

**UNIVERSITY OF COLOMBO, SRI LANKA**  
**FACULTY OF MANAGEMENT AND FINANCE**

**Postgraduate and Mid-Career Development Unit**

Master of Business Administration in Human Resources Management

Semester III- Second-half Examination August 2016

**MBAHR 618 - Performance Management**

Time: Three (03) Hours

**Instructions**

- The examination is made up of seven (07) questions and answer only five (05) questions.
  - You are responsible for clear and legible writing.
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1. "Performance management (PM) as practiced today incorporates processes such as management by objectives (MBO) and performance appraisal (PA) that were first developed some time ago. However, its overall approach is significantly different." Do you agree with this statement? Elaborate your answer with appropriate examples.

**(Total Marks 20)**

2. "Many studies suggest that performance management goals may cause systematic problems in organizations due to narrow focus, unethical behavior, increased risk-taking, decreased cooperation and lower intrinsic motivation." Assume that you are a human resource management (HRM) consultant to a leading manufacturing organization in Sri Lanka. Discuss the stages in an effective performance management goal setting process that can minimize the systematic side effects of over-prescribing goal setting. Provide examples where necessary.

**(Total Marks 20)**

3. Suppose that you are a human resource executive in a reputed service organization in Sri Lanka. The top management is concerned about the poorly designed performance management system of the organization. You have been asked to prepare a proposal to assist the top management in developing an effective performance management system

for the organization. What should this proposal contain? Elaborate your answer with appropriate examples.

**(Total Marks 20)**

4. "High performance work systems (HPWS) are concerned with how human resource management (HRM) can be used to improve performance in manufacturing or service organizations with various kinds of employees. However, managers in Sri Lankan organizations need to customize HPWS to their specific industry and occupational conditions." Discuss with appropriate examples.

**(Total Marks 20)**

5. "Many of the academics and writers have expressed a negative view on performance management based on the argument that it fails to achieve its purpose largely because it fails to recognize the complexity of the process." What can managers in the Sri Lankan organizations do to address the issues in performance management? Discuss with appropriate examples where necessary.

**(Total Marks 20)**

6. "There is no doubt that in spite of careful training and guidance some managers will be better at conducting performance review meetings than others."

- I. How can their effectiveness as performance reviewers be evaluated as a basis for further training or guidance when necessary?

**(10 Marks)**

- II. Discuss the golden rules for conducting formal performance review meeting.

**(10 Marks)**

**(Total Marks 20)**

7. "Performance management is concerned with under-performers, but it does this positively by providing the means for people to improve their performance or make better use of their abilities." Discuss what needs to be done by the manager or the individual in a business organization to deal with situations in which performance is not at the expected level. Provide appropriate examples where necessary.

**(Total Marks 20)**