UNIVERSITY OF FORT HARE

HRM 315

Performance Management

FINAL TEST

JUNE/JULY 2023

Time	:	3 HOURS
Subject	:	HRM 315
Marks	:	50

This paper consists of 6 pages including the cover page

Internal Examiners

Dr VS Ruzungunde (UFH)

External Examiners

Dr SF Chamisa (UFS)

INSTRUCTIONS

SECTION A (40 Marks)

1. This section consists of a CASE STUDY
2. Answer all two questions that follow based on the CASE STUDY

SECTION B (10 Marks)

1. This section consists of a CASE STUDY
2. Answer all questions based on the case study provided

CASE STUDY

A sweet employee performance appraisal system for Jelly Belly

CUSTOMER PROFILE

Candy making is a fun business, and so it's no surprise that it's fun to work at the Jelly Belly Candy Company of Fairfield, California. But at this family-owned company, there's no fooling around when it comes to promoting employee performance and job satisfaction. So when Jelly Belly decided to overhaul and automate its antiquated employee performance and talent management process, it was looking for a serious solution to help give its employees across the United States fair, accurate performance appraisals.

Herman Goelitz Candy was founded in 1869 by Albert and Gustav Goelitz, whose great-grandsons own and run Jelly Belly today. The Jelly Belly Candy Company makes Jelly Belly brand jelly beans in over 50 flavors, as well as candy corn and other treats. Introduced in 1976 and named by former U.S. president Ronald Reagan as his favorite candy, the company's jelly beans are exported worldwide.

Like almost every smart company, Jelly Belly recognizes that employees are more likely to stay with their employer when they feel connected and recognized for their efforts. Programs for managing and evaluating employee performance are critical to aligning corporate and employee values and priorities.

CHALLENGES

Jelly Belly's search for a new employee performance and talent management system began several years ago, when two branches of the family business were reunited into a single company. One branch was using an outdated performance management software program. The other was doing its employee performance appraisals manually, using paper forms.

Having a variety of jelly bean flavors is great - a variety of employee appraisal processes in a single company is not. The task of updating and consolidating the performance management process fell to Margie Poulos, HR Manager of Jelly Belly's Midwest operations. She and a small team of Jelly Belly HR staff were charged with finding a single automated system that could be used for all of Jelly Belly's 600 employees in three locations.

The driving factor behind Jelly Belly's performance management automation was the belief that thorough, accurate reviews help employees to better understand what's expected of them, so that they can set clear, measurable objectives. That translates into higher employee satisfaction, said Jeff Brown, Jelly Belly's Director of Human Resources. "When employees feel they have gotten a thorough and accurate review, it boosts their morale," Brown said. It also leads to improved talent management and makes it easier to retain valuable employees, which management experts know is a key factor in corporate growth and market leadership.

SOLUTION

To meet their strategic goals, Poulos and her team drew up a list of the criteria that a new system had to meet. Top on the list was ease of use. "We didn't want to end up with a system that is so complicated that the managers wouldn't use it," Poulos said. A new system also had to save time. Because employees were in multiple locations, it needed to be web-based for accessibility. And it had to be flexible, easily incorporating core competencies into different forms.

Jelly Belly's selection committee looked at products from different software vendors. "We eliminated right away those that were geared to very large companies and those that were not web-based," Poulos said. "We also eliminated those that offered too many options for customization. It's one thing to offer options, but another thing when the product requires so much customization that it becomes overwhelming."

The committee selected Halogen Performance™, a web-based application for managing employee performance from Halogen Software. "We liked the way it looked, and we really liked the user-friendliness of it. It's easy for the managers to use and it's customizable without overwhelming them," Poulos said. After two days of training by Halogen staff, four members of Jelly Belly's HR team set out to train the company's supervisors on the new system. About 50 managers received a crash course in using Halogen Performance, and then used it to complete annual employee evaluations in May. Jelly Belly's HR team is now customizing the software to include more relevant competencies and to respond to comments from managers and staff on the new system.

"The feedback has been really positive, from both managers and employees as well. Some staff said this was the best appraisal they've had," Poulos said, "They felt the evaluations were fair and realistic, and supervisors had the scope to provide more relevant and legitimate comments than they could before. Rather than just clicking on a bunch of canned comments, they were accurately reviewing the employee."

