

Unit 4: Training & Appraisal Employees

Tuesday, February 9, 2021
9:37 PM

Lesson 1: Introduction to Employee Training

Training: What is it?

- Process of teaching employees the basic knowledge, skills, and behaviours they need to perform their jobs
- Ensures that employees can do their job correctly and safely
- Applicable to new hires and existing employees
- Should be assessed on a regular basis

Benefits of Training

- Better job performance
- Decreased accidents and injuries
- Increased employee engagement and satisfaction
- Greater employee retention
- Enhanced employer brand

Benefits of Training: Negligent Training

- Employer fails to provide sufficient training to employee
- Actions of employee result in injuries or loss
- Can stem from under-training or improper following of training procedures

Lesson 2: Training Program Development

Step 1: Training Needs Analysis

- Process of determining the training that needs to be completed so that employees can do their job well
- Identify new training opportunities or gaps in existing training
- Organization Analysis:
 - Establishes training context by examining:
 - Goals of the organization
 - Organizational training climate
 - Barriers to training (e.g., budget, time, space, expertise)
- Person Analysis:
 - Identifies who will receive the training
 - Clarifies trainees' existing level of knowledge
 - Examines characteristics of trainees (e.g., availability, learning styles)

- Task Analysis:
 - Task:
 - Observable action designed to contribute to the accomplishment of a goal
 - Jobs consist of numerous tasks
 - Doctor: administers medicine, performs surgery, supervise trainee doctor, maintain medical records
 - Identifies key job-related tasks
 - Measurable description of performance standard
 - Frequency
 - Skills and knowledge required
 - Conditions under which task is performed
 - Measurable description of **performance standard** (performance threshold that must be met to indicate an acceptable level of performance) ex- server should provide accurate food/wine pairings to customers without error and without the need for notes
 - Informs the content of the training and its objectives

Step 2: Method of Instruction

- Traditional Training Techniques - Classroom Training:
 - Typically instructor leading group in lecture-style sessions
 - Effective for large groups
 - Loss of productivity
 - Slower feedback
 - Blended learning for higher engagement
- Traditional Training Techniques - On-the-Job Training:
 - Trainee practices job skills at workplace under guidance
 - Regular feedback
 - Not taxing on resources
 - Trainees can be productive
 - Mentors may be ineffective
 - Accidents can occur
- Traditional Training Techniques - Adventure Based Learning:
 - Involved participating in challenging, structured physical activities
 - Cooperation, teamwork, trust, communication, problem-solving, conflict management, leadership
 - Effective for team-based and managerial jobs
 - Taxing on time and resources
 - Loss of productivity
- Technology-Enabled Learning - E Learning:
 - Web-based or computer-based
 - Typically less expensive than classroom training
 - Consistent (multi-regional organizations benefit)
 - Dependant on learner motivation

- Technology-Enabled Learning - Simulations:
 - Place trainees in situations similar to those encountered on the job
 - Immersive
 - Trainees tend to be very receptive to this approach
 - Expensive to develop and maintain

Step 3: Validation

- Pilot-test the program
- Administer to representative sample of trainees
- Assess whether training objectives have been met

Step 4: Implementation

- Implement the training within organization
- Aiming to maximize **transfer of training** (extent to which behaviours learned during training will be performed on the job)
 - Similarity of training situation to job situation
 - Opportunities to practice what is learned
 - Frequent feedback

Step 5: Evaluation

- Kirkpatrick's Training Evaluation Model:
 1. Reaction:
 - Reactions or feelings of trainees about the training
 - Was it enjoyable? Engaging? Relevant? Effective?
 2. Learning:
 - Assess whether trainees learned what they were supposed to learn
 - Extent to which training objectives were met
 - Tests or quizzes commonly used
 3. Behaviour:
 - Changes in performance exhibited on the job as result of the training
 - i.e., transfer of training
 - Measured through observation and interviews
 4. Results:
 - Assess organizational benefits that stem from training
 - Ex: increased sales, increased customer satisfaction, better products

Lesson 3: Performance Management

Performance Management: What is it?

