

MHR 7307
Performance Management
Autumn Session 1
Wednesday 6:15-9:30 PM
305 Gerlach Hall

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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 and analysis of readings and cases.

COURSE OBJECTIVES

Students should be able to:

1. Explain the evolution of performance management, identify and explain the rationale for emerging performance management practices, and their strengths and weaknesses.
2. Analyze performance management systems, explain their strengths and weaknesses, and provide suggestions for improvement.
3. 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. Explain and implement mechanisms needed for the effective use and implementation of a performance management system.
5. Explain the strengths and weaknesses of using technology in performance management.
6. Identify employee performance and developmental needs and recommend appropriate actions.
7. Conduct an effective performance review and explain to others how to do so.

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 strike 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

Required Book: D. Grote (2011). "How to be Good at Performance Appraisals". Boston, MA: Harvard University Press. (ISBN#978-1-4221-6228-6)

This is a comprehensive book that covers the fundamentals of effective performance management as it is practiced in most organizations.

Optional Book: M.T. Chandler (2016). "How Performance Management is Killing Performance – and What to do About It". Oakland, CA: Berrett-Koehler Publishers.

This book provides a step-by-step guide to creating a performance management system that reflects current practice: performance management is more about the conversation and less about the process. This book (and the accompanying website) provides useful tools for designing a new performance management system. Not required for the class but highly recommended to have in your HR tool kit.

Articles: You will be asked to read articles from *HR Magazine*, *HR Executive*, *Harvard Business Review*, *Organizational Dynamics*, *T+D*, *Training*, *Workforce Management*, and *The Wall Street Journal* that address performance management issues. Unless otherwise noted, you can access the articles through the OSU Libraries website at <http://library.osu.edu/find/databases> by clicking on the online journals list and entering the name of the journal or magazine. Wall Street Journal articles can be found by searching <http://guides.osu.edu/newspapers>. Also, for easier, direct access to the articles I have provided a Library link on the Carmen website.

Cases. Four cases will be used in the class. The cases include Johansen's: The New Scorecard System (UV6911), Performance Management at Vitality Health Enterprises (9-913-501), Attock Refinery Limited: Performance Management (W15452) and Southfield Packaging (9-913-562). The cases can be purchased at <https://hbr.org/store>.

DETERMINATION OF COURSE GRADE

Course grades will be based on class participation (discussion questions and case questions), performance management in practice journal, and a final exam.

Final Exam (100 points). The final exam will be a cumulative closed-book exam. The final exam will cover topics discussed in class as well as readings from the articles and textbook. I will provide you with a study guide for the exam. The exam will require you to provide short answers, list and discuss, draw figures, etc. For example, “Draw a figure explaining the components of the performance management process”, “What should you accomplish in a calibration meeting?”

Class Participation (Discussion Questions and Case Questions) (70 points). Your class contribution will be based on the quantity and quality of your participation in class discussion. Class discussions will focus on weekly discussion questions and questions for four cases. Unexcused class absences or leaving class early will have a negative impact on the points you receive for your class contribution.

How should you analyze cases to prepare for class discussion? You should be prepared to (a) briefly summarize the major issues in the case, (b) provide answers to the case questions that are supported by the class readings and consider the case context, and (c) explain the strengths, weaknesses, and potential ramifications of your recommendations. I will randomly call on students to lead the discussion of one or more case questions and/or identify major issues in the case.

How do I evaluate class participation? After each class I note the quantity and quality of your class participation. Your points will be based on my overall assessment of your participation throughout the entire class. If you are actively participating every class you will get close to or all 70 points. Although class participation is easiest to measure for students who speak in class and contribute to discussions, I also consider those who are clearly following the conversation, building on others comments, and trying to enter into the discussion. This means that if you are “checked out” during class, for example, texting or tweeting friends, checking ESPN, watching cat videos, or looking at pictures posted on your friends or family Facebook you will lower your participation points. If you don’t regularly participate in class, you will not receive all of the possible points. Students who never participate in class but attend all classes will likely end up with about 35 points or less. At the end of the class I will ask you to provide a self-assessment of your class participation. To help you evaluate and monitor your level of class participation throughout the course I strongly encourage you to complete the participation log found on Carmen after each class. This will help you monitor your level of participation throughout the course and support your self-assessment of your class participation points which I will ask you to provide at the end of the course. I will compare your self-assessment to my own assessment in determining your participation points.

