

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE AND MANAGEMENT
Second Year Second Semester Examination in BBA/BCom 2005/06

(January-2008)

HRM 2214 HUMAN RESOURCE MANAGEMENT

Answer all questions



Q1.

CASE STUDY

Mr. Kapil Kumar and Mr. Abbas Ali were working in a scooter manufacturing public sector industry as Senior Quality Control Engineers in 2005. One post of Deputy Chief Quality Controller has fallen vacant due to the retirement of the incumbent and the management decided to recruit a qualified, knowledgeable and experienced professional from outside so that the present quality standard may be improved thus ensuring better marketability of their scooters in the face of stiff competition. Mr. Kapil Kumar, who was a mechanical engineer with about 15 years experience in the Quality Control Department dealing with mopeds and scooters, could have been promoted to fill the post on the basis of seniority. However, the management was looking for a graduate in statistics with experience in latest Quality Control (QC) techniques like statistical quality control; quality assurance and other related areas rather than a mechanical or automobile engineer with the routine experience in quality control. As such instead of promoting Kapil Kumar, the management advertised for the post of Deputy Chief Quality Controller - since as per company rules it was DR (Direct Recruitment) vacancy also.

Selection of Outsider

Out of the applications received in response to the advertisement, six candidates were called for interview including the two internal candidates, Mr. Kapil Kumar and Mr. Abbas Ali. The person selected was an outsider, one Mr. Ratnam, who had over 12 years experience SQC, quality assurance etc., in the two-wheeler private manufacturing industry. Mr. Ratnam joined within 2 months time expecting that in his new position he would be the main controller for quality.

However, after joining the organization he came to know that he would be the second senior person in the hierarchy for controlling the quality and would be reporting to one, Kirpal Singh, the Chief for Quality Controls. Mr. Kirpal Singh had come up to this post by seniority and was basically a diploma holder in automobile engineering. He had to his credit about 28 years of industrial experience, out of which 20 years were spent in Quality Control Department of two industries. He joined the present organization in its Quality Control Department and had 17 years experience in the organization and was due for retirement within the next 2 or 3 years. On learning about the retirement time of Mr. Kirpal Singh, Mt. Ratnam had the consolation that he would be able to take up the position of 'Chief Controller of Quality' very soon.

Interference from Top

Ratnam could not put forth many good suggestions (for quality control) because of the interference and direct supervision of Kirpal Singh. He, however, could pick up a good deal of knowledge about the working of the company, the nature and tendency of different production department heads particularly with regard to care for quality organization for 'QC' in the company, the various components required for assembly of the company's two-wheeler scooter and the expected quality standards, drawback in the present system of quality controls. etc.

Right from the time the advertisement for the selection of Deputy Chief Quality Controller appeared, the O.A. (Officers Association) of the organization had been pressing the management to consider the case of Kapil Kumar for promotion to the above post based on his seniority in the organization.

Meanwhile, the management obtained a license in 1989 for producing Three Wheeler Autos. As a result of this and the pressure from O.A., Ratnam was transferred to look after the Quality Control Department at the company's new Three-Wheeler plant, whereas Kapil Kumar was promoted as Deputy Chief Quality Controller in the present two-wheeler scooter plant in 1990 (after creating an additional post of Deputy Chief Quality Controller for the new Project).

In 1991, the State Government, which controlled the company in question, changed the Managing Director. During the regime of this new Managing Director, Kapil Kumar was promoted as Chief (Quality Controls) next year, when Kirpal Singh retired. This decision was based on the recommendations of Kirpal Singh and partly attributed to pressure from O.A., for further promotion of Kapil Kumar based on his vast experience in the Quality Control function of this industry. Abbas Ali rose to the position held earlier by Kapil Kumar.

Allotment of Company Quarters

The Company had its own township near the factory. Its quarter allotment scheme was based on the length of service, i.e., date of joining. Ratnam had asked for a suitable quarter at the time of interview and was thus allotted a tile quarter meant for the Senior Engineer's cadre. He learnt about this, after occupying the quarter. Ratnam asked for a change of Quarter - preferably a RCC-roof quarter, - but his request was turned down, since he had put in only few months of service whereas many others senior to him, on the beds of their longer length of service in the Company (having over 10 years service), were staying in tiled-roof quarters and were awaiting a chance for a RCC-roof quarter. Kapil Kumar and Abbas Ali were residing in RCC-roof quarters. Soon after Kapil Kumar's promotion to the post of Chief (Quality Controls), he was allotted a bungalow.

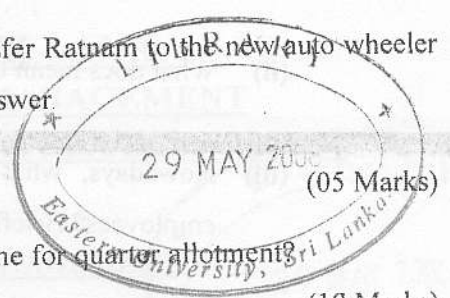
The management's decision in this case must be viewed in the context of the downtrend in the demand for scooters and three-wheeler autos during 1993 following complaints from dealers about the deteriorating quality of components as also their short life. Notably the complaints had risen ten-fold in that year as compared to that in 1988.

Questions:

- (a) Identify the major issues of the case. (08 Marks)
- (b) Was the management justified in taking a decision to recruit a qualified and experienced person from outside as Deputy Chief Quality Controller?

(05 Marks)

(c) Was it in the interest of the organization to transfer Ratnam to the new auto-wheeler plant and promote Kapil Kumar? Justify your answer.



(d) How would you react to the management's scheme for quarter allotment?

(10 Marks)

(Total 28 Marks)

Q2. (i) "Human Resource Planning is a prerequisite for effective management of human resources". Analyze the significance of Human Resource Planning?

(04 Marks)

(ii) How does the HR manager contribute to the Human Resource Planning? Explain.

(04 Marks)

(iii) List out the factors which contribute to the determination of HR supply?

(04 Marks)

(iv) Discuss any three Demand forecasting techniques for HR in an organization?

(06 Marks)

(Total 18 Marks)

Q3. (i) Explain the functions of Trade Union relating to trade union members and industrial organization?

(08 Marks)

(ii) How can a company determine its recruitment processes for effective HR practice? Explain.

(04 Marks)

(iii) Why is it important for recruiters to have a thorough understanding of labour markets and how they work? Explain.

(06 Marks)

(Total 18 Marks)

Q4. (i) Briefly explain the factors used to select the appropriate training method for staff levels officers in Sri Lanka.

(05 Marks)

- (ii) What does mean by job design and explain the factors affecting the job design. (08 Marks)
- (iii) Nowadays, what are the factors influences in determination of pay levels of employees? Briefly explain with examples? (05Marks)
- (Total 18 Marks)**

- Q5.** (i) "Performance appraisal is not merely for appraisal but is for accomplishment and improvement of performance". Briefly explain. (04 Marks)
- (ii) Explain the procedure for taking disciplinary action to the employees in an organization? (08 Marks)
- (iii) Discuss about the industrial disputes in Sri Lankan Context. Use the real examples. (06 Marks)
- (Total 18 Marks)**