SOLUTIONS OF MODEL QUESTION PAPER

MODULE – I

Q.1 What do you mean by Talent Management?
Answer:

According to the SHRM Glossary of HR Terms, Talent Management is broadly defined as "the implementation of an integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs."

Q.2 Why organizations need Talent Management?
Answer

Significance of Talent Management.

a) To compete effectively in a complex and dynamic environment to achieve sustainable growth.
b) To develop leaders for tomorrow from within an organization.
c) To maximize employee performance as a unique source of competitive advantage.
d) Cut down on high turnover rates.
e) Reduce the cost of constantly hiring new people to train.
f) Shortage of young people entering the work force.

Source: BuketAkyel "Talent Management"

Q.3 How to attract Talent in today's competitive world?
Answer

The success of a company depends entirely upon the organization's ability to attract and hire great people.

The following processes can be used to consistently find and hire great people across the company

1. Define the exact criteria.

Before seeking candidates, ask these essential questions:

a. What specifically needs to get done by them and when?
b. How will their performance be quantitatively measured?
c. What are the common attributes of the top performers? Define the hard skills, soft skills and personality that your top people share.

2. Develop a compelling recruitment plan.

The recruitment plan consists of the job description and the initial interview questions. It should contain the following:
a. A function title. Example: "Java Engineer."
b. A creative title. Example: "Java Engineer Who Loves Developing Gaming Software."
The creative title helps you focus on the person you're looking for, rather than just the skill set.

3. Cast a wide net and a targeted effort.
Starting with the easiest and least expensive methods (job postings and social networks, then resume/profile research, then target list generation).Based on the flow and quality of candidates, work up the pyramid toward the most expensive and labor intensive methods (dedicated recruiters and agencies).

4. Treat job candidates like customers.

Treating candidates in a wrong manner not only alienates them, but gives the company a bad reputation. (Remember: every candidate has friends and colleagues!).
Instead, treat candidates like customers. Make sure that everyone who applies is given a genuinely fair shot at being considered, and that he or she receives follow-up and closure regardless of the outcome.
The goal for each phone and in-person interview is to have the person enthusiastically interested in getting your job, even if they are not a good fit.

5. Limit the number of interviewers.

A large number of interviewers interviewing a candidate is wasting both the candidate's time and the organization's productivity.

6. Move quickly when you find the right person.

The tendency for some people is to wait until they have seen several candidates before making a decision, even if they have one who fits well. When you have someone that fits well, move quickly, before they get hired by someone else.

Q.4 Explain how talent can be retained in organizations.
Answer

Retaining Talent.
Creating a positive work environment, developing leadership skills for management and continually seeking employee feedback are among the keys to retaining organization's top talent.

I) Working environments

a) Equitable treatment of employees.
b) Cultivating a sense of ownership.
c) Meaningful opportunities for growth.
d) Acknowledgment and appreciation of good work.

II) Role of managers and supervisors

When employees make the difficult decision to leave their jobs, it's often because they've experienced dissatisfaction with their supervisors rather than dissatisfaction with the organization. The management styles and leadership ability of supervisory staff therefore play an important role in employee retention.

III) Learning from employees

In developing an employee retention strategy, get help from the experts: i.e. the employees. Too often, organizations overlook this invaluable resource.Many sophisticated survey tools are available to help human resources professionals assess morale and solicit suggestions for improving the work environment, but sometimes less formal approaches work just as well.

Q.5 What is Employer Branding?

Answer

An employer brand includes what current, past or potential workers think aboutan organization. It's forged partly by advertising and recruitment web sites, but far more often by experience – what actually happens to a candidate when they apply for a job. The way candidates are treated has a strong impact on their willingness to recommend others for that organization.

An employer brand represents the image a company projects as a potential employer. If a company has a strong employer brand and unique value proposition, then the company is considered a distinctive place to work, with attractive brand values and career prospects.

The main components of employer branding are:

- Employee engagement.
- Employee communication.
- Training and development.
- External reputation.

There is a proven relationship between excellence in the above mentioned key components of employer branding and the level of market premium organisations enjoy.

Q.6 How to create High Performance culture in an organization?

Answer:

Creation of High Performance Culture.

Research has shown that managers can create a high-performing culture by setting clear expectations, distinctly defining employees' roles, creating a trusting environment, and encouraging employees' growth and development.

a. Setting Clear expectations and Distinctly defining employees' roles:

Managers need to –

I. **Clearly explain team members' roles**
II. **Align their team's performance objectives** to departmental goals and the company strategy.
III. **Provide agile and customized communication to employees**.
IV. **Reinforce *how* and *why* each person's contribution is fundamental to the teams.**

b. Creating a trusting environment and Encouraging employees' growth and development:

Managers need to -

I) Create a culture of continuous learning.
II) Break down trust barriers. The biggest challenge to developing employees is not a lack of financial s
III) Foster dialogue about talents and strengths. Manager-employee discussions provide a platform for growth beyond formal training programs. They support employees' development objectives and foster dialogue about employees' talents and strengths, areas where they may need additional support or training, and how the gap between talent and training could be bridged.
IV) Encourage mentoring. A strong approach to mentoring was also a common feature in driving the positive developmental growth of each associate on a team. While there is no one best method for providing mentoring, the best managers understand the capabilities and needs of their team members and help link them with suitable partners in the organization based on reciprocal responsibilities.

Q.7 What is Right Sizing of Workforce?
Answer

It is the process of a corporation reorganizing or restructuring their business by cost-cutting, reduction of workforce, or reorganizing upper-level management. The goal is to get the company molded properly to achieve the maximum profit.

Rightsizing is an approach to reduce staff, whereby jobs are prioritized in order to identify andeliminate unnecessary work. This method uses selection criteria based on individualjobs, rather than people, in order to avoid possibly laying off the wrong employees.
Rightsizing is proactive and needs to be a constant part of the process of managing an organization.

Q.8 Briefly explain about the importance of work-life balance initiatives.

Answer

Work life Balance Initiatives.

Work-life balance is the ability to experience a sense of control and to stay productive and competitive at work while maintaining a happy, healthy home life with sufficient leisure. It's attaining focus and awareness, despite seemingly endless tasks and activities competing for your time and attention.

Some of the work-life balance initiatives are:

a. Positive organizational culture, Supportive Supervisor.
b. Training Supervisors/Managers about the benefits of work life balance.
c. Job sharing, which is a process of splitting a full time job among two employees.
d. Flexible Work hours by extending the work hours on the days, thereby providing the workers an extended holiday.
e. Telecommuting, which is a arrangement which allows employees to work from home or anywhere and communicate with the organization using modern computing and telecommunication equipment.
f. Flexibility in Day to day management like leaving early/coming late by employees on some genuine reasons.
g. Onsite support services like-crèches, Professional counseling, cafeteria, Gymnasium, music clubs/bands, fun contest, stress buster activities.
h. Flexi leave options like-Maternity leaves, sabbaticals, Paid annual vacation etc.
i. Family's day out-Letting family/spouse/kids to visit the office once in a while is a good idea.

Source: Employee Engagement by Dr.DebashishSengupta and S Ramadoss

Q.9 Explain the role of HR leadership.

Answer

HR Leadership.

Effective HR leaders look beyond managing the HR function. They don't stop at building the talent pool of the organization; they operate at the most senior levels and play a strategic role in the organization. They influence the strategic planning process to ensure alignment with the goals and values of the organization, while managing the process to ensure superior outcomes.

Today's HR leader needs to holistically understand the workforce by function, category and location. Is R&D attrition in China hurting the company's bottom line? Does the company need to offer more competitive packages to retain top performing sales reps in North America? These type of tough questions need answers with data in hand.The next generation of HR leadership is not about completing transactions—it's about helping drive the CEO to great decisions and using technology to connect the dots throughout the entire organization.

Source:Driving Successful HR Leadership: Talent Management's Role in Core Business Strategy-A New Study Exploring What's Working for Organizations Today and the Biggest Gaps to Fill.Independent research conducted by HR.com and sponsored by Oracle.

MODULE – II

Q.1 Difference between Competence and Competency.
Answer

Competence is a description of something that people carrying out particular types of works should be capable of doing.According to Armstrong and Baron (2006), competences describe what people need to be able to do to perform a job well.

Competency is the observable behaviour by which the competence has been achieved. Competencies are underlying characteristics required to perform a given task, activity or role successfully .The common elements of Competencies are: *Knowledge, Skills, Attitudes, Abilities and other personal attributes such as motives, traits and self-image that* contribute to successful job performance. These are the characteristics that may not be easily observable but rather exist 'under the surface'. So, behavioral questions can help draw out examples of these competencies.

According to United Nations Industrial Development Organization (2002) "A competency is a set of skills, related knowledge and attributes that allow an individual to successfully perform a task or an activity within a specific function or job."

In other words, **Competence**describes *what people can do* while the other-**Competency focuses** *on how they do it*.

Q.2 Mention the levels of competences.

Answer:

Levels of Competences.
There are three levels of competence:

I. Core Competences: These apply to the organization as a whole. They refer to what the Organization is good at doing if it is to succeed.
II. Generic Competences: These are the shared capabilities by a group of people doing similar jobs e.g. systems analysts, financial accountants, team leaders, etc.
III. Role-specific Competences: The competences are unique to a particular job. They define Thespecial tasks that they have to be able to do, in addition to any generic competences they may share with other peoplecarrying out broadly similar roles.

Q.3 Explain about the characteristics of competency.
Answer

Characteristics of Competency.

There are five types of competency characteristics. These are:

I. **Knowledge**: Information a person has in specific content areas.
II. **Skill**: The ability to perform a certain physical or mental task.
III. **Self-Concept**-A person's **attitude**, **values** and **self-image.**
IV. **Traits:** It istypical to a person. For example-Leaving achievement of a goal to the external conditions like luck without making adequate efforts. Trait produces similar or same behaviour in a variety of situations. For example, a person tend to leave achievement of every goal to the factor of luck rather than to own effort.
V. **Motives:** The thing a person consistently thinks about or wants and that which causes action. Motives 'drive, direct or select' behaviour towards certain actions or goals.

Q.4 What are the various types of competencies?
Answer

Types of Competencies.

I. <u>Functional Competencies</u> :
Functional Competencies are set of competencies required by a person to successfully complete a specific job in a particular functional or operational area. It is the specific knowledge and skills needed to be able to perform one's job effectively. It is Job specific and relate to success in a given job or job family. Its focus is on the job. Example: knowledge of accounting principles, knowledge of human resource law and practice.

II. <u>Behavioral Competencies</u>:
Behavioral competencies refer to personal attributes or characteristics that describe how a job or task is performed as opposed to the particulars of the job or task. It can apply to all (or most) jobs in an organization or be specific to a job family, career level or position. Its focus is on the person. Behavioral competencies are observable and measurable. It relate to the core purpose and values of an organization .It can be applied to all (or most) jobs in an organization or be specific to a job family, career level, or position.Example-teamwork and cooperation, communication.

Q.5 What do you mean by competency mapping?

