JARAMOGI OGINGA ODINGA UNIVERSITY

OF

SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

BACHELORS OF BUSINESS ADMINISTRATIION

BUSIA LEARNING CENTRE

ABA 333 : PERFORMANCE MANAGEMENT

DATE: AUGUST 2014   **TIME: 2hours**

INSTRUCTIONS: Attempt Question ONE and any other TWO Questions.

Question One

Read the following case and answer the questions that follow:

Mrs. Langat retired from teaching 10 years ago and established a furniture making enterprise in her rural town using her terminal benefits. The enterprise has a workforce of 18 employees. Mrs. Langat is the managing Director. She has 2 supervisors, one for the carpentry department and the other for the administrative department. There are 15 carpenters and one foreman. Her employees are happy with the working environment.

Of late she has been advised to introduce performance management so as to develop the capacity of employees in order to meet the expectations of the enterprise and the customer.

At the end of every year, outstanding employees will be recognized through gifts and financial awards. She believes this is the best way to cater for unique needs of each employee. A comprehensive job evaluation has been put in place to assist the establishment of pay systems in the organization. It aims at determining internal equity in compensation among jobs in an organization. Salary surveys are also used to determine external equity with market rates.

a) Besides capacity building, explain the other aims of performance management that Mrs. Langat may have been advised to introduce.   [10 Marks]

b) Describe the various job evaluation methods that Mrs. Langat may use in the enterprise.

[10 marks]

c) Describe how the management of the enterprise will enhance performance management in the organization. [10 Marks]

Question Two

"Making accurate predictions about the quantity and abilities required in staff for the future involves gauging the unknown".

a) Discuss this statement with reference to the factors influencing the demand and supply of Human Resources. [10 Marks]

b) What can managers do to make Diagnostic selection interview more valid and reliable.

[10 Marks]

Question Three

a) You have been requested by the Chief Executive Officer (CEO) of an organization in a service industry to investigate the possibility of introducing performance related pay. Prepare a report for the CEO addressing arguments for and against introducing performance related pay [12Marks]

b) With the aid of a diagram, explain the performance management process. [8 Marks]

Question Four

a) Balanced score card is a business concept for measuring performance against four dimensions. Describe each of the dimensions. [10 Marks]

b) Explain the ways in which a HR Manager can manage under performance in an organization in order to improve their productivity. [10 Marks]

Question Five

a) A Juakali Enterprise uses time rate payment method for the casual worker being engaged during peak periods. Explain the circumstances that may have prompted the use of such a method

[8 Marks]

b) The HRM at Mulembe Ltd is in the process of developing a reward management policy in order to reduce the level of discontentment about rewards among employees. Advise him on the guiding

principles for the development of such a policy.   [12 Marks]