

Performance management and improvement in larsen and toubro management essay



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Introduction

The purpose of this assessment is that to identify and analyze the Human Resource policies adopted in the companies and determine whether these policies are appropriate or not based on the current market trends. The investors will be interested in certain way how the company os performing , for this the HR policies adopted by the company plays an important role.

Selection and recruitment

Flexible Work arrangements

Performance management and improvement.

Grievances

I have taken into consideration the various Hr policies that I plays an important role in the companies not only the one that I will be discussing in this assignment but to other companies as well Here I have focused on the HR polices of a MNC company which is into various sectors of business , here The attention would be on the IT sector of that company.

Larsen & Toubro Limited (L&T) Background Information.

Larsen & Toubro Limited (L&T) is a company which is ito various sectors such as in manufacturing, engineering and also in IT . It is Multinational company , which has a branch in London UK its IT sector. This company on the overall has a strong customer focused approach and c class quality in all major lines of its industry. Larsen & Toubro Limited (L&T) has offices and branch which is

globally spread . The company has around 11590 employees. L&T Infotech focuses on Information technology and software services

Business Model

Larsen & Toubro Limited (L&T) offers three different business models or strategies that the clients can switch between them. Here each model benefits are unique , the clients can choose the best model at any point of time , to suit its business plans.

Onsite Services

In this model , the L&T engineers are sent to the client's team at the client's location . here in this the client representative or the project manager of L&T manages the project in the clients location . This model is suitable for onsite consulting with the client's customers for client's platforms and products.

Offshore services

Under this model the L&T engineers develops the products required by the client on a need basics. A client representative would be doing the project co-ordination on the client's side.

GLOBAL PERSENCE

L&T has its offices located globally. The company is into international business and the revenues has been growing steadily due to overseases business. The company has manufacturing facilities in India, China, Oman and Saudi Arabia. It has a global supply network with offices in 10 locations worldwide, including Houston, London, Milan, Shanghai, Seoul.

Clients

Its clients include industry leaders like Marsh & McLennan, Standard Life, Travelers, Chevron, Freescale, Hitachi, Sanyo , Lafarge , ABSA , CitiGroup, Barclays , eCORPUS, Marathon and Qualcomm among others.

Competitors

BHEL

Suzlon Energy

BEML

BGR

AIA Engineering

Alfa Laval,

Praj Industries

Shriram

Future Plans

A blueprint for the next phase of growth till 2015, named Vision 2015, at Larsen and Toubro Ltd is being drafted and will be ready by March 2010. The company is planning to focus on segments traditionally dominated by foreign defence equipment makers and state-owned companies.,

. The company also hopes that the nuclear program will be in place once the new government assumes power. By signing pacts with three companies in

the nuclear energy space, L&T has hedged its risks as a nuclear equipment maker. It has put in place a nuclear equipment forging shop in Hazira in Gujarat at an investment of Rs1, 500 crore.

This is in addition to a defence shipbuilding yard near Chennai at a cost of Rs1, 500 crore. As per plan, the company will create three operating companies to look after defence, aerospace and nuclear power sectors for effective operations.

HUMAN RESOURCE INTRODUCTION

The company considers people as the most important asset . they have teams with a diverse profile that include people from various backgrounds such as technologist and architects . The company choose people that are motivated in them self and have a strong sense of commitments with their clients. The people of these company have a nark in which they can tackle clienst and going for an extra mile for appreciations The company is maintaining a strong value driven professional work environment where every employee feels respected and fulfilled. The company follows a competency development approach which would allow them to maintain the talent the company has made.

Selection and recruitment

Larsen & Toubro InfoTech always employees the candidates based on the merit and competence. The company also look for certain other qualities as well in an individual such as analytical ability Communication and innovation skill in practical problem solving. The Larsen & Toubro InfoTech gives a very high importance for the candidates academic excellence.

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Why careful selection is required by L&T InfoTech?

The company is highly recognised and the quality standards are very high, in this company performance is important because having the employee with the right skill and right knowledge will be good as the firm will not suffer in the long run. Cost is another important factor because it will cost the employer a to recruit and hire people..

Larsen & Toubro Infotech follows a competency-based recruitment philosophy, wherein Competence based job analysis basically means writing job description based on competencies rather than job duties. Thus kind will emphasis what the employees must be capable of doing rather than having a list of duties he or she must perform. Normal this competence based job descriptions describes job in terms of measureable, observable, behavioral aspects. This type of HRM policy would play participant roles while still allowing for evolution. All processes are geared to achieve our objective of attracting and selecting the best and brightest talent, while ensuring a best fit of the profiles.

