

2005/2006 SEMESTER 2 - SEMESTRAL EXAMINATION

Course : Diploma in Business Management
Diploma in Marketing
Diploma in Financial Services

Module : BM0055 – Human Resource Management & Practices

February 2006

Time Allowed: 2 hrs

INSTRUCTIONS TO CANDIDATES

- 1 This examination paper consists of **SEVEN (7)** pages including this page.
- 2 There are **THREE (3)** Sections in this paper:
Section A (40 marks) - Answer any **TWO (2)** out of the three (3) questions
Section B (25 marks) - Answer **ALL** questions
Section C (35 marks) - Answer **ALL** questions
- 3 All answers should be written in the answer book provided.
- 4 Start a new question on a fresh page and indicate the question number clearly.
- 5 This examination carries a total of **100 marks** and constitutes **50%** of your module grade.

SECTION A (40 marks)

Answer any **TWO (2)** out of the three (3) questions in this Section.

Question 1

Mary Lee has just joined a start-up company as a HR Executive. Being a start-up company, many systems in the company are not in place. Mary was told that the company operates on a very tight budget and she has to think of creative ways to keep cost low when implementing any new HR initiative. Mary felt that in order to perform her role effectively, she must explain to her superior on the importance of human resource management (HRM) and the need for the company to give sufficient focus to HRM.

- (a) Explain briefly the importance of HRM to Mary's superior. (4 marks)
- (b) Briefly explain to Mary's superior how HRM can contribute to the company in the following HR functions:
 - (i) Recruitment (2 marks)
 - (ii) Training (2 marks)
 - (iii) Compensation (2 marks)
- (c) To keep cost low, Mary would like to computerise the human resource process by leveraging on technology and provide self-service in various HR functions.
 - (i) Suggest four (4) HRM functions that can be provided through self service. (4 marks)
 - (ii) State one (1) advantage and one (1) disadvantage of using self-service for HRM functions. (2 marks)
- (d) With advanced technology and the global economy, Mary notes that there is an increasing reliance on knowledge worker. Briefly explain:
 - (i) the term knowledge worker. (2 marks)
 - (ii) the implications of knowledge worker on the company. (2 marks)

Question 2

Jane Wee is the Human Resource Manager of Eng Eng Departmental Store. The vision of the company is to be "The leading departmental store in Singapore, providing fashionable and creative designs". Lately customers have been complaining about the quality of customer service at the store. Mr Jo Wong, the Operations Director, asked Jane to undertake a training needs assessment and to plan training programs to improve the service quality of the staff. Mr Wong also noticed that staff morale has been low and teamwork was lacking. Staff turnover for new employees, especially those within the first six months of employment, has been high.

- (a) Define Training Needs Assessment (TNA) and briefly explain how training can support Eng Eng Departmental Store's vision.
(6 marks)
- (b) In line with the vision of Eng Eng Departmental Store and the other employee issues in the store, suggest two (2) relevant training programs and give your reasons why Jane should consider providing these programs for employees.
(4 marks)
- (c) State four (4) benefits of providing training programs for employees in Eng Eng Departmental Store.
(4 marks)
- (d) To address the issue of high turnover rate within the first six months of employment, Jane proposed introducing an orientation program for all new hires.
 - (i) Define staff orientation.
(2 marks)
 - (ii) State four (4) purposes of orientation program for new hires.
(4 marks)

Question 3

As the HR Executive of the company, you are in charge of all pay and benefits schemes and programs. In view of the growing popularity of flexible or cafeteria benefits, your management has asked that you review the current benefits plan and whether there is a need to convert to flexible or cafeteria benefits.

- (a) Explain briefly to your management the meaning of flexible or cafeteria benefits.
(2 marks)
- (b) State two (2) advantages and two (2) disadvantages of flexible or cafeteria benefits.
(4 marks)
- (c) Identify and briefly explain the three (3) criteria to guide you in deciding which type of benefits to include in the new program.
(6 marks)
- (d) If your proposal to convert to flexible or cafeteria benefit is accepted,
 - (i) Suggest three (3) relevant formal communication channels to let employees know about the new benefit program
(3 marks)
 - (ii) Identify two (2) other parties besides human resource who should be responsible for the communication.
(2 marks)
 - (iii) State any three (3) consequences of poor employee communication to the parties in (dii) above to ensure that they do a good job in their communications with employees.
(3 marks)

END OF SECTION A

SECTION B – COMPULSORY (25 marks)

Answer **ALL** questions in this Section.