- System that defines, measures, and develops the performance of the workforce within the organization
- Aligns employee's activities with the overall strategy of an organization
- Benefits both employees and the organization

The Performance Management Process

- Organizational Goals: financial or non-financial outcomes that the organization hopes to achieve
- Employee Objectives: translate organizational goals into measurable and time-bound employee objectives
- Monitoring and Support: monitoring, frequent feedback, provision of supports by organization
- Evaluation: assess degree to which objectives were met and set new objectives
- Consequences: meaningful consequences administered, if applicable

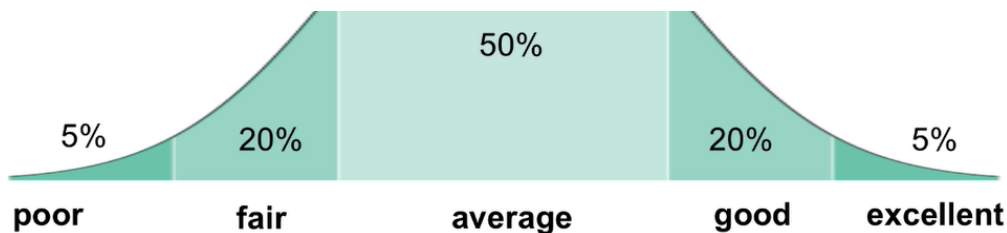
Purpose of Performance Management Systems

- Strategic Purpose: aligns employee efforts and organizational goals
- Administrative Purpose: informs administrative decisions-making
- Developmental Purpose: helps employees to improve and grow

Lesson 4: Performance Appraisal

Performance Appraisal Methods

- Alternation Ranking Method:
 - Identify highest and lowest-performing employees, in an iterative manner
 - Difficult in large organizations
 - Resultant feedback is not informative
- Paired Comparison Method:
 - Each employee is compared with every other employee
 - Employees are ranked based on overall comparisons
- Force Distribution Method:
 - Predetermined percentage of employees placed into performance categories
 - Useful for large organizations
 - May unfairly limit recognition of high-performing employees
 - Feedback may be limited



- Graphic Rating Scale:
 - Extent to which each employee shown proficiency on a given dimension
 - Ratings are made using an established scale
 - Good feedback regarding specific characteristics
 - Lack of clarity between performance levels

	Distinguished	Excellent	Commendable	Adequate	Poor
Creativity	5	4	3	2	1
Initiative	5	4	3	2	1
Leadership	5	4	3	2	1

- Behaviourally Anchored Rating Scales (BARS):
 - Key performance dimensions are identified
 - Rating scale is developed for each performance dimensions
 - Behavioural exemplars are developed for each level on the rating scale
 - Clearer criteria and feedback
 - Consistency in ratings
 - Time-consuming to develop

Respect for Others	Exceeds expectations (3)	Meets expectations (2)	Below expectations (1)
	<ul style="list-style-type: none"> • offers encouragement to team members • expresses interest in team members' ideas • helps to moderate conflicts 	<ul style="list-style-type: none"> • listens to and is respectful of teams members • willing to come to a consensus on team decisions 	<ul style="list-style-type: none"> • does not/will not listen to team members • often interrupts • makes crude comments

Sources of Appraisal Information

- Supervisor:
 - Knowledgeable and motivated
 - Limited observation opportunities
- Peer:
 - Knowledgeable and present
 - Logrolling possible
- Subordinate:
 - Fear of consequences
 - Overemphasis on employee satisfaction
- Self:
 - Aware of own behaviour
 - Inflation of ratings

360-Degree Appraisal

- Using multiple rating sources when evaluating an employee
- Questionnaire made up of rating scales and open-ended items
- Confidential and anonymous
- Strengths and weaknesses identified

- Advantages:
 - Detailed feedback possible
 - Rater bias is reduced
 - Greater production of fairness

- Limitations:
 - Time-consuming
 - Follow-up not possible
 - Not applicable to all organizations

Errors in Performance Measurement

- Primacy Effect: first impression made by employee affects all subsequent ratings
- Recency Effect: ratings are based on most recent work behaviour
- Leniency Error: assigning inaccurately high ratings to all employees
- Strictness Error: assigning inaccurately low ratings to all employees
- Central Tendency Error: inaccurately rating all employees at/near the middle of a rating scale

Unit 5: Intro to Marketing & The Marketing Environment

Thursday, February 18, 2021

9:05 PM

Lesson 1: Intro to Marketing

Marketing: What is it?

