary (and the same percentage would be used for all workers). Rewards would not be based on

teaching quality, as indicated by student teaching ratings, or research productivity, as indicated by the number and quality of publications. If an assistant professor's base salary is ₹ 90,000, she cannot realize an increase in her salary unless she is promoted to associate professor because ₹ 90,000 is the maximum possible salary for this job title. In short, in traditional reward systems, the type of position and seniority are the determinants of salary and salary increases, not performance. In such reward systems, there is no relationship between performance management and rewards.

(ii) Contingency Reward system

A contingency plan is a course of action designed to help an organization respond effectively to a significant future event or situation that may or may not happen.

Many executives are also covered by severance which provides for payments to executives in the case of involuntary termination except in the event of termination for cause. They are often included in agreements for executives hired from outside the company to encourage him or her to leave a prior employer in case the new arrangement sours.

Change-in-control agreements, also known as "golden parachutes", compensate executives for loss of job due to mergers or sale. They are structured to provide additional protection to executives in the event of change-in-control thereby allowing executives to focus on sale or merger opportunities that are in the best interests of shareholders without being overly concerned as to the potential impact on their career.

Q4. What are the various types of contingent pay plan?**Ans :**

Contingent pay plans are divided into three different pay plans. They are as follows,

(i) Performance Related Pay Plans

Under this method, an employee's compensation is associated with his/her job performance. The pay of employee will increase for good performance and will reduce for poor performance.

(ii) Skill Based Pay Plans

Skill-based pay is a type of person-focussed pay plan wherein the pay progression is directly linked to the skills possessed and used by an individual in effectively performing their tasks. It is also known as "knowledge-based pay" as the terms "skills" and "knowledge" are often used interchangeably.

(iii) Competency Related Pay Plans

Competence-related pay can be defined as a process of rewarding people either completely or partially by virtue of their level of competence. It is a type of compensation system wherein the employees are paid based on their ability to perform on job.

Q5. Differentiate traditional and contingent pay plan.**(OR)**

Distinguish between traditional and contingent pay plans.

(OR)

Compare and contrast traditional and contingent pay plan.

Ans :

S.No.	Point of Difference	Traditional Pay Plan	Contingency Pay Plan
1.	Consideration	In traditional pay plan, the employees core compensation comprise of annual salary.	In contingency pay plan, employees receive incentives which fluctuates (or) fixed hourly based on employee's capability of achieving the goal.
2.	Alternative	Traditional pay plan is also known as "fixed pay plan".	Contingency pay plan is also known as variable pay plan / incentive pay plan.
3.	Annual pay	In traditional pay plan, annual pay increases as per the seniority and past performance(merit)	In contingency pay plan, the employees pay is linked with their performance in achieving the predetermined objectives.
4.	Pay roll	Pay roll costs cannot be controlled through traditional pay plan.	Pay roll costs can be controlled through contingency pay plan.
5.	Base pay	Increase in seniority pay and merit pay are permanent additions made to the base pay of an employee.	Contingency Pays are not permanent additions to the base pay of employees. It is variable in nature.
6.	Uses	Traditional pay plans are used to reward employees on the basis of their seniority and past performance.	Contingency pay plans are used to reward individuals, group of employees (or) companies on the basis of their performance.

Q6. Discuss how employee performance will improve by reward system.**(OR)**

Explain the link between reward system and performance.

(OR)

How does reward system enhance the performance of employee in an organization?

*Ans :***(Feb.-17, Feb.-16, Sep.-16, Imp.)**

Employee are rewarded on the basis of the nature of their performance (i.e., the work carried-out). As the job-description represents the job-design which outlines the nature of the work, it is regarded as the most essential document for designing a suitable system of rewards.

Rewards act as a basis for employee motivation. The following are the ways in which job description can be used for designing reward system and employee motivation.

1. Ascertaining Adequate Pay Levels

The basic salaries and wages which are payable to the employees should be in accordance with the job description of each employee. Formal job evaluation methods are useful in identifying the value of performance/work which enables the company to fix wages and salaries which are fairly equitable and to respond to the employee requests for pay adjustments in a proper manner.

2. Matching Benefits

Job Description (JD) analysis about any job helps the management to gain knowledge about the different types of benefits that must be offered to an individual for performing the job.

3. Ascertaining Job Dimensions Adaptable with the Development of Contingent Rewards

The analyst while examining the JD can pick out the task dimensions for which the performance measurement criteria should be designed. The strategy of rewards-for-performance assists the analyst find out the percentage of rewards to be given to the employees. The task priorities defined in the JD assists the manager to find out the extent to which the performance based rewards can go along with various task dimensions.

4. Motivating by Making Job Expectations Clear

Job description clearly outlines the expectations of the organization from the employees. After knowing the expectation of the organization, employees try to give their full efforts for achieving it as they will be offered with some form of rewards if they attain their goals. This process is termed as "motivation".

Job description clearly explains the employees that organization know the nature and value of their role in the organization and thus, encourages the employee commitment.

5. Assisting Management Identify if the Employees Go Beyond the Call of Duty

Employees perform the assignments which may be self-indicated (or) requested and go beyond the job specifications. This takes place in the organizations normally where employees get promotions and possess the ability to contribute in a positive way to the organization.

6. Developing Employees for Advancement

The job descriptions for higher level positions guides the employees at lower levels what to learn and to be competent to perform the quality work for promotion purpose.

7. Disciplining Employees

Work requirements which are defined under job descriptions are beneficial for boss as well as subordinates for reference at the time of counselling sessions when the subordinates are scolded for non-execution or poor-execution of agreed assignments.

8. Recognizing the Potential Personal Costs Related with High-Effort

Employees resist on giving higher levels of efforts on their jobs due to high levels of boredom, fatigue, stress or frustration related to higher-attempts. Proper work scheduling, work breaks, and better tools should be initiated for minimizing the costs.

9. Gathering Jobs to be Included in a Quality of Work Life Programs

By analyzing job descriptions, the jobs which have same psychological (or) physical impact on workers can be recognized and grouped together. All the jobs related to such groups are considered as identical when organization is trying to improve the Quality of Work Life (QWL).

10. Assisting the Employee to Distribute their Efforts Adequately

The analysis of time percentages and priorities which are linked with the tasks, assists the

employees to learn about the effective use of hours in a day and the way they can divide their time and effort to accomplish different tasks.

11. Avoiding Resistance of Workers Forwards the Assignments

JD given to the employees when hired for first time guides them in carrying out their jobs. Limited assignments are also assigned to a new employee. The managers usually assign them those sets of tasks which have been completed urgently.

4.2 REASONS FOR INTRODUCING CONTINGENT PAY PLAN

Q7. What are the various reasons for Introducing Contingent Pay Plan?

(OR)

Describe how contingent pay plans can help to improve employee motivation and performance.

Ans : (Dec.-19, Jan-18, Dec.-18)

Contingent pay plans force organizations to define effective performance clearly and to determine what factors are likely to lead to effective performance.

Contingent pay plans can serve as a good tool to recruit and retain top performers as a result of the sorting effect, which, in turn, can lead to greater productivity. Contingent pay plans can project a good corporate image because the organization has implemented a system of rewards that is fair and based on clearly communicated expectations and standards.

Contingent pay plans enhance employee motivation to accomplish goals that match organizational needs. Contingent pay plans have the potential to help people change behaviour and improve performance.

Implement a Contingent pay plan that awards cash to employees who improve their customer satisfaction ratings.

Contingent pay plan will improve the service they offer to customers.

Contingent pay plans address the motivational component. In other words, employees are likely to choose to expend effort, choose to expend a high level of effort, and choose to persist in this high level of expenditure of effort in the presence of financial incentives.

Contingent pay plans can help improve the motivation of employees when each of the following conditions is present:

- (i) Employees see a clear link between their efforts and the resulting performance (expectancy).
- (ii) Employees see a clear link between their performance level and the rewards received (instrumentality).
- (iii) Employees value the rewards available (valence).

There is a multiplicative relationship among these three determinants of motivation so that

$$\text{Motivation} = \text{Expectancy} \times \text{Instrumentality} \times \text{Valence}.$$

4.3 PROBLEMS ASSOCIATED WITH CONTINGENT PAY PLANS

Q8. What are the Problems Associated with Contingent Pay Plans?

(OR)

Elaborate the reasons contingent pay plan fails.

Ans : (Dec.-19)

1. Lack of Effective Performance Management System (PMS)

When CP plans are linked with poor PMS, it may not motivate the employees. Instead, this may result in demotivation and dissatisfaction among employees. CP plans do not show positive results under a poorly designed, poorly implemented and carelessly monitored PMS. There is a threat that such a system may push employees to leave the organization.

2. Inappropriate Rewards

Reward refers to something which has significant impact on an individual. Rewards are found to create enthusiasm in employees. If rewards are not significant, then they may fail to create enthusiasm or increase motivation levels in employees. For example, a high performer is rewarded with 15% of commission and an average performer is rewarded with 12-14% of commission. Under such reward system, the high performers may not show enthusiasm or required motivation towards work.

3. Low Managerial Control

When performance evaluation is out of manager's control, then employees will plan and decide their own targets according to their convenience and ease. In such circumstances, the performance will be dependent on desires of employees rather than desires of management.

4. Unfair Reward System Between Employees and Executives

In most of the cases, it has been analysed by researchers that senior executives and CEO's get relatively high rewards when compared to their sub-ordinates and team members. According to research study, the CEO's compensation was 360 times more than that of a common employee of same organization.

5. Major Focus on Individual Performance

In present era, team-work and group-work is considered as a most efficient tool to satisfy overall goals and objectives of the organization. CP plans focus more on individual performance rather than group or team performance. As a result, the behaviour of individuals working in a team may get influenced. For example, in a basket ball match, a player may not pass the ball, as he desires to plot the ball in basket for increasing his statistical data. He will be rewarded or compensated based on his statistical data.

4.4 SELECTING A CONTINGENT PAY PLAN

Q9. How to select a contingent pay plan?

(OR)

Design a contingent pay plan taking into account key variables such as the organization's culture and strategic business objectives.

Ans :

(May-19)

There are two important factors that need to be considered while selecting a CP plan. They are as follows,

1. Organizational Culture

Organizational culture is one of the key elements that effectively influences the performance of employees. In general, the rules, regulations, procedures, norms etc., followed in an organization collectively forms the base of organizational culture. There are two types of culture mostly seen in organizations. They are,

- (i) Traditional culture
- (ii) Involvement culture

(i) Traditional culture

The characteristics of traditional culture include vertical communication, top-down decision making and clearly defined jobs. In organizations with this type of culture, the choice should be a plan which rewards observable and particular measures of performance, where the performance is defined with clarity and associated with pay directly. The examples of such CP systems are as below,

- (a) **Piece Rate:** Employees are paid based on the number of units produced or repaired. This system is usually implemented in manufacturing environments. In service organizations, this could involve the number of calls made or the number of clients, or potential clients, contacted. This system is usually implemented in call centers.

- (b) **Sales Commissions:** Employees are paid based on a percentage of sales. This system is usually implemented in car dealerships.
- (c) **Group Incentives:** Employees are paid based on extra group production based on result-oriented measures (e.g., sales volume for the group). This system is implemented frequently in the retail industry.

(ii) Involvement culture

Involvement culture is different from traditional culture. Organizations with Involvement cultures are characterized by shared decision-making, lateral communications, and loosely defined roles. Examples of systems that work with in organizations with involvement cultures are the following :

- (a) **Profit Sharing:** Employees are paid based on the performance of a group (e.g., team or unit) and on whether the group has exceeded a specific financial goal. This type of system is implemented in many large law firms.
- (b) **Skill-Based Pay:** Employees are paid based on whether they acquire new knowledge and skills that are beneficial to the organization. This type of system is usually implemented in knowledge-based organizations such as software development companies.

2. Organizational Strategic Objectives

In addition to the organization's culture, an important consideration in selecting a CP plan is the organization's strategic direction. Strategy is not only a key element in designing the performance management system, but it is also a key element in designing a CP plan. Table includes a selected list of strategic objectives and CP plans that are most conducive to achieving the objective.

Strategic Business Objective	CP Plan
Employee development	Skill-based pay
Customer service	Competency-based pay Gain sharing
Productivity: Individual	Piece rate Sales commissions Productivity : Group Gain sharing Group incentives
Teamwork	Team sales commissions Gain sharing Competency-based pay
Overall profit	Executive pay Profit or stock sharing

Table : Plans Recommended for Various Strategic Business Objectives

According to Table, if employee development is a key strategic priority, rewards should emphasize new skills acquired. If customer service is a priority, then rewards should emphasize competencies related to customer service and gain sharing. Gain sharing links individual and group pay to an organization's overall profitability: The greater the organization's overall profit, the greater the rewards given to individuals

and teams in the organization. In this case, gain sharing would be based on whether customer service ratings improve during the review period. If the major goal of the CP plan is to increase the organization's overall profit, choices include executive pay and profit or stock sharing. Executive pay includes cash bonuses that are given in response to successful organizational performance. Usually, however, executive pay includes company stock to ensure that executives' activities are consistent with the shareholders' interests and to encourage executives to tend to the long-term performance of the organization. This is also called profit sharing, although profit sharing is usually short term and focused on organizational goals while stock sharing and executive pay are more long term.

4.5 PAY STRUCTURES

Q10. Define the term Pay Structures.

(OR)

Explain briefly about Pay Structures.

Ans :

Meaning

An organization's pay structure classifies jobs into categories based on their relative worth.

Pay structures allocate specific pay rates for jobs of varying values and provide the framework for identifying differences in each employee's contribution to the organization. It never happens that two employees will have same credential or credits and thus they differ in the type of work they perform. These differences are recognized by the companies by compensating individuals according to their qualifications, achievements, quality of work, knowledge and job performance. By establishing these compensation packages, a pay structure should define the limits for identifying employees contribution. The contribution are often linked with seniority, merit, incentive pay and person based pay etc. A well defined pay structure have strategic value and it promotes the retention of efficient and valuable employees.

Job evaluation and broadbanding are the two significant concepts that facilitates in designing a pay structure.

4.5.1 Job Evaluation

Q11. Define job Evaluation. What are the objectives of job evaluation?

Ans :

Meaning

Job evaluation is the process of analyzing and assessing the various jobs systematically ascertain their relative worth in an organization. Jobs are evaluated on the basis of their content and are placed in the order of their importance. In this way, a job hierarchy is established in the organization, the purpose being fixation of satisfactory wage-differentials among various jobs.

Definitions

- (i) **According to Kimball and Kimball**, "Job evaluation represents an effort to determine the relative value of every job in a plant and to determine what the fair basic wages for such a job should be".
- (ii) **According to Dale Yoder**, "Job evaluation is a practice which seeks to provide a degree of objectivity in measuring the comparative value of jobs with in an organization and among similar organization. It is essentially a job rating process, not unlike the rating of employers".
- (iii) **According to Edwin B. Filippo**, "The systematic and orderly process of measuring the worth of job in an organization is called job evaluation".

Objectives

The principle upon which all job evaluation schemes are based is that of describing and assessing the value of all jobs in the firms in terms of a number of factors, the relative importance of which varies from job to job.

1. To secure and maintain complete, accurate and impersonal descriptions of each distinct job or the entire plant.
2. To provide a standard procedure for determining the relative worth of each worth of each job in a plant.

3. To determine the rate of pay for each job this is fair and equitable with relation to other job in the plant, community or industry.
4. To ensure that like wages are paid to all qualified employees for like work.
5. To promote a fair and accurate consideration of all employees for advancement and transfer.
6. To provide a factual basis for the consideration of wage rates for similar jobs in a community and in an industry.
7. To provide information for work organization, employees' selection, placement, training and numerous other similar problems.

Q12. Outline the process of Job Evaluation.

Ans :

'The process of job evaluation involves steps which are shown in figure aside :

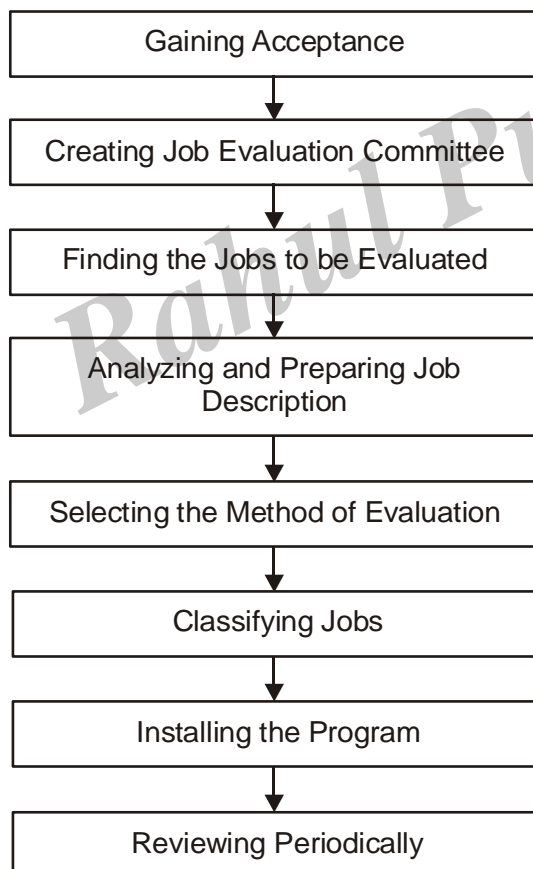


Fig.: Process of Job Evaluation

1. Gaining Acceptance

Before undertaking job evaluation, top management must explain the aims and uses of the program to the employees and unions. To elaborate the program further, oral presentations could be made. Letters, booklets could be used to classify all relevant aspects of the job evaluation program.

2. Creating Job Evaluation Committee

It is not possible for a single person to evaluate all the key jobs in an organization. Usually a job evaluation committee consisting of experienced employees, union representatives and HR experts is created to set the ball rolling.

3. Finding the Jobs to be Evaluated

Every job need not be evaluated. This may be too taxing and costly. Certain key jobs in each department may be identified. While picking up the jobs, care must be taken to ensure that they represent the type of work performed in that department.

4. Analyzing and Preparing Job Description

This requires the preparation of a job description and also an analysis of job needs for successful performance.

5. Selecting the Method of Evaluation

The most important method of evaluating the jobs must be identified now, keeping the job factors as well as organizational demands in mind.

6. Classifying Jobs

The relative worth of various jobs in an organization may be found out after arranging jobs in order of importance using criteria such as skill requirements, experience needed, under which conditions job is performed, type of responsibilities to be shouldered, degree of supervision needed, the amount of stress caused by the job, etc. Weights can be assigned to each such factor. When we finally add all the weights, the worth of a job is determined. The points may then be converted into monetary values.

7. Installing the Program

Once the evaluation process is over and a plan of action is ready, management must explain it to employees and put it into operation.

8. Reviewing Periodically

In the light of changes in environmental conditions (technology, products, services, etc.) jobs need to be examined closely. For example, the traditional clerical functions have undergone a rapid change in sectors like banking, insurance and railways, after computerization. New job descriptions need to be written and the skill needs of new jobs need to be duly incorporated in the evaluation process. Otherwise, employees may feel that all the relevant job factors - based on which their pay has been determined - have not been evaluated properly.

4.5.2 Job evaluation methods

Q13. What are the various quantitative and non quantitative methods of job evaluation.

