



CS PART III SECTION 5

HUMAN RESOURCE MANAGEMENT

WEDNESDAY: 22 May 2019.

Time Allowed: 3 hours.

Answer ALL questions. Marks allocated to each question are shown at the end of the question.

QUESTION ONE

KIPARA LTD. (KL)

Owino Kipara set up a company to manufacture infant food in 1980. The firm currently has over 2,700 employees and operates on a global scale in the food processing industry. Recently, the company shifted its attention from food and beverages to “nutrition, health and wellness” mainly as a result of the increased obesity problems in many countries. The firm is one of the most profitable companies in the food, drink and tobacco industries. The firm’s products include baby food, coffee, dairy products, breakfast cereals, confectionery, bottled water, ice-cream and pet foods.

The firm’s objective is to manufacture and market products that create economic value and meet ecological and societal requirements. Environmental performance and potential pollution, for example reflected in waste production, are high on the agenda with a direct linkage to reputation management. The company values a good name and ensures that it is not negatively affected by news in the media. Part of the new strategy aimed at “nutrition, health and wellness” is a programme called KIP. KIP focuses on increasing efficiency through bringing its products much closer to the consumer using best practices, data standards and management standardised information systems and information technology. Another part of the new strategy is the Global KIP Business service (GKBS) programme aimed at concentrating the core business on a global scale. KIP and GKBS are the main drivers of improving growth and profitability in the company.

One of the biggest challenges faced by KL is the translation of the new strategy to people management. In other words, how the organisation could create a high performance culture among its workforce aimed at achieving the new organisational goals. In order to achieve these goals, the company applies certain human resource practices aimed at building trust among employees, stimulating integrity and honesty, nurturing respect, encouraging employee development, offering employee career opportunities, providing competitive compensation and creating safe and healthy working conditions. The human resource practices within the organisation include selective recruitment and selection with emphasis on the match between the candidate and the core values of the firm. Employee training and development is on a continuous basis, performance management including regular feedback sessions and individual goal setting linked to KIP’s individual performance-related pay linked to job performance and development and employee involvement in decision making and innovations.

The KIP programme is an important performance management tool for measuring and evaluating the outcomes of KL’s intervention including the measurement of the success of the human resource development interventions. If everything goes as planned, these human resource practices will contribute to the organisation’s goals in terms of growth and profitability through an ideal high performance culture among employees, employee trust, integrity, honesty, safety, citizen behaviour and motivation.

**Required:**

- (a) Advise the management of KL on how to create a high performance culture in an organisation. (10 marks)
- (b) Discuss five merits and five demerits of performance related pay at KL. (10 marks)
- (c) Suggest five ways the Human Resource Manager of KL could champion innovative culture in the organisation. (5 marks)
- (d) Highlight five steps that KL should take when designing a training programme for the expatriates. (5 marks)
- (e) Advise the management of KL on five ways of achieving consistency in performance ratings. (10 marks)

**(Total: 40 marks)**

**QUESTION TWO**

- (a) (i) With reference to reward management, explain “equity theory”. (1 mark)
  - (ii) Assess four propositions of equity theory. (4 marks)
  - (b) Analyse five contemporary trends in human resource management. (10 marks)
- (Total: 15 marks)**

**QUESTION THREE**

- (a) Describe five objectives of employee counselling. (5 marks)
  - (b) Suggest five measures that could be taken to deal with a dead end during dispute resolution. (5 marks)
  - (c) Explain five ways of instituting a coaching culture in an organisation. (5 marks)
- (Total: 15 marks)**

**QUESTION FOUR**

- (a) Discuss five drawbacks associated with job evaluations. (5 marks)
  - (b) Evaluate five methods of job analysis. (10 marks)
- (Total: 15 marks)**

**QUESTION FIVE**

- (a) According to BF Skinner, “learning is not doing”. It is changing what we do.  
  
With reference to the above statement and in the context of behavioural theory, examine four interventions applied at the work place as a means of behaviour modification. (8 marks)
  - (b) Explain four contents of a retirement policy. (4 marks)
  - (c) Describe three manifestations of an employee’s commitment to an organisation. (3 marks)
- (Total: 15 marks)**
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