



CS PART III SECTION 5

HUMAN RESOURCE MANAGEMENT

THURSDAY: 26 November 2020.

Time Allowed: 3 hours.

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

QUESTION ONE

GIGOLO ENTERPRISES LTD. (GEL)

Gigolo Enterprises Ltd. (GEL) based in Mountain View, California is the world's most popular search engine. The company was not just known for its innovative breakthrough in the technological front, but also for its unique culture and innovative Human Resource (HR) policies. In a survey conducted by Bizna Week magazine, GEL was the most sought after company by college students, graduates, women, engineers and diverse individuals. GEL ranked 1st on the 10th annual '100 Best Companies to work for' list of Patune, a well-known international business magazine. HR function at GEL is named 'People Operations'. The function is designed to underlie the fact that it is not more oriented towards administrative function, but to build a strong employee-employer relationship. GEL HR practices clearly reveal the impressive results of the company's approach, which helps in increasing employee productivity. It has been debatable whether the 'best place to work for' culture at GEL is really meant to attract and motivate the employees or if it was designed purely with a business motive.

In a span of a decade, GEL has emerged as a technological powerhouse with two extraordinary innovations, 'search' and 'padwords', to its credit. The company attributes this enviable rise to glory to its most valued assets "the GEL employees". Since its incorporation, the company has constantly hired only the best talent in the industry, preferring creativity to work experience.

Striving to attract and retain bright and inspiring employees, GEL focussed on motivating its employees by creating a challenging yet fun-filled work environment coupled with a wide array of perks ranging from free food and a gym to employee stock options.

Additionally, to foster innovativeness, GEL has adopted the '70/20/10' work model to encourage employees to spend 20% of their work time on a project of their choice. These efforts have greatly paid off and led to GEL being named as the most sought after place to work for in two consecutive years (2018 and 2019). Questions have been raised on whether a company that has focused on small teams and individual employees interactions can cope up with the same when its' meteoric climb to success has captured the interest of many competitors. The appreciation of GEL's achievements has been accompanied by increasing apprehensions about the long term sustainability of GEL's informal and fun-filled culture. Whether GEL's success is as a result of its' much hyped work culture or vice versa, continues to be an unresolved enigma.

Required:

- (a) Suggest three reasons why Gigolo Enterprises Ltd. (GEL) refers to its employees as the most valuable asset. (6 marks)
 - (b) Identify six non-financial rewards that GEL and other organisations could use to motivate their employees. (6 marks)
 - (c) Explain five reasons why GEL has considered non-financial rewards to be an important part of their overall reward package. (10 marks)
 - (d) Discuss six benefits that GEL is likely to enjoy as a result of hiring the best employees in the industry. (12 marks)
 - (e) Summarise six merits of an employee empowerment programme such as GEL's 70/20/10 model, to an organisation. (6 marks)
- (Total: 40 marks)

QUESTION TWO

- (a) Discuss three components of an effective reward strategy. (6 marks)
 - (b) Highlight five assumptions of MC Gregor's Theory Y. (5 marks)
 - (c) State four demerits of teleworking. (4 marks)
- (Total: 15 marks)

QUESTION THREE

- (a) Discuss five benefits of the 360⁰ performance appraisal system to an organisation. (10 marks)
 - (b) Identify five components of a redundancy policy. (5 marks)
- (Total: 15 marks)**

QUESTION FOUR

- (a) Other than interviews, evaluate four ways of gathering data and information on a job applicant which could lead to determination of suitability of the applicant to an advertised position. (8 marks)
 - (b) Highlight seven limitations of internal recruitment in an organisation. (7 marks)
- (Total: 15 marks)**

QUESTION FIVE

- (a) Discuss five options available to a trade union where management refuses to honour a collective bargaining agreement. (10 marks)
 - (b) Summarise five functional capabilities of a human resource information system. (5 marks)
- (Total: 15 marks)**
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