

**UNIVERSITY OF SWAZILAND**  
**FACULTY OF COMMERCE**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**MAIN EXAMINATION**  
**ACADEMIC YEAR 2016/2017**

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**TITLE OF PAPER:** Human Resource Management I

**DEGREE AND YEAR:** Bachelor of Commerce III

**COURSE NUMBER:** BA 306

**TIME ALLOWED:** Three (3) hours

**INSTRUCTIONS**

1. THIS PAPER CONSISTS OF FOUR (4) QUESTIONS
2. EACH QUESTION IS COMPULSORY

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

THIS PAPER MUST NOT BE OPENED UNTIL THE INVIGILATOR HAS GRANTED PERMISSION.

***INHLANHLA LENHLE (GOOD LUCK) !!!***

**Human Resource Management I (BA 306)**

**Main Examination (Total: 100 marks)**

**All Questions are Compulsory (Total: 4 Questions)**

**FULMAR FURNISHERS**

Fulmar Furnishers is a specialist discount furniture company, which was taking orders through a small chain of shops and a mail-order department for over twenty years. These parts of the business are in decline, but its telesales and new internet sales operations are growing quickly. The company is increasingly divided between an old-style furniture company with well-trained, seasoned, full-time sales staff and the newer office-based operation employing a range of part-timers with little experience of furniture retailing.

The management structure is similarly divided into a hierarchical retail operation with a central HR department, and a small team of hands-on managers in the telecentre who do most of their own hiring and firing. The personnel tasks are different in the two parts of the business. There are few changes in staff in the retail outlets other than through retirement. Human resource staff dealing with the retail outlets is employed largely in administration of sick and holiday leave, pension entitlements, staff grievances, union negotiations, and the performance and commission scheme. In contrast, there is a steady turnover of employees in the telecentre. Some staff fails to make the grade and need to be dismissed, and there are frequent recruitment campaigns. There is also a need for the administration of a complicated attendance roster. Telecentre managers try to do these tasks themselves.

To cut costs and focus more investment in the telecentre, the management board is aiming to slim down the retail business. It is questioning the value of the HR department and debating the need for human resource specialists.

**1. Reflect on the dilemma faced by the board of Fulmar Furnishers.**

- a. What are the advantages and disadvantages of maintaining the specialist HR departments? (8 marks)

- b. Outline the consequences of making the HR department redundant. (8 marks)
- c. Write down your ideal solution to the problem, with justifications, in no more than 300 words. List some specialist roles, which are worth retaining. (9 marks)

**2. Read the article (Resource 3) on “How to determine future workforce needs,” and then answer the questions that follows:**

- a. Is the Tennessee Valley Authority using a ‘hard or soft’ planning process? (6 marks)
- b. What are the main differences between demand and supply data? (6 marks)
- c. Who does HR planning at the Tennessee Valley Authority? (6 marks)
- d. What information is provided by the human resource information system (HRIS)? (7 marks)

Write about 50 words for each answer.

**3. Suppose you are interested in the development officer job at Bonnypark District Council. You phone for, and receive the attached application form (Resource 4). You also received a job description and person specification attached. The person specification follows Rodger’s seven-point plan, which is described below.**

Rodger (1953) describes a commonly used plan categorizing desired qualities under seven headings:

- **Physical qualities** – including speech and appearance
- **Attainments** – qualifications, membership of professional associations
- **General intelligence**
- **Specific aptitudes** – such as numerical ability
- **Interests and hobbies**
- **Personality**
- **Domestic circumstance**

**Using all the information accompanying this case, answer the following questions:**

- a. Examine the reliability and validity of this application form in providing information for the selection process. (9 marks)
- b. Where can you find evidence for the essential and desirable feature shown in the person specification? (8 marks)
- c. Write down the title(s) of the section(s) – if any – on the application form, which provides evidence for each feature in the person specification. (Hint: you might find it helpful to fill in the application form with your own details first). (8 marks)

**4. Reflect on our discussion on references. Write about 25 words in each case to amplify the following statements. Moreover, in each of these statements address the issue of validity and reliability.**

- a. It is wise to obtain references for all new recruits. (6 marks)
- b. Referees selected by candidates will not necessarily provide unbiased references. (6 marks)
- c. It is best for former employers to provide references on request. (6 marks)
- d. Recruiters should limit reference requests to a short list of factually verifiable items. (7 marks)

should be made in the business or within the human resources function, how many units would provide personnel services (call centres, strategy units, etc) and the degree of risk with each model that they might fail to win enough support and be carried through.

