

[4]

The update is driven by the board... We have to make sure that we continue to refresh the strategy.

The Director of HR commented that: The longer-term strategy is developed basically by the board getting together and working its way through... We also share that plan with the senior management team.

The Managing Director described their approach to developing the HR strategy as follows: Our HR strategy has to respond to our business needs. The challenge for HR is to look at all the areas it encompasses and make sure they are integrated into the main plan. One of the problems this company used to have up to a few years ago was that HR strategy was seen as something completely separate from corporate strategy. What we have tried to do in the past few years is to make them one and the same thing. So we start with a business plan; we know we are going to grow at a certain rate. Then we do a skills audit and predict how many managers we are going to need. Out of this comes our HR development policy on skills training, leadership training and recruitment.

The Deputy Managing Director thought that the Director of HR was basically responsible for developing their HR strategy: We all look at our business strategy and express a view on the people we need, but our HR Director pulls it all together and interprets our ramblings into something coherent.

However, in answering a question on how HR strategies were developed, the Director of Finance admitted that: We probably have more HR policies than strategies because the strategies are there in a simple sense but not 100 per cent well-articulated – for valid reasons; we are a growing business.

The Director of HR referred to the way in which strategic initiatives were developed: First the HR people meet and we bounce ideas about and seek ideas. Then if we have a new initiative, we put it to the board for discussion

Question:

Comment on the way in which business strategy is evolved in this company and how HR strategy is integrated with it.

Total No. of Questions: 7

Total No. of Printed Pages:4

Enrollment No.....



Faculty of Management Studies
End Sem (Even) Examination May-2019
MS5EH06 Strategic HRM

Programme: MBA

Branch/Specialisation: Management / HR

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. SHRM was first time evolved in the year 1
(a) 1964 (b) 1974 (c) 1984 (d) 1994
- ii. Which of the following is closely associated with strategic human resource management? 1
(a) Efficient utilization of human resources
(b) Attracting the best human resources
(c) Providing the best possible training
(d) All of these
- iii. Which approach that seeks the to link strategy, business, performance and HRM policies and practices, assumes that there are a number of HRM practices that are suitable for all Organisations? 1
(a) Best Practice (b) Best Fit
(c) Resource-Based View (d) Life Cycle Models
- iv. Formulating and executing HR systems that produce employee competencies and behaviours needed to achieve the company's strategic aims is (are): 1
(a) Strategic HR Management
(b) Strategy Execution
(c) HR Strategies
(d) Strategic Implementation
- v. In an organization, research efforts that are made to evaluate current structure of human resource management are classified as: 1
(a) Human Resource Assessment
(b) Human Staff Rating
(c) Human Resource Audit
(d) Human Resource Research

P.T.O.

[2]

- vi. Which one of the following would not be considered a functional strategy? **1**
 (a) Financial (b) Marketing
 (c) Product-Market (d) Operations
- vii. What is the term that is designed to provide learners with the knowledge and skills needed for their present jobs? **1**
 (a) Development (b) Training
 (c) Career Planning (d) Succession Planning
- viii. Which of the following tasks is involved in staffing? **1**
 (a) Job Analysis (b) Human Resource Planning
 (c) Recruitment (d) All of these
- ix. Today HR outsourcing can be done in three ways. Which of the following is NOT one of those ways? **1**
 (a) Discrete Services (b) Moderate Services
 (c) Multi-Process Services (d) Total HR Outsourcing
- x. In downsizing approaches, encouragement of senior employees for leaving firm is considered as **1**
 (a) Buyout (b) Early Retirement
 (c) Attrition (d) Layoffs
- Q.2 i. Explain the concept of SHRM investment. **2**
 ii. What is the role of HR in strategic planning? **2**
 iii. What are the barriers to strategic HR planning? **4**
- OR iv. Briefly explain the evolution of SHRM from 1900 to 21st century. **4**
- Q.3 i. Explain how business strategy is linked with HR strategy. **3**
 ii. What are the four measures of HRM performance? Explain any two with example. **5**
- OR iii. Briefly discuss how an organisation can sustain competitive advantages through inimitable HR practices. **5**
- Q.4 i. What are the most characteristic features of strategic HRM in action? **4**
 ii. What is the purpose of organisational HR strategies? **4**
- OR iii. Explain the parameters involved in formulation of financial strategy. **4**
- Q.5 i. Write a brief note on cross-cultural training. **2**

