



# **MACHAKOS UNIVERSITY**

**University Examinations for 2018/2019 Academic Year**

**SCHOOL OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**THIRD YEAR SECOND SEMESTER EXAMINATION FOR**

**BACHELOR OF COMMERCE**

**BBA 301: HUMAN RESOURCE MANAGEMENT**

**DATE:**

**TIME:**

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**INSTRUCTIONS: Attempt Question ONE and any other TWO question**

**QUESTION ONE (COMPULSORY) (30 MARKS)**

**Read the following case study and answer question one**

**FILLING THE TOP SPOTS AT GENERAL MOTORS**

Although General Motors (GM) has been both highly praised and often criticized over the years for a whole spectrum of reasons, one undeniable fact remains constant. Each year GM sells far more automobiles in the domestic market than Ford, Chrysler and American Motors combined. Despite the turbulent 1970s that turned the U.S auto industry upside down, industry analysts believe that General Motors entered the 1980s in the best overall shape compared with competing U.S. auto makers. Still, GM tallied a \$763 million loss in 1980, the company's first losing year since 1921.

GM's top management is proud of its close-knit executive group, its record of hiring fewer executives from outside than other major U.S. companies do, and its low executive turnover. Two-thirds of the auto giant's executive reportedly have worked only for GM. It has been estimated, on the basis of executive turnover during 1980, that less than one percent of GM's six thousand highest executives will ever leave the company.

Gm admirers claim that the firm has a stable corporate culture and a Japanese –like Organizations in which loyalty is highly valued and rewarded. Critics have called GM a corporate hive of Organizations people in which innovation and risk taking often is in short supply.

### ***No “Instant Executives” at GM***

Most GM managers come from small towns and cities in the Upper Midwest where the traditional work ethics, respect for authority and Institutional loyalty have long been entrenched values. Managers who patiently work their way up through the ranks at GM usually develop strong loyalty based on the assumption that if they do a good job they will be appropriately rewarded and in fact, GM is large and diverse enough to reward loyalty with job security

Yet observers claim that outsiders are needed to bring vision and innovation leadership to GM. According to fortune magazine, GM probably would not have too much trouble in attracting a capable visionary to be, say its president. But such an appointment from outside would have a devastating psychological effect and perhaps cripple the entire management system.

GM’s promote –from within policy is not ironclad. Through the years, several vice presidents have hired from outside to take charge of changing area such as personnel, in which new ideas were needed.

### ***An Inventory of Executive Talents***

GM’s current staffing philosophy can be traced back to Alfred Sloan, the man originally responsible for GM’s climb to dominance. Sloan believed that his most important job was finding the right people for the right job. Relying on what FGM management calls its executive personnel inventory, the executive committee and group vice president hold week-long progression and succession meetings twice a year. GM’s executive personnel inventory details the strengths and weakness, along with other relevant notions about promotability, of about ten thousand GM managers. Steps are taken to ensure that an individual manager’s inventory entry contains the comments of more than just an immediate superior, that observations from other managers and peers are included as well. Ideally, these precautions help management avoid the problems of promoting or holding back an individual solely on the word of one person.

- a) How might GM’s executive recruitment policy of promoting primarily from within end up hurting the firm (4 marks)
- b) Explain FIVE factors that may be considered by GM if they hired the services of a consultancy firm to aid in recruiting their employees. (5 marks)
- c) Identify core values that GM has embraced and show how each value might have contributed to GM’s success (5 marks)
- d) Head hurting is one of the preferred methods of external recruitment especially in large corporates like GM. Argue for and against the use of this method (6 marks)

- e) GM is in the process of recruiting a Human Resource Manager, describe the process that they may use to recruit employees. (10 marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss FIVE uses of job description and job specification in an Organization. (10 marks)
- b) Explain FIVE methods that may be used to forecast human resource needs in an Organization. (10 marks)

**QUESTION THREE (20 MARKS)**

- a) One of the methods of collecting data for a job analysis exercise is interviewing the job holder, state FIVE limitations of using this method (5marks)
- b) Identify the significance of an evaluation programme for an Organization (5marks)
- c) Explain FIVE factors that can be considered in drafting a career development programme (10 marks)

**QUESTION FOUR (20 MARKS)**

- a) Explain FIVE techniques that can be used to train employees in an Organization.(10 marks)
- b) Describe the process that is adopted in an induction programme for the employees in an Organization (10marks)

**QUESTION FIVE (20 MARKS)**

- a) Despite the benefits associated with performance appraisal, some Organizations may be reluctant to undertake it. Explain reasons that may account for this reluctance.(10 marks)
- b) Explain any FIVE requisites for a successful benefit scheme for the employees in an Organization (10marks)