



Eastern University, Sri Lanka,

Faculty of Commerce and Management

Final Year First Semester Examination in BBA - Specialization in Human Resource

Management - 2009/2010 (August 2011)

(Proper / Special Repeat)

HRM 4153 – Employee Resource

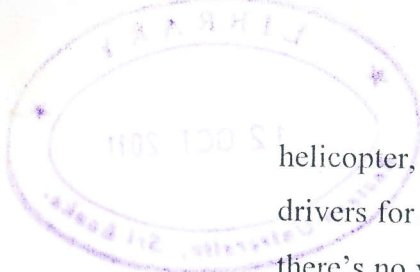
Answer all questions

Time: 3 Hours

Q1. Case Study - Dale Earnhardt, Inc

Stock car racing is one of the fastest-growing spectator sports in the United States and attracts fans from all different demographics. One of the most popular NASCAR (National Association for Stock Car Auto Racing) drivers was the late Dale Earnhardt, who died in an accident at the Daytona International racetrack on February 18, 2001. After his death, there were questions about the future of his racing empire, Dale Earnhardt, Inc. (DEI), an organization with annual revenues of over \$20 million. However, Earnhardt's widow, Teresa, was determined not to let anything happen to the organization Dale had worked so hard to build. She went from a behind-the-scenes negotiator for Dale Earnhardt merchandising to the CEO of a multimillion-dollar organization with four race teams and an assortment of other business ventures. And in so doing, she had to take on a leader's role.

Teresa Earnhardt isn't a flashy person and doesn't enjoy being the center of attention. She tends to be more emotionally guarded by nature and she's not comfortable with having to engage in small talk. She says, "I'm not an entertainer. However, I'll do what I need do." She prefers staying in the background. For instance, on race weekends, while other NASCAR owners make the rounds of the garage area, Teresa negotiates business deals, reads through contracts, and deals with employee issues. She approaches decisions differently from her late husband, as well. While Dale was more adamant, spontaneous, and headstrong—after all his racing nickname was "The Intimidator"—Teresa makes more calculated decisions. She uses her quiet demeanor and strong determination and character to make DEI even more successful. DEI's female CEO may be quiet and subdued, but she's no pushover. Soon after assuming control of the company's business decisions, Teresa eliminated some excessive corporate expenses, one of which was Dale's



helicopter, a luxury she felt was no longer necessary. Michael Waltrip, one of the drivers for DEI, says, "When it's the gloomiest and the darkest and other people say there's no way, that's when she really shines. She comes in with her style and takes control and fixes things." At the end of the 2002 Winston Cup season after finishing eleventh and fourteenth in the point totals standings, several high-ranking company executives were in a room discussing the pluses and minuses of the season when Teresa said, "How do I tell you guys you guys you did a good job but your results stink?" It was an "understated reminder that the season wasn't up to the standard she and Dale were used to."

Teresa's leadership style has had to evolve to meet the demands of running a successful business in an industry that's very much male dominated. NASCAR president Mike Helton has talked to her about becoming more visible—something that he thinks is important for her team and for the sport in which there are few women in positions of power. Teresa recognizes that there are times when, as the organization's CEO, she needs to be out in front as the company's spokesperson. For instance, in January 2003, Teresa helped Dale Earnhardt Jr. unveil the logo for the shop of his new Busch series team. And she continues her work behind the scenes, as well. Teresa helped sign her other well-known driver, Michael Waltrip, and his primary sponsor, NAPA auto parts to a new contract. So Teresa does what needs to be done. She's using her skills and strengths and working on her weaknesses to be the type of leader that will help her company survive and thrive in the rough-and-tumble racing business.

You are required to:

- i) Describe Teresa Earnhardt's leadership style. What do you think the advantages and drawbacks of her leadership style?

(10 Marks)
- ii) Do you think it's easy for a leader to change his or her preferred leadership style? Explain.

(08 Marks)
- iii) What challenge does a new leader is going to face for the replacement of old one? How did Teresa deal with these challenges?

(10 Marks)

(Total 28 Marks)

- Q2. i) "The most accurate approach for isolating the impact of HR is the use of control group in an experimental design process". Explain this statement with the problems in control group.
- (08 Marks)
- ii) What do you mean by "trend line analysis"? Illustrate the pros and cons of this approach.
- (06 Marks)
- iii) Identify some important points which need to be considered when selecting the strategy for HR programs.
- (04 Marks)
- (Total 18 Marks)
- Q3. i) What is "a typical performance measurement matrix". Explain its implication in an organization.
- (07 Marks)
- ii) "HR needs to generate hard data in order to know well it is doing and where it needs to improve". Explain the types of data needed in the measurement of HR programme systems.
- (06 Marks)
- iii) Briefly explain typical human resource management skills needed to a HR professional.
- (05 Marks)
- (Total 18 Marks)
- Q4. i) Explain the steps to gain maximum effectiveness from action plan to measure business impact and ROI.
- (08 Marks)
- ii) Briefly explain the difference between action plan and performance contract in data collection for a HR programme.
- (05 Marks)
- iii) List out some key points which are suggested for an HR impact study.
- (05 Marks)
- (Total 18 Marks)

Q5. i) "Several strategies are available to convert data into monetary values in H programs". Explain the 4 strategies which could be used in the converting process.

(08 Marks)

ii) What are the guidelines will you consider in selecting the appropriate strategy. Explain.

(06 Marks)

iii) "Determining responsibilities of a leader is a critical issue". List out the responsibilities of a leader.

(04 Marks)

(Total 18 Marks)