

The three gentleman case study

Business



I and Anita Fierst are the VP and CFO of Circale Corporation which is in the path of expansion and had few acquisitions in the near past as a part of it. A pay roll cut of 20 million demanded by the CEO required in a span of four months due to untenable duplication of departments. But Mr, Ekdahl wants the right persons at the right job for every job. Michael Milanese had been the chief architect of a new performance-review system that Ekdahl was about to implement across all six of Circale's global locations.

Circale Corporation has also been a past sufferer of unjustified cuts where in they just fired the employees from the organizations they merged with.

The project was then dragged on to Fierst who was able to persuade the CEO that Milanese was ineffective and should be " encouraged" to retire. In the performance review report Ekdahl found that the managers had put mostly 4 and 5 in the performance review. So he conducted another Performance review after giving the managers training on how to grade the employees; despite of the opposition from the CFO , but could find mostly find 3s this time.

Problem Statment Many managers are afraid of being the bad guy on performance reviews, which limits the individual development of employees and hinders overall talent development in organizations. Endhal should look into this problem and take it seriously since it is important aspect for the future of the organization.

Why are the managers are dishonest / do not follow the marking schemes even after the guidelines and awareness about the importance of it, given to them? What can be done about with how much time and expense? Should

Ekdahl go forward with conducting one more performance review system design?

Problem Analysis Ekdahl needs to ensure that his approach is not entirely concentrated on gathering grades. While performance management is important for the firm, the way the performance is reviewed is more important. You cannot enforce the Managers to give low grades to the employees just because it will be gathering data enough to execute cuts. The thinking that Ekdahl and his senior manager Milanese have “ Making sure that there are right people at right positions “ is a very good; but due to some reasons they are not able to execute it to the result.

Also it is very clear that the companies past performance review system was not very efficient since the case mentions about the blunders in Germany and Brazil .

But that cannot be generalized to all the branches across the firm. This aspect can be taken as an important aspect while reviewing the employees. It would help if managers were given a clear target. It means Each departmental managers to be given amount of employees that he has to cut ; and in case if he doesn't wish to cut his employees he should justify it with the work load and benefits of his work to the organization.

It happens most of the time in institute that employees are not full with workloads and they get paid for doing nothing.

Work loads of each employee should be reviewed and also planning and control system should be developed in such a way that higher level management can view the work load of the department and the employee at <https://assignbuster.com/the-three-gentleman-case-study/>

least for a 1 year in future. Recommendations I don't think Ekdahl should completely throw away the data . It will help him for the process of cuts at least in a short run. Rather he should design some temporary fast executable grading process.

The grading process will use both the dates that he has received from the managers.

He should also review the performance of each departments and give grades depending upon their roles and performance in the company , which will be easily accessible top him . He should gives relevant weights to all these three grades along with some other aspects like the personnel behavior, his punctuality in the firm , his past history of working in successful project etc . He should at least take seven more parameters. The following aspects of employees can be graded on a 5 point scale:- 1)Experience with the firm or in the relevant field.)History of working in successful projects in the firm or any other firms related to the concerned field.

3)Energy level of working in the firm. 4)Punctuality of the employees in the firm. 5)Future prospects of the company / department manager from the particular employee(He should take help of the concerned manager for this) 6)Goals of the Employees with the interest of firm into picture 7)Past history regarding to indirect involvement in unethical activities. He should take help of the concerned manager for this) Blunders in Germany and Brazil can be reviewed here.

He can ask the managers to grade this on the basis of very detailed explained grading system .

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So that manager is not left with an option of making the grades in his mind. Also managers should be given an opportunity to tell how much he favors a particular employee and how much he doesn't. He should then give weights to each of the grades and prepare a final grade which will help him know the actual performance of the employees. The Second thing I would like to mention in my Recommendation will be that the departmental differences should be sorted out as soon as possible.

Ekdhal and his department should convince the Anita Fierst that they are trying their hard to execute the cuts and that its very critical issue, Since it would see a more higher monetary loss if the cuts are not executed properly.

He should also try convincing Anita on making the cuts slowly and steadily so that the performance system can also be reviewed at each step. Rather than targeting to cut a payroll of 20 \$ straight away deviate it to cutting 5 \$ in a quarter. On a long term I Would also like the Endhal to develop a continuous evaluation system for the employees where in his work is being reviewed on a day to day system .

And try to start its implementation as early as possible. The system should include entries from the employee himself about what work he has done on the day and also it will have the entry from the manager about what work he was expected to do for the department. This should bring clarity to the high level management for the accessing employee's performance.

Moreover performance. Performance management is not the sole responsibility of the HR department it is also the responsibility of line

managers to provide a strong partnership to ensure that the results are delivered. *****END*****