(OR)

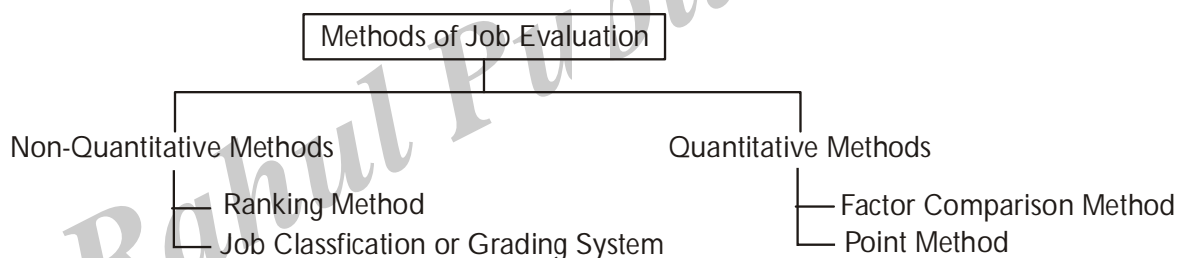
Explain :

(a) Point method

(b) Factor comparison method

Ans :

Methods of job evaluation are shown in figure below:



A) Non-Quantitative Methods

(i) Ranking System:

In this system, all jobs are arranged or ranked in the order of their importance from the simplest to the hardest, or in the reverse order, each successive job being higher or lower than the previous one in the sequence. It is not necessary to have job descriptions, although they may be useful. Some times, a series of grades (or) zones are established, and all the jobs in the org are arranged into these, A more common practice is to arrange all the jobs according to their requirements by rating them and then to establish the group or classification. The usually adopted technique is to rank jobs according to "the whole job" rather than a number of compensable factors.

Merits

- i) The system is simple, easily understood and easy to explain to employees (or a union). Therefore, it is suitable for small organizations with clearly defined jobs.
- ii) It is far less expensive to put into effect than other systems and requires little effort for maintenance.
- iii) It requires less time, fewer forms and less work, unless it is carried to a detailed point used by company.

Demerits

- i) As there is no standard for an analysis of the whole job position, different bases of comparison between rates occur. The process is initially based on judgment and therefore, tends to be influenced by a variety of personnel biases.
- ii) Specific job requirements (such as skill, effort and responsibility) are not normally analyzed separately. Often a rater's judgment is strongly influenced by present wage rates.
- iii) The system merely produces a job order and does not indicate to what extent it is more important than the one below it. It only gives us its rank or tell us that it is higher or more difficult than another; but it does not indicate how much higher or more difficult.

(ii) Job Classification (or) Grading Method

In this system, a number of pre-determined grades or classifications are first established by a committee and then the various jobs are assigned within each grade or class. Grade descriptions are the result of the basic job information which is usually derived from a job analysis. After formulating and studying job description and job specifications, jobs are grouped into classes or grades which represent different pay levels ranging from low to high. Common tasks, responsibilities, knowledge and experience can be identified by the process of job analysis. Certain jobs may then be grouped together into a common grade or classification. General grade descriptions are written for each job classification, finally these are used as a standard for assigning all the other jobs to a particular pay scale.

The following 5 steps are involved:

- i) Preparation of job descriptions.
- ii) Preparation of grade description.
- iii) Selection of grades and key jobs.
- iv) Grading the key jobs.
- v) Classification of all jobs.

Merits

- i) This method is simple to operate and understand, for it does not take much time or require technical help.
- ii) The use of fully described job classes meets

the need for employing systematic criteria in ordering jobs to their importance. Since many workers think of jobs in, or related to, cluster or groups, this method makes it easier for them to understand ranking.

- iii) If an organization consists of 500 people holding different jobs, the jobs might be broken up into perhaps 5 classes, arranged in order of importance from high to low, and described class by class. This class description broadly reflects level of education, mental skill, profit impact or some combination of these.
- iv) The grouping of jobs into classifications makes pay determination problems administratively easier to handle. Pay grades are determined for, and assigned to, all the job classification.
- v) It is used in important government services and operates efficiently; but it is rarely used in an industry.

Demerits

- i) Although it represents an advance in accuracy over the ranking method, it still leaves much to be desired because personal evaluations by executives (unskilled in such work) establish the major classes, and determine into which classes each job should be placed.
- ii) Since no detailed analysis of a job is done, the judgment in respect of a whole range of jobs may produce an incorrect classification.
- iii) It is relatively difficult to write a grade description. The system becomes difficult to operate as the number of jobs increases.
- iv) It is difficult to know how much of a job's rank is influenced by the man on the job.
- v) The system is rather rigid and unsuitable for a large organization or for very varied work.

B) Quantitative Methods**(i) Factor Comparison Method**

Under this system, jobs are evaluated by means of standard yardsticks of value. It entails deciding which jobs have more of certain compensable factors than others. Here, the analyst or the evaluation committee selects some "key" or

'benchmark' jobs for which there are clearly understood job descriptions and counterparts in other organizations, and for which the pay rates are such as are agreed upon and are acceptable to both management and labor. Under this method, each job is ranked several times-once for each compensable factors selected.

The major steps in this system consist of the following:

- i) Clear-cut job descriptions are written and job specifications then developed.
- ii) Selecting of key-job.
- iii) Ranking of 'key' jobs.
- iv) Valuing the factors
- v) Comparing all jobs with key jobs
- vi) Establishing the monetary unit value for all jobs.

Merits

This system enjoys the following benefits:

- i) It is a systematic, quantifiable method for which detailed step by step instructions are available.
- ii) Jobs are compared to other jobs to determine a relative value.
- iii) It is a fairly easy system to explain to employees.
- iv) There are no limits to the value which may be assigned to each factor.

Demerits

The system suffers from the following shortcomings:

- i) It is costly to install, and somewhat difficult to operate for any one who is not acquainted with the general nature of job evaluation techniques.
- ii) Wage levels change from time to time, and their minor inconsistencies may be adjusted to bring all the jobs into alignment.

- iii) Money rates, when used as a basis of rating, tend to influence the actual rate pre more than the abstract point.
- iv) The system is complex and cannot be easily explained to, and understood by, every day non- supervisory organizational employee.

(ii) Point Method

This method is the most widely used type of job evaluation plan. It requires identifying a number of compensable factors (i.e., various characteristics of jobs) and then determining degree to which each of these factors is present in the job. A different number of points are usually assigned for each degree of each factor. Once the degree to each factor is determined, the corresponding number of points of each factor is added and an overall point value is obtained. The point system is based on the assumption that it is possible to assign points to respective factors which are essential for evaluating an individual's job. The sum of these points gives us an index of the relative significance of the jobs that are rated.

Merits

- i) It gives us a numerical basis for wage differentials; by analysis a job by factors it is usually possible to obtain a high measure of agreement on job value,
- ii) Once the scales are developed, they can be used for a long time;
- iii) Jobs can be easily placed in distinct categories,
- iv) Definitions are written in terms applicable to the type of jobs being evaluated, and these can be understood by all.
- v) Factors are rated by points which make it possible for one to be consistent in assigning money values to the total job points.
- vi) The workers' acceptance of the system is favorable because it is more systematic and objective than other job evaluation methods.

- vii) Prejudice and human judgment are minimized, i.e., the system cannot be easily manipulated.
- viii) It has the ability of handling a large number of jobs and enjoys stability as long as the factors remain relevant.

Demerits

- i) The development and installing of the system calls for heavy expenditure.
- ii) The task of defining job factors and factor degrees is a time-consuming and difficult task.
- iii) If many rates are used, considerable clerical work is entailed in recording and summarizing the rating scales.
- iv) It is difficult to determine the factor levels within factors and assign values to them.

The non-quantitative or non-analytical or summary methods utilize non-quantitative methods of listing jobs in order of difficulty. They are simple methods. The job is treated as a whole and job descriptions rather to job specifications are often utilized. On the other hand, quantitative or analytical methods use quantitative techniques in listing the jobs. They are more complex and are time consuming.'

Q14. State the pitfalls of job evaluation.*Ans :*

A job evaluation process succeeds job analysis, which in turn results in job descriptions

1. It encourages employees to focus on 'how to advance in position' in the organization at a time when there may be only limited opportunities for enhancement as a result of downsizing.
2. It promotes an internal focus instead of a customer-oriented focus.
3. It is not suitable for a forward-looking organization that has trimmed multiple job titles into two or three broad jobs.
4. Elaborate exercises of wage and salary fixation through job evaluation can be dispensed with. Salaries can easily be fixed by adopting going rates, which can easily be ascertained through wage surveys.

4.5.3 Broad Banding**Q15. Define Broad Banding.***Ans :***Definition**

Broad banding is defined as a method for evaluation and construction of job grading structure or typical salary band of an organization that falls between by spot salaries against numerous job grades or bands, Broad banding is to establish what is required to pay for a specific positions and incumbents within the existing positions

Broad banding is the expression useful when an organization with extremely wide salary bands, much more surrounding compared against the traditional salary structures. While a typical salary band has around 40 percent variation in compensation between its minimum and maximum, for broad banding this would characteristically have about 100 percent difference.

Q16. Explain the steps involved in broad banding program.*Ans :*

In general, the steps involved in designing a broadbanding program include the following:

1. Feasibility study

Companies with successful broadbanding systems conduct a feasibility study/ using project teams composed of members from line management and the finance and HR staffs. The questions that should be addressed in the feasibility study include the goal of making the change to broadbands, what or who is driving the initiative, whether or not the reason behind making a change is "right," the various approaches that should be considered, and the impact (if any) broadbands will have on incentive plans.

2. Program design

The design phase should answer the question such as how jobs and job families will be repositioned, whether career bands or wide bands will be used, if the bands should have control points or zones, how jobs will be

slotted, and whether market data will be considered in slotting jobs.

3. Pilot testing

It is important to develop a comprehensive approach to system implementation. The use of a pilot group gives the employer a chance to test and "debug" its program before impacting on the employee population at large.

4. Implementation

Employers must determine how the broadbanding program will be implemented. Some implementation approaches include introducing the new program only to pilot jobs, to nonexempt (or) exempt employees, by department or division, or to all members of the workforce at one time.

5. Communication

The development and execution of an effective communications campaign is key to the success of a newly implemented broadbanding program. Employees should begin receiving information before the program is implemented, so that they know what is happening and how it will impact on them. Upon plan rollout, a full communications and education campaign should be undertaken, and post-implementation communications should be provided to help ensure employee and management understanding of the program and ameliorate some of the anxieties which normally occur during this type of change. In general, employers should develop small group training and education sessions that give the staff the opportunity to ask questions and gain a more complete understanding of the new program.

Q17. Explain the advantages and disadvantages of broad banding.

Ans : (Aug.-17, Imp.)

Advantages

The advantages of Broad Banding are as follows:

1. It Streamlines hierarchy structure within the organization, this helps during a change in the organizational structure.
2. It promotes and facilitates Internal Movement within the organization and is considered to put forward other attributes of a position, other than the pay grade which is already disclosed
3. Gives more transparency and added trust in management

Disadvantages

The disadvantages of Broad Banding are as follows:

1. There is absolutely no awareness of external market rates as the traditional salary bands cannot be compare against broad banding
2. Promotions, Broad banding leads to lack of promotions within the organization as there are fewer salary bands leads to fewer opportunities to climb the organizational ladder.

4.6 LEGAL PRINCIPLES AFFECTING PERFORMANCE MANAGEMENT

Q18. Describe the various legal principles in the implementation of performance management systems.

(OR)

What are the various legal issues encountered during performance management ?

Ans : (May-19, Dec.-19, Dec.-18, Feb.-16)

There are six important concepts that often come into play in the case of litigation related to the implementation of a performance management system: employment at will, negligence, defamation, misrepresentation, adverse impact, and illegal discrimination.

1. Employment at will

In employment at will, the employer or employee can end the employment relationship at any time. This type of employment relationship gives employers

considerable latitude in determining whether, when, and how to measure and reward performance. Thus, an employer could potentially end the employment relationship without documenting any performance problems. There are two exceptions regarding an organization's ability to terminate an employee under these circumstances.

2. Negligence

Many organizations outline a performance management system in their employee manual, employment contract, or other materials. When the system is described in such documents and not implemented as described, legal problems can arise. For example, there may be a description of how frequently appraisals take place, or how frequently supervisors and employees are to meet formally to discuss performance issues. If an employee receives what she believes is an unfair performance evaluation and the system has not been implemented as was expected, she may be able to challenge the system based on negligence on the part of the organization.

3. Defamation

Defamation is the disclosure of untrue, unfavorable performance information that damages an employee's reputation. An employee can argue that the organization defamed her if the employer states false and libelous information during the course of the performance evaluation. Defamation can also occur if the organization negligently or intentionally communicates these statements to a third party such as a potential future employer, thus subjecting the employee to harm or loss of reputation.

4. Misrepresentation

Whereas defamation is about disclosing untrue unfavorable information, misrepresentation is about disclosing untrue favorable

performance, and this information causes risk or harm to others. When a past employer provides a glowing recommendation for a former employee who was actually terminated because of poor performance, that employer is guilty of misrepresentation. As an example, consider a case decided by the Supreme Court of California.

5. Adverse impact

Adverse impact, also called unintentional discrimination, occurs when the performance management system has an unintentional impact on a protected class. This can happen when women receive consistently lower performance ratings than men. For example, adverse impact can take place for the position of fire fighter if a performance dimension deals with physical strength. If members of a protected class receive consistently lower performance ratings, then the employer must be able to demonstrate that the performance dimension measured is an important part of the job.

6. Illegal discrimination

Illegal discrimination, also called disparate treatment, means that raters assign scores differentially to various employees based on factors that are not performance related, such as race, nationality, color, or ethnic and national origin. As a consequence of such ratings, some employees receive more training, feedback, or rewards, than others. This definition of illegal discrimination is given, for example, in the Race Relations Act of 1976 in the United Kingdom and in Title VII of the Civil Rights Act of 1964 in the United States. Illegal discrimination is usually referred to as disparate treatment because employees claim they were intentionally treated differently because of their sex, race, ethnicity, national origin, age, disability status, or other status protected under the law.

Q19. Explain the Laws Affecting Performance Management*Ans :*

In the past few decades, several countries have passed laws prohibiting discrimination based on race, ethnicity, national origin, sex, religion, age, disability status, and sexual orientation. For example, the following laws have been passed in the United Kingdom:

1. **Equal Pay Act of 1970** : Aims to give individuals the right to the same contractual pay and benefits as a person of the opposite sex in the same employment.
2. **Race Relations Act of 1976** : Makes it illegal to discriminate against someone on the grounds of color, race, nationality or ethnic or national origins.
3. **Sex Discrimination Act of 1975** : Makes it illegal to discriminate on the grounds of sex, marital status, and gender reassignment in a limited manner.
4. **Disability Discrimination Act of 1995** : Makes it illegal to discriminate on the grounds of disability status.
5. **Employment Equality (Sexual Orientation) Regulations 2003** : Makes it illegal to discriminate on the grounds of sexual orientation.
6. **Employment Equality (Religion or Belief) Regulations 2003** : Makes it illegal to discriminate on the grounds of religion and belief.

Similarly, the following laws have been passed in the United States:

1. **Equal Pay Act of 1963**. Prohibits sex discrimination in the payment of wages.
2. **Civil Rights Act of 1964 (as amended by the Equal Employment Opportunity Act of 1972)**. Prohibits discrimination on the basis of race, color, religion, sex, or national origin.
3. **Age Discrimination in Employment Act of 1967 (as amended in 1986)**. Prohibits discrimination on the basis of age.

Q20. What type of evidence employees need to provide to prove illegal discrimination and what type of evidence employers need to provide to prove lack of illegal discrimination?*Ans :*

Intentionally discriminating employees based on their nationality, religion, color or ethnic etc., without considering their performance, is referred as illegal discrimination or disparate treatment. Employees have the right to take action against these type of discrimination.

The raters give scores to different employees on the basis of the factors which are not related to performance like color, race, nationality etc. As a result of this, few employees receive more feedback, rewards or training compare to others. The definition of illegal discrimination is given in the race relations act, 1976 in the UK and in Title VII of the Civil Rights Act, 1964 in the US. The employees claim that they were intentionally treated unequally because of ethnicity, sex, age or other status which are protected under the law, thus this illegal discrimination is referred to as "Disparate treatment".

The Evidence Employees need to Provide to Prove Illegal Discrimination

If an employee feels that she was given low performance scores deliberately and she was not was promoted because she is a woman. Then to make such a claim, an employee can show a clear proof of discrimination, like a supervisor passing sexist comments that would have made an impact on the performance management process. Otherwise, she is supposed to present evidence with respect to the below issues,

1. She belongs to a protected class.
2. She was a victim of an adverse employment decision due to performance evaluation (i.e., she was not promoted).

3. The promotion should not have been skipped over as her performance level was good enough to deserve the promotion.
4. No one was given promotion, or promotion was given to an employee who does not belong to the same protected class i.e., another woman.

Evidence Employers need to Provide to Prove Lack of Illegal Discrimination

If a female employees provides this type of evidence, then it is essential for the employer to provide a legitimate and non-discriminatory reason for not promoting her to higher position. Generally, the reason would be related to performance. At this moment, the employers get the benefit of having a designed and implemented system which is used consistently with all employees. This kind of system is legally defensible. Any decisions made based on this system including promotion decision, shall also be legally defensible. It is necessary to distinguish illegal discrimination from legal discrimination. A performance management system is considered good, if it is able to discriminate between employees on the basis of their performance levels which is legal discrimination. Illegal discrimination depends upon variables that are not commonly related to performance like national origin, ethnicity and sex.

Rahul Publications

Short Question and Answers

1. Define Reward System.

Ans :

Reward system in the context of performance management is defined as an integrated system that ensures equitable avenues to employees for fulfillment of their financial and non-financial needs and recognition urge for their contribution to attainment of organizational goals.

An employee reward system consists of an organization's integrated policies, processes and practices for rewarding its employees in accordance with their contribution, skill and competence and their market worth. It is developed within the framework of the organization's reward philosophy, strategies and policies and contains arrangements in the form of processes, practices, structures and procedures which will provide and maintain appropriate types and levels of pay, benefits and other forms of reward.

2. Traditional Reward system.

Ans :

A traditional approach in implementing reward systems is to reward employees for The positions they fill as indicated by their job descriptions and not necessarily by how they do their work. In other words, employees are rewarded for filling a specific slot in the organizational hierarchy. In such traditional pay systems, one's job directly determines pay and indirectly determines benefits and incentives received. Typically, there is a pay range that determines minimum, midpoint, and maximum rates for each job.

3. Contingency Reward system

A contingency plan is a course of action designed to help an organization respond effectively to a significant future event or situation that may or may not happen.

Many executives are also covered by severance which provide for payments to executives in the case of involuntary termination except in the event of termination for cause. They are often

included in agreements for executives hired from outside the company to encourage him or her to leave a prior employer in case the new arrangement sours.

Change-in-control agreements, also known as "golden parachutes". compensate executives for loss of job due to mergers or sale. They are structured to provide additional protection to executives in the event of change-in-control thereby allowing executives to focus on sale or merger opportunities that are in the best interests of shareholders without being overly concerned as to the potential impact on their career.

4. What are the various types of contingent pay plan?

Ans :

Contingent pay plans are divided into three different pay plans. They are as follows,

(i) Performance Related Pay Plans

Under this method, an employee's compensation is associated with his/her job performance. The pay of employee will increase for good performance and will reduce for poor performance.

(ii) Skill Based Pay Plans

Skill-based pay is a type of person-focussed pay plan wherein the pay progression is directly linked to the skills possessed and used by an individual in effectively performing their tasks. It is also known as "knowledge-based pay" as the terms "skills" and "knowledge" are often used interchangeably.

(iii) Competency Related Pay Plans

Competence-related pay can be defined as a process of rewarding people either completely or partially by virtue of their level of competence. It is a type of compensation system wherein the employees are paid based on their ability to perform on job.

