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How can McDonald's tackle performance related problems?

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I would take this opportunity to express gratitude for my research coordinator, colleagues, and peers and family, whose constant and relentless support has been a source of continuous guidance and inspiration.

Performance Evaluation

### iii

## **Declaration**

I [type your full name here], announce that the following dissertation and its intact content has been an individual, unassisted effort and have not been presented or published before. Moreover, it generally reflects my sentiment and enlist the topic and is doesn't symbolize the opinion of the University.

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#### **ABSTRACT**

Performance Management is crucial to organizational success in many aspects. Strong performance evaluation practices rely on developing an effective management policy and actions that create strong employee commitment to the organization. In order to make a positive overall organizational culture, the development of the employee should be a result of solid performance management practices which comes from the right policy-making and decisions. The important marketing tools are employees or "internal customers". This is because either of these two people works in numerous occasions and professions, for example aesthetics which can be more in the relationship among the establishment and customers. Customer loyalty becomes the responsibility of these people and they are face that represents the organization. These employees or "internal customers" are like those mirrors which show the values of the business that customers are facing. To achieve human resources management and its responsiveness, the organization has to make the HRM role from reactive to proactive. If the HRM wants to achieve the competitive advantage, it has to look ahead of the attracting and recruitment of human resources which are high in quality. To make sure that organization allow workers to add value in their large organizational unit, they have to understand the needs of the employees.

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### **Chapter 1: Introduction**

#### 1.1 Introduction

The introduction of the dissertation covered the background of the research along with the statement of the problem to be studied. This chapter shed light over the research questions and aims behind the research. It also provided the rationale and significance of the research.

Additionally, this section of the dissertation looked into the reliability, validity and ethical considerations associated with the research.

### 1.2 Outline of the Study

Employees Evaluation is an important concept related to an effective workforce management. This study aimed to discuss the aspects of employees' performance evaluation and its impact on employee development within McDonald's. The researcher has adopted systematic layouts for the study which aimed to develop an easy understanding about the ways and means of evaluating employee performance and its impact on the development and growth of employees within the organization. The study began with developing a literature review on the subject followed by the methodology that incorporated questionnaires and interview analysis for gauging the management practices related to the theme at McDonald's. The findings of the research are then discussed and useful recommendations are made at the end.

### 1.3 Background of the Research

The responsibility of analyzing the process of management in relation to the objective to generate and make services and goods is on performance management. It does not matter if we

are talking about corporate of SME (Small & Medium Enterprise); the objective of the business to act upon in a productive manner is by keeping the managing operations. There are extensive difficulties in the manufacturing domain, complication process involved in planning and production of goods and services, the development, which is tracked by organizing and spreading the various lines of product, if relevant. A very important part in the operations management is success and competence in the production process; this means that time, cost and quality are extremely important for operational management (Donald Waters et al, 1999, 103-108).

This study is based on evaluating the effectiveness of performance management and evaluation in terms of its impact on employee productivity. A theoretical framework is provided for this research which was reinforced by the administration and discussions based on interviews and questionnaires. The key purpose was to evaluate the main mechanisms of employee evaluation programs for performance and its potential impact on the professional and personal development of the employees.

### 1.4 Aims and Objectives of Research

Defining the aims and objectives of this study helped in directing the work to a specific approach and developing an understanding about the topics that should be particularly analyzed. The plan behind this project was to analyze those theories that was created and was accessible in the latest literature in relation to two major topics of Human Resource Management:

Performance Evaluation and Motivation; and it was required to compare them along with the behaviour of the personnel who, in that environment, is the focus of the performance management practices.

The objectives mentioned in this research were based on the concept of SMART.

According to Stephen Covey, goals provide a path for a career ladder and goals must be smart (Covey, 1989, 119).

S= Specific

M= Measurable

A= Achievable

R= Rational

T= Time-bounded

Many researchers investigated the implications of goal setting and developed varying contexts to help the employees realize its value and importance.

The present study seemed:

- To evaluate what was Performance Evaluation and what activities were involved with evaluating employees at McDonald's.
- To examine if performance management affected the employee productivity at McDonald's.
- To assess up to what extent it could affect the performance and what were the approaches that are employed by McDonald's to improve workers' productivity and provided them scope for personal development and growth.

### 1.5 Problem Statement

This research was based on finding ways in which Performance Evaluation programs of McDonald's caused an impact upon the employees' personal and professional development.

#### 1.6 Limitations

The following factors acted as research limitations for this study:

- 1. Time constraints
- 2. Difficulties in accessing information
- 3. Researcher's personal biasness

### 1.7 Ethical Considerations: Informed Consent and Confidentiality

The potential harmful effects were known by the researcher, the method that was chosen to deal with these circumstances was taken only when the consultation with colleagues and other experts had taken place. The topic was made available by the researcher when the concerned authorities had given their complete consent with the required justifications. The research was made into an objective, scientific project and was handled in a competent way. In the awareness of the local customs, standards, laws and regulations, the research was passed in full observation. The researcher knew about the customary of the host culture and considers it sufficiently (Mayfield, 2006, 131-139).

### 1.8 Quality and Verification

The standards for assessing the quality of the work in all research should be fixed (Cresswell, p.45). Furthermore, the researcher must have recognized the commitment of the research design to make sure the dependability and legality of the study (Cresswell, p. 45). Long & Johnson (2000) examined that the consequences could have been really dreadful if the worth of the study resulted in failure, the reliability of the method, the exact findings, and the honesty of the statement made or conclusions reached.

All research studies, whether they are qualitative or quantitative require being able to withstand evaluation and critique of the research (Long & Johnson, p. 30). Quantitative research may be a recommended research approach; still it lacked the ability to replicate the works of other researchers that is unique to the researcher's own works. In this case, qualitative research methods were preferred for assessing other researchers' work apart from the researcher's own effort.

#### 1.9 Literature Search

The standard for the selection sources of literature was related to the research topic. The private, public and online libraries were paid a visit to retrieve the data. From many of the online databases, Ebsco, Questia, Emerald, and Phoenix, among many others were included. The data bases had allowed the approach to numerous libraries that had overabundance of information and latest facts about the related topic (Simons, 1990). The data that was mostly collected had been peer-reviewed and authenticated. The secondary data was easily available as the data that was required was as it is available. Nevertheless, the data had limitations and one had to be careful about it because if those limitations were uncared for then issues could arise. Certain limitations in making use of the data resources are:

- Secondary data can be general and vague and may not really help companies with decision making.
- ii. The information and data may not be accurate. The source of the data must always be checked.
- iii. The data maybe old and out of date.
- iv. The sample used to generate the secondary data maybe small.

v. The company publishing the data may not be reputable.

# 1.10 The Nature of Appraisal

The factor of nature of appraisal had both account of content and process. Content, here is being referred to as appraisal was done for what, and the process referral is for appraisal is done in what way. While there is a thin line that differentiates the both, example can be self awareness related to the each individual, in the sense of content and process that might overlap (Kiffin & Cordery, 2003, 93-100).

# 1.11 Content of Appraisal

It was sustained by the researchers that every organization had to keep their focus on the content of appraisal. Content of appraisal is taken to be an important part of performance appraisal so that the individual performance can be judged on the bases of achievements and goals on each individual. Although the goal-setting required no kind of theory work, it was still taken as an important aspect of the employee development (Johnson & Scholes 2004).

### 1.12 Contextual Performance

There have been studies which were made by the feedback from the employees. These studies showed that researchers should think about job description in new ways, though the significant work was done by Javan (2007). There are several ways through which researcher can make out the difference between task and contextual performance. Task performance is about specific job work and the description of it. The contextual performance consists of non-job description work which was dedication, persistence and motivation. The idea that employees

should be appreciated on both bases. When the employee is appreciated on both grounds, his confidence is higher (Burnes 2000).

If the overall performance and the climate of the organization were affected because of the behaviour of employees at McDonalds, this would come under contextual performance.

Contextual performance may have frequent issues and it was important to recognize these kinds of behaviour of the employee. In this fast-paced, globalized network, people who have the leadership ability and are determined and ready to work overtime are the first choice of employers.

#### 1.13 Time Plan

Time was an important consideration and constraint for this research project as the dissertation had to be completed in the given time frame. In order to complete the task and achieve the set target of doing the dissertation in the given time, the whole task or work had been divided into sub-components or smaller tasks for ease, speed and convenience. Each part had been allocated a start and ending date and it had to be completed during the available time. This was helpful in many ways. The individual parts received all their due attention, importance and efficiency. It also helped in identifying the potential problems and mistakes and rectified them on time.

### **Chapter 2: Literature Review**

#### 2.1 Introduction

This chapter provided the review of various studies with regard to performance evaluation and how it could impact the employee performance level and development in the long term. This chapter evaluated the variables that played a vital role in employee development and performance evaluation at the organisational level (Tierney, & Grossman, 1995). Various aspects like, the nature of appraisal, content of employee appraisal, contextual performance, goal orientation and the appraisal process would be studied in-depth. The focus of the research was on McDonald's, in order to evaluate its performance management practices and systems that could influence employee development procedures.

