

Role of performance management case study pizza hut



**ASSIGN
BUSTER**

Introduction:

“ In a sophisticated, well managed organization, Performance Management is the single most important management tool” says Grote R (2002), no other management process has this much influence on workers. For example Mr. Sam Walton, the founder of Walmart, was well aware of the role of workers in a successful business and devised policies to get the support of the worker and consumers from the start of his business. Mr. Walton believed that happy employees meant happy customers at the beginning of his business (Bergdahl, 2004). Today, many of us attribute the success of Walmart to its high rated managerial skills and business techniques, but it could not have been possible without active and genuine contribution of its workforce.

Sandler C. and Keefe J (2004), while discussing the purpose of employee evaluation, says that it is not just an exercise to satisfy our urge of making judgement about others, but is a tool to fulfill certain specific organizational needs, such as:

To prepare groundwork to base promotion/increment decision about employees.

To motivate employees who can be a good performer but are not

To identify and weed out the problem persons and spoil sports

To analyse the current situation and find ways to improve productivity, reduce waste and optimize humane resources.

This therefore is an exercise which ensures fair deal to all in the organization.

Hence the research develops on the hypothesis that organisations should look after the interests of the worker in order to taste success in their respective fields. HR is no longer a selection and recruitment responsibilities alone. These days HR management also refers to training, development, and retention. Each of these processes has a vital role to play in the HR management.

In this competitive environment, no industry can survive by employing a group of people who are not well skilled. It is a necessary to employ and keep good people. (Audretsch et al, 2000). It is really hard task to manage employees and extract good results from them. In order to realize this goal, the HR managers should have the intuition of understanding and experience. One of these Human Resource management strategies is efficient employee performance management system.

Background:

This topic has been chosen after suggestions from the friends employed at Pizza Hut and due deliberate consideration by the researcher. He visited a Pizza Hut outlet with a friend who had to be an employee there. The author could notice that many of the employees had no knowledge of the HR policies. They did not even have a good knowledge of their organization. The researchers also could see lots of stickers placed on the walls of the shop on the ethical code, but lacked proper communication between management and employees. The restaurant was running on the principle of making

financial gains and the employees' interests were given least priority. The researcher had the opportunity to interact with the employees and could find that they were not really satisfied due to the excessive cost cutting measures adopted by the management there.

The researcher then decided to visit some of the other Pizza Hut restaurants as listed below (From January 10 to 20, 2011):

Pizza Hut, 176 South Ealing Road, London

Pizza Hut, 183 High Road, London

Pizza Hut, 120 Oxford St, London

Pizza Hut, 161 Grand Avenue, London

Pizza Hut, 1326 Huron Street, London

Pizza Hut, 1153 Western Road, London

Pizza Hut, 1009 Wonderland Road South, London

Pizza Hut, 1300 Wellington Road, London

Pizza Hut, 1980 Dundas Street, London

Pizza Hut, 109 Fanshawe Park Road East, London

It was found that almost the same scenario prevails almost everywhere. The researcher contacted some of the employees, who happened to be from his network of friends, that there are no sufficient staffs at the peak hours of

business and that existing workers are over burdened at those times. This forced performance is bound to result in inferior services. The author also came to know of an internal survey conducted by Pizza Hut, which reflected the same observations.

The above observations of the local Pizza Hut restaurants suggested a viable topic for the research, hence this proposal.

Aims and Objectives

The researcher takes Pizza Hut as a case study and tries to prove that Performance Management and appraisal system is necessary in the success of any organization.

The study shows that Pizza Hut is the biggest Pizza provider in UK. It has also invested a lot of money to maintain its status in the pizza outlets in UK. Thus selection of Pizza Hut for the case study might be a bit surprising. It is a fact that there is great competition that Pizza Hut has to face from its rivals and the studies have revealed that they have lost much of their market share to the competitors. The company has been booking losses for past few years and has never seen a profit since after the year 2006. It has posted a loss of £12. 12m in the year 2009 in UK (Thompson, 2010).

The researcher is interested to make an attempt to know if its HR policies have anything to do with the losing it market share, if so.

The researcher tries to look into the following objectives from this study program:

Review the current Performance Management practices at Pizza Hut?

Effectiveness of these policies.

Look into the current business performance.

Possible measures for improvements.

Possible achievements.

However the researcher will seriously make an attempt to examine the position of Performance Management policies in success of any business.

Literature Review

Here the researcher gives a number of literatures that he wants to review for this research program. This is not a fixed list as there can be changes at the actual research program to improve and enhance the work. These lists of literature give an idea of researcher's comprehension towards topic and the direction.

