

BUS-MHR 4328
Performance Management
Autumn 2016
Tuesday & Thursday 3:55-5:15 PM
319 Schoenbaum Hall

Professor Raymond A. Noe
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Office Hours: Tuesday & Thursday 1-2 PM or by appointment.

COURSE DESCRIPTION

This course addresses a timely and important issue for all managers and HR professionals: How to measure and develop the performance of individuals and groups and align performance with the organization's strategic objectives. Specifically, this course is designed to expose students to the methods, theories, research findings, and issues regarding employee performance in organizations. At the end of the quarter students will be expected to have a very good knowledge of how to design and implement performance management systems. The class will consist of a combination of lectures, class discussions of current and emerging performance management practices and issues, and a "live" case.

COURSE OBJECTIVES

1. Students should understand the fundamental theories and best practices in performance management.
2. Students will be able to discuss the dynamic nature of performance management through the presentation of new ideas and addressing controversial issues.
3. Students should be able to develop a new performance management system or make changes or recommendations to an existing performance management system to insure that it contributes to strategic goals and effective talent management.
4. Students should be able to implement supporting mechanisms needed for the effective use and implementation of a performance management system.
5. Students should be able to identify the strengths and weaknesses of using technology to provide feedback, monitor performance, and complete appraisals in performance management.
6. Students should be able to identify employee performance and developmental needs and recommend appropriate actions.
7. Students can diagnose problems in performance management systems linked to incentives and provide solutions for how incentives can be best used to motivate performance.

INSTRUCTIONAL PHILOSOPHY

Each of us is responsible for the success of this class. I have tried to design the course to maximize your learning and I am committed to creating a positive learning environment in the classroom. What you get out of the course is, however, ultimately up to you. My goal is to strikes a balance between my presentation of material and your involvement in discussions, projects, and cases. To facilitate learning we will emphasize three different types of interactions: learner-learner, learner-content, and learner-instructor.

COURSE MATERIALS

TEXTBOOK

Aguinis, H. (2013). Performance Management (3rd ed.). Pearson Education. ISBN-13: 978-0-13-255638-5. This book is available in “hard copy” at local bookstores as well as an e-book for Kindle, iPad, laptop, or notebook computer.

WEB PAGE (CARMEN)

Course information, handouts, grades, PowerPoint presentations, links to websites, etc. will be available on the Carmen site for this course. Carmen’s address is: <http://carmen.osu.edu>. Slides and other materials for each class will be posted on the website.

EXPECTATIONS

1. *Attendance.* First, I expect you to demonstrate an interest in the course by consistent attendance in class and regular introspection and application to your own experience. Regular attendance throughout the quarter is critical and appreciated (as is arriving on time). Understanding (not to mention a decent grade) will not be acquired by reliance on readings instead of class attendance nor vice versa.
2. *Preparation.* Come to class having completed the assignments for that day, review those materials prior to class so you are prepared to discuss them, and bring your course materials with you to class. Class time will be spent evaluating, integrating and supplementing the material covered in the assignments, not reviewing that material.
3. *Professionalism.* Be respectful of each other. I fully expect a high level of courtesy and professionalism in the classroom setting; this means minimal talking, no cell phones, no IMing or text messaging, etc. These behaviors are distracting and disrespectful not only to me but to your fellow students as well.
4. *Application.* Ask questions and contribute your thoughts and personal experiences whenever relevant. When students actively contribute to the discussion, everyone benefits from a more positive learning environment and the class becomes more interesting and fun. Remember, we are all in this class to learn from one another! I hope you will try to apply this material to your

own work situation, now and/or in the future. This course is for your benefit and development, and you will get the most out of the course (and ultimately be most successful) by making it relevant to your own life situation.

COURSE EVALUATION

Exam I	100
Exam II	100
Team Project: Goodyear	100
Paper (60 points)	
Presentation (20 points)	
Contribution (20 points)	
Assignments	80
Course Contribution	20
TOTAL POINTS	400

Exams (200 points): The two exams, each worth 100 points, will each consist of short answer and short essay questions. Questions will be based on class lectures, discussions, readings, and assignments. These questions will be of two types: (a) questions assessing your understanding of course concepts, and, (b) questions assessing your ability to integrate and apply the basic concepts, processes, and issues covered in the course. The two exams will not be cumulative. You are expected to take the exams when scheduled. Students for whom this presents a problem should speak to the instructor prior to the exam date. Make-up exams will only be granted with a legitimate excuse. Failure to take an exam at the appointed time will result in an “E” for that exam.

