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**POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19)**  
**END TERM EXAMINATION (TERM -III)**

Subject Name: Human Resource Management

Time: **02.00 hrs**

Sub. Code: PG-17

Max Marks: **50**

**Note: 1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**

**2. All questions are compulsory in Section A, B & C. Section A carry 2 Case Studies of 10 marks each, Section B carries 2 questions of 10 marks each and Section C carries 5 questions 2 marks each.**

**SECTION - A**

**10×02 = 20 Marks**

Q. 1: Read the Case Study and answer the questions given below:

Premier Chemicals is a Rs 2000 crore company headquartered in Ahmedabad. The company manufactures bulk drugs as well as formulations, and markets its products across the country as well as countries in Europe and South Asia. The company is traditionally run and is fully controlled by the promoters. However with the advent of competitive environment, the company felt the need for revamping operations and restructuring the organisation structure. The VP - HR was given a three month period for completing the revamping recruitment process. The VP HR engaged an HR\ consultant and assigned them the following tasks:

- Mapping the existing business profile and strategy of the organization
- Mapping the competencies of the existing manpower
- Reviewing the requirements of the existing manpower vis-a- vis the new organization structure
- Identify the competency and manpower gaps
- Retraining and redeploying of manpower
- Preparing of a position-wise succession plan and a matching career plan for the employees

The company recorded an average performance of only 17% increase in sales and profit as against the envisaged 40%. The CEO in his annual review meeting with the departmental heads reviewed the situation, and during the course of the brainstorming, they identified the following Some of the employees who do not possess the required level of competencies were recommended for promotion by the HR consultant and were promoted by the HR department with a view to complying with the recruiting and staffing target period. A few of the new recruits were found to be taking confidential information to the competitors. A subsequent investigation revealed that some of them were actually planted by the competitors.

Q.1(a): What went wrong with the recruitment process? (5)

Q1.(b): What processes should have been put in place to avoid the recruitment and selection errors made? (5)

Q.2: Read the Case Study and answer the questions given below:

**Appraising the Secretaries at Sweetwater University**

Rob Winchester, newly appointed vice president for administrative affairs at Sweetwater State University, faced a tough problem shortly after his university career began. Three weeks after he came on board in September, Sweetwater's president, Rob's boss, told Rob that one of his first tasks was to improve the appraisal system used to evaluate secretarial and clerical performance at Sweetwater U. The main difficulty was that the performance appraisal was tied to salary increases given at the end of the year. Therefore, most administrators were less than accurate when they used the graphic rating forms that were the basis of the clerical staff evaluation. Each administrator simply rated his or her clerk or secretary as "excellent." This cleared the way for all support staff to receive a maximum pay increase every year.

But the current university budget simply did not include enough money to fund another "maximum" annual increase for every staffer. Furthermore, Sweetwater's president felt that the custom of providing invalid performance feedback to each secretary was not productive, so he had asked the new vice president to revise the system. In October, Rob sent a memo to all administrators telling them that in the future no more than half the secretaries reporting to any particular administrator could be appraised as "excellent." This move, in effect, forced each supervisor to begin ranking his or her secretaries for quality of performance. The vice president's memo met widespread resistance immediately—from administrators, who were afraid that many of their secretaries would leave for lucrative jobs; and from secretaries, who felt

that the new system was unfair. A handful of secretaries had begun quietly picketing outside the president's home on the university campus. The picketing, caustic remarks by disgruntled administrators, and rumors of an impending slowdown by the secretaries (there were about 250 on campus) made Rob Winchester wonder whether he had made the right decision by setting up forced ranking. He knew, however, that there were a few performance appraisal experts in the School of Business, so he set up an appointment with them to discuss the matter.

He met with them the next morning. He explained the situation as he had found it: The present appraisal system had been set up when the university first opened 10 years earlier. A committee of secretaries had developed it. Under that system, Sweetwater's administrators filled out form. This once-a-year appraisal (in March) had run into problems almost immediately, since it was apparent from the start that administrators varied widely in their interpretations of job standards, as well as in how conscientiously they filled out the forms and supervised their secretaries. Moreover, at the end of the first year it became obvious to everyone that each secretary's salary increase was tied directly to the March appraisal. For example, those rated "excellent" received the maximum increases, those rated "good" received smaller increases, and those given neither rating received only across-the-board cost-of-living increases. Since universities in general—and Sweetwater in particular—have paid secretaries somewhat lower salaries than those in private industry, some secretaries left in a huff that first year. From that time on, most administrators simply rated all secretaries excellent in order to reduce staff turnover, thus ensuring each a maximum increase. In the process, they also avoided the hard feelings aroused by the significant performance differences otherwise highlighted by administrators.

Two Sweetwater experts agreed to consider the problem, and in 2 weeks they came back to the vice president with the following recommendations. First, the form used to rate the secretaries was grossly insufficient. It was unclear what "excellent" or "quality of work" meant, for example. In addition, they recommended that the vice president withdraw his earlier memo and no longer attempt to force university administrators to rate at least half their secretaries as less than excellent. The two consultants pointed out that this was, in fact, an unfair procedure since it was quite possible that any particular administrator might have staffers who were all excellent—or conceivably, although less likely, all below standard. The experts said that the way to get all the administrators to take the appraisal process more seriously was to stop tying it to salary increases. Salary increases would be made on some basis other than the performance appraisal, so that administrators would no longer hesitate to fill out the rating forms honestly.

Rob thanked the two experts and went back to his office to ponder their recommendations. Some of the recommendations (such as substituting the new rating form for the old) seemed to make sense. Nevertheless, he still had serious doubts as to the efficacy of any graphic rating form, particularly if he were to decide in favor of his original forced ranking approach. The experts' second recommendation—to stop tying the appraisals to automatic salary increases—made sense but raised a practical problem: If salary increases were not to be based on performance appraisals, on what were they to be based

**2(a)** Do you think that the experts' recommendations will be sufficient to get most of the administrators to fill out the rating forms properly? Why? Why not? What additional actions (if any) do you think will be necessary? (5)

**2(b)** What performance appraisal system would you develop for the secretaries if you were Rob Winchester? Defend your answer. (5)

#### **SECTION – B**

**10×02 = 20 Marks**

Q. 3: You are the training manager of a retail sector company and you have organized a two day Workshop to train newly recruited sales management trainee from across the country. Design a training program for the two day workshop so as to ensure a seamless execution of the programme.

Q. 4: Suppose HR planner estimates that because of several technological innovations your company will need 25% fewer employees in 3 years. What actions would you take today? Explain the techniques of Employee demand forecasting?

#### **SECTION – C**

**02×05 = 10 Marks**

Q.5 (A): HR processes are designed to acquire, reward, develop and maintain/ protect human resources. What are the desirable end results of such processes?

Q. 5 (B): Explain the direct financial compensation and indirect financial compensation.

Q. 5 (C): Explain the grievance model suggested by national commission of labor.

Q. 5 (D): Explain the career stages of an employee. What career development interventions organization provides at every stage?

Q. 5 (E): Industrial relation focuses on maintaining harmonious relationship between management and labor. How collective bargaining can be used for the same.