Typically the company recruits 75% of the candidates through various campuses and 25% of them through web based recruitment. Since web based recruitment is very common in UK and worldwide in advanced countries. Lots of companies pull information from web based sites.

Larsen & Toubro InfoTech offer of employment is a combination of multiple factors. It includes the value of the Larsen & Toubro InfoTech brand, the opportunity to work with the ' best in class' people who have graduated from

top universities, an opportunity to work in multiple environments, and has world-class software development centres

Objectives

Recruitment procedure includes a simple description for job covering such as key activities, tasks, skills required, expectations, deliverables and safety considerations. When advertising, avoid discriminatory language e. g. young person.

Recruitment process may include an application form, interviews , practical testing , references checks , right to work in UK.

Give the successful candidate a letter of appointment setting out clear terms and conditions. This includes the nature of employment e. g. permanent part time, casual. The letter should include a Larsen & Toubro InfoTech come note and start details.

Once the candidate has accepted, contact the unsuccessful candidates as a matter of courtesy

Critical analysis

Recruiting good candidates is every company's job. Human resource manager usually take the lead and coordinates the required activities , but every employee, every manager and every supervisor of the company has a role and share in the benefits of recruiting best applicants for the required position in the company.

While I understand any company requires good applicants and candidates , In an interview we usual come across HR managers and several other employees of the company in the interview room , I usually find that employer usually throw questions at the candidate primarily aimed at tripping the candidate off rather that finding out what they could offer through their skills. Usually I have noticed that the HR manager of any company usually ask their own favorite questions. But the strategy applied by this company seems to be the best and most competitive in almost every aspects. This strategy applied by the company I understand that the HR team

Knows the job requirements

Know what skill is required fot that job

They know what they are looking for in the candidate

They know how to structure an interview

By the application of the above strategy of this company(competency-based recruitment philosophy) Manager can quickly find out who would be best for the job. The can find out important thing from the candidate such as

Knowledge and experience

Overall motivation to succeed

Poise and confidence

Communication

Intellectual capacity

Personality Factor

Goals ambition

From this I understand that this competency-based recruitment has a interview plan about which we can draw the candidates general strength and limitation . This competency-based recruitment finds the employees who will be technically be competent and fit the company culture.

Recommendations

High performance work system: This kind of recruitment and selection application would help the employees to work in a self motivated way. The team member would have better communication efficiency as because the all have the same sets of knowledge.

More strategic: This would help the organization to have a better ways of recruiting people by describing their job in a more measurable , observable behavioral competencies an employee must exhibit to do a job well.

Performance management: Basing the employee's training, appraisal and rewards on fostering rewarding the skills and competencies he or she needs to achieve his or her goals.

Flexible Work arrangements

Larsen & Toubro Limited (L&T) expects its employees to maintain a high standard of conduct and work performance to make sure the business

maintains its good reputation with customers and clients. Good personal conduct contributes to a good work environment for all.

Based on the responsibilities carer and private life the employees, the employees will require flexible work arrangement from their employer. The employees are given the freedom to send in their request based on their requirements. But the company will also have to look into the employments opportunity act ,

Larsen & Toubro Limited (L&T) Will look in to the request based facts and circumstances , later decide whether to accept or reject the request of the employee.

Objectives

The employees ' s environment of the work in the company and their responsibilities

The Kind of situation the employee would be in if he does not fulfil the family or carer responsibilities

The Financial strength of the employer

The Kind of business the employer is in and the circumstance of work environment

The impact on business if the employer has this flexible work arrangements

The impact on business if the employer does not have this flexible work arrangements

Apart from these objectives under the National Employment Standards , only a certain set of employees will have the right for this flexible work arrangements such as if the employees has served the organisation for 12 months , secondly if they have a child who is under the school age, thirdly if and only if they also have c child who is under 18 and physically challenged.

Employees must put such a request in writing. Which would involve an application form?

Larsen & Toubro Limited (L&T) will response to their queries in a matter of 21 days in writing if the leave is granted or not . Larsen & Toubro Limited (L&T) will also provided in writing as why it was refused based on their business norms .

Here in this company this flexible work arrangement will not be a hurdle at the times of promotion or responsibilities.. The company will treat all the employees equal including those who have these advantage of flexibility.

