



Developing relationships and workplace
achievement

Moodle code – BMSW**5102**

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“Development of a plan by meeting the identified personal development needs and expectations of individual employees in a chosen organisation

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Introduction

A Human Resources Manager oversees as a leader and be responsible for the activities of a company's human resources division. Manage the payroll, maintain employee relationship, and ensure that all levels of compliance with laws and regulations are met.

In McDonalds restaurant Ltd , The human resources manager's role is to support the HR division in shaping the company's culture. They manage, guide, and guarantee a great working environment for their staff members. The human resources manager oversees payroll, supervises the creation of employee handbooks, and ensures that all rules dictating how employees should behave are regularly obeyed.

McDonalds restaurant ltd have a vacancy for HR manager and a development plan is in place which identify and helps new HR to build personal skills according to organisations standard.

The ideal applicant will have a minimum of three years working expertise as a human resources manager or will have substantial expertise And have ability to adapt.

(Indeed.com, 2023)

In relation of McDonald's development plan I used some Theories which helps organisation perform well.

Performance Management

Line managers and people managers are essential in helping staff members perform well. Success depends on having effective performance management since people are the primary source of a company's value. People need to be managed in such a manner that they are accountable for their work, motivated, and provided with the information, resources, and skills required for success.

The word "performance management" describes an initiative to maximise employee value. It aims to maintain and improve employees' performance in line with corporate objectives.

The following three performance categories should be considered:

Task performance: How successfully a person performs the essential tasks associated with their position.

Performance in context: volunteer work that benefits the organisation.

Adaptive performance: the degree to which people adapt to shifting job requirements or promote innovation.

All three types can be interpreted as actions or as outcomes.

Performance can be assessed at the individual, group, or mixed levels. It makes sense to concentrate on team performance when cooperation among team members is necessary to achieve tasks or when accountability for outcomes is shared.

(Performance Management | Factsheets | CIPD, 2022)

Performance Management Cycle (PM cycle)

Every firm strives to maximise the performance of its employees in order to meet its goals. A system that enables managers to supervise, guide, instruct, and motivate employees is necessary to achieve these goals. The concept of a performance management cycle is used to achieve this. There are four separate phases to the performance management cycle. Planning, monitoring, developing, and evaluating are a few of them, along with grading and rewarding. The performance management cycle was conceptualised by Peter Drucker and based on the accepted practise of employee assessment. It may be customised by organisations to fit into the general concept of constant feedback. A cycle of performance management involves continuously planning, carrying out, evaluating, and reviewing employee performance. By coordinating employee success with organisational success, it develops sustainable performance management.

Normally, a performance management cycle is twelve months long. However, as of late, this isn't the case anymore. More companies are adapting their performance evaluation cycles, engagement and experience is important in the job market since it emphasises employee feedback.

(Srikant Chellappa, 2023)

Below I will explain why performance management cycles are important to a business.

Builds Strong Relationship: To assist employees in understanding their goals in the context of a larger picture is one of the purposes of building a performance management cycle. Receiving feedback and taking part in the planning process both frequently improve engagement. Between employees and management, this might foster more trust and a closer working relationship.

Keep Employees Engaged: When their employers make them accountable for doing their jobs, employees are 2.5 times more likely to feel engaged. In a world where employees seek better and more regular feedback from their employers, this feature is even more important.

Reduce Turnover: For employers, a significant employee resignation rate is usually an absolute disaster. Employers incur fees when they recruit a new employee, and the empty position may result in a possible income reduction. Implementing a cycle plan for performance management will be beneficial due to clear objectives, frequent feedback, assistance with professional growth, rewards and incentives, and a career path within the company.

Help Detects and Fix Problems Faster: The monitoring phase of the performance management cycle assists firms in identifying problems more promptly and perhaps fixing them.

Improves Performance: Businesses that have clear aims and strategy constantly position themselves to succeed. Organisations may plan, monitor, and assess their established targets as they are achieved with the help of the performance evaluation cycle.

(Srikant Chellappa, 2023)

4 Stages of Performance Management Cycle

Peter Drucker's 1954 book "Management by Objects" is where the performance management cycle was first introduced. He outlined in his book how a company's overall goals must be broken down into more manageable, explicitly stated individual and group objectives. The most well-known performance management cycle is described by Michael Armstrong in his book "Handbook of Performance Management." He addressed all four phases of a cycle for performance reviews. The part of the article that follows goes into further detail about each of these stages of development.

(Srikant Chellappa, 2023)

Planning

The first task that an organisation must do is planning. Leadership must first design a plan for the initial aims the business wants to attain before interacting with workers and other team members to offer them targets. After the company's agreement is created, management is free to specify individual goals, desired results, and specific objectives for teams and individuals.

The SMART framework may be used by managers to efficiently set goals for their team members.