## 2.2 Overview of Performance Management and Performance Evaluation

The backbone of any organization and the internal impartiality rests on employees. They are fixed in a very competitive market, because of which companies feels the importance of inviting and keeping the best employees, and due to this the trained and capable organizations can survive and grow. Due to this, many companies take care of their employees as if they are the most important property which has great competitive advantage over those companies who do not (Gray, 2001, 707- 714). It is important that one is alert about the situation, specifically for those organizations who have the desire to be a role model in their sector (Gerhart & Milkovich, 2009, 481-485). To achieve expected results, an organization must have the commitment of its employees. In addition, it is pertinent that employees develop rapidly and tend to perform better if their performance is evaluated on a regular basis in an effective manner.

# 2.3 Performance Management (P.M) Was Classified By Mabey

Performance management (PM) was generally defined by Mabey & Salaman in the year 1995 as an outline which aim the performance by monitored, persons, rewarded, motivated and whereby several links in the cycle that can be audited. Performance evaluation is considered as an inherent part of quality performance management systems, which generally tend to assist both the intentions of employee growth and business development (Gardner, Pierce, Van Dyne, Cummings, 2006, 167). The quality need of performance management is to evaluate employee performance in opposition to certain applicable goals to drive higher both organizational and individual performance. The primary goal of Performance Management doesn't deal merely to make the most of the individual and organization performance but it in addition deal with several underachieving people (Gardner, Pierce, Van Dyne, Cummings, 2006, 167).

2.4 Strategy, Operations Strategy, and Performance Objectives of Operations Management Strategy is the most utilized word in the world of business. However, interestingly, there is no conformity on what the word actually indicates (Shields, 1997). Nobody challenges its martial origin, employed with regard to how a leader might deploy his soldiers all through a campaign intended at accomplishing a specific goal. The thought that an organization could have a strategy appears to have initially upraised in era of 60s, when the methods of long-term planning of business were first geared. Since then several different meanings of the concept and exercise of strategic management have been evolved. In fact, entire books have been provided over to considering the nature of strategy. As an instance, according to (Cengage Learning EMEA, 201-219), distinguish ten 'doctrines' in their deliberation of what establishes strategy. A broadly accepted meaning is presented by (Cengage Learning EMEA, 201-219), who describe

strategy as "the scope and direction of an organization over the long-standing that accomplishes advantage in a altering environmental setting through its arrangement of resources so as to satisfying expectations of stakeholder". In its strength of mind of the long-standing direction of McDonald, strategy comprises the relationship of three basic factors: the McDonald's external environmental setting, its resources and lastly its major goals (in encountering its stakeholders' expectations).

A best operations strategy is necessary to McDonalds as this will consider the level to which its business strategy can be executed, but also as its overall operations can be a source of competitive advantage. However, what precisely is implied by the word "operations strategy". According to (Stevenson, 2011, 153-180), an 'operations strategy' is the form of strategic decisions and its implementations that target the role, goals, and actions of operations. This thought is reliable with the guru of management Henry Mintzberg's perspective of strategy as being a 'form in a flow of activities' (Stevenson, 2011, 153-180). Mintzberg observes strategy as being understood by a blend of intentional and developing actions. Any organization can have a planned strategy, may be as a range of strategic plans.

The performance objectives of operations, including speed, dependability, quality, flexibility, cost, and innovation are the basic objectives of the McDonalds (Bernardin, & Beatty, 1984). Though, the strategy, operations strategy, and the performance objectives of operations are considerably connected to each other. An organization is unlikely to achieve a strategic objective if it fails to effectively translate it into workable operational objectives.

Simultaneously, operations strategies will lack cohesion with each other and with the overall organizational mission if they are not designed to affect the achievement of strategic objectives. Put simply, strategies and objectives only become useful when translated into operations

strategies and objectives and these are only effective when designed to serve a strategic objective. (Krajewski, 2007, 89-126)

# 2.5 Performance Objectives

An organization must be concerned to gratify its clients' demands and needs for rapid and reliable services at economical price, as well as assisting its own distributors to ameliorate services and goods they offer (Fisher, 1995). McDonalds measures its performance objectives through the quality, speed, dependability, flexibility, cost, and innovation. These measures of performance objectives are important for any organizational operation.

# 2.6 Specific Operational Improvements

Most organizations have some operational concerns that can be enhanced through the beginning of best practice techniques (Scott, & Tiessen, 1999). McDonald wants to more improve some specific operational strategies in the business, comprising:

- quality management
- inventory control, delivery and supply chain management
- ordering and purchasing
- information management

Organizations can address which operational areas will advantage from best action methods by:

- internal analysis
- benchmarking (Waller, 2003, 50-79)

• reexamining suitable national and international norms

Business areas for improvement could comprise the introduction of quality management mechanisms like "Total Quality Management" or "ISO 9000", computerized inventory control system, timely ordering and delivery system and "lean" services. When a company has addressed the areas of business for improvement, it can execute changes (Moore, 2008). It is significant, however, to keep the staffs, distributors as well as customers aware of what the company is doing, and to ensure that the changes do not lead needless disturbance to the business.

#### 2.7 Goal Orientation

Goal orientation is considered as a significant concept for any organization. Goal orientation generally aligns various actions along their missions. Goal orientation is generally defined by different analysts as an orientation of people in order to demonstrate and develop individual's ability (Hunter, & Koopmans, 2006). Several other analysts have considered orientation of goal into two chief groups. Learning Goal Orientation is recognised as one of the group of goal orientation. The Learning Goal Orientation is considered as an orientation of the individual that develops different competencies among employees and individuals. Learning Goal Orientation is more often done through training of the resource. The performance goal orientation is recognised as other group of goal orientation. The performance goal orientation generally refers to individual own performance that is being utilized by the organization in its full potential. The performance orientation generally avoids the concept of negative critical review for its employees.

## 2.8 Appraisal process

# 2.8.1 Appraiser-Appraise Interaction

As described earlier, high quality research had been practiced specifically on the performance assessment social and motivational expression (Javidan, & Dastmalchian, 2009). The key purpose of this fundamental interaction is the charm of predetermine on performance appraisal. Coyle (2000) analysed that if the controller has a convinced simulacrum regarding their assistants, then their employees will also have accurate rating in their performance appraisal session. Its drawbacks are in form of manager will always give high priority to his favourite individuals as concept of performance appraisal would never be recognised as fair (Coyle, 2000, 4-65). The performance appraisal would more often lack in accuracy as it won't be a fair and true picture of employee performance. Effect of favouritism had been noted in every organization are well-explored by different analysts but the main reason for its emergence is not being clear as till now (Haque, & Hossain, 2010).

### 2.8.2 Performance Evaluation Benefits

The performance evaluation of organizational members is considered as one of the fundaments in order to achieve organizational success and effectiveness. The performance evaluation promotes a stable concern for their institutions to improve their management systems that more often emphasize it. Performance evaluation was clearly defined according to Gerhart, Milkovich (2009) as several actions and behaviours that are seen in employees who are relevant towards the objectives of an organization. These actions can be assessed in terms of several responsibilities of every individual along their intensity of contribution to the company.

For a long time period, the Performance evaluation and its management had been demonstrated in history as it is considered as a new phenomenon. Before 1940-1950, performance management was not formally applied in organizations. Presently, performance management is more often used in order to treat performance (Allen, & Bronte-Tinkew, 2008). It is considered as concept of performance management will be utilized for the function of several investigations and researches beneath the assumptions that performance of an organization is executing in an active environment. As a conceptual definition, performance management generally refer to several coordinated and accepted activities to control and direct an organization (Abedi, 2004, 90). Performance management in current years had been substituting the conventional performance assessment terminology for rehabilitation as it involves a shift in the focus. The main emphasis changes from performance measurement to deal the same (Kowalski, 2003, 62).

### 2.8.3 Benefits to Individual Employees

- Through performance management individual employees more often learn about the behaviour and several performance views of the company more precious by the officials.
- Performance management provide individual employees to learn about their boss's expectations concerning their employee's performance, their weaknesses and their strengths.
- Performance management frequently measures the expectation of their boss that
  will be into account in order to improve their performance through training
  programs and seminars.

- Performance management and its evaluation generally trigger employee's initiative such as self-correction, care, dedication and training.
- Performance management provides an opportunity for self-criticism and selfassessment towards self-control and self-development.
- Performance management frequently promotes the concept of teamwork that seeks to develop different appropriate actions in order to motivate employees and get them recognized with several goals of the company.
- Performance management maintain an effective relationship of fairness and justice to all workers.
- Performance management particularly encourages employees in order to provide organization with some of their best efforts.
- Performance management ensures the devotion and loyalty that are being rewarded properly.
- Performance management attends several disputes and problems responsively and take several corrective measures.
- Promotes training to those who are tested and identified for promotions (Pearce, Perry, 2007, 315-325).

### 2.8.4 Benefits for Supervisors

- Provide quality assess the behaviour and performance of subordinates, that is
  based on several factors and variables of evaluation and principally, with a
  measurement system able of counteracting the objectivity.
- It take evaluates to progress the behaviour of people.

It create better communication channel with individuals in order to make them
realize the mechanics of performance evaluation as an objective system and how
it is being formulated.

#### 2.8.5 Benefits for Business

This provides an effective opportunity to evaluate different human potentials in the longterm and generally define the contribution of each employee.

