Case study GE: 360 degree appraisals

Final assessment order description 360 degree appraisals in Durham, North Carolina, 170 GE employees work in nine teams to produce the GE90 jet engines that Boeing installs in its long – range 777aircraft. Each TEAM OWNS the engines they build from the beginning of the assembly process to getting them loaded onto a truck for delivery. As they begin each engine, these teams generally receive no instructions except for the date on which the engine is to be shipped from the plant. Getting the engine produces is the tea m goal, but the goal can be reached only if the teams effectively manage themselves. Besides producing and 8.5 – ton jet engine out of 10,000 individual parts, team members order tools and parts; schedule their vacations, training, and overtime; make adjustments to the production process to improve their efficiency ; monitor their product quality; and take responsibility for diagnosing and resolving problems that arise among members of a team. Decisions about these and all other issues that the teams face are made by consensus, which was a founding principle for the plant. Each employee understands that living with ideas that they don’t necessarily agree with is part of the job. They don’t blame others when things go wrong, because they make the decisions. The process of reaching agreement on decisions is so much a way of life here that people routinely talk about “consensus” on this or that. The one boss in this plant – plant manager Paula Sims keeps everyone’s attention focused on the common goal: making perfect jet engines quickly, cheaply, and safely. Her job is to make sure that the efforts of all teams are coordinated so that together their decisions optimize the plants performance and then to free up resources for growth and improvement. In her four years as the plant manager responsible for GE’s jet engine production teams, Sims has learned that communicating your intentions properly isn’t always easy. She describes her plant manager’s job as the most rewarding. To do it well requires a different level of listening skills – significantly different. More and more of what I do involve listening to people, to teams, to councils, to ideas, trying to find common them es. ” In this culture of continuous feedback, one reason Sims has listened so carefully is to monitor her own effectiveness. She learned early that her actions can be easily misinterpreted. Recalling an accident from her early days, she explained. “An employee came to me and said; ‘Paula, you realize that you don’t need to follow up with us to make sure’ were doing what we agreed to do. If we say we will do something, we we will do it for you. – You don’t need to micro manage us. ’ ” At most plants’, following up is just part of a manager’s job, but here it was sending the wrong message because she always followed up, people concluded that she didn’t trust them. The real problem was the she had not yet learned the plants norms about decision making. Sims also listens when the plant is trying to solve a problem. At other companies the title of managers almost means “decision maker”, at GE/Durham, however, the manager actually makes only about a dozen major decisions each year. All other decisions either rely heavily on input from, or actually made by, the other plant employees. The plant manager is responsible for making sure plant employees know about problems, and for informing the GE 360 – Degree Appraisals 2 managers that she reports to about the solutions. But to get the solutions, the plant manager is expected to listen, not decide. For major issues, such as reducing cost of important moving safety, a task force is formed to decide how to address the problem. The plant manager educates the task force and everyone else about the problem and e explains why is important. Then the task force takes responsibility for finding solutions. When they have a plan for the future, the plant manager informs those above her about how the plant will proceed and makes sure the higher ups are on board with the plan. As the HR manager for the plant, Sims has approached you with a request: she wants you to help her install 360 degree appraisals for everyone in the plant, including her. The 360 degree appraisals will not replace the other performance measures that already are being used. They will be simply be added on as a new element in the performance management system. You have expressed some concerns about the idea, but she is determining to move ahead with the plan.

Describe how you will precede case questions begin by analyzing the possible advantages and disadvantages of using 360 – degree appraisals in this plant.

Then indicate the decisions you would make regarding each of the following questions:

1. Will you use one set of performance dimensions for everyone, or will people in different jobs be evaluated on different dimensions? Explain your logic?

2. How will you determine the specific content of the 360 degree appraisal form?

3. What type of rating format will be used to make the appraisal rating?

4. For the members of the nine production teams, who will provide performance assessment: All members of the team? Members of other team? Will Sims evaluations for all employees.

5. How will the feedback be answered?

6. What plant is operation well right now? What steps will you take to ensure that this new activity doesn’t reduce the plants productivity?

7. Are there other advantages or disadvantages to this appraisal?