5. Pay Structures.*Ans :***Meaning**

An organization's pay structure classifies jobs into categories based on their relative worth.

Pay structures allocate specific pay rates for jobs of varying values and provide the framework for identifying differences in each employee's contribution to the organization. It never happens that two employees will have same credential or credits and thus they differ in the type of work they perform. These differences are recognized by the companies by compensating individuals according to their qualifications, achievements, quality of work, knowledge and job performance. By establishing these compensation packages, a pay structure should define the limits for identifying employees contribution. The contribution are often linked with seniority, merit, incentive pay and person based pay etc. A well defined pay structure have strategic value and it promotes the retention of efficient and valuable employees.

Job evaluation and broadbanding are the two significant concepts that facilitates in designing a pay structure.

6. Define job Evaluation.*Ans :***Meaning**

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- (iii) **According to Edwin B. Filippo**, "The systematic and orderly process of measuring the worth of job in an organization is called job evaluation".

7. Grading Method.*Ans :*

In this system, a number of pre-determined grades or classifications are first established by a committee and then the various jobs are assigned with in each grade or class. Grade descriptions are the result of the basic job information which is usually derived from a job analysis. After formulating and studying job description and job specifications, job and grouped into classes or grades which represents different pay levels ranging from low to high. Common tasks, responsibilities, knowledge and experience can be identified by the process of job analysis. Certain job may then be grouped together into a common grade or classification. General grade description are written for each job classification, finally these are used as a standard for assigning all the other jobs to a particular pay scale.

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- v) Classification of all jobs.

8. Factor Comparison Method.*Ans :*

Under this system, jobs are evaluated by means of standard yardsticks of value. It entails deciding which jobs have more of certain compensable factors than others. Here, the analyst or the evaluation committee selects some "key" or 'benchmark' jobs for which there are clearly

understood job descriptions and counterparts in other organizations, and for which the pay rates are such as are agreed upon and are acceptable to both management and labor. Under this method, each job is ranked several times-once for each compensable factors selected.

The major steps in this system consist of the following:

- i) Clear-cut job descriptions are written and job specifications then developed.
- ii) Selecting of key-job.
- iii) Ranking of 'key' jobs.
- iv) Valuing the factors
- v) Comparing all jobs with key jobs
- vi) Establishing the monetary unit value for all jobs.

9. Point Method.

Ans :

This method is the most widely used type of job evaluation plan. It requires identifying a number of compensable factors (i.e., various characteristics of jobs) and then determining degree to which each of these factors is present in the job. A different number of points are usually assigned for each degree of each factor. Once the degree to each factor is determined, the corresponding number of points of each factor is added and an overall point value is obtained. The point system is based on the assumption that it is possible to assign points to respective factors which are essential for evaluating an individual's job. The sum of these points gives us an index of the relative significance of the jobs that are rated.

10. Define Broad Banding.

Ans :

Broad banding is defined as a method for evaluation and construction of job grading structure or typical salary band of an organization that falls between by spot salaries against numerous job

grades or bands, Broad banding is to establish what is required to pay for a specific positions and incumbents within the existing positions

Broad banding is the expression useful when an organization with extremely wide salary bands, much more surrounding compared against the traditional salary structures. While a typical salary band has around 40 percent variation in compensation between its minimum and maximum, for broad banding this would characteristically have about 100 percent difference.

11. State the pitfalls of job evaluation.

Ans :

A job evaluation process succeeds job analysis, which in turn results in job descriptions

1. It encourages employees to focus on 'how to advance in position' in the organization at a time when there may be only limited opportunities for enhancement as a result of downsizing.
2. It promotes an internal focus instead of a customer-oriented focus.
3. It is not suitable for a forward-looking organization that has trimmed multiple job titles into two or three broad jobs.
4. Elaborate exercises of wage and salary fixation through job evaluation can be dispensed with. Salaries can easily be fixed by adopting going rates, which can easily be ascertained through wage surveys.

12. Explain the advantages and disadvantages of broad banding.

Ans :

Advantages

The advantages of Broad Banding are as follows:

1. It Streamlines hierarchy structure within the organization, this helps during a change in the organizational structure.

2. It promotes and facilitates Internal Movement within the organization and is considered to put forward other attributes of a position, other than the pay grade which is already disclosed
3. Gives more transparency and added trust in management

Disadvantages

The disadvantages of Broad Banding are as follows:

1. There is absolutely no awareness of external market rates as the traditional salary bands cannot be compare against broad banding
2. Promotions, Broad banding leads to lack of promotions within the organization as there are fewer salary bands leads to fewer opportunities to climb the organizational ladder.

13. Explain the significance of Reward system.

Ans :

- (i) The reward system helps the organization in securing the participation of employees as to attain corporate goals and objectives.
- (ii) It increases the employees morale in the organization.
- (iii) The reward system acts as a source of communication and feedback.
- (iv) It ensures the reward to the employees with high level skills and responsibility.
- (v) It makes the employees more responsible toward their specific jobs.

UNIT V

Relevant Performance related concepts: Bench marking, Six Sigma, Competency Mapping, Balance Score card, Coaching and Mentoring Pygmalion effect, Job Analysis, High Performance Work Teams, Steps for Building High Performance Work Teams, Reward Practices in World- Class Organizations.

5.1 BENCH MARKING

Q1. Define Bench Marking. Explain various types of Bench Marking.

Ans :

Meaning

Benchmarking is the process of identifying "best practice" in relation to both products (including) and the processes by which those products are created and delivered. The search for "best practice" can take place both inside a particular industry, and also in other industries.

Benchmarking involves looking outward (outside a particular business, organization, industry, region or country) to examine how others achieve their performance levels and to understand the processes they use. In this way benchmarking helps explain the processes behind excellent performance. When the lessons learnt from a benchmarking exercise are applied appropriately, they facilitate improved performance in critical functions within an organization or in key areas of the business environment.

Types

1. Process Benchmarking

The initiating firm focuses its observation and investigation of business processes with a goal of identifying and observing the best practices from one or more benchmark firms. Activity analysis will be required where the objective is to benchmark cost and efficiency; increasingly applied to back-office processes where outsourcing may be a consideration.

2. Financial Benchmarking

Performing a financial analysis and comparing

the results in an effort to assess your overall competitiveness and productivity.

3. Benchmarking from an Investor Perspective

Extending the benchmarking universe to also compare to peer companies that can be considered alternative investment opportunities from the perspective of an investor.

4. Performance Benchmarking

Allows the initiator firm to assess their competitive position by comparing products and services with those of target firms.

5. Product Benchmarking

The process of designing new products or upgrades to current ones. This process can sometimes involve reverse engineering which is taking apart competitors products to find strengths and weaknesses.

6. Strategic Benchmarking

Involves observing how others compete. This type is usually not industry specific, meaning it is best to look at other industries.

7. Functional Benchmarking

A company will focus its benchmarking on a single function to improve the operation of that particular function. Complex functions such as Human Resources, Finance and Accounting and Information and Communication Technology are unlikely to be directly comparable in cost and efficiency terms and may need to be disaggregated into processes to make valid comparison.

8. Best-in-class Benchmarking

Involves studying the leading competitor or the company that best carries out a specific function.

9. Operational Benchmarking

Embraces everything from staffing and productivity to office flow and analysis of procedures performed.

10. Energy Benchmarking

Developing an accurate model of a building's energy consumption with the purpose of measuring reductions in usage.

Q2. What are the objectives of benchmarking?

Ans :

- (i) To identify the activities of the company where improvement is needed.
- (ii) To provide quality services to their customers.
- (iii) To assist companies in change management and help in accelerating their growth of business.
- (iv) To help the companies in attaining outstanding performances.
- (v) To enhance satisfaction levels of their customers.

Q3. Explain the Strategies for Benchmarking.

Ans :

There are a number of different types of benchmarking, as summarized below :

1. Strategic Benchmarking

Where businesses need to improve overall performance by examining the long-term strategies and general approaches that have enabled high-performers to succeed. It involves considering high level aspects such as core competencies, developing new products and services and improving capabilities for dealing with changes in the external environment. Changes resulting from this type of benchmarking may be difficult to

implement and take a long time to materialise - Realigning business strategies that have become inappropriate.

2. Performance or Competitive Benchmarking

Businesses consider their position in relation to performance characteristics of key products and services. Benchmarking partners are drawn from the same sector. This type of analysis is often undertaken through trade associations or third parties to protect confidentiality. Assessing relative level of performance in key areas or activities in comparison with others in the same sector and finding ways of closing gaps in performance

3. Process Benchmarking

Focuses on improving specific critical processes and operations. Benchmarking partners are sought from best practice organizations that perform similar work or deliver similar services. Process benchmarking invariably involves producing process maps to facilitate comparison and analysis. This type of benchmarking often results in short term benefits.

Q4. Explain the Advantage and Limitations of Benchmarking.

Ans :

Benchmarking is the systematic search for best practices, innovative ideas, and highly effective operating procedures.

Advantages

The following advantages are given below

- (i) Identify the company strength and weaknesses of process
- (ii) It in values limitations and adaptation of the practices of superior competitors rather than invention, thereby saving time and money
- (iii) Identification of non-values-added activities and plans for process improvement
- (iv) It measure the performance in different dimensions

- (v) It is focuses on performance measures and process.
- (vi) Bench marking set the New performance targets
- (vii) It design specific goal in performance and select the process to improve.
- (viii) Benchmarking provides a basis for training human resources

Limitations

The following are the limitations given below :

- (i) It is not Static
- (ii) Benchmarking is not a panacea that can replace all other quality efforts or management processes that can improve the competitive advantage of a company
- (iii) Bench marking is not an instant pudding. It will not improve performance if the proper infra
- (iv) Structure of a total quality program is not in place.

Q5. What are the four levels of bench marking?

(OR)

Discuss the various approaches of bench marking.

Ans : (Jan.-18)

(a) World-class Benchmarking

It is an achievement oriented benchmarking where in a company identifies the processes and practices of other best-in-class companies for setting them as a benchmark and make efforts to reach or exceed those benchmarks.

(b) Internal Benchmarking

Internal benchmarking is the simplest method of benchmarking wherein one division or branch of the organization selects other division or branch of the same organization for the purpose of benchmarking. The required information is available

easily and legal complications with respect to maintenance of confidentiality and secrecy are reduced to a large extent.

(c) Non-competitive Benchmarking

Non-competitive benchmarking is the process of gathering knowledge and information about the processes and practices in which a company desires to improve through benchmarking. This method involves,

- (i) Knowing about similar processes of other industry.
- (ii) Knowing about similar processes of the same industry.
- (iii) Knowing about dissimilar processes of other industry.

Non-competitive benchmarking helps in identifying some innovative processes which can be implemented in the company without much difficulty.

(d) Competitive Benchmarking

In competitive benchmarking, the performances and practices of world-class companies are evaluated for setting these performances as standards against which a benchmarking company compares itself. The practices identified are executed in the company for enhancing its future performance levels. In this type of benchmarking, its very difficult to gather information about the secrets of the competitors. So, a third party consulting firm is appointed by a company who gathers such type of information by conducting a confidential survey of all the competitors.

5.2 Six SIGMA

Q6. What is Six Sigma? State the features of Six Sigma.

Ans : (Aug.-15)

Six Sigma is a method that provides organizations tools to improve the capability of their business processes. This increase in performance and decrease in process variation helps lead to defect reduction and improvement in profits, employee morale, and quality of products (or) services.

Features

1. Six sigma aims at continuous improvement by reducing the cost of production and increasing customer satisfaction and return on investment.
2. One of the features of six sigma is to produce the output defectless (or) error free,
3. It ensures quality products.
4. Six-sigma's philosophy is "Do it right the first time and every time".
5. Its principles are applies in manufacturing and service industries.
6. It is a statistical process control technique applied to gain complete confidence in the company's product and services and also the management.
7. It is helpful to solve problems in an organized manner.

Q7. Explain the steps involved in methodology of six sigma.*Ans :*

1. define the projects the goals and the deliverables to customers (internal and external).
 2. Measure the correct performance of the process.
 3. Analyze and determine the root cause(s) of the defects.
 4. Improve the process to remove defects.
 5. Control the process performance. In short, DMAIC is the methodology of six sigma. It stands for,
D – Define
M – Measure
A – Analyze
I – Improve
C – Control
- 1. Define**
Process goals in terms of key critical parameters on the basis of customer requirements or Voice Of Customer (VOC)

2. Measure

The current process performance in context of goals.

3. Analyze

The current scenario in terms of causes of variations and defects.

4. Improve

The process by systematically reducing variation and eliminating defects.

5. Control

Future performance of the process

Q8. Explain the role of human resource in six sigma.**(OR)**

Discuss in detail how Six Sigma can be applied to Human Resource.

*Ans :***(July-18)****1. Recruitment and Retention**

Six Sigma has several designated roles for key players. Hence HR has to ensure that members for each role are carefully selected. Of these, the black belts are the key to the success of the Six Sigma program. It is the responsibility of HR to make sure that assessment tools identify the potential candidates for the black belt level.

These candidates are usually picked from a resource of promising candidates. To keep the black belts well entrenched in the Six Sigma program, the HR team has to:

- (i) Develop a comprehensive competency framework to tap existing and latent talents.
- (ii) Build and execute training models that cover the requirements of the six sigma process.
- (iii) Create a retention strategy to ensure that the black belts remain in their positions till the completion of the six sigma initiative.

2. Compensation and Rewards

Rewarding team players of the six sigma process can be quite complicated. This is because the people selected for the six sigma

are from every rank and order of the organization. Hence the rewarding scale cannot be flat. At the same time, it becomes a sensitive issue to compensate individuals on the basis of their level of expertise within the six sigma program.

HR has to deal with this touchy issue with great care and consideration. Compensation must be on the basis of fairness, in addition to merit. Also, compensation and rewards should be designed to ensure that team players are motivated to take on further six sigma projects. This compensation structure should be in sync with the overall objective of the six sigma project.

3. Knowledge Management

HR can play a pivotal role in the knowledge management aspect of six sigma projects. There is immense learning in the six sigma process. During the implementation of the project, business processes are examined on a microscopic level, and their productivity is analyzed on a numerical basis. Valuable information about the company's core competencies would be lost if there is no data management.

The learning process needs to be collated and disseminated within the organization. The HR team can be the knowledge resource center that can enhance business capabilities.

4. Change Management

During the implementation of the six sigma project, many management procedures would be overhauled. This would obviously lead to change in management thinking, working pattern and attitudes. Change of any type meets with a lot of organizational resistance. Here, it is important for HR to play the 'change agent' role and become the catalyst of change from old to new business processes.

This can be achieved by establishing a proper communication network across the organization. For the six sigma project to succeed, HR has to propagate the benefits of the project to all reluctant managers.

Q9. Explain the merits of six sigma.

(OR)

What are the advantages of Six Sigma?

Ans :

The advantages of six sigma depends on organization and its circumstances. The principle advantages of six sigma are as follows,

1. To Reduce Variations

Six sigma ensures consistency in performance. As a result users and customers can develop confidence in the quality and reliability of the products and services offered by the organization. Six sigma minimizes the variations in both the product and the process.

2. To Reduce Defects

Six sigma is a process control technique used to eliminate or reduce defects. If a process is under control, the product can never be defective. Six sigma ensures enhanced product quality.

3. To Improve Productivity

Six sigma to achieve productivity improvement by optimum utilization of all the factors of production and through elimination of wastage. Higher productivity results in huge production, better quality, low cost of production and increased competition in the market.

4. To Enhance Customer Satisfaction

The main objective of any organization is to achieve the highest level of customer satisfaction for its sustenance and survival. Six sigma helps to achieve the highest level of customer satisfaction. Customer satisfaction can be achieved by providing the products and services that fulfill the needs of the customers.

5. To Improve the Bottom Line

The most important objective of six sigma practice is to improve the profitability and return on investment by reducing the cost of

production and processing by a continuous process improvement. The profitability and return on investment can be improved by reduction and elimination of wastage and excess consumption of the factors of production. The six sigma activity substantially improves the bottom line by training and changing the employee's mind set.

6. To Improve the Top Line

The other objective of six sigma practice is to improve organizational reputation in the market by producing products and services of good quality without any defects. The six sigma practice also develops a better work culture, good relationships with customers and employees and hence improves the top line.

Q10. What are the disadvantages of Six Sigma ?

Ans :

- (i) Applicability of Six Sigma is being argued among the Six Sigma critics. They opined that the quality standards should be according to specific task and measuring 3.4 defects per million as standard leads to more time spent in areas which are less profitable.
- (ii) Six Sigma gives emphasis on the rigidity of the process which basically contradicts the innovation and kills the creativity. The innovative approach implies deviations in production, the redundancy, the unusual solutions, insufficient study which are opposite to Six Sigma principles.
- (iii) People argue that Six Sigma is a bit gimmicky and simply a rebranding of the continues improvement techniques and tools as practiced by Toyota. It thus promotes outsourcing of improvement projects with lack of accountability.
- (iv) Six Sigma implementation constantly require skilled man force. Thus control and employee dedication are hard to accomplish if its not implemented regularly.
- (v) While converting the theoretical concepts into practical applications there are lot to real time barriers which needs to be resolved.

5.3 COMPETENCY MAPPING

Q11. Define competency. Explain the characteristics of competency.

Ans :

(Dec.-19, Feb.-17)

Meaning

A competency can be defined as a specific, identifiable, definable, and measurable knowledge, skill, ability, and/or other deployment-related characteristic (e.g., attitude, behavior, physical ability) which a human resource may possess and which is necessary for, or material to, the performance of an activity within a specific business context".

Characteristics

There are five types of competency characteristics motives, traits, self-concept, knowledge, and skills. Of these, motives, traits, and self-concept are invisible whereas knowledge and skills are visible. These are described hereunder:

1. Motives

Things a person constantly thinks about or wants, which result in actions.

2. Traits

Physical characteristics and consistent responses to situations or information.

3. Self-Concept

A person's attitudes, values, or self-image.

4. Knowledge

Information that a person has in specific content areas.

5. Skills

The ability to perform a certain mental or physical task.

Q12. Explain the classification of competency.

Ans :

The three types of competencies are:

1. Universal

These competencies emphasize that all the employees of an organization must reflect the

company's values, culture, and business imperatives, e.g., customer focus, teamwork, communication skills, and cost-effective service delivery.

2. Transferable

These competencies include skills and abilities needed to perform several roles in varying degrees of importance and mastery, e.g., leadership and managerial skills.

3. Unique

These competencies refer to specialized know-how or abilities required within a specific role or job.

Q13. Define competency mapping. Explain the objectives of competency mapping.

Ans :

Meaning

Competency mapping is a process of determining the key competencies that need to be possessed by the person of a particular job position.

Definitions

- (i) Competency mapping is a process of identifying key competencies for an organization and/or a job and incorporating those competencies through the various processes (i.e. job evaluation, training, recruitment, career and succession planning) of the organization.
- (ii) **According to Dhar** "Competency mapping is the process of identifying key competencies for an organization and the jobs and functions within it".
- (iii) **According to Garrette** "Competency mapping is a process an individual uses to identify and describe competencies that are the most critical to success in a work situation or work role".
- (iv) **According to Nedunchezian and Prabhakar** "Competency mapping is the process of identifying key competencies for a particular position in an organization and then using it for job evaluation, recruitment, training and development, performance

management, succession planning which results in talent induction, management development appraisals, and in identifying training needs".

- (v) **According to Boyatzis (1982)** "A capacity that exists in a person that leads to behavior that meets the job demands within parameters of organizational environment, and that, in turn brings about desired results"

Objectives

To identify and describe the factors which are critical to the functioning of a particular job/work so that a match can be established between the skills required to perform a job and actual talent of job holder.