- Companies identify their employees as they require advance in definite areas of activity, choosing those with considerations to advancement or transfer (Kluge, DeNisi, 1996, 254-84).
- Companies can contour their Human Resources policy that offers several
  opportunities for employees such as sales and mainly for personal development
  and growth enhance productivity and amend associations at work.
- Communicating and identifying individuals regarding their obligations as what is required of them.
- Several program activities in unit generally control and direct the work that establishes different procedures and standards for implementation.
- Invite employees to take part in solving problems and attempt their stimulation before carrying on with any varieties.

# 2.9 Factors that Cut down the Strength of Participation

Participation tends to increase motivation because employees feel more welcome and involved in the situation. There are many factors that reduce the effectiveness of employee participation within their companies (Verona, 1999). A participatory factor works ideally in an

environment that promotes and supports open communication. If employees know they will be punished for giving a negative opinion or feedback, they will not trust the organization in telling them their true opinions and suggestions.

Another evident factor of diminishing the effectiveness of participation from the organizations results from discriminatory attitudes or favouritism. If employees perceive bias or favouritism in managerial behavior, their perception of inequity accelerates (Bronte-Tinkew, Allen, & Joyner, 2008). Managers, in these conditions, favours the employees who are in their good books, while discouraging any other involvement form the other employees. These observations result in an "in-group and out-group" culture where the in-group participants are the ones highly favored and valued while the remaining comprises of people in the out-group. This categorization of employees is frequently results in misclassification of employees, where the most competent employee may or may not be put to use for suggestions and feedbacks. Therefore, managers need to question their opinions, image and beliefs regarding their workers' abilities, competence, skills, and motivational requirements (KavussiShal, 2009, 109). The key is to take a courtroom perspective, employees are innocent until proven guilty, which forces managers to search out and analyze all sources of information that may provide explanatory, mitigating, or extenuating factors surrounding employee problems. This is one of the essential goals of a participatory performance appraisal system (Ferris 2009, 266).

In addition to the above mentioned hurdles and impediments, in order to motivate participation form employees, they must have the information, knowledge and necessary autonomy that may give the direction of the organization (Moore, 2008). Employees are satisfied with a job that can make them feel as a part of the decision, and predisposed to engage in the same. This means that there must be an organizational culture and style of leadership to enhance

the spirit of participation (Zafour, 2009). Thus, a crucial factor affecting participation is the organizational design, with special reference to job design.

A third barrier to participative management is the absence of rater's training and support in conducting participatory performance appraisal. An effective participatory management framework needs to be designed around an experiential education, effective and conceptual.

Managers need to be trained in areas like decision-making and goal-setting, providing feedback, making performance standards, interviews conducting, and avoiding common errors in rating. In this training, there should be a clear discussion of the ethical implications, major challenges and dilemmas, and conflicts inbuilt in the appraisal process from an individual employee's, managers', and organizational perspectives (Keeping, Levy, 2000, 708-23).

### 2.10 Relating Employee Engagement to Job Satisfaction

This effective study generally offered the skills, knowledge and procedures to assist organizations design an employee holding strategy and coordinated talent management that will contribute to high employee holding (Bowie, & Bronte-Tinkew, 2008). This research generally creates several learning mechanisms concerning the driving forces that speculate upon employee engagement and job satisfaction contributing to high employee holding. These strategies frequently assist to

- Enforce an employee retention strategy to hold the top people
- Apply recognition and reward programs to reduce employee turnover and improve motivation
- Create an effectual employee orientation curriculum for new employees
- Get an employer of choice among organizations

- Utilize several creative incentives to get individuals to stay longer and work harder
- Produce Employee Value Proposition (EVP) and frequently learn how to brand the company's employee value proposition both externally and internally
- It develop quality communication within the organization
- Utilize employee employment programs that stimulate and occupy the manpower (Kluger, DeNisi, 1996, 254-84)

### 2.11 Factors that Drive Employee Turnover and Job Satisfaction

Employees quit their employments for many reasons. There are many factors that contribute to their job dissatisfaction, resulting in their resignations form work responsibilities. Some employees leave because they feel other employment opportunities hold more promise for their futures (Bowie, & Bronte-Tinkew, 2008). Others quit the place because they no longer feel to be fit with the culture. Many others quit their jobs because their reporting authorities and supervisors are not properly trained to deal with their concerns. In general, there are five important areas that motivate people to leave their jobs.

### 2.12 The AMO Model for Employees

An absence of job satisfaction can lead to poor motivation, stress, absenteeism, and high labour turnover and overall poor performance of individuals according to AMO (Ability, motivation, opportunity) model (Javan, 2007, 200). Thus, there is a relationship between development and motivation of employees which relates the AMO model with Herzberg's theory of attitudes. The AMO model is chosen for assessing the performance of employees because it

describes the direct and indirect relationship of various factors effecting employee development and performance and attitudes of employees with each other (Pearce; Perry 2007).

Several empirical studies (Schmit and Allscheid, 1995 cited in Vilares and Coelh, 2003) show that it is impossible to maintain a satisfied and loyal customer base without satisfied and loyal employees. An improvement in employee attitudes has an important impact on customer satisfaction and vice versa. If employees will be satisfied from their job, then they can perform well, treat, and handle customers in an efficient manner (Coyle, 2000). On the other hand, if customers will be satisfied from the employees, they will give good feedback which will motivate employees, as they will feel that they are doing a good job. Therefore, it has been so far demonstrated that there is an indirect link between performance and customer satisfaction according to these empirical studies (Burnes 2000).

### 2.13 Factors that Determine Employee Development

It is imperative form that employees desire an asset to the organization and they should be appreciated. Training more often helps emphasise this message. Training employees is considered as a practice that demonstrates the management is pertained for the employees and desires to consider them doing bigger and better. Effective training programs shine the achievements in the employees but are considered as a convinced reinforcement in their behaviors. Effective training can underline different benefits and salaries, in contribution through constructing convinced work surroundings and through employees advancement chances (Kolb, 1984, 238) Training generally serves strengthen employee commitment and can assist regenerate force in considerations of their organizational performance (Grint, 2000, 63-98).

Training underlines the employees that they are respected and valued. It contributes a feeling that they are equally significant for the company and hence the organization is

contending to make an attempt in allowing them with different lessons off and on the job to develop them for different competitive business setting. A good organization more often remains competitive in form of benefits and compensation.

Several departments in McDonald's generally encourage conception by soliciting the input and advice of their staffers, accompanied by reactions to different ideas, questions and complaints (Taylor, 1997). People have the right way to be distinguished for their achievements in the workplace. In various organizations, the exclusively unenthusiastic subscriber towards high turnover rates is the impression within the employees that they are not being sufficiently realized for whatsoever attempts they are installing. Therefore team and personal recognition programs are particularly significant in realizing their hard work. It serves as a motivating factor for non-performers to measure their weaknesses and esteem others and progress upon themselves. These employees can be realized by monthly announcements and awards for best performers, memos, gifts, observing them in meetings, inviting their impressions in significant matters and exchangeable other steps (Hackman, Oldham, 2009, 158-170).

In order to retain employees, several departments generally offer several career progress opportunities. Departments deteriorating to extend employees career chances, way for enhancement and advancement of knowledge and skills that may find it difficult to hold qualified employees (Shao, & Tu, 1995).

Briefly, different HR strategies and Human Resource Management generally considered as a classifiable approach to work management which searches to accomplish competitive advantage by the strategic preparation of an extremely devoted and able manpower, applying an integrated layout of structural, personnel and cultural techniques (Shields, & Shields, 1998). This is all about researching, understanding, revising and applying different human resource activities

in their external and internal circumstances as they affect the procedure of managing human resources in an organization all around the global environment in order to raise the experience of multiple stakeholders such as customers, investors, partners, employees, environment, suppliers and society.

# 2.14 A Model of Group Productivity

Human development and people management generally remains a dispute significant for different organizations at present, to the degree that several environmental considerations require adjusting various HR strategies with the targets of the company, to encourage development and change in establishments along its people (Molleman, & Timmerman, 2003). The existing part more often develops an example of group productiveness that seeks to formulate leastways some of the mechanisms generally responsible for the determinations surveyed above. There is substantial evidence from the person performance narrative to accompaniment almost constituents of this model (Dessler, Griffiths, & Lloyd-Walker, 2004). The model frequently underlines on scheming a schematic performance management system that understands into well-integrated objectives for single and corporate goals, contributing enough training to HR personnel to carry on with the system, evaluating the system itself for possible ambiguities and changes that may be demanded and lastly related the counselling and coaching for performance to coordinate employees' performance more or less to the point of reference (KavussiShal, 2009, 109).



Several effects that had been examined within the group productivity literature are being explained using this model. Group tenure generally thought to increase productivity through recovering individual skill and knowledge. Leadership is more often thought to increase person skill and knowledge, likewise as motivation. Task characteristics and several group goals are believed to determine individual motivation, while task characteristics can maintain a straight consequence on output. Co-worker positions should also determine individual enthusiasm, while this result is believably mediated by individual positions. An individual's attitudes generally influence the attitudes of his co-workers. Co-worker attitudes, in return, generally affect the individual's attitudes (Hamlin, 2000, 63-78).

