ON YOUR TOES – A Performance Driven Monster

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Abstract
Most of the organizations today are busy keeping pace with globalization and excess of competition. In such dynamic times, the organizations delegate responsibility to managers in the name of ‘empowering’ them. Empower logically means ‘to give authority’. However, there exists a sad reality where the manager is only a receiver of responsibility and blames. The manager is also a receiver of high end expectations wherein he/she is expected to take full accountability of their decisions and the results produced by their team. It is only wise accountable managers in today’s competition freak times who really look up with confidence and admit their mistakes. However, it has been observed that most of the times, these managers lose career opportunities and job securities just for being consistent performers and performing occasional errors. This research looks at cases where managers and key personnel have been under the scanner due to their immense talent and have been caught by the performance driven monsters in the occasion of errors. This paper questions and poses suggestions on whether the manager deserves revival or retrenchment as reward for his consistent performance.

Keywords: On your toes, performance appraisal, monster mind attacks.

Introduction
We live in an era where monetary profits, zero attrition, bureaucracy are all cliché management principles. We are in the times of globalization where the fashion is to discuss and brainstorm about business strategies like ‘Sustainability’, ‘Triple Bottom Line concept’, ‘Social Responsibility’, ‘Brand Building’ or for that matter ‘Being Stakeholder Friendly’. Our customers are our best advertisers, hence, they need to be gifted with ‘Customer Delight’. Our shareholders are the investors on whom the expansion and diversification policies rest, hence, they deserve high level of
Yet, there lies a vacuum when it comes to addressing a key stakeholder of the business i.e. the employee or the Manager who pulls out puzzle pieces from the market of operations and brings about an evolution of a breakthrough process for the organization.

Imagine an organization which boasts of picture perfect setup - the perfect space, the perfect vision, the immense technological excellence and the perfect market expertise. And one fine day the tide turns against such an organization by virtue of an error, mistake, undue influence or fraud for which one of the executive is responsible.

• What should be the action plan of the organization?
• Can a managerial personnel who has open heartedly contributed in the progress of the organization be laid off or humiliated just for a single mistake?
• Will such actions really be helpful in achieving the vision and mission of the organization?
• When the organization is working judiciously on monetary and non-monetary motivational rewards to appreciate good work, can it not offer a moral support for an employee to rectify errors and bounce back with added vigor and energy?

This issue needs redressal from all levels of the organization.
CASES FROM CONTEMPORARY BUSINESSES

LONDON OLYMPICS

G4S, a British company failed to provide security workforce for the London Olympics 2012. As a result of this, the army was compelled to deploy special troops to cover up on the shortfall. After this debacle, the security agency G4S went on to announce partial removal of its senior management personnel. The Olympics got along smoothly without any security scares since British authorities managed a preventive force using warplanes and missiles in addition to the G4S personnel who were present for the purpose. The company was very well capable of handling the contract, however, the issues arose with their delivery of promise. Two senior managers lost their positions due to this mishap. Yet, interestingly, the CEO Nick Buckles was retained since the investigation didn’t recognize any significant inadequacies in his performance as regards the London Olympic security contract.

JIGNESH SHAH & the NSEL Scam

The 47-year-old entrepreneur, Mr. Jignesh Shah, who had taken on institutional forces such as the National Stock Exchange with his commodity exchanges, became a victim of his own break-neck ambition.

A one-time software engineer who was project-in-charge of the BSE’s online trading system, Shah often called himself a “technology scientist”. He started his career in 1990, in the systems department of the exchange after completing his engineering in Mumbai. He studies exchange technologies with a keen interest in innovation and breakthrough processes. His proposal for technology upgradation was rejected by Bombay Stock Exchange in 1993. Unperturbed by this, he went ahead to venture on his own and subsequently built up a huge empire of exchanges and exchange solutions across the globe.