Career Development For Talents

Henry is one of the partners of a prestigious auditing firm. In the past, the firm has no problem in attracting good talents and retaining them in the organization. Of late, Henry noticed that two distinct groups of employees are leaving the firm at higher rates. The first group is young executives with less than 5 years of service in the firm and the other group is experienced middle management employees in the age range of 38 to 45. The main reasons given by the young executives who resign were limited career prospects and career development programs. Feedback from the middle managers who resign were either stress related or lack of work challenge.

To address the problems, the human resource manager proposed to redesign the career development programs in the firm. Two new development initiatives to be rolled out include increasing the job experiences for employees and starting a mentoring program. The mentoring program is designed to create formal links between mid-level employees with top executives. Employees will be evaluated through an assessment centre before they are placed in the mentoring program.

Question 4

- (a) Identify and briefly explain the career phases for each of the two (2) groups of employees who are leaving Henry's firm. (7 marks)
- (b) Identify two (2) possible causes of mid-career difficulties for those who resigned in the age range of 38 to 45 and suggest two (2) ways to counteract them. (4 marks)
- (c) Briefly explain the concept of the mentoring program used in Henry's firm as a form of employee development. (3 marks)
- (d) Briefly explain the purpose of an assessment centre and list any four (4) types of exercises Henry's firm may use in an assessment centre. (5 marks)
- (e) Suggest and briefly explain two (2) relevant forms of job experiences as employee development for each of the two groups of employees with high turnover. (6 marks)

END OF SECTION B

SECTION C - COMPULSORY CASE (35 marks)

Answer ALL questions in this Section.

Hire or Not to Hire

"Maggie, what do you mean by saying that I have to justify my need for the Sales Assistant's position? Four of my ten Sales Assistants just quit, and I want an immediate replacement. We have ten Sales Assistants in my outlet for the last fifteen years that I have been here. If we have needed them in the past, certainly we will need them in the future."

This is the beginning of a conversation between Dane See, Operations Manager with CityCool Store, and Maggie Seow, Human Resource Manager. CityCool is an apparel chain with 5 outlets and 115 employees. The last few months, it has been troubled with lower sales figures and higher staff turnover. The last quarter economic outlook shows a poor growth of 2 per cent. This has alerted Maggie to revisit the HR planning and its recruitment & selection of staff. She noticed that the Operations Dept has been given too much "freedom" to hire without justification for each staff replacement.

Maggie observed that merely because the Operations Dept has ten Sales Assistants for many years does not automatically mean that all of them are still needed in view of the current turbulent sales situation. Maggie is warranted in asking for justification that the position be filled. She believes that too many times individuals fall into the trap of saying, "We have always done it that way," and do not analyse present needs. Maggie is planning to put things right by updating and communicating the policies and procedures of HR planning, selection & recruitment for CityCool. She is considering a 10 per cent reduction of total staff strength and would still hire based on needs. She wants to ensure that human resources are carefully planned and that CityCool is recruiting and selecting the right people for its outlets.

Question 5

- (a) Briefly explain to Dane See the importance of Human Resource Planning. (3 marks)
- (b) State the four (4) steps of Human Resource Planning that CityCool could be adopting and give one (1) example for each of the step from the case. (6 marks)
- (c) Recently, the staff turnover in CityCool has been high. Suggest three (3) ways in which the organisation can improve the effectiveness of their recruiters. (6 marks)

- (d) Suggest and briefly explain to Maggie Seow four (4) external recruitment sources she can consider when planning to recruit Sales Assistants.
(6 marks)
- (e) It is also important for CityCool to consider alternatives to recruitment in view of the economic downturn. Suggest two (2) types of alternatives to recruitment.
(2 marks)
- (f) Recently, some organisations in Singapore are using unusual and creative recruitment methods. Recommend and briefly explain two (2) such methods you have read to CityCool.
(6 marks)
- (g) With the current staff turnover of CityCool, it may be timely to take stock of its skills inventory. Briefly describe the contents of skills inventory and explain how this information is used in HR planning.
(6 marks)

END OF SECTION C

END OF PAPER