

Discussion Questions Wk. 5

Name:

University:

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Q1) Performance management refers to the activities carried out in an organization to ensure that the objectives of the firm are being constantly achieved through effective and efficient operations. In its broadest form, performance management can be applied to an organization, an employee, a department or a process. It is however mainly applied in areas that deal where people are assigned tasks. The importance of performance management is thus the review of the conduct of these tasks with an aim of ensuring optimal performance by employees and thus overall attainment of organizational goals.

However, there are ethical issues raised in performance management when dealing with the review of employees. The contractual obligation usually requires the employees to simply carry out their duties. Scrutiny of their operations is thus at times regarded to as an invasion of their work and an attempt to undermine their ability to perform without supervision. Another ethical issue raised is the formulation of reward schemes that are based on production as opposed to attractive fixed salaries. It is argued therefore that this is a donkey-stick-carrot method of management which may be interpreted as a way to undermine the self drive of employees.

Q2) One advantage of benefit and incentive programs is that they aid in the proper performance of employee tasks. The provision of housing within a hotel's premises for example leads to greater efficiency of hotel employees in the conduct of their jobs. Incentive programs also stimulate increased productivity. The employees feel that their input is recognized thus encouraging them to produce even more. These programs also help in avoiding staff-related costs such as supervision and high staff turnover which is detrimental to business performance. This is because they cause motivation of the employees within the organization.

The main disadvantage is that these schemes form additional costs to the organization. The provision of cars, housing and other benefits to employees may be costly especially where this is not countered by extra production. In addition, incentive schemes sometimes cause crafty employees to come up with ways of dishonest gains by for example producing more units which are substandard in order to earn more for increased productivity.

Q3) The employee benefit I personally value the most is the employment vehicle benefit. This is an arrangement where the employer agrees to assign the employee a car used for his personal and job related transportation. Depending on the agreement, the employer meets the costs incurred to service and fuel the vehicle but this might be limited to the extent of personal use.

The importance of employee benefits is that they act as motivational tools for the employees. Adequately motivated employees are easy to manage since they perform their jobs with less supervision and out of self drive. This leads to better production and increased sales thus improvement of business performance.

In summary, it can be said that good human resource practices are key in the good performance of a business. Performance management ensures the attainment of an organization's objective in the most optimal way. Employee benefits not only act as essential inputs to the conduct of jobs but also serve as tools for the motivation of the workers thus encouraging them to produce more. This leads to the economic welfare of the business and general attainment of the organization's objectives.