VPM's DR VN BRIMS, Thane Programme: PGDM (2016-18)

PGDM Trimester VI Examination April 2018

Subject	MIS & HR Analytics		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	06.04.2018

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions. Q1) 20 Marks (Compulsory)

Jake, managing partner in an accounting firm. His most important problem is attracting the right employees. His second most important problem is retaining these people. It turned out that every year over 20% of the employees left his organization. When asked Jake how expensive he thought it is to replace an accountant. After he deliberated on the question, he estimated it to be around Rs.100,000 per accountant. It turned out that Jake was losing money just as fast as he was losing employees. His organization's turnover was greatly reducing his profit margins, and he wasn't even fully aware of it. A lot of people mention turnover/retention analytics.

Employee turnover is a large problem for some companies – especially when it comes to the company's high potentials. The so-called 'war on talent' hits everyone. Take developers for instance: the difference in performance between the world's best and worst developers is more than 10x! This phenomenon is, however, not unique to IT. In most industries, the top 20% of people produce about 50% of the output. This was found amongst writers, inventors, football players, policemen and other occupations (Augustine, 1979). These exceptional people just do things better than the rest of us. We all want to hire these top 20% people. And when we hire them, we want to retain them badly. This is what the 'war on talent' is about. However, these talented people get offered lots of opportunities, which make it harder for them to resist the temptation to switch jobs every so often.

When an employee leaves the organization, the organization loses money. There are additional numbers of things that may happen as well: a) **Knowledge and contacts are lost.** b) **Negative impact on colleagues.** c) **Onboarding of new hires.** d) **Hiring is expensive.**

We calculated that 15% of his annual revenue went to replacing and onboarding new personnel. We are talking about more than 10 million dollars on total revenue of 80 million dollars! If Jake could retain each employee for an additional year, his company would save over 2 million dollars annually.

One of the biggest misconceptions out there is that managers cannot do much about reducing turnover. Well, they can, and as always: prevention is better than cure.But that's not all: imagine if Jake would already know which employees are most likely to leave. He would be able to effectively apply these above-mentioned solutions in order to keep these employees.

This is where analytics comes in. By analyzing people data and applying predictive models, Jake will be able to predict in which department turnover is most likely to grow. Additionally, Jake gets insight into the factors that trigger quitting. Controlling and influencing these factors are essential to retain his people.

Questions:

- 1) What do you understand by this case and what would you title this case?
- 2) If Jack uses Analytics, how do you think Analytics will help this case and what model of Analytics will be helpful here?

Attempt Any FOUR from the Remaining SIX Questions Q2) Any two from (a) or (b) or (c) (5x2) = 10 Marks

- a) Define Systems Approach to Management and Explain Seven Elements of Systems Approach
- b) Classify Systems Approach, Advantages and Disadvantages of Systems Approach
- c) Define HRIS, Objectives of HRIS and Models in HRIS

