

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program: PGDM Executive - V Trim (Batch 2016-2017)

Subject: HR Consulting (End Semester examination)

Maximum Marks: 50

Duration: 3 hours

Date: 23/12/2016

Notes:

Question no 1 is compulsory (20 marks). Please answer any two questions from Question no 2-6 (15 marks each).

1. Niramoy Shukla, a Consultant, has been invited by the Vice President of the India Potteries (IPL) to tender for a Consulting Project for reducing the wastage rate in producing potteries. The problem, as narrated to Shukla was like this : the competitors of IPL seem to be able to produce potteries for a lot less than they were , and compared to their wastage rate (25%) , at a low wastage rate (8-10%).

The business was a small subsidiary of India United Utensils Ltd, which included steel utensils and cutleries. As he showed Shukla round the factory, the Vice President explained what was going on. In one corner, a group of operatives were loitering around; in another corner a small group was huddled on an Ipad. Apparently a production line had developed technical snags, and breakdown maintenance team was at work. The VP explained, 'They work on the D Production line; they are having to wait while an engineer fixes the packaging machine.'

Quality control was very interesting; a large number of pieces of fine china cups and saucers that did not meet specification had been placed in two piles.' One pile are those which can be easily corrected,' explained the Quality Inspector. 'Those others are a dead loss- they could never be fixed.' Sridhar asked whether the rejects were the result of the week's production so far. 'Goodness, no,' exclaimed the Quality Inspector.' These are just this morning's.'

The VP grumbled as they left. 'That means more overtime. Overtime costs are high enough as it is.'

Just as they reached the Finishing Shop, the VP's Executive Assistant rushed up to them. 'I am so glad to have caught you,' the young officer said to him. 'Mr. Patel is on the line; he wants to fix lunch sometime so that he can go over next years' prices with you.'

'I would better talk to him,' said the VP , 'can you excuse me while I get back to my office for five minutes? Patel is our major supplier' he went on to explain, before he left. 'His company produces best quality staff, and their deliveries are always spot on. But he really charges for it! That meeting is to discuss the price increase he is demanding for next year.'

Shukla went on into the Finishing Shop with the supervisor who had been hovering in the background since he had walked in with the VP. They had chatted about different qualities of finish various customers required. One interesting thing he learned was that most of the specifications had not changed at all over the last five years.

After the visit the VP of ICC called up Shukla saying 'As you can see, our main problem is

the D production line. We obviously need to modernize the equipment, and we would like you to oversee the project'

Please make a Consulting proposal

- a. Your diagnosis of the problem at India Potteries.
 - b. Your approach, methodology and work plan and the commercials.
2. In the article 'Consulting is more than giving advice' the author refers to a hierarchy of purposes for a Consultant. Kindly explain the hierarchy. Is it possible for a consultant to operate at all the levels?
 3. Explain Case Interview and its application. Narrate a suitable structure to use for problem solving in a case interview situation.
 4. Make a business case for the setting up of an internal consulting cell in the organization described in sl. No 1 above. What would be the role and the competences of the internal consultant?
 5. Explain the two models to assist contracting in the article 'Consulting Process: a multi-dimensional approach' Why it is important for the consultant to know the forces for and against change?
 6.
 - a. A potential growth strategy for the client is to acquire a competing supermarket chain. You have been asked to create a list of most likely target for the client. Which of the following is not a factor when compiling this list?
 - i. Geographic location of the target's stores.
 - ii. Target's market share.
 - iii. Target's financial performance.
 - iv. Target's stores layout.
 - v. Target's distribution system
 - b. The client's current revenues are \$ 1 billion. Its profitability is 12% of the revenue. An acquisition target has been identified, a smaller supermarket chain with revenues of \$ 500 million and current profitability of 7%. If the smaller company were to be acquired by the client, there would be immediate cost savings from eliminating duplicating activities of \$ 20 million. What would be the combined profits of the two firms if the merger took place?
 - i. \$ 155 million.
 - ii. \$ 160 million.
 - iii. \$ 165 million.
 - iv. \$ 170 million.
 - v. \$ 174 million

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