Two supplementary factors are necessitated in order to explain the association among group productivity and individual performance. The beginning factor is more often the effect of individual cooperation on the behaviour of other group members (Wetlaufer, 2000, 12-39).

Individuals who enlist in different teamwork activities generally help their co-workers to perform

their tasks better, and can prompt their co-workers to dedicate other efforts towards the task, and pursue in several teamwork activities themselves. These linkages are inversely considered as interdependent, subsequently co-worker teamwork, successively, strikes the individual's need to execute task and various teamwork activities (Grint, 2000, 63-98). Over time several group members are potential to discover how much cause one another member gives to various teamwork activities and task that adjust their points of effort consequently. A single individual who more often devotes comparatively short effort to teamwork and task activities, hence, cause a descending twisting, as other group members draw back effort in their response.

The second factor is recognised as the relationship among the assistance of their coworkers, individuals and different leaders (Abdullah, Boyle, & Joham, 2010). Task characteristics generally influence the direction in which the shares of leaders and group members are aggregated (Klein, Snell, 1994, 160-75). It is considered as an established practice that teamwork doesn't have a straight consequence on group productivity, and that the results of teamwork are intermediated by the task performance of co-workers and individuals.

This particular interaction is more often termed as a disruption effect, as this performance of this person generally interrupts the performance of the group, on making the other members along their the leader as less effective (Hackman, Oldham, 2009, 158-170). Several other types of interactions are also possible. In different situations, the group might recompense for the performance of the most high-risk group member. LePine et al. (1997) argue that this outcome is probably to take place when group members assign the poor performance of certain person to a deficiency of ability, instead of a lack of motivation. In such case, the association among the average degree of co-worker group productivity and task performance generally increase as the

task performance of the most high-risk group member frequently declines (Keeping, Levy, 2000, 708-23).

# 2.15 Professional Motivation and its Impact

To maximize the motivation of their employees, companies should help them to manage their careers. Professional motivation has three aspects:

- Resistance training or the degree to which people are able to cope with problems affecting their work.
- 2. Professional acumen or level of awareness of workers about their strengths and weaknesses, and how these perceptions affect their professional goals.
- Professional identity or degree to which workers define their values according to their work.

Companies can only be innovative and adaptive if its employees are given equal opportunities for professional and personal development. People with professional strengths are able to overcome obstacles in their work environment and adapt to events; unexpected procedures (changes in work processes or customer demands); are able to develop new ways to use their skills to cope with problems and unexpected events. Workers with high professional acumen set objectives and participate in professional development activities that help them to achieve them; and to take steps to prevent their skills become obsolete (Spicer, 2006, 214-230). Workers with high professional identity are committed to the company, show a great degree of involvement with the process and nurture their skills according to the requirements of the company agendas. Thus, their competencies make them successful in their domains and they adjust to the whole scenario, becoming productive citizens of the corporate world. The

performance of such team members are greatly valued by the organization and their management is smoothened with time (Kinicki, Prussia, 2004, 1057-1069).

Performance management should be at the heart of the process of human resource management of any company, let alone in a climate of recession, when employees feel threatened and that talent should be strengthened. The creation and implementation of a comprehensive and consistent performance management allows HR departments to align sector managers and employees on business goals. The starting point of such a program should consist of an evaluation of each employee. But for many companies, evaluations have become an administrative chore, rather than a means to provide tangible added value to employees and the entire company (Munz, 2001, 49-60).

Lack of training and preparation is considered as one of the most important reasons for businesses, which a great deal assign judgments to industry functionaries with short experience in human resources, and are more often untrained for the task. In such circumstances it is important that management should strive to strengthen employee engagement in a more sophisticated and organized manner so as to save time and effort while being successful in deriving the needed result from the implementation. Additionally, a performance evaluation system that involves in its criteria of competence factor, compliments the process adequately through selection, training and development, allowing to observe the state and development of skills over time and its actual implementation in the jobs, adequate space to show successful behaviors (Locke, Latham, 2008, 198).

### 2.16 Strengthening Employee Engagement

While evaluations are commonly biannual or annual event, the resubmit should not be fixed to conventional review sessions. The feedback from different employees should be

uninterrupted. Consistent and regular management of performance can be a potent instrument for employee appointment. It generally produces a chance for employees and officials to reappraisal performance interchange negative and positive feedback, in order to identify several goals and demonstrate different plans for development. Judgment follow-up is requirement. Too frequently, this supervising is neglected, which exclusively adds to the frustration of employees that reduces the grandness of the largely evaluation system. If a company determines goals, it is essential to experience a fragmentary review (Lawler, 2006, 187).

Several organizations that more often neglect development of their employees are at risk of dropping their natural endowment pool and compromise their business success (Baxter, & MacLeod, 2008). Throughout time, inadequate judgment processes that more often waste the money of an organization. Various tools are now uncommitted to make the appraisal system much beneficial for all concerned. It is generally up to different companies to present the process they have formulated by review to influence whether they in reality impart to the accomplishment of their overall targets in form of talent and performance management.

### 2.17 Employee Engagement and Job Satisfaction

This study generally offered the skills, processes and knowledge in order to assist several other companies aim an incorporated talent management and employee holding strategy that will conduct to high employee maintenance. It was discovered that the certain driving forces that shine upon employee engagement and job satisfaction that frequently lead to high-pitched employee retention (Locke, Latham, 2008, 198). These strategies often assist:

- Implement an employee retention strategy to retain the most competent people
- Use reward and recognition programs to improve motivation and reduce employee turnover

- Design an effective employee orientation program for new employees
- Become an employer of choice
- Use creative incentives to get people to work harder and stay with you longer
- Create Employee Value Proposition (EVP) and learn how to "brand" the EVP,
   both internally and externally
- Improve communication in the organization
- Use employee engagement programs that energize and engage the workforce.

One way is to encourage and support staff participation in courses and events for the expansion and diversification of knowledge of new practices or techniques. This type of incentive encourages creativity; improves service quality and more professional staff, thereby increasing qualitatively what the center offers (Najafbeygi, 2007, 167).

### 2.18 Importance of Employee Feedback for effective Management Programs

The need to strengthen organizational cooperation is crucial for the success of any organization (Mahmood, 2010). Employees can make a difference through their participation to the management company and offer their own methods and ways to solve important problems for the company. Such an approach will not only discover and develop new perspectives, activities, but will also discover new talents and subordinates, giving them thereby a move up in the career ladder and development of personal qualities (Munz, 2001, 49-60).

Every employee should be allowed to participate in activities of a company, so that they can enjoy their personal significance and involvement in the overall process. Each employee should have the opportunity to express their opinions (positive or negative), write a review, or wish to propose business and organizational reforms for their company. In addition to this, the company can organize in-house competitions for obtaining the best possible employee feedback

or output. These competitions may be based upon empowering a group of people to brining about an organizational change, and then comparing their results with that of the previous group's performance. These contests may include tactical, strategic, administrative, event management, brand promotions, marketing and other functions of the organization.

In many organizations, managers and their subordinates are too busy, and rarely see each other regularly. They have almost no ability to communicate with each other. To increase the intensity of contacts between the organization's management, the staff can, for example, plan meetings and events so that the leaders make themselves available at the same time and in close contact with their subordinates (Munz, 2001, 49-60). It is a fact that employees are the lifeblood of any organization. The better qualified, trained, and managed they are; the more effective and profitable the organization will be. One of the most widespread errors in the presentation of performance appraisals is to see appraisal as an isolated, occasional happening other than an ongoing process.

Employees need to be included in the formation of future goals and development plans. This will help the workers seem more alleviated and valued in the appraisal process; thus, producing better work performance results. Mini-appraisals should be undertaken all through the year to help with an end-of-the-year appraisal. If the data is not consistently accumulated all through the year, it may not contemplate everything it desires to reflect. Fear of failure- there is this doubt that an awful appraisal reflects contrary on the individual carrying out the appraisal. Due to this difficulty, issues may arise in the association culture. The origin may be a heritage that is intolerant of failure. The supervisor needs to be guaranteed that when they give a dependable appraisal, no matter how good or awful, it will not contemplate contrary in their direction (Mullins, 2005, 45-62).

The ways to decrease these difficulties are very basic. It is vital that peak administration accept the worth of appraisal factually, and articulate their firm commitment to it. Performance appraisals, if undertook correctly; can be very beneficial to an employee. But if not finished rightly, it can contemplate contrary on a good worker and make a not so good worker gaze topnotch. With the correct teaching presentation evaluations can become absolutely crucial in a company's day-to-day operations.

### 2.19 Considerations for Effective Performance Evaluation

An evaluation system should be considered as an analytical job; appropriate, comprehensive, transparent and non discriminatory. This is to say that it must meet the standards of equal pay for equal work. Job evaluation is separate from the assessment role. A job is a discrete group of tasks, but a role includes both behavior and outcomes of these behaviors. It analyzes the role which is complex and difficult, and may rely heavily on opinion and interpretations (Bjorkman, & Xiucheng, 2002). Organizations establish pay structures and structures for quality information on the opportunities and compensation based on their analysis of jobs and roles. In addition to formal pay structures, many organizations also offer contingent pay, which clearly indicates to employees what the organization truly values and will pay to reach. Many organizations consider a powerful contingent payment of motivation, but there are strong arguments against it (Mendenhall 2008 56).

