

**K J Somaiya Institute of Management Studies & Research**

**Course: PGDM & MMS (HR) - VI - End Term Exam**

**Subject: Strategic Human Resource Management**

**Date of Exam: 10/04/2018**

**Time: 02 Hours**

**Marks: 25**

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- 1. Question No. 1 is compulsory (15 Marks)**
  - 2. Attempt any ONE from Question No. 2 OR 3 (10 Marks Each)**

**Q1.** What is HR Value Proposition? What are the different factors of HR Value proposition? Explain with example its importance in the organisational value chain, in the process of becoming a business enabler and not just a support function.

**Q2. Strategic Selection: A Review of Two Companies**

Managers are proactively improving the employee selection process with various strategies that will ideally enhance corporate success. Some of these strategies focus on improving the quality of the individuals who apply for work, as well as those individuals who are actually hired into the organization. Other strategies target the selection process itself and seek to improve the various activities involved in proper hiring.

The overriding theme of these efforts is that the staffing/selection function is a key component of an organization's strategy because the process ideally provides highly motivated and qualified employees who can ultimately impact the financial and operational well-being of a company.

Hallmark Cards is one company that emphasizes selection. It recently developed a recruiting metric called a "staffing index" that enables management to track the degree to which newly hired employees are performing as expected on the job. A series of evaluations are conducted over time, and scores are compared to obtain a longitudinal perspective on the quality of the hiring decisions.

UnitedHealth Group is another organization that has improved its selection activities with proper strategic planning and execution. The company's Vice President of Recruitment Services decided to modify hiring procedures within the organization by splitting job candidates into two basic groups. The first group of individuals was comprised of high-level professionals who would be recruited by internal staffing specialists, while the second group included various staff and line personnel who would be acquired with outsourcing contacts. This "two-pronged" strategy enabled the company to save money through increased control and efficiency.

These various strategic selection approaches enable companies to improve the manner in which employees are hired and placed within a hierarchy of jobs. Many other strategies could be employed in different employment situations to improve the efficiency and effectiveness of selection. Overall, these efforts should increase the degree of fit between employees and organizations and increase the completion of strategic objectives.

**Questions**

1. Compare and contrast the two selection strategies used by the organizations discussed in the case.
2. What other strategies might help organizations better utilize and manage selection activities?

### **Q3. Performance Management Improvements for Bristol-Myers Squibb**

Bristol-Myers Squibb (BMS) is one of the world's largest pharmaceutical firms and is widely known for its innovative research. But the firm has not limited its innovations to products. Several years ago, BMS leaders decided that the company's performance management system needed to be re-invented. Specifically, they determined that the existing performance appraisal process was not working. Managers were "form focused," meaning that they were so concentrated on filling out the performance review forms, the content of the forms was not being used for employee coaching and based on development. Also, most of the attention of managers and employees was historical and based on what employees had done in the past. Little attention was being given to how employees could develop and improve in the future.

The most radical steps taken were to totally eliminate the appraisal forms and their rating scales and to request that managers not discuss pay increases during performance review sessions. Instead, a new "performance partnership" became the focus. At all levels of BMS, managers were trained to hold regular meetings with their employees. At these meetings managers and employees review performance goals expectations. Together they set expectations and timelines for accomplishing the goals. Rather than meeting just once a year, the performance partnership update occurs throughout the year.

The changes in the performance management system have led to several positive results. First, employees are more active participants, rather than just getting their ratings on forms and then passively listening to the managers. Also, a greater amount of time is spent on coaching because managers were trained on use of a guided feedback approach. This approach has led to more discussions in which employees and managers emphasize joint problem solving and goal achievements. Although the system takes more managerial and employee time, the coaching and employee involvement have created a more positive relationship and improved individual and managerial performance.

#### **Questions**

1. With the above case explain strategic performance management. Determine the link between the business objectives and individual objectives in this case
2. Identify some of the advantages and disadvantages of eliminating the use of appraisal forms and ratings and discuss how this case illustrates the contrasts between the administrative use and developmental use of appraisals

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