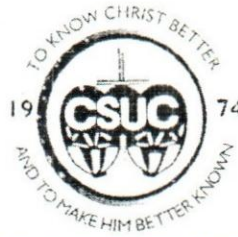


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**CHRISTIAN SERVICE UNIVERSITY COLLEGE
KUMASI
CSUC SCHOOL OF BUSINESS**

DEPARTMENT OF MANAGEMENT AND GENERAL STUDIES

SECOND SEMESTER EXAMINATION, 2018/2019

**CSBH 320: STRATEGIC HUMAN RESOURCE MANAGEMENT
(SHRM)**

May, 2019

Time allowed: **3 hours**

General Instructions:

- Write your **index number** in the space provided below on the question paper.
- Answer **all** questions from sections **A and B** under their respective instructions.
- Note that the question paper will be collected at the end of this examination.

Write legibly and coherently

INDEX NUMBER:

Examiner: Evelyn Owusu Frempong

Section A

Instructions: Answer *all* questions from this section. Each question in this section is followed by five options lettered A to E. Circle the corresponding answer on the question sheet. Each question carries 1 mark.

1. In the strategic HR planning process, which of the following should be completed first?
 - a. Define the organizational mission
 - b. Scan the environment
 - c. Forecast internal HR supply and demand
 - d. Complete a human resource inventory
 - e. Take strategic action
2. Mr. Asumadu a Human Resource manager of AAP Co. Ltd., decides to focus on maintaining the status quo after a period of change so that he can protect the organization from external threats. What type of strategy has Mr. Asumadu Adopted?
 - a. Diversification strategy
 - b. Retrenchment strategy
 - c. Growth strategy
 - d. Turnaround strategy
 - e. Stability strategy
3. A Ghanaian firm that sells its products around the world is organized into these divisions: finance, human resources, R & D, marketing, sales, and manufacturing. It is using a _____ strategy.
 - a. functional
 - b. multinational
 - c. hierarchical
 - d. departmentalized
 - e. centralized
4. The set of strategic alternatives that an organization chooses when managing operations across several industries and diverse markets is known as the.....
 - a. Business strategy
 - b. Corporate strategy
 - c. Functional strategy
 - d. HR strategy
 - e. Growth strategy

5. An organization can adopt the growth strategy through the following except...
- Acquisition
 - Mergers
 - Retrenchment
 - Joint ventures
 - Adoption
6. Human resource management is conducted to achieve _____ goals.
- management
 - individual and organizational
 - individual
 - organizational
 - supervisory
7. Which of the following methods is not a mathematical method for forecasting HR demand?
- simulation models
 - productivity ratios
 - estimates
 - statistical regression analysis
 - staffing ratio
8. All of the following could be considered steps in forecasting, except:
- Understanding external conditions
 - Projecting future staffing requirements
 - Projecting the supply of labour
 - a job analysis
 - comparing forecasted supply and forecasted demand
9. What is a cooperative form of doing business that relies on the talents and capabilities of both labour and management to continually improve quality and productivity?
- scientific management
 - total quality management
 - continuous learning
 - trickle-down management
 - talent management
10. The process of analyzing and identifying the need for availability of human resources so that the organization can meet its objectives is known as:
- Strategic Planning
 - SWOT Analysis
 - Human Resource Planning
 - Organization Planning
 - Tactical planning

11. A reduction in the size of an organizational workforce is known as:

- a. Downsizing
- b. Layoff
- c. Outplacement
- d. Termination
- e. Retrenchment

12. A unique capability in the organization that creates high value and that differentiates the organization from its competition:

- a. SWOT
- b. Organizational culture
- c. Core competency
- d. None of the above
- e. Organizational fit

13. What are line units?

- a. Work groups that perform specialized services for the company (example: accounting).
- b. Work groups that assist the specialized service departments.
- c. Work groups that conduct the major business of the organization (example: production workers).
- d. Work groups that assist the employees who perform the major business of the organization
- e. Work groups that influence the employees who head the major business of the organization.

14. What is being described? "A dynamic two way exchange of perceived promises and obligations between employees and their employers."

- a. The economic contract
- b. The social contract
- c. The psychological contract
- d. The legal contract
- e. The contract of law

15. A competitive advantage that is derived from human resources is sustainable for a company when it(s)

- a. uses a centralized program of close supervision
- b. employees have some rare or specialized skill not easily copied
- c. has a newly-created organizational culture
- d. product is intangible
- e. product is tangible

16. Development of a business strategy includes _____:

- a. external scan
- b. internal scan
- c. employee dislikes
- d. a. and b.
- e. a. only

17. The aim of a resource-based approach is to improve resource capability by achieving strategic fit between _____.

- a. the organization and its environment.
- b. employees and management.
- c. resources and opportunities.
- d. resources and the organisation.
- e. the organization and its customers.