1. To hire right kind of people for right job by establishing standards.
2. To identify the training and development needs of individual or organization.
3. To do job evaluation and formulation of appropriate incentive plans.
4. Defining the factors of success in works and work role within the organization.
5. Assessing the current performance and future development need of staff holding jobs and roles.
6. Mapping one after other possibilities for employees within the organization.
7. Assigning compensation grades and levels to particular jobs and roles.
8. Selecting applicants for open positions using ability based on interviewing techniques.

Q14. Explain the Methods of Competency Mapping.

Ans :

Competency mapping is necessary at an individual and organizational level. At the individual level, competency mapping spells-out the performance level required to be exhibited by an individual in order to achieve job goals and objectives successfully, whereas it is the basis of performance management system for achieving organization wide success in human performance.

Therefore, competency mapping holds the key to success of performance management in any organization. There are various methods for competency mapping as explained below:

1. Past Performance-Based Method

This approach uses Behavioral Event Interview (BEI). It is an adaptation of critical incident interview. This method uses Thematic Apperception Test (TAT) in probing data about individual personality and cognitive styles of thinking, feeling, etc. This is an interview technique based on the premise that the best predictor of future behavior is past behavior. Steps followed in this method are:

- i) Identifying the position to be mapped.
- ii) Identifying outstanding performers, and below average, or average performers.
- iii) Interviewing them by using BEI.
- iv) Generating the list of competencies needed (from outstanding performers) and not needed (from below average or average performers).

2. Job-Focused Method

Job-focused approach/method has the task, role, or job profile of the incumbent as the central point. The starting point of this method makes use of position information questionnaire, which gathers information on the incumbent's position. This method includes:

- (i) Understanding the purpose of the job.
- (ii) Asking incumbents to list down the job's major activities and accountabilities.
- (iii) Mapping each accountability or major task.

3. Value-Based Method

This method uses normative, cultural, and traditional values of the organization to construct competencies. It ranges from a very careful and structured dialogue process involving top leadership, to simple pronouncements made by the CEO or HR Head on the competency list generated by HR group.

Q15. Explain the various Approaches to competency Mapping.

Ans :

There are eleven approaches to competency analysis, and these approaches are also used as tools to identify competencies. These approaches or tools are as follows:

1. Expert Opinion

The simplest method is for 'experts' (members of the personnel department and representatives of line management) to get together and draw data list from their own understanding of 'what counts', possibly by reference to other published lists. This will certainly save time and trouble, but it may not be particularly analytical and reliance on other people's ideas could result in a list being drawn up which is irrelevant to the real needs and requirements of the business. When defining generic or individual, role competencies it is essential to ensure that they flow directly from the core competencies of the business so that people competencies are fully integrated with and support business competencies.

2. Workshops

A more structured approach through a workshop is likely to produce better results, particularly if the workshop is mainly comprised of people who are actually doing the job. The competence definitions will then be expressed in the language of the job-holders and are likely to be much more acceptable as well as realistic.

The workshop facilitator's roles are to help the group to analyze its findings, to prompt, to provide examples and to assist generally in the production of a set of competence dimensions which can be illustrated by behavior-based examples. The facilitator may have some ideas about the sort of headings that may emerge from this process but should not try to influence the group to come to a conclusion which it has not worked out for itself, albeit with some guidance.

3. Questionnaire Method

The most popular and widely used technique in assessing competencies is questionnaire method. This method helps in all the three levels of competency assessment: organization, function and job. A few relevant variables need to be identified and developed. For example, competency variables for the job of human resource manager can be:

- (i) Knowledge of human resource management theoretical aspects.
- (ii) Knowledge of best human resource management practices.
- (iii) Knowledge of organization's human resource policies and procedures.
- (iv) Knowledge about organization, its business strategy and plans, operations, financial competitors, various stakeholders.
- (v) Ability to use tools and techniques in human resource functions like recruitment, performance appraisal, training and career planning systems.
- (vi) Interpersonal relationship skills.
- (vii) Communication skills.
- (viii) Conflict management skills.
- (ix) Change management skills, and
- (x) Commitment to the organization.

These variables must be operationalized into measurable statements. These statements can be open-ended or in shape of checklist or with multiple choices or in a form of scale like strongly agree to strongly disagree.

Similarly, this questionnaire method can be used for assessing competency profile at all levels.

4. Interview Method

Interviewing job incumbents to elicit what competencies are required to perform a job effectively reveals valuable information that helps in identifying the most relevant competencies of a job. Resource persons who

are trained on interview method use both a standardized and contingency format to collect information. Format contains combination of structured and open-ended questions. Taking into account the scope of study, either all or representative sample of employees will be subjected to these interviews. Likewise, interviewing head of department, chief executive can reveal function and organizational level competencies.

5. Observation Method

Resource persons observe the top and average performers while working and taking decisions, interacting with people, leading co-employees, learning new aspects and applying them. Typically, the first part of such report contains record of observations and the second part observer's own interpretation and analysis of this record. This observation of extreme performers in action facilitates identification of the competencies required to carry out a task or job in the most efficient manner and also, what inadequacy in competencies result in average performance. However, effectiveness of this method depends upon the objectivity and neutrality of observers.

6. Story Writing Method

In this method, employees and their superiors will be asked to write in descriptive fashion, tasks they perform and knowledge, skills and behavioral characteristics required performing such tasks with quality, precision and results. Writings from all employees and superiors will be collected and analyzed to assess competency requirements of various jobs and functions at the organizational level.

7. Critical Incident Technique

Major incidents either resulted in remarkable results or failures to organizations and individuals if studied can provide wealth of information on competencies required to handle such incidents. In this method, a few incidents happened in the past or situations likely to arise at present or future will be chosen for a special study. Both observers

and incumbents of the jobs will write a descriptive version on the origin of incident. How this has been tackled, why a particular approach is used over others, what knowledge, skill or soft skills are used in resolving such an incident and what results are expected and actually what is achieved. Data collected using this method particularly helps in identifying critical competencies.

8. Repertory Grid

This method is somewhat similar to critical incident technique. Repertory grid is used to identify dimensions of good and poor standards of performance. These dimensions are developed through interviewing and surveying jobholders to explore what behaviors make some to perform exceedingly well while others give poor performance.

9. 360-degree Survey

Collecting views as well as perceptions of all stakeholders regarding what competencies are desirable and essential to lead an organization, manage departments and perform various jobs in an organization effectively, yields a lot of information. This data involving all stakeholders on all competency levels can be collected using questionnaires, essay writings, debates and conferences.

10. Focus Groups

In this method, employees :

- (i) Who are performing exceedingly well, and
- (ii) Whose innovation rate is far superior and who have the record of breaking status quo will be formed as a focus group. This group will work on identifying and suggesting the ideal competency model to put into practice at organizational, functional and job level for magnificent results.

11. Case Study Method

Highly successful performances which employees cherish and regard the best in their career in an organization and events of under performances must be studied in depth

in order to understand circumstances in which performance goes to peak and conditions that cause below average performance. Skills required to successfully manage adverse conditions and skills required to create conducive conditions of superior performances can be identified. The case study method is used where a detailed study is required. Resource persons conduct the study with the help of a structured and unstructured information seeking formats.

Q16. Explain the Benefits of Competency Mapping.

Ans :

Competency-mapping is a time-consuming and a serious exercise and should be handled by only those professionals who are trained in it. Initially, the help of a consultant may be sought who can train some managerial staff in this technique. Once adopted successfully, the approach yields a number of benefits to both the organization and the individual.

(A) Benefits of Competency Based Assessment at Organization Level

1. Helps in Assessment of Employees

It helps an organization in assessing the employees against the industry/company-recognized standards.

2. Reduces Training Cost

It can reduce training cost considerably as learning and development take place on the job and only areas needing development are considered for focus.

3. Used for Employee Mobility

Assessment data generated through this method can be used for promotion to critical roles, succession planning, filling up of vacancies and for forming teams with complementary skills.

4. Identifies Development Needs

It is very effective in identifying development needs and human resource development.

5. Helps in Re-Organization and Receptivity

It can help in re-organization and assessment of receptivity to organizational changes.

6. Improves Organizational Productivity

Through development of employees' knowledge and skills, the assessment/development centre approach can improve organizational productivity and the bottom line.

(B) Benefits of Competency-based Assessment at Individual Level

The individual can undertake self-assessment at one's own convenience.

1. The knowledge and skills of the individual come to light.
2. The individual learns on the job, at one's own pace.
3. The time required for self-development taken by it is comparatively much less than that taken by any other method of self-development.
4. It can suggest suitable moves for platitude managers.

Once the competencies are mapped a follow up skill audit is a must, which can be carried out for assessing, measuring and recording the competencies of an individual or a group required for various jobs.

Q17. List out the various competency Pay Plans used in organization to improves employee performance with suitable examples.

Ans : (Oct.-20)

If a company is going to pay for a particular competency, then they must have a measure of that competency. They need to know if an employee has the competency, and the degree to which they have it, if decisions are to be made about how much to pay the individual for that competency. Further, the proposed measure must in fact measure that competency, not an easy task in all cases. In general, measures are not the competency they are indicators

that the employee has the competency. Thus, the value of using a particular competency is partially a function of how well the competency can be measured. Measures can fall into a number of categories:

1. Education and Training

A major indicator of a person's competency is the education and training they have. This may be before being employed, in which case the pay upon hire should reflect the level of education and appropriate training. Degrees and certifications are major indicators of the level of competency. Organizations need to direct education and training taken after hire. The type and level of education and training the organization desires the employee to have, as well as the reward for attaining that level of competence, needs to be made explicit.

2. Experience

Often, experience is called the best education and training. Organizations usually reward experience, either consciously or unconsciously. Pay systems in which employees receive a standard increase each year, independent of cost-of-living increases, are rewarding experience.

Breadth of experience is attaining competence in a variety of tasks. These may be closely related tasks permitting the person to perform a larger part of the total task or they may be new tasks that provide the person with a new skill set. Organizations can effect employee attainment of new skills by establishing planned programs and connecting them to rewards in the form of increased pay. The value to the organization of this approach is that employees with a variety of skills can be moved more readily into new tasks as the organization changes.

Depth experience is attained by being able to perform more complex tasks within the person's current occupational area. This is typical of the experience gained by engineers as they are assigned more complex design work as they attain more experience. However, as those experienced in selection

know, there is the problem of distinguishing 10 years of experience from one year of experience 10 times over.

3. Tests

Education, training, and experience are rough measures of competence. To improve on the accuracy of measuring these competencies or for measuring other more personal characteristics of employees, the organization may resort to testing. There are tests for almost any psychological concept imaginable, so if the organization wishes to use a psychological concept as its basis for paying a group of employees, then there is undoubtedly a ready-made test available. On the other hand, if what the organization needs is specific information on the KSA of a particular job, it may be necessary to build a test specific to the situation. The methods for doing all of this are available in any book on employee selection, as this is what is done in the selection process.

4. Behaviors

Another way to measure competency is to record behaviors. After all, if one is competent in something it should show up in how a person behaves. This is measuring competency by observing the person in action. This necessitates determining what behaviors represent the competency concept for which the organization wishes to pay.

5. Accomplishments

A final category of measures would be the person's accomplishments. These would be measures of how well their past behavior has led to positive results. Essentially, this is an output measure. As such, pay for accomplishments is usually part of a variable pay plan. The requirement here is that the reward and the accomplishment are spelled out in advance and the connection between the two is made clear.

Example

Professional Pay Systems

Certain professional jobs in an organization call for special compensation systems. This is

determined by the nature of the job and the labor market for these skills.

A professional job is one that "involves the application of learned knowledge to the solution of enterprise problems and the achievement of enterprise goals." This learned knowledge is ordinarily acquired through a college education or some other extended period of formal study. Professional work is mental, requiring the person to apply specialized knowledge to decision making. It is difficult to manage professional work since management often does not have the same knowledge and is therefore dependent on the judgment of the professional. The training a professional receives engenders a sense of independence that does not conform with traditional management techniques.

True professional jobs are non-supervisory. They include such fields as engineers, scientists, attorneys, economists, physicians, psychologists, and editors. Sibson suggests that these professions can be classified into three groups. The first comprises professions that require advanced knowledge in a specific academic field, such as engineers. The second group consists of professions that require original and creative work, such as artists and designers. The third group requires knowledge of business disciplines, such as finance, and includes mainly staff groups. A competency-based pay system would be appropriate for the first two categories.

Professional work is often hard to describe in the way that most organizational jobs are described. Different levels of professionals are not doing different tasks but are applying more expertise to the same kinds of problems. In addition, the exact project, set of activities, and goal pursued by the organization changes often, so typical descriptions rapidly become out-of-date.

To overcome these problems, organizations have developed generalized job descriptions for engineers and scientists. One type is called the functional job description. The tasks described are typical of persons who are engineers and scientists but may not describe the exact job of a certain person at a certain time. A second type, the generic job description, is similar in that it describes in broad terms the work involved for a

series of levels of work. Sometimes, a specific task is an attachment to these descriptions. A third type is the work-sample description. It describes the past assignments of the person, highlighting the ones that demonstrate the highest level of work they are capable of performing.

5.4 BALANCED SCORECARD

Q18. Define Balanced Scorecard. Explain purpose of Balanced Scorecard.

Ans : (May-19, Feb.-17,16)

Meaning

Balanced scorecard basically connects dot between the strategic part of the organization and the operational elements. It make sure that mission, vision and core values of the organization are well reflected in the objective, initiatives and measures taken by the employees. It also checks the strategic performance is on the line to strategic focus areas.

Definition

Balanced Scorecard is a performance based metric which companies used for strategic management. It improves the internal functions and external results of the business.

The strategic management and planning system used by organization is known as balanced scorecard (BSC).

Purpose

The balance scorecard is often used for purpose such as :

- To communicate well about what the organization wants to accomplish
- To align the daily work of employees with organizational strategy
- To prioritize on product, project and services level
- To monitor and measure the progress of organization towards the strategic goals

In order to identify the downfall in the internal function and to improve the performance balance scorecard is used as a performance metrics. It is very useful to provide feedback to the employees about

their performance and outcomes. The crucial step of balance scorecard is data collection, the realistic information gathered is further interpreted by executives and managers in the company to provide a guideline for decision making in the future.

In early 1990, Kaplan and Norton developed balance scorecard model to help firms in measuring their performance using data (both financial and non-financial). The aim of balance scorecard is 'to align the work activities of organization to its vision and strategy, to improve communication and to monitor business performance with respect to strategic goals to be achieved'. According to the definition of balanced scorecard, it consists of relevant aspects of financial and non-financial information which supports the efficient business management.

- Balanced scorecard states and define that a broad picture of status of organization can be predicted using several relevant measures.
- Instead of single measure organization should used composite scorecard which consists of different relevant measures linked with the goals and performance of the organization.
- Four perspectives are important and should be considered during analysis- customer, finance, internal, learning and growth.
- Critical measures should be selected by organization of each of these perspectives.

Q19. Explain the various perspectives of Balanced Score card.

(OR)

What are the four perspectives of Balanced Score card.

Ans :

The perspective of balance scorecard means to cover almost all the business aspects of the organization. It consist of the financial front, the customer point of view, the process which is internally follow, the learning as well as growth the organization is expecting and ongoing.

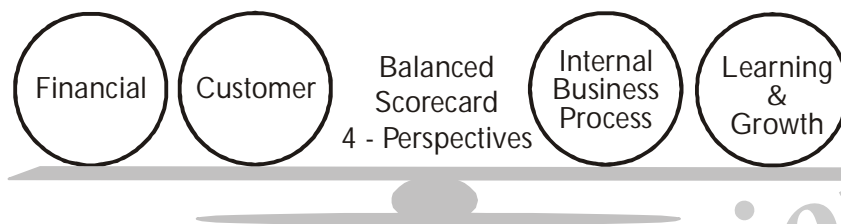
The four perspectives of balance scorecard are explained in detail as given below :

1. The Financial perspective

The obvious objectives of any organization include profit and revenue. The financial perspective of balance scorecard deals with the financial performance and health of organization. The financial objective popularly includes- cost saving and improved work efficiency, more profit margins and addition in revenue sources.

2. The Customer perspective

The customer focused organization always work on needs and wants of customer. If an organization wants to achieve the set financial goal then it has to know what need to be delivered to the customer. From customer perspective the company can set objects such as- improvement in customer service and satisfaction, increase market share and hike in brand awareness.

**3. The Internal Process perspective**

Now as the financial objective is set and company is aware about the wants of customer, then comes the processes which need to put properly to reach the set financial and customer related goal. Here the organization has to set the internal operational objectives. The company has to decide the actions which must be executed in order to drive the performance. The internal process objective might cover- work process improvement, quality optimization and improvement in capacity utilization.

4. The Learning and Growth perspective

This perspective is related to intangible drivers of organizational performance. The spectrum of this perspective is very broad and thus segregated into parts such as human capital, information capital and organizational capital. The objectives of learning and growth perspective are- assessment of skills, talent and knowledge, information about safety system, infrastructure investment and data protection system, updates linked to staff engagement, employee alignment, knowledge management and teamwork.

Q20. Explain how does balanced scorecard work in maintaining Performance In Organization.

Ans :

(Oct.-20)

A balanced scorecard is a strategy performance management tool-a semi-standard structured report, that can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions.

The phrase 'balanced scorecard' primarily refers to a performance management report used by a management team, and typically this team is focused on managing the implementation of a strategy or operational activities

- Its focus on the strategic agenda of the organization/coalition concerned;
- A focused set of measurements to monitor performance against objectives;
- A mix of financial and non-financial data items (originally divided into four perspectives - Financial, Customer, Internal Process, and Learning & Growth); and,
- A portfolio of initiatives designed to impact performance of the measures/objectives.

Q21. What are the advantages and disadvantages of Balanced Score card ?*Ans :***Advantages**

- (i) It builds up the necessary focus required for the company to create a extraordinary performance.
- (ii) It integrates variety of business programs.
- (iii) It makes the organizational strategy operational by reflecting it in performance targets and measure.
- (iv) It connects the corporate level with the local managers to see what actions have to be taken to improve organizational efficiency.
- (v) It improves the communication within the organization and provide a feeling of togetherness among employees.

Disadvantages

- (i) It increases number of performance indicators which can be confusing for the employees.
- (ii) It is very difficult to manage all the four perspective and create a required balance.
- (iii) It though the employees put hard work to make internal process effective, the senior management will still look for results in terms of instant financial performance.
- (iv) The balance scorecard system has to be updated regularly to make it relevant to the given point of action.

5.5 COACHING AND MENTORING**Q22. Define Coaching. What are the objectives of Coaching?***Ans :***Meaning**

Coaching is a method of strengthening communication between you and the employee, and can be used during check-in sessions. Coaching helps to shape performance and increase the likelihood that the employee's results will meet your

expectations. Coaching sessions provide you and the employee the opportunity to discuss progress toward meeting mutually established standards and objectives.

A coaching session focuses on one or two aspects of performance, rather than the total review that takes place in a performance appraisal.

Effective coaching depends not only on the skills of the coach and the receptiveness of the person being coached, but also on the conditions outlined above being present (clarity about success criteria, usable feedback, etc.) in the work setting. At the same time, when managers start to coach, if they are working effectively there is a better chance of the surrounding conditions being improved. Coaching conversations may lead to increased clarity about job expectations, for instance, and may provide regular feedback and the opportunity to think through standards and criteria for success. There is a close two-way relationship between effective coaching initiatives and a favourable learning climate, each enhancing the other.