Critics target the effects of questionable motivation compensation contingent, as a slippery definition of success and the fact that individuals react differently to pay contingent. Given the evidence on both sides of the debate, no response covers the opportunity to pay contingent. Given that profits are uncertain, most companies should consider building more on non-financial motivation (Sammeni, 2002, 98). However, if the company decides to pay a quota

to ensure that standards are fair and equitable, and that the system allows people to influence their rewards by behaving differently, or developing new skills. Many critics of the quota also apply individual compensation payable to the team. In fact, many organizations have decided that the disadvantages of paying the team outweigh its merits (Sammeni, 2002, 98).

Even though a job itself can be an important learning experience, organizations still offer separate programs for specialized training focusing on skills development. Often, the availability of training is an important factor in the decision of an employee to stay with a job or leave it. Performance management can improve management's relationships with their employees, especially if managers use the feedback comments and performance to identify what they want. The biggest problem in managing the performance of senior executives is to ensure that managers make the right comments at the right time (Rezghi, 2000, 114).

It should be ensured that managers have the skills for performance management. A reward system involves much more than simply paying what the market will bear. Premiums have important psychological dimensions and motivations that are not always intuitively obvious. In addition, some groups (such as administrators and leaders, or even expatriates) need specialized treatment for reward. Administration of the reward system is often the responsibility of HR staff, but the real decisions are usually taken by the line managers. These complexities suggest that the management of reward should be an initiative to scale, and that Human Resources staff members must work closely with line managers to make sure that the rewards align with the strategy of organization and values (Spicer, 2006, 214-230).

According to studies, people management and employee performance are directly related.

In fact, effective people management techniques return in much more successful results.

Employee evaluation system on the effective management of people is a key factor in producing

good results. Employee evaluation system, the first part of the performance contract between the employee and the employer must be developed (Wetlaufer, 2000, 12-39). They should sit down with each staff member to identify what their expectations are, agreeing on processes which are beneficial for both parties. Managers need to know what exactly they need to provide employees.

Increased employee satisfaction raises the commitment to business. That may sound obvious but in many companies people management and development and a positive approach is seen absent and companies are unable to adopt such strategies for various reasons. Their workload and future performance and development plans of many ventures do not include high employee turnover and difficulty in maintaining the quality. As a result, experienced staff suffers from this situation. Decisions in the company must be quickly made accessible to a company's profitability and to ensure efficiency. Responsiveness and the right information base are the key success factors (Thierry, 2008, 91-108).

## **Chapter 3: Methodology**

#### 3.1 Introduction

The research followed a mixed research approach, where both primary and secondary data analyses were conducted. Primary data was collected by using questionnaires and semi-structured interviews, containing both open-ended and close-ended questions. Secondary analysis was done by critiquing the most relevant literature in terms of employee performance. The section began with the philosophy behind this research.

# 3.2 Research Philosophy

This research was focused on the collection of secondary and primary data as relevant sources of data collection. The extraction of data is carried from questionnaires, and interviews, in addition to a review of existing literature on the subject from secondary data resources. Mixed research method aims at gathering information through different mediums like broadcast media, literature, publications and other kinds of sources that are categorized as non-human. There was more subjectivity involved with a qualitative research pattern, in comparison to the quantitative research methods.

Qualitative research is usually less expensive as compared to quantitative researches; and is more effective in terms of information acquisition. Qualitative methods are the right methods of choice, particularly when the information cannot be collected with the quantitative methods. This research makes use of the philosophical approach of interpretivism, where a small sample will be used and evaluated in detail, to understand the views of large people (Saunders et.al, 2007, 18-509).

#### **3.3 Data Collection Methods**

The approach used in this research was a mixed research method. Qualitative research was much more subjective than quantitative research, and uses varying methods of collecting information that could be both primary and secondary by nature. It was because of this method that the gaps of both the techniques could be filled up by each other, and the results generated from this research would be more valid and reliable for further studies. The study material for this research utilized material from text books, peer-reviewed journals, websites, magazines, questionnaire and interviews. Hence, a combined strategy for this research was used, based on the analysis from various primary and secondary sources (Hedge, & Teachout, 2000).

The primary source of data collection was based on collecting and analyzing responses from interviews and questionnaires; while secondary data analysis included a review of peer-reviewed literature that was already available on the topic from online resources and published journals. The questionnaire consisted of 16 close-ended questions based on Likert scale, which covered a diverse range of questions related to the subject. The scale ranged for responses from strongly agree, agree, neutral, disagree, and strongly disagreed giving the respondents a broad range of choices to select the most appropriate answer. These charts were shown in pie-charts form that were highly-readable and understandable representation of research findings.

# 3.4 Justifications of Data Collection Methods used

Several interviews and Questionnaires were more often selected as data collection methods, as they were the most desirable and authentic form of gathering information from someone, with no carrying much of their time. Questionnaire for such cross-sectional view was regarded as the best method of gathering information, as this exploration was frequently based on different quantitative and qualitative measures of discovering several opportunities and job

satisfaction for employee evolution and several other factors that influence performance level.

Before finalizing the questionnaire, some of the pilot questionnaires were given to respondents or colleagues to fill out. The primary aim of the piloting process was to remove all problems that would prevent respondents from answering the questions in questionnaire (Coyle, 2000).

The mixed method approach had been selected because it helped in the best way to find and analyze the cause and effect relationship between the variables involved. Mixed method approach helped in studying the phenomenon in the natural work settings and give answers to questions such as why and how. It shed light and depicted what happens in real life and practically in organizations and at work. They helped in in-depth analyses and helped to take in account many variables at a single time which is not usually possible when conducting a primary and qualitative research.

On the other hand, the applicability and generalization of mixed research method was limited, and the interpretation and analysis of the same questionnaire differs from person to person. The following table specified the data collection methods used for measuring each one of the research objectives. Specific methods were incorporated in order to address the requirements of the project, giving reasons for the choice. The last column of this table specified the participants who will be included in the research.

Objective	What is to be measured?	Data Collection Method	Reason for choice	Participants involved
To evaluate what is Performance Evaluation and what activities are involved with evaluating employees at McDonald's.	The activities observed by McDonald's for evaluating the performance of the employees.	Questionnaire and Semi Structured Interviews	Specific information required and primary analysis was recommende d in this scenario	Questionnaire will be filled in by the Employees, while Interview Methodology is applicable on the Management of the organization.
To examine if performance management affects the	The impact of performance management over the levels of productivity	Questionnaire and Semi Structured Interviews	Specific information required and primary	Questionnaire will be filled in by the Employees,

employee	of McDonald's		analysis was	while
productivity at	employees		recommende	Interview
McDonald's			d in this	Methodology
			scenario	is applicable
				on the
				Management
				of the
				organization.
To assess up to	The strategies used by	Questionnaire	Specific	Questionnaire
what extent it	McDonald's for	and Semi	information	will be filled
can affect the	bringing	Structured	required and	in by the
performance and	improvements in the	Interviews	primary	Employees,
what are the	performance and		analysis was	while
approaches that	productivity levels of		recommende	Interview
are employed by	the employee and		d in this	Methodology
McDonald's to	what role these		scenario	is applicable
improve	strategies could play			on the
workers'	for the growth and			Management
productivity and	development of			of the
provide them	employees.			organization.
scope for				
personal				

development and		
growth.		

### 3.5 Research Sample

For the research the sample size was around 15 respondents who were questioned utilizing different questionnaires, comprising both close-ended and open-ended questions. There is different benefit of this type of research as it provides quickly result due to research data was gathered in more frequent manner. The research was mainly done on the employees of McDonald's having altered statistics at the similar point in time, so various cross sectional survey had been preferred as the research method. Furthermore, interviews were carried on from the Manager of Human Resource and CEO of the organization to encourage several reinforces and their findings with the set of different answers that can deal the subject right away (Bouckaert, & Hallahan, 2008).

Majority of the questions were recognised as closed-ended questions as it was more comfortable for the audience to fill up them. It more often took no more than 10 minutes to fill a questionnaire. Uncomplicated language was applied for the questionnaire, apprehensible through everybody as McDonald's has employees from dissimilar countries. Additionally the particular analysis of general responses from the questionnaire, several interviews was conducted from the Manager HR and CEO of the company. The interviews more often comprised of both open and closed ended questions, accurate, to the point and easily answered. The participants for such research were selected by convenience sampling.

### 3.6 Questionnaire Design

The questionnaire design was generally based on a Liker scale, that particularly having several 16<sup>th</sup> close-ended questions. Various survey questionnaires was more often established on applicable questions that appears to precisely excerption the necessitated selective information from the answerers to gather the reliable and most authentic data. It frequently included Likert-scale founded questions that include scale from around 1 to 5 answers the questions, if employees have more confidence in the judgment of their management, if the organization more often tried to take several unfair advantages of the staff or if this is a beneficial layout for development and personnel. In the second section, Likert-scale based questions were formed generally by taking into account, several other researches on job satisfaction such as L., Graham, Van Dyne, J.W., Dienesch, R.M. (1994); in order to fulfil their objective of discovering several elements that determine job satisfaction among employees.

