



## UNIVERSITY EXAMINATIONS

### THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

**BCOM 360: HUMAN RESOURCE MANAGEMENT**

**STREAM: BCOM Y3**

**TIME: 2 HOURS**

**DAY/DATE: FRIDAY 14/12/2012**

**2.30 P.M. – 4.30 P.M**

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#### INSTRUCTIONS:

1. Write your registration number in the space provided in the answer booklet.
2. Answer question one and any two questions. Question one carries (30 Marks) and the rest (20 Marks each)

#### 1. Case Study

You are the recently appointed chief executive of Jasho Company Ltd, which is located in a large town. The company is made up of various operating units. These operating units are Finance Division, Marketing division, Operations division and Health Care Division. All these divisions are headed by general managers who are served by several Officers under them.

The organization has been quite successful in the past, given that for a period of about three years it has earned profits amounting to Ksh. 2.5 billion. However, with the changing times, it has been realized that the company sales has been going down, and last year, this greatly affected the earnings per share.

The Board of Directors has ordered a probe into the affairs of the company to find out the causes of decline in performance. One of the revelations after the probe was that the decline was due to poor quality of goods and services. It also revealed that the country's state of economy had reduced the purchasing power of the people. Further it was also noted that the production cost for the company was very high; this was due to use of old machines, which needed constant repairs and expensive labor force that has never been retrained.

The probe committee was also informed that since the company started talking of rationalization and streamlining of activities, many workers' morale had been affected and this was evident in various ways. There has been a bigger number of workers reported absent for various reasons. Many workers have also been arriving at work late while others are resigning despite the efforts made to replace them. In general the working morale has been very low.

As Chief Executive of the company you realize that there are a number of things that need to be done if the company will survive in this difficult economy.

- (a) Discuss the managerial problems this company is facing and possible solutions. [10 Marks]
  - (b) If as the Chief Executive of this firm you preferred on-the-job training approach to employees, explain the basis of your preference. [8 Marks]
  - (c) Explain the steps this company could use to conduct Human Resource Planning exercise for its human resources. [12 Marks]
2. (a) Explain the similarities and differences between human resource management and Personnel Management. [10 Marks]
- (b) People Against Oppression (PAO), a local NGO in your community has invited you to present a paper on human resource functions and activities at their annual symposium. Explain the contents of such a document. [10 Marks]
3. Maridadi Ltd, a manufacturing company in your community has decided to conduct job analysis.
- (a) Explain any **four** methods Maridadi Ltd management can use to carry out this exercise successfully. [12 Marks]
  - (b) Explain any **four** methods Maridadi Ltd management can use to carry out this exercise successfully. [8 Marks]
4. The management of Nuru Ltd is considering job evaluation as a means of developing rational and acceptable pay structure.
- (a) Explain the main features Nuru Ltd should recognize in this exercise. [10 Marks]
  - (b) Describe **four** methods of carrying out the exercise. [4 Marks]
  - (c) Give reasons why performance appraisals are carried out in organizations. [6 Marks]
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