- The process of creating, communicating, and delivering goods or services to meet organizational objectives and customer needs
- Organizational Objectives: short-term and long-term goals that the organization seeks to accomplish, which allow it to become more successful
- Customer Needs: states of felt deprivation, including physical, social, and individual needs

The Marketing Process

- Series of marketing decisions and actions intended to address marketing goals
- Maximize customer values
- Customer Value: perceived benefits of a product versus the costs associated with that product

The Marketing Process: Situation Analysis

- a.k.a needs assessment
- Identify unfulfilled customer needs
- Define potential customers
- Assess potential competitors
- Assess internal capabilities

The Marketing Process: Select Target Market

- Group sharing a number of defining qualities to which marketers direct their marketing efforts
- Assumption that all individuals in target market will respond similarly to marketing strategy
- Examples:
 - Starbucks: 25-40 years old, working professionals and students
 - Snapchat: high school and college students, female

The Marketing Process: Develop Marketing Strategy

The Marketing Mix:

- Controllable factors that inform an organization's marketing strategy
- Influence customer's decision to buy a product

- **Product:**
 - Finalize what product to market
 - Include important features
 - Establish product design, packaging, labeling, warranty
 - Product differentiation is important

- **Price:**
 - Determine price of product
 - Fair and competitive but capable of generating profits
 - Influenced by: cost of manufacturing, cost of distribution, cost of promotion, desired profit level, competition, desirability (Apple)

- **Place:**
 - a.k.a distribution strategy
 - How product or service gets to customers
 - Channel by which product or service sold (online, in-store, both)
 - Breadth of distribution

- **Promotion:**
 - Develop messaging about product
 - Should be directed at target market
 - Highlight features and benefits
 - Disseminate via selected strategies

The Marketing Process: Build Customer Relationships

- Attract and retain customers

- **Loyalty Programs:**
 - Intended to promote frequent buying
 - Promotes brand engagement
 - Ex: points cards, tiered rewards

- **Customer Relationship Management (CRM) Programs:**
 - Collects and analyze customer information
 - Automates customized interaction with customers
 - Increased sales and customer satisfaction

Lesson 2: Evolution of Business Philosophies

Product Orientation - 1900

- Shortage of manufactured goods relative to demand
- Focus on manufacturing quality products at affordable price
- Little attention paid to customer needs
- Mass production (large volume, consistent, lower cost)
- Narrow product lines to maximize efficiency

Selling Orientation - 1920-1930

- Goal is to sell as many products as possible
- Selling existing products rather than developing new ones
- Focus is on sales and promotion
- Little attention paid to customer needs
- Prioritize short-term selling over long-term relationships
- The Hard Sell:
 - Aggressive sales approach that uses direct and forceful messaging
 - Large volume of product information shared
 - Sense of urgency designed to promote immediate purchase
 - May be seen as manipulative and overwhelming

Marketing Orientation - 1950-1990

- Blanket sales approaches ineffective
- Focus is on customer needs
- Research-driven programs
- Develop new products and improve existing products
- Increased customer loyalty

Socially Responsible Marketing Orientation - 1990-2000

- Customer choice is not always needs-based
- Customers purchases as a show of support for organizations
- Environmental impact, labour standards, social causes
- Improved brand reputation
- Can be seen as insincere
- Cause Marketing:
 - Cooperative effort between a for-profit and a non-profit organization for their mutual benefit
 - "You buy, we'll give" approach as most common
 - General Mills' "Save Lids to Save Lives"

Social Media Marketing Orientation - 2006

- Marketing withing social media platforms
- Create shareable content
- Brand democratization
- Consumer Generated Content:
 - Online content related to a branded good created by consumers for consumers
 - Influencer marketing
- Influencer Marketing: endorsement of a product or service by popular or influential users of social media platforms

Lesson 3: The Marketing Environment

Environmental Scanning

- Continually acquiring information on events occurring outside the organization
- Identify trends, opportunities and threats that impact marketing strategies
- Includes: competitive forces, economic forces, demographic forces, social forces

Competitive Forces: Competitor Types

- Direct Competitors:
 - Similar products sold in the same category
 - Ex: Coke vs Pepsi
 - Innovation and branding
- Indirect Competitors:
 - Products that satisfy similar needs
 - Coke vs other bevs
 - Product line expansion

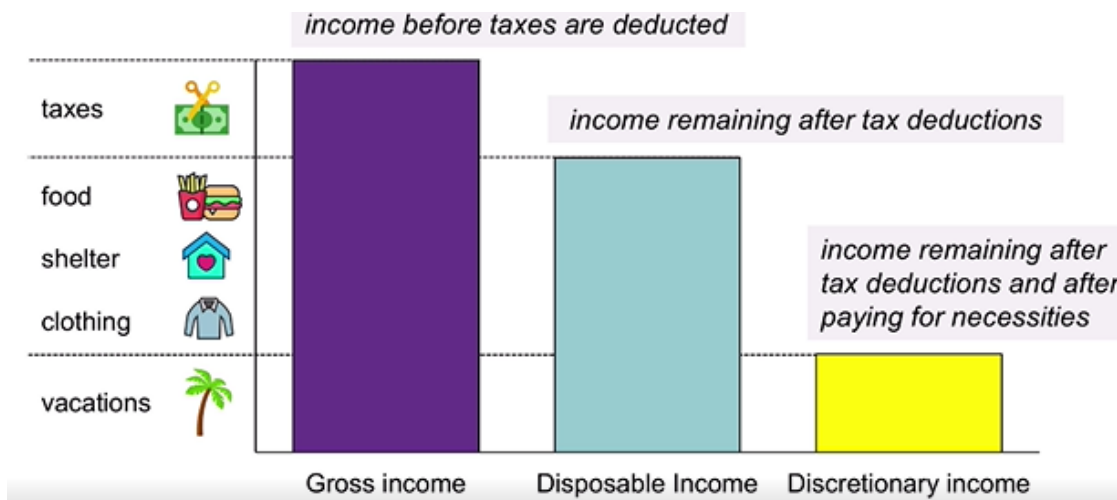
Competitive Forces: Nature of Competition