Team Training Project (100 points): Students will be divided into teams to provide practical experience in applying course concepts to a performance management issue faced by Goodyear. A detailed description of the team project is provided below. Students will earn points for the team presentation, paper, and their contribution. Each student in the team will receive the same number of points earned for the presentation and paper. Peer evaluations, i.e., ratings of each team member’s contribution, will be used to determine the points received for contribution to the team project. The peer evaluations will be distributed and collected later in the semester.

Assignments (80 points): The assignments give you the opportunity to consider the practical application of the topics covered in class and serve as the basis for class discussion. There are 12 assignments. You are responsible for being prepared to discuss each assignment during class but you only have to turn in eight assignments for grading. Each assignment is worth 10 points. **All students must complete and hand in the first application assignment on August 30 (A#1), and assignments on October 25 (A#8) and November 15 (A#11). You have the choice of which of the remaining five assignments to hand in for grading on their respective due dates.** For each assignment you choose to hand-in for grading please prepare not more than three typed pages. The assignments should be completed individually and will be due the day the assignment is discussed in class (see the schedule below for details). The points you earn for each assignment will be based on the quality of your answer (use of course materials, free of spelling and grammatical errors). **Although you have a choice regarding which assignments to hand in**

for grading, please complete and be prepared to discuss all assignments.

Class Contribution (20 points): Contributing is defined as providing comments that demonstrate knowledge and integration of course material, involvement in class exercises and discussions of assignments, respectful responses to and elaboration on the comments of others, and refraining from overly long monologues or war stories. The criteria for grading class contributions are shown below. You are encouraged to regularly review these criteria to assess your contribution level and set goals for improvement. Keep in mind that unexcused absences from class will result in deductions from your class contribution points. I evaluate your class contribution following each class. Towards the end of the quarter, you will be asked to evaluate your level of class contribution and provide specific examples to support your assessment. This self assessment can be emailed to me or written / printed out and submitted in class. I will carefully review your assessment, compare it to my own evaluation, and assign an overall contribution grade.

Points	Description
17-20	Consistent (90% of class sessions) high quality contributions (given the above definition). Responds to other students as well as the instructor. Volunteers illustrations from his or her own experiences about the subjects under discussion. Basis of contributions reflect being well prepared prior to class and active listening during class. Attends all classes.
14-16	Reasonably frequent contributions (70% of class sessions) of the same quality as described above for the grade of "A." Misses one or two classes
10-13	Reasonably frequent contributions but not always of the same quality as described above for the grade of "A." Misses two to three classes.
8-9	Sometimes contributes but not always of the same quality as described above for the grade of "A" or occasional (40% of class sessions) contributions of the same quality as described above for the grade of "A." Misses three or more classes.
5-7	Does not take part in class discussion unless specifically asked to do so. Contributes once in a while but not always of the same quality as described above for the grade of "A." Misses at least one class per week.
0-4	Takes no part in classroom discussion and does not attempt to contribute. Misses more than 50% of classes. When asked to contribute is not prepared or unwilling to do so.

OTHER COURSE POLICIES

Learning Accommodation. Every effort will be made to provide each student with a meaningful learning opportunity. The University strives to make all learning experiences as accessible as

possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let me know immediately so that we can privately discuss options. You are also welcome to register with Student Life Disability Services (SLDS) to establish reasonable accommodations. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. SLDS contact information: slds@osu.edu; 614-292-3307; slds.osu.edu; 098 Baker Hall, 113 W. 12th Avenue.

Students who are concerned about their class performance should contact me as soon as those concerns arise. I will work with you to improve your grade where possible but you must take the initiative to do so. I am not sympathetic to students who approach me during the last week of the quarter looking for extra points to enhance their grades.

