



BACHELOR OF SUPPLY CHAIN MANAGEMENT
SCM 1202: HUMAN RESOURCE MANAGEMENT
FINAL EXAMINATION

Date: Wednesday, 13th January 2021

Time: 2 Hours

Instructions:

Answer Question ONE and any other TWO Questions.

QUESTION ONE

During the past year, Mr Owino, the Managing Director of The Oak Place, has noticed an increase in the number of dissatisfied employees. The first complaint came from the operations manager, who has been in the organisation for more than 5 years. She was upset that another manager's salary, who was a recent hire, was 15% higher than hers. Mr Owino has explained that though newer staff had been recruited at higher pay in order to attract experienced employees, however, the salaries are within the organization's pay scales.

The second complaint came from a 50-year-old cleaner who was allegedly terminated for poor performance and has just filed an unfair termination suit against the organisation. This cleaner argued that The Oak Place fired her because she was earning a higher salary as she was on a permanent contract compared to newer employees who were on short term contracts and earning lower wages.

The employees are particularly bitter because their salaries are lower compared to those of their colleagues working in similar organisations. The Oak Place only pays the employees salaries, overtime when applicable and provides them with accommodation within the organisational premises. Also, very few employees have up to date contracts. For many employees on confirmation of employment, they were issued with a one-year contract that has never been renewed. This creates an atmosphere of uncertainty as the employees fear they can be let go from

employment at any time without a valid reason. The employees would like the organisation to give them other benefits which should be included in their contracts.

In addition, the organisation has not provided the employees with a staff handbook as a reference regarding the policies and procedures of the organisation. Hence the employees are not sure of what is expected from them by the organisation. Mr Owino has explained that the organisation is operating in a harsh economic environment; hence there is a need to manage their costs, especially the labour costs, stringently.

- a) Distinguish between remuneration and reward. (4 Marks)
- b) How do you think the organisation got into this situation in the first place? (2 Marks)
- c) Using the Stacy Adam's equity theory of motivation, explain why the employees are disappointed with their pay. (6 Marks)
- d) Identify any five benefits that Mr. Owino can offer to the employees. (5 Marks)
- e) Identify any five reasons why The Oak Place should have Human Resource policies for the organisation. (5 Marks)
- f) Using relevant examples, explain any two kinds of contracts that The Oak Place can issue to their employees, one advantage and one disadvantage of the contract. (8 Marks)

Total 30 marks

QUESTION TWO

You have recently been hired in the Assistant Operations Manager of Paulland Ltd. You have noticed that the organisation has not been investing in training and developing its employees. On raising this issue with the Managing Director, he commented that the other Managers do not understand the need to train employees. He asked that you prepare a presentation to the Executive Management on the need for training and development in the organisation.

Required:

- a) Differentiate between the terms 'training' and 'development.' (4 Marks)
- b) Management Development is the process by which individuals learn to perform effectively in a management style. Discuss any four reasons why Paulland Ltd. should have Management Development programs for some of their employees. (8 Marks)
- c) One of the steps in developing training programs is evaluation, which is to measure the effectiveness of the training programs in an organisation. Using relevant examples explain how Paulland Ltd. can evaluate the effectiveness of its training programs. (8 Marks)

Total 20 Marks

QUESTION THREE

You have recently been hired as the Human Resource Officer of M-Edge Inc. Among your major responsibility is to establish and implement a recruitment strategy that will enable M-Edge Inc. to attract and retain highly qualified talent.

Required:

- a) Identify and discuss any five reasons why M-Edge Inc. should carry out a job analysis. (10 Marks)
- b) Explain any three reasons why M-Edge Inc. would use external recruitment as part of its recruitment strategy. (6 marks)
- c) The Employment Act 2007, clearly describes circumstances under which an employee is deemed to have been terminated unfairly. Discuss any Four circumstances which lead to unfair termination. (4 marks)

Total 20 Marks

QUESTION FOUR

- a) The HR manager of Twiga Suppliers intends to make a presentation to management on "Emerging issues in Human Resource Management in Kenya". Discuss five key issues that the HR manager should address in this presentation. (10 marks)

- b) The Occupational Health and Safety Act (2007) was enacted to ensure that workplaces are healthy and safe for all. There are many benefits for organisations that ensure that working environments are safe for their employees. Discuss any five reasons why Twiga Suppliers should be concerned about health & safety in the organisation. (10 Marks)

Total 20 Marks

QUESTION-FIVE

You have recently joined a medium-sized manufacturing organisation in Nakuru as part of the management team. You have realised that the hotel has not put in place a performance appraisal system. The Managing Director would like to implement a 360-degree appraisal system and has challenged you to do a presentation to the management team on the following

- a) Explain the 360-degree appraisal method. (2 Marks)
- b) Demonstrate to the management team the importance of a performance appraisal system for the organisation. Discuss any six reasons. (12 Marks)
- c) Discuss any three challenges that the organisation is likely to face by adopting the 360-degree performance appraisal system (6 Marks)

Total 20 Marks