

**K J Somaiya Institute of Management Studies & Research**  
**Course: PGDM & MMS - VI - End Term Exam**  
**Subject: Talent Engagement**

**Date of Exam: 02/04/2018**

**Time: 02 Hours**

**Marks: 25**

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**1. Question No. 1 is compulsory (05 Marks)**

**2. Attempt any TWO from Question No. 2 to 4 (10 Marks Each)**

**Q1.** Define Talent Engagement. What are key drivers of engagement? How to sustain focus on employee engagement in an organisation?

**Q2.** One of the Irish subsidiaries of a multi-national company has undergone and continues to experience significant change. This is due in part to the recent economic downturn and also the impact of global organisational change being implemented throughout the organisation.

These changes have had a significant impact on both staff and management. Over the past year, overhead costs have been cut significantly, payroll cuts have been implemented and headcount has been reduced by 20%. Further developments within the Group have meant that additional significant change has been implemented which has resulted in a re-organisation within the Irish entity.

Initially, the change process was an individual change initiative carried out by local Senior Management in response to the severe economic downturn in Ireland. However, as the economic downturn continued to bite, the Group responded by accelerating a scheduled reorganisation programme in order to cut costs and mitigate losses worldwide.

This reorganisation resulted in the Irish entity becoming a branch of the UK Company, directly resulting in a significant loss of autonomy in Ireland. In retrospect, change for the Company was inevitable and the downturn in the world economic climate merely hastened the need for change to ensure the organisation's survival in the long term. All management and staff in Ireland have been directly affected by the re-organisation. The second of two redundancy programmes was implemented in the second quarter of 2010 and has affected almost all areas of the business, in particular back office and support functions.

It should be noted that the Irish entity has significantly out-performed its' European counterparts in recent years and remains the market leader in Ireland, with 65% market share. For staff who directly contributed to this success and enabled the company to turn a significant profit at the end of a very difficult year's trading, the shock of further cuts resulting in a significant reduction in headcount was devastating. For the organisation, the previous eighteen months have been turbulent and staff has faced much uncertainty regarding job security and the future of the organisation as a whole.

**Question:** Explain the employee engagement situation at the Irish company during this phase. Design an employee engagement strategy for the company to survive

and outrun the situation

**Q3.** Caterpillar Logistics is a wholly owned subsidiary of Caterpillar Inc. which provides third party warehousing & distribution and other services. It has a workforce of 600 employees in the East Midlands.

In late 2007 Caterpillar, the USA based company, took over the Hinckley site from Quinton Hazell (QH), a company distributing spare parts to the motor industry which remains the Hinckley site's main client. Caterpillar has three other sites in the region although these are predominantly concerned with manufacture rather than distribution.

As a result of these changes in ownership in 2007, the site employed a mixture of Caterpillar management including an HR Manager who provided services to three other local Caterpillar sites, transferred QH staff and a significant number of external staff. Caterpillar Logistics was one of ten organisations that participated, during 2009/10, in a project managed by Acas, known as 'Innovative Workplaces – Developing Organisations for the Future'

The site was a mixture of rather different business and working cultures. At the time of applying to take part in the project, issues of communication at the Hinckley site had been identified as being aggravated by the presence of different cultures resulting from the takeover.

Previous US ownership had led to employees losing participation in a share scheme and pension entitlements. This was seen as contributing to workforce scepticism about organisational change, new ideas and initiatives. Furthermore it was felt that a lack of trust in Caterpillar existed among employees who had been involved in the transfer.

The new management spent a year introducing Caterpillar systems, including 'continuous improvement' under the Caterpillar Production System, but found that whilst the metrics for the site were comparable with other company sites, it scored significantly lower on measures of employee engagement.

For example, in response to a question asking if they would recommend someone to come and work at the organisation a large percentage of employees had answered that they would not. It was perceived that this poor employee engagement result was, in part, the result of poor two way communication, low levels of trust and issues to do with the application of various employee relations policies and practices, in particular, the absence management and disciplinary processes.

**Question:** What needs to be done to address the engagement issues? Would this be an opportunity to set the foundations for: (i) Improved ways of operationalizing various employee relations policies and practices and (ii) Provide a chance to develop approaches to improve two way communications?

**Q4.** The day after the tsunami hit, companies around the world were already pledging their commitment to the relief, recovery and reconstruction process. Corporate leaders informed employees, customers and shareholders about the impact of the disaster on their employees, business operations, and the communities in which they operate.

Corporate foundations such as the Citigroup Foundation and the Cisco Foundation, announced grants for disaster relief and offered to match employee donations. Some companies acted together through industry alliances like the construction, logistic and transport sector's Disaster Resource Network, that had been active in disaster response and recovery since its launch at the 2001 World Economic Forum. While others tried to involve customers, e.g. Starbuck offered to donate \$2 to the relief effort for every bag of Sumatra coffee sold, United Airlines offered employees and customers 500 bonus miles if they made a donation of \$50 to the company's relief effort and, and Visa waived its fees on all US Visa card-based donations to five globally recognised charities. Along with customers, companies also tried to involve their suppliers, e.g. Caterpillar dealers in Asia Pacific provided equipment, personnel and other resources to aid the recovery.

The world has experienced some of its worst natural disasters in the recent past. However, following each disaster there has been a renewed recognition of the role of business in the relief, recovery and reconstruction process. In many cases this corporate response has been inspired and sometimes even led by an employee response, as companies across the world race to match their employees' desire to become actively involved and to reward and recognise their efforts for disaster relief and recovery. But:

**Question:** (i) To what degree has this business response built on previous private sector experiences of responding to disasters around the world, and (ii) What programmes and structures can companies put in place to help them better engage their employees' energy, expertise and resources in the wake of a disaster?

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