

UNIVERSITY OF SWAZILAND
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
MAIN EXAMINATION: ACADEMIC YEAR 2011/2012

COURSE TITLE - Human Resource Management
COURSE NUMBER - BA 413
TIME ALLOWED - 3 Hours

INSTRUCTIONS

1. This paper consists of section (A) and section (B)
2. The case study in section (A) is compulsory
3. Answer any (3) three questions from section (B)

NOTE

You are reminded that in assessing your work, credit will be given on the **accuracy of language** and the general **quality of expression**, together with the **layout and presentation** of your final answer.

GOOD LUCK!!

**CANDIDATES ARE NOT ALLOWED TO READ THE QUESTIONS UNTIL THEY ARE TOLD
TO DO SO BY THE INVIGILATOR**

SECTION A CASE STUDY – COMPULSORY (40 MARKS)

READ THE CASE BELOW AND ANSWER THE QUESTIONS THAT FOLLOW

HAZEN PAPER COMPANY CASE STUDY

Walter Biggins worked for Hazen Paper Company in Holyoke, Massachusetts, as Technical Services Director. Using his educational experience as a chemist, Biggins had worked to develop new technical processes for paper coating. He had a history of frequent job changes during his 25 year career as a chemist in the paper industry. In 1976, at age 52 he joined Hazen Paper and worked there until 1986. However, his relationship with the company deteriorated, beginning in 1984 when he asked for a salary increase from \$44, 000 to \$100, 000. He felt that the company's growth and profitability had been affected positively by his technical contributions. The top managers of Hazen Paper Co., Thomas and Robert Hazen, refused his request, but offered him share options in the company; however, over time the share offer never materialized. In 1986, just a few weeks short of his becoming vested in the company pension scheme with 10 years service, Biggins was fired. Two years later, in 1988, Biggins filed a suit claiming age discrimination. His attorneys agreed to take his case for a contingency fee of one-third of any monies awarded to Biggins.

The Hazens stated that Biggins was fired because he refused to sign a non-compete agreement with the firm. Testimony in court revealed that Biggins's son, Tim had started a company that provided consulting services to some of Hazen's clients and competitors. The senior Biggins had "moonlighted"¹ by helping his son on a consultancy basis. The Hazens stated that if Biggins had signed the agreement,

¹ Moonlighting traditionally has been defined as work outside a person's regular employment that takes 12 or more additional hours per week (Mathis and Jackson, 1994)

he would still be working at Hazen Paper. Biggins had countered this argument by stating that the Hazens knew of his moonlighting and had actually approved of it.

By 1993, when the case reached the U.S Supreme Court of Appeal, the Hazens had over \$500, 000 in attorney's fees. The question before the Supreme Court was whether or not Biggins's dismissal was "willful" age discrimination, in which case any damages awarded to Biggins would be doubled. The lower Courts, had ruled in favour of Biggins stating that age discrimination had occurred and that it was willful. However, in spite of agreeing to pay \$600, 000 in damages to Biggins, the Hazens chose to fight the "willful" issue.

The U.S Supreme Court ruled against Biggins in 1993 when it said that to be guilty of willful discrimination, employers must violate the Age discrimination in Employment knowingly or recklessly. The impact of the decision was that interfering with an older worker's retirement benefits is not sufficient to get a determination of willful discrimination, thus doubling the damages. Therefore, Hazen Paper was guilty of age discrimination, but it did not have to pay the double damages.

QUESTIONS

1. Identify the Equal Employment Opportunity issues that are relevant in this case.
(10 Marks)
2. Assuming you had to provide arguments for Hazen Paper and for Biggins, what would be your key points? **(15 Marks)**
3. If you had been the HR Director of Hazen Paper in 1986, what would you have recommended to the Hazens as a way to address company concerns without creating age discrimination liabilities? **(15 Marks)**

1. (a) What is human resource planning and what differences exist in the responsibilities of line managers compared with Human Resource Specialists? **(5 Marks)**
- (b) Discuss several ways to manage both a surplus and a shortage of human resources in an organisation. **(10 Marks)**
- (c) Discuss why growth has occurred in the use of contingent workers and alternative work schedules. **(5 Marks)**

2. (a) Define Equal Employment Opportunity (EEO) and discuss the reasons why it is part of effective management. **(5 Marks)**
- (b) If you were asked by an employer to review an employment decision to determine if discrimination had occurred, what factors would you consider and how would you evaluate them? **(10 Marks)**
- (c) Define job Analysis and identify how job analysis information is used for human resources activities **(5 Marks)**

3. (a) Discuss the following statement: “ Adjusting to diversity must occur if modern day organisations are to manage the workforce of the present and the future” **(10 Marks)**

- (b) Discuss the three alternatives to downsizing **(10 Marks)**
4. (a) You are starting a new manufacturing company. What phases would you go through to select your employees? **(10 Marks)**
- (b) Discuss the following statement: “We stopped giving tests altogether and rely exclusively on the interview for hiring” **(5 Marks)**
- (c) Identify three ways to determine training needs **(5 Marks)**
5. (a) What are the three major uses of performance appraisals? **(10 Marks)**
- Suppose you are a supervisor.
- (b) What errors might you make when doing an employee’s performance appraisal? **(10 Marks)**