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Performance Management Cycle Plan

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Performance Management Cycle Plan

Amazon is the most popular online company globally regarding the revenue earned each year. It was started in 1994 by Jeff Bezos in Washington to sell books, but it has expanded over the years, providing electronics, furniture, foods, and jewelry, among others. Like other players in the market, Amazon encounters problems and needs performance management practices to remain relevant and competitive in the market. One of the issues affecting the company is reduced income from the international segment. Brian Olsavsky, the company's chief financial officer, said that the company growth reduced from 21% to 15%, indicating that lesser sales were made (Wu & Gereffi, 2018). The management plans to engage the employees so that strategies to restore the high percentage of income are developed. Performance management is essential in helping the organization set goals and revises them, increasing the chances of achieving them. The activity also empowers companies to develop planning and reward and recognize the employees, making them more committed. Therefore, Amazon needs performance management to ensure that the high income from the international segment is regained.

Performance Outcomes for the Company and a Selected Department

A performance management exercise at Amazon would result in several outcomes. One is improved focus on attaining the business results because the goals would be developed and aligned with the workers' day to day tasks. When the employees understand the expected outcomes, they execute their roles better, making them meet objectives, thus earning higher revenue. Another outcome would be the establishment of an empowered and involved workforce. When a company builds a culture of shared accountability, chances for growth and development are created. The workers acquire new skills that are applied at work leading to a powerful workforce. Performance management supports companies to plan their goals making the workers understand their roles in attaining them. Another performance

management outcome is developing policies to establish a culture of diversity (Cappelli & Tavis, 2016). It would be evident mainly in the marketing department, which is impacted by management needs. The sector would develop policies to ensure that the organization meets various cultures' demands, thus attaining the goal expected.

Employee Goals, Behavior and Actions to Achieve Outcomes

The other step in the performance management process is to develop the workers' goals, behavior and actions so that the outcomes expected above are attained. Amazon workers should have a goal on creativity, in that the issues developing are resolved before they affect them. The company's income from the international segment has reduced because the competition levels have increased. They need to focus on creativity to ensure the company's operations are ahead of the competitors. Another goal is people management, where they should be ready for more customers and meet all their demands. Apart from that, they ought to aim at cross-cultural fluency, as being good internationally demands diverse cultures. Apart from that, their behaviors need to be friendly. Workers are organizations' mirrors meaning if they are cautious and respectful, the international market would be attracted faster. Finally, their actions should adhere to the law, ethics and organizational values. By that, the expected outcomes would be achieved, as the general public would be persuaded to prefer the company.

Support, Supervision and Ongoing Performance Discussions

The management team needs to support, supervise, and conduct discussions to realize the goals, behaviors, and actions in the previous stage. One way to support them is by being role models because workers copy the bosses (Cappelli & Tavis, 2016). For example, the employers would introduce activities that support creativity, which would make the employees follow the same path as the leaders set the pace. Another way to support them is allocating and availing the resources needed for the plans to be implemented. Supervising

them is also necessary to identify weaknesses that need to be overcome. After they are identified, the leaders should have group-based discussions to inform them of the problems and come up with solutions. For instance, Amazon employees would encounter challenges in building teamwork as they operate from different parts of the world. During supervision, managers would learn about this and suggest that each location operates independently as long as the expectations are attained.

Evaluate Performance of Employees

Evaluating the employees' performance is the other step that gives insights into the company's present state. It is a vital step in performance management in helping the managers determine the necessary changes to attain the expected goals. Most of the Amazon workers are rated above average, meaning they perform well, but extra efforts are needed. The organization uses a stack ranking, whereby the workers are ranked against each other yearly. The company only retains those whose metrics add up, making them motivated to work well to avoid being fired. The company also applies the continuous feedback tool known as the 'anytime feedback technique.' It is an internal tool where employees are allowed to critique one another respectfully. After three months, the management plans a performance improvement plan, in which those failing are either demotivated or fired. Therefore, Amazon workers' performance is reliable, but it is not the best, so more improvements are needed.

Identify Improvements Needed

Several improvements are needed regarding the workers so that the goal of better international performance is attained. The working conditions need to be improved, as most workers have been injured while others develop work-related diseases. Like those in the last mile deliveries, the contracted employees claim that the working conditions are inhuman because Amazon's demands are too high that the time to take showers lack. More so, they are exposed to dangerous situations, making them develop psychological issues. In the last three

years, the United Kingdom region has reported over 600 cases requiring ambulance services because of the poor working conditions (Wu & Gereffi, 2018). The pressure is too high that the workers do not feel as if the wages given are enough regardless of the increments made. For that reason, the area needs to be improved so that workers feel safe and protected, to motivate them to execute the needed roles for their benefits and that of the company.

Consequences for Performance Results

The other step in performance management is determining the outcomes of the results. They help the company learn the training needs that are then planned by the human resource department. The results also improve the workers' morale as they understand their performance in the organization. For example, the Amazon workers learn that their work is rated average, making them see the need to operate in teams to increase the rating. The results also improve employee retention chances because the management takes the necessary measures to persuade the workers. For example, if the Amazon management learns about the workers' complaints, they would improve the working conditions to make them feel safe and cared for, thus developing a commitment to the organization.

Evaluating HR Management Strategies

Amazon Company's training methods applied by the human resource department have both strengths and weaknesses. One strength is that the workers are trained after every three months. Before the exercise, internal tools to assess the workers' performance are implemented, after which the gaps identified are filled through training. It is a strength because workers can improve their knowledge and skills, thus becoming developing. However, the strategies are limiting because the workers who fail in the performance are fired. It is a limitation as it increases insecurity among them, where fear of being fired increases. When negative reinforcement is implemented, workers are likely to develop fear other than motivation to easily prefer to leave for other organizations (Raffoni et al., 2018).

Employee training is a necessary element in an organization because it establishes a culture of diversity. Normally, when employees are trained, they learn different skills and knowledge making them more open-minded and developing commitment.

Proposed Impact of the Revised Human Resource Management Strategies

As noted above, the performance management processes help the company and the human resource department develop strategies in recruitment, functioning, and employee training. The strategies are helpful in employee retention as the management learns the important elements to introduce. The Amazon human resource department would recruit creative applicants and those willing to work with teams. Doing so based on the performance management exercise helps retain workers because it considers people whose actions and behaviors align with the organization's expectations. The process also helps the leadership learn weaknesses that would make the workers prefer other working places and make changes to retain them. For example, Amazon workers would leave the company because of the poor working conditions. However, when the managers learn about it and make the necessary changes, they feel valued and protected and thus prefer to work there.

In a nutshell, human resource management has a role in conducting performance management processes to maintain a competitive advantage in the marketplace. As covered in the paper, the process helps the leadership team determine weaknesses that affect work, develop strategies, and implement them. It plays a huge role in retaining workers because they feel valued and cared for. As a result, they develop a commitment to stay in the company, which means the set goals and objectives are met because a lot of money used in training new workers is not required.

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