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MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION: MAY/JUNE - 2026
SEMESTER - III

Sub.: Performance Management (MHRM 305/MBA24-HRM304)

Date : 01/06/2026

Total Marks : 60

Time: 10.00am to 12.30pm

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Write Short notes on (Any Three) (15)

1. Objectives of Performance Management
2. Reward system
3. Ethical performance management
4. Errors in performance appraisal
5. Limitations of traditional performance appraisal methods

Q. 2. Answer in detail (Any One) (10)

1. Analyze the challenges faced by managers when setting performance expectations.
2. Summarize the key steps involved in the performance management process.

Q. 3. Answer in detail (Any One) (10)

1. Differentiate between performance implementation strategies and performance evaluation strategies.
2. State the common pitfalls in performance management. How can these pitfalls be addressed through corrective actions?

Q. 4. Answer in detail (Any One) (10)

1. Justify the need for transparency and employee participation in ethical performance management.
2. Demonstrate how a multinational company can maintain fairness despite cultural differences.

Q. 5. Case study (15)

At Vardhan Tech Solutions, the annual performance appraisal cycle had just concluded. As always, the HR department compiled evaluation reports based on the standard criteria—goal achievement, teamwork, innovation, and client feedback. While most employees quietly accepted their ratings, murmurs of dissatisfaction began spreading across the development floor.

A group of mid-level software engineers, including Rohan, Priya and Mehak felt that the appraisal process had been neither transparent nor fair. They believed that their project contributions, especially during tight deadlines, were overlooked. Rohan claimed that his team's last-minute bug-fixing efforts were never documented properly by the project manager, resulting in an "average" rating instead of "exceeds expectations." Priya felt that her innovative dashboard redesign, which had received praise from clients, was dismissed because it was not part of her original KRAs. Mehak expressed that the one-to-one discussion felt rushed, as her manager had only ten minutes to review her entire year's work.

Over the week, feelings of demotivation increased. The three employees informally approached others and found that similar concerns existed in other teams as well. Some felt

managers were biased toward those who worked onsite, while remote employees were rated lower due to limited visibility. A few employees even hinted that the appraisal system was outdated and did not match the company's shift toward agile workflows.

The HR manager, Ananya, sensed rising tension but had not yet taken any corrective steps. Productivity in certain teams started dropping, and employees appeared disengaged in meetings. The leadership team was aware of the dissatisfaction but felt that the process had been followed correctly. As the situation continued unresolved, the workplace atmosphere grew increasingly strained.

Questions :

1. What steps would you take to understand the root cause of employee dissatisfaction regarding the appraisal process?
 2. How would you balance employee concerns with managerial perspectives while maintaining fairness and transparency?
 3. What immediate actions could prevent a further drop in morale while a long-term solution is being designed?
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