Objectives

Coaching aims at developing employees in an organization by:

1. Helping them to realise their potential as managers.
2. Helping them to understand themselves - their strengths and weaknesses.
3. Providing them opportunity to acquire more insight into their behaviour and analyses the dynamics of such behaviour.
4. Helping them to have a better understanding of the environment.
5. Increasing their personal and interpersonal effectiveness by giving them feedback about their behaviour and assisting them in analyzing their interpersonal competence.
6. Encouraging them to set goals for further improvement.
7. Encouraging them to generate alternatives for dealing with various problems.
8. Providing them empathic atmosphere for sharing and discussing tensions, conflicts, concerns and problems.

9. Helping them to develop various action plans for further improvement.
10. Helping them to review in a nonthreatening way their progress in achieving various objectives.
11. Strengthening the dyadic relationship between the employee and his boss.

Q23. Define Mentoring. What are the objectives of Mentoring?

Ans :

Mentoring is a process that develops among two individuals who assess each other's issues and provide the best solution to cover the problems and to enhance performance by continuously watch and gives feedback on the work. A mentor can use several scale and styles to support growth, provide feedback, source of information, provide opportunities, personal development and find a pattern to follow and to reach to the organizations. The cooperation is the main component of mentoring that must prevail among the mentor and his mentee.

Objectives

The main purpose of mentoring is to provide opportunity to young people to share their concerns and get both moral support and guidance for their development. It involves the following:

1. Establishing a relationship of trust.
2. Modelling behavioural norms for the young person.
3. Listening to the personal and job concerns of the young person.
4. Helping him to search alternative solutions for the problem.
5. Sharing own relevant experiences.
6. Responding to his emotional needs, without making him dependent on the mentor.
7. Developing long-lasting personal and informal relationship.

Q24. What are the Assumptions of Mentoring?

Ans :

Assumptions

Mentoring is a tool that organizations can use to nurture and grow their people. Mentors demonstrate, explain and model. The allowing assumptions form the foundation for a solid mentoring program:

1. Deliberate Learning

The mentor's job is to promote intentional learning, which includes capacity building through methods such as step-by-step instructing, coaching, providing experiences, modeling and advising the mentee whenever required.

2. Person Learns from his Failures and Success

Mentors, as leaders of a learning experience, certainly need to share their "how to do it so it comes out right" stories. And "how I did it wrong" that is sharing their experiences. Both types of stories are powerful lessons that provide valuable opportunities for analyzing individual and organizational realities.

3. Leader Need to tell their Stories

Personal scenarios, anecdotes and case examples, because they offer valuable, often unforgettable insight, must be shared. Mentors who can talk about themselves and their experiences establish a rapport that makes them "learning leaders".

4. Development Matures over Time

Mentoring - when it works - taps into continuous learning that is not an event or even a string of discrete events. Rather, it is the synthesis of ongoing event, experiences, observation, studies and thoughtful analyses.

5. Mentoring is a Joint Venture

Successful mentoring means sharing responsibility for learning. Regardless of the facilities, the subject matter, the timing and all other variables. Successful mentoring begins with setting a contract for learning around which the mentor and their respective line managers are aligned.

Q25. Outline the process of Mentoring.

(OR)

Explain various steps involved in Mentoring.

Ans :

Implementation of mentoring program involves a series of activities that can be grouped into six categories namely, needs assessment, program design, identification and training of participants, pairing of participants, facilitating development, and evaluation.

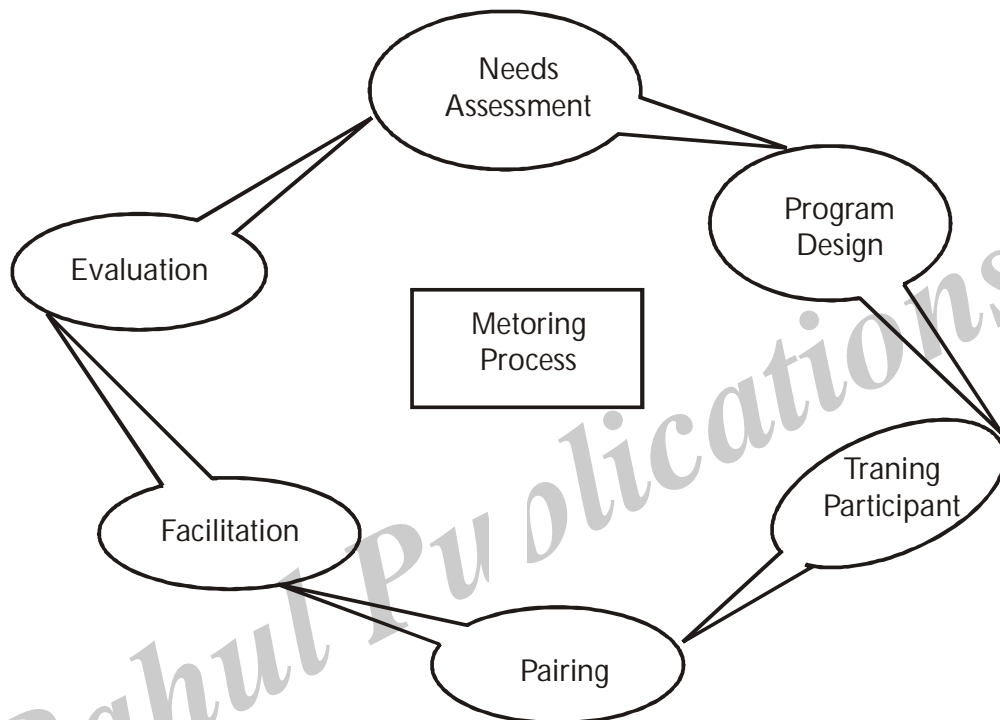


Fig.: Mentoring Process

The categories of the mentoring process are as follows:

1. Needs Assessment

In the needs assessment (or measurement) stage the HR department in consultation with line managers should research for finding out; whether mentoring is the right solution in their organizational context, if it is so, then who requires mentoring, how many people require this facility, should it be career mentoring or psycho-social mentoring, are there enough seniors eligible and willing to take-up mentoring work and whether such seniors need training. The information can be collected by talking to junior employees, their supervisors; seniors-level managers, and even CEOs. Alternatively, a half day seminar may be conducted to help employees understand the nature and significance of mentoring so that they can come out clearly with their needs.

2. Program Design

Once the needs are assessed, the HR department in consultation with line functionaries and if necessary, by availing services of outside consultants, should design the program. The basic objective of program design is to conduct the mentoring program in a systematic and time-bound manner. Designing involves answering important questions like the content, duration, timing, methodology, evaluation criteria, and cost involved.

3. Training participant

Once the prospective participants are identified and the program is designed, then the identified participants (mentors, proteges, and supervisors) should be trained in the mentoring approach. The training may involve initially a couple of lectures by experts to convey the meaning and significance of mentoring. But the major part of the training should be driven by role plays, case discussions, self-scoring instruments, and reading assignments. The duration of such programs may vary between half-day to three-days. Ideally, a classroom training approach should be used.

4. Pairing

After training the participants, the HR department in consultation with line functionaries, may either decide who should mentor whom or allow the participants to choose the mentor/protege of their own choice. In some cases, participants may not be in a position to find the mentor/protege on their own and in such cases, the HR department has to render assistance. In pairing the mentor and protege, certain important parameters have to be kept in mind, like matching of functional/behavioral expertise, gender, and other cultural issues, proximity of the participants and any other unique issues.

5. Facilitation

Facilitation essentially involves cooperation and support from the HR department and reporting officers/supervisors in conducting the mentoring activities. For example, the supervisor should allow the protege to go and meet the mentor, allow the protege to carry out the assignments given by the mentor, and encourage him to experiment and perform with confidence. In the same way, the HR department has to provide necessary resources like deputation to a new facility, nominating to a new training program or bringing coordination among supervisor, mentor, and the protege.

6. Evaluation

Anything that is not measured cannot be improved and HRD programs are not an exception to this principle. Evaluation refers to measuring the effectiveness of the mentoring program. Evaluation helps the organization to understand the effectiveness of the program as against the costs involved. Evaluation has to be done against the program objectives stated at the time of program design. Ideally, the objectives of the mentoring program are:

- (i) Career progression,
- (ii) Motivation and performance enhancement,
- (iii) Employee retention, and
- (iv) Leadership development.

A program can be said to be successful only to the extent of the objectives met.

Q26. Explain the Classification of Mentoring.

Ans :

Mentoring programs can be classified as:

1. Procedural Classifications

Mentoring programs can be classified based on how they are initiated, conducted, and concluded as formal mentoring (i.e., arranged by the company) and informal mentoring (i.e., naturally by the people themselves) which is called as procedural classification. These are classified as:

(i) Formal Mentoring

Formal mentoring relationships are typically assigned to one another by a program coordinator on the basis of application forms submitted by the potential mentor and protege. Mentors are selected on the basis of their competency, but this judgment is made by the program coordinator rather than the protege. Additionally, formal mentors may view their proteges as 'at risk performers' who enter the program because they needed remedial attention. In many cases, the mentor and protege do not even meet until after the match has been made. Thus, in contrast to an informal relationship, identification, role modeling, and interpersonal comfort do not play any useful

role in the development of formal relationships.

(ii) Informal Mentoring

Informal mentoring relationships develop on the basis of mutual identification and the fulfillment of career needs. Mentors select proteges who are viewed as younger versions of themselves and the relationship provide mentors with a sense of generativity or contribution to future generations. Proteges select mentors who are viewed as role models. This mutual identification leads to the often-cited intensity of the informal relationship and the parallels are drawn between mentoring and parent-child relationships. Informal mentoring relationships also develop on the basis of perceived competence under interpersonal c. fort. Mentors tend to select high performing proteges who are considered rising or even diamonds in the rough. Similarly, proteges select ment with desired expertise. There basically exists a mutual attraction of professionalism that sparks the development of the relationship. Informal relationships often evolve on the basis of mutual interests, job functions, and career paths. Informal mentors can sponsor their proteges into upwardly mobile positions, give them challenging assignments and offer them protection from adverse forces in the organization.

2. Purposive Classifications

Another approach to classification of mentoring programs is based on the purpose for which it is initiated like career mentoring (aimed at developing the career of the protege) and psycho-social mentoring (aimed at providing psycho-social support to the protege) which is called as purposive classification. These are classified as:

(i) Career Mentoring

Career-related mentoring and psycho-social mentoring differ in the magnitude of their relationship to various outcomes. For example, the behaviors associated with career mentoring are highly focused on preparing proteges for advancement (i.e., exposure and visibility, sponsorship, challenging

assignments, etc.). According to Kram, mentors can provide five specific career development functions - namely sponsoring promotions and lateral moves; coaching the protegee; protecting the protege from adverse forces; providing challenging assignments; and increasing the proteges exposure and visibility.

(ii) Psycho-Social Mentoring

Psycho-social mentoring (i.e., role modeling, acceptance and confirmation, and counseling) centers on enhancing proteges self-esteem, confidence, and identity. Given the more relational focus of psycho-social mentoring, it may relate to affective outcomes such as career and job satisfaction than does career mentoring. Proteges self-esteem, confidence and identity are likely to be enhanced under this type of mentoring. Behaviors associated with psycho-social mentoring such as role model in. Acceptance and confirmation, counseling and friendship were more highly related to satisfaction with the mentor than was with career mentoring. Psycho- social mentoring represents a deeper, more intense aspect of mentoring relationships the success of which depends upon the quality of relationship. For realizing the benefits of psycho-social mentoring, the relationships should mature into an emotional bond, since relational depth and intimacy are important markers of satisfying dyadic relationships.

3. Other Classifications

The other classification of mentoring includes following:

(i) One-to-One Mentoring

One-to-one mentoring places one mentor with one protege. At a minimum, the mentor and protege should meet regularly atleast four hours per month.

(ii) Group Mentoring

Group mentoring involves one adult mentor mentoring a group of upto four proteges. The mentor assumes the role of leader and makes a commitment to meet regularly with the group over a period of time.

(iii) Team Mentoring

Team mentoring involves several mentors working with small groups of proteges, with a mentor-to-protege ratio no greater than one to four.

(iv) Peer Mentoring

Peer mentoring involves employees in the same grade/scale mentoring their colleagues.

(v) E-Mentoring

E-mentoring connects mentors and proteges who are located in different places through communication technology.

Q27. What are the Functions of Mentoring?

Ans :

The mentoring process serves two main functions. These are:

1. Career-Related or Career Support Functions

These functions are largely work-related and enhance 'learning the ropes', career development, and advancement in the organization. The five career functions identified are:

- i) Sponsorship:** Taking an active interest in nominating a junior for promotion and other positions of responsibility.
- ii) Exposure and Visibility:** Providing opportunities and pairing the junior with key executives and assigning him/her to tasks that provide visibility in the organization.
- iii) Coaching:** Giving advice to proteges on how to achieve their objectives and gain recognition.
- iv) Protection:** Extending protection to the protege from potentially harmful situations and serious consequences when they make an error.
- v) Challenging Assignments:** Assigning the protege to challenging jobs and providing feedback to facilitate development of necessary competencies.

2. Psycho-Social or Emotional Support Functions

These functions provide emotional support, and enhance the protege's feelings of competence and identity. Four psychosocial functions are:

- i) Role Modeling:** Giving the protege a pattern of behavior, attitudes, and values to emulate.
- ii) Acceptance and Confirmation:** Encouraging the protege and providing mutual support.
- iii) Counseling:** Facilitating the protege in his/her working to enhance the self-image of the protege.
- iv) Friendship:** Interacting socially with the protege to gain mutual satisfaction.

Q28. What are the Benefits of Mentoring?

Ans :

The benefits of mentoring are as follows:

- 1. Benefits for the Mentee :** Mentoring offers following benefits to the mentee:
 - i) Improved self-confidence and self-esteem
 - ii) Increased motivation
 - iii) Broadening horizons and experience and
 - iv) Raised achievements and aspirations.
- 2. Benefits for the Mentor :** Mentoring offers following benefits to the mentor:
 - i) Immense satisfaction from helping another person grow
 - ii) Development of interpersonal and communication skills
 - iii) Increased self-awareness
- 3. Benefits for Organizations :** Mentoring offers following benefits to the organizations:
 - i) Development of staff skills, Instilling a feel good factor in staff
 - ii) Positive publicity
 - iii) Shared learning

Q29. What are the differences between coaching and mentoring?

(OR)

Compare and contrast coaching and mentoring.

(OR)

Distinguish between coaching and mentoring?

Ans :

(Feb.-16, Imp.)

Nature	Coaching	Mentoring
Context	Problems are related to the performance, work, and tasks.	Problems are linked with the personality, work and carrier.
Relationship	A coach can be a trainer and line manager.	Usually a senior (or) experienced employees of the company.
Expertise	It is not necessary the coach must be experienced in the area in which he is providing coaching.	Mentoring must have sufficient knowledge and experience for which he is mentoring the employee.
Approach	Coach has an approach to attaining new goals and work to find solution.	Mentors leads to bigger defectiveness, enable mentee to seek from the mentor's experience.
Meeting frequency	According to the set schedules.	Rely on the needs of the mentees.
Content and nature of meeting	Focus on attaining advancements and agreed goals	Possess informal discussion related to the carrier, personal and work issues.
Arrangement	Mostly when required objective and goals are achieved.	Provides long-term problems such as during carrier counseling.

5.6 PYGMALION EFFECT

Q30. Explain briefly about Pygmalion Effect.

Ans :

Meaning

The Pygmalion effect is a type of self-fulfilling prophecy (SFP) in which raising manager expectations regarding subordinate performance boosts subordinate performance. Managers who are led to expect more of their subordinates lead them to greater achievement. Programmatic research findings from field experiments are reviewed, and our present knowledge about the Pygmalion effect in the management of industrial, sales, and military organizations is summarized. A model is presented in which leadership is hypothesized to be the key mediator through which manager expectations influence subordinate self-efficacy, performance expectations, motivation, effort, and performance. The behaviors that comprise the Pygmalion Leadership Style are described. Besides creating the one-on-one Pygmalion effect, additional ways for managers to assert their leadership by creating productive organization wide SFP are suggested. An agenda for research on SFP applications is proposed.

With employees demonstrating low confidence or poor performance.

- In the face of any kind of change or proposed change, including changes in technology, equipment, procedures, plans, goals, etc.
- To ensure the success of new hires (use it to raise their expectations of the organization and current employees' expectations of the new hires).
- To clear the record of former "problem" employees (so that their past reputation doesn't perpetuate negative SFPs) when conducting any type of training.

5.7 JOB ANALYSIS

Q31. Define job analysis. Explain the nature of job analysis.

Ans :

Meaning

Manpower planning is concerned with determination of quantitative and qualitative requirements of manpower for the organization.

The quantitative aspect deals with determining the total number of people required to do the work. The kind or quality of people required to do the work comes under the qualitative aspect. Detailed knowledge of the nature and requirements of jobs to be filled is essential for determining the kind of personnel required. Such knowledge can be obtained through the process of job analysis.

Job analysis is a formal and detailed examination of jobs. It is a process of gathering information about a job. It tries to "reduce to words the things that people do in human work."

Job-analysis is a detailed and systematic study of jobs to know the nature and characteristics of the people to be employed on various jobs. It involves collection of necessary facts regarding jobs and their analysis. Some of the definitions of job-analysis are given here under to understand the meaning of the term more clearly.

Definitions

- (i) **According to Edwin B. Flippo**, "Job analysis is the process of studying and collecting information relating to the operations and responsibilities of specific job".
- (ii) **According to Michael J. Jucius**, "Job analysis refers to the process of gathering information about the operations, duties and organizational aspect of jobs in order to write-up specifications or as they are called by some job descriptions".
- (iii) **According to Donald**, "Job analysis is a method of scientifically dissecting a job in order to determine the component elements

and their influence upon the length of learning period of the worker, production and labor turnover".

- (iv) **According to Dale Yoder**, "Job analysis is the procedure by which the facts with respect to each job are systematically, discovered and noted. It is sometimes called 'Job study' suggesting the care with which tasks, processes, responsibilities and personnel requirements are investigated".

Nature

1. Systematic Way of Gathering and Analyzing Information about a Job

The most basic building block of HR management is job analysis which is a systematic way of gathering and analyzing information about the content, context, and human requirement of jobs. Using job analysis to document HR activities is important because the legal defensibility of an employer's recruiting and selection procedures, performance appraisal system, employee disciplinary actions, and pay practices rests in part on the foundation of job analysis.

2. Develop Jobs

Job design attempts to develop jobs that fit effectively into the flow of the organizational work that needs to be done. The narrow focus of job analysis centers on using a formal system to gather data about what people do in their jobs. This data is used to generate job descriptions and job specifications.

3. Identifies Job Factors and Duties

Various methods and sources of data can be used to conduct job analyses. The real value of job analysis begins as the information is compiled into job descriptions and job specifications for Use in virtually all HR activities. To justify HR actions as job related accurate details on job requirements are needed. To be effective, HR planning, recruiting, and selection all must be based on job requirements and the capabilities of individuals. Additionally, compensation, training, and employee performance

appraisals all should be based on the specific needs of the job. Job analysis is also useful in identifying job factors and duties that may contribute to workplace health and safety issues. Finally, job analysis plays a key role in employee/labor relations issues.

4. Redesigns Jobs

Job analysis involves collecting information on the characteristics of a job that differentiate it from other jobs. The information generated by job analysis may be useful in redesigning jobs, but its primary purpose is to capture a clear understanding of what is done on a job and what capabilities are needed to do it as designed.

Q32. Explain the purpose of job analysis.

