

Eastern University, Sri Lanka
Faculty of Commerce & Management
Third Year First Semester Examination in Bachelor of Business Administration -
Specialization in HRM - 2017/18 (July/August 2019)
(Proper/Repeat)
HRM 3023 Human Resource Planning and Staffing

Answer all (Five) questions.

Time: 3 Hours.

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

Human Resource Planning Strategies at CDX Bank

For many years, CDX Bank has been one of the Sri Lanka's leading 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 Indian based Eastern Banking Corporation (EBC). Essentially, the merger was a takeover of CDX by EBC, which was considered inevitable in light of the troubled position of CDX in global banking and declining profitability.

The troubles for CDX 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 are now around 25,000 staff, over 80% of them employed in the Sri Lanka.

In the weeks leading up to the merger, staff at CDX 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. There were a number of key employees in CDX who were vital to the success of the merger, but many of these employees were beginning to seek work elsewhere usually with other financial institutions.

Employee representatives within CDX had already expressed their concerns about these fears and the lack of information emerging from management discussions - 'communications about what is happening is a black hole; there seems to be no plan at all'. They also reminded management of earlier difficulties with employee morale among those who had remained following previous rounds of redundancy.

Senior managers from CDX and EBC eventually felt they had to respond: they could not afford to lose key employees to the opposition, and they wanted to plan to manage the change so that full information could be provided and employees treated with 'honest and respectful' whatever their fate. Management also wanted to make sure that all actions were based on good principles of HR. They turned to the HR team for advice.

Case Study Questions:

- a) What advice would you provide to manager on the 'good principles of HRM' during merger or takeover? (04 Marks)
- b) What are the key HR problems in 'downsizing' in the above case study? (04 Marks)
- c) How can these be managed by the CDX Bank to maintain employee morale? (04 Marks)
- d) List out the key career issues in CDX Bank. (04 Marks)
- e) What advice can you provide to HR manager of CDX Bank to remove or address employee concerns regarding merger or takeover? (05 Marks)

(Total 21 Marks)

Q2.

a) "When an organization is planning its future needs of employees, it is a serious mistake to think primarily in terms of number, flows and economics models." Discuss this statement with suitable example.

(04 Marks)

b) Outline three (03) internal and three (03) external factors need to be taken into account for the forecasting the manpower needs of organizations. What kinds of information might an HR planner want to gather about external labour market to make an effective HR Planning?

(05 Marks)

c) What are four (04) requirements to be considered for an effective Managerial Succession Planning System? Briefly explain two (02) barriers that are faced by HR Manager of an organization to make an effective Succession Planning System.

(06 Marks)

(Total 15 Marks)

Q3.

a) Suppose that a Regional Sales Manager who need to hire four Sales Peoples through recruiter. On this context, what types information must be exchanged between the Regional Sales Manager and the recruiter to maximize the likelihood of a successful recruiting effort?

(05 Marks)

b) "A good Application Form is fundamental to an effective selection process." Do you agree or disagree with this statement? Why should HR Manager conduct background investigation to select any employees for a new job in an organization?

(05 Marks)

c) Contrast Employee Development with Career Development and how might a formal career development programme be consistent with an organization's affirmative action programme?

(06 Marks)

d) What is Competency? How Competency-Based Approach is aligned with business strategy of an organization?

(05 Marks)

(Total 21 Marks)

Q4.

- a) Assume that as a result of HR Planning, A Hospital has identified a shortage of Physiotherapists but a surplus of Administrative Workers. Briefly discuss what actions might be taken to address these problems. (06 Marks)
- b) List out the importance of Orientation Programme for the new employees of an organization. As the HRM Student, how you would conduct the Orientation Programme for new Management Trainees of a Private Bank in Sri Lanka? (06 Marks)
- c) List out the information would be included in the Job Specification and Job Description of the post of Accountant in the Government organization. Briefly discuss the role that Job Analysis plays in the successful implementation of other HRM policy functions. (06 Marks)
- d) Effective recruitment is vital to the success of any organization. Briefly describe how an organization can use recruitment to achieve its business strategy and objectives. (05 Marks)

(Total 23 Marks)

Q5.

- a) What is Human Resource Forecasting? Differentiate between Projections, Estimation and Forecasting. (04 Marks)
- b) Briefly explain four reasons why do organizations turn to private employment agencies for their recruitment? (04 Marks)
- c) Briefly describe the Trend Analysis, Nominal Group Technique and Delphi Technique to forecast the Human Resources of an Insurance Company in Sri Lanka. (06 Marks)
- d) Differentiate the terms of 'Human Resource Planning' and 'Strategic Planning'. How is Human Resource Planning integrated with Strategic Planning of an organization? (06 Marks)

(Total 20 Marks)