

**Analysis of Performance Management Problems and Countermeasures of Dongfeng Motor Corporation**

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| **Student**  **Name** | **:** | **Mingchen Wang** |
| **Student No** | **:** | **2230025907** |
| **Program** | **:** | **Introduction to Management** |
| **Supervisor** | **:** | **Professor Kaizhou Gao** |

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*Abstract*

With the development of The Times, the competition between enterprises is increasingly strengthened. At the present stage, the competition for enterprises is not only limited to the competition of performance, but also includes the competition of manpower. Performance management is an important part of human resources. Good performance management can improve employees' sense of identity. This paper analyzes the current situation of performance management of Dongfeng Motor Corporation Co., Ltd. represented by state-owned small and medium-sized enterprises and its existing problems, and puts forward its own suggestions in view of relevant problems. Hope to promote the development of enterprises.

*Keywords: Performance management; Small and medium-sized state-owned enterprises; Dongfeng Motor Corporation; suggestion*

1. Introduction

Performance management is of great significance to the business and its role is equivalent to that of a bridge. Its role is to transform the results of the enterprise's operation into the enterprise's income. And it can unify the personal goals of employees with the goals of the enterprise. But the actual situation is often not as expected, many of China's current state-owned enterprises lack of innovation, rigid management system, do not know how to adapt, poor management efficiency. This leads to the role of performance management is not strong, so that the staff's satisfaction with the enterprise decreased, which in turn makes the overall efficiency of the enterprise reduced.

Dongfeng Motor Corporation (DFM), headquartered in Shiyan City, Hubei Province, was founded in 1969, its predecessor was the “Second Automobile Manufacturing Plant”, which was renamed as Dongfeng Motor in 1992. It is a mega automobile enterprise under the direct control of the central government.

Its current total assets are 325.6 billion, with about 1.6 billion employees. The group has designed a variety of businesses, involving various models, including commercial vehicles, passenger cars, and in recent years, new energy vehicles. In just a few years, it has expanded its business and established sales platforms in the Middle East, Eastern Europe, and West Asia.

The management of the DFM is characterized by the following 2 difficulties:

1. *Higher administrative influence*

In China's economic system, state-owned enterprises are the basic force of market economy, the main driving force of economy, and play an important role in alleviating social problems. If an enterprise is a small or medium-sized enterprise, and at the same time take into account the attributes of the state, so it has the characteristics of both small businesses, and the attributes of the state unit. It is completely different from a private enterprise or unit of the private sector. All of its capital is invested by the State, so its capital or shares are all owned by the State. The purpose of its operation is not only for profit, but also for public welfare. Therefore, its management system is also different from that of ordinary small and medium-sized enterprises. It is subject to greater administrative influence.

1. *Lacking the scale advantage of large enterprises*

Small and medium-sized state-owned enterprise employees are relatively small in size, and their share of the market is also small. Therefore, faced with increasing competitiveness, small and medium-sized state-owned enterprises are often at a disadvantage in the competition in the market. Enterprises wanting to expand the scale of the market often do so by means of financing. However, due to their small size, small and medium-sized enterprises are limited in their ability to raise capital, and therefore their speed of development is restricted to a certain extent. On the other hand, in the labor market, because of the state-owned small enterprises, their visibility is limited, and their salaries are also subject to certain restrictions. Moreover, the competitiveness of other small and medium-sized enterprises in the market has been strengthened, so there has been a massive loss of talents in state-owned small enterprises.

1. Review of the development and practice of management-related theories

In 2020, DFM adopted a new performance pay appraisal system, but the effect of the system is not so satisfactory, many employees said that the system is not perfect or too simple. Because the system does not have each position in accordance with the salary duties for subdivided, so in the performance of the above will cause some employees to do more to get less, so it caused a lot of unnecessary mistakes. The leaders are not well prepared to face this problem, and they do not know anything about this kind of assessment work. Therefore, in the year of 2020, it can be observed that the performance evaluation standard of DFM is not perfect, and at the same time, the leaders lack a series of evaluation skills, which leads to the emergence of these phenomena.