Grote (1996) has expressed his views about Performance Appraisal as a prime responsibility of the HR managers and should be managed properly. He also writes about the requirement of good rapport between workers and their managers. He argues that a good management only can nurture or nourish talents of the staff and suspend lot of problem situations with the workers. It will only do well for the organization as a whole. It will turn out to be good for both the organization and workers.

The content of this book is well established and thus the managers who seek to practice an effective Performance Management will find it handy to practice them in their respective industries. The book also puts forward few tips to sort such situations. The author has explained everything about performance management and appraisal system that seeks huge contribution from the part of management for the success. This book of Grote will contribute to the present topic for information.

The researcher also finds some recent developments on the topic and has included recent articles and journals as source. So some relevant literature also is cited below.

Westerman (1996) has published a journal on Employee Responsibilities and Rights titled ' Rethinking the Role of Performance Appraisal in Total Quality Management. Here the author has taken up a very good study of the effective human resource management policies in TQM implementation for the organizations holding business in the global level and face a stiff competition from the rivals in the same field. He asserts that Performance management and appraisal is the sole effective measure to gather the wholehearted support from the part of employees.

The researcher also found the work from Krathanos (1996) very effective. This is a journal that holds the idea of ' The role of expert systems in improving the management of processes in total quality management organizations'. This researcher also got involved in the study of Baldrige Award Criteria and recognized came to know the value of information and analysis for the promotion of business performance.

‘ Three Trends around Data Quality for Performance Management’ an article written by Schmitz J (2008) also was found to be good by the researcher. The author, who is the Product Marketing manager of the IBM, suggests that organizations must strive to ensure accuracy of collected data for the most effective performance appraisal system. She develops on the idea that proper Business Intelligence and Performance management can improve the quality of business performance. She also reminds us the success rate of these tools depends on the accuracy of data.

The author of this research proposal also have gone through some of the previous works done on this same subject, in order to find how they had been successful in executing ideas and to understand how useful were there findings.

The author also came across a case study conducted by 2GC Limited in UK. It was given a job of restructuring EPM System for a fast-developing international retailer. They have more than 200 centers worldwide. The author has found this case study to be useful in writing his own case study for Pizza Hut. The similarity is that Pizza Hut too has got international chain of fast food restaurants.

The author has found a case study conducted by Soltani et al (2010) to implement PM system in quality oriented firms in UK. The researcher also has gone through the working of more than 150 organisations. The prime motive of the author was to study the human resource performance evaluation systems and its effects on business performance. The study reflected a huge gap between Total Quality Management in force and actual

<https://assignbuster.com/role-of-performance-management-case-study-pizza-hut/>

EPM system that was going on there. This also revealed many confusions and illusion prevalent in these organizations.

The author also plan to go through some of the most effective and practiced human resource management models in order to get a better idea of the requirements for this research. These proposed studies will come in handy for the conclusion and is necessary recommendations. Some of the Human Resource models that are to be gone through are Michigan Model, or Fomburn Model, Tichy and Devanna model as all these models are found to be effective in the Human Resource Management activities.

Research Methodology

This part of the essay will describe what methods have been selected for the research and why are they most suitable for this type of research study. It will also be discussed why some other prevailing research methods are not suitable for this study.

Generally research methods are described in two categories, Qualitative and Quantitative:

Qualitative Research Methods:

These are based on accuracy of data gathered by the researcher. Qualitative methods often answer Why and How of the research question without wandering in What, Where, When etc. hence they offer more firm ground for decision making process and facilitate more reliable decisions. Qualitative Research methods are greatly used in academic, science and other research contexts.

Denzin (2005) suggests that Qualitative methods are quite useful in market related research as they suite well in investigating customer behaviour, market position, and advertising opportunities. Mason (2002) asks for researcher's deep involvement in interpreting social conditions and finding solution, and researchers' logical reasoning of the situation (Hinton et al, 2003).

Quantitative research methods are useful in systematic empirical investigations. They suite well to the mathematical models, physical theories and social branches of science studies like sociology, anthropology, political science etc. Statistics is another popular branch of Quantitative Research method which is widely applied in physical sciences, economics, social sciences and biological studies.

As this research program is set on an industry with commercial perspectives which is a social conditions hence physical-law-like rules are not suitable to solve them (Snape and Spencer, 2003). There are many external and internal factors which should to be analyzed to understand physical development and its effect on individuals (Bannister, 2005). As market conditions are not static, researchers should exercise genuine efforts to learn about them, and the findings of the research should be capable enough to explain relation between people and their social conditions (Saunders et at, 2007).

The researcher therefore proposes to use ' mixed-model' (Saunders et al, 2007) approach, which implies both qualitative and quantitative methods to collect relevant data. It is true that there is no literature to define these

research methods separate from each other having competing paradigms (Bryman, 2008), the researcher however assumes mixed research technique suitable to the research design.