However, in 2013, at his promoted venture National Spot Exchange Limited (NSEL), contracts were sold without the necessary collateral being in place; resulted in defaults and consequent losses of about Rs 5,600 crore for investors. This led to his arrest, a series of legal proceedings and consequently being sidelined from boards of his own group companies. With that, Shah ceased to be the textbook iconic entrepreneur who had built an enviable empire and revolutionized commodities trading by taking it online. Instead, he started to make front-page headlines for all the wrong reasons. Few close associates and market players are of the opinion that NSEL, perhaps, was the victim of Jignesh Shah not paying attention while he focused on MCX on the one hand, and battled with the system to get the stock exchange license for MCX-SX on the other.

(Chal & Palande, 2014)

BSNL Employee Unrest

The BSNL Employees Union is all set to go on an indefinite strike in the coming month to push the 21 point charter of demands which are aimed towards the revival of the flagging public sector company. Priority demands even include appointment of a Chairman and Managing Director as well as Director Personnel for Finance and Human Resource Departments. More importantly, Deloitte has studies the company’s condition recently and recommended doing away with 70,000 employees and recruiting personnel on contract basis. The employees union is of the opinion that the losses are due to unreliable top management policies and not the performance of employees. As the company struggles in achieving its set objectives, the managers and workers are being made to bear the brunt.

(Staff seek revival measures, 2015)

Side Effects of Monster Mind attacks

- Middle management has become far more dissatisfied about performance management, the recognition of their role and the overall people skills and leadership behaviors.
- High Attrition
- Competitor taking advantage by employee poaching
- Low Morales
- Productivity Reductions
- Labor Unrest e.g. Strikes
• Investor Confidence replaced by Investor Confusion
• Opportunity Costs due to manager replacement
• Delay in operations due to gestation by new employee
• Blame games to save one’s own position
• Being laid off is an emotional event that can leave the manager feeling distressed and the business fraternity loses the skill sets this manager could have invested otherwise.

INSPIRATION
Samsung Electronics Co., one of the enviable business organizations in the world, has taken a brave step by retaining key employees inspite of a phase of sinking profits, poor shareholdings, an aborted merger of shipbuilding and the engineering units. Lee Jae Yong, the Vice Chairman, chose to retain the employees and instead plan an operational revamp to ensure stability in turbulent times. Samsung decided to utilize the employee potential during market uncertainty by avoiding replacement of old personnel. Thereby, the company set an example of matured decision making and focus on inner stability and strength. Consistent poor performance was only considered for lay off of employees. Rearrangement was chosen as a logical option to keep the interest and morale of the employees intact and fasten the revival process.

Interestingly, in the NSEL scam case illustrated above, the middle and lower management of the entire group have not faced any negative action due to the company’s focus built on revival mechanism by utilizing current employees who are well versed with work environment and have been enjoying fruits of success till the scam broke out.

Recommendations
• Clear Goal setting and Goal Reviews by the organization
• Coherent and Co-ordinated communication across the entire organization matrix
• Encouragement to the guilty manager to make actionable changes and bring about a paradigm shift in case of difficult times
• Open minded approach in analyzing the past, present and future standing of the manager
• Avoidance of illusions in designing business strategies and communicating them
• Encouraging managers to lead their teams in ‘Management by Walking Around’ way to boost confidence of team members and periodic checks on operations being carried out. A mistake nipped in the bud can save many debacles.
• Framing realistic strategies to achieve best results thereby avoiding chances of the manager resorting to in genuine ways to achieve performance targets.
• Understanding the situation peacefully in case of an error by the manager, focusing on solution. Organizations should be clear on being PRO-ACTIVE rather than REACTIVE on employees.

Conclusion
Gen Y workers see no value in reporting to someone who simply keeps track of what they do, when much of that can be done by themselves, their peers, or a machine. What they do value is mentoring and coaching from someone they respect. Top management should work towards earning this respect by cordial relations and assertiveness.

"Make sure you are focused on your own people. Bring in them motivation and sense of ownership, then you can do your miracle."
- Carlos Ghosn
References


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