Ans :

1. Human Resource Planning

Job analysis helps in forecasting human resource requirements in terms of knowledge and skills. By showing lateral and vertical relationships between jobs, it facilitates the formulation of a systematic promotion and transfer policy. It also helps in determining quality of human resources needed in an organization.

2. Recruitment

Job analysis is used to find out how and when to hire people for future job openings. An understanding of the skills needed and the positions that are vacant in future helps managers to plan and hire people in a systematic way.

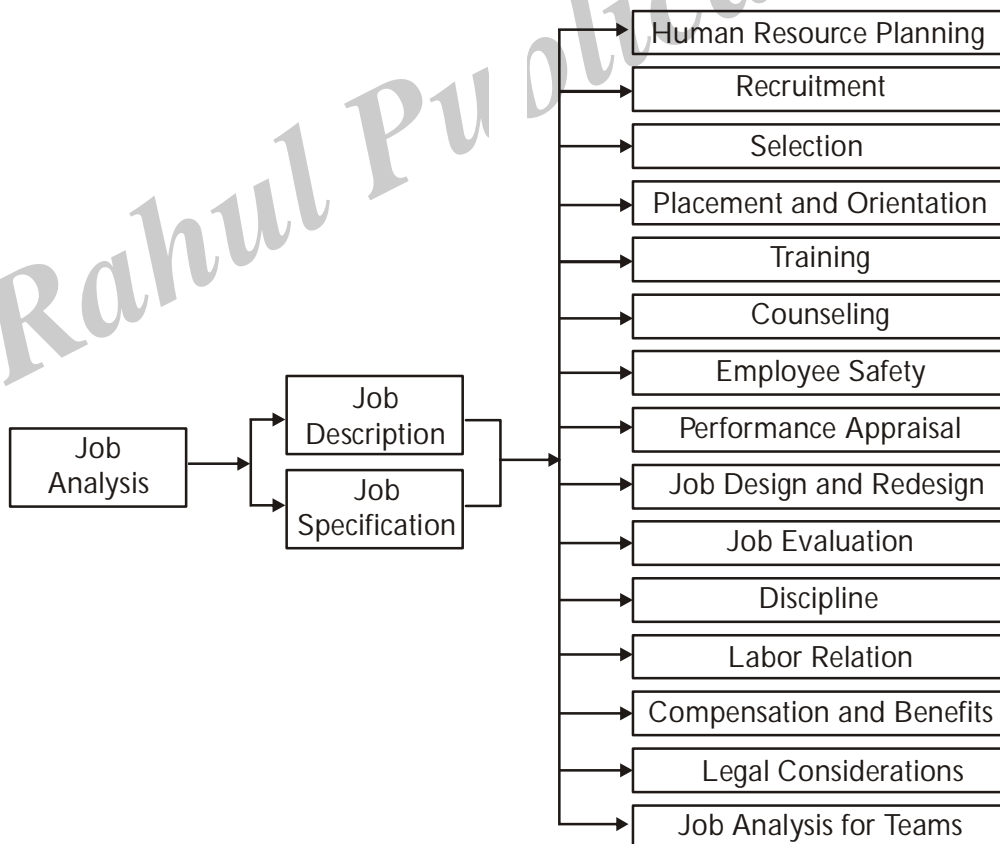


Fig. : Purposes of Job Analysis

3. Selection

Without a proper understanding of what is to be done on a job, it is not possible to select a right person.

For example, if a Super bazaar manager has not clearly identified what a clerk is to do, it is difficult to find if the person selected must be able to position stores items, run a cash register, or keep the account books.

4. Placement and Orientation

After selecting people, we have to place them on jobs best suited to their interests, activities and aptitude. If we are not sure about what needs to be done on a job, it is not possible to identify the right person suited for the job. Similarly, effective job orientation cannot be achieved without a proper understanding of the needs of each job. To teach a new employee how to handle a job, we have to clearly define the job.

5. Training

If there is any confusion about what the job is and what is supposed to be done, proper training efforts cannot be initiated. Whether or not a current or potential job holder requires additional training can be determined only after the specific needs of the jobs have been identified through a job analysis.

6. Counseling

Managers can properly counsel employees about their careers when they understand the different jobs in the organization. Likewise, employees can better appreciate their career options when they understand the specific needs of various other jobs. Job analysis can point out areas that an employee might need to develop to further a career.

7. Employee Safety

A thorough job analysis reveals unsafe conditions associated with a job. By studying how the various operations are taken up in a job, managers can find unsafe practices. This helps in rectifying things easily.

8. Performance Appraisal

By comparing what an employee is supposed to be doing (based on job analysis) to what the individual has actually done, the worth of that person can be assessed. Ultimately, every organization has to pay a fair remuneration to people based on their performance. To achieve this, it is necessary to compare what individuals should do (as per performance standards) with what they have, actually done (as per job analysis).

9. Job Design and Redesign

Once the jobs are understood properly, it is easy to locate weak spots and undertake remedial steps. We can eliminate unnecessary movements, simplify certain steps and improve the existing ones through continuous monitoring. In short, we can redesign jobs to match the mental make-up of employees.

10. Job Evaluation

Job analysis helps in finding the relative worth of a job, based on criteria such as degree of difficulty, type of work done, skills and knowledge needed, etc. This, in turn, assists in designing proper wage policies, with internal pay equity between jobs.

11. Discipline

Job analysis studies the failure of the workers to meet the required standard of performance. Corrective measures may be taken in time to avoid untoward situations. In this way, it helps in maintaining discipline in the organization.

12. Labor Relations

Job analysis will be helpful in improving labor management relations. It can also be used to resolve disputes and grievances relating to work load, work procedures, etc.

13. Compensation and Benefits

In the area of compensation, it is helpful to know the relative value of a particular job to the company before a dollar value is placed on it. From an internal perspective, the more significant its duties and responsibilities, the more the job is worth. Jobs that require

greater knowledge, skills, and abilities should be worth more to the firm.

14. Legal Considerations

A proper prepared job analysis is particularly important for supporting the legality of employment practices. In fact, the importance of job analysis is well documented in the Uniform Guidelines on Employee Selection Procedures. Job analysis data are needed to defend decisions involving promotion, transfers, and demotions, e.g., job analysis provides the basis for tying the functional areas together and the foundation for developing a sound human resource program.

15. Job Analysis for Teams

Historically, companies have established permanent jobs and filled these jobs with people who best fit the job description. The jobs then continued in effect for years to come.

Q33. Outline the process of job analysis.

(OR)

Examine critically the steps in the job analysis process.

Ans : (Aug.-17)

1. Determination of uses of Job Analysis

Initially, job analysis was used primarily for recruitment and selection. As the complexity of managing human resources increased, the scope of the use of job analysis also increased covering many more areas. Therefore, before undertaking the actual procedure of job analysis, the organization should define the uses of job analysis.

2. Strategic Choices in Job Analysis

With regard to job analysis, an organization is required to make at least five choices:

- i) **Employee Involvement :** Job analysis involves collecting job-related information - duties, responsibilities, skills and knowledge required to perform the jobs. Employees are often asked to

supply vital information about the contents of job; given their familiarity with it.

- ii) **Level of Details :** The level of analysis may vary from detailed, as in time and motion studies, to broad as in analyzing jobs based on general duties. The level of analysis affects the nature of the data collected.

- iii) **When and How Often:** Another strategic choice relates to the timing and frequency of conducting job analysis. Job-analysis is generally conducted when:

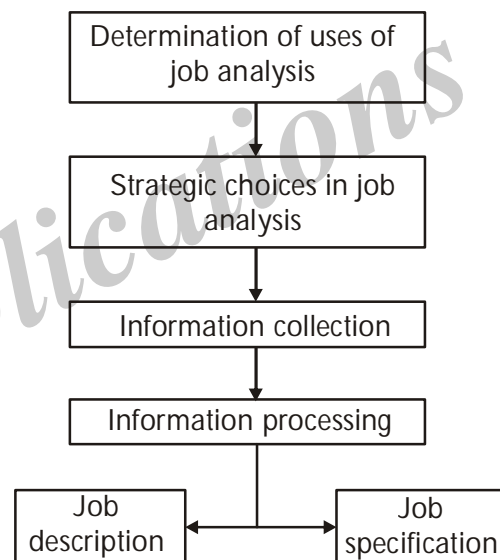


Fig. : Job analysis Process

- (a) An organization is newly established and the job-analysis is initiated for the first time;
- (b) A new job is created in an established company;
- (c) A job is changed significantly due to change in technology, methods, procedures or systems;
- (d) The organization is contemplating a new remuneration plan; or
- (e) The employees or managers feel that there exist certain inequities between job demands and the remuneration it carries.

- iv) **Past-Oriented versus Future-Oriented** : If an organization is changing rapidly due to fast growth or technological change, a more future-oriented approach to job-analysis may be desired. Traditional job-analysis information describes how the job has been done in the past and the manner in which it is being currently done. If necessary, a future orientation can be given to the job-analysis and predictions may be made as to how the job will be done in future and the way it should be done. This will allow firms to begin hiring and training people for these jobs prior to the actual change.
- v) **Source of Job Data** : Although the most direct source of information about a job is the job holder, a number of other human and non-human sources are available table. These sources may provide information which an average job holder cannot, thereby enabling the job analyst to question the job holder more effectively.

Non-Human Sources	Human Sources
Existing job descriptions and specifications	Job analysts
Equipment maintenance records	Job incumbents
Equipment design blueprints	Supervisors
Architectural blueprints of work area	Job experts
Films of employees working	
Training manuals and other job training materials	
Popular literature such as magazines and newspapers	

Table.: Sources of Job Data

3. Information Collection

This step involves decisions on three issues, viz;

- i) **Types of Job Analysis Information** : Considerable information is needed for the successful accomplishment of job analysis. The job analyst identifies the job's actual duties and responsibilities and gathers the other types of data shown below:

Types of Data Collected In Job Analysis

- a) Work Activities,
 - b) Worker-Oriented Activities,
 - c) Machines, Tools, Equipment and Work Aids Used,
 - d) Job-Related Tangibles and Intangibles,
 - e) Work Performance,
 - f) Job Context,
 - g) Personal Requirements for the Job.
- ii) **Persons Involved in Information Collection**: There are three categories of persons who may be involved in information collection:
- a) Trained job analysts,
 - b) Superiors, and
 - c) Job holders.

iii) Methods for Data Collection:

Following methods may be used to collect information for job analysis:

- a) Questionnaire,
- b) Checklist,
- c) Interview,
- d) Observation,
- e) Participation,
- f) Technical Conference,
- g) Self-Recording of Diary,
- h) Critical Incident.

4) Information Processing

Once the job information has been collected, it needs to be processed, so that it would be useful in various personnel functions. Specifically, job-related data would be useful to prepare job description and job specification.

Different job analysis methods yield different outputs or products; however, the most common outputs of job analysis are 'job descriptions' and 'job specifications'.

5. Outputs of Job Analysis

Job analysis is the process of obtaining information about requirements of tasks and human attributes needed to meet those requirements. The immediate outputs of job analysis are job description and job specification. Job analysis is central to human resource management system and the data generated through this process can be utilized for all personnel functions. The methods of data collection for job analysis include job performance, observation, interview, critical incidents and standardized questionnaires.

Q34. What are the Objectives of Job Analysis?

Ans :

Job analysis is a process which determines the duties and skill requirements of a job. Hence, it indicates what activities and accountability the job entails. Following are the main objectives or purposes of job analysis:

1. Job Description

Job description is a job profile which describes the contents, environment and condition of jobs. It is prepared on the basis of data collected through job analysis. It provides information relating to activities and duties to be performed in a job. It differentiates one job from another by introducing unique characteristics of each job.

2. Job Specification

Job specification is another notable objective of job analysis. It includes the information relating to the requirements of skills and abilities to perform a specific task. It states the minimum acceptable qualifications that an incumbent must possess to perform the assigned duty successfully. The job specification statement identifies the knowledge, skills, abilities needed to perform that task effectively.

3. Job Evaluation

Job analysis also provides required information which are necessary for evaluating the worthiness of jobs. After the preparation of job description and job specification statements, it assists for the evaluation of actual performance against the predetermined standard. Then the deviation (if any) is found out that has taken place during the course of action. Moreover, it helps to establish the value of different jobs in a hierarchical order which allows to compare jobs one from another.

Q35. State the problems involved in job analysis.

Ans :

1. Lack of Support from Top Management

In most cases the support from top management is missing. They refuse to appropriately describe what an employee is supposed to do in the company creating confusion in the minds of employees. The top management should make it clear to all employees that their full and honest participation is extremely important for the process.

2. Single Method

All too often, job analyst relies on only one of the methods when a combination of two or more methods might provide a better idea.

3. Lack of Training/Motivation

Job holders are a great source of information about the job, but they are not trained or motivated to generate quality data for job analysis, further, job holders are rarely made aware of the importance of the data and are never rewarded for providing accurate data.

4. Distortion of Activities

When training or preparedness does not exist, job holders tend to submit distorted data, either intentionally or inadvertently.

Q36. Explain the usefulness of job analysis.**(OR)**

Enumerate the uses of job analysis in Human Resource Management.

Ans : (June-18)

The following points show the importance of job analysis to an organization,

- (i) Job analysis helps an organization to select the right people who are suitable for both job and organizational culture.
- (ii) It helps the organization to work efficiently while maintaining growth and innovation.
- (iii) It also permits the firms to develop good selection systems, effective training development programs, compensation and talent management system etc.
- (iv) In case, if an organization is legally challenged, then the court would check whether the job analysis was done properly or not. Therefore, the organizations need to act proactively to reduce the legal challenges.
- (v) Job analysis facilitates the organizations in determining the desired knowledge, skill sets, abilities and other important characteristics of individuals.

5.8 HIGH PERFORMANCE WORK TEAMS

Q37. Define High performance work teams. Explain the characteristics of high performance teams.

Ans : (May-19, Dec.-19)

Meaning

A "High-performance work team" refers to a group. An organization committed to high performance continually searches for new knowledge and innovative approaches for dealing with increasingly complex challenges. Today's competitive business environment demands increased productivity, better quality, shortened response time, and lower costs. Many organizations have achieved success by replacing the hierarchical boss-subordinate relationship with teams. In a team environment, people are not managed, controlled, or supervised. They are led by their mutual vision of the organization's purpose and goals. Teams outperform individuals acting alone, especially when performance requires multiple skills, judgements, and experience.

Characteristics**1. Team Purpose, Goals and Roles**

High-performing teams are synergistic social entities that work toward the achievement of a common goal or goals-short term and long term. They often exemplify a total commitment to the work and to each other. Team members do better work when their roles are clear: They know how to do their jobs and why they are doing them. Each member must understand and support the meaning and value of the team's mission and vision. Clarifying the purpose and tying it to each person's role and responsibilities enhances team potential, as does the inclusion of "stretch" goals that increase the challenge necessary to motivate team members.

2. Talent, Skills and Work Ethic

High-performance teams begin by recruiting and retaining their best talent while quickly helping low-performing members find other places to work. Morale typically increases as

performance increases. After selecting for talent, it is critical to ensure that the team members possess complementary skills (e.g., technical, problem-solving, decision-making and interpersonal skills). Team members must exhibit a sustained commitment to performance excellence, exercise candor and mutual respect, and hold themselves and their organizations accountable at both the individual and team levels.

3. Incentives, Motivation and Efficacy

Both monetary and nonmonetary systems that encourage high performance have a positive impact on tactical implementation of the team's goals. Over the long term, intrinsic motivators such as personal satisfaction at work and working on interesting projects provide the greatest impact on performance. In addition, a belief in one's self and abilities encourages people to take more strategic risks to achieve team goals.

4. Leadership

High-performing leaders generally accompany high-performance work teams. Essential leadership qualities include the ability to

- a) Keep the purpose, goals and approach relevant and meaningful.
- b) Build commitment and confidence.
- c) Ensure that team members constantly enhance their skills.
- d) Manage relationships from the outside with a focus on the removal of obstacles that might hinder group performance.
- e) Provide opportunities for others without seeking credit.
- f) Get in the trenches and do the real work required. There is widespread agreement that effective team leaders focus on purpose, goals, relationships and an unwavering commitment to results that benefit the organization and each individual.

5. Conflict and Communication

Conflict management is an essential part of becoming a high-performance team. Open communication in such teams means a focus on coaching instead of on directing and a focus on the ability to immediately address issues openly and candidly. The key to team performance is open lines of communication at all times to provide motivation, maintain interest and promote cooperation.

6. Power and Empowerment

Empowered work teams increase ownership, provide an opportunity to develop new skills, boost interest in the project and facilitate decision-making. Researchers refer to the ideal situation as being "loose-tight," such that specific decision-making boundaries are constructed with enough room for individuals to make empowered choices.

7. Norms and Standards

Like rules that govern group behavior, norms can be helpful in improving team development and performance. Norms for high-performance teams include open lines of communication, early resolution of conflict, regular evaluation of both individual and team performance, high levels of respect among members, a cohesive and supportive team environment, a strong work ethic that focuses on results, and shared recognition of team successes. The key is that high-performing teams actually discuss and agree to their operating rules-standards that each team member agrees to uphold and for which they hold each other accountable.

5.8.1 Steps for Building High Performance Work Teams

Q38. Outline the process for Steps for Building High Performance Work Teams.

Ans :

(May-19, Dec.-18)

The various steps involved in building and leading high performance team are as follows,

1. Building Commitment

A high performance organization and culture can only be established when the business leader takes up a challenge which requires high commitment and performance from people. Commitment of people is very important to achieve the outcome. People adopt new perspectives, work practices and skills as their past experiences are not sufficient to direct them through the effort.

2. Make People Stakeholders

Break through performance cannot be achieved through individual team members alone. It rather requires people to be motivated towards a clear seemingly impossible challenge. Thus, people should be given with a challenge for high performance when the people observe that their high performance is beneficial to themselves and also to organization, they become stakeholders who are committed towards the success of business.

3. Risks and Results

Besides skills, knowledge and abilities, people need to have their commitment towards building a high-performance team. Focussing on a right challenge is more important than forming a right team. Instead of avoiding setbacks and overcoming organizational resistance, the organization should strive to embrace difficulties and motivate its people to work on a pursuit of results.

The focus should be laid on human factor for high performance. A group of people committed towards a goal is a critical component in organization. The organization and individuals must be able to clearly see the benefit for which they worked.

4. Completing the Job

It is not easy to achieve high performance. High performance does not always involve hard work, it also requires establishing new ways of working and achieving results. The new approach requires dealing with uncertainty and predictability. One has to look beyond the current assumptions of

business to produce a team of high performance.

5. Getting the Team

It is often observed that new capabilities emerge in the midst of resistance and in delays or breakdowns. A situation in which the current performance lacks committed goals is referred to as breakdown. The breakdowns may occur accidentally or deliberately. If these breakdowns are not dealt immediately, they may become a greater risk in the long-run. The organizations move forward in dramatic ways when its leaders and teams take on challenges and risks. When confronted with challenges, people are forced to see things from different perspectives and create the results which were impossible before.

Q39. Explain the points to be considered to build and lead high performance teams.

Ans :

The various important points to be considered to build and lead high performance teams are,

1. Emphasize more on Challenges

To create a high-performance team, it is essential to put together a high-performance challenge.

2. Start with One Person/Leader

It can start with a single leader who acts as a facilitator of a challenge which can completely transform the culture and future of organization.

3. Seize Breakdowns and Accept Resistance

Generally, an organization has a culture that avoids risk and predicts the reward. The change in culture is only possible through accepting difficulties and challenges to achieve outcomes.

4. People Prefer to be a Part of Winning Team

People want to be in winning team when the things start happening.

