

**EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE & MANAGEMENT**

**Second Year Second Semester Examination in BBA/ B.Com 2009/10
(September 2010) (Repeat)
HRM-2214 Human Resource Management**



Answer all questions

Time: 03 hours

01. Case Study: Perks that keep the workers in their place

With almost 3000 guest rooms and more than half a million square feet of meeting space, the Green Land hotel outside Kalkuda, Batticaloa boasts of being the biggest hotel and convention centre in the East. So why this is highly acclaimed colossus currently renovating a second-hand motel with 300 beds half an hour's drive up the road? And why did it appoint a manager with experience of supervising student hostels to run it?

The answer lies in acute shortage of labour that now afflicts many of the Sri Lankan fastest growing regions. Quite simply, the Green Land Hotel needs to attract and keep-qualified staff and to do that it is resorting to an extensive range of perks, Including, for 300 of its major unior staff, cheap housing. As Todd Smith of Green Land puts it, the resort-cum-conference centre aims to be the 'employer of choice' in the Kalkuda area and employee benefits-rather than higher pay- are the route it has chosen.

The hotel – if it can be called that – is a lavish and punctiliously maintained complex built almost 20 years ago and steadily expanded since; preserving the principle that it should remain under one roof. keeping up the standards that made the Green Land Hotel one of the Sri Lankan top ten convention venues- a massive and expanding Sri Lanka market- takes a cast of thousands: 4600 for the hotel, including 150 gardeners and a further 2000 if you include the real 'outside', maintaining the golf course, showboat that plies the river and gave the hotel its name.

The 300 workers housed by the company are charged 4750.00 (about SLR 24.50) a day for rent and may stay only three months (there is a waiting list for places). They are predominantly workers, many from south, who are just finding their feet in the cuntry.

The 'housed' workers are a small minority of the total, but other perks are open to all: a nursery on the premises; one free meal per shift in the company cafeteria, plus cheap meals to take away; continuing education and training programmes that include English as a second language (which also has a waiting list); and bus transport to and from work.

In India, such perks might be taken for granted. In Sri Lanka, where 'outsourcing' and 'buying in' are the rule, they are a welcome benefit for workers, whose most urgent complaints is how little time they have for their families. The manpower shortage has a given workers a chance to turn the tables, just a little, on their bosses.

Nor most Opryland unique. From across the Sri Lanka come reports of company-owned blocks of flats, on-site clinics, subsidised childcare, and even fully fledged schools, with after-school activities. More and more companies sited in far-flung 'business parks' are introducing on-site shops or a supermarket ordering and delivery services. With the unemployment rate nationally running at 4.2 percent and still falling, the labour shortage has become an increasingly conspicuous problem in many areas of the country. But it is especially acute in the mid-west and central southern states. In Tennessee, where the April jobless rate, at 4.1 per cent was slightly below the national average, there are variations between the prosperous suburban areas and poorer rural and inner city districts, just as there are in other states. but so far as the Kalkuda area is concerned, the jobless rate for all practical purposes is, as Todd Smith puts it, 'pretty much nil'.

His observation is borne out in all manner of ways: in city cafe's that must restrict their menus for shortage of staff, in poorly cleaned hotel rooms-'we just can't get enough help'- in the stalling of house building for lack of laborers and in the ubiquitous 'help wanted' signs in shop windows. The most vivid evidence is the number of advertisements in the free employment newspapers that promise 'signing-on' bonuses of hundreds of dollars for a commitment to stay at least 90 days.

One result of the boom in perks is a revival of something akin to the 'company town', but for more other reasons. While enlightened 19th- century industrialists on both sides of the Atlantic provided education and housing out of a sense of paternalistic responsibility for social idealism today's Sri Lanka proprietors are acting out of pure capitalist concern for the bottom line.

The irony is that in doing so, they risk replicating the model of the former communist economy where the workplace was the provider of everything from nurseries to schools, clinics, canteens and shops - a model long denounced by the southern people as clumsy and irrational.

Strangely, perhaps, the one benefit that Sri Lankan employers are so far resisting - except for certain highly trained specialists - is substantially higher pay. This is a cause of considerable relief to economists, who fear a return of inflation. But it is deficient consolation to the low-paid: their perks, however welcome, bind them ever more tightly to their employer which is just what the company intended.

Questions:

1. Since the Green Land Hotel is one of the biggest recruiters in its area, why does it need to offer rewards other than a wage/salary?

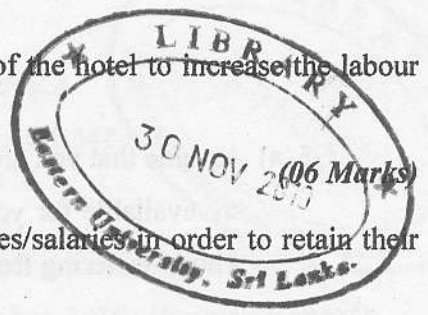
(08 Marks)

2. With a considerable shortage of labour, why do you think that the management of the hotel only offer short-term rewards such as limited time stay at subsidised accommodation?

(06 Marks)

3. What suggestions could you make to the management of the hotel to increase the labour force? (06 Marks)

4. Why does the Opyrland hotel resist paying higher wages/salaries in order to retain their staff? (04 Marks)



(04 Marks)

(24 Marks)

Q2. a) Describe the importance of Human Resource Management to SriLankan Context. (06 Marks)

b) "Human Resource is the most Significant Resource compared with other resources in the organization" Discuss this statement? (07 Marks)

c) "Although the terms education, training, and development are highly interrelated they can be differentiated." Verify this statement? (06 Marks)

Q3. a) Define performance appraisal and bring out the salient areas in Performance Appraisal (05 Marks)

b) What is Job Evaluation? What are the methods of Job Evaluation? State their advantages and disadvantages? (06 Marks)

c) Explain with reasons a more appropriate selection process for the following kinds of employees:
I. Lecturer
II. Accountant
III. Management Assistance
IV. Public relation officer (08 Marks)

Q4. a) "Job Analysis is indeed a cornerstone of HR activities". Clarify this Statement. (06 Marks)

b) What are the principles of welfare Management? Discuss the importance of employees welfare as a Human Resource function. (05 Marks)

c) Explain the differences between the following pairs of concept.
I. Job Analysis and Job Evaluation
II. Pay and rewards
III. Job profile and Candidate Profile
IV. Career Planning and Career Development (08 Marks)

(08 Marks)

Q5. a) Assume that you are a departmental head of an organization. Explain the methods are available for you apply in order to reduce the mental frustration of an employee who is suffering from a grievance.

(06 Ma A

c) What is Human Resource Planning? State the need and process of Human Resource Planning?

(05 Ma

b) Write short notes on the following:

1. Grievance Procedure.
2. Wage and Salary Administration.
3. Types and Techniques of Training the Employees
4. Employee induction

(08 Ma

nsw

01

02

03

04