The four models were then whittled down to one. At this point the project team needed to sell the idea to Lloyds' management board before pressing ahead with any implementation. Part of the sell to the board was the prospect of savings amounting to £7.4 million, as well as a more efficient and responsive human resources set-up.

"It was critical to design plans that ensured people engaged, took ownership, and changed their behaviour," says Ms Skelton. "These success factors were all critical to achieving the savings targeted and new working practices."

She says the human resources department now gets involved in the strategic decisions of the bank, has moved to a project culture meeting cost and time constraints and has instilled a greater reliance on "self-help" - increased use of information on PCs, e-mail, manuals, kiosks and call centres to answer enquiries.

Will White says the success of the project was demonstrated by a series of staff surveys that revealed higher satisfaction after the merger. Telephone inquiries by staff were also measurably quicker and there was more information available to the staff. "The point is that companies need to be more open with their staff and Lloyds has shown it is prepared to do that. Communication is the key," he says.

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*The Guardian*, 13 February 1999  
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## Resource 3

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### How to determine future work-force needs

HR at the Tennessee Valley Authority has developed an eight-step system for creating and implementing a work-force planning process, by David E. Ripley.

Work-force planning is identifying and responding to future HR needs and can be implemented in almost any organization. It can provide a rational basis for developing and funding HR programs needed to support organizational objectives. Initially, the process used should be simple, and should reflect the size and complexity of the organization.

Successful implementation requires strong support from HR, involvement and ownership by line workers, and commitment from senior management. The degree of automated support needed depends on the size and complexity of the organization, as well as the hardware and software currently being used.

Work-force planning involves two major activities. First is developing and analyzing data that identify HR needs. This will include such data as future gaps and surpluses in the work force, diversity statistics, population demographics, health and safety statistics, turnover rates and causes, and employee-opinion survey results. The organization's mission, values, strategic goals and business objectives must also be considered data, as should federal and state laws and regulations.

The second major activity is developing responses to the identified needs. These responses may be action plans (such as recruiting or training plans), or may require developing special programs. Responses normally include both organizationwide activities and programs designed to address the specific needs of various business units.

These activities will add value to any organization. For one, work-force planning contributes to the successful accomplishment of an organization's strategic goals and business objectives. Every strategic goal and business objective has a human element that needs to be identified and provided for in a company's business plan—just as surely as that strategic goal or business objective's financial requirement needs to be identified and provided for.

But most organizations, somewhere in their value statements, also stress creating an environment that enables employees to develop their potential to the fullest, or words to that effect. Work-force planning provides a means to address these employee needs as well as business needs. For example, skill-gap and surplus information projected during the work-force planning process enables any organization to do a better job in such areas as career counselling, training, recruiting, diversity and retraining—both for employees' needs and for tailoring such programs to the specific needs of the organization and its business units. At the Tennessee Valley Authority (TVA), this information has helped the agency implement cross-organizational placement and retraining as alternatives to job cutbacks in the individual business units.

Another way that work-force planning helps add value to the organization is when business plans must be modified to deal with the unexpected. When such

circumstances occur, the work-force planning process can provide the knowledge to make intelligent decisions.

#### **Developing a work-force plan requires going through an eight-step process**

Before starting into a work-force planning process, an organization should define its desired goal. A goal could be defined as something like: "To develop human resources strategies that respond to identified employee needs and make the necessary HR contributions to the organization's strategic goals and business objectives." This definition addresses both employee and organizational needs, and points clearly to the kind of data that needs to be gathered and analyzed.

Once the desired goal has been determined, process development should begin. If work-force planning is being done for the first time, the process should be kept as simple and as "doable" as possible. Start out walking and run later.

We developed an eight-step methodology. The number of steps isn't particularly important. What is important is that there is an understandable methodology that guides business units through the process.

The steps are:

- lay out a plan and a schedule
- perform a staffing assessment
- develop demand data
- develop supply data
- compare demand and supply data
- develop the work-force plan
- communicate and implement the work-force plan
- evaluate and update the plan.

Laying out a plan and schedule will facilitate accomplishing the next seven steps better. For example, you should create planning teams and management oversight teams for each business unit during this phase that will aid in the implementation process later on.

