

Eastern University, Sri Lanka

Faculty of Commerce and Management

Second Year Second Semester Examination in BBA/ B.Com 2008/09

(September, 2010)

HRM 2013 Human Resource Management

Answer all questions

Time: 03 Hours

01. Case Study: **Perks that keep the workers in their place**

With almost 3000 guest rooms and more than half a million square feet of meeting space, the Green Land hotel outside Kalkuda, Batticaloa boasts of being the biggest hotel and convention centre in the East. So why this is highly acclaimed colossus currently renovating a second-hand motel with 300 beds half an hour's drive up the road? And why did it appoint a manager with experience of supervising student hostels to run it?

The answer lies in acute shortage of labour that now afflicts many of the Sri Lankan fastest growing regions. Quite simply, the Green Land Hotel needs to attract and keep-qualified staff and to do that it is resorting to an extensive range of perks, Including, for 300 of its major unior staff, cheap housing. As Todd Smith of Green Land puts it, the resort-cum-conference centre aims to be the 'employer of choice' in the Kalkuda area and employee benefits-rather than higher pay- are the route it has chosen.

The hotel – if it can be called that – is a lavish and punctiliously maintained complex built almost 20 years ago and steadily expanded since; preserving the principle that it should remain under one roof. Keeping up the standards that made the Green Land Hotel one of the Sri Lankan top ten convention venues- a massive and expanding Sri Lanka market- takes a cast of thousands: 4600 for the hotel, including 150 gardeners and a further 2000 if you include the real 'outside', maintaining the golf course, showboat that plies the river and gave the hotel its name.

The 300 workers housed by the company are charged 4750.00 (about SLR 24.50) a day for rent and may stay only three months (there is a waiting list for places). They are predominantly workers, many from south, who are just finding their feet in the cuntry.

The 'housed' workers are a small minority of the total, but other perks are open to all: a nursery on the premises; one free meal per shift in the company cafeteria, plus cheap meals to take away; continuing education and training programmes that include English as a second language (which also has a waiting list); and bus transport to and from work.

In India, such perks might be taken for granted. In Sri Lanka, where 'outsourcing' and 'buying in' are the rule, they are a welcome benefit for workers, whose most urgent complaint is how little time they have for their families. The manpower shortage has given workers a chance to turn the tables, just a little, on their bosses.

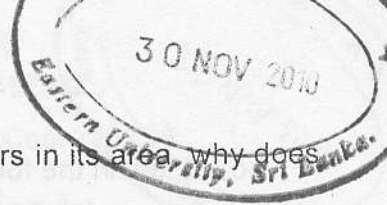
Nor most Opryland unique. From across the Sri Lanka come reports of company-owned blocks of flats, on-site clinics, subsidised childcare, and even fully fledged schools, after-hours activities. More and more companies sited in far-flung 'business parks' introducing on-site shops or a supermarket ordering and delivery services. With unemployment rate nationally running at 4.2 percent and still falling, the labour shortage has become an increasingly conspicuous problem in many areas of the country. But especially acute in the mid-west and central southern states. In Tennessee, where April jobless rate, at 4.1 per cent was slightly below the national average, there are variations between the prosperous suburban areas and poorer rural and inner-city districts, just as there are in other states. but so far as the Kalkuda area is concerned the jobless rate for all practical purposes is, as Todd Smith puts it, 'pretty much nil'.

His observation is borne out in all manner of ways: in city cafe's that must restrict their menus for shortage of staff, in poorly cleaned hotel rooms-'we just can't get enough help'- in the stalling of house building for lack of laborers and in the ubiquitous 'I wanted' signs in shop windows. The most vivid evidence is the number of advertisements in the free employment newspapers that promise 'signing-on' bonuses of hundreds of dollars for a commitment to stay at least 90 days.

One result of the boom in perks is a revival of something akin to the 'company town' for more other reasons. While enlightened 19th- century industrialists on both sides of the Atlantic provided education and housing out of a sense of paternalistic responsibility for social idealism, today's Sri Lanka proprietors are acting out of pure capitalist concern for the bottom line.

The irony is that in doing so, they risk replicating the model of the former communal economies, where the workplace was the provider of everything from nurseries to schools, clinics, canteens and shops – a model long denounced by the southern people as clumsy and irrational.

Strangely, perhaps, the one benefit that Sri Lankan employers are so far resistant to except for certain highly trained specialists – is substantially higher pay. This is a cause of considerable relief to economists, who fear a return of inflation. But it is definitely consolation to the lowest paid: their perks, however welcome, bind them ever more tightly to their employer which is just what the company intended.



Questions:

1. Since the Green Land Hotel is one of the biggest recruiters in its area, why does it need to offer rewards other than a wage/salary?
(08 Marks)
 2. With a considerable shortage of labour, why do you think that the management of the hotel only offer short-term rewards such as limited time stay at subsidised accommodation?
(06 Marks)
 3. What suggestions could you make to the management of the hotel to increase the labour force?
(06 Marks)
 4. Why does the Opryland hotel resist paying higher wages/salaries in order to retain their staff?
(04 Marks)
- (24 Marks)**

- 02 a. What are the functions of the Human Resource managers? How these functions are differed from traditional personnel manager? Explain
(06 Marks)
- b. Managing people at organizations today is a difficult task. As a student of HRM how will you view this statement?
(05 Marks)
- c. Explain with reasons a more appropriate selection process for the following kinds of employees:
- I. Lecturer
 - II. Accountant
 - III. Management Assistance
 - IV. Public relation officer
- (08 Marks)**

- 03 a. What do you mean by "Man power planning" Why is it important to the organization? Explain
(05 Marks)
- b. Interview is the more powerful selection methods. Critically evaluate this statement

(05 Mark

- c. Explain the following statements as true or false with reasons
- I. Job security is an important strategy for improving organizational health and safety
 - II. Employees performance depends on Motivation of the Organization
 - III. To provide an opportunity of appeal is a good practices

(09 Mark

04 a. What are the principles of welfare Management? Discuss the importance of employees welfare as a Human Resource function

(05 Mark

b. Describe the two main methods that an organization can promote its employees. Which is more appropriate and why?

(06 Mark

c. Explain the differences between the following pairs of concept

- I. Job Analysis and Job Evaluation
- II. Pay and rewards
- III. Job profile and Candidate Profile
- IV. Career Planning and Career Development

(08 Mark

05 a. Assume that you are a departmental head of an organization. Explain the methods that are available for you apply in order to reduce the mental frustration of an employee who is suffering from a grievance.

(04 Mark

b. Define what Training and Development means. How training and development differed from Education? Explain

(06 Mark

c. Write short notes on the following

- I. HR practices in India Vs Japan
- II. Employee Charge Sheets
- III. Job design techniques

(09 Mark