18. The purpose of a SWOT analysis is to analyse _____.

- a. the business environment in which an organisation operates.
- b. the strategic capability of an organisation.
- c. the business environment and the strategic capability of an organisation relative to its competitors.
- d. external and organisational environments.
- e. external and organisational customers.

19. According to the resource- based view of the firm, sustainable competitive advantage is achieved when human resource practices are

- a. Valuable, rare, inimitable and substitutable
- b. Valuable, inimitable, rare and non-substitutable
- c. Imitable, valuable, rare and non-substitutable
- d. Rare, Imitable, valuable, non-substitutable
- e. Imitable, invaluable, rare and non-substitutable

20. The key feature of Strategic HRM is the concept of 'fit' this is sometimes known as

- a. Aligning model
- b. Matching model
- c. Strategic model
- d. Vertical model
- e. Horizontal model

21. is a crucial means of responding quickly to changes that occur in economic and technological environment and reducing cost by maximizing the utilization of employee skills.
- a. Quality
 - b. Flexibility
 - c. Functional flexibility
 - d. Operational flexibility
 - e. Tactical flexibility
22. HRM is integrated vertically with corporate and business strategy and horizontally with
- a. Reward activities
 - b. Business strategies
 - c. HRM activities
 - d. Management strategies
 - e. Management activities
23. The strategic role of Human Resource Management includes _____.
- a. Planning
 - b. Attainment of organizational objectives
 - c. Viewing the strategic role of HR management in the same context as financial, technological, and other resources
 - d. Seeing the people of the organization as a 'strategic resource' for the achievement of 'competitive advantage'.
 - e. All of the above
24. is a grand strategy utilized when major changes in current operations are required to make an organization gain competitive advantage.
- a. Turnaround strategy
 - b. Growth strategy
 - c. Stability strategy
 - d. Human resource strategy
 - e. diversification
25. A planned systematic process of should be included at the beginning of the implementation process for all HR interventions.
- a. organization
 - b. controlling
 - c. evaluation
 - d. organization development
 - e. planning

26. Mr. Susubiribi is the CEO of several related divisions of a group of companies. He oversees the Bath and Beyond division, the Home Décor division, the Kitchen and Dining division as well as the Living Room division. He and the strategic board of the organisation are currently thinking of adding another division on Home Improvement. Mr. Susubiribi's company is practicing the organisation design.
- a. U-form
 - b. N-form
 - c. M-form
 - d. O-form
 - e. H-form
27. focuses on the scope and direction of an organisation, and often involves dealing with uncertainty and complexity.
- a. Tactical management
 - b. Operational management
 - c. Strategic management
 - d. Functional management
 - e. Forecast management
28. In the traditional approach to strategic management, the organisational structure becomes a method for achieving control.
- a. bottom-up
 - b. network-wide
 - c. top-down
 - d. organic-in
 - e. all round
29. A strategy is a grand strategy utilized when major changes in current operations are required to make an organization competitive again.
- a. bottom-up
 - b. retrenchment
 - c. goals-down
 - d. detachment
 - e. top-down
30. When an organization decides to stay in current markets (where no growth is anticipated) and to protect the organization from external threats, it is said to be having a strategy.
- a. stability
 - b. competitive
 - c. complex
 - d. protective
 - e. status quo

31. The Strategic HRM challenge/implication under a stability strategy is:

- a. to retain the firm's existing employees when there are few chances for advancement, no likelihood of compensation or salary increases, and other HR negative factors.
- b. to manage the process so that surviving employees feel attached to and remain committed to the organization
- c. to optimize the transition process for displaced workers through severance packages and outplacement counselling
- d. to successfully recruit and train sufficient numbers of qualified employees to operate expanding niche operations
- e. to meld the employees into a cohesive whole

32. HR departments contribute a unique perspective to the organizational strategic planning process because:

- a. HR offers training programs in the strategic planning process.
- b. HR handles strategy implementation in regard to human resource management.
- c. HR maintains records of employee performance.
- d. HR is responsible for compensation surveys.
- e. HR is responsible for training programs

33. Which of the following would likely be the least effective method of recruiting internal job candidates?

- a. posting information on organizational bulletin boards
- b. examining HR records of current employees
- c. advertising in national newspapers and journals
- d. consulting organizational skills banks
- e. employee referral

34. The main problem with using early retirement and natural wastage as alternatives to redundancy is?

- a. It can lead to losing older, more experienced staff.
- b. Results in the loss of the most effective staff.
- c. It costs an organization a lot financially.
- d. It can be a very slow means of downsizing an organization.
- e. It can be a fast means of downsizing