RESULTS

The new automated employee performance appraisal system has completely formalized and organized Jelly Belly's employee evaluation process. "It allows us to standardize competencies across job classifications, add signature and comment sections to make our process more interactive, and increase accessibility for remote managers," Brown said.

Under Jelly Belly's old system, employees conducting reviews started from scratch once a year with new performance journals. Halogen Performance will let them log notes throughout the year and regularly update their on-line appraisals. Employees use one consistent employee evaluation form to add comments and to sign their appraisals.

The web-based product helps remote and traveling managers maintain access to the forms and the data they need to evaluate their staff. "In our old system, a few folks in Chicago would have access to the system. But we have managers in California with Chicago subordinates. It's important that they can share the same forms across the board. And we have folks who are on the road a lot or are working out of home offices, so having them be able to access this is a huge point for us," Brown explained.

Organizing and automating the appraisal process results in performance appraisals that are more accurate and fair, Brown noted. "This is important because, after all, an employee appraisal is a legal document," he said.

The new system is also helping Jelly Belly track training requirements and development in its staff, Poulos added. "We've always had a separate training manual. Now we can go in to the evaluations and more easily monitor employees' skills development, see what training is needed by individuals and check the due dates for training and renewal. That makes it much easier for us to keep track," Poulos noted.

The new employee performance and talent management system has proven to be a big time-saver for Jelly Belly's HR team. "Since this year was the first time using the new system, it took us a little longer than it will next year. But the process was a whole lot faster," Poulos said. "It has already saved us a lot of time, and we got everybody's appraisals done in one shot." The new system is also helping Jelly Belly to better align employee goals with the company's business objectives. And for one of America's best-known candy companies, it doesn't get any sweeter than that.

Question 1

1.1. What was the reason behind Jelly Belly's decision to change its performance management process? (2)

1.2. How does an effective implementation of the performance management process benefit an organisation? (5)

1.3. What are the benefits of promoting employee performance and job satisfaction in any organisation? (5)

1.4. Identify the challenges faced by Jelly Belly in their quest for a new performance management system (3)

1.5. Identify the different perspectives of the Balanced scorecard approach which jelly Belly considered in their Performance Management System. Explain these perspectives in your own words and how Jelly Belly incorporated them (8)

Question 2

2.1. How was the information provided by employees as feedback on the PMS useful? (3)

2.2. Evaluate the effectiveness of jelly Belly's new system (5)

2.3. What are the drawbacks of Jelly Belly's old system (4)

2.4. Why is performance evaluation important in organisations (5)

SECTION B

CASE STUDY 2

A Minimalist Approach to Performance Management

Smith & Sons* is a small, family-owned and family-run home repair and construction business. The company had recently grown from five construction teams to almost 10 teams, doubling in size. The owners began wondering if they needed to replace their somewhat informal performance management system with something more formal. The owners did not want to spend a lot of money, but they wanted to ensure that the system would be legally defensible and easy to use for employees and supervisors with varying degrees of education. After meeting with a local management consultant, the organization decided on a system that included the following minimal elements:

• Team objectives. Each construction team set annual goals or "objectives" and devised a way that the teams could track their progress against these goals in an ongoing manner. In addition, clear role

descriptions were given to all team members describing their day-to-day job requirements and how their role fit into meeting the team objectives.

• Light continuous feedback. Each team supervisor received a basic training course on providing a minimum of continuous feedback. The owners of the company decided to check in quarterly with each team supervisor to see how things were going and to ensure that continuous feedback was occurring in the teams.

• Customer feedback. Using an open-source online review portal, customers were encouraged by the teams to send in written reviews and feedback to the supervisors.

• Performance reviews. The consultant helped the organization construct a basic review form with a simple successful/ unsuccessful scoring system and a recommendation box for a pay increase and/or promotion. A simple template was also generated to guide conversations on how employees might advance (via promotion) to one day run a team of their own.

Question 3

3.1. What were the reasons behind Smiths and Sons' decision for a new Performance management system? (5)

3.2. From acquired knowledge of Performance management and its importance to organisations, explain why organisations implement performance management systems (5)

.....THE END.....