

5489

MANAGEMENT PROGRAMME

Term-End Examination

December, 2011

MS-23 : HUMAN RESOURCE PLANNING

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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- Note :
- (i) There are two Sections A and B.
  - (ii) Attempt any three questions from Section - A.  
All questions carry 20 marks each.
  - (iii) Section - B is compulsory and carries 40 marks.
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SECTION - A

1. Explain the concept and process of HRP. Describe the manning standards and utilisation of Human Resource Planning.
2. Discuss different kinds of roles. Describe the factors contributing to role changes in an orgn with suitable examples.

3. Explain the aims and objectives of career planning. Discuss the career planning process and also highlight the benefits of having career planning in an organisation.
  
4. Discuss the concept of HRIS. Describe an IT supported HRIS and its advantages with suitable examples.
  
5. Write short notes on *any three* of the following :
  - (a) Human Resource Inventory
  - (b) Job Specification
  - (c) Potential Appraisal
  - (d) Sources of man power supply
  - (e) The cost approach in HRA.

## SECTION - B

6. Read the following case and answer the questions given at the end.

K.M.T. Ltd. is a government undertaking situated near Cochin. It manufactures textile machinery and other machine tools, and has about 4,000 employees. The company till 1984 had a good business record. It started showing declining results because of competition from four new private sector industries. This setback was further aggravated because of competition from H.M.T. and P.M.T. in the area of manufacture of machine tools. Adding to this was K.M.T. Ltd.'s failure to diversify into other areas though it had enough capacity, particularly with regard to variety in machine tools and textile machinery. It was also noticed that the costs of textile machinery and other machine tools produced by K.M.T. Ltd. were higher than those produced by other companies.

The company was managed by the Managing Director, Mr. Menon, under the guidance of the Board of Directors. The General Manager, Mr. Joseph, was incharge of production. The company's management thought of adding two new departments, namely Industrial Engineering and Cost Accounting. A few old hands were selected from within the organisation and were sent for training to NPC, Madras, and ICWA. Following this, the section heads of these

two departments - Industrial Engineer Srikumaran, and Cost Accountant, Nambiar - began their departmental activities. They were promoted as Senior Industrial Engineer and Senior Cost Accountant and subsequently to the Chief's post. It was, however, noticed that these two departments could neither effectively check nor control manufacturing costs with the available talent.

The MD in order to check the cost factor thought of recruiting well-qualified and experienced individuals for the senior-level posts of industrial engineer and cost accountant. An advertisement for the two posts was given and to attract qualified personnel, the salary offered was in the higher grade of 'G4' (Spl). The Officers Association (OA) approached the MD and requested him not to recruit outsiders for these posts, but instead, arrange for suitable training for existing experienced officers of these departments and promote them afterwards. They also objected to the recruitment of outsiders in a higher grade of 'G4' (Spl) instead of the usual 'G4' grade. Under pressure from the OA, the personnel department sent the interview letters indicating the correction in recruitment grade to 'G4'. A large number of outside candidates wrote back saying that they would be interested, provided they were considered in 'G4' (Spl) grade as already advertised. Under the advice of the MD, telegrams were sent asking candidates to appear for the interview and which also stated that the 'G4' (Spl) grade would be considered.

Seven candidates, including two departmental officers, appeared for the Industrial Engineer's post and eight candidates, including three departmental candidates, appeared for the Cost Accountant's post. In each case, well-qualified and experienced outsiders (Mr Gopalan as Senior Industrial Engineer and Mr. Nayar as Senior Cost Accountant) were selected in 'G4' (Spl) grade as per the original plan of the MD. The General Manager, the Chief Industrial Engineer and the Chief Cost Accountant were not included in the board for selection of candidates and thus, felt neglected.

Mr. Gopalan and Mr. Nayar joined the organisation and were asked to report to their respective chiefs. The chiefs allotted some minor assignments to them, retaining major ones with either themselves or with some of their close associates (who had been recently promoted mainly on the basis of seniority).

The present profile of work assignments were covering only a limited area of industrial engineering and costing. Many other areas were not tried out and taken up; the latest techniques were also not being used. When an opportunity for promotion of both Mr. Gopalan and Mr. Nayar arose (as Chief of Industrial. Engineering was retiring and the Chief Cost Accountant had

resigned), the departmental promotion committee, consisting of the MD, GM, Chief Personnel Manager and the Chief Industrial Engineer, selected and promoted two 'G4' grade officers to 'G5' grade on the basis of their duration of service in the organisation. The cases of Mr. Gopalan and Mr. Nayar (of 'G4' (Spl) grade) were rejected as they had only a year's experience with the organisation. Both these new officers were dejected at not being considered for promotion. They had joined the Officers Association, but after this incident the two were also neglected by the OA. Mr. Gopalan and Mr. Nayar decided to quit the organisation as early as possible since they were not prepared to work under their juniors.

The business of the company declined further. Then, there came a sudden change. The MD, Mr. Menon, was replaced by Mr. Ramakrishanan. After reviewing the company's position, the new MD called Mr. Gopalan and Mr. Nayar as well as their new chiefs. He gave them new assignments and asked them (Mr. Gopalan and Mr. Nayar) to report back urgently through their chiefs.

After 10 days, Mr. Gopalan met the MD and handed over his resignation instead of the assignment report. The MD enquired about the reason for the resignation. Mr. Gopalan explained as to how he had been sidelined for promotion to

the Chief Industrial Engineer's post, and how he had been treated in the department with respect to assignments. Moreover, he stated that he was not willing to work under his junior. He also said that he had been offered a divisional head's post in a big (multi-unit) private industry and would like to join them at the earliest. He further added that he was interested in utilising his potential and talent to the fullest. The MD asked him to think over his resignation, and particularly since he was joining a private sector industry after serving in the public sector. He promised to make use of his talent at K.M.T. Ltd. itself and to look into his case and promote him as Joint Chief Industrial Engineer. After a lapse of another week, Mr. Nayar also approached the new MD with his resignation letter.

*Questions :*

- (a) Is the recruitment policy of the organisation faulty ? Why ?
  - (b) Why are Gopalan and Nayar demotivated ?
  - (c) Do you think that Gopalan and Nayar should have been selected enabling their effective utilisation ?
  - (d) If you were asked to advise Menon and Ramakrishnan about dealing with the problems of Gopalan and Nayar, what advice would you give ?
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