Researcher proposes to conduct a qualitative research on the topic by exploring literature and other useful informational resources which are both available and accessible. This research will be executed before the start of empirical (quantitative) research hence will provide a sufficient knowledge and skills to complete the research on the topic and arrive at a viable conclusion. This will improve researcher's knowledge about Pizza Hut, Performance Appraisal existing Human Resource Management practices and system. This procedure will help to analyze data gathered through research.

Data collection

Researcher plans to execute quantitative study by interviewing both employees and customers of local Pizza Huts. There are many outlets within reach. The researcher also plans to personally interview some Pizza Hut managers to know about their approach of Pizza Hut and performance appraisal system and its effectiveness. Author is of the view that a personal interaction with the Pizza Hut customers will help him to get a clear cut idea about the effectiveness of the Performance Management and Appraisal Systems at these outlets. The researcher also plans to compare these feedbacks with the responses of the Pizza Hut managers. The researcher also plans to utilize the literary works to understand the implementation of the Performance Management and Appraisal Systems at work. All these activities will enable the researcher to put forward some recommendations for the overall progress of the Pizza Hut.

<https://assignbuster.com/role-of-performance-management-case-study-pizza-hut/>

The researcher offers to collect data by conducting questionnaires to employees and customers of the Pizza Hut. Researcher also would conduct small interviews keeping in mind the importance of getting more information. The prime aim of the researcher is to review maximum number of outlets, customers and employees that could be well managed in the available time.

The researcher purposes to prepare three questionnaires for each category- employees, customer, and managers. Questions are to be prepared participants friendly to make it easy and interesting. The researcher offers to take back the forms immediately to get a spontaneous response and enough time will be provided to those who need it.

Limitations:

The main reason why the author has decided to choose Pizza Hut is that its quick accessibility to the customers and employees there. The planned interviews of the Pizza Hut managers depend on their interest and approval. The researcher plans to visit only some of the Pizza Hut outlets that are easily accessible in UK. A lot depends on the spontaneous response of the participants.

Ethical Issues:

The researcher is well aware of the problems that can arise from the participation of the volunteers. Thus he has promised them to keep their personal identity secret. The facts like name, address, email, phone numbers, or identity will not be disclosed to anyone for any purpose.

Participants will be instructed not to give any of their personal information as it is not required for this research program.

This research program involves a multinational organization for case study. Thus the researcher vows not to disclose any of his findings with any other person than his supervisor and staff assigned by the University.

The researcher plans to present the final result in a readable and comprehensive way. For this he plans to present it in the form of summaries and graphs.

Conclusion

The researcher offers to review a number of literature books, journals, various Human Resource models and other available resources elaborately. The study of literature will definitely help to get a great understanding of the subject and that will be a solid foundation for the empirical study that follows. The researchers plans regularly in touch with the seniors and teachers at every part of the research and thus make sure that the development is in the right direction.

The author has also offers to a case study on Pizza Hut restaurants in UK. The main aim of the researcher is to develop an understanding of the Human Resource Management policies and practices and its result on the business performance as a whole. For this some relevant questions will be asked to the Pizza Hut customers, employees and managers (if allowed to). The researcher plans to understand and judge the performance of the employees by studying the responses received from the customers. In the same way an attempt would be made to know Human Resource Management practiced by <https://assignbuster.com/role-of-performance-management-case-study-pizza-hut/>

the managers by examining the feedbacks from the employees. Likewise the managers of the local PH outlets will be contacted to know the overall function of the restaurants. When all the desired data is collected, it will present as a copy of overall Pizza Hut's performance, its Human Resource Management policies, Performance of the employees, and its consequences on the customer experience and overall business performance. It is a fact without saying that no organization would grow much without looking into the feedbacks of the customers. Only an organization that would give sufficient importance of the feedbacks customers can progress in business. It is same with both product and service industries. As an organization is run by people, worker, and employees there arise the need for satisfied customers. Therefore there is a need for the organizations to develop an effective customer support. This is what is expected of the apt Human Resource Management in place.

The research will definitely improve the knowledge of the researcher and provide him with information that is very helpful. It will also tell the readers of the Performance Management policies and about an effective performance appraisal which will lead to a good employee performance, an improved customer satisfaction and a good profit for the business organization. This research will throw light to the Human Resource problems greatly and suggest some solutions and employ performance will be improved.

This research will greatly help the researcher and other Human Research managers. This research will open ways to the reliable sources that can be accessed to get factual information on the result oriented Employee
<https://assignbuster.com/role-of-performance-management-case-study-pizza-hut/>

Performance, and Performance Appraisal techniques to help organizations to transform workforce into a good unit of happy employees.

Research Schedule: Gantt's Chart

The researcher proposes to complete the research project as per following schedule: