



PG – 721

III Semester M.B.A. (Day and Eve.) Examination, June/July 2024  
(CBCS) (2022-23)  
MANAGEMENT

3.5.3 : Performance Management Systems

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following. **Each** question carries **five** marks. (5×5=25)

1. Describe the performance management prism.
2. Write a note on team performance management.
3. Discuss guidelines on appraising expatriates performance.
4. Why has performance linked reward management attracted increased attention in the recent years ?
5. Performance Management System is a key to competitive advantage of an organization. Justify the statement with examples.
6. Write short notes on Benchmarking.
7. Discuss competency based performance management system.

SECTION – B

Answer **any three** of the following. **Each** question carries **ten** marks. (10×3=30)

8. Explain several key skills to manage the performance of employees.
9. Compare and contrast performance management and performance appraisal.
10. What do you understand by pay for performance ? Explain different types of performance linked reward.
11. What is high performance team ? Explain its characteristics and strategies for building and leading high performance team.

P.T.O.



## 12. Case Study (Compulsory) :

(1×15=15)

Berkely Investments is a reputed finance company having 15 branches in different parts of the country. In the home office there are more than 200 employees. The company has a performance rating under which the employees are rated at six months intervals by a committee of two executives. Graphic scales have been used as means of appraisal. The qualities considered are responsibility, dependability, initiative, interest in work leadership potential, cooperative attitude and community activity. After the performance is evaluated the ratings are discussed with the concerned employees by their immediate boss and are used to counsel them, to influence promotions and salary adjustments and as a criteria for arranging further training for them.

Recently, three employees of the company called on the company's president to express their dissatisfaction with the ratings they had received. Their scores and composite ratings had been discussed with them. Because their ratings were comparatively low, they had been denied annual increments in salary. Approximately, two thirds of all employees received such increments. The aggrieved employees argued that their ratings did not accurately represent their qualification or performance. They insisted that 'community activity' was not actually a part of their job and that what they do off the job is none of the company's business. They expressed their opinion that employees should organize a union and insist that salary increases be automatic.

The threat of a union caused concern to the officers of the company. This particular experience convinced top officers that ratings may represent a serious hazard to satisfactory relationship with employees. Even the chief executive feels that performance appraisal is a dangerous source of friction and its hazards outweigh its values so it should be discontinued altogether.

**Questions :**

- a) How far do you agree with the management that performance appraisal should be discontinued ?
- b) If you were the HR manager, how would you tackle the situation ?
- c) What modifications would you suggest in the performance appraisal system of the company ?