Answer

It is a process of identification of the competencies required to perform successfully a given job or role or a set of tasks at a given point of time. It consists of breaking a given role or job into its constituent tasks or activities and identifying the competencies (technical, managerial, behavioral, conceptual knowledge and attitude and skills, etc) needed to perform the same successfully. Mapping involves linking roles with relevant behavioral and functional competencies, identifying desired proficiency levels for each role competency (on a scale of 1 to 5) and then matching the job-incumbents (displayed level) against proficiency level to identify the competency gaps.

Q.6 State the objectives and features of Competency Mapping.

Answer

Objectives of Competency Mapping.

Competency mapping serves a number of purposes. It is done for the following functions:

- Gap Analysis
- Role Clarity
- Succession Planning
- Growth Plans
- Restructuring
- Inventory of competencies for future planning.

Q.7 Briefly describe the evolution of Competency Mapping.

Answer

The evolution of competency Mapping is explained below:

- 1960 – David McClelland's landmark article in the American Psychologist asserted that companies should hire people based upon competencies rather than test scores.
- 1973 – McClelland developed new methods to predict human performance for US Information Agency. Objective was to eliminate the potential biases of traditional intelligence and aptitude testing.
- 1973-The turning point for competency movement. An article published in American Psychologist in 1973 by McClelland presented data supporting that traditional achievement and intelligence score may not be able to predict job success. Need of the hour was to profile the exact competencies required to perform the given job effectively. Equally noteworthy is the pioneering work by Douglas Brey and his associates at AT&T which gave evidence that the competencies can be accessed through assessment centers and on the job success can be predicted to certain extent.
- Behaviour Event Interviewing (BEI) was developed by Hay McBer to map the competencies.

- Increased recognition of the limitations of performance appraisal in predicting future performance shifted focus to potential appraisal and assessment centers in seventies.
- 1975- Assessment Centers were an integral part of the HRD plan given to L&T.

Q.8 Describe the various approaches available to Competency Mapping.

Answer

How to approach the competency mapping process is a genuine problem many organizations face once it has been decided to adopt competency management. The approaches to competency mapping can be classified into the following types:

i. **Top Down approach**:
In this approach competency mapping is driven from the organizational level. In the first step, vision, mission, objectives, goals and strategic plans of organizations in the long, medium and short term are studied. Based on study, competencies require to attain such organizational vision, mission goals, plans etc. are mapped. This exercise would generate a long list of competencies that are essential for superior performance of organization.The competencies mapped at organizational level are cascaded down to functional/departmental/group level and they are further cascaded down to individual job and positions.

ii. **Bottom Up approach:**
Process involved in this process is reversal to the top down approach. It involves studying the job behavior of employees that causes superior performance. In bottom up approach, first key positions/job families are identified for studying the competencies required to perform those positions effectively. These individual competencies as identified are consolidated at the functional/departmental level. In the final stage, based on the competencies identified at functional level are consolidated at organizational level.

iii. **Beginning from Scratch approach:**
Some organizations opt for initiating the competency mapping from scratch instead of adopting the generic competency frameworks. In this organizations would need to form competency management objectives, plan the competency mapping process and engage the competency project, team and train them on competency mapping process, develop competency identification and data collection tools for identifying the competency and map the competency of target jobs.

iv. **Adopting Generic Competency models approach :**
In contrast to the scratch approach some organizations adopt the generic competency approach. Here organizations adopt the relevant competency models after validating and

establishing their appropriateness. However, due to the increasing uniqueness of organizations even when they belong to the same industry driving organization specific competency programmed from the scratch instead of adopting the generic competency models has become order of the day.

Q.10 Explain about the procedures and steps involved in Competency Mapping.

Answer

The following steps may be followed in competency Mapping**:**

1. Decide the positions for which the competencies need to be mapped.
2. Identify the location of the positions in the organizational structure. This needs the clarity of organizational structure, defining the position relationships (reporting authority, subordinates, peers etc.).
3. Identify the objectives of the function or the department or the unit or section where the position is located.
4. Identify the objectives of the role. Why does the position exist? What are the main purposes of the role etc.
5. Collect the Key Performance Areas (or KRAs, Tasks, etc.) of the position holder for the last two to three years from the performance appraisal records. Alternately, collect the job descriptions of any of the position to make a list of all tasks and activities to be performed by that position holder.
6. Interview the position holder to list the Tasks and activities expected to be performed by the Individual. Group them into a set of tasks. The tasks list may be as many as 15 to 20 for some positions and as few as five to six for other positions. There is no rigid rule about the number of tasks. It depends on how complex the position is. It is useful to start with as many tasks as possible.
7. Interview the position holder to list the actual knowledge, attitude, skills, and other competencies required for performing the task effectively. The position holder should be asked questions like: "If you are to recruit someone to perform this task what qualities or competencies would you look for in him/her? What competencies do you think are required to perform this well?
8. Repeat the process with all the position set members.
9. Consolidate the list of competencies from all the position holders' by each task.
10. Edit and finalize. Present it to the supervisors of the position holder and the position holder for approval and finalization.

Steps in Competency Mapping

By: Human Resource Management-Dr. DebashishSengupta

Step 1: <u>Identifying Roles:</u>

A thorough job analysis identifying various job roles and responsibilities. Under this a comprehensive role document is prepared. The role document is validated using role-incumbents and supervisor's inputs.

Step 2: <u>Competency identification:</u>

Under this various tasks, activities associated with each job role are identified. An exhaustive list of all competencies is identified for all the departments which is called ***Competency bucket***. The identified competencies are categorized as: Behavioral and Functional Competency.

Step 3: <u>Framework Validation</u>

The Competency Buckets and Role competencies are tabled for an approval. The feedback on the same is received. The final Competency buckets and Role competencies are prepared.

Step 4: <u>Executive Assessment.</u>

The supervisors are engaged to evaluate the employees Desired and Displayed proficiency levels on the various competencies. The RADAR CHARTS for all employees are mapped exhibiting the desired and displayed proficiency levels.

Step 5: **<u>Gap Identification</u>**.

For each employee the competency gaps are identified. On the basis of this, the training needs are consequently identified. Training needs are consolidated department wise or project wise and forwarded to the training team for implementation.

Q.11 Explain the features of Competency Methods.

Answer:

In order to identify what jobs, job-families and functional areas are to be covered under competency mapping, the selection of suitable competency method is very important.

The Competency methods can be classified into broad categories:

i. Adopting generic competency methods after validation.
ii. Initiate the Competency identification from scratch.

1. <u>Adopting generic competency methods after validation</u>.

The existing research already has a large number of competencies. Based on the requirements and preference, an organization can choose a set of competencies for a job or a group of jobs from the list.

Some of the advantages of this method are:

- It is cost-effective as this process helps in skipping few resource intensive actions like: hiring the service of outside consultants and using data collection methods for identifying the competencies.
- It helps in saving time.
- A wide range of competencies are already available with good choice.
- Generic competencies are already tested and validated.

Some of the disadvantages of this method are:

- Too much generic, not suitable to the requirements of a particular organization.
- It is difficult to find two organizations with identical work culture. Therefore, every company has to identify competencies specific to its culture.

- Adoption can never be original. Competencies identified generally can never be suitable to a particular organization. This is like treating X organization based on the symptoms and diagnosis of Y organization.
- Generic competencies can sometimes lead to performance downfall instead of improving the performance.

2. Initiate the Competency identification from scratch.
   The second most popular method of competency mapping is to initiate the competency identification from the scratch. The greatest advantage with this method is that organizations can identify the most specific competencies specific to the organization and adopt those competencies for superior performance. Such identified competencies can be used to revamp the total human resource, management system from recruitment to separation based on the competency approach.

Q.12 Which factors influence the selection of data collection methods?

Answer

The objective of this phase is to collect all the relevant information for identifying the competencies of superior performance. At the end, this phase is expected to generate comprehensive data on technical, functional and behavioral competencies. Currently, a number of data collection methods are in circulation. Based on the requirement, an organization can choose all the methods or some of them. Every data collection method has its own merits or disadvantages. However, various factors influence their actual utility.

Some of the factors which influence the selection of data collection method are:

I. Type of Jobs:
II. Operating organizational Culture:
III. Types of Organizations:
IV. Cost Effectiveness:
V. Reliability:
VI. Resources:

Q.12 Briefly classify various data collection methods.

Answer

Data collection methods used in competency identification can be classified into the following types:

1. **Person based data collection method**: This method focus on the characteristics of the person performing exemplarily on the job and amassing the data on desirable characteristics of a person to perform a job well. Behavioural Event Interviews, Expert/Focus group discussions, interviews, observations, critical incidence technique, survey technique, 360 degree feedback etc are examples of person based data collection method.

2. **Job based data collection method**: Focus here is on the job. The objective is to undersdtand what kind of competencies are required to perform the job well. Position descriptions, job analysis report, job descriptions, job specifications, performance plans, appraisals, training curriculum, daily logs etc are used to collect the job related data.

3. **Position based data collection method**: The first task in using position based data collection method is to follow scientific criteria to collect the data. This criterion must lead to identify and select a sample that result in collecting valuable data for identification of competencies of superior performance.

Q.13 Name the various tools/methods available for collecting data in Competency Mapping.

Answer

Following the different tools/methods for collecting data:

PRIMARY DATA COLLECTION METHOD/TOOL

I. Interview.
II. Behavioural Event Interview.
III. Focus groups.
IV. Critical Incidence technique.
V. Survey.
VI. Competency Card Sort activity.
VII. Observation of Job Incumbent/Job task Analysis.
VIII. Delphi technique.

SECONDARY DATA COLLECTION METHOD/TOOL

I. Job/Position Descriptions.
II. Training Curriculum.
III. Key Result Area/Key Performance Indicator.
IV. Compensation and Benefits system.
V. Functional processes and Administrative manuals.
VI. Customer perceptions.
VII. Academic and Professional Specifications.
VIII. Generic Competencies.
IX. Competency Dictionary.
X. Repertory Grid.

Q.14 Describe the steps involved in the analysis of data for Competency Mapping
Answer:

In the first phase of competency modeling, competencies as identified using a variety of data collection methods should be analyzed with the help of appropriate qualitative and quantitative data tools. The tools those should be used would be different for different types of data.

For the purpose of analysis of data, the following steps should be initiated:

Step 1: Forming Competency analysis team.
Step 2: Training of analysts.
Step 3: Identifying tools of analysis.
Step 4: Preparation of a manual of competency data analysis.
Step 5: Time frame for data analysis must be defined.

Some of the analytical tools for analysis of data are:

I. Tools used for analysis of data obtained using structured questionnaires are as followed: *Means and Standard deviation, t-test, Analysis of Variance (ANOVA), Chi-Square, Correlation Analysis, factor analysis, regression and multi Variate analysis.*

II. Two techniques generally used for analysis of data collected using Behavioural Event Interview (BEI) are: *Concept Creation* and *Relating Concepts*.

Q.15 Explain how Competency Models are validated.
Answer

Validating the Competency Models.
Validity is the extent to which a test measures what it claims to measure. It is vital for a test to be valid in order for the results to be accurately applied and interpreted.Reliability and Validity of competency models is very important for success of competency based human resource management. It is unethical and illegal to take human resource decisions based on competency methods those are not validated. Broadly, there are three methods which can be used to validate competency models as described below:

I. **Content related Validity**: Here the test is establishing that competency model has covered all the behavioral, knowledge and skill characteristics.

