

Eastern University, Sri Lanka
Faculty of Commerce & Management
Final Year First Semester Examination in BBA (Specialization in HRM)
2016/17 (January 2019)
(Proper/Repeat)
HRM 4013 Strategic Human Resource Management

Answer all five (05) Questions.

Time: Three Hours

Q1. Read the case study and answer the questions given below.

Developing a Learning Strategy at Wellread Books

Wellread Books is a high street retailer established in 1993 as a single bookshop but which has since grown rapidly and is now present on many of the UK's high streets and in many shopping centres. Until 2005, Wellread served only the book market – particularly specializing in children's books – but following the appointment of a new chief executive, the company increasingly diversified into a number of 'related' areas such as music, DVDs and stationery. These areas have grown to represent a substantial part of each store. Furthermore, larger Wellread stores now have cafés where customers are encouraged to browse books before they buy.

Until 2008, Wellread experienced strong growth and increasing market share in the book retailing sector. Since then, however, growth has slowed considerably, even when accounting for a decrease in consumer spending during the recent economic downturn. More worryingly, its market share has begun to recede and Wellread is losing out to its high street competitors, larger retailers who sell bestsellers at marked-down prices and online book sellers. To understand the deeper reasons for this decline, Wellread commissioned market research to explore consumers' perceptions of the store and what shoppers wanted from a book retailer. The results were mixed. The research found that Wellread rated highly on the following criteria: friendly staff and welcoming atmosphere. Moreover, the annual customer surveys show that customer service was rated highly among regular shoppers at Wellread, many reporting that they know staff by name and often drop by for coffee and to browse the books. The market research also found, however, that Wellread was rated worse than its competitors on staff knowledge (particularly in the areas of music and film), the range of titles held and speed of service. Of particular concern to the

company is the fact that the high levels of 'footfall' at Wellread stores appear to translate into comparatively low sales volumes.

The company also recently conducted its first ever employee attitude survey which asked for employee opinion on a wide range of issues, including the company itself, their jobs, why they chose to work for Wellread and what they felt they brought to the company. The survey showed that a core of workers in each store had been with Wellread for a number of years, although alongside a quite substantial transient workforce. These long-term employees appeared to be knowledgeable and passionate about books, were committed and often highly qualified. Most were concerned, however, about developmental opportunities within the company. Motivation among staff appeared to be high, although this was largely explained by an apparent loyalty to their colleagues and to their store manager. One respondent commented: 'I don't really see myself as a Wellread employee, just an employee of this particular store.'

In keeping with the relaxed atmosphere that the company seeks to develop within its stores, it advocates a paternalist approach to employee management. Commensurately, the company allows a fair degree of autonomy to store managers in how staff are managed at a local level, although whilst it promotes regular performance appraisals it is aware that some managers take the process less seriously than others. Where they are conducted, they are generally informal meetings used for employees to raise concerns or to make suggestions. Typically, no formal records are kept regarding appraisals. Wellread has always recognized that business success relies on good customer service and the focus of employee induction has been to instill in employees the importance of creating an accessible shopping environment which runs counter to the popular perception of bookshops as 'stuffy' places and booksellers as 'snobby' and 'condescending'. New employee induction is, however, typically brief and conducted by the store manager, often involving little more than a chat as they 'walk the shop'. The only separation of staff on the shop floor is between café and store workers. Store workers typically work where needed in response to demand. Following induction, training activity for customer service advisors is limited. All shop staff are trained in the use of the point-of-sale technology and given a brief tutorial in the shelving system. Staff are trained as and when necessary if new technology is introduced into the store (for example, there is talk of introducing an Espresso book machine).

into some stores which can create bound copies of out-of-print books to order). Café staff are given training in using the coffee machine and in basic health and safety. Drawing on all the information gathered in the review process, Wellread has devised a five-year growth strategy focused on increasing sales and efficiency, improving customer perception and awareness of the brand and differentiating itself in the marketplace.