Performance Management in Practice Journal (70 points). The journal consists of your responses to each week’s discussion questions. The purpose of the journal is to help you organize your thoughts for class discussion and will help you prepare for the final exam. Writing journal entries based on course materials (articles, videos, cases) is a metacognitive activity that has been shown to aid learning and retention. You should complete a journal entry for each week of the class. The journal can include bullet points and/or short paragraphs. A hard copy of your **completed journal is due October 5th**. The following criteria will be used to evaluate the journal: Depth of reflection (viewpoint and interpretations are supported, examples are provided as appropriate), completeness of

answering the questions, and structure of your responses (writing, organization).

Your final course grade using the OSU grading system will be based on the following points allocation:

	<u>Points</u>
Class Contribution & Case Discussion	70
Writing Journal	70
Final Exam	100
TOTAL POINTS	240

OTHER ISSUES

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/coamfags.html#academicmisconductstatement>

DIVERSITY

We will, as a group and as individuals, hold ourselves accountable for demonstrating an openness to and appreciation for ideas of others. This means being conspicuously respectful of each other on all occasions.

DISABILITY

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.

Class Schedule

Class 1: August 23

Course Introduction

The Evolution of Performance Management

The focus of this class session is to introduce you to the course, expose you to current thinking about performance management (including criticisms of the process), and get you thinking about ways to improve it.

Grote: Chapter 1

J. Russell & L. Russell, "Talk Me Through It: The Next Level of Performance Management", *T+D* (April 2010): 42-48. (This article discusses the "traditional" performance management process).

R. Feintzeig, "Your manager wants to see you. Again", *Wall Street Journal* (May 10, 2017):B7.

L. Hoffman, "Goldman makes feedback shift", *Wall Street Journal* (April 22-23, 2017): B1.

P. Cappelli & A. Tavis, "The Performance Management Revolution", *Harvard Business Review*, (October 2016): 58-67.

L. Goller, J. Gale, & A. Grant, "Why Facebook is Keeping Performance Reviews", *Harvard Business Review* (November 2016): 91-94.

M. Weinstein, "Annual Review Under Review", *training* (July/August 2016): 22-29.

Watch "Moving from Formal Annual Reviews to Ongoing Feedback at Quicken Loans":
<https://www.worldatwork.org/waw/adimLink?id=80755>

Discussion Questions: Why are companies eliminating or changing their performance reviews? What do these articles highlight as problems and weaknesses that plague performance management? Explain the "evolution" that is taking place in performance management. Are parts of the "traditional" performance management process still relevant? Explain your position. What HR challenges likely result from the adoption and use of emerging performance management practices?

Class 2: August 30

Strategic Performance Management

This week's we focus on ways to insure that the performance management system is linked to and supports business strategy and objectives.

Grote: Chapter 2

A. Fox, "Put Plans Into Action", *HR Magazine* (April 2013): 26-31.

Discussion Questions: Why are goals important for performance management? How should goals be used effectively in performance management?

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.

Discussion Questions: What are the key features of GEs and Goldman's new review system? How does each feature enhance or improve performance management? How do these features support the business?

Case: Johansen's: The New Scorecard System

1. Why did Johansen's introduce the performance scorecard?
2. What are the strengths and weaknesses of the scorecard?
3. What overall rating should Clark receive? Provide a rationale.
4. How would you improve the evaluation of customer service evaluation included on the scorecard?

Class 3: September 6

Measuring How and What Gets Done: Behaviors, Competencies, Results, Values

This week we focus on (a) how to identify and use behaviors, values, objectives, and results in performance management systems, and, (b) issues in trying to develop and assess performance.

Grote: Chapters 3 & 4

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

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

M. Buckingham & A. Goodhall, "Reinventing Performance Management", *Harvard Business Review*

(April 2015): 40-50

Discussion Questions: What are the strengths and weaknesses and boundary conditions of Deloitte's approach to performance management?

G. Colvin, "Can Wells Fargo Get Well?", *Fortune* (June 15, 2017): 138-146.

Go to <https://www.youtube.com/watch?v=IVbmB23U7kc> and watch the video.

Discussion Questions: What does the Wells Fargo situation illustrate about the use of results and incentives in performance management? How could they have prevented this situation from a performance management perspective?

Case: Performance Management at Vitality Health Enterprises

1. Identify the key features of the revised performance management system. How did they improve performance management at Vitality Health?
2. What are the strengths and weaknesses of a forced distribution appraisal system?
3. What changes would you recommend to further improve the new performance management system?
4. What grade would you give this system in terms of linking pay to performance? Explain.

Class 4: September 13

Systems and Implementation Issues

This week's focus is on how to make performance management more effective and reduce poor quality evaluations.

