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EASTERN UNIVERSITY

Eastern University, Sri Lanka
Faculty of Commerce & Management
Final Year First Semester Examination in BBA (Specialization in HRM)
2012/13 (Feb/Mar 2015)
(Proper)

HRM 4013 Strategic Human Resource Management

Answer all Questions

Time: Three Hours

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

PlasticCo Company: Creating an Engaged Workforce

PlasticCo Company is a leading plastics manufacturer producing blow-moulded plastic bottles for the Sri Lankan food and drink industry. The company grew in the 1990s from the merger between several medium-sized manufacturing businesses. The company operates from eight areas across the Sri Lanka and has a turnover in excess of Rs.100 million. It currently has a workforce of around 650 employees and is part of a multinational packaging group of companies.

The leadership style at PlasticCo has traditionally been described as 'top-down' with an autocratic approach to problem-solving. However, recent changes in senior management have led to a new strategic direction for the company. A new managing director was appointed in 2010, bringing a more participative vision. With full board support, a business case was made for a three-year transition towards an involvement-orientated culture. At the heart of this approach are people development, teamwork, communication and a more open leadership style. The new management team made clear that the company was profitable and performing well and that the change was part of a new strategy of continuous improvement towards greater performance. PlasticCo joined the Kingston Business School Employee Engagement Consortium at the start of this transition to help assess the levels of engagement in the company and identify potential avenues for improvement.

The majority of PlasticCo employees work within the bottle-producing factories operating the blow-moulding machinery. There are head office functions such as personnel, managerial and administrative roles outside of the factory, but these are relatively small in number. The factory work setting presents many challenges for managers trying to increase employee engagement. Many of the jobs require a relatively low level of skill and are repetitive, with tasks including transporting materials around the factory and operating particular parts of the machinery. Employees generally have few qualifications. A further challenge is the shift pattern on which the factory process is based. Around 80% of factory employees work a strict 12-hour shift

pattern, with four days on followed by four days off. Shifts either run through the day (8am–8pm) or night (8pm–8am). The production process runs 24 hours a day, 365 days including all bank holidays and Christmas Day. Employees have to adjust their home life to the system and adapt to unsociable working hours. A further potential challenge is the working environment, which is noisy and hot.

Considering the challenges in the manufacturing setting and traditional management at the company, it was a bold move from the senior managers to attempt to change to a more participative approach. One of the first steps the managing director took was to set up an 'Employee Engagement Steering Group' involving key managers from across the organisation. A leadership and development manager was also appointed with the specific role of increasing the engagement of the workforce. The incumbent to this role described the company as being at a crossroads: 'we either go on as before or we take some risks, involve and let go of some things'. She also stressed that the change is 'not about driving employees to work harder, but about providing the conditions under which they will work smarter and to offer their opinions and solutions to problems that they encounter.'

Demonstrating the new participative approach, all PlasticCo employees were included in an employee engagement questionnaire conducted for this project. A total of 650 questionnaires were distributed and 484 were returned, providing a high response rate of 75%. Thirty interviews were also conducted with managers from various departments and levels.

The results of the survey suggest that at the start of the change process the company had a generally 'high' level of engagement in the workforce, with 60% of employees in this category. However, only 7% of employees were 'very' engaged and 3% had a 'low' level of engagement. This outcome was not a huge surprise for the senior management team but gave a measure of the work that was needed to create a highly engaged workforce. Levels of engagement frequency were slightly higher. Forty-nine per cent of the respondents indicated that they were engaged once a week and another 26% are engaged on a daily basis. In contrast, 7% said they are rarely engaged. Through the survey, the company is having less number of fully engaged employees in the working place. Therefore, following results from engagement survey, PlasticCo need to address uncovered three main areas like decision-making, communication management and organisational advocacy to improve employee engagement. So senior management at PlasticCo Company want to develop the good engagement strategies based on above three uncovered areas to enhance the engagement of the employees in the company.

Questions:

- i. Define Employee Engagement. What are the key problems in this case study?
(08 Marks)
 - ii. Explain the causes of the above problems mentioned in the question No i. And how can these problems be managed to sustain Employee Engagement in PlasticCo Company?
(10 Marks)
 - iii. What advice can you provide to enhance the Employee Engagement in PlasticCo Company?
(10 Marks)
- (Total 28 Marks)**

- Q2. a) What is meant by the concept of “fit” in Strategic Human Resource Management (SHRM)? And describe the practical significance of SHRM.
(05 Marks)
- b) “While employees want to contribute more, research has shown that only 21% employees are being fully engaged by the organizations”. Justify your answer with examples.
(07 Marks)
- c) Describe the challenges faced by HR Mangers to implementing the HR strategies in Sri Lankan organizations?
(06 Marks)
- (Total 18 Marks)**

- Q3. a) Employee Value Proposition (EVP) specifies what employees will get from the organization When they meet organization’s expectations. Develop an EVP for a specific organization.
(06 Marks)
- b) “Strategic Human Resource Management facilitates building distinctive business capabilities”. Discuss this statement.
(05 Marks)
- c) Explore the different types of Knowledge in a Sri Lankan Banks and what are the strategies to overcome the Knowledge Management issues in Sri Lankan Banking Industry?
(07 Marks)
- (Total 18 Marks)**

Q4. a) Describe the importance of an effective Rewarding Strategy and what components are inherent in a Reward Strategy?

(06)

b) Effective and customized Resourcing Strategies are crucial to gain the competitive business. Explain while discussing the dynamics of business environment and challenge resourcing.

(06)

c) "In a Knowledge Economy, managing the Knowledge worker drives sustainable growth". Discuss this statement within the framework of Knowledge Management.

(06)

(Total 18)

Q5. a) Write short notes on any three of the following

- i. Organizational Learning Strategies
- ii. 9 Box
- iii. Internal and External Resourcing
- iv. Process of Talent Management

(04 x 03 Marks = 12)

b) What are the differences between Performance and Potential of the employees organizations? And describe the selection errors made by the appraisers during the Performance Evaluation.

(06)

(Total 18)