The staffing assessment involves benchmarking your organization's staff size and skill mix against selected criteria. To do so you must decide on the specific processes or functions to be benchmarked and identify the companies with which to compare. Or, you can focus the staffing assessment internally by examining work drivers, outputs, processes and tasks. Either way, the results can be used to develop a model organization.

This activity may only need to be conducted every few years, but the results need to be continually reviewed as the organization and the business environment change. The larger and more complex the company, the more complex this step will be. Conversely, for a smaller organization – perhaps only dealing with one major function – it may be a relatively quick and simple process.

Next, you need to develop demand data by projecting, over the planning horizon, the numbers of employees and the skills that will be needed to meet business objectives. Although one would expect to move toward the model organization developed in the staffing assessment, it may take some years to get there for any number of reasons. Think of it this way: The staffing assessment

model is a destination, while the demand-data projections describe the journey to get there.

Developing supply data is done by projecting the current population over the planning horizon, as if there were no new hires. This requires attrition assumptions concerning resignations, transfers, retirements, deaths, and the number of technical trainees who fail. Assumptions may need to vary by business unit. For example, there may be a unit that has a high number of employees eligible for retirement.

After compiling both the demand data and supply data, you'll need to determine the future gap and/or surplus situation, in both numbers and skills. A gap indicates that the demand will exceed the supply; a surplus indicates that the supply will exceed the demand. Employees in occupations that are projected as surplus are considered to be "at risk." Here, it's important to identify projected gaps in skills critical to the success of the organization and to identify at-risk occupations or employees.

From here, you need to analyze the data to identify issues in three major areas:

- demand and supply data, such as skill gaps and at-risk occupations
- overall corporate issues, such as strategic goals and corporate values related to the work force
- organization-specific issues, such as business objectives or an ageing population in a particular business unit.

You then can develop a work-force plan by identifying future HR needs in these areas and developing strategies and action plans. For example, at TVA, to facilitate cross-organizational placement and retraining of at-risk employees, we developed a system for inputting supply-and-demand data at the department level that's accessible agencywide.

The work-force plan should become a part of the organization's business plan. Communicating it will bring it to life. Effective communication is vital for employees to understand its value. Therefore, you should communicate the basis of the plan, as well as its elements, to all employees. That is, communicate the business-plan strategies and assumptions that the work-force plan is based on, as well as communicating the work-force plan strategies themselves. Make the tie to the organization's business plan clear to all.

#### **Implementation and follow-through will demonstrate your commitment to the plan to employees**

Although the logic for work-force planning is sound, that doesn't mean it automatically will be embraced by managers who have many other things to do. No matter how good an idea, it probably will fail unless the organization is ready to accept it.

In addition, moving to a more proactive approach that will get you ahead on the curve involves a shift in thinking and a degree of culture change. The middle of the organization usually drives the implementation of work-force planning, and change driven from the middle – particularly when it involves a shift in culture – normally can't succeed without top-management support.

In our case, work-force planning was viewed as a vehicle to help stabilize employment, so the organization was ready for it. Support was present and has since been reinforced by our new chairman.

As mentioned earlier, a major factor in the successful implementation of work-force planning is how well the organization begins the planning process. Creating a management oversight team for each business unit during that first phase will help drive the process because managers are more likely to take ownership of, and provide support for, a work-force plan that they had a hand in developing. Each of these teams should be headed by a senior manager selected by the organization's senior executive. These teams would be responsible for ensuring that each business unit's planning team develops implementation plans that address such issues as:

- ① key milestones in plan development
- ② clarification of accountabilities
- ③ resolution of integration issues associated with the plan, such as discussions with unions
- ④ schedules for completion of activities needed to produce the work-force plan
- ⑤ the need for a comprehensive communications plan to inform employees of the plan's content, and the business and other assumptions upon which it's based
- ⑥ organizational critical success factors that the plan must address
- ⑦ performance indicators to measure work-force action plan progress in addressing critical success factors and meeting business objectives.

The function of management oversight is more important than the particular composition of the teams. In a smaller organization, the chief executive may take this responsibility personally.

There should, however, be planning teams for each business unit, rather than one for the entire company. These teams – also created during the first phase of the process – should be headed by the organization's senior human resources official or designee. Or, some organizations consider this an excellent developmental assignment for other managers. Either way, the teams should have representatives from all key units of the company and should be standing teams, although membership periodically should rotate.