II. **Criterion related Validity**: Here the relationship strength between a competency and performance measure is tested and validated. Higher the direct and positive co-relationship between a competency of a role and performance produced, better the model in terms of validation.
There are two different types of criterion validity-
a) *Concurrent Validity.*
b) Predictive Validity.

III. **Construct Validity**.

Q.16 What is Competency Profiling? Explain about Competency based HRM applications.
Answer:

Competency profiling is the process of identifying the knowledge, skills, abilities, attitudes, and judgment required for effective performance in a particular occupation or profession. Competency profiling is business/company specific.

Competency based HR applications can be developed and implemented in organizations for greater talent and business gains. Some of the competency based HRM applications are:

- Competency based Recruitment and Selection.

- Competency based Training & Development.
- Competency based Compensation Management.
- Competency based Performance Management.
- Competency based Career and Succession Planning.

MODULE – III

Q.1 Name some methods used for collecting data for Competency mapping.

Answer:

PRIMARY DATA COLLECTION METHOD/TOOL

IX. Interview.
X. Behavioural Event Interview.
XI. Focus groups.
XII. Critical Incidence technique.
XIII. Survey.
XIV. Competency Card Sort activity.
XV. Observation of Job Incumbent/Job task Analysis.
XVI. Delphi technique.

SECONDARY DATA COLLECTION METHOD/TOOL

XI. Job/Position Descriptions.
XII. Training Curriculum.
XIII. Key Result Area/Key Performance Indicator.
XIV. Compensation and Benefits system.
XV. Functional processes and Administrative manuals.
XVI. Customer perceptions.
XVII. Academic and Professional Specifications.
XVIII. Generic Competencies.
XIX. Competency Dictionary.
XX. Repertory Grid.

Q.2 Explain about the Observation Method.

Answer

Observation Method.

In this data collection method, the research team visits high-performing incumbents and observes them at work. The more complex the job and the greater the variety in job tasks, the more time is required for an observation. For a very routine job in which the same task is repeated over and over throughout the day, an observation of a couple hours might be sufficient. For very complex jobs, observation of a week or more may be required. If the job changes based on work cycles, seasons, or other factors, the observations may have to be conducted over a period of weeks or months. The observation process may include asking employees to explain what they are doing and why. Sometimes observations of average and low performers are also conducted to establish a basis for comparison. The competencies required for effective performance are then inferred from the observations by persons who are experts in competency identification.

Its advantages are:

- Ideal for semi-skilled jobs.
- Simple to implement.
- It can be effectively used when combined with other methods.

Q.3 What is a Repertory Grid?

Answer

The repertory grid technique (RGT or RepGrid) is a method for eliciting personal constructs, i.e. what people think about a given topic. Methodology of repertory grid is used for identification of competencies. The process of repertory grid in the context of competency mapping is explained below:

Step 1: Identifying top and poor performers: In the first step, a group of employees chosen based on a well defined criteria would identify about 10 to 15 top and poor performers in a given job.

Step 2: Identifying the differentiating behaviour: The group of experts would use appropriate methods to bring out the work behaviours and characteristics that distinguish the top performers and poor performers. These differences would be converted into competencies.

Step 3: Developing constructs based on competencies: Based on the competencies as defined at step 2 above, competency constructs are developed for testing the same whether they would contribute for high performance on these particular jobs.

Q.4 Describe the Critical Incidence technique.

Answer

In this method, Respondents are asked to relate specific incidents, which highlighted exemplary behaviors in critical situations. This is based on the assumption that the best and the worst of a person surfaces in a crisis. In Competency mapping, critical incident technique is used to collect the data on exceptionally effective or exceptionally ineffective behaviour in particular conditions. This method has both its advantages and disadvantages.

Advantages:

I. It can yield valuable data on effective performance behaviour in exceptional situations/circumstances in a job.
II. Implementation of this technique is simpler comparing to other methods.
III. It is cost effective.
IV. In simple interviews, job incumbents can be asked to explain the critical incidents happened and their behaviour in those situations.

Disadvantages:

I. It focus more on knowledge and skills rather on personal attributes.
II. Job incumbents who are fully occupied with their responsibilities would find it difficult to maintain a diary and record all the incidents systematically.

Q.5 What is an Expert panel?

Answer

Expert panels are special types of focus group in which persons who are consideredhighly knowledgeable about the job and its requirements meet to develop a list of competenciesrequired for success.Expert panels are particularly appropriate for issues that require highly technical knowledge and/or are highly complexand require the synthesis of experts from many different disciplines. This method is not designed to actively involve thebroad public.

In **focus groups**, a facilitator works with a small group of job incumbents, their managers,supervisees, clients, or others to define the job content or to identify the competencies theybelieve are essential for performance. A series of focus groups is often conducted to allow manypeople in the organization to provide input. There are different approaches to conducting focusgroups. Typically, the facilitator will use a prepared protocol of questions to guide a structureddiscussion.

In contrast to focus groups (which are used much more frequently), expert panel sessions can be a full day of concentrated discussion with the best minds and cover a wider range of topics.

Q.6 Explain about the Survey Method.

Answer

In surveys, job incumbents, their supervisors, and perhaps senior managers complete a Questionnaire administered either in print or electronically. The survey content isbased onprevious data collection efforts such as interviews, focus groups, or literature reviews. Therespondents are typically asked to assign ratings to each listed job element or competency. Forexample, respondents may be asked how critical a competency is to effective job performance,how frequently the competency is used on the job, the degree to which the competencydifferentiates superior from average performers, and if the competency is needed on entry to thejob or can be developed over time. Survey respondents are usually asked to provide in writingany additional information that they feel is important.Survey method is immensely useful where the data is to be collected from large number of respondents.

Its advantages are:

- It is quick and efficient.
- It is cost effective.
- It involves involvement of all employees.
- It breaks geographical barriers.
- It is helpful in the study of large number of jobs.

Its disadvantages are:

- It has minimal flexibility.
- It can have casual responses.
- Not effective for small samples.
- It heavily relies on quantitative techniques only.

Q.7 What is an Automated Expert System?

Answer

An expert system is a computer system that emulates the decision-making ability of a human expert. In this system, scientifically structured and validated questions are prepared and programmed into the computer. The computer then pose the questions to the experts, consultants, and HR manger and role holder about the competency requirement, methods and procedures involved in superior or average performance.

Q.8 What do you mean by Job Task Analysis?

Answer

In this method, an expert spends the time in observing an employee performing the typical job tasks. Expert would record the observations in a diary either while making observation or at the end of day. Such diary would be used to identify the competencies involved for performing a particular job. This method is also known as Observation of Job Incumbents or **Job task Analysis.**

Q.9 Describe about Behavioral Event interviews.

Answer

In behavioral event interviews (BEI), top performers are interviewed individually about what they did, thought, said, and felt in challenging or difficult situations. The competencies thatwere instrumental in their success are extrapolated from their stories. Often, average and lowperformers are also interviewed to provide a comparison. The interviewer will ask questions suchas: “Tell me about a time when you had an extremely challenging client” or “Give me anexample of a situation at work in which you had to make a difficult decision.”This technique is based on the premise that the best predictor of future behaviour is past behaviour.

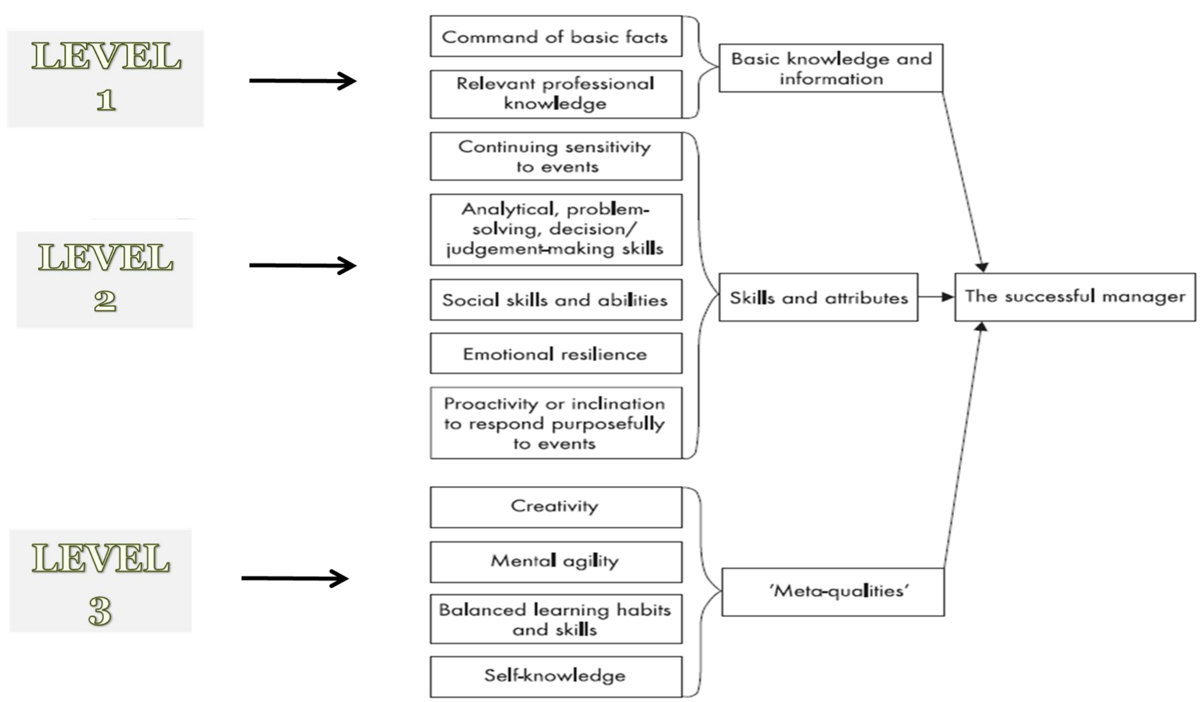
This method has been developed by McClelland and his associates at McBer. According to McClelland, BEI process gets a subject to discuss three peak successes and three major failures in short story fashion. The interviewer acts as an investigative reporter asking the questions such as:

- What led up to the situation?
- Who was involved?
- What did you think about, feel and want to accomplish in dealing with the situation?
- What did you actually do?
- What happened?
- What was the outcome of the incident?

Q.10 Explain the Lancaster (Burgoyne) Model of Managerial Competencies.

Answer

The Lancaster (Burgoyne) Model of Managerial Competencies.



<u>LEVEL 1</u>

Competence 1: Command of basic facts.
Competence 2: Relevant Professional knowledge.

LEVEL 2

Competence 1: Continuing Sensitivity to Events.
Competence 2: Analytical, Problem solving Skill and Decision making skills.
Competence 3: Social Skills and abilities.
Competence 4: Emotional Resilience.
Competence 5: Proactivity or Inclination to respond purposefully to events.

LEVEL 3

Competence 1: Creativity
Competence 2: Mental Agility
Competence 3: Balanced Learning Habits and Skills.
Competence 4:Self-Knowledge.