[3]

- Attempt any two:
- ii. Why have a reward strategy? Explain any two components of an effective reward strategy. **3**
- iii. Explain the performance management systems. **3**
- iv. Explain the issues involved in designing effective career development system. **3**
- Q.6 Attempt any two:
- i. Explain the difference between downsizing and restructuring. **4**
- ii. What do you understand by outsourcing of human resource management? **4**
- iii. Write short note on “human side” in mergers and acquisitions. **4**
- Q.7 Case Study **10**
The case - ABC Distribution distributes food products, mainly to major retailers. The critical success factors for the organization, as spelt out by its Managing Director and the Director of Finance, are its ability to meet its profit targets and to grow the business substantially on a consistent basis by developing a reputation for providing added value services, developing business with existing customers, winning new customers, and acquisitions. The company has doubled in size in the last four years. Underpinning the development of the company is the need to grow the infrastructure, to develop management and leadership and to extend quality and safety programmes.
Business strategy - The Managing Director agreed that in a sense their business strategy evolved in a semi-formal way, but this evolution took place: by the key people understanding what the total business was trying to do, and their part in it; then they went away and put their bits together; then we pulled all of it together.
The Deputy Managing Director explained how he saw the formulation of the business strategy taking place: We put our strategy together within the framework of the financial targets we have to meet and our values for quality, integrity and management style.
The Director of Marketing emphasized the dynamic nature of strategy in a growing business operating in a highly competitive environment: We have a strategy document which is concerned with developing market share and growth and is being continuously updated...

P.T.O.

Marking Scheme

EH06 Strategic HRM

Q.1	i.	SHRM was first time evolved in the year (c) 1984	1
	ii.	Which of the following is closely associated with strategic human resource management? (d) All of these	1
	iii.	Which approach that seeks the to link strategy, business, performance and HRM policies and practices, assumes that there are a number of HRM practices that are suitable for all Organisations? (a) Best Practice	1
	iv.	Formulating and executing HR systems that produce employee competencies and behaviours needed to achieve the company's strategic aims is (are): (a) Strategic HR Management	1
	v.	In an organization, research efforts that are made to evaluate current structure of human resource management are classified as: (c) Human Resource Audit	1
	vi.	Which one of the following would not be considered a functional strategy? (c) Product-Market	1
	vii.	What is the term that is designed to provide learners with the knowledge and skills needed for their present jobs? (b) Training	1
	viii.	Which of the following tasks is involved in staffing? (d) All of these	1
	ix.	Today HR outsourcing can be done in three ways. Which of the following is NOT one of those ways? (b) Moderate Services	1
	x.	In downsizing approaches, encouragement of senior employees for leaving firm is considered as (b) Early Retirement	1
Q.2	i.	Concept of SHRM investment.	2
	ii.	Role of HR in strategic planning	2
	iii.	Barriers to strategic HR planning 1 mark for each	4
		(1 mark * 4)	
OR	iv.	Evolution of SHRM from 1900 to 21st century. 1 mark for each	4
		(1 mark * 4)	

Q.3	i.	Business strategy is linked with HR strategy.	3
	ii.	Four measures of HRM performance 0.25 mark for each (0.25 mark * 4) Any two with example 2 marks for each (2 marks * 2)	5 1 mark 4 marks
OR	iii.	Competitive advantages through inimitable HR practices. 1 mark for each point	5 (1 mark * 5)
Q.4	i.	Features of strategic HRM in action	4
	ii.	Purpose of organisational HR strategies 1 mark for each point	4 (1 mark * 4)
OR	iii.	Parameters involved in formulation of financial strategy	4
Q.5	i.	Cross-cultural training. Attempt any two:	2
	ii.	Reward strategy Any two components of an effective reward strategy. 1 mark for each (1 mark * 2)	1 mark 3 2 marks
	iii.	Performance management systems.	3
	iv.	Designing effective career development system. 1 mark for each point	3 (1 mark * 3)
Q.6		Attempt any two:	
	i.	Difference between downsizing and restructuring.	4
	ii.	Outsourcing of human resource management	4
	iii.	Human side in mergers and acquisitions.	4
Q.7		Case Study	10
		Question: Comment on the way in which business strategy is evolved in this company and how HR strategy is integrated with it. Ways in which business strategy evolved Integration of HR Strategy with company	 5 marks 5 marks
