

PGDM 2018-20
Managing People and Performance in Organizations
DM-424
Trimester –IV, End-Term Examination: September 2019

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered	3*10	30
B	Compulsory Case Study with of 2 questions	2*10	20
			50

SECTION A

(10 marks * 3 questions) = 30 Marks

A1a (CILO 1) Define Performance Appraisal, Potential Appraisal and Performance Management. What are the environmental factors affecting performance appraisal.

OR

A1b (CILO 1) Explain why the following statement is often true, "The Achilles' heels of the entire evaluation process is the appraisal interview itself."

A2a (CILO 2) What aspects of a person's performance should an organization evaluate? Explain the characteristics of an effective appraisal system.

OR

A2b (CILO 2) Briefly describe each of the following methods of performance appraisal:

- (a) Rating Scales (b) Critical Incidents (c) Forced Distribution
(d) Essay (e) Behaviourally Anchored Rating Scales (BARS)

A3a (CILO 3) What is "360 degree feedback"? What advantages might it have over more traditional performance appraisal systems that use only downward feedback? What are some of the potential problems that could occur in using a 360 degree feedback system?

OR

A3b (CILO 3) It is said that performance appraisal has potential errors. What are those and what can be done to overcome them?

SECTION B – CASE STUDY
(10 marks * 2 questions = 20 Marks)
(Combination of CILO 1, 2 & 3)

As the production supervisor for Sweeny Electronics, Mike Mahoney was generally well regarded by most of his subordinates. Mike was an easy going individual who tried to help his employees in any way he could. If a worker needed a small loan until payday, he would dig into his pocket with no questions asked. Should an employee need some time off to attend to a personal problem, Mike would not dock the individual's pay; rather he would take up the slack himself till the worker returned.

Everything had been going smoothly at least until the performance appraisal period. One of the Mike's workers, Bill Overstreet, had been experiencing a large number of personal problems for the past years. Bill's wife had been sick much of the times. And her medical expenses were high. Bill's son had a speech impediment and the doctors had recommended a special clinic. Bill, who had already borrowed the limit the bank would loan, had become upset and despondent over his general circumstances.

When it was time for Bill's annual performance appraisal, Mike decided he was going to do as much as possible to help him. Although Bill could not be considered more than an average worker, Mike rated him outstanding in virtually every category. Because the firm's compensation system was heavily tied to the performance appraisal, Bill would be eligible for a merit increase of 10 percent in addition to a regular cost of living raise.

Mike explained to him why he was giving him such high ratings, and Bill acknowledged that his performance had really been no better than average. Bill was very grateful and explained this to Mike. As Bill left the office, he was excitedly looking forward to tell his friends about what a wonderful boss he had. Seeing Bill smile as he left gave Mike a warm feeling.

- 1) From Sweeny Electronics' standpoint, what difficulties might Mike Mahoney's performance appraisal practices create?
- 2) What can Mike do now to diminish the negative impact of his evaluation of Bill?