MODULE – IV

Q.1 Define Performance Management.

Answer

According to Herman Aguinis, "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".

Q.2 Explain the contributions made by a Performance Management System to an organization.

Answer

A performance management system can make the following important contributions:

I. Motivation to perform is increased after receiving feedback about one's performance. Knowledge about how one is doing and recognition about one's past successes provide the fuel for future accomplishments.
II. Self-esteem is increased as receiving feedback about one's performance fulfills a basic human need to be recognized and valued at work.
III. Direct supervisors and other managers in charge of the appraisal gain new insight into the subordinate after being appraised.
IV. Employees gain a better understanding of the behaviours and results required for specific job position. They gain a better better understanding of what it takes to be a successful performer.
V. Self-insight and development and enhanced as participants gain a better understanding of their strengths and weaknesses that can help them better define future career paths.
VI. Administrative actions are more fair and appropriate as Performance management systems provide valid information about performance that can be used for administrative actions such as merit increase, promotions and transfers as well as terminations.

VII. Organizational goals are made clear and the employee understands the link between what she does and organizational success.
VIII. Employees become more competent. In addition, there is a solid foundation for helping employees become more successful by establishing developmental plans.
IX. There is better protection from lawsuits as data collected through Performance Systems can help document compliance with regulations. Example- Equal treatment of all employees regardless of sex or ethnic background.
X. There is better and moretimely differentiation between good and poor performers.
XI. Supervisors' views of performance are communicated more clearly. Thus, there is greater accountability in how managers discuss performance expectations and provide feedback.
XII. Organizational change is facilitated as PMS can be a useful tool to drive organizational change.

When employees are satisfied with their organization's performance management system, they are more likely to be motivated to perform well, to be committed to their organizations and not try to leave the organization.

Q.3 Describe the dangers of a poorly implemented Performance Management System.
Answer

I. **Lowered self-esteem:** Self-esteem may be lowered if feedback is provided in an appropriate and inaccurate way.

II. **Employee burnout and job dissatisfaction:** When the performance assessment 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.

III. **Damaged relationships:** As a consequence of a deficient system, the relationship among the individuals involved may be damaged, often permanently.

IV. **Use of false or misleading information:** If a standardized system is not in place, there are multiple opportunities for fabricating information about an employee's performance.

V. **Increased turnover:** If the process is not seen as fair, employees may become upset and leave the organization physically i.e. Quit or withdraw psychologically i.e. minimize their effort at the workplace.

VI. **Decreased motivation to perform:** Motivation may be lowered for many reasons, including the feeling that superior performance is not translated into meaningful tangible like pay increase or intangibles like personal recognition rewards.

VII. **Unjustified demands on managers' resources:** Poorly implemented systems do not provide the benefits provided by well implemented system, yet they still take up manager's and employee's time. Such systems will be resisted because of competing obligations and allocation of resources (time).

VIII. **Varying and unfair standards and ratings:** Both standards and individual ratings may vary across and within units and also be unfair.

IX. **Wasted time and money:** PMS cost money and time also. These resources are wasted when systems are poorly designed and implemented.

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

XI. **Emerging biases:** Personal values, biases and relationships are likely to replace organizational standards.

XII. **Increased risk of litigation:** Expensive lawsuits may be filed by individuals who feel they have been appraised unfairly.

Q.4 Explain the aims and roles of Performance Management System.

Answer

The information collected by a Performance Management system is most frequently used for salary administration, performance feedback and the identification of employee strengths and weaknesses. In general, however Performance Management systems can serve the following six purposes:

a. **Strategic Purpose**

The first purpose of Performance management Systems is to help top management achieve strategic business objectives. By linking employee behavior with organization's goals, the PMS reinforces behaviors consistent with the attainment of organizational goals. It is also a way to communicate the most crucial business strategic initiatives.

b. **Administrative Purpose**

To provide valid and useful information for making administrative decisions like:

Salary adjustments, Promotions, Retention or termination, Recognition of superior individual performance, identification of poor performers, Layoffs and merit increase.

c. **Informational Purpose**

To communicate to employees about how they are doing and provide them with information on specific areas that may need improvement. Second, related to the strategic purpose, they provide information regarding the organization's and supervisor's expectations and what aspects of work the supervisor believes are most important.

d. **Developmental Purpose**

To provide Performance feedback and coaching to employees so that performance is improved on an ongoing basis. This feedback allows identification of individual strengths

and weaknesses as well as causes of performance deficiencies. The information that employees receive about themselves can help them individualize
their career paths in both short term and long term.

e. **Organizational maintenance Purpose**
To provide information to be used in workforce planning. Work force Planning comprises a set of systems that allow organizations to anticipate and respond to needs emerging within and outside the organizations, to determiner priorities and and to allocate human resources where they can do most the good. It also helps to develop talent inventory, assess future training needs, evaluate performance at organizational level and evaluate effectiveness of HR interventions(E.g -whether employees perform at higher levels after participating in a training Program)

f. **Documentation Purpose**
PMS allow organizations to collect useful information that can be used for several documentation purposes. First, Performance data can be used to validate selection instruments. Second, PMS helps to document administrative decisions which can be especially useful to meet legal requirements.

Q.5 Mention the characteristics of an ideal Performance Management System.

Answer

I. **Congruent with organizational strategy.**
The PMS should be congruent and consistent with the unit and organization's strategy. In other words, individual goals must be aligned with unit and organizational goals.

II. **Thoroughness.**
The system should be thorough regarding four dimensions. First: All employees should be evaluated. Second, all major job responsibilities should be evaluated. Third, the evaluation should include performance spanning the entire review period and fourth, Feedback is given on both positive and negative performance as well as those in need of improvement.

III. **Practicality.**
Good easy to use systems (Eg. Performance data are entered via user friendly software) should be available for managers to help them make decisions. It should acceptable to decision makers and the benefits of using the system should outweigh the costs.

IV. **Meaningfulness.**
The system must be meaningful in many ways. First, the Standards and evaluations conducted for each job function must be considered important and relevant. Second, performance assessment must emphasize only those functions that are under the control of employees. Third, evaluations must occur regularly and at appropriate times.Fourth,the system should provide for continuing skill development of evaluatorsand Finally, the results should have

consequences in terms of outcome which is valued and used for important administrative decisions.

V. **Specificity**
A good system should be specific. It should provide concrete and detailed guidance to employees about what's expected of them and how to meet these expectations.

VI. **Identifies effective and ineffective performance**
The PMS should provide information that allows for the identification of effective and ineffective performance. Thus, the system should be capable to distinguish between effective and ineffective behaviors and results, thereby also allowing for the identification of employees displaying various levels of performance effectiveness.

VII. **Reliability**
A good system should include measures of performance that are consistent and free of error. It should also have Inter-rater reliability.

VIII. **Validity**
Validity refers to the fact that the measures include all *relevant* performance facets (measures what is important), not *deficient* (i.e. do not leave any important aspects out and doesn't measure unimportant facets of job) and not *contaminated* (only measures what the employee can control).

IX. **Acceptability and Fairness**
A good system is acceptable and perceived as fair by all participants. Asking the participants about Perception of Distributive Justice which includes perceptions of the performance evaluations received relative to the work performed and perceptions of the rewards received relative to the evaluation received. In addition participants can be asked about procedural justice, which includes perceptions of the procedures used to determine the ratings as well as the procedures used to link ratings with rewards. However, we should strive to develop systems that are regarded as fair both from distributive and procedural perspective.

X. **Inclusiveness**
Good systems include input from multiple sources on an ongoing basis. First, the evaluation process must represent concerns of all the people who will be affected by the outcomes. When system is created, employees must participate in the process of creating the system by providing input regarding what behaviors or results should be measured and How. Employee should provide input on performance prior to evaluation meeting. In short, all participants must be given a voice in the process of designing and implementing the system. Such inclusive systems are likely to lead to more successful systems including less employee resistance, improved performance and fewer legal challenges.

XI. **Openness**
Good systems have no secrets. First, performance is evaluated frequently and performance feedback is provided on an ongoing basis. Second, the appraisal meetings consist of a 2-way

communication process during which information is exchanged. Third, there should be clear standards and communicated on an ongoing basis. Finally, Communications should be factual, open and honest.

XII. **Correct ability**

It is virtually impossible to create a system that is completely objective because human judgment is an important component of the evaluation process. The PMS should recognize that human judgment is fallible. Establishing an appeals process, through which employees can challenge what may be unjust decisions, is an important aspect of a good performance system.

XIII. **Standardization**

Good systems are standardized. This means that performance is evaluated consistently across people and time. To achieve this goal, the ongoing training of the individuals in charge of appraisals, usually managers is a must.

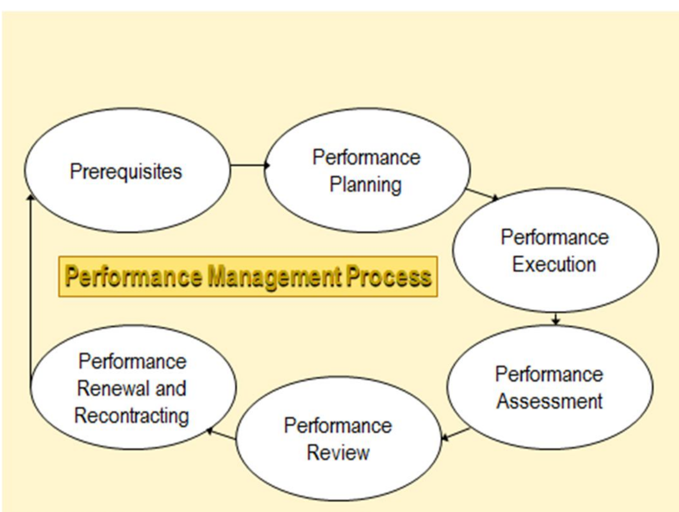
XIV. **Ethicality**

Good systems comply with ethical standards. This means that the supervisor suppresses her personal self interest in providing evaluations.Supervisor rates only where he/she has sufficient information about the performance dimension also respects employee privacy.

Q.6 Briefly describe the steps involved in Performance Management Process.

Answer

Performance Management Process.



Step 1: Prerequisites

There are two important prerequisites that are required before PMS is implemented:

1) Knowledge of the organization's mission and strategic goals.
2) Knowledge of the job in question.

Knowledge of the organization's mission and strategic goals is a result of Strategic Planning. The exercise of ***Strategic Planning*** allows an organization to clearly define its purpose or reason for organization's existence, where organizationswants to be in the future, organizational goals it want to achieve and strategies it will use for attaining 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 cascading continues downward until each employee has a set of goals compatible with those of the organizations.

The second important prerequisite before a performance management system is implemented is to understand the job in question. This is done through ***Job Analysis***.
Job analysis is the process of determining the key components of a particular job, including activities, tasks, products, services and processes. As a result of a job analysis, we obtain the information regarding tasks carried out and the Knowledge, Skills and Abilities (KSA) required of a particular job.
The tasks and KSAs needed for the various jobs are typically presented in the form of a ***Job Description,*** which summarizes the job duties, needed KSAs and working conditions for a particular job. Job Analysis can be conducted using ***observation*****,** ***off the self questionnaires or interviews***.

Step 2: <u>Performance Planning</u>

At the beginning of each performance cycle, the supervisor and the employees meet to discuss and agree upon what needs to be done and how it should be done. This performance planning discussion includes a consideration of both **<u>results and behaviours</u>** as well as a **<u>developmental plan</u>**.

Results refer to what needs to be done or the outcomes an employee must produce. considerations of results need to include the <u>*key accountabilities*</u> *i.e. Broad areas of a job for which the employee is responsible for producing results.*

A discussion of results also includes <u>*specific objectives*</u>that the employees will achieve as part of each accountability. *Objectives are statements of important and measurable outcomes.*

Finally, discussing results also means discussing <u>*Performance Standards*</u>.A*performance standard is a yardstick used to evaluate how well employees have achieved each objective*. Performance standards provide information about acceptable and unacceptable performance, such as quality, quantity,cost and time.

Behaviors or how a job is done, thus constitute an important component of the planning phase. Considerations of behaviors include *discussing competencies, which are measurable clusters of KSAs that are critical in determining how results will be achieved*.

An important step before the performance execution begins is for the supervisors and employees to agree on a **Development plan.** At a minimum, *this plan should include identifying areas that need improvement and setting goals to be achieved in each area*.Development Plans usually include both results and behaviors.

Step 3: <u>Performance Execution</u>

Once the performance review cycle begins, the employees strive to produce the results and display the behaviors agreed upon earlier as well as to work on developmental needs. At the performance execution stage,the following factors must be present:

- Commitment to goal achievement
- Ongoing requests for feedback and coaching
- Communication with supervisor
- Collecting and sharing performance data
- Preparing for performance reviews

Although the employee has primary responsibilities for performance execution, the supervisor also needs to do his/her share of the work.Supervisors have primary responsibility over the following issues:

- Observation and documentation of performance on a daily basis.
- Update and revise initial objectives, standards, key accountabilities and competency areas as the organization's goal may change.
- Feedback on progression towards goals and coaching to improve performance should be provided on a regular basis.
- Supervisors should provide employees with resources and opportunities to participate in developmental activities.
- Supervisors must let employees know their outstanding performance by reinforcing effective behaviors and progress towards goals.

Step 4: <u>Performance Assessment</u>

In the assessment phase, both the employee and the manager are responsible for evaluating the extent to which desired behaviors 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.

The inclusion of Self-assessment helps emphasize possible discrepancies between self views and views that supervisors have of our behavior. Self-Appraisal can reduce an employee's defensiveness during an appraisal meeting and increase the employee's satisfaction

Step 5: <u>Performance Review</u>

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

In most cases, the appraisal meeting is regarded as a review of the Past, that is what was done (i.e. results) and how it was done (i.e. behaviors).It also focuses in the present (what compensation to be received or denied as a result) and the future (New goals and development plans).

Step 6: <u>Performance Renewal and Recontracting</u>

The final stage is somewhat identical to the performance planning component. The main difference is that, this stage uses insights and information from previous phases. For example: Some of the goals may have been set unrealistically high given an unexpected economic downturn. This would lead to setting less ambitious goals for the upcoming review period. The Performance management process includes a cycle which starts with prerequisites and ends with performance Renewal and Recontracting. The cycle is not over after this stage. In fact, the process starts all over again.

Q.7 Explain about the Performance Goal Setting Theory.

Answer

Goal Setting Theory was established by Edwin Locke of USA in 1968. According to this theory, goals pursued by employees can play an important role in motivating superior performance. In following these goals, people examine the consequences of their behaviors. If they perceive that their goals will not be achieved by their current behaviour, they will either modify their behaviour or choose more realizable goals.

Goal setting has the potential to raise the motivational levels of employees. According to Locke's model, goal setting has four motivational mechanisms.

1) <u>Goals give direction</u>: Goals make a person to focus his attention on what is relevant and important to achieve the desirable object. For example, if you have to complete your project work in a few days, your thoughts tend to revolve around completing that work first.
2) <u>Goals regulate effort</u>: Goals motivate us to act. If there is a deadline for examination on a particular subject, then you put your effort on that subject rather than going out with friends, watching television, or studying another subject.

3) <u>Goals increase persistence</u>: A difficult goal that is important to an individual is a constant reminder to keep exerting effort in the appropriate direction. For example, it takes effort to run 100 Mtrs. it takes persistence to run a 26 KM marathon. Therefore, goals increase persistence of a person.

4) <u>Goals encourage action plans</u>: Goals encourage people to develop strategies and action plans that enable them to achieve goals. For example, if you set a weight reduction goal, then you may choose a strategy of exercising more, or eating less or some combination of the two.

Goals are motivating to employees if they have the following characteristics:

a. **Goal Difficulty:** As already noted, difficult goals lead to higher performance. Goal difficulty is the extent to which a goal is challenging and requires effort. More effort is required to sell nine cars than to sell three cars in a month. People work harder to achieve more difficult goals. But a goal must not be so difficult that it is not attainable. Performance breaks down when goals are perceived to be impossible.

b. **Goal Specificity:** It is the clarity and precision of the goal. For example, a goal of selling nine cars in a month is more specific than talking to a salesperson to do his or her best. A goal of "increasing productivity" is not very specific; a goal of 'increasing productivity by 2 percent in the next six months" is quite specific.
c. **Goal Acceptance:** This means the extent to which a person accepts a goal as his or her own. It is generally accepted that employees perform better when they participate in the goal setting process. When employees are actively involved in the process of setting targets and goals, they feel responsible and hold themselves accountable for their performance. As a result, they put in their best efforts to accomplish the task.
d. **Goal Commitment:** This means the extent to which a person is personally committed to achieving the goal. Participating in the goal-setting process, making goals challenging but realistic, and believing that goal achievement will lead to valued rewards are some of the factors that foster goal acceptance and commitment.

Q.8 What do you mean by Coaching? State some of the major coaching functions.

Answer

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 involvesdirecting, motivatingand rewarding employee behavior.It is concerned with long-term performance and ensures that development plan is being achieved.

Major Coaching Functions are:

- Give advice to help employees improve their performance.
- Provide guidance to employees so that they can develop their skills and knowledge appropriately.
- Provide employees support and being there when the employee need help.
- Give employees confidence that will enable them to enhance their performance continuously and to increase their sense of responsibility for managing their own performance.
- Helping employees gain greater competence by guiding them toward acquiring more knowledge and sharpening the skills.

Q.9 What is Performance Monitoring?

Answer

Perhaps one of the most important concepts of performance management, and it bears frequent repetition, is that it is a *continuous process of monitoring and developing performance, which* involves normal good practices of direction-setting, monitoring and measuring performance, providing feedback and taking action accordingly.Performance Monitoring is similar to what is called "steering control" in a ship. Steering keeps a ship, for instance, stable on its course. Similarly, performance monitoring senses to what extent the performance of individuals and teams are successful in achieving goals and objectives,. Monitoring can steer the performance of the individuals and teams by removing performance deficiencies and/or taking corrective actions through coaching and counseling. Monitoring thus offers a framework for tracking, reviewing or reorienting the performance of individuals and teams.

Process of Performance Monitoring.

The process of performance monitoring involves the following steps:

1. Observing and Documenting Performance: As already noted, this step involves keeping track of performance of the employee both in terms of behaviour and results and documenting the progress towards goal achievement

2. Analyzing Performance: This step involves understanding the various factors contributing or inhibiting performance and managing them to enhance performance. This involves:

- Keeping the employee informed of the progress achieved in meeting performance goals.
- Making note of the various contributing and inhibiting factors.
- Obtaining comments and suggestions of the employee for improvement.

3. Reinforcing Right Efforts: This step involves providing encouragement and support which the supervisor provides to the employee for making correct progress against performance plan. This improves the commitment of the employee.

4. Removing Performance Deficiencies: The supervisor must also provide help to those employees who are not able to meet their performance goals/objectives.

5. Providing Resources: Managers should provide adequate resources to the employees if the performance problems are due to lack of resources.

6. Preparing Improvement Plans: Managers should devise appropriate tools, techniques and methodologies for improving performance of all employees working under them on a continuous basis. For this purpose, performance improvement plans should be devised jointly by the manager and the individual employee. Improvement plans must be devised especially for employees lacking in performance to enhance their performance and achieve their goals agreed upon.

Q.10 What is Performance Appraisal?

Answer

Performance appraisal is the most crucial component of performance management. It is also called *performance evaluation, performance assessment, performance measurement, performance review,* *annual appraisal, etc. Performance appraisal is a formal assessment and rating of an employee's* performance on the job. Performance appraisal brings out the differences of performance among the employees working in an organization. The need for performance appraisal arises because every person has a different personality and different situational, social, psychological traits.

Performance appraisal generally means the process of a systematic evaluation of the performance of an employee and communicating the results to him for the purpose of developing and rewarding the employee. Performance can be defined as the degree of accomplishment of tasks by an employee in his job. In some organizations, it is a measure of the results achieved and targets accomplished, whereas in others, it is a measure of employee efforts and behaviour.

However, most organizations use a combination of both efforts and results.

Objectives of Performance Appraisal

A performance appraisal system facilitates optimization of employee performance and also helps in identifying areas for development.

The objectives of performance appraisal are:

- To clarify organizational goals
- To increase motivation to perform effectively.
- To increase self-esteem of employees
- To provide better clarity and definition of job functions
- To develop communication between the manager and the employee
- To distribute rewards on fair and equitable basis.

Importance of Performance Appraisal

A perusal of the objectives, purposes and uses indicate the significance of performance appraisal for the overall performance management system.

Firstly, performance appraisal is an important managerial tool to clarify performance criteria and to enhance future individual performance. It provides a rational basis for various HR decisions such as rewards, career planning, job rotation, training, counseling, mentoring, termination etc.

Secondly, employee's motivation to perform, to develop personal capabilities, and to improve future performance is influenced by the feedback of past performance. Performance appraisal provides the necessary feedback to employees.

Thirdly, performance appraisal provides an opportunity to communicate to employees the mission, vision, strategies and objectives of the organization and to link strategic objectives with individual performance criteria.

Fourthly, performance appraisal is an important basis for changing performance plans, performance goals/targets/objectives and standards of behaviour as business plans and conditions change.

Fifthly, performance appraisal provides valuable information for administrative decisions such as pay rises, promotions, transfers, terminations, etc.

Sixthly, it provides feedback information about the level of achievement and behaviour of employees, the need to rectify performance deficiencies and set new standards of work. It also identifies individuals with high potential who can be groomed for higher positions. It serves as a means of telling employees how they are doing and suggesting improvements necessary in knowledge, skills and attitude.

Approaches to Appraisal

Every organization has to decide upon the content to be appraised before the appraisal system is implemented. Generally, the content to be appraised is determined on the basis of job analysis. The content may be in the form of contribution to organizational objectives (e.g., production, cost savings, return on capital etc.)

There are three types of measures or approaches to evaluate performance.

(a) Traits based measures
(b) Behaviour-based measures
(c) Outcomes or result-based measures.

The Performance Appraisal Process.

1. Defining objectives of Performance Appraisal.
2. Setting performance goals and standards.
3. Measuring/assessing employees actual performance.
4. Identifying training need.
5. Providing feedback to eliminate performance deficiencies.
6. Rewarding performance

Methods of Performance Appraisal.

There are a variety of methods or formats that are used for performance appraisal. The different appraisal methods both traditional and modern generally used by organizations are discussed below:

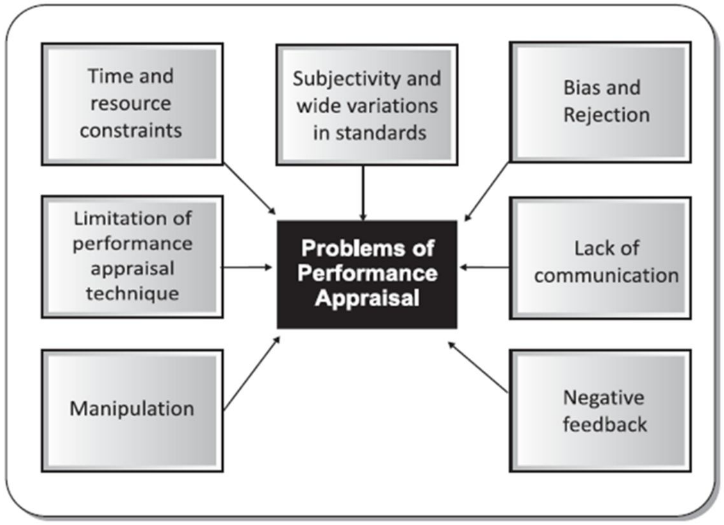
<u>Traditional Methods</u>

Graphic Rating Scales	Forced Choice Method
Essay Method	Checklist Method
Forced Distribution Method	Critical Incident Method
Field Review Method	Confidential Reports
Paired-comparison Method	

<u>Modern Methods</u>

BARS	360-Degree
Assessment centre	MBO
Psychological approach	

Problems of Performance Appraisal.



Rating Error in Performance Appraisal.

Performance appraisals are subject to a wide variety of inaccuracies and biases referred to as 'rating errors'. These errors occur in the rater's observations, judgment, and information processing, and can seriously affect assessment results. The most common rating errors are:

1. Leniency or severity
2. Central tendency
3. Halo effect
4. Horns effect
5. Rater bias
6. Primacy and Recency effects
7. Stereotyping
8. Performance dimension order
9. Spill-over effect
10. Status effect
11. Same as Me
12. Contrast effect
13. Perceptual set
14. Sympathy effect

Q.11 What do you mean by Performance Feedback?

Answer

- Feedback is the information about the behaviour or outcomes achieved by the employee, which is given with the aim of improving future performance.
- Giving feedback to the employee is a key component of the performance review process.
- Feedback helps an employee to understand how well he has been doing and how effective that behaviour has been.

- The aim of feedback is to promote employee's understanding so that appropriate corrective action can be taken by him.
- Feedback acts as reinforcement when it is a positive feedback which can be a powerful motivator because it recognizes achievement.

Purpose served by Feedback.

Feedback about performance in general and about developmental activities in particular serves several important purposes. These include the following:
• **Helps build confidence:** Praising good performance builds employee confidence regarding future performance. It also lets the employee know that his manager cares about him.
• **Develops employee 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 also provides useful information so that past mistakes are not repeated.

Requirements of Effective Feedback.

The mere presence of a feedback system does not mean that there will be positive effects on future performance. For feedback to be most useful, it must fulfill the following requirements:

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.
Frequencies: 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.

Specificity: Feedback should include specific work behaviours, results and the situation where these behaviours and results are observed. Feedback is not about the employee but about behaviours and results and situations in which these behaviours and results take place.

Verifiability: Feedback should include information that is verifiable and accurate. It should not be based on inference or rumours. Using information that is verifiable leads to more accurate feedback and subsequent acceptance.

Consistency: Feedback should be consistent. In other words, information on specific aspects of performance should not vary unpredictably between overwhelming praise and harsh criticism.

Privacy: Feedback should be given at a place and time that avoids any potential embarrassment. This applies to both criticism and praise, because some employees, due to personality or cultural background, may not wish to be rewarded or criticized in public

MODULE – V

Q.1 What are Personal Development Plans? Give some examples of Personal Developmental activities.

Answer

Personal Developmental plans specify courses of action to be taken to improve performance. 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. In short, personal developmental plans allow employees to answer the following questions:

- How can I continuously learn and grow in the next year?
- How can I do better in the future?
- How can I avoid performance problems of the past?

Developmental Activities Examples:

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

I. On-the-job-training:
Employees are paired with a co-worker or supervisor who designs a formal on the job training course.

II. Mentoring:
In general terms, mentoring is a developmental process that consists of one-on-one relationship between a senior (mentor) and junior (Protégé) employee. For such programmes to be successful, it is best to allow the protégé and mentor to choose each other by themselves. In general, mentors serve as role models and teach protégé what it takes to succeed in the organizations.

III. Job rotation:
Another way to gain necessary skills is to be assigned to a different job on a temporary basis.

IV. 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.

V. Courses:
Some large organizations such as McDonald's, Motorola, Capgemini, Ernst & Young etc offer in house courses given at their own corporate universities.

VI. Self-guided reading:
An employee can read books and study other resources on their own.

VII. Getting a degree:

Some organizations provide tuition reimbursement benefits for their employees to obtain additional degrees or certificates.

VIII. Attending a conference:
Another way to acquire knowledge and skills is to sponsor an employee's attendance at a conference or trade show.

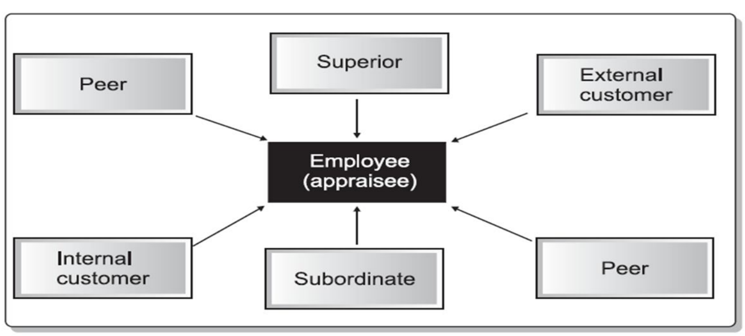
IX. Membership or leadership role in professional or trade organization:
Some employers sponsor membership in professional or trade organizations like-SHRM, CIPD, ICAI etc.

Q.2 Explain about the 360 degree feedback as a developmental tool.

Answer

360-degree appraisal is one of the most exciting developments in the field of performance management. It is also called multi-source assessment or a multi-rater feedback. It aims at a comprehensive and objective appraisal of employee performance. In this system, the individual is assessed periodically by a number of assessors including his *immediate superior, subordinates, colleagues, internal customers, external customers*, etc. The assessment is made on a questionnaire specially designed to measure behaviours considered as critical for performance. The appraisal is done anonymously by others and the assessment is collected by an external agent (generally the HR Department). Then, the assessment is consolidated; feedback profiles are prepared and given to the employee. *Since the information is gathered from individuals all around the employee, these systems are called 360 degree feedback*. Due to the innumerable variations possible in 360-degree appraisal and its potency as a competency identification and development tool, it is important to understand the concept, process and its rationale.

The 360-degree feedback system is most helpful when it is used for developmental purposes only and not for administrative purpose. 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 reward him/her. This system is usually implemented for individuals who have supervisory roles, but these systems can be used for all positions within the organization.



The main reasons for introduction of 360-degree appraisal are:

i) Any discrepancy between how we see ourselves and how others see us increases our self-awareness.

ii) This increased self-awareness helps us to maximize performance.

iii) It calls attention to important performance dimensions that might have been neglected by us in the past.

iv) It can overcome biased appraisals and the inherent prejudices that a person may have because the organization is not relying on one person's view.

Advantages of 360 degree feedback system.

Following are the advantages:

I. Decreased possibility of biases as these systems include information from more than one source.
II. Increased awareness of expectations as employees become aware of what others think about their performance, which increases their commitment to improve.
III. Increased commitment to improve because performance now is no longer a private matter.
IV. Improved self-perception of performance. 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 be correct.
V. Improved performance as having information on one's performance along with a good developmental plan is likely to lead to performance improvement.
VI. Reduction of 'undiscussables' as this system provide an excellent opportunity to give information about the performance of an employee in an anonymous and non-threatening way.
VII. Increased employee control of their own careers as employees receive detailed and constructive feedback on their weaknesses and strengths which help to gain a realistic assessment of where they should go with their careers.

Disadvantages/Risks of 360 degree feedback system.

I. Unconstructive negative feedback can hurt an employee's feeling.
II. Are individuals comfortable with the system? User acceptance is crucial.
III. If there are few raters, anonymity is compromised.
IV. Raters may become overloaded with forms to fill because they need to provide information on so many individuals.
V. Implementing a 360 degree feedback should not be a one-time only event. The implementation of ongoing 360 degree system is sometimes labeled as 720 degree system, referring to the fact that the collection of 360 degree data takes place at least twice.
VI. Research has shown that organizations who had implemented this system, their Stock values in the market dropped.

Characteristics of a Good 360-degree Feedback System.

I. Anonymity.
II. Observation of employee performance.
III. Avoidance of survey fatigue.

IV. Raters are trained.
V. Used for developmental purposes only
VI. Emphasis on behaviors.
VII. Raters go beyond ratings.
VIII. Feedback interpretation

IX. Follow-up

Q.3 Explain about rewards in performance management.
Answer

When we think about rewards, then we should think in broader terms then just pay. We can define a **reward**as something that increases the frequency of an employee action. In other words, when an employee is given a reward, we expect to increase the chances that specific results and behaviors will be repeated or that employee will engage in new behaviors and produce better results.

Rewards can include:

- Pay
- Recognition
  - Public
  - Private
  - Status
- Time such as taking a long break, leaving work earlier and getting time off.
- Trust & Respect
- Challenging work environment.
- Responsibility
- Freedom
- Relationships

Following recommendations can be considered to make rewards work:

I. Define and measure performance first and then allocate rewards
II. Only use rewards that are available
III. Make sure all employees are eligible
IV. Rewards should be both
- Financial
- Non-financial

V. Rewards should be:
- *Visible* to those who receive them and others also.
- *Contingent* i.e. Rewards should be tied to performance directly.
- *Timely* i.e. Rewards should be given soon after the occurrence of the result or behavior being rewarded.
- *Reversible i.e.* Variable payis not added to employee's base salary, so it consistent with the recommendation that rewards given to employees should be taken back if the performance is not satisfactory.

Q.4 What is a Performance linked remuneration system?
Answer

Traditional Pay: A traditional approach in implementing reward systems is to reward employees for the positions they filled as indicated by their job descriptions and not necessarily by how they do their work. In this system, salary increases are based on Position and Seniority.

Contingent Pay (CP): It is also called as Pay for Performance. Performance-related pay is that part of the financial, or financially measurable, reward to an individual which is linked directly to individual, team or company performance. In this system, individuals are rewarded on the basis of how well they perform on the job. Here, salary increases are based on Job performance. This salary increase can either be added to an employee's base salary or be a one-time bonus.

Reasons for Introducing Contingent Pay (CP) or Performance Related Pay(PRP).

Some of the reasons are:

I. Performance management is more effective when rewards are tied to results.
II. Contingent Pay Plans force organizations to: Clearly define effective performance and determine what factors are necessary.
III. Contingent Pay plans help to recruit and retain top performers.
IV. Contingent Pay plans project good corporate image.

Contingency Pay (CP) helps improve motivation when:

- Employees see clear link between their **efforts** and **resulting performance** (**<u>Expectancy</u>).**
- Employees see clear link between their **performance level** and **rewards received** (**<u>Instrumentality</u>**).
- Employees value the **rewards** available (**<u>Valence</u>**)

MOTIVATION = EXPECTANCY x **INSTRUMENTALITY** x **VALENCE**

If the expectancy, instrumentality or valence conditions are not met, the CP plan is not likely to improve performance.

Different forms of Performance Related Pay (PRP).

1. Merit Pay
2. Individual Bonuses
3. Group/team Bonus
4. Company-wide Schemesbased on the achievement of one or more company performance targets such as profits
5. Share/Stock Schemes
6. Skill Based Pay
7. Incentive Gifts

Arguments in favour of PRP.

1. Focusing Attention and Harnessing Effort Where the Organization Wants It
2. Supporting a Performance-oriented Culture.
3. Emphasizing Individual Performance or Teamwork as Appropriate
4. Strengthening the Performance-appraisal Process
5. Rewarding the Right People

Advantages of PRP.

Advantages that are most frequently associated with performance related pay are presented below:

1. Effective Motivator: Performance-related pay is an effective motivator because itprovides a financial incentive, and rewards people according to thelevel of performance they achieve. If it is fully transparent andprovides worthwhile as well as attainable rewards, performance-related pay will be an effective motivator in accordance with theprinciples of expectancytheory.

2. Tangible Means: It provides a tangible means for recognizing and rewardingachievement.

3. Performance-oriented Culture: Performance Related Pay conveys a clear message toemployees that the organization believes in high levels of performance from everyone, and is prepared to pay for it. It helps in creating a performance oriented culture.

4. Economic Value: The payroll costs in manufacturing companies constitute about 20 to 30 per cent of total costs. In service organizations, the payroll can make up over 70 per cent of total costs. Pay role costs have an economic value to the organization.

5. Meets Employee Expectations: Besides economics, there are strong reasons for favoring performance-related pay. Individuals are becoming sophisticated in their relationships with their employers, and are often seeking better rewards based on their contribution. Readily accessible information and increased job mobility have heightened awareness of employment alternatives.

6. More Equitable Reward System: It is right and proper for pay to be related to the contribution made by individuals to achieve organizational objectives. High performers should be paid more than low performers. There is also evidence that in performance-oriented cultures performance-related pay is seen by employees as a more equitable reward system than systems that offer no relationship to performance.

Q.5 What is a Performance linked Career planning & Promotion policy?

Answer

An organization seeking to promote its workers may choose to do so **based on seniority** to take advantage of the employees' experience with the organization and to **reward them for their service**. Another option is to **promote based on merit**, a measure of the employees' contributions based on performance.

A merit-based program can provide ***motivation*** leading to increased productivity. Workers who recognize that the best performers are the ones who get ahead may put forth the extra effort they believe it takes to receive promotions. For instance, salespeople who realize that a sales manager position is awarded to the person with the highest sales numbers may strive to produce the desired results, generating additional revenue for the company in the process.

Workers possess varying levels of skills and abilities, and a merit-based program rewards those who may have the most to offer the organization in the long run. While tenured employees offer the benefit of greater experience, this does not necessarily equate with more ability. A less experienced worker possessing a greater flair for innovation or creativity may be more likely to generate ideas that help the company move forward in the future.

MODULE – VI

Q.1 Explain the meaning and significance of Talent Engagement?

Answer

Engagement at work was conceptualized by Kahn (1990) as the 'harnessing of organizational members' selves to their work roles. In engagement people employ and express themselves *physically, cognitively and emotionally* during role performances.

Employee Engagement can be defined as the level of commitment and involvement as employee has towards his/her organization and its values.

It is also the degree to which an employee is emotionally bonded to his/her organization and passionate about his/her work.

Three Entities of Engagement are:

I. Employees as unique entities in terms of their skills, abilities, attitudes & aspirations.
II. Employers in their role to create condition of engagement
iii. Relationship, trust and communication between employees across levels.

Significance of Talent Engagement:

Various Research show strong Correlation of Employee Engagement with Employee Commitment & Financial Performance of the company. Better Engagement leads to:

- Better employee performance
- Higher employee commitment & discretionary efforts.
- Employee less likely to be a source of inventory shrinkage.
- Higher operating income, net income, Profits &EPS for the firm.
- Higher annual growth rate for the firm.

Q.2 Briefly describe the drivers of Employee Engagement

Answer

Towers Perrin identifies the following drivers of engagement in their order of importance:

I. Senior management's interest in employee's well-being.
II. Challenging Work.
III. Decision making authority.
IV. Evidence that the company is focused on customers.
V. Career advancement opportunities.
VI. The company's reputation as a good employer.
VII. A collaborative work environment where people work well in teams.
VIII. Resources to get the job done.
IX. Input on decision making.
X. A clear vision from senior management about future success.

Watson Wyatt Worldwide has identified four primary and three secondary drivers of engagement.

The four primary drivers are:

I. Belief that management explains reasons for major decisions.
II. Satisfactory opportunities for development and advancement.
III. Belief that the company encourages independent thinking.
IV. Clear link between performance and pay.

The three secondary drivers:

I. Manageable stress levels.
II. Culture of mutual respect.
III. Opportunities for team working.

Q.3 Describe the behaviours associated with Engaged employees, Not engaged employees and Actively Disengaged employees.

Answer

Behaviors associated with Engaged employees.

Engaged employees are also called as ‘builders’.

I. They wish to know the desired expectations so that they can meet and exceed them.
II. They are consistently high performers.
III. They work with passion and feel strong connection with their company.
IV. They are the drivers of innovation and creativity.
V. They are loyal and psychologically committed to the company.
VI. Highly productive and more likely to stay with the company.
VII. They want to make full use of their talent and strength at work.

Behaviors associated with Not Engaged employees.

Not engaged employees are essentially those who have checked out from the organizations.

I. Tend to concentrate on task rather than on goals and outcomes.
II. Wish to be directed and want to stay afloat.
III. Focus is on task accomplishment, rather than on target accomplishment.
IV. Maybe productive but not psychologically connected to the company.
V. They tend to feel underutilized (in terms of their talent and abilities) and under recognized, primarily because lack of productive relationships with their co workers and seniors.
VI. Probability of tardiness, absenteeism and of leaving the company is higher.

Behaviors associated with Actively Disengaged.

The actively disengaged employees are ‘cave dwellers’- ‘consistently virtually against anything’.

I. Unhappy at work and busy exhibiting their unhappiness.
II. Tend to undermine the accomplishments of their co-workers, especially those made by engaged employee.

III. Thwart opportunities, instead of welcoming and lapping them up.
IV. Generate problems and tension at work.
V. Their physical presence is not equivalent to their psychological presence.

Q.4 Describe the Q12 Model of Gallup.

Answer

Q 12 Model of Gallup.

One of the most commonly used engagement measurement tool is the Gallup's Q12.

Gallup a premier consulting firm came up with Q.12,a twelve question survey that identifies strong feelings of employee engagement. They have identified 12 questions that most effectively measure engagement. These questions are:

1. Do you know what is expected of you at work?
2. Do you have the materials and equipment you need to do your work right?
3. At work, do you have the opportunity to do what you do best every day?
4. In the last seven days, have you received recognition or praise for doing good work?
5. Does your supervisor, or someone at work, seems to care about you as a person?
6. Is there someone at work who encourages your development?
7. At work, do your opinions seem to count?
8. Does the mission/purpose of your company make you feel your job is important?
9. Are your associates (fellow employees) committed to doing quality work?
10. Do you have a best friend at work?
11. In the last six months, has someone at work talked to you about you progress?
12. In the last year, have you had opportunities at work to learn and grow?

Q.5 What are Employee satisfaction Surveys?

Answer

Employee satisfaction surveys help employers measure and understand their employees' attitude, opinions, motivation, and satisfaction. The Employee Satisfaction Survey is used by companies to determine how employees feel about their co-workers, company leadership, training, and general work environment. The Employee Satisfaction Survey provides a ranking system for employees to indicate how strongly they agree or disagree with every statement they answer. The survey is used when the companies review employee opinions.

Satisfaction surveys can be used to build a positive, productive workforce by focusing on:

- Management development.
- Team development
- Training and career development programs.
- Benefits programs.

MODULE – VII

Q.1 What do you mean by Succession Planning?

Answer

Succession Planning-Meaning

Succession Planning is the process of ensuring a suitable supply of successors for current and future senior or key jobs arising from business strategy, so that the careers of individuals can be planned and managed to optimize the organization's needs and the individual's aspirations.

Traditionally, succession planning has sometimes taken a replacement approach, oftenfocusing on executive-level positions. One or two successors might be identified andselected, probably based on the exclusive input of their immediate supervisor, and then placed on the fast-track into a senior position. However, succession planning has evolved into a process that can be used to:

1. Replenish an organization's HR at a broad or specific level.
2. Identify, assess and develop employee knowledge, skills and abilities to meet the current and future staffing needs of the organization; and
3. Ensure a continuous supply of talent by helping employees develop their potential, as successors for key departmental positions.

Some of the current practices in succession planning include the following:

- Knowing what jobs at various levels, if removed, would cause a significant loss to theorganization, and which of these jobs represent the greatest retention risk.
- Knowing which employees are both interested in, and demonstrate short- and/or long-termpotential for, succession into key positions.
- Significant investment to ensure that employees have appropriate and structured learning,development and training opportunities to fulfil their potential.
- Aligning succession planning with current and anticipated business goals and objectives.

Q.2 Explain how key managerial positions are identified which are critical for business

Answer

A key position or occupational group can be defined in many different ways, but twoimportant criteria that should be considered are *criticality* and *retention risk*. A **critical -position**is one that, if it were vacant, would have a significant impact on the organization's ability toconduct normal business. The significance of the impact could be considered in terms ofsafety, operation of equipment, financial operation, efficiency, public opinion, and so on.

Retention risk refers to positions where the departure of an employee is expected (e.g. retirement) or likely (e.g. history of turnover). By examining these criteria on a low-to-high scale, an organization can determine what positions require short- or long-term planning.

A ***gap analysis***, as a part of workforce planning, can also be an invaluable tool to identify keyareas or occupational groups.

Information that may help identify key positions can include:

- Current and future strategic goals and objectives.
- Retirement forecasts.

- Turnover rates.
- Current and expected vacancies.
- Changes to existing programs and services.
- Highly specialized function.

