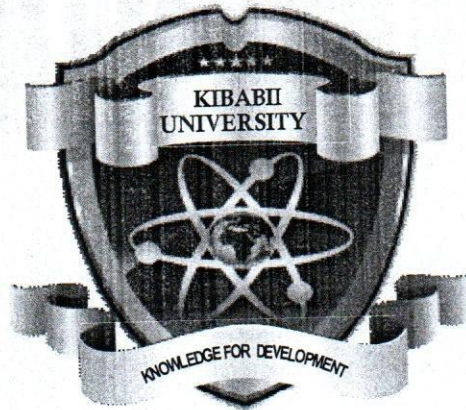


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# KIBABII UNIVERSITY



*(Knowledge for Development)*

## UNIVERSITY EXAMINATIONS

2019/2020 ACADEMIC YEAR

## SECOND YEAR FIRST SEMESTER

MAIN EXAMINATION

## FOR THE DEGREE OF BACHELOR OF COMMERCE

**COURSE CODE: BCH 21 1**

**COURSE TITLE: HUMAN RESOURCE MANAGEMENT**

**DATE: 16/11/ 2020**

**TIME: 9.00 - 11.00AM**

### INSTRUCTIONS TO CANDIDATES

Answer Question One in Section A and Any other TWO (2) Questions in Section B

KIBU observes ZERO tolerance to examination cheating

This Paper Consists of 3 Printed Pages. Please Turn Over.



## SECTION A Calgary Airlines

Calgary Airlines was formed in 1970 through an Act of parliament. The state owned cooperation received sufficient budgetary allocation to get it on its feet in a record of four years. Government protection gave it monopoly status while good management propelled it to a position among the highly ranked airline companies in the region

The success, however, soon attracted political interference. The chief Executive officer was forced to create jobs for personalities that needed to be rewarded for political reasons. Sometimes the CEO was also instructed on the amount in which the employees were to earn. In line with this freelance culture, executives awarded themselves enormous pay packages that had no relationship whatsoever with performance. To keep the organization running and forestall possible disquiet, the increases were extended to the key personnel including the pilots and the cabin crew. Successive political and management regimes maintained the same trend.

Three and a half decades down the line, the burble at Calgary Airlines was ready to burst. There was an over bloated workforce with irrational wage differentials. The elaborate policy that had been developed at the time of formation had long been discarded. The trade notorious for its deficient attitude and use of unscrupulous method to force management to agree to all its demands. Strikes, go slows, agitations and wage negotiations were the order of the day.

In an effort to ensure that the national pride did not turn in to national shame, the government replaced the entire Board of Directors as well as the CEO. The new CEO Mr. Wanderi who was hired though a consultant was entrusted with the transition. After having made in-depth, logical and strategic studies of the situation at Calgary Airlines, the New CEO flagged off what he called "operational rejuvenation" his first step was to hire a team of Human resource Consultants to assist him

The team first assignment was to weed out underperformers and redundant positions. Towards this end, a comprehensive job evaluation program was instituted using the point factor method. Factors to determine the relative worth of jobs were selected and weights attached to each factor. Due to the large size of the organization, all jobs could not be evaluated. Instead, benchmark jobs were selected for evaluation. These jobs then formed the basis for redesigning the grade structure. Jobs that didn't fit in were declared redundant.

The team adopted a 360-degree feedback system to evaluate the performance of all top officials. The 360-degree feedback system was followed by personal interviews to discuss individual performance. Those with deficiencies were counselled on ways to overcome such deficiencies. The wage payment system was the other area that the team worked on.. Though the CEO is confident that the company will turn around, he is aware that the real solution lies in the privatization..

- a) The reward related challenges at Calgary Airlines would have been avoided if the wage policy was adhered to. Explain the ways in which the adherence to the wage policy would have achieved this objective (10 marks)



- b) "While reviewing individual performances at Calgary, Managers must have knowledge of different training methods in order to recommend their employees appropriately". Explain five methods to be used(5 marks)
- c) The Industrial disputes experienced at Calgary must have been triggered by some forces. Elucidate by giving Examples from the case study? (5 marks)
- d) The new CEO Mr. Wanderi has the responsibility of controlling labour costs in Calvary. What measures can Mr. Wanderi use to that effect (4marks)
- e) "Though the CEO is confident that the company will turn around, he is aware that the real solution lies in the privatization". Discuss (6 marks)

**SECTION B (Answer any Two Questions in this section)**

- 2.
  - a. Explain the HR Value chain advance model and how it can be used as a source of competitive advantage by an organization (10 marks)
  - b. Discuss how a Human Resource Manager can use Human Resource Planning in linking HR and organizations strategy (10 marks)
- 3.
  - a. Human Resource Management is currently regarded to be the most important Resource in an organization. Explain the measures that management should take to ensure that this resource is properly utilized. (8 Marks)
  - b. Successful Career Development requires three sources, each having special Contribution especially during Career planning and management. Discuss the responsibilities of each source in regards to Career planning and career management respectively (12 marks?)
- 4.
  - a. State and explain the process of collective bargaining. (10 Marks)
  - b. Occupational Safety and Health Act 2007, in Kenya is meant to ensure staff welfare health wise is well managed. What benefits can accrue to an organization having a health scheme for its workers (10 marks)
- 5.
  - a. The challenge that is currently facing business enterprises in the world is the integration of countries into regional economic blocks hence development of International HRM. What would be the implication of such integration to Human Resource Management? (12 marks)
  - b. ABC. Co. is planning to conduct training to its employees. What factors should its management consider when setting up the employee training program (8marks)

**END**