Grade Appeals. If you have concerned about a grade, you may submit an appeal. Appeals must be in writing and must contain (a) a clear identification of what you are appealing and (b) an explanation of why you think the assigned grade does not reflect the quality of your performance including support for that position. Appeals must be received within one week of when the work is returned to you. All such appeals will be carefully considered and I will receive a written respond within one week of when the appeal was received. I reserve the right to re-grade the entire assignment or exam.

Late Assignments, Make-up Exams, Extra Credit. No late assignments or make-up exams will be accepted unless I am advised of a valid excuse prior to the exam or due date. There is no extra credit available.

Academic Misconduct: The Ohio State University's Code of Student Conduct, Section 3335-23-04 defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct. The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct may constitute "Academic Misconduct." Sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University. For more information, please reference: <http://oaa.osu.edu/coamfaqs.html#academicmisconductstatement>

COURSE SCHEDULE
(Subject to Change if Necessary)

<u>Date</u>	<u>Topic</u>	<u>Required Reading/Assignment</u>
8/23	Course Introduction	
8/25	Performance Management in Context	Ch. 1
8/30	PM in Practice: Changing Performance Management?	A#1
9/1	Performance Management Process	Ch.2
9/6	Goodyear Presentation	
9/8	PM in Practice: Process Problems	A#2
9/13	Performance Management & Strategic Planning	Ch. 3
9/15	PM in Practice: Making PM Strategic at GE & IBM	A#3
9/20	Defining Performance & Choosing a Measurement Approach	Ch. 4
For class discussion: Consider the job of a high school teacher.		
1. What outcomes (Behavior? Results? , Values?, Other things?) should be part of high school principals performance management system? Be as specific as possible and explain you reason for the outcomes you chose.		
2. What are the challenges in measuring teachers' performance?		
9/22	PM in Practice: Evaluating Values	A#4
9/27	Measuring Results & Behavior	Ch. 5
9/29	PM in Practice: Forced Ranking Systems	A#5
10/4	Gathering Performance Information	Ch.6
10/6	PM in Practice: Social Performance Management & Exam Review	A#6
10/11	EXAM 1	
10/13	NO CLASS-Fall Break	

10/18 Technology in Performance Management: Monitoring

*Read L. Katz, “Big Employer is Watching”, *HR Magazine* (June 2015): 66-73; D. Brin, “Wearable Worries”, *HR Magazine* (June 2016): 138-140; S. Ante & L. Weber, “Memo to Workers: The Boss is Watching”, *Wall Street Journal* (October 23, 2013): B1 & B6.

10/20 PM in Practice: Monitoring at Uber A#7

10/25 Technology in Performance Management: Appraisal A#8

10/27 Implementing a Performance Management System Ch. 7, Also read: J.

Sammer, "Calibrating Consistency", *HR Magazine* (January 2008): 73-75; K. Tyler, "Train managers maximize your appraisals", *HR Magazine* (December 2012): 68-70.

11/1 PM in Practice: Training to Reduce Bias A #9

11/3 Performance Management & Employee Development Ch. 8

11/8 PM in Practice: The IDP A#10

11/10 Performance Management Skills Ch. 9

11/15 PM in Practice: Providing Feedback A #11

11/17 Rewards & Legal Issues Ch. 10

For class discussion: Read Case Study 10-4 in Aguinis and be prepared to discuss the illegal aspects of Tractor Inc.'s system and suggestions for improving its legality.

11/22 PM in Practice: Should Tips be Eliminated? A #12

11/24 **No Class (Thanksgiving Break)**

11/29 **Exam 2 Review and Team Project Work**

12/1 **Goodyear Case: Team Presentations**

12/6 **Exam 2**

ASSIGNMENTS

8/30 A#1 PM in Context (Mandatory)

Read C. Schoenberger, “The Risk of Reviews”, *Wall Street Journal* (October 28, 2015): R5 and M. Weinstein, “Annual Review Under Review”, *training* (July/August 2016): 22-29.

Watch the YouTube video about Adobe’s “Check-in” Process” at https://www.youtube.com/results?search_query=Adobe+Performance+Management+.

