

August 2015

Master of Business Administration (MBA) Examination
II Semester

Fundamentals of Human Resource Management

Time : 3 Hours]

[Max. Marks : 80

Note : Attempt any four questions from Section A. All questions carry equal marks. Section B is compulsory and carries 20 marks.

Section A

1. "Human Resource Management functions pervade the entire organization then why we need a separate Human Resource Management department ?" Discuss.
2. Discuss as a Human Resource Planning Manager of a newly established company with an installed capacity to produce 50,000 units of cycles, how would plan your company's salesmen requirement at all India level ?
3. Discuss the training program you would design to train the newly selected salesmen by the newly established company manufacturing 50,000 cycles annually.
4. What do you understand by Job Evaluation ? Discuss the methods of Job Evaluation.
5. Write notes on any two of the following :
 - (a) Potential Appraisal
 - (b) Career and Succession Planning
 - (c) Implications of Knowledge Transfer
 - (d) Global Scenario in HR Acquisition.

Section B

6. Analyze the following case and answer the questions given at the end of the case :

HEAVY INDUSTRIES LIMITED

Heavy Industries Ltd. is a large undertaking employing about 3,000 employees. The main production unit consists of several large departments in operations and maintenance. The company has seven layers at the non-executive level.

Vacancies are filled through one of the following methods :

- (1) Direct recruitment from the open market.

- (2) Promotion of eligible employees as per lines of promotion through the departmental promotion committee.
- (3) Internal circulars confined to the employees working in a particular department or alternatively through internal circular open to all the employees of the unit as per the conditions of eligibility.

If there is a vacancy in a higher grade, a departmental promotion committee is constituted for promoting the eligible person from the next lower grade in the same line in promotion. The committee consists of the departmental head and an officer from the Personnel Department. The minimum eligibility period for promotion from one grade to another is three years.

If there were an urgent need to fill up a vacancy in a department and the persons in the next lower grade are not eligible for promotion due to non-fulfillment of the minimum eligibility period or otherwise, internal circular is issued inviting applications from the persons with at least two years experience in the next lower grade belonging to the same department. But if the eligible persons are not found, the coverage of the internal circular is extended to all the departments of the unit for filling up the vacancy.

For promotion, seniority-cum-merit is the criteria. In the case of internal circulars, however, merit is the only criteria for selection. In the case of a tie, the senior-most candidate is selected.

Last year, in one of the maintenance departments there were four vacancies for the post of Crane Operators in Grade I. There were many operators in the next lower grade, i.e. Grade II, but none of them had completed the minimum eligibility period. The head of that department felt that these vacancies should be filled up urgently and recommended that an internal circular be issued.

The Personnel Department issued an internal circular inviting applications from candidates who had completed two years in the Grade II level within that department. As per the policy, the selection was to be done through a two-stage screening process consisting of technical efficiency test and an interview. The technical efficiency test was conducted by a committee consisting of representatives from the concerned department, Training Department, and Personnel Department.

In the present case, the operators were required to operate the same equipment which they were operating in Grade II because even after their selection and absorption as Grade I operators, they would be required to operate the same equipment.

Five applications were received. The senior-most among the five was Khan whose past performance was satisfactory. Satisfactory rating was given to such persons whose performance was just tolerable; it did not debar them from promotion. The technical efficiency test was given to all the candidates. Khan failed in the test, and the junior-most person among the five topped the list.

For various reasons, the list of the selected candidates was not officially notified for three months. One day, the five operators stopped work and obstructed the work of others for about six hours in protest against the delay.

Then the selection order of the four candidates was notified and Khan's name did not figure in that. Khan raised in objection saying that he was dropped because he belonged to a particular union and the other four were selected because all of them belonged to another union. Khan's union also backed him and insisted that the selection was biased. The industrial relations situation in the department gradually started deteriorating.

Questions :

1. Discuss the key issue in this case. Explain how the matter could have been handled ?
2. At this stage of the problem, what kind of options does the management have ?

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