

VPM's
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Programme: MMS (2014-16)
Second Semester Examination April 2015

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| Subject | Human Resource Management (Div B) | | |
| Roll No. | | Marks | 60 Marks |
| Total No. of Questions | 7 | Duration | 3 Hours |
| Total No. of printed pages | 3 | Date | 16-04-2015 |

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Keeping Suzanne Chalmers

Thomas Chan hung up the telephone and sighed. The vice-president of software engineering at Advanced Photonics Inc. (API) had just spoken to Suzanne Chalmers, who called to arrange a meeting with Chan later that day. She didn't say what the meeting was about, but Chan almost instinctively knew that Suzanne was going to quit after working at API for the past four years. Chalmers is a software engineer in Internet Protocol (IP), the software that directs fiber-optic light through API's routers. It was very specialized work, and Suzanne was one of API's top talents in that area.

Thomas Chan had been through this before. A valued employee would arrange a private meeting. The meeting would begin with a few pleasantries, then the employee announces that he or she wants to quit. Some employees say they are leaving because of the long hours and stressful deadlines. They say they need to decompress, get to know the kids again, or whatever. But that's not usually the real reason. Almost every organization in this industry is scrambling to keep up with technological advances and the competition. Employees would just leave one stressful job for another one. Also, many of the people who leave API join a start-up company a few months later. These start-up firms can be pressure cookers where everyone works 16 hours each day and has to perform a variety of tasks. For example, engineers in these small firms might have to meet customers or work on venture capital proposals rather than focus on specialized tasks related to their knowledge. API now has over 6,000 employees, so it is easier to assign people to work that matches their technical competencies. No, the problem isn't the stress or long hours, Chan thought. The problem is money—too much money. Most of the people who leave are millionaires. Suzanne Chalmers is one of them. Thanks to generous stock options that have skyrocketed on the stock markets, many employees at API have more money than they can use. Most are under 40 years old, so they are too young to retire. But their financial independence gives them less reason to remain with API.

The Meeting

The meeting with Suzanne Chalmers took place a few hours after the telephone call. It began like the others, with the initial pleasantries and brief discussion about progress on the latest fiber-optic router project. Then, Suzanne made her well-rehearsed statement: "Thomas, I've really enjoyed working here, but I'm going to leave Advanced Photonics." Suzanne took a breath, then looked at Chan. When he didn't reply after a few seconds, she continued: "I need to take time off. You know, get away to recharge my batteries. The project's nearly done and the team can complete it without me. Well, anyway, I'm thinking of leaving."

Chan spoke in a calm voice. He suggested that Suzanne should take an unpaid leave for two or maybe three months, complete with paid benefits, then return refreshed. Suzanne politely rejected that offer, saying that she needs to get away from work for a while. Thomas then

asked Suzanne whether she was unhappy with her work environment— whether she was getting the latest computer technology to do her work and whether there were problems with co-workers. The workplace was fine, Susanne replied. The job was getting a bit routine, but she had a comfortable workplace with excellent coworkers. Chan then apologized for the cramped workspace, due mainly to the rapid increase in the number of people hired over the past year. He suggested that if Suzanne took a couple of months off, API would give her special treatment with a larger work space with a better view of the park behind the campus like building when she returned. She politely thanked Chan for that offer, but it wasn't what she needed. Besides, it wouldn't be fair to have a large workspace when other team members work in small quarters. Chan was running out of tactics, so he tried his last hope: money. He asked whether Suzanne had higher offers. Suzanne replied that she regularly received calls from other companies, and some of them offered more money. Most were start-up firms that offered a lower salary but higher potential gains in stock options. Chan knew from market surveys that Suzanne was already paid well in the industry. He also knew that API couldn't compete on share option potential. Employees working in start-up firms sometimes saw their shares increase by 5 or 10 times their initial value, whereas shares at API and other large firms increased more slowly. However, Chan promised Suzanne that he would recommend that she receive a significant raise—maybe 25 percent more—and more stock options. Chan added that Chalmers was one of API's most valuable employees and that the company would suffer if she left the firm. The meeting ended with Chalmers promising to consider Chan's offer of higher pay and stock options. Two days later, Chan received her resignation in writing. Five months later, Chan learned that after a few months traveling with her husband, Chalmers joined a start-up software firm in the area.

Questions:

- a) Why didn't money motivate Suzanne Chalmers to stay with APL?
- b) Do financial rewards have any value in situations such as this, where employees are relatively wealthy?
- c) Of what importance is job design in this case?
- d) If you were Thomas Chan, what strategy, if any, would you use to motivate Susan Chalmers to stay at Advanced Photonics Inc?
- e)

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Define HRM. Explain various functions of HRM.
- b) What is Job Analysis? Explain in detail the process involved in job analysis.
- c) What are the various functions of Job evaluation committees?

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What is the purpose of Job specification? Explain any five points.
- b) Explain the meaning of Job Worth
- c) What is the role of HR manager in retaining competent employees in an organization?

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) How do we calculate Manpower Gap analysis?
- b) Using Yield Ratios to how do we determine needed applicants?
- c) Discuss in detail current issues related to Employee Motivation

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What are the various strategies to increase Employee retention?
- b) How to calculate employee turnover using Composite rate method?
- c) What are the various uses of composite rate formula?

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Explain in detail design of a training programme.
- b) What are the various Organization Development Interventions used by HR?
- c) What are different types of rating errors? Explain in detail.

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What are the various types of Organizational change? Explain any five in detail.
- b) Explain the roles of the employees, managers and organization in Career planning.
- c) What is the meaning of Code of Discipline? Explain principles of Code of Discipline.