

Taj hotel group case study

Business, Management



Introduction

Human Resource Management (HRM) is an essential aspect of an organization. Guest D. et al. (2013, p. 17) alludes that HRM is a wide body of management that encompasses an array of activities and process regarding employees in the organization. It deals with policies and practices pertaining the recruitment, selection, induction, training, and development of people. Moreover, it also focuses on job design, work performance, remuneration, rewards, recognition, and employee welfare among other activities. This paper presents a case study on performance management system at TAJ Hotel Group.

Comparison of the Performance Management Systems under Kerker and Kumar

Performance management systems according to Guest D. et al. (2013, p. 17) system is an integral part of the activities in human resource management. It involves performance appraisals, goal setting, feedback, internal promotion systems, and extensive financial benefits. As noted in the case, TAJ Hotel Group identifies with two distinct forms of leadership under Kerker and Kumar. Kumar, being the successor of Kerker, works towards overcoming the failures of his predecessor, Kerker. Considering their tenure, these two leaders are typically different. Whereas Kerker's performance management system was classical in nature (DeLong T. J. & Vijayaraghavan V., 2002, p. 2), Kumar on the other hand, is a systematic and democratic leader. Kerker is a classical entrepreneur who relied on his intuition in making decisions regarding the company.

The two systems differ significantly. Under Kerker, the entire system

depended on Kerker's vision for success. As such, the proximity of the staff to Kerker determined the performance of the workers. In contrast, Kumar is a more systematic and diplomatic leader who believes in a system other than individual intuition. Accordingly, his performance management system relies on formal evaluation, and balanced scorecard gauging the achievement of the employees against the organizational goals. Unlike in the Kerker's system, Kumar's system recognizes and respects the long-term company goals other than individual vision.

Strengths and Weaknesses of the Kerker and Kumar's System

Considering the two systems, each has its merits and demerits. Kerker's performance management system had several weaknesses. First, it was an unfair way of carrying out promotions in the organization. Under this system, there were possibilities that some unqualified people would gain favors from the leader at the expense of qualified personnel. Another weakness of the classical system is that remuneration and rewards were below the market performance. A senior executive who served in the tenure of Kerker alludes that Kerker would simply reward verbally by commending the good work without any reward. One strength of Kerker's system is that decision-making process is fast, and there is a high level of loyalty among the employees. Kumar's performance management system comes with far-ranging benefits. It helped in ironing out all the weaknesses of the former regime. The system is goal-oriented and systematic. It provides the employees clear goal that they need to attain. In addition, the system provided employees an opportunity for development and experience on leadership. It was

transparent and accorded every individual fair chance of promotion without partiality. The weaknesses however revolved around the cost of implementation and staff to manager ratio in the training. Aware of the benefits of the system, Kumar pushed the extensive reform to enhance transparency, and efficiency at TAJ Hotel Group in order to ensure corporate governance.

Kumar's Reaction to Bhowmick's Request

It is widely debatable whether Kumar should oblige to Bhowmick's request or not. In fact, the situation is not one-sided. As noted in the case, Kumar brought about several changes in the management system particularly regarding human resource management system. Despite the few challenges encountered in implementing the new system, the benefits are evident. This paper maintains that Kumar should not settle for the less. Bhowmick needs to accept change and learn to understand that running an organization should not be a one-man affair. Under the new system, the organization operates on clear goals and with a sense of direction not with an individual interest. As Poon J. M. L. (2006) maintains, lack of trust in an organization is distressing and affects one's job and attitude. In regards, maintain trust is essential for the smooth running of the organization.

Implementing the New System and Motivating the Employees

Change process in an organization although it comes with substantial benefits, it also presents challenges. Introducing a structured system at TAJ Hotel Groups comes with various implications. Whereas the conservative group may feel demoralized, those that understand the benefits of the new

system will feel highly motivated. Varma, for example, alludes that the new system is more effective because it offers customer data for tracking performance. The manager per se is no longer a lord. As such, employees work freely with the goals of the organization in mind not the boss. To keep everyone on board, the new system needs to ensure all the employees fully understand the system and its potential benefits.

Conclusion

Precisely, managing people in an organization is a vital element of management that significantly determines the probability of success of an organization. As noted in the discourse, effective HRM system designs systems that properly and adequately address issues concerning the workforce in an organization.

Bibliography

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