35. What is the main purpose of a business strategy?

- a. To focus attention on failing areas of business practice.
- b. To decide hiring approaches.
- c. To create a consistent corporate image.
- d. To secure and sustain competitive advantage within a given market for goods and services.
- e. To decide on motivational packages

36. Ababio Express differentiates its business by offering the lowest prices. Offering the lowest prices is Ababio Express'
- Functional strategy
 - Competitive advantage
 - Distinctive competence
 - Corporate strategy
 - Business strategy
37. Focusing on core competencies means companies have the possibility of generating
- Human capital advantage
 - Larger profit margins
 - Better output
 - New staff
 - New customers
38. A company's strategy identifies the portfolio of businesses that comprise the company and how they relate to each other.
- Diversification
 - Competitive
 - Vertical integration
 - Corporate level
 - Differentiation
39. Factors that allow an organization to differentiate its products or services from those of its competitors to increase market share are known as
- Cost leadership
 - Diversification
 - Functional strategy
 - Competitive advantage
 - Stability strategy
40.strategies are the basic courses of action that each department pursues to help the business attain its competitive goals
- Functional**
 - Differentiation
 - Diversifying
 - Corporate
 - Linking
41. The two main approaches to Human Resource Management are
- Humanistic and strategic
 - Strategic and instrumental
 - Resource –based and strategy based
 - Humanistic and instrumental
 - Resource view and competitive advantage

42. A follows a 'hire and fire' principle with labour being acquired at a point when it is immediately needed.
- a. stability strategy
 - b. corporate strategy
 - c. low commitment strategy
 - d. growth strategy
 - e. high commitment strategy
43. The fluidity of human resources in organizations requires effective that takes a careful and considered approach to workforce changes.
- a. wastage analysis
 - b. forecasting
 - c. strategic evaluation
 - d. human resource planning
 - e. strategic human resourcing
44. Kofi Appiah has developed for his company an integrated and automated system that has details on every employee regarding date of hire, job history within the organization, education, performance ratings, compensation history, training and development profile, and various special skills and abilities that each employee possesses. This is an example of a good system.
- a. human resource information
 - b. strategic human resource planning
 - c. employee resourcing
 - d. strategic recruitment and selection
 - e. manpower planning
45. Some organizations select employees not because they are necessarily the most qualified of all applicants. Instead, they might select individuals who are qualified enough to do the job but who also share the values and beliefs of the firm's ways of doing things. This concept is referred to as fit.
- a. human resource-organisation
 - b. person-organisation
 - c. human resource-culture
 - d. person-job
 - e. job-organisation

Instruction: Use the following alternatives to answer questions 46-50. Write the corresponding letter on the on the space provided on the sheet. Each question carries **ONE mark**.

- a. Analyzer strategy
- b. Reactor strategy
- c. Defender strategy
- d. Prospector strategy
- e. Diversification strategy

46. is assumed to work best when a business operates in a moderately stable environment with some uncertainty and risk.
47. An adaptation model that stresses more on innovation and growth and seek new opportunities is known as
48. is a strategic approach to managing a portfolio of businesses competing in several business markets at once.
49. An adaptation model that stresses on the maintenance of status quo with moderate innovation and growth is known as
50. An adaptation model that stresses on stability, conservatism, and maintenance of status quo is known as

Section B

Section B: Read the case study carefully and answer all questions in this section in the answer booklet. This section carries a total of 20 marks.

Strategic debate at Moddens Foods

Moddens was for many years a small family firm that made sausages and supplied poultry to the gentry (upper class citizens) in a rural part of the country. These days it is a much larger business selling a range of food products across Europe and North America. Sam Modden is the company chairman and the only member of the family actively involved with the business. He is finding himself increasingly influenced by his daughter, Eva, who has nothing to do with the business and devotes all her time to her activities as an environmentalist and an 'anti-globalisation' activist. Her father, while disapproving of this, has come to take seriously some of her objections to the way the company is growing, in large part as a result of its application of industrial and chemical-based production methods to food products and the increasing use of cheap overseas labour at the cost of employment in the home country.

Tension has been growing for some time between Sam and the managing director, Juan Poort, who is keen to pursue a strategy of reutilizing production methods. This involves using whatever genetic manipulation of crops can offer to maximize the yield from harvests, for instance, and treating meat products in a way as close as possible to industrial raw materials. Connected with this is his determination to reduce labour costs to a minimum by hiring and firing workers across the globe in a way he deems to be most convenient and cost-effective. Poort is supported in all of this by Frank Angle, the operations director. Angle was brought up in the hometown of the company and was once close to the Modden family.