Market Structures:

- Monopoly:
 - One organization serves the entire market
 - No substitutes available
 - Government regulations typically in place to ensure fair treatment of customers
 - Ex: hydro one

- Oligopoly:
 - Few large organizations control the market
 - New organizations struggle to enter market
 - "follow the leader" mentality
 - Brand image is important
 - Ex: Microsoft, Apple
- Monopolistic Competition:
 - Numerous large and small organizations with similar products
 - Substitute products always available
 - Emphasis placed on product differentiation and promotion
- Pure Competition:
 - Numerous small sellers providing a nearly identical product
 - Output of a single seller is only a small portion of the total output of a product
 - Each seller has little unique influence

Economic Forces: Income



- Customer spending is impacted by economic changes
- Economic downturn associated with prioritization of basic necessities
- Economic boom associated with increased demand for non-essential products

Demographic Forces

- Characteristics of a population (ex: age, gender, ethnicity, education)
- Aging Population:
 - Vitality and health
 - Security
 - Travel and hobbies
- Influential Millennials:
 - Mobile and social media platforms
 - Social and environmental causes

- Urban Living:
 - Small space living
 - Transportation services
- Greater Diversity:
 - Cultures, identities, roles
 - Representation in advertising
 - Expanded product lines

Social Forces: Environmental Awareness

- Green Marketing:
 - Highlighting the environmental benefits of products or services
 - Highlighting the environmental awareness of a brand
- Green Washing:
 - Misleading claim made about the environmental benefits of a product or brand

Unit 6: Consumer Behaviour Part 1

Monday, February 22, 2021
12:29 PM

Lesson 1: Intro to Consumer Behaviour

Consumer Behaviour: What is it?

- Observable actions a person takes when purchasing and using products
- Purchase Activities:
 - How consumers acquire products
 - Includes the purchase decision process
- Consumption Activities:
 - When, where, how, why people use products
 - May include symbolic meaning
- Emerged in the 1950s as a research area following a reliance on case studies and anecdotal information collection
- Factors that have an impact on consumers' actions (psychological, social, personal, situational)

Lesson 2: The Purchase Decision Process

Purchase Decision Process

- Series of steps that a consumer will take to make a purchasing decision
- 1. Problem Recognition
 - Sufficiently large disconnect between actual state and ideal state
 - **Needs Recognition:** identify need, actual state declines, act to reach ideal state (hungry)
 - **Opportunity Recognition:** identify opportunity, ideal state moves up, act to reach ideal state (new iPhone/car)
- 2. Information Search
 - Find information about what products may address the problem
 - Internal:
 - Prior knowledge exists
 - Memory, past experiences
 - External:
 - No or limited prior knowledge likely
 - Personal sources, public sources, market-dominated sources

- 3. Evaluation of Alternatives
 - Evaluate and compare all products on attributes that have the ability to deliver the benefit that they are seeking
 - Awareness Set:
 - **Evoked Set (Consideration Set):** positive impression
 - **Inert Set:** no impression
 - **Inept Set:** negative impression
- 4. Purchase Decision
 - a. What will be purchased
 - b. From whom to purchase
 - Price point
 - Return policy
 - Convenience
 - Knowledge of / experience with seller
 - c. When to purchase
 - Sales / promotions
 - Shopping experience
 - Time pressure to buy
 - Finances
- 5. Post-Purchase Evaluation
 - Compare product to expectations to assess satisfaction
 - Impacts future behaviours:
 - Whether product will be purchased again
 - Whether additional products from the brand will be purchased
 - Whether the product or brand will be recommended
 - Cognitive Dissonance Theory (Leon Festinger):
 - State of simultaneously holding conflicting beliefs or taking action that conflicts with beliefs
 - Results in tension or anxiety
 - Is uncomfortable and people are motivated to reduce it
 - Change belief, change behaviour, rationalize existence of belief and behaviour
 - Smoking is harmful -> stressed -> stop smoking or deny health impact of smoking or rationalize why smoking makes sense
 - Post-purchase cognitive dissonance may occur
 - Purchase of one product contrasted against positive aspects of other products
 - Tension from comparisons can be reduced by follow-up seller and by marketing strategies focused on differentiation