5. It is not a One-time Event

When the high-performance teams are built, they not only achieve near-term wins but also the returns in long-term. The new capabilities of an organization will continue to facilitate in long-term.

5.9 REWARD PRACTICES IN WORLD-CLASS ORGANIZATIONS

Q40. Explain the Reward Practices in World-Class Organizations.

(OR)

State the Rewards Practice in world.

Ans : (Oct.-20, May-19, Dec.-18)

Reward practices play an important role in motivating employees to perform. Some reward practices are more effective than others in influencing performance most researchers agree that reward practices logically serve as motivators in shaping the behavior of employees and motivating them to perform at higher levels, and the use of proper rewards can culminate in improved firm performance at the organizational level.

1. Google

The rewards provided in Google company are perks which include free food, massages for relaxation purpose, a flexible work schedule and off site trips to places like Hawaii and Vegas. The environment of the company is so good that one do not want to leave the campus.

2. Costco

Employees praise the benefits provided by the company which include great health and dental insurance plan, paid vacation, 401 k, paid sick time and paid holidays for part time and full time employees. In addition to this, pay is competitive which increases according to the number of hours worked and the employees will receive bonuses twice a year once they hit top pay.

3. Adobe

The rewards provided in adobe company are almost similar to other top companies. The company offers pet insurance. Facilities are great, as vacation policy of adobe provides 28 days of vacation.

4. Salesforce. Com

The company provides perks which include stocked kitchens, trips to Hawaii and gym reimbursement. The employees in this company also receive a payment for 48 hours of volunteer work in the community.

5. Intuit

Intuit provides benefits which include days for non-profit work, flexible work schedule and on-site amenities.

6. Epic Systems

The employees in this organization have high salaries and have fantastic benefits like weekend travel, hotel and airline points. The companies provide health insurance plans and the work environment of the company is relaxed and beautiful.

7. Chevron

The chevron company will pay 75% of any degree or training that the employees want to persure. The company culture is friendly and genuine.

Short Question and Answers

1. Define Bench Marking.

Ans :

Meaning

Benchmarking is the process of identifying "best practice" in relation to both products (including) and the processes by which those products are created and delivered. The search for "best practice" can take place both inside a particular industry, and also in other industries.

Benchmarking involves looking outward (outside a particular business, organization, industry, region or country) to examine how others achieve their performance levels and to understand the processes they use. In this way benchmarking helps explain the processes behind excellent performance. When the lessons learnt from a benchmarking exercise are applied appropriately, they facilitate improved performance in critical functions within an organization or in key areas of the business environment.

2. What are the objectives of bench marking ?

Ans :

- (i) To identify the activities of the company where improvement is needed.
- (ii) To provide quality services to their customers.
- (iii) To assist companies in change management and help in accelerating their growth of business.
- (iv) To help the companies in attaining outstanding performances.
- (v) To enhance satisfaction levels of their customers.

3. What are the four levels of bench marking ?

Ans :

(a) World-class Benchmarking

It is an achievement oriented benchmarking where in a company identifies the processes and

practices of other best-in-class companies for setting them as a benchmark and make efforts to reach or exceed those benchmarks.

(b) Internal Benchmarking

Internal benchmarking is the simplest method of benchmarking wherein one division or branch of the organization selects other division or branch of the same organization for the purpose of benchmarking. The required information is available easily and legal complications with respect to maintenance of confidentiality and secrecy are reduced to a large extent.

(c) Non-competitive Benchmarking

Non-competitive benchmarking is the process of gathering knowledge and information about the processes and practices in which a company desires to improve through benchmarking. This method involves,

- (i) Knowing about similar processes of other industry.
- (ii) Knowing about similar processes of the same industry.
- (iii) Knowing about dissimilar processes of other industry.

Non-competitive benchmarking helps in identifying some innovative processes which can be implemented in the company without much difficulty.

(d) Competitive Benchmarking

In competitive benchmarking, the performances and practices of world-class companies are evaluated for setting these performances as standards against which a benchmarking company compares itself. The practices identified are executed in the company for enhancing its future performance levels. In this type of benchmarking, it's very difficult to gather information about the secrets of the competitors. So, a third party consulting firm is appointed by a company who gathers such type of information by conducting a confidential survey of all the competitors.

4. State the features of Six Sigma.*Ans :*

1. Six sigma aims at continuous improvement by reducing the cost of production and increasing customer satisfaction and return on investment.
2. One of the features of six sigma is to produce the output defectless (or) error free,
3. It ensures quality products.
4. Six-sigma's philosophy is "Do it right the first time and every time".
5. Its principles are applies in manufacturing and service industries.
6. It is a statistical process control technique applied to gain complete confidence in the company's product and services and also the management.
7. It is helpful to solve problems in an organized manner.

5. Define competency.*Ans :***Meaning**

A competency can be defined as a specific, identifiable, definable, and measurable knowledge, skill, ability, and/or other deployment-related characteristic (e.g., attitude, behavior, physical ability) which a human resource may possess and which is necessary for, or material to, the performance of an activity within a specific business context".

Characteristics

There are five types of competency characteristics motives, traits, self-concept, knowledge, and skills. Of these, motives, traits, and self-concept are invisible whereas knowledge and skills are visible. These are described hereunder:

1. Motives

Things a person constantly thinks about or wants, which result in actions.

2. Traits

Physical characteristics and consistent responses to situations or information.

3. Self-Concept

A person's attitudes, values, or self-image.

4. Knowledge

Information that a person has in specific content areas.

5. Skills

The ability to perform a certain mental or physical task.

6. Define competency mapping.*Ans :***Meaning**

Competency mapping is a process of determining the key competencies that need to be possessed by the person of a particular job position.

Definitions

- (i) Competency mapping is a process of identifying key competencies for an organization and/or a job and incorporating those competencies through the various processes (i.e. job evaluation, training, recruitment, career and succession planning) of the organization.
- (ii) **According to Dhar** "Competency mapping is the process of identifying key competencies for an organization and the jobs and functions within it".
- (iii) **According to Garrette** "Competency mapping is a process an individual uses to identify and describe competencies that are the most critical to success in a work situation or work role".
- (iv) **According to Nedunchezian and Prabhakar** "Competency mapping is the process of identifying key competencies for a particular position in an organization and then using it for job evaluation, recruitment, training and development, performance management, succession planning which results in talent induction, management development appraisals, and in identifying training needs".
- (v) **According to Boyatzis (1982)** "A capacity that exists in a person that leads to behavior that meets the job demands within parameters of organizational environment, and that, in turn brings about desired results"

7. Define Coaching.*Ans :***Meaning**

Coaching is a method of strengthening communication between you and the employee, and can be used during check-in sessions. Coaching helps to shape performance and increase the likelihood that the employee's results will meet your expectations. Coaching sessions provide you and the employee the opportunity to discuss progress toward meeting mutually established standards and objectives.

A coaching session focuses on one or two aspects of performance, rather than the total review that takes place in a performance appraisal.

Effective coaching depends not only on the skills of the coach and the receptiveness of the person being coached, but also on the conditions outlined above being present (clarity about success criteria, usable feedback, etc.) in the work setting. At the same time, when managers start to coach, if they are working effectively there is a better chance of the surrounding conditions being improved. Coaching conversations may lead to increased clarity about job expectations, for instance, and may provide regular feedback and the opportunity to think through standards and criteria for success. There is a close two-way relationship between effective coaching initiatives and a favourable learning climate, each enhancing the other.

8. Define Mentoring.*Ans :*

Mentoring is a process that develops among two individuals who assess each other's issues and provide the best solution to cover the problems and to enhance performance by continuously watch and gives feedback on the work. A mentor can use several scale and styles to support growth, provide feedback, source of information, provide opportunities, personal development and find a pattern to follow and to reach to the organizations. The cooperation is the main component of mentoring that must prevail among the mentor and his mentee.

9. What are the Benefits of Mentoring?*Ans :*

The benefits of mentoring are as follows:

1. **Benefits for the Mentee :** Mentoring offers following benefits to the mentee:
 - i) Improved self-confidence and self-esteem
 - ii) Increased motivation
 - iii) Broadening horizons and experience and
 - iv) Raised achievements and aspirations.
2. **Benefits for the Mentor :** Mentoring offers following benefits to the mentor:
 - i) Immense satisfaction from helping another person grow
 - ii) Development of interpersonal and communication skills
 - iii) Increased self-awareness
3. **Benefits for Organizations :** Mentoring offers following benefits to the organizations:
 - i) Development of staff skills, Instilling a feel good factor in staff
 - ii) Positive publicity
 - iii) Shared learning

10. Pygmalion Effect.*Ans :***Meaning**

The Pygmalion effect is a type of self-fulfilling prophecy (SFP) in which raising manager expectations regarding subordinate performance boosts subordinate performance. Managers who are led to expect more of their subordinates lead them to greater achievement. Programmatic research findings from field experiments are reviewed, and our present knowledge about the Pygmalion effect in the management of industrial, sales, and military organizations is summarized. A model is presented in which leadership is hypothesized to be the key mediator through which manager expectations influence subordinate self-efficacy, performance expectations, motivation, effort, and performance. The behaviors that comprise the Pygmalion Leadership Style are described. Besides creating the one-on-one Pygmalion effect, additional ways for

managers to assert their leadership by creating productive organization wide SFP are suggested. An agenda for research on SFP applications is proposed.

With employees demonstrating low confidence or poor performance.

- In the face of any kind of change or proposed change, including changes in technology, equipment, procedures, plans, goals, etc.
- To ensure the success of new hires (use it to raise their expectations of the organization and current employees' expectations of the new hires).
- To clear the record of former "problem" employees (so that their past reputation doesn't perpetuate negative SFPs) when conducting any type of training.

11. Define job analysis.

Ans :

Meaning

Manpower planning is concerned with determination of quantitative and qualitative requirements of manpower for the organization.

The quantitative aspect deals with determining the total number of people required to do the work. The kind or quality of people required to do the work comes under the qualitative aspect. Detailed knowledge of the nature and requirements of jobs to be filled is essential for determining the kind of personnel required. Such knowledge can be obtained through the process of job analysis.

Job analysis is a formal and detailed examination of jobs. It is a process of gathering information about a job. It tries to "reduce to words the things that people do in human work."

Job-analysis is a detailed and systematic study of jobs to know the nature and characteristics of the people to be employed on various jobs. It involves collection of necessary facts regarding jobs and their analysis. Some of the definitions of job-analysis are given here under to understand the meaning of the term more clearly.

Definitions

- (i) **According to Edwin B. Flippo**, "Job analysis is the process of studying and collecting information relating to the operations and responsibilities of specific job".

- (ii) **According to Michael J. Jucius**, "Job analysis refers to the process of gathering information about the operations, duties and organizational aspect of jobs in order to write-up specifications or as they are called by some job descriptions".

12. Define High performance work teams.

Ans :

Meaning

A "High-performance work team" refers to a group. An organization committed to high performance continually searches for new knowledge and innovative approaches for dealing with increasingly complex challenges. Today's competitive business environment demands increased productivity, better quality, shortened response time, and lower costs. Many organizations have achieved success by replacing the hierarchical boss-subordinate relationship with teams. In a team environment, people are not managed, controlled, or supervised. They are led by their mutual vision of the organization's purpose and goals. Teams outperform individuals acting alone, especially when performance requires multiple skills, judgements, and experience.

13. Balanced Scorecard.

Ans :

Balanced Scorecard is a performance based metric which companies used for strategic management. It improves the internal functions and external results of the business.

The strategic management and planning system used by organization is known as balanced scorecard (BSC).

Purpose

The balance scorecard is often used for purpose such as :

- To communicate well about what the organization wants to accomplish
- To align the daily work of employees with organizational strategy
- To prioritize on product, project and services level
- To monitor and measure the progress of organization towards the strategic goals

Internal Assessment (Mid Examinations)

The pattern of Mid Exams or Continuous Internal Evaluation (CIE) prescribed by the JNTU-H as per the Regulations 2019 (R19) for all the semesters is as follows,

- There would be two Mid Exams or Continuous Internal Evaluation (CIE) for each semester,
 - The **Ist Mid Term Examinations** would be conducted during the Middle of the Semester.
 - The **IInd Mid Term Examinations** during the last week of instructions.
- The Mid Exam I and II would have the same pattern of question paper which would carry **25 Marks** each and the time duration for conducting each Mid exam would be 120 min.
- The pattern of Mid Exam Question Paper would consist of two parts i.e., **Part-A** and **Part-B**.
 - **Part-A** consist of 5 compulsory questions each carries 2 marks (i.e $5 \times 2 = 10$ marks).
 - **Part-B** consist of 5 questions out of which 3 questions should be answered, each question carries 5 marks (i.e $5 \times 3 = 15$ marks).
- The average of the two Mid exams will be added with the 75 marks of External end examination which equals to 100 marks (i.e $25 + 75 = 100$).

UNIT - I

Part - A

1. Define Performance Planning. (Refer Unit-I, SQA-5)
2. Significance of Performance Management. (Refer Unit-I, SQA-4)
3. Performance Mentoring (Refer Unit-I, SQA-9)
4. Define performance appraisal. (Refer Unit-I, SQA-8)
5. Define Strategic Planning. (Refer Unit-I, SQA-10)
6. Explain the importance of Performance Planning. (Refer Unit-I, SQA-7)

Part - B

1. Explain the characteristics of Performance Management. (Refer Unit-I, Q.No.2)
2. Explain the objectives of performance management. (Refer Unit-I, Q.No.3)
3. Explain the various types of organizational structures and its impact on performance management. (Refer Unit-I, Q.No.9)
4. Explain the various steps involved in Performance Management. (Refer Unit-I, Q.No.10)

5. What are the differences between performance management and performance appraisal? (Refer Unit-I, Q.No.24)
6. Define Strategic Planning. Explain the purpose of Strategic Planning. (Refer Unit-I, Q.No.30)

UNIT - II**Part - A**

1. Metrics. (Refer Unit-II, SQA-6)
2. Critical Success Factors. (Refer Unit-II, SQA-7)
3. Task Performance and Contextual Performance. (Refer Unit-II, SQA-10)
4. Define job description. (Refer Unit-II, SQA-1)
5. Explain briefly about key performance indicators(KPI). (Refer Unit-II, SQA-8)

Part - B

1. Define job description ? What are the characteristics of good job description ? (Refer Unit-II, Q.No.1)
2. Define Performance. Explain the determinants of Performance. (Refer Unit-II, Q.No.3)
3. What are the various Approaches to measure performance? (Refer Unit-II, Q.No.5)
4. Describe how performance can be evaluated when result approach is used. (Refer Unit-II, Q.No.6)
5. Define Appraisal Form. What are the components of Appraisal Form? (Refer Unit-II, Q.No.10)
6. Explain the classification of metrics. (Refer Unit-II, Q.No.15)

UNIT - III**Part - A**

1. Define coaching. (Refer Unit-III, SQA-4)
2. Define Feedback. (Refer Unit-III, SQA-6)
3. What is Performance Review Meetings? (Refer Unit-III, SQA-8)
4. What is performance appraisal. (Refer Unit-III, SQA-9)
5. Trait-Focused Performance Appraisal. (Refer Unit-III, SQA-10)

Part - B

1. Describe the role that the direct supervisor plays in the design and implementation of a development plan. (Refer Unit-III, Q.No.5)
2. What do you mean by 360 Degree Feedback System? (Refer Unit-III, Q.No.6)
3. Explain the advantages and dis-advantages of 360 degree feedback system. (Refer Unit-III, Q.No.7)
4. Elaborately mention the various skills of performance management. (Refer Unit-III, Q.No.11)
5. Explain in detail the various coaching styles. (Refer Unit-III, Q.No.17)
6. Define Feedback. Explain the purposes behind providing a feedback. (Refer Unit-III, Q.No.19)
7. Elaborate the framework of Performance Management Framework. (Refer Unit-III, Q.No.26)

UNIT - IV**Part - A**

1. Define Reward System. (Refer Unit-IV, SQA-1)
2. Traditional Reward system. (Refer Unit-IV, SQA-2)
3. Pay Structures. (Refer Unit-IV, SQA-5)
4. Define job Evaluation. (Refer Unit-IV, SQA-6)
5. Grading Method. (Refer Unit-IV, SQA-7)
6. Point Method. (Refer Unit-IV, SQA-9)

Part - B

1. Differentiate traditional and contingent pay plan. (Refer Unit-IV, Q.No.5)
2. Discuss how employee performance will improve by reward system. (Refer Unit-IV, Q.No.6)
3. What are the various reasons for Introducing Contingent Pay Plan? (Refer Unit-IV, Q.No.7)
4. How to select a contingent pay plan? (Refer Unit-IV, Q.No.9)
5. Describe the various legal principles in the implementation of performance management systems. (Refer Unit-IV, Q.No.18)

UNIT - V**Part - A**

1. Define Bench Marking. (Refer Unit-V, SQA-1)
2. State the features of Six Sigma. (Refer Unit-V, SQA-4)
3. Define competency. (Refer Unit-V, SQA-5)
4. Pygmalion Effect. (Refer Unit-V, SQA-10)
5. Define job analysis. (Refer Unit-V, SQA-11)
6. Define High performance work teams. (Refer Unit-V, SQA-12)

Part - B

1. What are the four levels of bench marking? (Refer Unit-V, Q.No.5)
2. What is Six Sigma? State the features of Six Sigma. (Refer Unit-V, Q.No.6)
3. Define competency. Explain the characteristics of competency. (Refer Unit-V, Q.No.11)
4. List out the various competency Pay Plans used in organization to improves employee performance with suitable examples. (Refer Unit-V, Q.No.17)
5. Define Balanced Scorecard. Explain purpose of Balanced Scorecard. (Refer Unit-V, Q.No.18)
6. Explain how does balanced scorecard work in maintaining Performance In Organization. (Refer Unit-V, Q.No.20)
7. What are the differences between coaching and mentoring? (Refer Unit-V, Q.No.29)
8. Explain the Reward Practices in World-Class Organizations. (Refer Unit-V, Q.No.40)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination

October / November - 2020

R 17

PERFORMANCE MANAGEMENT SYSTEMS

Time : 2 Hours]

[Max. Marks : 75

Note: Answer any **FIVE** questions
All question carry equal marks

ANSWERS

1. Discuss the importance of performance planning. Explain how can performance planning be linked to performance mentoring. (Unit-I, Q.No. 13, 29)
2. Explain different types of organization structures and impact on performance management. (Unit-I, Q.No. 9)
3. What are performance metrics ? Explain the types of metrics in detail. (Unit-II, Q.No. 14, 15)
4. What are performance metrics ? Explain how job description helps in performance enhancement. (Unit-II, Q.No. 1, 2)
5. Explain in detail the organizations sole facilitating employee's performance and brief on performance management frame work. (Unit-III, Q.No. 34, 26)
6. Evaluate the role of HR professionals in performance management. (Unit-III, Q.No. 32)
7. List out the various competency pay plan used in organization to improve employee performance with suitable example. (Unit-V, Q.No. 5)
8. Explain how does balanced scorecard work in maintaining performance in organization and state the reward practices in world. (Unit-V, Q.No. 7, 11)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination

R17

December - 2019

PERFORMANCE MANAGEMENT SYSTEMS

Time : 3 Hours]

[Max. Marks : 75

Note: This question paper contains two parts A and B.**Part A** is compulsory which carries 25 marks. Answer all questions in Part A.**Part B** consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)

ANSWERS

(Short Answer Questions)

1. (a) Explain the objectives of performance appraisal. (Unit-I, SQA-12)
- (b) What corrective measures are needed if performance is deviated? Explain. (Unit-II, SQA-10)
- (c) Explain the role of performance management framework. (Unit-III, SQA-13)
- (d) Discuss the reasons for choosing contingency plan. (Unit-IV, Q.No. 7)
- (e) Write short notes on Benchmarking. (Unit-V, SQA-1)

PART - B (5 × 10 = 50 Marks)

(Essay Type Questions)

2. Discuss the nature and scope of performance management. (Unit-I, Q.No. 2, 4)

OR

3. Define performance management. Explain the steps involved in performance management process. (Unit-I, Q.No. 1, 10)
4. Write short notes on :
 - (a) Job description. (Unit-II, Q.No. 1)
 - (b) Types of metrics. (Unit-II, Q.No. 15)

OR

5. What are critical success factors? Explain how they affect the performance of employees. (Unit-II, Q.No. 16)
6. Discuss in detail the role of HR Professionals in performance management. (Unit-III, Q.No. 32)

OR

7. Discuss the various techniques used to assess the employee performance.

Ans :

Broadly all the approaches can be classified into

- a) Past oriented methods
- b) Future oriented methods

A) Past Oriented Methods

- 1) **Rating Scales :** This is the simplest method. The rating scale system consists of several numerical scales, each representing a job related performance criteria such as dependability, initiative output, attendance attitude, cooperation and the hike. Each scale ranges from excellent to poor. The rater checks the appropriate performance level on each criterion and computes the total score.
- 2) **Check List :** Under this method a check list of statements on the traits of the employee and his job is prepared in two columns. Via: "Yes" or "No". If the answer is positive tick Yes otherwise No. HR department assigns certain weight age points to Yes. Depending on the number of Yes the total score is arrived at.
- 3) **Forced Choice Method :** Rater is given a series of statements. These are arranged in block of two or more, and the rater indicates which statement is most or least descriptive of the employee. The rater is expected to select the statements that describe the rates; Actual assessment is done by HR department. The approach is known as forced choice method because the rater is forced to select statements which are ready made.
- 4) **Forced Distribution Method :** One of the errors in rating is leniency. Clustering large number of employee around a high point on the rating scale. The forced distribution method seeks to overcome the problem by compelling the rate to distribute the rate on all points on the scale.
- 5) **Critical Incidents Methods :** This method attempts to measure workers performance in terms of certain events or incidents that occur in the method is that the performance of the employee on the happening of critical incidents determines his failure or success. The superior keeps record of critical incidents at different times and these rates him on the basis.
- 6) **Behaviourally Anchored Rating Scales (BARS):** A behaviorally Anchored rating scale combines the benefits of critical incidents and graphic rating scales by anchoring a scale with specific behavioral examples of good a poor performance.