- **Specific:** The goal should be made very clear. It needs to be clear and straightforward.
- **Measurable:** To enable employees to track their achievements, the objective should include quantifiable indications. Additionally, there ought to be a beginning and an end.
- **Achievable:** Setting objectives should be challenging for staff members, but they should also be attainable.
- **Relevant:** The goal must be related to both the employee's job and the organization's goals.
- **Time-bound:** The objective must have a time limit. If there is no timeframe to get the intended objective, a goal is not a goal.

Monitoring

Planning and doing nothing with it is a formula for failure. The objectives must be continuously managed and supervised. In order to make sure the workforce is on track to fulfil their goals. In order to resolve any concerns and provide support, there must be continuous follow-up and feedback. The gatherings ought to happen every month or every three months.

Developing and Reviewing

At the end of the cycle, management performs an assessment. If the manager and the employee got along well throughout the first two cycles, the third cycle should merely be a formality between management and staff. Examining prior cycles and asking the following questions are two ways to improve.

- Did the employee have the qualifications to perform their duties?
- What lessons had they learned from the situation?
- Was the task-specific training provided prior to the utilisation cycle beginning?
- What other skills need them to work on developing?

Rating and Rewards

In the present, management rates both group and individual performance. When employees fall short of their goals, management should react properly. On the other side, it's critical to reward employees that surpass expectations or accomplish their goals. This reveals how highly the business regards employees who put up the effort and produce results. Additionally, it demonstrates to staff how much the business values their opinions. Since failing to appreciate your staff could demotivate them and, in the worst-case scenario, lead to resignation, this final cycle is crucial. Additionally, knowing that their efforts won't be appreciated by management could reduce productivity.

(Srikant Chellappa, 2023)

360-degree feedback

The systematic gathering and feedback of performance information about a person or organisation that originates from several sources is known as 360-degree feedback. The reporting manager, co-workers, and perhaps even clients are utilised as respondents to collect the data. The system is then fed the feedback and assessments of individuals who participated in order to provide concise, pertinent progress reports. A 360-degree feedback system is designed to solve a variety of organisational concerns, including worker engagement, attrition, and succession planning.

(Singh, 2019).

360-degree feedback has advantages and cons that are visible depending on how organisations use it and its results.

The Advantages of 360 Degree Feedback

360-degree feedback is intended to have a significant influence on employee engagement and professional development when properly implemented. The benefits of the 360-degree feedback system are listed below:

1. Creates Self-Awareness About Strengths & Weaknesses

Martin claims, The fact that 360-degree feedback helps employees become more self-aware of their own strengths and limits pushes them to work towards self-improvement, which is one of the key benefits of the tool. It is a good practice toward self-awareness. It provides a thorough view of the employee's overall strengths and limitations.

2. Identifies Training Gaps

Skill gaps prevent both personal and organisational growth and are a hindrance to success. A thorough portrait of an employee's personality is presented in reports from 360-degree feedback systems, which aggregate and evaluate input from co-workers, subordinates, supervisors, and clients. As a consequence, if a problem is found inside a unit, training courses may be used to close the gaps.

3. Improves Productivity & Work Relationships

A staff member's spirits are raised by feedback from their co-workers, which also helps them, and their supervisors communicate better. As various teams receive input from other organisation members, they develop trust and are more likely to succeed in achieving their common objectives. Another advantage of 360-degree feedback is that it provides a clear image of the abilities necessary for an employee to succeed in their present function, allowing employers to match a staff member's professional objectives with those of the company.

4. Increases Transparency Within the Organization

Other benefits of 360-degree feedback in a company is further develop trust between members which leads to better decision-making, which eventually improves performance and increases income.

(Singh, 2019)

The Disadvantages of 360 Degree Feedback

When implemented incorrectly, 360 Degree Feedback programmes can weaken team morale and lead to disagreements, mistrust, and rage.

1. Side-lines Positive Feedback

Some supervisors may be inclined to focus on identifying flaws in an employee's performance rather than highlighting and strengthening their strengths when using 360-degree feedback.

2. Garners Dishonest Reviews

If the people doing the 360-degree assessment cannot be trusted, nobody will offer honest comments. Participants will only offer you feedback they think you'll like to hear, thus it will be pointless.

3. Increases Distrust in Leaders

If a leader does not communicate what he learned or what he would do to address the comments, participants will think it was a fruitless attempt that won't produce any meaningful improvements. As a result, participation declines, as does confidence in the organisation and the boss.

(Singh, 2019)

The Purpose of 360 Degree Feedback

1. Employee Development

Individuals are encouraged to discuss with their management the goal of their growth thanks to 360-degree feedback. The goal is for the employee and their boss to utilise the data to pinpoint the skills they should keep building on and the factors that have contributed to their success thus far. They then concentrate on one or two areas for development where they may fill up some holes.

2. Performance Appraisals

The inclusion of different opinions may undoubtedly increase the legitimacy of the assessment and promotion process, despite the fact that experts feel there are several 360-degree appraisal advantages and downsides. A 360-degree evaluation has the benefit of being designed to integrate with the organization's performance management system, making it feasible to measure the necessary behaviours for performance management objectives.