1. Problems in the performance management of DFM

With the development of modern times, all kinds of system systems are becoming more and more perfect. As a result, performance management is becoming more and more important in the enterprise. Small and medium-sized state-owned enterprises began to carry out performance management within the company. In many years of operation, the small and medium-sized state-owned enterprises, represented by DFM, have achieved certain results in performance management, but there are also some more obvious problems, which are in urgent need of improvement.

1. *Performance management awareness is not in-depth*

After investigation, DFM still exists to emphasize the operation, but for the management is quite neglected. Especially for the executives of the enterprise, its cognition of performance is not deep, that it is not an important part of the enterprise, just a form of engineering. Even some small and medium-sized enterprises believe that performance management is performance appraisal, and does not have an impact on business operations. Its purpose is to score the performance of employees, evaluation of awards, and do not understand its profound significance. Many companies do not have a clear division of labor for performance management. Many corporate executives believe that the dealership inspection and evaluation is just a matter of human resources, and is not the business scope of its executives, executives in the performance evaluation, at most, only a supporting role.

1. *Incomplete performance management system*

Performance management is a complete process and in the process is a closed path. It includes four parts: planning, coaching, appraisal and feedback. The lack of any one of these links will affect the final performance of the enterprise. Up to now, although DFM has implemented the performance management system within the enterprise, there are many problems. First of all, the formulation of the plan is not completely consistent with the actual strategic objectives of the enterprise. Its performance assessment index is too simple and single, and the weight of each part is not reasonably distributed, more in accordance with the daily practice, but the lack of scientific and practical considerations for the enterprise. At the same time, the employee's emotional resistance is ignored. Even the assessment of DFM is only an annual assessment, the company's executives as well as external assessment and auditing personnel do not have access to the enterprise's monthly assessment or quarterly assessment.

At the same time, DFM's executives often emphasized only the results of the company but paid little attention to the process of the company's performance. More importantly, the DFM does not conduct performance appraisals for all employees, but only for the middle and senior management, which makes many employees who do not participate in the appraisals less motivated to work.

1. *Performance management implementation is not standardized*

From the management level of DFM, the enterprise has a human resource team, but lacks a professional human resource team. Its human resources team is a part of the enterprise's various parts of the personnel drawn out of the relevant only from the various functional departments to temporarily transfer some personnel to form the assessment of the working group, therefore, the team lacks of professional knowledge, more just a form of performance appraisal, the results of its assessment can’t reflect the real performance level of the enterprise staff. At the same time, such as the assessment results out, managers tend to put the cart before the horse, its performance is not, the assessment results of the personnel will be after the encouragement, incentives, and for the assessment results of the excellent staff but often ignore the rewards for their rewards, at most, is for the monetary rewards, and did not publicize the spirit of this down the road. Neglected the role of enterprise performance management on the follow-up of the work of employees.

1. *Selection of indicators is too one-sided and lacks completeness*

When DFM used the Balanced Scorecard, although two reforms were carried out, the indicators selected for both reforms were too one-sided and few in number. In the customer dimension, the so-called customer is not only the customer who buys the product, but also includes the supplier, which is also an important customer of the enterprise, but in the two improvements, there is no indicator for the supplier's satisfaction;

In the learning and growth dimension, it is more about the superior's satisfaction with the employee's learning, but it neglects the acceptance of the employee's own learning and the employee's own feedback. If it only rely on the superior's evaluation of employees' training and further education, then it is easy to ignore the employees' own learning and growth;

In the dimension of internal management process, it is more about how much value has been created for customers, but it ignores a very important factor, ignoring the after-sales of the products, which is also an important part of the internal management, and at the same time, the after-sales perspective is closely linked to the customer dimension, reflecting the balanced scorecard's mutual checks and balances;

In the financial dimension, the selection of indicators ignores the stage of enterprise development, and the analysis is not specific and comprehensive enough.