Critical analysis:

What I evaluate from this is that flexible work schedules have positive effects on employee productiy , job satisfaction This has become quit popular in the last few years trying to reduce staff cost without having to make redundancies during recession. It can also help provide staff cover outside normal working hours and reduce the need for overtime.

This kind of work flexibility will have the following benefits such as

They will be a reduction in absenteeism which are unplanned , lateness and slo stress

This will improve the staff availability and travel shift work.

The employee's commitment would increase so this would increase the efficieny of the organization.

Give suitable work hours which would be beneficial for the employer as well.

The employee can work while kids are at school

The employee can do more part-time work e. g. 2 days and 3days

Longer hours - less days

There is a dramatic change in many of the organization in the recent years when they have introduce this flexible work arrangements, but this has improved the overall productivity , commitment and output of the employees. This provides the employees relaxation in terms of task duties and responsibilities and also provided the employees with a opportunity to work away from campus.

I analysis that Flexible working opportunities can benefit everyone - employers, employees and their families. Most employers now recognize that it makes good business sense to provide flexible working opportunities for their staff.

The flexible work arrangements have changed over the years in United Kingdom where in 17.7% of men and 26.7% of women were employed with flexitime arrangements in the United Kingdom,

Recommendations

What I think is best is they should conduct a survey as to what the employees require. The Survey should state what is needed and the staff would really respond in an appropriate way, which would provide an insight on culture of the organization. This type would also improve ways of getting work done so the building or the floor is utilized to its full capacity.

Work during quiet periods

Working in this type of nature would increase the amount of work and making maximum use of the human resource. For example, if you are in customer service this would help a person make use of this time in paper work when the phones are not ringing.

Work-life balance

This way of working environment would create a balance in work - life which will help morale, motivation and commitment to the organization. This would help a person focus on his/ her work more effectively, than changing their focus elsewhere. This would help in increasing the business reputation of the employer as a whole.

Impact on your employer's business

This system has a major impact on the business , they are possibilities that the application might get rejected based on the business grounds of the organization.

Cost of keeping the workplace open for longer

There will be cost incurred in opening the workplace for longer, which could be a loss for the company , think about the security they need to provide we need think about these costs by the advantage of this.

Keeping track of hours worked

The company may argue that it will be difficult to keep a track of hours the employee is trying to work . This might lead to confusion in the ending during the time of payment.

Responding to customer needs

I refuse the concept of to work flexitime as it will have an impact on the ability of the business to meet customer demand. I would Point out the business to would respond better to customer needs if more hours of the day is available two

Performance management and improvement

Traditional the organization conducted the performance in an disorganized manner and they would listen to the higher sub ordinates and take their orders these were considered as performance indicators. The formal system of appraisal followed by the Indian companies was considered as a confidencial report.. The purpose of Performance management and

improvement is to improve the efficiency of the employees. The company encourage the employees to give feedback to management . The company employees will undergo a formal kind of performance review by their immediate managers based on the performance of that employee for that particular period 4 times in a year.

The company follows the critical incident method , the manager keep a recorded of positive and negative contribution of the sub-ordinate ' s work related behavior . And discuss the performance based on this examples.

objectives

The software company like L &T the project manager of that particular team would handle this performance review and here will be particular time set by the management of the company for this .

The manager that is project manager would meet openly and constructively discuss the performance of that employee usually a general discussion.

Based on the performance training would be given for that employee if their performance is very bad

The manager should make a note of that team should have notes and copies that which is required to should to the higher authourity.

L& T uses this performance e to improve the performace of the company . If the company is not happy with the performance of the employee the company may end that employees employment. Depending on the

circumstance , the performance improvement action may include warning , counselling or retraining.

L&T requires a certain minimum standard of performance which will be made clear to the employees that this would also help in appraisal. But if the employee does not meet to the standards of the company L&T will take appropriate action or in cases of serious misconduct or breach of policy may dismiss the employee.

Every employees of L&T must understand their responsibilities and it is expected out of the by the company to meet the standards as required by L&T. The company also provides a chance to the employee to defend themselves before any action could take place.

Performance improvement

objectives

L&T will identify the employees who are in shortfall of performance and give them a chance of improvement.

The manager will keep an eye on their improvement and based on their state of performance would suggest them appropriate action such as training

If the employees was given a verbal warning the manager will make a note of the date and mark it.

The manager will allow the employee to respond before making a decision and consider the employee's responses. The employee may have a support person present at such meetings.

