



STRATHMORE INSTITUTE

DIPLOMA IN BUSINESS CREATION & ENTREPRENEURSHIP

END OF SEMESTER EXAMINATION

DE 1304: HUMAN RESOURCES MANAGEMENT AND SUCCESSION PLANNING

DATE: 22nd April 2022

Time: 2 Hours

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.
3. Do **not write** on the question paper.

QUESTION ONE – COMPULSORY QUESTION

Read the following article and answer the questions that follow: -

“On Monday, Kenyans on Twitter were furious after Kentucky Fried Chicken (KFC), a fast food outlet, announced that it had run out of potatoes. In a statement, KFC said that Kenyans loved their chips over the festive season, which they have now run out of. The fast-food outlet said that as it is working to resolve the potatoes shortage, it will offer alternatives, including buns and *Ugali*. *"Fam it was truly a Furaha December. Mlikula sherehe with your KFC faves. Ya'll loved our chips a little too much, and we've run out,"* KFC tweeted. "Sorry! Our team is working hard to resolve the issue. In the meantime, here are some SWAP options for combo meals if you are craving our Kuku." KFC alongside various other fast food outlets has been importing potatoes from abroad, 'to keep up with international standards' of the various franchises. Potato production has also been on the decline with many countries reporting shortages in December 2021. The United States, Japan and South Africa are among countries that reported shortages. According to *Business Daily*, KFC CEO for East Africa, Jacques Theunissen attributes the shortage to delays in shipping lines due to the Covid-19 pandemic. "Ships have been delayed for more than a month now, but we are working hard to restore as the first containers are arriving in the port tomorrow (Tuesday)." The announcement, however, did not augur well with many Kenyans who expressed their disappointment, questioning why KFC could not source potatoes locally.” (Source: <https://www.the-star.co.ke/news/2022-01-04-kenyans-furious-as-kfc-runs-out-of-imported-potatoes-for-chips/> Accessed February 14, 2022)

- a) Using relevant examples identify ten management functions and discuss how KFC might have failed in each one of them **(10Marks)**
- b) You have been hired as the Country Human Resource Director for KFC. In that capacity, and in order to bring new impetus to the procurement docket and avert future Chips shortage, you want to hire a new Country Procurement and Logistics Officer. Design the Job description of the Procurement Officer **(10Marks)**.
- c) With help of a diagram outline five recruitment process you will follow in the recruitment of a procurement officer. **(10Marks)**

QUESTION TWO

An enterprise refers to a for-profit business started and run by an entrepreneur. Often, people running such businesses are enterprising and entrepreneurs usually start an enterprise with the associated risks to make a profit, and quite often to offer a solution to a certain need in the economy. Design a Staff Appraisal Form that you are likely to use in the enterprise you want to start after your Diploma course at Strathmore University. **(15Marks)**

QUESTION THREE

Irrespective of legal provisions, every enlightened management is concerned with the employees' health and providing safety while they are at work. The personnel department must ensure that this is done. Compliance with such provisions promotes good employee health and safety which results into greater employee efficiency and productivity as well as boosts the employee morale and loyalty.

All enterprises should have clearly laid down policies towards health and safety of their employees. The policy allows them to take all necessary steps to ensure the health and safety of staff and of all visitors to the premises. At the same time, all employees have a duty to take reasonable care regarding the health and safety of themselves and their colleagues at work.

The enterprise should be committed to maintaining and improving the work environment so that it is safe and healthy for all staff, contractors and visitors by: Complying with national occupational health and safety legislation, relevant standards and codes of practice and workers compensation legislation; Providing adequate facilities and amenities for the welfare of employees at work; Investigating all serious injuries and illness.

The employees are responsible for ensuring that their work area is safe by: Reporting all injuries and illnesses at work to their supervisor or Manager; reporting potential hazards and unsafe environments to the Manager or Chief Executive Officer or immediate supervisor and taking care not to expose anyone to danger.

- a) In light of the above, outline and discuss at least five key components of ensuring employees' health and safety is guaranteed at work. **(10Marks)**
- b) Briefly outline some of the preventive measure to ensure safety in an organisation / enterprise. **(5Marks)**

QUESTION FOUR

Employees are important to the progress of any organisation so, they should be kept happy and provided for with sustainable wages, welfare packages and other incentives which are not always given. It is therefore not unusual to see labour unrest as a result of complains of poor welfare provisions and services to the workers. Employees are of the perception that although capital is provided by the employers, they are the main resource used to bring about output and production which eventually bring back the investment and huge dividends to the employers.

a) Making reference to the above statement, give brief notes on the following **(3Marks)**

- i) Employment contract
- ii) Probation contracts/period?
- iii) Confirmation?

b) As part of statutory compliances, identify at least two payroll deductions **(2Marks)**

c) It is a statutory requirement that personnel records are maintained for all employees relating to personal circumstances and employment or benefits for statutory purposes including payroll; to ensure appropriate salary levels and benefits cover individual employees and for health and safety reasons, so that employee family/next of kin can be contacted in emergencies. Hence, it is the responsibility of the employee to provide and advise the Human Resource department of any changes in a number of personal details to keep their personal records updates and authentic. List at least 5 of these details **(5Marks)**

d) Most types of leave taken by staff should be scheduled three months in advance, with leave forms submitted at least a week before taking leave, so that adequate arrangement can be put in place to cover these absences. Identify and discuss at least five types of staff leave in organisation **(5Marks)**

QUESTION FIVE

a) Briefly discuss three types of retirement / service awards **(3Marks)**

b) It is the organisation's policy to ensure that all permanent jobs are evaluated and grouped into job grading and salary structures. The objectives of job grading and salary structures is to ensure a rank order of job worth and a grade structure within the organisation and to use the grade structure to design an internally fair and equitable salary and grading structure. Develop a 7 broad based Grade Structure for an organisation of your choice. **(7Marks)**

There are two types of personnel audit, namely; Ad-hoc and Periodic. Personnel audit can be conducted in every aspect of management of human resources and has a numbers of roles that include: appraising the staff or employee relation; highlighting how far top management has accepted its responsibility for effective personnel management and employment relations policies; and evaluating to what extent the managers have effectuated policies already enunciated. Any organisation should always do human resource planning which can be defined as a strategy for the acquisition, utilisation, improvement and retention of an enterprises human resources (Definition from the Employment Department, 1974, UK). The human resource planning process includes a number of categories of staff, each of which requires different decisions to be made. Identify at least 5 of these categories and give brief notes on each **(5Marks)**