Involvement in the Purchase Decision Process

- Effort, energy, time differs based on **consumer involvement**
- Consumer Involvement: interest and importance that a consumer attaches to the purchase and consumption of a product
- High involvement if:
 - Expensive
 - Bought infrequently
 - Impact social image

Variations in the Purchase Decision Process

low ← involvement → high

	Problem solving variations		
	Routine	Limited	Extended
Number of brands examined	one	several	many
Number of sellers considered	some	several	many
Number of product attributes evaluated	one	some	many
Number of external information sources used	none	some	many
Time spent searching	minimal	moderate	considerable

Lesson 3: The Problem with Choice

Consumer Behaviour and Choice

- Brands, models, features
- Previous theories proposed that desire for choice is infinite



Choice Overload Hypothesis: What is it?

- a.k.a. the paradox of choice
- Suggests that extensive choice can be demotivating
- Choice can be cognitively taxing
- Iyengar & Lepper (2000) compared:
 - Limited (psychologically manageable) choice
 - Extensive (psychological excessive) choice

Choice Overload Hypothesis: Evidence

- Iyengar & Lepper (2000) - Study 1, Jams

Limited Choice



Extensive Choice



- Customers with extensive choice:
 - Were more attracted to the booth
 - Were equally likely to sample jams
 - Were less likely to purchase

- Iyengar & Lepper (2000) - Study 2, Essay Topics

Limited Choice



Extensive Choice



- Students with extensive choice:
 - Were less likely to turn in the assignment
 - Received lower grades on their assignment (lower quality)

- Iyengar & Lepper (2000) - Study 3, Chocolates

Limited Choice



Extensive Choice



- Participants with extensive choice:
 - Spent more time deciding
 - Enjoyed decision-making process
 - Found decision-making process to be difficult and frustrating
 - Were less satisfied with their chosen chocolate

Choice Overload Hypothesis: Evaluation

- Results do not hold up when:
 - Decision-making self-efficacy is high
 - A clear prior preference exists
 - One is experiencing positive affect
- Meta-analysis that tested hypothesis found little supporting evidence

Lesson 4: Situational Influences on the Purchase Decision Process

Situational Influences

- Factors pertaining to considerations, time, and location that impact the purchase decision process:
 - Physical Surroundings:
 - Physical characteristics of retail space
 - **Atmospherics**: controllable factors that set ambience
 - **Layout**: design of floor space, online tracking
 - Crowding (spatial, people)

- Social Surroundings:
 - Interactions with others
 - Social shopping versus solitary shopping (purchases made, amount spent)
 - Role of others in our lives (shopping behaviour, impulse buys)
- Temporal Effects:
 - Time of day (more variety as day progresses)
 - Time of year (comfort products with less daylight)
 - Amount of time available (lowest price, most recognizable)
- Antecedent States:
 - Momentary conditions
 - Emotional state (familiarity vs. novelty)
 - Energy level (self-regulation vs. impulsive buying)
 - Cash on hand
- Purchase Task:
 - Goal of a shopping trip
 - Casual shoppers versus those with intent to select
 - Embarrassing items = more items purchased

Sensory Marketing: What is it?

- Marketing that engages the sense and affects consumer perception
- Appeals to sight, sound, taste, touch, smell
- Evokes memories, create emotional response
- Aiming for congruence
 - Congruence: match between the sensation and the environment

Sensory Marketing: Sound (Music)

- Genre:
 - Category of music
 - Can be used to attract and deter customers
 - Can affect spending
- Volume:
 - Loudness of music
 - High volume increases stress response
 - Low volume can be unwelcome
- Tempo:
 - Speed of beat (bpm)
 - Longer browsing at slower tempos
 - Can help control store traffic

Sensory Marketing: Smell

- Ambient scents capable of:
 - Attracting customers
 - Increasing browsing time
 - Increasing product interaction
 - Increasing spending
 - Learned View of Odour Preference
 - **Associative Learning:** process by which we come to associate certain sensations with particular feelings
 - Scent -> Event -> Emotion
- turns into
Scent -> Emotion
- Evidence from cross-cultural studies (e.g., wintergreen)
 - In contrast to innate view of odour preference