The planning teams' primary responsibility is to manage the actual development of their units' work-force plan and to monitor its implementation. Further, the teams should build ongoing status reporting into the process so that the plans can be modified when necessary.

The planning teams can have subgroups work on particular issues. This is an excellent way to involve a significant number of employees at all levels in the effort. For example, several task teams can be given the job of developing recommended action plans to deal with all identified human resources issues. Another team can deal with integrating action plans with business-plan objectives and the demand forecast with projected budgets. Yet another team might take on development of the communications plan.

The planning teams must stay focused on key issues. Every action plan developed should tie to an identified HR need that in turn ties to strategic goals, organizational values and critical success factors, business objectives, or the like. Action plans should have a clear objective, and progress toward accomplishing the

objective should be measurable by an identified performance indicator. It's critical to avoid the activity trap, where the objective can become simply the check-off of activities completed rather than accomplishments.

### **Implementing work-force plans successfully requires corporate support and automated systems**

To be effective, work-force plans need to belong to the business units. The demand forecasts and action plans in particular must be owned by the business units. However, there's a need, particularly in the first few planning cycles, for significant internal consulting support from the corporate staff in developing business unit work-force plans. This support group need not be large, nor should it be doing the business units' work-force planning for them. It should, however, provide the business units with tools and functional support during the process (see "Staffers Support Business Units' Work-force Planning").

One of the tools a corporate support group should supply is a sufficient automated system and the training to use it. Of course, if an organization is small enough, work-force planning can be carried out with a tablet and a hand calculator. As the organization grows, however, it probably will need to go to a PC spreadsheet to input demand data directly and pick up supply data from PC-based human resources information systems (HRIS).

There is an increasing number of good PC-based shelf systems coming available for the small or even midsize organization. However, in a larger and more complex company that needs a number of people at many locations to access the data, an extensive automated support system may be needed. Without it, rolling up data organizationwide, and analyzing it, becomes very cumbersome.

The system an organization installs also may be driven somewhat by its existing hardware and software. In our case, we could see our best option was to go to a mainframe system. Our HRIS existed on mainframe, and although this data could have been downloaded to PCs, many of our potential users didn't have PCs. These users did, however, have access to the mainframe. In addition, we needed to keep the supply data base up-to-date. Because supply is, at all times, current population projected forward, it changes daily.

We developed an SAS mainframe application, which we call WorkForcePlanner, that goes directly to HRIS and extracts supply data as of that moment. Thus, the supply data base is maintained.

Another factor that will impact automated support-system development is the type of data contained in the organization's HRIS. At TVA, our basic planning matrix is job titles and organization codes. Demand data (staffing projections) are entered on this basis and compared to supply data generated from HRIS. The system compares the two and generates gap and surplus data over the planning horizon. We can print and analyze reports on supply and demand or gaps and surpluses on a number of HRIS criteria.

A case can be made that we need more detail on individual skills in our system. Currently, we're working to develop a skills inventory system that will allow us to integrate into our planning system more data on existing population skills and projected position skill needs.

A word of caution on automated support systems: Don't forget that every number the system produces, except for today's actual data, is a guess – a very

good guess, perhaps, but still only that. Also, the further out the projection, the more the data degrade. Building an automated system that defines future gaps or surpluses in very specific detail implies a degree of precision that simply doesn't exist.

Having an automated support system does better enable you to update and revise the work-force plan annually. Keep in mind that, above all, the planning process should serve the organization's needs. If, in the middle of the normal cycle, conditions change significantly, there should be no hesitation to modify the work-force plan and its strategies accordingly.

Each action plan should be evaluated frequently. The activities aren't an end in themselves, but are intended as an appropriate response to an identified issue. If they're being properly executed but not generating the desired result, revisit the issue.

There's no reason the process can't be expected to evolve over time as users become more sophisticated in work-force planning. The above steps, for example, have a clear internal bias, with major emphasis on staffing projections. Over time, we expect to put more emphasis on external issues, such as external supply demographics. It's probably wise to start, however, with an internal focus. To repeat, walk before you run. And if you take one step at a time, you should be able to successfully plan for your future HR needs.