3. Succession Planning

Some employees can benefit from the 360-degree feedback tool as they receive training for new positions, especially for crucial leadership roles. The investigation gives the management a better understanding of a potential leader's strengths and any flaws that can obstruct the company's growth.

(Singh, 2019)

540-degree feedback

An employee performance review system with many appraisers is called 540-degree feedback. Feedback from 540 degrees includes suppliers and vendors in addition to supervisors, peers, subordinates, and oneself. Every person the person has engaged with while doing their job obligations provides feedback.

The 540-degree feedback approach is used to pinpoint the targeted person's areas of strength and weakness and may be utilised as a motivating tool to encourage them. An addition to 360-degree feedback is 540-degree feedback. If a staff member, such as a marketing assistant or delivery executive, interacts with customers or clients, managers should use 540-degree feedback. This contribution improves the staff's quality.

(MBA School Team, 2019)

Importance of 540 Degree Feedback

Any organisational feedback aids in the evaluation of workers' work performance. In order to survive in the competitive market conditions, the 540 Degree Feedback framework is a companion to the 360 Degree Feedback paradigm; this may aid organisations in aligning staff towards attaining great client retention. 540-degree feedback can help staff members boost client satisfaction by helping to orient the training methods' and components' content, which increases profits, and assist in finding issues that would not have been possible to detect using conventional feedback systems.

(MBA School Team, 2019)

Management by objectives (MBO)

A strategic management approach known as "management by objectives" (MBO) aims to improve an organization's performance by defining goals that are embraced by both management and employees.

(Investopedia, 2023)

MBO outlines five steps that companies should take to use the management technique.

1. Create or revise organisational goals for the whole company. This extensive overview should be built upon the firm's mission and goals.
2. Explain to staff members the organisational goals.
3. Encourage employees to take part in setting their own objectives.
4. Keep track of employees' advancement.
5. Assess and acknowledge worker advancement.

(Investopedia, 2023)

Advantages and Disadvantages of Management by Objectives (MBO)

Advantages

- Employees enjoy their work, and they are given goals that fit with their skills, education, and aptitudes.

Giving employees clear objectives raises their feeling of purpose, which enhances their productivity and brand loyalty.

- The lines of communication between management and employees have improved.

Disadvantages

- MBO usually ignores additional facets of a company, such the conduct culture and a supportive work environment, because it is so intent on objectives and targets.

- The pressure on employees to meet the goals within the allowed period has increased.

Employees are urged to use all available resources to achieve goals, thus there is a chance that shortcuts will be utilised, and the standard of work may suffer.

(Investopedia, 2023)

Individual Pay Related performance (IPRP)

Performance-related pay (PRP) is a compensation management strategy that links income growth to an evaluation of an individual's performance, often as compared to previously established benchmarks. However, if performance is to be rewarded, an effective method of evaluating performance is necessary. Each employee's performance is normally rated on a scale in traditional performance evaluations. While some systems base increases on formulas or matrices that relate each grade, level, or zone to each of the performance categories, others leave it up to managers' judgement regarding how to translate these scores into levels of pay rise. The issuance of very small percentage pay increases, nevertheless, may irk more senior employees who are performing really well. Staff also view as unfair performance evaluation that places a lot of emphasis on subjective indicators.

(Pay, 2022)

Implementing PRP schemes

For PRP to be successful, there has to be effective performance definition, measurement, assessment, and management mechanisms in place. Prior to using money as an incentive to help reach that goal, Fostering high performance should be the main goal, supported by efficient performance management systems.

The following are the main concerns for employers using PRP:

Line managers' objectivity and consistency: To implement PRP effectively, line managers are crucial. They should be incorporated early in the design of systems to maintain consistency and transparency when evaluating achievement.

Distributing pay awards: Pay isn't the sole motivator, and it's not often the most essential one, as numerous HR pundits have pointed out.

Identifying development needs: The potential for preventing an open and honest discussion of a person's training and development requirements in case this affects the magnitude of their pay increase is a key worry with connecting pay awards to the performance review process.

Time-consuming nature: It might take a lot of administrative time to complete PRP activities like performance evaluations.

Undesired impacts on employee behaviour: Financial incentives, according to behavioural studies, can increase employee performance, but if they are leveraged too much, they may result in too much risk. As a result, if people are uncomfortable with the heightened risk, they may minimise the motivating influence, or they may distort people's motivations by acting excessively.

Recommendations

The company's culture, objectives, and priorities would determine the optimal strategy for an HR manager at McDonald's. The best strategy to manage employee performance could include combining many strategies. An all-encompassing strategy that is consistent with McDonald's aims and values can, for instance, involve using the performance management cycle, 360-degree feedback, and MBOs to set goals and track progress and IPRP to motivate staff.

(Indeed.com, 2023)

Conclusion

To conclude, we have seen that there are multiple methods that McDonald's restaurant Ltd can be used to analyse and these methods can be used to make development, changes and adjust to the training to make improves. We have explored the diagram and analysed the factors that develop employees and how it can used to identify where to make improvements in the business environment.

(Indeed.com, 2023)

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