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MBAS 561

IV Semester M.B.A. Degree Examination, September/October 2022

(Regular and Repeater)

BUSINESS ADMINISTRATION

Performance Management

Time : 3 Hours

Max. Marks : 70

SECTION – A

(Compulsory)

Answer to the question should **not** exceed **6** pages.

(1×15=15)

1. Define “Performance Management”. Briefly explain the scope and concerns of Performance Management.

SECTION – B

Answer **any five** questions. **Each** question carries **8** marks. Answer to **each** question should **not** exceed **5** pages.

(5×8=40)

2. Describe difference between Performance Appraisal and Performance Management.
3. Define Role Efficacy in Performance Management with an example.
4. Explain Process of Judgement and Process of Analysis.
5. Critically examine the ways and methods of implementing appraisal system.
6. Explain the major approaches of Organizational effectiveness.
7. Mention the relevance of high performance teams in Organizational Performance.
8. Explain the Three Layered Team Oriented Organization with a suitable diagram.

P.T.O.



SECTION – C
(Compulsory)

Answer to the questions should **not** exceed **6** pages.

(1×15=15)

9. **Case study :**

Gregory Anderson (Anderson), an ex-editor who supervised Yahoo's autos, homes, and shopping, small business and travel sites was fired in November 2014. He filed a lawsuit in the Federal District Court in San Jose, California, in February 2016. He alleged that the company's senior managers regularly manipulated the employee rating system to fire hundreds of people without a proper reason to realize the company's financial goals.

Yahoo was founded by two Ph.D. students of Stanford University, Jerry Yang (Yang) and David Filo (Filo), in 1994 in Sunnyvale, California, USA. It was initially started as 'Jerry and David's Guide to the World Wide Web (JDG)', a website which acted as a directory of several other websites. Yang and Filo started the website to cater to the needs of people who wanted to go to a single place and find websites related to diverse areas. Overtime, JDG became very popular and became the first choice of people browsing the web. It helped them discover useful, interesting and entertaining content. JDG was renamed Yahoo in 1994 and was positioned as a customized database intended to serve different users. Yang and Filo developed customized software to help users locate, identify and edit information available on the internet.

Quarterly Performance Review (QPR) which was introduced at Yahoo! Inc. by CEO Marissa Mayer shortly after she joined the company in 2012. As part of QPR, managers scored their employees and distributed them into 'greatly exceeds,' 'exceeds,' 'achieves,' 'occasionally misses,' and 'misses' categories, with a target percentage of employees to be distributed into each category. The lower ranked employees were fired while the higher ranked ones were rewarded. This HR policy was widely criticized in the media for being similar to stack ranking. Yahoo also faced



a lawsuit from a former Yahoo editor, Gregory Anderson, who accused the company of executing QPR in an arbitrary way to lay off employees on a huge scale. He further alleged that even if all the employees on a team were performing well or at the same level, managers were required to place some of them in the 'occasionally misses' and 'misses' buckets to meet their targets. While Yahoo stood by its QPR, critics felt that stack ranking was not a very effective performance appraisal policy and Mayer should look for a more effective one to revive the fortunes of Yahoo.

Yahoo Inc. (Yahoo) CEO, Marissa Mayer's (Mayer) policy of quarterly performance review (QPR) came in for significant criticism by analysts in 2016 as it was used to fire hundreds of employees in the company. Some analysts felt that the approach was similar to stack ranking or forced ranking. As part of the policy, Yahoo reviewed the performance of every employee and ranked each of them on a scale of 1 to 5. The lowly ranked employees were fired.

Questions :

- a) Analyze the QPR policy implemented by Yahoo and understand the reasons that led to its implementation.
- b) Explain the forced ranking system and discuss and debate its pros and cons.
- c) Explore how Yahoo can improve its performance appraisal policy, in tune with its employees' expectations and business need.