Questions:

1. Despite the widespread use of performance management for talent identification, pay, termination and other HR decisions, many companies are abandoning rating or grading employees. Why do think this is happening?
2. Adobe is one example of a company that is relying more on informal conversations than semi-annual or annual ratings and formal review meetings for performance management. What are the advantages of this approach over mid-year or annual ratings and performance discussions?

9/8 A#2 PM Process

Read Case 2-2 in Aguinis and answer the questions at the end of the case.

9/15 A#3 Strategic PM

Read both R. Silverman, “GE tries to reinvent the employee review, encouraging risks”, *Wall Street Journal* (June 8, 2016): B1 & B6; R. Silverman, “GE Scraps Staff Ratings to Spur Feedback”, *Wall Street Journal* (July 27, 2016): B8; and C. Zillman. IBM is blowing up its annual performance review. *Fortune* Feb 1 2016. <http://fortune.com/2016/02/01/ibm-employee-performance-reviews/> Answer the questions for both GE and IBM.

Questions:

1. What are the key features of each company’s new review system? How does each feature enhance or improve performance management?
2. How do these new features support IBM and GE’s business?

9/22 A#4 Defining Performance and Choosing a Measurement Approach

Read K. Tyler, “Evaluating Values”, *HR Magazine* (April 2011): 57-59.

Question: Do you think it is important to assess values in a performance management system? Explain. How should values be measured?

9/29 A#5 Measuring Results and Behavior

The forced distribution or forced ranking system, a comparative system, remains popular, but some companies are abandoning it. Read the following articles:

L. Kwok “Rank and Yank Retains Vocal Fans”, *Wall Street Journal* (January 31, 2012).

S. Ovide & R. Feintzeig, “Microsoft Abandons Dreaded ‘Stack’ –Software Giant Drops Forced Ranking of Employees”, *Wall Street Journal* (November 13, 2013): B1

J. Welch, “‘Rank and Yank’? That’s Not How It Is Done” *Wall Street Journal* (November 15, 2013): A15.

Question: What are the strengths and weaknesses of a forced distribution or forced ranking system? Are you an advocate or critic of the use of these types of performance management systems? Explain your position.

10/6 A#6 Gathering Performance Information: Social PM

Read E. Goldberg, “Performance Management Gets Social”, *HR Magazine* (August 2014): 34-38. Watch the video about the video about 7Geese social performance management system at <https://www.youtube.com/watch?v=8NGdP6pOL9I>.

Question: What is social performance management? What are its advantages and disadvantages for the performance management process?

10/20 A#7 Technology in Performance Management: Monitoring

Read D. MacMillan, “Uber to Monitor Actions by Drivers in Safety Push”, “*Wall Street Journal*”, (June 30, 2016):

Questions:

What are the advantages and disadvantages of Uber’s driver monitoring?

From the perspective of performance management what should do to maximize the benefits of the new monitoring system?

10/25 A#8 Technology in Performance Management: Appraisal (Mandatory)

Go to Halogen Performance at <http://www.halogensoftware.com/products/performance-management>. Review the video and features of this product. Watch the videos https://www.youtube.com/watch?v=Qi6d_MlyOU&list=PLE465EE235A5AFA43 and <https://www.youtube.com/watch?v=agkVjJrAvbg&list=PLE465EE235A5AFA43&index=4>.

Questions

1. What features of this product improve performance management from the company's perspective? From the manager's perspective? From the employee's perspective?
2. What might be the limitations or potential downsides of using this product for performance appraisal?

11/1 A #9 Implementing a Performance Management System: Training

Read R. Silverman, "Managers Watch Your Language", *Wall Street Journal* (September 30, 2015): R9.

Questions:

1. What is unconscious bias?
2. How can it affect performance reviews?
3. Some companies are requiring employees and managers to attend training to reduce the potential impact of unconscious bias on performance reviews. As an HR professional what topics should be covered in this type of training?

11/8 A#10 Performance Management & Development

Read Case Study 8-4. Develop an individual development plan (IDP) for Jay.

11/15 A#11 Performance Management Skills: Feedback and Coaching (Mandatory)

Go to www.impraise.com/resources/#videos. Watch the videos "giving Feedback with Impraise: Benefits for Employees and an Organization", "How to Give Good Feedback", and "What Managers Say About Impraise".