Questions

- a) How might **Learning and Development Activities** contribute to Wellread's business strategy? (04 Marks)
- b) What do you think should be the **objectives of Learning and Development Interventions of the Wellread Books?** (04 Marks)
- c) Where would you focus **Learning and Development Activity** for customer service advisors, new employees and store managers? (06 Marks)
- d) What **types of behaviours** would you seek to develop among these employee groups to contribute to the **achievement of Strategic Objectives?** (05 Marks)
- e) What would be the **most appropriate mechanisms** through which to deliver these **HRD Interventions?** (06 Marks)

(Total 25 Marks)

Q2.

- a) What is **Strategy?** And describe **importance of Strategy** in the Human Resource Management. (05 Marks)
- b) Describe in detail the **role of HR Professionals** (Employee Advocate, Human Capital Developer, Strategic Partner and Functional Expert) in Business with suitable examples. (06 Marks)
- c) "Performance Management is Critical if the organization is to progress". Outline the **relevance of Performance Management** to HR Practitioners and highlighting the linkages to the organizations mission and strategic objectives. (06 Marks)

- d) Identify and briefly explain the **key components of Effective Compensation Package** for the Post of Manager in Banking Industry. (06 Marks)

(Total 23 Marks)

Q3.

a) Write the appropriate answer in your script for the following multiple-choice questions.

- I. In Strategic Human Resource Management, HR strategies are generally aligned with
 - a) Business strategies
 - b) Marketing strategies
 - c) Finance strategy
 - d) Economic strategy
- II. Which of the following is closely associated with Strategic Human Resource Management?
 - a) Efficient utilization of human-resources
 - b) Attracting the best human resources
 - c) Providing the best possible training
 - d) All of the above
- III. HR is concerned the search for vertical and horizontal integration is a key driver in the attempt to become 'more strategic'. Horizontal integration means:
 - a) That different activities and initiatives need to mutually supportive and designed in a holistic way
 - b) That managers and employees need to work more closely together
 - c) That leadership and management need to be brought closer together
 - d) That different management functions need to stop working in 'silos'

IV. Match the following

Business strategy	Compensation strategy
A. Invest to grow	1. Stress on cost control
B. Manage earnings – protect markets	2. Stimulate entrepreneurialism
C. Harvest earnings – reinvest elsewhere	3. Reward management skills

The correct answer is

- a) A-1, B-2, C-3
- b) A-2, B-1, C-3
- c) A-2, B-3, C-1
- d) A-3, B-1, C-2

V. High Performance Work System leads to,

- a) Superior employee performance
- b) Low labor costs
- c) Safer workplaces
- d) Less employee turnover rate

VI. The company's plan for how it will balance its internal strengths and weakness with external opportunities and threats in order to maintain competitive advantage is known as,

- a) Environmental scanning
- b) HR Strategy
- c) Policies and procedures
- d) Strategy

VII. You have been tasked with building employee engagement at the firm you work for. Strategic Human Resources Initiatives you would consider implementing include:

- a) Employee recognition programs
- b) Employee recognition programs and management development programs
- c) Job design indicators
- d) Diversity programs

- VIII. Which of the following are the decisions to be made while devising the strategies to hire?
- a) Geographic distribution of labour markets comprising job seeker
 - b) Make or buy employees
 - c) Sequencing the activities in the recruitment process
 - d) All of the above
- IX. Reward strategies should:
- a) Reward talented people from the start to prevent them from leaving
 - b) Match real contribution and value add with real rewards
 - c) Include long-term incentives to reward performance in the short term
 - d) Take into account that "stars" are consistent in their delivery
- X. The following strategy option should be used to bring people together to share knowledge from dispersed parts of the organization.
- a) Communities of practice
 - b) Storytelling
 - c) Competitive intelligence
 - d) E-learning

(10 x 01 = 10 Marks)

b) Mark true (✓) or false (×) in your script for the following statements.