1. Suggested improvement measures for performance management issues in the DFM
2. *Renewal of the concept of performance management*

There can be known earlier, in the modern performance management, not a single part, but by the various parts of the composition which includes planning, guidance, appraisal, analysis, evaluation, feedback, etc., in the minds of managers, should be at the same time of performance appraisal. Taking into account the work behavior and emotions of employees. So that the progress of the enterprise at the same time with the staff's goals are consistent. Reasonable planning between the enterprise performance management and the enterprise's goals. At the same time for this planning, the enterprise should be prepared to notify the staff in advance, provide relevant consultants, so that when employees have questions, you can get timely answers. This will be the performance of the understanding of the application of the actual work, to do to improve the performance of individual employees at the same time, but also to promote the development and progress of the enterprise.

1. *Innovative Assessment and Evaluation System*

The evaluation system for Dongfeng Motor Enterprise is in continuation of the traditional performance evaluation system. Therefore, it lacks a certain reference value for the transmission of pressure, the strengthening of responsibility and the fairness of evaluation. Therefore, DFM should innovate its own performance evaluation system and improve its performance evaluation system. First of all, the performance appraisal method needs to be innovated to categorize and appraise the work nature and specialties of each employee within the enterprise. For independent legal entities, the main assessment is its business results, as well as its gap with the customized goals. For enterprises engaged in different affairs, the main consideration is the fulfillment of their affairs.

In terms of employees, the DFM focuses on different assessment methods for different employees. In the enterprise, some employees have heavier responsibilities, so their assessment is mainly to assess the fulfillment of their responsibilities; but for employees engaged in service positions, their performance is mainly evaluated through their service recipients. Only the service recipients think that their work is in place, then their performance rating is relatively high.

On the other hand, the selection of evaluation indexes and the improvement of the evaluation system are also issues that DFM cannot ignore. It is unrealistic to select all evaluation tenders for each performance. All the selection of indicators should reflect the focus of the assessment. Qualitative indicators lack persuasiveness, so in the selection of indicators, mainly quantitative indicators, supplemented by qualitative indicators. Only in this way can the assessment of performance be quantitative, clear and unambiguous.

1. *Establishing a two-way communication mechanism*

Feedback communication as the last link of performance management, its role can not be ignored because of its position in the last of performance management. In the performance appraisal completed, should be timely communication with the appraisal object, not only the results of the appraisal to tell the appraisal, at the same time on the initial implementation of the appraisal of the appraisal of the choice of appraisal methods, the appraisal of the time to determine as well as a variety of performance appraisal of the details of the appraisal should be timely with the appraisal in a timely manner to communicate with the appraisal of the details.

1. *Strengthening the rationality and objectivity of causality*

In the selection of indicators, you can carry out a number of sales assessment, and conduct a large number of questionnaires and data analysis, sub-pin analysis and the selection of indicators related to various dimensions, and to ensure that there is a causal relationship between the indicators as well as the rationality of the indicators to ensure that they check and balance each other, so as to make the selection of indicators more objective and fair, and only in this way, can they promote the performance of enterprises.

1. Conclusion

The concept and way of thinking of performance management according to the changes in the social environment. Compared with the past generation, the popularity of fast food culture and fashion culture has caused profound changes in people's career concepts, and the search for new ideas has become a fashion, therefore, the high turnover rate of talent in some enterprises has become a comparative headache in performance management, and the high turnover rate directly increases the frequency of personnel recruitment work. Secondly, the information economy and the rise of the knowledge economy, not only changed the traditional way of learning, but also put forward a new requirement for the development of enterprise performance management. Therefore, how to carry out performance management to be able to retain talent. Solving the performance management problems in the enterprise and improving it in practice can ensure the satisfaction of each employee.

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