



**UNIVERSITY EXAMINATIONS
MAIN EXAMINATION
2022/2023 ACADEMIC YEAR
SECOND YEAR FIRST SEMESTER**

**FOR THE DEGREE OF MASTER OF SCIENCE IN HUMAN
RESOURCE MANAGEMENT**

COURSE CODE: HRM 821

**COURSE TITLE: CONSULTANCY IN HUMAN RESOURCE
MANAGEMENT**

DATE: 06/02/2023

TIME: 9.00AM-12.00PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER THREE** Questions
 - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
 - 3) Credit is given for legibility, clarity and use of relevant examples
 - 4) Question **ONE** is **40 marks** while Questions **2-5** carry **20 marks** each
 - 5) Clearly write your **Registration Number** on each answer sheet used
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TIME: 3 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

Read the case study below and answer the following questions

Grey Consulting Ud

Grey Consulting limited (GCL) was established by two family members. The brain-child of Gerard, who persuaded his brother Michael to join him in the venture, the business was set up originally as a boutique consultancy to serve one primary target market - boards and board directors. The plan was to work only with and for boards using staff that could hold their own with individuals and groups at this level offering 'trusted advisors acting with high integrity'.

GCL was created as a virtual consultancy. It had no buildings or offices and used virtual support mechanisms as much as possible: telephone answering services, meeting places, accountancy help. Anything not considered mainstream or central to the business was out-sourced. This was not considered detrimental to the business as, for example, offices rented by the day or even hour could be chosen for particular meetings.

It was soon decided that the two brothers working alone might be an issue - it might be sometimes difficult to separate the professional from the family - so a third board member, Ian, was invited to join who had been known to Michael for many years but shared some background with Gerard. Ian brought with him other complimentary skills to the mix. Gerard had occupied main board roles in large multinationals, often focusing on the technical side of some high-tech businesses. Michael, on the other hand, had the greater consultancy experience grounded also in technology companies but of a different nature. Ian brought innovation expertise, some good contacts and, like Gerard, was old-school educated with their attendant networks.

Beyond this, GCL was to be staffed by associates chosen to bring complementary skills to the core team, such as in-depth knowledge of particular sectors like technology, retail or of disciplines like human resources. Any associate had to be known to at least one of the core team and to be used only as and when dictated by a project. A website was established a vital portal for the business - in which all associates were known as well as the three core directors. The website was designed to demonstrate the long and experienced history of the team to

demonstrate the equality of the team to board directors. The sue also advertised some of the published work of team members related to board roles and board activity.

GCL was set up to help boards and executive teams through major, challenging transition such as creating and executing new Strategies, reorganisation, innovation, mergers and disposals. Products and services included preparation for and subsequent company sales, board governance assessment (based on the combined code-a set of principles of Corporate governance aimed at companies listed on the London Stock Exchange) and board dynamics (which focuses on the psychology of board operation). These assessment tools were empirically derived and owned by GCL

Initially, GCLs business came from immediate industry contacts the three directors enjoyed from their previous careers. In time a more systematic approach to identifying and targeting market segments was taken, with the aim of broadening the base business. Typical targets included:

- The remotely located divisions of multinationals,
- Family firms.
- Managing Directors with MBAs (a very consultant-savvy 'group),
- The venture capital and private equity community who needed to source high quality

directors and uses consultants for due diligence work and to support major changes on investment companies.

The focus on boards and their members was designed to play to the real strengths the team and the associates had working at that level. The assumption was that there would be more than sufficient demand from this group to 'feed' the machine. Though there were some successes here, it was quickly realised that board members of blue chip companies have their own favourite consultancies within the largest consultancies with whom they preferred to work. Greater success followed when the focus changed to small- and medium-sized companies though their ability to pay the fees the team were used to was much more limited.

Originally conceived on a broad basis to appeal to boards and directors in all types and sizes of firms, it was quickly realized that the bigger blue chip operations preferred the safety of the

known big consulting outfits and would therefore, not easily be converted to the "new kids on the block"

Being an open minded team, they decided to call you in and ask for review of the business.

Questions

- a. What do you think of the target niches-too narrow and too well targeted (available versus addressable markets?) (10 Marks)
- b. What is the issues of this level of targeting? (10 Marks)
- c. What issues do you imagine might have been associated with running a consultancy of this nature? How might it differ from, say, large scale consultancy? (10 Marks)
- d. What critical assumptions do you think the team made that may have been invalid? (10 Marks)

QUESTION TWO

- a. "The detachment of the consultant has many facets and can be a tricky matter in certain cases." Examine the validity of this statement in view of a consultant's independence. (10 Marks)
- b. Your business might attract a wide variety of clients. Describe strategies for serving at five named types of clients (10 Marks)

QUESTION THREE

- a. Managers and consultants may feel uncertain about their ability to mobilize support for the change envisaged. Elaborate on how managers and consultants can gain support for change. (10 Marks)
- b. "Consulting is more than giving advice." Comment. (10 Marks)

QUESTION FOUR

- a. Is management consultancy a profession? Critically argue your case. (10 Marks)

- b. A change in corporate culture will rarely be an explicitly stated task in a consulting assignment. Yet in some situations corporate culture requires the consultant's special attention. Describe the circumstances under which corporate culture requires a consultant's special attention. (10 Marks)

QUESTION FIVE

- a. Elucidate the major tasks and roles in a consultancy practice (10 Marks)
- b. Both consultants and public sector client agencies may have their standard contract formats. In such a situation, the consulting firm will normally be more flexible and agree to accept its client's mandatory contract format. You are required to examine the aspects of contracts with public sector clients that ought to be stressed (10 Marks)