Read R. Feintzeig, "You're Awesome! Firms Scrap Negative Feedback", *Wall Street Journal* (February 11, 2015): B1 & B5; R. Feintzeig, "When 'Nice' is a Four-Letter Word", *Wall Street Journal* (December 31, 2015): D1 & D3; and D. Meinert, Feedback is a gift, *HR Magazine* (May 2016): 16.

Identify your coaching style. Complete the coaching style assessment on Page 257-259 (Case Study 9-2 on page 257 in the textbook).

Question:

1. How do the articles reinforce, add to, and/or contradict the suggestions to enhance feedback and how to give praise and negative feedback discussed on pages 239-245 of Aguinis?
2. How can the use of apps like Impraise improve the feedback process?

3. What are the strengths and weakness of your coaching style?

11/22 A#12 Rewards & Legal Issues

Consider the job of a restaurant server. Servers' compensation is based mostly on tips from customers and less on the wages they receive (which are typically minimum wage). That is, their compensation is primarily based on their "performance" as determined by customers who provide tips (gratuity) they receive. Typically, they get to keep the full amount or a percentage of the tips (if restaurant policy is to share tips with kitchen staff and other servers) they receive. Recently, some restaurants are discouraging tipping and instead paying servers a higher wage. Read "The End of Tips", *Fast Company* (April 2016): 82-83.

Question

1. Do you think ending tipping will have a positive or negative influence on server's "performance" (customer service, etc.)? Explain your answer.
2. What are the business implications of a "no tipping" policy? Will it affect the staffing and retention of servers? Explain.

GOODYEAR PROJECT

Each student will be assigned to a team to either address Goodyear's issues related to "Promoting a Coaching Culture" or "Driving Quality Performance & Development Conversations". All students will complete a peer evaluation of their team members; these are due on the day of the presentation. On Carmen you will find information from Goodyear regarding the scope of the case and specific questions you need to address. **Goodyear will also visit class on September 6** to introduce the case and answer any questions. In preparation for the September 6th visit please review the case material provide on Carmen both individually and as a team to discuss possible questions you would like to ask the Goodyear team. You will also have the opportunity to contact members of the Goodyear team during the semester to ask additional questions. The Goodyear team will provide more information about this during their class visit. On Carmen I have provided a list of reference materials ("Reference Starter Kit") that teams should consider in answering the questions. These references are just a starting point – they are insufficient alone for answering the questions. You will have to search for and use other reference materials to answer the case study questions you have been assigned. Other resources you will want to consider are books and publications such as *Chief Learning Officer, Training, T+D, Workforce Management, Harvard Business Review, and HR Magazine*. Make sure you cite in the paper all of the references you used to answer the questions.

Deliverables

Your deliverables will include a presentation, executive summary, and paper. Professor Noe will grade all deliverables.

Presentation. Each team will present to Goodyear on December 1st. Each team will have 10

minutes for their presentation. The presentation should include no more than six PowerPoint slides. All team members do not have to present. Choose your best presenter(s) and have other team members prepared to back-up and support your recommendations. The presentation should provide answers to the questions related to the issue your team was asked to address. **Attendance of all students on the presentation day is required.** Students who fail to come to class on the day their team is scheduled to present will receive an "F" on the project.

Executive Summary. Each team will provide Goodyear with an executive summary, not to exceed seven pages. This summary should highlight your answers to the questions and provide a brief supporting rationale.

Paper. Your team's recommendations provided in an expanded written report are due on December 1st. The paper should include the following sections:

- A. Executive Summary provided to Goodyear.
- B. Recommendations/Answers to the Questions: Include your recommendations and a supporting rationale based on your research and what you learned in class. Make sure you cite your references.
- C. Reflections: What did you learn? What do you want to know more about?
- D. References Used
- E. Appendices (if any).
- F. A diary of team activities including dates, times, and length of meetings, phone conversations, topics that were discussed in the meetings (issues, next steps, steps completed etc.).

The total length of the paper should be no longer than 15 pages. The paper should be doubled spaced, in 12 point font of your choice (Times New Roman or Arial are preferred).