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**Resource 4**

**Bonnypark District Council - Human Resources Department**

**Job Application Form**

<b>Full name</b>
<b>Address</b>
<b>Town/city</b>
<b>County</b>
<b>Post code</b>
<b>Telephone</b>
<b>E-mail</b>
<b>Position applied for</b>

**Personal history**

<b>Date of birth</b>	<b>(dd/mm/yy)</b>
<b>Marital status</b>	
<b>Nationality</b>	
<b>National insurance number</b>	
<b>Are you related to any Bonnypark District Council staff?</b>	<b>Yes/No</b>
<b>Have you worked for or applied for employment before to Bonnypark District Council?</b>	
<b>Do you hold a full driving licence?</b>	
<b>Detail any endorsements</b>	
<b>How did you learn about this vacancy?</b>	
<b>When would you be able to start?</b>	<b>(dd/mm/yy)</b>



good guess, perhaps, but still only that. Also, the further out the projection, the more the data degrade. Building an automated system that defines future gaps or surpluses in very specific detail implies a degree of precision that simply doesn't exist.

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<b>Full name</b>
<b>Address</b>
<b>Town/city</b>
<b>County</b>
<b>Post code</b>
<b>Telephone</b>
<b>E-mail</b>
<b>Position applied for</b>

#### Personal history

<b>Date of birth</b>	(dd/mm/yy)
<b>Marital status</b>	
<b>Nationality</b>	
<b>National insurance number</b>	
<b>Are you related to any Bonnypark District Council staff?</b>	Yes/No
<b>Have you worked for or applied for employment before to Bonnypark District Council?</b>	
<b>Do you hold a full driving licence?</b>	
<b>Detail any endorsements</b>	
<b>How did you learn about this vacancy?</b>	
<b>When would you be able to start?</b>	(dd/mm/yy)



Why do you wish to apply for this job?

Any additional information to support your application

#### References

Two references are required, one of which must be from your current employer or education establishment. Please note that referees will not be approached without your permission. Please give full address, occupation and title of each referee.

1.

2.

## Resource 5

### Fair chance of a job in IT

The Web is no substitute for a face-to-face meeting when seeking employment, writes **Tim Phillips**.

"Last year we had 46,000 CVs sent to us," admits Janet Knott, head of resource management at Cap Gemini. "After a while one CV can begin to look like another. Meeting those people face to face gives them a better feel for us, and us a better feel for them."

Cap Gemini is one of the first-time exhibitors at ExhibitIT 99, the new recruitment fair for IT professionals running today and tomorrow in London's Russell Hotel. Organisers Computer Publishing plan three shows this year, and, if ExhibitIT is a success in London, shows in other parts of the UK.

It's an unlikely time to be organising a recruitment fair, as the jobs market is increasingly dominated by online recruitment through searchable Web sites which simply post a list of vacancies with a telephone number. "At the moment I find 95 per cent of my permanent staff through JobSite, and almost 100 per cent of my contractors through JobServe," admits Carl Beetham, managing director of specialist recruiter Unix Connections. So why is he giving up two days to run a stand in the Russell Hotel?

Web-based recruitment, he says, is ideal for lower-skilled jobs in areas like PC support. For Beetham, the highly-qualified permanent staff with practical experience that he calls "gold dust" are those candidates the Web doesn't deliver: "People who make the effort to come through the door of an exhibition are serious about wanting a job. We need to find sharp, astute individuals here."

"We set up ExhibitIT because the recruitment agencies and employers that we dealt with wanted a new way to meet IT professionals," explains organiser Simon Bennie. "Over the two days they will each meet hundreds of potential employees."

And the 2000 IT professionals that Bennie is expecting to attend can meet 21 potential employers too. Rubbing shoulders with Cap Gemini are employers like British Gas Trading and recruitment agency Chamberlain Scott.

For Cap Gemini's Knott, who has to find 2,000 permanent IT staff in the next 12 months, ExhibitIT 99 is a low-risk way to find high-quality candidates. "If someone joins us as a result of this show, then they have already met the company, and they turn up for work knowing what to expect. They have a chance that they would not otherwise have to meet our people." She adds that inside Cap Gemini there's competition to man the stand from team leaders who want to bag the best new recruits.

Another participant is recruitment agency Computer People, whose marketing manager Tony Ahmet freely admits that he has a "need everywhere" for job candidates. "We get thousands of e-mails a day offering us CVs, but we like to see people before we place them with companies. This event lets us have a more rounded conversation [with them]."

As skill shortages – particularly for permanent positions – continue, exhibitors know they are being interviewed by candidates as well. "Some of our visitors will be window shopping," says Knott.