The questions were generally closed-ended, as it was considered as easy for the audience to look and fill them. More often it took no more than few minutes for employees to fill a questionnaire. The questionnaires were in simple language that was applied for the questionnaire, apprehensible by everybody as the McDonald's had employees from other countries. These considerations were for employee diversity that was detained, although formulating the questionnaire.

## 3.7 Data Analysis

The data was well aimed and collected by questionnaires and various structured interviews from a chain of associated personnel of the organization. The answers to the questionnaires were analyzed using the pie-chart for percentages of responses obtained. The

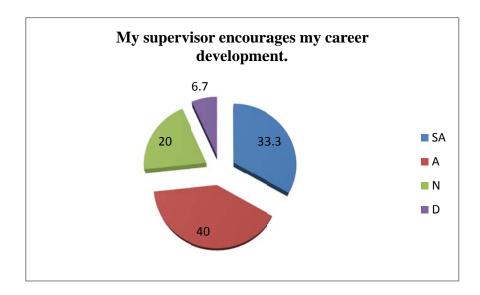
results of the interviews were analyzed in detail through an in-depth analysis; and presented in the section on discussion and analysis.

### **Chapter 4: Findings, Analysis and Discussion**

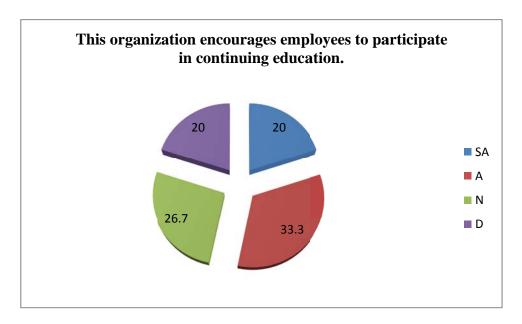
After obtaining the feedback from employees in kind of questionnaires, the information from these questionnaires was gradually put into software refer as Statistical Package for Social Sciences (SPSS) general version of 14.0. Both inferential and descriptive statistics have been fulfilled. By this analytic thinking, the researcher got to experience different trends of answers within the employees that were shown in the questionnaire (Wiesner, & Innes, 2010). Additionally, this analysis of the interviews has been accomplished in which an elaborated discussion follow in this particular section. Significant determinations from the interviews have been covered demonstrating all the applicable data that was gathered by the utilization of both the research methodological analysis.

# **4.1 Frequency Charts**

Accompanying are the findings for each of the 16 questions that were admitted in the questionnaire in the term of charts. The pie-charts demonstrated portions of response that were received from the answerers. After describing the findings, the consequences were discussed and examined. It was considered to be remarked that in the following tables, "A" means Agreed, "N" means Neutral views, "SA" means Strongly Agreed, "D" means Disagreed, and "SD" means Strongly Disagreed.



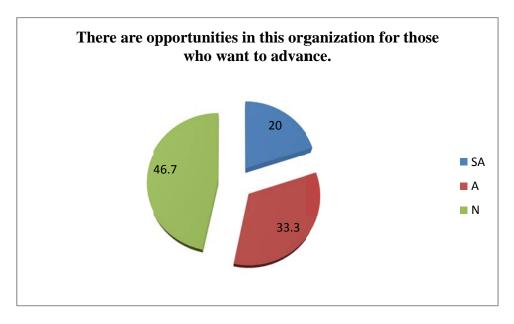
Interpretation: This chart generally shows various results for career development chances provided by different supervisors at McDonald's. Approximately 40% of the answerers around 6 out of the 15 frequently corresponded to the estimate that decent career development opportunities are furnished by the supervisors. This suggests a healthy course for employees' requirement in order to prosper their careers while answering at the organization. On the other hand, 20% respondents exhibited a strong viewpoint about the encouragement of career advancements by the company. Only one of the respondents disagreed to the idea since he thought his work-related tasks could not enable him to pursue career development endeavours.



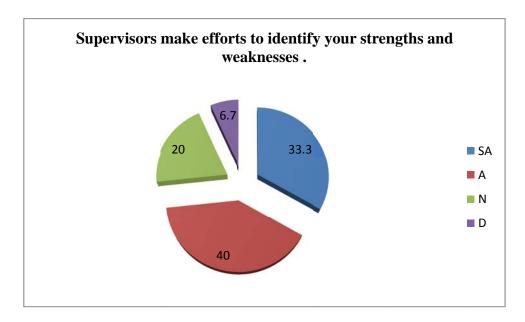
Interpretation: This chart generally demonstrates that a multitude of answerers corresponded and strongly agreed to the course of promoting employees for involvement in educational activity. This can be assigned to the concept that the company allows several opportunities for both skills and training management that promotes their employees on developing some additional education (Simmons, 2002). Generally, the employees are considered as content that get through several efforts that are being attempted to raise organizational performance and presence; the organization can still extend a great deal for the growth of different educational programs that can contribute towards the benefit for the employees in the future. Around 20 percent were of the perspective that this does not apply any truth as the organization more often prefers different organizational objectives throughout individual advancements and benefits.



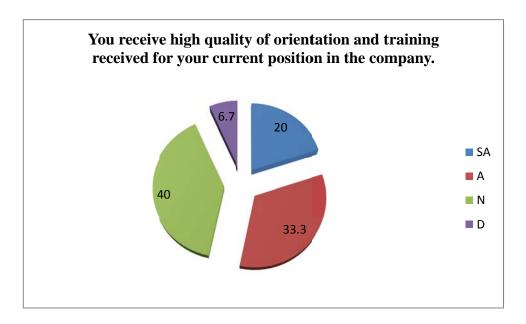
Interpretation: McDonald's workers significantly consider that the organization implies various predicting opportunities for individuals who want to encourage in their careers in order to make a mark appearance for themselves. Approximately 47 percent of the answerers corresponded that the company has substantial opportunities within its area, to increase employees' allegiance and raise their expertness. The establishment extends several disputing jobs for individuals who want to discover themselves along their personal abilities.



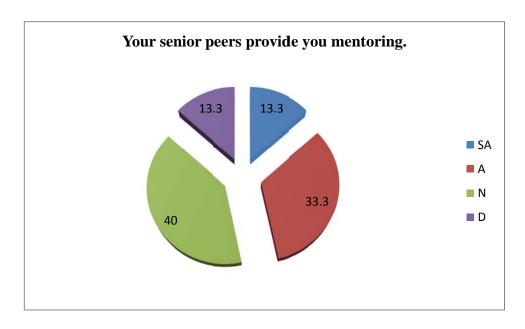
Interpretation: Approximately 47 percent of the entire count of respondents gave an indifferent response that the organization offers them several chances and provisions for improving and identifying their several strengths and weaknesses. The organization more often believes that learning is considered as a continuous process that ought to be integrated in every activity of the company in order to provide employees engagement in a extended procedure of formulating several Modern skills increasing their intensities and correcting the areas and gaps of improvement. Around 8 out of 15 respondents were considered as fully encouraging of the company's position in furnishing the various with jobs that more often sustain their judgments and refine their skills, to increase different professional capacities. Therefore, it can be ordered that the establishment allows an adequate environment for carrying a personal SWOT analysis of the employees and contributing towards different essential improvements.



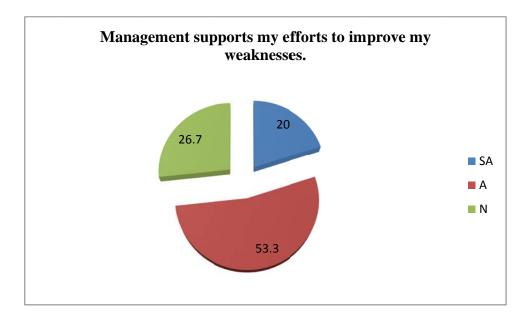
Interpretation: Approximately 40 percent of the total amount of respondents gave an optimistic answer, that the company affords them various chances and provisions for improving and identifying their strengths and weaknesses. The company more often believes that learning is a more often considered as a continuous process that ought to be integrated in every activity accomplished in any organization where employees more often engage themselves in a preserved process of formulating several fresh skills, raising their intensities and correct several weaknesses and gaps. Approximately 5 out of 15 respondents in a result of around 33% were fully encouraging of the company's position in allowing the employees with jobs that sustain their judgments and refine their accomplishments, in order to raise their specialized capabilities. Therefore, it can be stated that the establishment allows an adequate environment for carrying on personal SWOT analysis of the people and contributing various essential improvements.



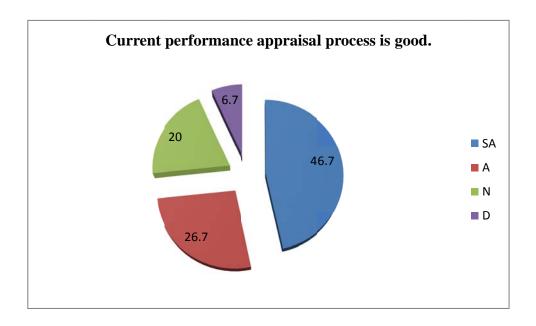
Interpretation: 14 respondents reacted that they had a reasonable aiming and orientation course experienced at the time of installation into the company, affording a wide range of responses from making up strongly corresponded to impersonal harmonized, while they were also observed that these training sittings were later not attempted as a extended program for advances. These respondents considered that the company has invariably been very persevering and promising toward furnishing orientations that might cope with the applicable job description of every employee. Around three respondents most powerfully took account the several training programs of the company, although one of them demonstrated divergence and a demand for further advance.