In addition to the analysis of criticality, retention risk, and other workforce data, it might be beneficial to consider the following types of questions:

I. What jobs, if vacant, have the potential to prevent the organization from achieving goals and objectives?
II. What jobs have a direct impact on the public?
III. What jobs would be difficult to fill because of required expertise or because the exiting incumbent possesses a wealth of unique and/or corporate knowledge?
IV. Is there a projected labour market shortage for relevant job skills?
V. Is there a need to plan for anticipated positions that do not currently exist?

Q.3 How to identify potential candidates once a pool of interested candidates has been established?

Answer

There are a number of methods to identify potential candidates once apool of interested candidates has been established. Some of these methods can include:

1) Written exams
2) Candidate interviews
3) Review of résumés/CVs
4) Simulated work exercises
5) Performance reviews
6) Reference checks
7) Talent review meetings

This step of the succession planning process is closely related to regular recruitment practices, but succession planning goes one step further by helping interested candidatesdevelop the requisite skills prior to the formal recruitment process that begins once aposition becomes vacant. Public service organizations should consider consulting with thePublic Service Commission to ensure that the steps used for identifying potential candidatessupport decisions that are based on merit, fairness and respect.

Q.4 What is lateral hiring?

Answer

Lateral hiring" refers to a form of recruiting.Lateral hiring is defined as the intentional actions of one employerto identify, contact, solicit, and hire an individual or group of individuals currentlyemployed by another organization. Intentionality on the part of the agent of the hiringcompany is the hallmark this practice.

But the term has two different meanings. In one meaning, the hiring organization targets employees of another, similar organization, possibly luring them with a better salary and the promise of better career opportunities. An example is the recruiting of a partner of a law firm by another law firm. The new lateral hire then has specific applicable expertise and can make a running start in the new job. In some professional branches such lateral hiring was traditionally frowned upon, but the practice has become increasingly more common. An employee's contract may have a non-compete clausepreventing such lateral hiring.

A lateral hire may also refer to a newly hired employee with no prior specific applicable expertise for the new job, and for whom a job move is a radical change of career. An example is the recruiting of a university professor to become chairman of the board of a company.

Lateral hiring of a single employee, which is sometimes called "**poaching**" or"**cherry-picking**" differs from the hiring of multiple employees, "**talent raiding**" only in magnitude.

Clearly, attemptingto hire away another company's employees solely to harm the rival's business andnot for the use of their skills and services is a clear example of unfair competitionand a qualitatively more significant moral transgression.

MODULE – VIII

Q.1 What do you mean by Career Planning?

Answer

The process of establishing career goals/objectives and determining appropriate educational and developmentalprograms to further develop the skills required toachieve short- or long-term career objectives.

Career planning is the process through which individuals identify and implement steps to attain their career goals.There are five basic steps in the career planning process: (1) Self-assessment, (2) Investigating career opportunities, (3) goal setting, (4) action Planning and (5) Evaluation.

1) Self-Assessment

Examine personal interests, skills, values, and abilities.

2) Opportunity Exploration

Seek information on available job opportunities from family, friends, online job boards, job fairs. Examine the skills and abilities required.

3) Goal Setting/Reality Checking

Decide which job/occupational opportunities fit both personal interests and skills/abilities.

Set specific target job objectives for a defined time period.

4) Action Planning

Outline all steps needed to reach a specific career goal—formal training, internships, job searchstrategy development, network building, further career exploration, etc.

5) Evaluation

Review progress on steps in the action plan, realism of goals, and accuracy/currency of self-assessment.

Revise career plan based on new information.

Where the organization intervenes in planning, it becomes **Organizational career planning**. In other words, organizational career planning is the planned succession of jobs worked out by a firm to develop its employees.

Career Development - Meaning.

Career development is definedas the ongoing effort of both individuals and organizations to expand career opportunities and realize career goals. As such, career development includes both **individual career planning** and ***organizational career management***.

At the ***individual level***, it the process by which individuals establish their currentand future career objectives and assess their existingskills, knowledge or experience levels and implement anappropriate course of action to attain their desired careerobjectives.

Career Management is the process of enabling employees to better understand and develop their skills and use them for the benefit of the organizations and self. It is the organization's efforts to manage the flow of individuals through positions over time in ways that will best meet both organizational and individual goals.

According to Milkovich and Boudreau-

Career Development = ***Career management + Career planning***

Career Development Initiatives:

Organizations devise and implement several initiatives in order to develop their employee's careers. Some of these are:

I. Career Planning Workshops.
II. Career Counseling.
III. Mentoring.
IV. Sabbaticals.
V. Personal Development Plans(PDPs)
VI. Career workbooks.

Q.2 What is mentoring?

Answer

In general terms, mentoring is a developmental process that consists of one-on-one relationship between a senior (mentor) and junior (Protégé) employee. For such programmes to be successful, it is best to allow the protégé and mentor to choose each other by themselves. In general, mentors serve as role models and teach protégé what it takes to succeed in the organizations.

Mentoring is a powerful personal development and empowerment tool. It is an effective way of helping people to progress in their careers and is becoming increasing popular as its potential is realised. It is a partnership between two people (mentor and mentee) normally working in a similar field or sharing similar experiences. It is a helpful relationship based upon mutual trust and respect.

A mentor is a guide who can help the mentee to find the right direction and who can help them to develop solutions to career issues. Mentors rely upon having had similar experiences to gain an empathy with the mentee and an understanding of their issues. Mentoring provides the mentee with an opportunity to think about career options and progress.
A mentor should help the mentee to believe in herself and boost her confidence. A mentor should ask questions and challenge, while providing guidance and encouragement. Mentoring allows the mentee to explore new ideas in confidence. It is a chance to look more closely at yourself, your issues, opportunities and what you want in life. Mentoring is about becoming more self-aware, taking responsibility for your life and directing your life in the direction you decide, rather than leaving it to chance.

Q.3 Explain about Upward and Horizontal movement of employees.

Answer

Generally, promotion means going up in the organizational structure or ladder. There are two important classifications of promotions:-

6.1 Vertical promotionsto promote career progression.

Vertical promotion is accompanied by increased authority, responsibility, accountability and status, and a higher designation. For instance, moving a person from the clerical cadre to the position of an administrative officer can be an example of a vertical promotion.

6.2 Horizontal promotions to promote career progression.

A horizontal promotion brings more responsibility and compensation, but the employee does not go to a higher level in the organizational structure. This method is usually adopted when the chances of 'going up' in the organizational structure are limited.[9] By and large, organizations view horizontal promotion as an element of an employee's career growth.

Transfers or Horizontal Movement of Employees.

Horizontal or lateral movement of employees is common in organizations. Popularly, called as transfers, such movement of employees takes place for valid reasons. Nevertheless, HR managers need to handle transfers with caution.
A transfer involves a change in the jobs (accompanied by a change in the place of the job) of an employee without a change in responsibilities or remuneration.

A transfer involves a change in the jobs (accompanied by a change in the place of the job) of an employee without a change in responsibilities or remuneration.

Types of Transfers:

Broadly speaking transfers can be classified into three types:
1) Those designed to enhance Training and development.
2) Those making possible adjustments to varying volumes of work within the firm.
3) Those designed to remedy the problem of poor placement.

Reasons for Transfers:

I. Workers are transferred from the surplus department to another department or plant where there is shortage of staff.
II. Removal of incompatibilities between the worker and his/her boss and between one worker and another worker.
III. Correction of faulty initial placement of an employee.
IV. A change has taken place in the interests and capacities of an individual, necessitating his or her transfers to a different job.
V. Over a period of time, the productivity of an employee may decline because of the monotony of his/her job. To break this monotony, the employee is transferred.
VI. The climate may be unsatisfactory for an employee's health. He/she may request a transfer to a different place where his/her health will not be affected by its climate.
VII. Family related issues cause transfers, especially among female employees. When they get married, the females want to join their spouses and this fact necessitates transfers or resignations.

Q.4 Define Psychological contract.

According to Kotter (1973):"An implicit exchange between an individual and his organisation which specifies what each expects to give and receive from each other in their relationship."

According to Herriot & Pemberton (1995): "The perceptions of both parties to the employment relationship, organisation and individual of the obligations implied in the relationship."

According to Rousseau (1995): "Individual beliefs, shaped by the organisation, regarding terms of an exchange agreement between individuals and their organisation".

According to Guest and Conway (2000): "The perceptions of both parties to the employment relationship, organisation and individual of the reciprocal promises and obligations implied in the relationship"

A psychological contract is a concept developed by organizational scholar Denise Rousseau,itrepresents the mutual expectations, beliefs, perceptions, and informal obligations between an employer and anemployee. It sets the dynamics for the relationship and defines the detailed practically of the work to be done. It is distinguishable from the formal written contract of employment which, for the most part, only identifies mutual duties and responsibilities in a generalized form.It is employees' expectations of what the organization owes them and what they owe to the organization.

Psychological Contracts Characteristics:

- Define the employment relationship.
- Manage Mutual Expectations.
- Voluntary.
- Reciprocal.
- Evolving/Dynamic.
- Subjective.

- Relational.
- Transactional.

Q.5 Describe the Career Anchors Model.

Answer

Developed by Edgar Schein at MIT's Sloan School of Management and based on years of research, *Career Anchors* helps participants identify areas of competence, motives, and values related to their work choices, based on the eight "Career Anchors". Edgar Schein explores how personality, motivation and values affect career choices and preferences.

There are eight career anchors themes andhas shown that people identify primarily with one or two. The anchors can enable peopleto recognize their preferences for certain areas in their job which can help career planning e.g.a person with a primary theme of autonomy/independence will seek to work under theirown rules and be less likely to conform toorganizational norms. People are generallymore fulfilled in their careers when they cansatisfy their career anchors and seek roles thatare aligned with these.

Following are eight different anchor types:

1. **Technical/Functional expertise**
   This type prefers to specialise in their skill, and they tend to pursue excellence and enjoy being challenged in this area (eg sales, engineering, teaching). They dislike being moved into managerial positions.
2. **Managerial**
   This type of person is a generalist who sees specialisation as a trap. They enjoy leadership and advancement and are happy to move around in different areas of work.
3. **Autonomy/Independence**
   This type dislikes being bound by rules, hours, dress codes, etc. They dislike the organisation of the workplace and seek autonomy or independence. They often work for themselves.
4. **Security/Stability**
   This type seeks security and stability in their jobs. They dislike personal risk, and often identify with their organisation, which makes them faithful and reliable workers.
5. **Entrepreneurial/creativity**
   This type likes creating new organisations, products or services. They therefore particularly enjoy work where success is closely linked to their own efforts as creators. This work is often linked to making money.
6. **Service/dedication to a cause**

This type wants to undertake work which embodies values which are central to them. Service or dedication is more important than the talents or competencies used and is the prime motivating factor for the type.

7. **Pure challenge**
   This type likes conquering, overcoming, solving and winning. It is not the job itself but the process of succeeding which interests and motivates them.

8. **Lifestyle**
   This type is keen to integrate the needs of the self, the family and the career. They seek flexibility and an organisation which understands this desire for balance. It is often suggested that more people are now identifying with this category.