Developing BARS typically requires 5 steps :

- i) **Generate critical incidents:** Persons who know the job being appraised are asked to describe critical incidents.
 - ii) **Develop performance Dimen-sion :** These people then cluster the incidents in to a smaller set of performance dimensions. Each Cluster or dimension is defined.
 - iii) **Reallocate incidents:** Another group of people who also know the job then reallocate the original critical incidents. They are given the cluster's definitions and the critical incidents and are asked to reassign each incident to the cluster they think it fits best. Typically a critical incident is retained if some percentage of this second group assigns it to same cluster as did the first group.
 - iv) **Scale the incidents:** The second group is generally asked to rate the behavior describe in the incident as how effectively or ineffectively it represents performance on the appropriate dimension.
- 7) **Performance Tests and Observations:** Employee assessment may be based upon a test of knowledge or skills. The test may be paper- pencil method or demonstrative.
 - 8) **Confidential Reports:** Confidential reports for each employee are maintained covering various traits such as attendance, communication, leadership, job knowledge, ability to understand all reason, pure is speed of work, integrity etc. Each of these traits is rated on a 1 to 10 scale.
 - 9) **Essay Method:** In this method the rater describes the employee with certain categories such as overall impression, promotability, jobs that are handled strength & weakness, assessment of training needs etc.

The essay method depends on memory power, writing skills, capacity to give useful information of the rater.

- 10) Cost Accounting Method:** This method evaluates the monetary returns the employee gets to his company. Performance is based on cost benefit analysis.
- 11) Comparative Evaluation Approach:** This approach compares one worker's performance with his coworkers. The usual comparative forms used in this kind of evaluation are the ranking method and the paired comparison method.
- **Ranking Method:** In this the superior ranks his subordinates in the order of their merit, starting from best to worst. This method is subject to the halo and regency effects.
 - **Paired Comparison Method:** The rater compares each employee with every other employee one at a time. After completion of comparison the results can be tabulated and a rank is created from the number of times each person is considered to be superior.

B) Future Oriented Methods

- 1) Management by Objectives:** performance review is made based on agreed targets and achieved results. The review is conducted by employee, immediate superior, next superior etc.
- Targets vs. achieved
 - Significant contributions
 - Appraisal of critical attributes
 - Areas of strength and weakness
 - Potential areas of Growth
 - Training requirements
- 2) Assessment centers:** An assessment centre is a central location where managers come together to have their participation in job related exercises evaluated by trained observers. Mostly for executive hiring, assessment centers are now being used for evaluating executive or supervisory potential. The characteristics assessed in a typical assessment centre include assertiveness, persuasive ability, communicating skills, planning and organisational ability, self confidence, energy levels, decision making, sensitive to others feelings, creativity mental alertness etc. this method is highly expensive and subjective in nature. Sometimes the competition becomes unhealthy.
- 3) 360°Feed Back:** The 360°degree technique is a systematic collection of performance data on all individual or group derived from a number of stake holders. The stake holders are: immediate superiors, team members, customers, peers and self. Any one who has useful information on how an employee does the job may be one of the appraisers.

The 360 degree is useful and effective in identifying and measuring interpersonal skills, customer satisfaction and team building skills. This technique is time consuming and costly.

- 4) Psychological Appraisals:** Large organisations employ full time industrial psychologists. They normally assess future potential and not past performance. They assess all individual's performance based on in depth interviews, discussions with supervisors, psychological tests. The psychologist then writes an evaluation of the employees intellectual emotional, motivational and other related characteristics that suggest individual potential and may predict future performance. This approach is slow and costly.

8. What is contingency pay plan ? Explain the various problems associated with contingency pay plan. (Unit-IV, Q.No. 3, 8)

OR

9. Discuss how legal principles affect performance management. (Unit-IV, Q.No. 18)
10. Explain how coaching helps in performance improvement. (Unit-V, Q.No. 22)

Ans. :

(i) Concurrent Coaching

Concurrent coaching is a type of coaching which instantly solves the problems related with the performance of the employees under the guidance of their supervisor. The problems related to the performance can be identified by analysing their day-to-day performance. While analysing the performance, superior must identify, both the potential as well as the prospective problems which employees are facing. It is not easy for the employee to use ready made solutions or use their sense to solve such problems because they are not having the adequate experience when compared to the supervisor.

The supervisor consults the employees and analyses the problems of employees with which they are struggling in their day-to-day operations. Then the supervisor instantly helps the employees in solving their problems and also in the formulation of resolution mechanisms.

(ii) Development Coaching

Under this type of coaching, the employees are nurtured further, so as to perform their jobs far more effectively. Even though employees are able to reach the set standards, but still the management wants to increase the performance standards of their employees. This can be done by encouraging them to actively take part in experiments, innovations and also by setting higher targets for the employees with which both the quality and productivity of the organisation could be improved. In the process of developmental coaching, the supervisor explores the hidden talent among the employees and develops it for the betterment of the individuals as well as the organisation. Both mentoring and developmental coaching serves the same purpose, however both differ in their nature as the supervisor administers the coaching programme whereas, the senior employee conducts the mentoring programme.

(iii) Performance Improvement Coaching

This type of coaching builds a strong relationship between the supervisor and the employee. This approach is used when there performance gap in the employees job performance and when there exists scope for improving their performance.

In such case, the supervisor provides coaching to those employees. Both the coach and the coached discusses the issues and identify the solution to the problems which must be mutually agreed by both the participants. After appraising the employee's performance, the supervisor delivers feed back on their improvement. He also provides help and assistance whenever employees need them.

OR

11. Write short notes on
- (a) High performance work teams (Unit-V, Q.No. 37)
- (b) Competency mapping (Unit-V, Q.No. 11)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination

R17

April / May - 2019

PERFORMANCE MANAGEMENT SYSTEMS

Time : 3 Hours]

[Max. Marks : 75

Note: This question paper contains two parts A and B.**Part A** is compulsory which carries 25 marks. Answer all questions in Part A.**Part B** consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)
(Short Answer Questions)**ANSWERS**

1. (a) Performance Planning (Unit-I, SQA-13)
- (b) Job Description in Standardization of Work (Unit-II, SQA-1)
- (c) Modes of Employee Development

Ans :

- (i) **On Job Training:** On job training is given by co-workers to the employee. A detail training course is designed and training hours are decided on daily basis.
- (ii) **Courses:** Organizations may provide either in-house course structure, online course structure or out of the house course structure.
- (iii) **Self Training:** Employees can train themselves by reading books and studying through other resources.
- (iv) **Mentoring:** Organization provides mentors (qualified seniors) to its employees through which they can learn targeted skills. The process of mentoring involves one to one relationship between senior and junior employees.

-
- (d) Broadbanding (Unit-IV, SQA-10)
 - (e) Balance Scorecard (Unit-V, SQA-13)

PART - B (5 × 10 = 50 Marks)
(Essay Type Questions)

2. Define the term 'Performance Management' and Explain its scope and advantages. (Unit-I, Q.No. 1, 4, 6)

OR

3. Write briefly about :
 - (a) Performance management strategic planning. (Unit-I, Q.No. 30)
 - (b) Performance mentoring. (Unit-I, Q.No. 25)

4. What do you mean by metrics? Explain different types of Metrics. (Unit-II, Q.No. 14, 15)

OR

5. Discuss the measurement approaches used for measuring performance results and behaviorus. (Unit-II, Q.No. 5)

6. Write briefly about,
(a) Performance management framework. (Unit-III, Q.No. 26)
(b) Employee assessment system. (Unit-III, Q.No. 28)

OR

7. Explain the role of HR manager in performance management. (Unit-III, Q.No. 32)
8. Explain the legal principles affecting performance management. (Unit-IV, Q.No. 18)

OR

9. What do you mean by 'Contingent Pay Plan'? Explain the steps involved in selecting a contingent pay plan. (Unit-IV, Q.No. 3, 9)
10. What are high performance work teams? Explain the steps to be followed in building them. (Unit-V, Q.No. 37, 38)

OR

11. Discuss about the reward practices being followed by World-class business units. (Unit-V, Q.No. 40)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination

R17

December - 2018

PERFORMANCE MANAGEMENT SYSTEMS

Time : 3 Hours]

[Max. Marks : 75

Note: This question paper contains two parts A and B.**Part A** is compulsory which carries 25 marks. Answer all questions in Part A.**Part B** consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)

ANSWERS

(Short Answer Questions)

1. (a) Discuss the scope and advantages of performance management. (Unit-I, Q.No. 4, 6)
- (b) How to choose a measurement approach to measure performance? (Unit-II, Q.No. 5)
- (c) What are the PM skills ? (Unit-III, SQA-3)
- (d) What is Broadbanding? (Unit-IV, SQA-10)
- (e) What is Benchmarking? (Unit-V, SQA-1)

PART - B (5 × 10 = 50 Marks)

(Essay Type Questions)

2. Explain in detail performance planning and appraisal. (Unit-I, Q.No. 11, 17)

OR

3. Discuss the operational problems of PM process.

Ans.:(i) **Project**

A project is a process which emphasizes on making a product like producing a movie or building a house. Major issues for any project based organization include ensuring that the project is carried out in a given time, within the budget and satisfying the requirements of customers. Generally, committed project teams control the projects.

Generally, a project is divided into modules which are further divided into activities. A series of each module or activity will be shown in the network diagram of the project either as a CPM/PERT chart. With the help of CPM/PERT chart, the performance management of the project is carried out which shows the starting and ending time of each module/ activity. Attempts are made to finish each and every module in the first time.

(ii) **Job Shop**

Job shop process is to produce low size customized products, for instance, made-to-order furniture. Satisfying customer deadlines, customer specifications and avoiding cost overruns are the major success factors for a job shop organization which are same as project based organizations.

The project based organization considers different customers for each project and the job-shop organization considers multiple customers at the same time.

However, job shop is different from project-based organization because in job shop the organization guides multiple jobs or orders where as in project based organization the project teams emphasis only on single project.

(iii) Batch Process

Batch process is a process which directed towards products produced in lots, groups or batches. Production of speciality chemicals, medicines, dyes, bakery products and so on are some of the examples of batch process.

There is a trade-off between the variety which are produced by job shop and the cost efficiencies possible through mass production.

Although, job shop and batch process has similar objectives a batch process - based organization consider certain critical success factors from both the continuous flow based organization and the job-shop based organizations. Usually, batch production unit has two important concerns which are as follows,

- (a) Getting the batch ready for processing.
- (b) Avoiding any unplanned shutdown of the process once processing is underway.

(iv) Assembly Line

An assembly line is a process where the product which is being assembled will pass from operation to operation where every station adds work of previous stations, till the completion of product. Assembly line organizations are suitable for mass production and they are highly automated, use special - purpose equipment and have standardized output. Production of motor vehicles and electronic goods are the examples of assembly line.

-
- | | | |
|-----------|--|----------------------|
| 4. | How to gather information in PM? | (Unit-II, Q.No. 9) |
| OR | | |
| 5. | What are the types of metrics ? Explain. | (Unit-II, Q.No. 15) |
| 6. | Discuss about PM framework. | (Unit-III, Q.No. 26) |
| OR | | |
| 7. | Explain the role of HR professionals in PM. | (Unit-III, Q.No. 32) |
| 8. | Discuss the reasons for introducing contingent pay plan. | (Unit-IV, Q.No. 7) |
| OR | | |
| 9. | What are the legal principles affecting PM? Explain. | (Unit-IV, Q.No. 18) |
| 10. | Explain the steps in building high performance work teams. | (Unit-V, Q.No. 38) |
| OR | | |
| 11. | What are the reward practices in world class organizations? Explain. | (Unit-V, Q.No. 40) |

Note: This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A.

Part B consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)
(Short Questions and Answers)

ANSWERS

- | | |
|---|--------------------|
| 1. (a) Define Performance Planning. | (Unit-I, SQA- 5) |
| (b) Metrics. | (Unit-II, SQA- 6) |
| (c) What is 360 Degree Feedback? | (Unit-III, SQA- 1) |
| (d) State the pitfalls of job evaluation. | (Unit-IV, SQA- 11) |
| (e) Define High performance work teams. | (Unit-V, SQA- 12) |

PART - B (5 × 10 = 50 Marks)
(Essay Type Questions)

2. Define Performance Management. What are the advantages of performance management?

(Unit-I, Q.No. 1,6)

(OR)

3. What are the differences between performance management and performance appraisal?

(Unit-I, Q.No. 24)

4. Define job description ? What are the characteristics of good job description ?

(Unit-II, Q.No. 1)

(OR)

5. Define competency. Explain different types of competencies. Discuss the relationship between competency and its indicators.

(Unit-II, Q.No. 7)

6. Explain in detail the various coaching styles.

(Unit-III, Q.No. 17)

(OR)

7. Elaborate the framework of Performance Management Framework. (Unit-III, Q.No. 26)

8. Define Reward System. Explain the characteristics of Reward System. (Unit-IV, Q.No. 1)

(OR)

9. Define job Evaluation. What are the objectives of job evaluation? (Unit-IV, Q.No. 11)

10. Explain the role of human resource in six sigma. (Unit-V, Q.No. 8)

(OR)

11. Explain the various Approaches to competency Mapping. (Unit-V, Q.No. 15)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination**R19****Model Paper - II****PERFORMANCE MANAGEMENT SYSTEMS**

Time : 3 Hours]

[Max. Marks : 75

Note: This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A.

Part B consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)
(Short Questions and Answers)**ANSWERS**

- | | |
|---|--------------------|
| 1. (a) What are the objectives of Performance Management? | (Unit-I, SQA- 2) |
| (b) What are the characteristics of appraisal form? | (Unit-II, SQA- 5) |
| (c) Define coaching. | (Unit-III, SQA- 4) |
| (d) Point Method. | (Unit-IV, SQA- 9) |
| (e) Define competency mapping. | (Unit-V, SQA- 6) |

PART - B (5 × 10 = 50 Marks)
(Essay Type Questions)

2. Explain the various types of organizational structures and its impact on performance management.

(Unit-I, Q.No. 9)**(OR)**

- | | |
|--|--------------------|
| 3. Define Strategic Planning. Explain the purpose of Strategic Planning. | (Unit-I, Q.No. 30) |
| 4. Define Performance. Explain the determinants of Performance. | (Unit-II, Q.No. 3) |

(OR)

- | | |
|---|---------------------|
| 5. Explain the classification of metrics. | (Unit-II, Q.No. 15) |
| 6. What do you mean by 360 Degree Feedback System? Explain the advantages and dis-advantages of 360 degree feedback system. | |

(Unit-III, Q.No. 6,7)**(OR)**

7. Define coaching. Describe the major functions of coaching. (Unit-III, Q.No. 12)

8. Discuss how employee performance will improve by reward system. (Unit-IV, Q.No. 6)

(OR)

9. How to select a contingent pay plan? (Unit-IV, Q.No. 9)

10. Define Mentoring. Outline the process of Mentoring. (Unit-V, Q.No. 23, 25)

(OR)

11. Outline the process of job analysis. (Unit-V, Q.No. 33)

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERBAD

M.B.A III - Semester Examination**R19****Model Paper - III****PERFORMANCE MANAGEMENT SYSTEMS**

Time : 3 Hours]

[Max. Marks : 75

Note: This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A.

Part B consists of 5 Units. Answer any one full question from each unit.

Each question carries 10 marks and may have a, b, c as sub questions.

PART - A (5 × 5 = 25 Marks)
(Short Questions and Answers)

ANSWERS

- | | | |
|----|--|--------------------|
| 1. | (a) What are the objectives of Performance Planning? | (Unit-I, SQA- 6) |
| | (b) Define job description ? | (Unit-II, SQA- 1) |
| | (c) What are the different types of feedback? | (Unit-III, SQA- 7) |
| | (d) Define job Evaluation. | (Unit-IV, SQA- 6) |
| | (e) What are the objectives of bench marking ? | (Unit-V, SQA- 2) |

PART - B (5 × 10 = 50 Marks)
(Essay Type Questions)

- | | | |
|------|--|-----------------------|
| 2. | Explain the various steps involved in Performance Management. | (Unit-I, Q.No. 10) |
| (OR) | | |
| 3. | Define performance appraisal.Explain the Process of Performance Appraisal System. | (Unit-I, Q.No. 17,21) |
| 4. | Explain briefly about Ownership and Responsibility. | (Unit-II, Q.No. 19) |
| (OR) | | |
| 5. | What are the various Approaches to measure performance? | (Unit-II, Q.No. 5) |
| 6. | Describe briefly about disciplinary process and termination. What are the pitfalls that are to be avoided. | (Unit-III, Q.No. 22) |

(OR)

7. Explain the role of HR Professionals in improving organizational performance.

(Unit-III, Q.No. 32)

8. What are the various quantitative and non quantitative methods of job evaluation.

(Unit-IV, Q.No. 13)

(OR)

9. What are the Problems Associated with Contingent Pay Plans?

(Unit-IV, Q.No. 8)

10. Define High performance work teams. Explain the characteristics of high performance teams.

(Unit-V, Q.No. 37)

(OR)

11. Explain the Reward Practices in World- Class Organizations.

(Unit-V, Q.No. 40)