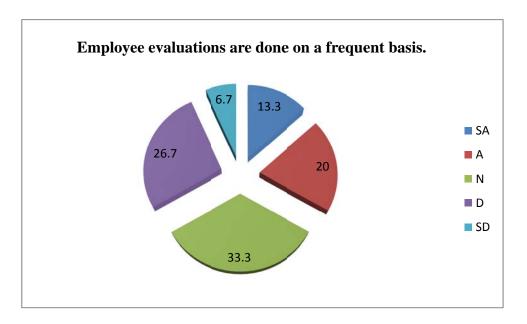
Interpretation: This interview was related the purpose of supervisory program and senior mentors in helping, leading and instructing junior employees concerning job-related tasks. A convinced course has been found; subsequently absolute majority of the employees endorsed the purpose of the mentor, saying that individuals are cooperative and help in the most beneficial potential way. The purpose of the mentors' does heightening several necessary skills of every employee that bring sweetening to it.



Interpretation: The respondents accorded to the idea that the company supports employee causes towards bettering their person disadvantages. There was not an exclusive respondent who discarded the idea that the organization more often helps in discovering and defeating the failings of the employees. This produces a prompting factor for their employees, where they can convey their business concern with the management and take assistance in several corporate advances.

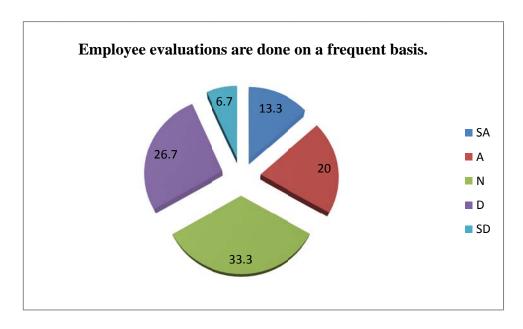


Interpretation: In form of the impression concerning the present assessment system, around 47 percent employees generally conceived that it was very beneficial. They maintained that the appraisal process is specific and successful at achieving its aim, while being thoroughly insightful for the employees to understand their current status and future expectations of the company (Simons, 1991). In the discussion and recommendations section it will be reckoned how the system can further be improved.

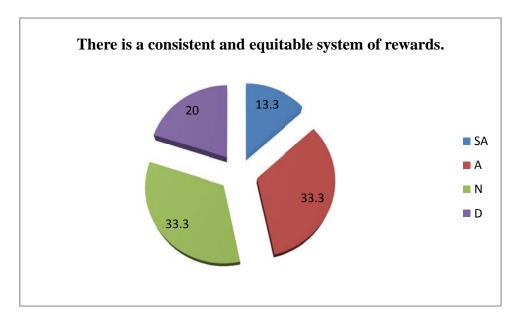


Interpretation: To the question of frequency of performance evaluations, it was responded that it occurred on regular basis, providing immediate or regular feedback on employees' performance and productivity. Besides 5 people, the rest of them had positive answers regarding this frequency, saying that, it keeps the workforce aligned with the corporate goals, and keeps them active while trying to over-shine each other in performance. This trend is also responsible for a healthy working environment at McDonald's.

Manager had better recognize every demand of the employee. If the worker is functioning expeditiously and effectively then it must be accepted within the organization that encourages his privileged pleasure concerning his performance. The ineffectual performance of the employee should also be realized but it must be in a one-on-one treatment and not ahead of other employees. Manager must give and explain feedback employee's failings and then propose him how to defeat those weaknesses.

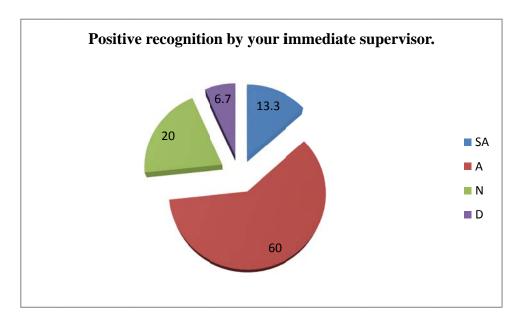


Interpretation: Around 67 percent of the respondents who powerfully answered the statement more often believed that the operation rating of McDonald's employees was complimentary of preconception and prejudice. Their reaction was that those employee valuations were frequently carried out in an indifferent manner, maintaining the interests of all the employees integral.



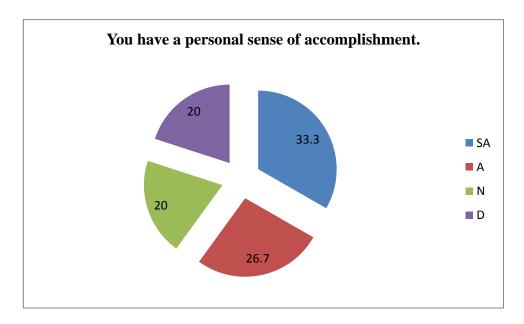
Interpretation: This question was related the exploitation of an effectual reinforcement system in the company that was equitable and reproducible. Just like the previous question, this

particular question does maintain several convinced answers from the respondents who more often believed that the reward system was absolved and fitted to the necessities of the employees at work. This was also a very significant question subsequently performance evaluation system greatly hits upon the exploitation of employees in their mortal and collective attempts. However, around 3 respondents generally mentioned that the system of advantages can be ameliorated and changed as per the exchanging global environments.

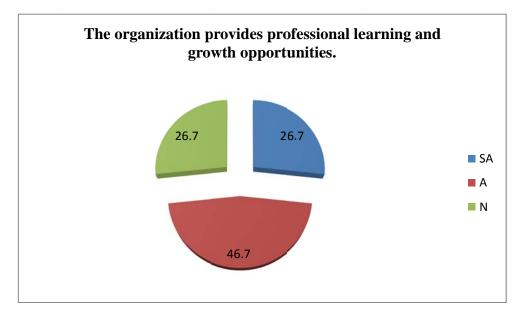


Interpretation: This question generally relates the acknowledgment received by describing authorities and straightaway supervisors for their conduct and performance. All such polices of organization are more often aimed at creating several most beneficial practices for allowing contiguous feedback for the employees concerning their performance especially related positive acknowledgement. Around 60 percent of respondents corresponded to the fact that the contiguous supervisors allow positive feedback and realize prominent attempts in a praiseworthy manner. Approximately 13.3 percent were of the feeling that they powerfully corresponded that

positive acknowledgement was crucial to increase their productiveness, and that it was punctually furnished.



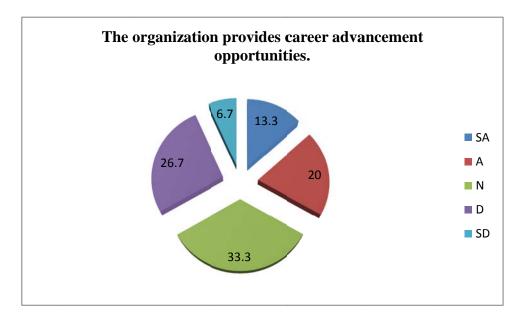
Interpretation: Achieving an individual sentiency of achievement is essential to inducing employee functioning and satisfactorily prompting them. In this case, acknowledgment for their positive actions goes a long way in producing a sense of possession in them approximately what they act and a feel of achievement if aims are assembled and anticipations are outmatched.



Interpretation: This question received positive reactions from the employees heavily. A huge bulk of employees thought that the establishment allows enough chances and facilities for development and discovering. Around 4 employees more often responded that they powerfully

correspond that the company takes firm initiative for the evolution of its manpower.

Approximately 7 other respondents frequently agreed with this argument excessively. Around 27 percent of the respondents such as 4 of them had different neutral views concerning the said concern, although nobody have incomplete neither disagreed nor strongly hurt the statement. As a whole, employees generally showed a considerably-positive reaction that McDonald's allows sensible chances for employees' learning, personal and growth development.



Interpretation: Finally, the employees were called for if they correspond to the argument that the company furnishes several career progress opportunities. More over 20 percent of them gave a corresponded answer to the statement, while around two constituting powerfully optimistic concerning the preparation of such chances. Around 5 individuals of the respondents generally disagreed with the argument saying that it comprised not well plenty to provide to their demands of career advancement.

# 4.2 Analysis for Interviews with Employees and Management

Overall responses to the interview questions have been presented here based on what the Chief Executive Officer (CEO) and the Manager Human Resources had to say. Each question is enlisted followed by the response from McDonald's personnel's

McDonald's gives development chances for professional and personal growth of staffs, for which it refrains from any discriminatory exercise. The Manager HR sustained that the company looks to devise programmes and plans that present the staffs with an inclusive expansion platform for their individual development with the accomplishment of the company's aims.

According to the HR Manager, performance management is observed as an important aspect of human resource management at McDonald's. It defines the important exercises that staffs must be assessed and presented identification for every single aspect of work that they perform. This importance for its staffs and employee is considerably demonstrated in the management and compensation exercise of the company.

