



Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) – 201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19) END TERM EXAMINATION (TERM V)

Subject Name: **Performance Management and Competency Mapping**
Sub. Code: **PGH-03**

Time: **02.00 hrs**
Max Marks: **45**

Note:

1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.
2. All questions are compulsory in Section A, B & C. Section A carries 2 Case Studies of 10 marks each, Section B carries 2 questions of 7.5 marks each and Section C carries 5 questions 2 marks each.

SECTION - A

10×02 = 20 Marks

Q. 1: Performance Appraisal Case Study

In early times, Forced Ranking Method was one of the major trends in performance evaluation. Companies like Ford, GE, Microsoft, Sun Microsystems, and Conoco were among the 33 percent of U.S. companies that were ranking their employees from best to worst and then using those rankings to determine pay, identify employees for firing, and make other human resource decisions.

These forced rankings, or what have derisively been called "rank and yank" by its critics, was created because many top executives had become frustrated 'by managers who rated all their employees "above average." In addition, executives wanted a system that would increase the organization's competitiveness-one that would reward the very best performers and encourage poor performers to leave.

For instance, all 18,000 of Ford Motor's managers underwent this process. These managers were divided into groups of 30 to 50, then rated. For each group, 10 percent had to get an A, 80 percent a B and 10 percent a C. Anyone receiving a C was restricted from a pay raise and two consecutive years of a C rating resulted in either a demotion or termination.

The most well-known "rank and yank" program is GE's "20-70-10 plan." The company forces the heads of each of its divisions to review all managers and professional employees, and to identify their top 20 percent, middle 70 percent and bottom 10 percent. GE then does everything possible to keep and reward its top performers and fires all bottom-group performers. The company's former CEO stated, "A company that bets its future on its people must remove the lower 10 percent, and keep removing it every year – always raising the bar of performance and increasing the quality of its leadership."

These forced rankings grew in popularity because they were seen as a way to continually improve an organization's workforce and to reward those who are most deserving. But many companies that adopted the system have recently dropped it.

Questions:

- i. Do you feel giving forced rankings to employees was a good idea? What are the advantages and disadvantages of this system? Discuss.
- ii. Suggest how competency mapping and other contemporary methods are better than Forced Choice Method of Ranking?

Q. 2: Case Study:

Avon Electronics Corporation Ltd. recently diversified its activities and started producing computers. It employed personnel at the lower level and middle level. It has received several applications for the post of Commercial Manager - Computer Division. It could not decide upon the suitability of the candidate to the position, but did find that Mr Prakash is more qualified for the position than other candidates. The Corporation has created a new post below the cadre of General Manager i.e., Joint General Manager and asked Mr Prakash to join the Corporation as Joint General Manager. Mr Prakash agreed to it viewing that he will be considered for General Manager's position based on his performance. Mr Anand, the Deputy General Manager of the Corporation and one of the candidates for General Manager's position was annoyed with the Management's practice. But, he wanted to show his performance record to the management at the next appraisal meeting. The management of the Corporation asked Mr Sastry, General Manager of Televisions Division to be the General Manager incharge of Computer Division for some time, until a new General Manager is appointed. Mr Sastry wanted to switch over to Computer Division in view of the prospects, prestige and recognition of the position among the top management of the Corporation. He viewed this assignment as a chance to prove his performance.

The Corporation has the system of appraisal of the superior's performance by the subordinates. The performance of the Deputy General Manager, Joint General Manager and General Manager has to be appraised by the same group of the subordinates. Mr Anand and Mr Sastry know very well about the system and its operation, whereas Mr Prakash is a stranger to the system as well as its modus operandi. Mr Sastry and Mr Anand were competing with each other in convincing their subordinates about their performance and used all sorts of techniques for pleasing them like promising them a wage hike, transfers to the job of their interest, promotion etc. However these two officers functioned in collaboration with a view to pull down Mr Prakash. They openly told their subordinates that a stranger should not occupy the chair. They created several groups among employees like pro-Anand's group, pro-Sastry's group, Anti-Prakash and Sastry group, Anti-Anand and Prakash group.

Mr Prakash has been watching the proceedings calmly and keeping the top management in touch with all these developments. However, Mr Prakash has been quite work-conscious and top management found his performance under such a political atmosphere to be satisfactory. Prakash's pleasing manners and way of maintaining human relations with different levels of employees did, however, prevent the emergence of an anti-Prakash wave in the company. But in view of the political atmosphere within the company, there is no strong pro-Prakash's group either.

Management administered the performance appraisal technique and the subordinates appraised the performance of all these three managers. In the end, surprisingly, the workers assigned the following overall scores. Prakash: 560 points, Sastry: 420 points; and Anand: 260 points.

Questions:

- i. How do you evaluate the worker's appraisal in this case?
- ii. Do you suggest any techniques to avert politics creeping into the process of performance appraisal by subordinates? Or do you suggest the measure of dispensing with such appraisal systems?

SECTION - B

7.5×02 = 15 Marks

Q. 3: Vijay is employed as the marketing manager of a growing FMCG organization. You are invited as a competency manager (i) to map competency profile of Vijay and (ii) match his competency profile with competency framework of marketing manager job. Develop the competency map and framework of Vijay.

Q. 4: Assume you are the CEO of a company that employs a huge number of industrial workers who are below graduate level and who possess the technical job-specific skills. Your organization is highly technology driven and requires everyone to perform well, keeping pace with the machine cycle time. Any below the standard performer can create a total mess in the assembly line production system, as the job remains in each work station for a specific period of time. On the expiry of time schedule, the job reaches to next workstation, even if it is not fully completed in the earlier workstation. In assembly-line production system, we cannot back track a job; as a result when the job travels through different work stations with incomplete workmanship, the end product fails to conform to the required quality and is rejected.

- i. As CEO, design an appraisal format and develop performance review system for your organization.
- ii. Suggest which review process you deem fit and why?

SECTION - C

02×05 = 10 Marks

Q. 5 (A): Describe the concept, importance and sequential process of performance counseling?

Q. 5 (B): Prepare KRA'S, KPA'S and KPI's for the General Manager –Marketing of a Private Bank.

Q. 5 (C): What are the important steps involved in introducing the competency based performance management system in an organization?

Q. 5 (D): Even if they try to be objective, managers can't help but discriminate on the basis of race, sex, age, and other illegal considerations. Isn't performance appraisal actually a very biased process? What are the biases that might creep into evaluation because of the rater?

Q. 5 (E): Explain the Lancaster Model of Managerial Competencies?