Grote: Chapters 6, 7, & 8

D. Meinert, "Reinventing Reviews", *HR Magazine* (April 2015): 36-40.

K. Tyler, "Train Managers Maximize Your Appraisals", *HR Magazine* (December 2012): 68-70.

K. Kuehner-Hebert, "Passport to Performance", *Chief Learning Officer* (July 2013): 42-43, 47.

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

Watch the Google video on unconscious bias: https://www.youtube.com/watch?v=NW5s_-NI3JE

Watch the McKinsey video on unconscious bias:

<https://www.youtube.com/watch?v=5eAwWMFZYbo>

Watch the YouTube Video "Performance Management at Whirlpool":

<https://www.youtube.com/watch?v=AxJzklCgaz8>.

Discussion Questions: What solutions do these articles, chapters, and videos offer for improving the performance appraisal and management process?

HBS Case: Attock Refinery Limited: Performance Management

1. What were the potential causes of the problems ARL was experiencing as a result of changes in its performance management system?
2. As an HR professional what could you do now to eliminate or minimize these problems? Identify and discuss your options.

Class 5: September 20

Using Technology for Performance Management

This class focuses on the use of technology for monitoring employee performance, managing and facilitating the performance management process, and enabling social performance management.

Monitoring

L. Katz, "Big Employer is Watching", *HR Magazine* (June 2015): 66-73.

P. Haggin, "As Wearables in the Workplace Spread, So Do Legal Concerns", *Wall Street Journal* (March 14, 2016): R7.

D. Wisenberg, "Wearable Worries", *HR Magazine* (June 2016): 138-140.

Discussion Questions: What are the strengths and weaknesses of using technology to monitor and evaluate performance? What conditions or policies are necessary to insure that monitoring is acceptable to employees and is effective as a performance management tool?

Technology for Appraisal

Go to Halogen Software e-Appraisal (see the Carmen website for link). Review The Suite Homepage, eAppraisal, and the Multirater 360 demos.

Discussion Questions: What are the strengths and limitations of these products? What features improve performance management from the company's perspective? From the manager's perspective? From the employee's perspective?

Social Performance Management

Read Y. Chernova, "When Peer Recognition Comes at the Push of a Button", *Wall Street Journal*

(March 13, 2017): R4 and 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>.

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

Class 6: September 27

Managing Performance & Development I

This week we focus on the role of feedback and the appraisal meeting

Grote: Chapters 5 & 9

Feedback and Feedback Culture

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.

K. Hurt & D. Dye, "Using feedback strips to inspire behavioral change", *TD* (April 2017): 108-109.

Discussion Question:

1. How do these articles reinforce, add to, and/or contradict the recommendations Grote provides in Chapter 5 (coaching)?

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".

Discussion Question: How can the use of apps like Impraise improve the feedback process?

Giving the Intended Feedback

J. Segal, "Performance Management Blunders", *HR Magazine* (November 2010): 75-76

J. Segal, "Documentation Dangers", *HR Magazine* (October 2014): 64-66.

J. Segal, "That Difficult Conversation" *HR Magazine* (April 2016): 74-75.

E. Kasson, "Plan your exits", *HR Magazine* (June 2016): 110-117.

Discussion Question: What key "take-aways" do these articles provide about how to manage performance issues to avoid lawsuits?

Class 7: October 4

Managing Performance & Development II & Course Wrap-Up

This week we focus on developing different types of performers.

D. Zweig, "Managing the Invisibles", *Harvard Business Review* (May 2014): 96-103.

R. Kegan, L. Lahey, A. Fleming, & M. Miller, "Making Business Personal", *Harvard Business Review* (April 2014): 44-52.

J. S. Lublin, "When Ability Holds Back Advancement", *Wall Street Journal* (April 12, 2017).

M. Mankin, A. Bird, & J. Root, "Making Star Teams Out of Star Players", *Harvard Business Review* (January-February 2013): 74-78.

Discussion Question: What are the implications of these articles for developing employees?

A. Walker, "Is Performance Management as Simple as ABC?", *T+D* (February 2007): 54-57.

P. Cappelli, "Why Managers Should Stop Thinking of A,B, and C Players", *Wall Street Journal* (February 21, 2017): R5,R7.

Discussion Question: Do you think that considering employees as A, B, or C performers is a helpful or a harmful way to think about how to develop employees? Be prepared to defend your position.

HBS Case: Southfield Packaging

1. What is your evaluation of the appraisal process ("SPR") at Southfield? Is the instrument well-designed? Is the required interview a good idea? What changes could be made to increase its effectiveness?
2. What is your opinion of Belby's definition of performance?
3. If Saunders asks you as an HR professional your opinion on how to manage Belby's performance and develop his skills what do you tell him?

Tentative Date and Time for Final Exam: Wednesday, October 11th 6:15-9PM 305 Gerlach Hall