He has been increasingly loosening his local ties and seems to enjoy travelling the world and looking for supply and production opportunities in the Far East- especially in Thailand, where he has recently married a local woman. Hal Selz, the marketing director, not only personally dislikes Frank Angle but his religious principles, he says, lead him to sympathize with Sam Modden. He shares Sam's unhappiness about the company's shift to higher volume, lower quality output. Sam is also not happy about Poort's strategy which aims at minimizing costs and offering the lowest prices to gain higher revenues by increasing internal operational efficiencies and external cost controls. They are both also very concerned about the increasingly ruthless human resourcing strategy which is associated with this strategy.

The finance director, Ivan Kelp, has a degree of sympathy with these reservations about strategic trends but is also aware that the increasing profit levels which are being achieved are likely to be helpful in fighting off the takeover bid that he believes is likely to be made in the near future by a very large foreign-based international food company that, as yet, does not have a foothold in the country. Jean Frear, the human resources director, has a personal but very private preference for

the company staying true to its high quality, broad range and 'premium product' roots. Her taste for gourmet food attracted her to the job at Moddens in the first place. But she tries hard to stay relatively neutral in arguments and to mediate between the two factions on the board. She feels that she has a 'professional responsibility' to avoid dissension growing to an extent that will harm the business. She is also conscious that, as she put it to her colleagues in a recent board meeting, they cannot 'have it both ways' strategically: being both a 'mass producer of cheap chicken nuggets' and at the same time, a supplier of fine quality game and sausages to the discriminating upper classes'. She explained that two or three of their best chefs and food scientists were talking of leaving the company, a loss that would threaten several new products that were currently being developed. In Frank Angle's view, however, such people are 'more trouble than they are worth'. He prefers to employ, at the centre, 'a small number of straight forward chemists and food engineers' who would push forward the 'rationalization and technological control' of every aspect of the business and forget trying to appeal either to 'ethically over-sensitive' customers or to the 'small clientele of food faddists'.

These differences are currently coming to a head over issues in the original headquarters and manufacturing centre in the town where the business began. Poort and Angle want to close the three chicken production centres in the town and replace them with plants in Thailand and, as production increases, China. They also want to close down the experimental organic food farm, which has been producing foods for Maddens' range of organic foods which Hal has been struggling to establish with two of the country's major supermarkets. They object, additionally, to Sam's belief in regularly producing new products to new recipes, especially when these are produced as a 'seasonal line' and are meant to stay on the market for only a short time. Maddens' share of the relatively small organic market has been growing only slowly and Poort would like to abandon it. This is in spite of the fact that Sam has been giving the organic and 'new seasonal foods' parts of the business his close and personal attention over recent months. Like Jean Frear he is aware that some of the very able and highly skilled agricultural experts, chefs and food scientists that Moddens employ are becoming anxious and are beginning to look for employment with rival companies.

He is also concerned that the company is employing fewer and fewer of the local people whose families provided the labour and expertise that helped the business to grow over the years. But Frank Angle makes Sam and Jean exceedingly uncomfortable by pointing out to them that many of the workers employed locally are foreign workers, many of them refugees who are bused in to the factories, often from miles away, to work long and often unsocial shifts for pay little above the national minimum wage. So why not, asks Poort, pay the even lower Thai national wage?

Adapted from Leopold, J., and Harris, L., (2009) The Strategic Managing of Human Resources, 2nd Edition, Prentice Hall, UK. Pages 17-18.

Questions:

1. Identify (with relevant examples from the case study) the part played in this process of strategy-making by the personal interests, values and ideas of these people who are, in effect, Moddens' strategy-makers. **(5 marks)**
2. Identify (with relevant examples from the case study) the part played in this process of strategy-making by business, market and other contextual factors. **(5 marks)**
3. Sam Moddens, the chairman of the company is "... not happy about Poort's strategy which aims at minimizing costs and offering the lowest prices to gain higher revenues by increasing internal operational efficiencies and external cost controls."

What type of business strategy is this and what activities should the HRM function undertake to implement such a strategy? **(5 marks)**

4. "Frank Angle makes Sam and Jean exceedingly uncomfortable by pointing out to them that many of the workers employed locally are foreign workers, many of them refugees who are bussed into the factories, often from miles away, to work long and often unsocial shifts for pay little above the national minimum wage."
 - a. What type of commitment strategy have they adopted? Give at least **one** reason for your answer. **(3 marks)**
 - b. What type of commitment strategy will you adopt in order to retain the 'the very able and highly skilled agricultural experts, chefs and food scientists' at Moddens who want to leave the organisation? **(2 marks)**

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