- I. To be maximally effective, the Human Resource Management functions of a company must be isolated from the company's strategic management process.
- a) True
 - b) False
- II. Only Human Resource personnel within an organization are responsible to strengthening the talent pool.
- a) True
 - b) False

- III. The strategic focus on the management and development of human resources can be linked to the deliberate promotion of HRD strategies as a catalyst for the attraction and retention of talented employees.
- a) True
 - b) False
- IV. A winning employee value proposition of EVP is defined as everything an employee experiences within an organisation including intrinsic and extrinsic satisfaction, values, ethics and culture.
- a) True
 - b) False
- V. A Learning organization constantly monitors its environment, assimilates information, makes decisions, and flexibly restructures itself to complete in an ever-changing environment.
- a) True
 - b) False
- VI. Knowledge workers are skilled at avoiding information overload.
- a) True
 - b) False
- VII. The reciprocal relationship between strategic planning and human resource planning means that strategic planning affects, and is affected by, HR planning.
- a) True
 - b) False
- VIII. Performance Management Systems make clear to employees what is expected of them and ensure line managers and strategic planners that employee behavior will be in line with the company's goals
- a) True
 - b) False

- IX. Core competencies are the skills and abilities developed within an organization which competitive advantage can be created and maintained
- a) True
 - b) False
- X. In a two-way linkage, an organization is restricted from considering the human resource issues while formulating its strategic plan.
- a) True
 - b) False

(10 x 1 = 10 Marks)

(Total 20 Marks)

Q4.

- a) Differentiate the terms of **Performance and Potential** of the employees. **Workforce and Succession Planning** leads to Compensation Management in the Talent Management end to end process. Discuss with suitable examples. (06 Marks)
- b) What is **Learning Agility**? Briefly discuss the **role of Learning Agility** in the Talent Management Process. (06 Marks)
- c) A knowledge repository should be a one-stop shop for knowledge application. Employees should be able to find out what they need in order to access, understand, and apply the cumulative experience and expertise of the organization. In this way, knowledge workers can concentrate on doing their actual work and not lose precious time trying to find all the bits and pieces of knowledge and know-how that have already been captured, coded, vetted, and made available to them. Reuse of proven knowledge not only can serve to increase efficiency and effectiveness but can free up knowledge workers to devote their efforts to innovate and creative knowledge to be added to corporate memory, as opposed to reinventing what has already been developed or solved.

In many cases, reusing knowledge is nontrivial. This counterintuitive result is generally due to two particular problems. In an organization of more than moderate complexity, it is difficult to locate the knowledge to be reused. Workers may be unaware that the

knowledge may be held in the organization and correctly identified, but may simply be in the wrong form for the task; the essential information may be only implicit in the repository. The knowledge may have to be reconfigured in some way to meet the requirements of the task at hand. In addition, the knowledge may require some partial modification. Here, understanding the knowledge requirements of both the users and their tasks is the key to understanding, identifying and using the correct knowledge from the various sources. This in turn would enable more leverage to be gained from the knowledge already at hand, thereby increasing the returns on the investment in those knowledge assets.

Analyze the **importance of Knowledge** and how **it can be used** in an organization?

(07 Marks)

(Total 19 Marks)

Q5.

a) Define the term “Employer **Brand**”. How can **Employee Value Proposition (EVP)** be helped to **retain** the potential employees and **attract** the talent people in an organization?

(05 Marks)

b) Assume that you are HR Manager in ABC Company that is highly profitable. However, there is a concern that employee engagement is low. You are requested to answer the following questions:

I. How **would you assess** whether employee engagement is low?

(02 Marks)

II. What **key indicators** might you capture to measure the impact of employee engagement in the ABC Company?

(03 Marks)

III. What **strategies** would you suggest to improve the engagement of the employees in the above company?

(03 Marks)

(Total 13 Marks)