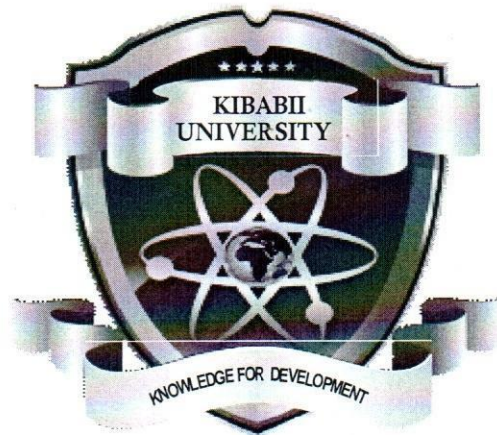


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# KIBABII UNIVERSITY



## UNIVERSITY EXAMINATIONS 2021/2022 ACADEMIC YEAR FIRST YEAR SECOND SEMESTER

### MAIN EXAMINATION FOR THE DEGREE OF MASTER OF SCIENCE IN HUMAN RESOURCE MANAGEMENT

**COURSE CODE: HRM 806**

**COURSE TITLE: EMPLOYMENT PRACTICES**

**DATE: 05/10/2022 TIME: 9.00AM – 12.00 PM**

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#### INSTRUCTION TO CANDIDATES

- Answer question **ONE** (compulsory) and any other **THREE** questions
  - Question **ONE** attracts **40 marks**
  - Time allowed is **THREE** hours
  - All other questions attract equal marks (**20 marks**)
- KIBU observes **ZERO** tolerance to examination cheating

## QUESTION ONE

**Read the case study below and answer questions that follow**

You are the CEO of Human Resources for one of the largest yoga apparel chains in Kenya with over 270 stores across the country. The company also has 38 retail locations in Asia. The Human Resource Department is managed centrally through the head office in Nairobi where specialized HR functions such as HR planning, staffing, compensation, training and development, health and safety and labour relations are located and managed by 35 HR professionals. All major HR decisions are made at the head office.

There are 20 regional offices in Kenya that have their own HR specialists that manage key HR tasks, as well as implementing corporate policies and procedures for their region. Each regional office has approximately 10-12 employees, of which 1-2 are HR specialists. There are 8,700 retail employees employed in the 270 store locations across the country. Each location also has a Retail Store Manager that administers key HR processes. The 38 retail locations in Asia are managed by two (2) regional offices (with 10-12 employees) that have their own HR specialist. In addition to managing core HR functions, the HR specialist is responsible for ensuring compliance with regional and national HR legislation. There are 450 retail employees employed in the 38 retail locations in Asia. Each location in Asia also has a Store Manager that administers key HR processes.

It is a well-known fact in the company that with its constant focus on sales in its retail locations in Kenya and Asia, retail store managers have limited time to focus on critical HR practices in their store. Retention and turnover in each retail location are the most important challenges faced by the HR department as is the case in the retail industry in general. The average turnover cost for a part-time retail employee is between \$7,000 to \$8,500. This is significant if you consider that the annual turnover rate for part-time hourly store workers remains steady around 79% in both Kenya and Asia.

In recent years, your organization has faced increasing competition from new competitors in the growing yoga apparel segment who have been quicker to expand their online presence and as a result, sales and profits are down in your stores both in

Kenya and Asia and are expected to continue to decline unless something is done about it. Your company is planning to significantly expand its online presence in order to deal with this increased competition. In addition to pressures from the competition, there has been a dramatic shift in customer demand from brick-and-mortar retail to e-commerce as a result of COVID-19 lockdown measures and restrictions, further increasing the need to expand the company's online presence.

To address these issues, the CEO of the company is looking for ways to cut costs and downsize retail locations while significantly expanding the company's online presence. During a meeting with the 6 department VP's (distribution; marketing; facilities; e-commerce; finance; HR), the CEO has asked each of them to prepare a report which demonstrates the value added by their department and its programs to the organization. The CEO will decide which departments and programs will be cut based on the tangible value added by each department as presented in their report. As VP of human resources, you must demonstrate the value of human resource practices and the potential contribution of your department and programs to the organization.

- a) Examine the contents of the Report prepared by VP of human resources to demonstrate the value of human resource practices and the potential contribution of their department and programs to the organization?  
**(10 marks)**
- b) How can the CEO of the company cut costs while significantly expanding the company's online presence? Explain  
**(10 marks)**
- c) In recent years, your organization has faced increasing competition from new competitors in the growing yoga apparel segment who have been quicker to expand their online presence and as a result, sales and profits are down in your stores both in Kenya and Asia and are expected to continue to decline unless something is done about it. What strategies should be put in place to address this stiff competition in the face of COVID-19 lockdown measures and restrictions?  
**(10 marks)**
- d) How will you handle the challenges associated with retention and turnover in each retail location faced by the HR department?  
**(10 marks)**

## QUESTION TWO

- a) Terminating a contract means legally ending the contract before both parties have fulfilled their obligations under the terms of the contract. What are the options available for termination of oral contracts? Discuss **(10 marks)**
- b) You are working for a company that is highly profitable. However, there is a concern over poor performance and high employee turnover.
- i. How would you assess poor performance and high employee turnover?  
**(5 marks)**
  - ii. How would you mitigate poor performance and high employee turnover in such an organization?  
**(5 marks)**

## QUESTION THREE

- a) Critically analyse emerging workplace issues in Kibabii University **(10 marks)**
- b) Employment law makes it unlawful for the employer to terminate the contract of employment with an employee unfairly. What justifies unfair termination contract of employment? Explain **(10 marks)**

## QUESTION FOUR

- a) You are the newly-hired HR manager for a manufacturing facility that makes food products. You have been asked to review the training for workers at the facility. When reviewing the training programs, you immediately see that there has been no evaluation of the training that is being conducted. Explain the four training effects/levels that you would use as a focus for evaluation of this training program's effectiveness) **(10 marks).**
- b) Discuss what constitutes gross misconduct in most forms of employment **(10 marks)**

## QUESTION FIVE

In the banking industry, there has been an increasing turnover rate on management trainees and young professionals. Assume you are the HR director of a Multinational Bank:

- a) Develop a talent retention strategy that will help the organization to solve the turnover problem in the workplace **(10 marks)**
- b) Explain how you would make use of HR technology to ensure successful implementation of the talent retention **(10 marks)**