The manager will decide if more action is needed.

They will continue to support the employee and note the support they give, for example, training or counselling.

The warning must clearly define:

the deficiency

a clear explanation of the expected standard

by when the employee needs to achieve it

how the business will help the employee achieve the improvement required

consequences of failing to improve.

Critical analysis

The performance management system has a lot of advantage for the company as it would be beneficial to the employees and the organisation as a whole. The employees will be working for themselves as well as for their individual teams thus improving the levels of communication. This is a type of goal alignment means having a process in place that allows any manager to see the link between employee's goal and those of the teams and organisation. This type of performance evaluation in the organisation would help work flow, process control and return on investment on which the company is targeting for would be linked in a meaningful way in achieving the company overall performance. But not all the employees would be

benefited from this system. We need to understand as to why this performance improvement is required .

Firstly because they serve a useful career planning purpose . they provide an opportunity to review the employee's career plan in light of his or her strength or weakness.

Secondly this would help the manager and his/ her subordinate to develop a proper plan to identify the subordinate's deficiency and reinforce the right strategy in overcoming that deficiency.

Thirdly this would help the employer to turn their strategic goals into specific employee's goal , this can be done only if the performance is reviewed periodically.

Critical Incident method has several advantages such as this makes the supervisor think all over the year about the appraisal of the subordinate. It also provided examples of good and poor performance that the supervisor can use to explain the person's rating But the down side of this critical incident method would be that the manager cannot use this for comparing employees performance with others.

Recommendations.

It help in setting the organisational goals

Setting the departmental goals

Define expected results

Helps in performance Review

Helps in providing feedback

Standards may be unclear; halo effect, central tendency, leniency, bias can also be problem

Difficult to develop

Can cause disagreement among employees and may be unfair if all employees are, in fact, excellent

Time consuming

Difficult to rate or rank employees relative to one another.

Grievances

Larsen & Toubro Limited (L&T) supports all the employees of its organisation to write a grievance report to their manager if any decision on the part of the management of the company is affecting their employment and what makes them feel unfair. They can also complain if the performance improvement action against them is not suitable.

Larsen & Toubro Limited (L&T) makes all possible attempts to solve the grievance of the employees in many possible ways. The manager would have the grievance taken to the next possible level of authority for more discussion on this, have it sorted out as soon as possible.

Managers will do their utmost to action grievances objectively, discreetly and promptly. Be aware that grievances that are misconceived, vexatious, and

lacking substance may result in disciplinary action being taken against the employee lodging the grievance.

Objectives

The employer should solve this grievance as soon as possible . This should be informal and verbal. If this could not be achieved then the then grievance should be solved in a formal way and this process is continues.

To start with the formal grivence investigation the compliant should be given in writing , with all the details , date , location and how they have tried to solve this problem in an informal way .

If the grievance still can't be resolved, refer the matter to the most senior manager for consideration and a final decision. A grievance taken to this level must be in writing from the employee.

Visit the work area of the grievance.

Determine whether they were any witness.

Fully examine the report of the grievance.

Critical analysis

A grievance is obviously problem encountered by an employees of any organisation. Sometimes there might exist bad relationship between the manager and the sub ordinates, there will be conflicts between the team members . problem employees are yet another cause for grievances shoot up in the company, these kinds of employees are always unhappy. These are

individual who by nature it self are negetative , dissatisfied and prone to complaints.

Yet the strategy introduce by these company its very good what I felt wa that the company should be careful while handling a grievance because they should not loss out any of the other good employees, in facta very good procedure indeed.

Recommendation

The best ways to handle the grievance s to build up an environment in such a way that the grievance would never occur.

CONCLUSIONS

Larsen & Toubro Limited (L&T) expects its employees to maintain a high standard of conduct and work performance to make sure the business maintains its good reputation with customers and clients. Good personal conduct contributes to a good work environment for all.

This HR policy and procedure of Larsen & Toubro Limited (L&T) provides the policies and procedures for managing and developing staff. It also provides guidelines Larsen & Toubro Limited (L&T) will use to administer these policies, with the correct procedure to follow. In fact the above few mentioned facts are one among the HR policies, time to time it will be necessary to modify and amend some sections of the policies and procedures, or to add new procedures

The main benefits are that it:

assists the company to meet its legal obligations

is a proven way to help managers and supervisors make consistent and reliable decisions

helps give each employee a clear understanding as to what is expected and allowed