

**Eastern University, Sri Lanka**  
**Faculty of Commerce & Management**

**Third Year First Semester Examination in BBA- Specialization in Human Resource  
Management - 2009/10 (Proper)**

**HRM 3023 – Human Resource Planning and Staffing**

**Answer all Questions**

**Time: Three Hours**

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

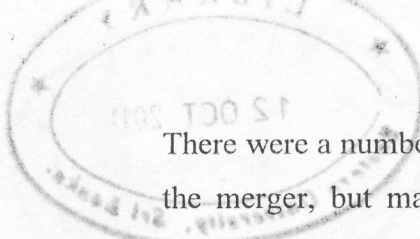
**Human Resources and International Mergers**

For many years, Union Bank has been one of the Sri Lanka's major clearing banks. Last year, following a period of intense negotiations amidst a realignment of global financial institutions, the board agreed to recommend a merger with the Singapore – based Eastern Banking Corporation. Essentially, the merger was a takeover of Union Bank by Singapore – based Eastern Banking Corporation, which was considered inevitable in light of the troubled position of Union Bank in global banking and declining profitability.

The troubles for Union Bank began in the early 1990s when the bank faced an environment that was increasingly competitive and fast moving. A series of bad financial decisions, combined with the need to reprocess operations, had led to declining profits and a growing crisis of confidence among shareholders, essentially the institutional investors and pension funds, who exerted pressure to maintain dividends. One result was a pressure on the cost base and a succession of voluntary and compulsory redundancy programmes. In 1992, there were 45,000 employees, but after 'downsizing', there is now around 25,000 staff, over 80% of them employed in the Sri Lanka.

In the weeks leading up to the merger, staff at Union Bank became increasingly concerned about their future. Apart from the expectation that a further round of redundancies would be initiated, it was becoming clear that the merger would involve a restructuring and redefinition of roles, including a flattening of the grading structure.

Furthermore, redundancy was this time likely to involve compulsion only. Many employees saw that their careers would become very unsettled and/or would 'plateau'.



There were a number of key employees in Union Bank who were vital to the merger, but many of these employees were beginning to seek work elsewhere, usually with other financial institutions.

Employee representative within Union Bank had already expressed their concerns about these fears and the lack of information emerging from management disclosures. 'communications about what is happening is a black hole; there seems to be no light at all'. They also reminded management of earlier difficulties with employees, particularly among those who had remained following previous rounds of redundancy.

Senior managers from Union Bank and Eastern Banking Corporation eventuality they had to respond; they could not afford to lose key employees to the opposition. They wanted to plan to manage the change so that full information could be shared and employees treated with 'honesty and respect', whatever their fate. Management also wanted to make sure that all actions were based on good principles of Human Resource Management. They turned to the Human Resource team for advice.

Questions:

1. What are the key problems in 'downsizing', and how can these be managed to maintain employee morale in Union Bank? (08)
2. What advice would you provide to managers on the 'good principles of Human Resource Management' during the time of merging and or takeovering? (12)
3. What are the key career issues in Union Bank, and what advice can you give to remove or improve employee concerns? (10)

(Total 20)

- Q2.**
- a) Why should Human resource plan be integrated with the overall organizational strategic plan? (08)
  - b) "The interview is the most dominant method of employee selection in most organizations." Discuss with justification. (08)
  - c) Assume you are supposed to develop a recruitment advertisement for a specific job. Design a recruitment advertisement for a specific job. (08)

(Total 18)

Q3. a) "Assessment centers are fair and valid way of selecting employees" do you agree or disagree with that statement. Explain with reasons.

( 07 Marks)

b) What strategies are available to an organization when there is a shortage of employees and a surplus of employees?.

( 05 Marks)

c) Define web-based recruitment. Analyze the advantages and disadvantages of using web-based recruitment.

( 06 Marks)

**(Total 18 Marks)**

Q4. a) Formulate job description and job specification of a technical related job in an organization.

( 07 Marks)

b) What are the most common selection criteria that organization use when making selection decision?

(06 Marks)

c) Define employee retention and explain how an organization can retain its employees?

( 05 Marks)

**(Total 18 Marks)**

Q5. a) Explain the common interview mistakes that can be taking place during interview process and suggest the suitable recommendation to avoid those mistakes.

( 06 Marks)

b) Write short notes on the following

I. Outsourcing

II. Personality test

III. Competitive base pay

IV. Flexible working arrangement

( 4\*3= 12 Marks)

**(Total 18 Marks)**