Though the company gives different chances for training, abilities management and other styles of work-related education that can be essential; still there are various fields that need additional focus and concentration. The employees rate the procedure of rewards at a reasonably satisfactory level, ordering that it integrates all the substantive constituents and pertains of employees that demanded to be integrated. This was a moment response of the HR Manager to the interview. He advance added that they allow positive feedback concerning the predominant system of acknowledgement of the employees stating that it needs little advances to be perfect.

The overall perception gauged about McDonald's performance evaluation system was very positive and promising as per the responses obtained for this question. The performance evaluation function of HRM significantly contributed to the motivation of the employees and

enhanced their performance as compared to their previous results. Over time, the management has brought improvements in its performance evaluation, compensation and reward systems, bringing in changes for the better development and enhanced productivity of its valued internal equity.

The CEO of the company added that it is important for the management to support their employees at all times, so that they can expand their skills. One way is to encourage and support staff participation in courses and events for the expansion and diversification of knowledge of new practices or techniques. This type of incentive encourages creativity; improves service quality and more professional staff, thereby increasing qualitatively what the center offers. It is necessary that the manager or supervisor maintains effective and fluid communication with the staff to learn about aspects related to productivity and emotional state.

### 4.3 Analysis and Critique Using Literature Reviewed

Through the literature reviewed, a finding and evaluation arises that employees need a range of efforts form manage to display effective performances. Employees need to be empowered using challenging tasks, recognition systems, and rewards that are long-lasting. They need to be appreciated, valued and included in the affairs of the company in an acceptable manner. In an effective company, an effective supervisor and policy-maker knows how to attract their employees, compensate them and motivate them for higher performance level. It is a common practice that employees perceive they reserve to be compensated more than they are paid in actual terms. There exists a natural sense gap between what the employees expect about their own compensation and the packages offered by the organization.

Employees or "internal customers" are a very essential element of the company, one that the company cannot perform without, as they manage in different instants and in careers like aesthetics even more of the connection between the customers and establishment. It is compulsory that the executives develop assistance at all times to the staffs so that they can grow their abilities. Staffs become the clear face of the company, a mirror that demonstrates the importance of customer-facing trade, and mainly end up being accountable for consumer loyalty. Being conscious of this condition, particularly for those organizations who desire to remain a role model, is essential. To acquire anticipated outcomes, a company should have the dedication of its staffs.

It is vital that staffs understand like an asset to the company and understand that they are treasured. Training supports emphasize this message. Employees' training is an exercise that demonstrates that the management is worried about the staffs and desires to observe them performing bigger and better. Excellent training plans not just polish the abilities in the staffs but are also a constructive reinforcement in their approaches. Excellent training can de-focus benefits and salaries, in part through making a constructive work situation and through giving staffs development chances. Training supports enforce staff loyalty and can support revitalize personnel in terms of their organizational activities.

The observed paper also defined earlier the researcher, an image that the employees and management have to perform in coordination for the achievement of the entire company. This is not a one-way procedure, and managerial attempts, only would not perform. The approach of inspiration, both in its financial side and with esteem to business advantages, depends on the business culture. Material rewards as part of the inspiration systems perform an important task, but in organizations with a relaxing indoor condition, it is no longer the only aspect to maintain staffs. If an organization has issues with the business culture and has deprived internal microclimate, then money and different advantages cannot keep the staffs in the company. They can

go to another company, even if they earn decreased salaries, only to change the condition. An executive should first recognise the business tradition the corporation considers in, assess its benefits and drawbacks and then take them into consideration in making the system of inspiration.

## **Chapter 5: Conclusion and Recommendations**

The outcomes of this research were intended to satisfy the project title and throw light on performance evaluation and its impact on employee development process. This project demonstrated a clear understanding into the topic and addressed key issues related to performance evaluation with respect to the given organization. Finally it provided implications of study topic and its effects on long term future of the organization.

In summary, this paper defined that performance appraisals are possibly more productive if the methods or processes applied are compared with the style of the aims being completed. It is not probable to acquire perfect appraisals, as of the style of what is connected; it is still up to executives to make the situations essential for the possibility of appraisals to be released, through rewarding through productive appraisal approaches (Carroll &Schneier, 1990, p10), giving chances for raters to see the related approaches to be rated (Fletcher, 1994, p10), and preparing the correct aims of the appraisal procedure, explicit (Miner, 1995, p75). Whether these supported to correct ratings or not depended on the cognitive procedures working productively and this was doubtful if the processes or methods are not suitable for the jobs completed by the staffs. Though matching these processes or methods with those aims along the lines proposed in this research did not assure correct ratings, it minimum established such an important result (Baird et al., 1990; Burns, 1992, p33). It had so, been the goal of this research to grow directions for bringing about this type of match, to support managers to grow appraisal plans that are not just excellent but also productive.

This paper acquired its aims in an excellent approach, whereas also culminated in sure suggestions and recommendations for the organization. As defined in the research aims, the

research revealed what was performance assessment, and how does McDonald's connected in performing the assessment of its staffs' performance. This paper also revealed how the system of performance appraisal affected staff productivity and how the staffs supposed appraisals in their daily job-related performances. This also demonstrated how performance assessment and expansion plans influenced staffs in their job, and laid out proposals for future developments. Therefore, it can be defined that the paper obtained its goals and objectives in a constructive style. Remembering the earlier literatures over the affect and influences of taking into account the performance based appraisals and payments in the organizations; this paper shed additional light over the productivity of any plan that is connected to the kind defined above.

### 5.1 Recommendations

The research-based research guided to particular suggestions that could be supposed for developing the performance of staff through evaluating and appraising them effectively and adequately. Staffs must be managed as essential part of the company, which consequences in very constructive results comprising the development of organizational performance. Through important studies, it is revealed that HRM exercises are mostly productive on the performance of company. According to one of these studies; 590 non-profit-oriented and profit companies were observed, and people revealed that various exercises of HRM like selection and training of employees have constructive connections with the performance of the company.

Proper abilities which are polished to its maximum are needed to acquire different aims of corporation. HRM activities make the skills of staffs according to the demand of the company which supports in the accomplishment of organizational performance. From this connection, it can be defined that HRM tasks do not simply comprise hiring and attracting staffs but also give

them an excellent aggressive situation in which they are confirmed that their issues will be listened and they have similar chances.

Today, McDonald performs globally and it must concentrate on international strategic planning of human resource management. It is important to control the diversified workforces connected in various branches of the organization in various areas. Additional relation of the organization in target market is needed for marketing probing and future feasibility assessments. Though, McDonald's with its current resources will grow as it has confirmed that productive human resource plan and its exercises consequence in aggressive benefit in both domestic and international activities.

### 5.2 Personal Reflection

It is undoubtedly a fact that employees are the most important asset of their company, one that governs and directs everything that a company does. Hence, employee development occupies paramount importance in any Human Resource Program and Policy. Employee development process is a crucial step in the right direction, which should be implemented effectively and successfully. Performance of the employees should be evaluated frequently in order to maintain their productivity. Organizations should implement the best performance model suitable to their culture, and manage the employees' performance accordingly (Shields, & Shields, 1998).

Performance management has become an important aspect in success of a business that has become increasingly essential to hire and mentor staffs in this approach that they can support themselves to the ever-changing job demands. It supports the sub-ordinates to have a grasp on their profession and acquire their aims. It makes faith in the leadership, better responsibility and productivity. The research was focused to assess what is Performance Evaluation and what

performances are related with it. It also observes if performance management impacts the productivity of employee and reviews as to what level it can impact the performance and what are the other methods which can develop the productivity of staffs.

This paper defined the common impact of the worker's attempts and the appraisal and appreciation dependent over the attitudes and behavior about the work and the chances for individual growth. In MacDonald's, there should be understanding of the appraisal based on the performance, as it is an excellent opinion for developing the alignment of the staffs with the goals and objectives of organization. Additionally, the paper makes one consider that correct appraisal approaches should focus the "whole person" growth, not only job abilities or the knowledge needed for the next promotion. It would participate to anything if it does not focus to develop the individual staff. If the staffs are not trained with professional and personal knowledge, they would not be capable to become important staffs for their respective companies.

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## Questionnaire

- 1. What is your position in the organisation?
- 2. What division are you employed in?
- 3. In your Opinion Performance management is?
- 4. Which method of performance management is implemented in the organization?
- 5. What performance measurement information is particularly useful in your own role?
- 6. What additional performance measures would you like to help you in your job?
- 7. Do you receive any increment in your salary after performance management?
- 8. Do you think that performance management help to provide an atmosphere where all are encouraged to share one another burden?
- 9. Do you think performance management helps people set and achieve meaningful goals?
- 10. Do you think performance management give constructive criticism in a friendly and positive manner?
- 11. Do you think that performance of employees improve after process of performance management?
- 12. Do you think performance appraisal improves motivation and job Satisfaction?
- 13. Is the top level management partial in Performance management?
- 14. Do you think performance management helps to change behaviour of Employees?
- 15. How influential were management consultants in the choice of the new measures?
- 16. Do you have any suggestions for methods of improving performance?