

UNIVERSITY EXAMINATIONS

UNIVERSITEITSEKSAMENS



**HRM1501**

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**INTRODUCTION TO HUMAN RESOURCE MANAGEMENT**

Duration 2 Hours

75 Marks

**EXAMINERS**  
FIRST MRS MD GURA  
SECOND MR LS MARE

**Closed book examination**

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**This question paper consists of FOUR (4) pages**

**INSTRUCTIONS**

- ◆ This paper incorporates **FIVE (5)** questions, of which you need to answer any **THREE (3)**. Should you answer more than three questions, only the first three will be marked
- ◆ Write neatly and legibly
- ◆ Ensure that you provide enough facts to earn the marks for each question
- ◆ Write the numbers of the questions you choose to answer on the cover of your answer book
- ◆ Fill in all your details on the cover of your answer book.

Read the following scenario thoroughly as it is applicable to ALL the questions

Bingo Manufacturing (Pty) specialises in the manufacturing of up-market furniture. The organisation started small and it was initially operated as a family business from a temporary structure at the backyard of the owner, Mr Bingo. Due to tough competition and changing market forces, the owner decided to expand and he leased a big manufacturing plant in the city of Pretoria. To increase his profits and cover a wider market, Mr Bingo also opened other outlets throughout South Africa. Big and sophisticated machines were acquired and more experienced crafters and carpenters were recruited both nationally and internationally. After conducting interviews, only the best job applicants were selected.

Mr Bingo, as the chief operating officer (CEO) of the organisation, together with top management, formulated a policy that performance appraisals be conducted quarterly to ensure that everyone was still working towards achieving the goals of the organisation and that real value was being added to the organisation. Because of the size of the organisation, the following departments were created at Bingo Manufacturing: Human Resources, Production and Operations, Marketing, Purchasing, Public Relations and Finance. Each department is headed by a director. Mavis Cele is the personal assistant (PA) to the CEO. Training and development will be conducted in compliance with the requirements of the Skills Development Act 97 of 1998 and health and safety will be maintained in terms of the Occupational Health and Safety Act 85 of 1993.

**QUESTION 1**

- 1.1 Identify and describe only three (3) external recruitment methods that Bingo Manufacturing will use to recruit international job applicants (5)
- 1.2 Describe external recruitment and provide three (3) advantages and disadvantages of using this method to recruit job applicants (8)
- 1.3 Bingo Manufacturing will have to follow a specific process to determine which job applicants and which skills it will need in future. Identify and briefly explain this process (3)
- 1.4 In order for Bingo Manufacturing to determine what each job will entail and what kind of employees it will need, a job analysis has to be done. Describe this concept and provide three (3) purposes of using a job analysis (5)
- 1.5 The result of a job analysis is a job specification and a job description. Identify the differences between the two (2) concepts (4)

1.1 External recruitment relates to hiring of employees outside the organization. Three external recruitment methods that Bingo Manufacturing will use to recruit international job applicants include:

- Internet recruitment – companies can recruit employees via the internet when the advertising their vacancies through various job portals.
- Virtual job fairs - This is also an online recruitment method according to which applicants meet recruiters face-to-face in interviews conducted over special computers that transmit head-and shoulder images of both parties.

### **Recruitment databases or automated applicant tracking systems**

- Computers play a central role in the creation of recruitment databases in that organisations can receive copies of applicants' résumés via e-mail or the internet, without employees visiting the organisation.

#### 1.2 Advantages of external recruitment

- Applicant pool is larger
- New ideas, contacts
- Reduces internal competition and conflict

#### Disadvantages of external recruitment

- Destroys incentives of employees to strive for promotion
- The new applicant's ability to fit in with the rest of the organisation is unknown
- Increased adjustment problem
- Often more time-consuming and expensive

1.3 HR planning process is about determining how many employees and which skills an organisation will need some time in the future. In other words, it is about assessing the future supply of and demand for employees.

1.4 Job analysis is the systematic investigation of the tasks, duties and responsibilities of the jobs in an organisation. Through job analysis it is possible to determine what each job entails and what kinds of employee are needed to fill the various positions. By comparing the information gathered in the job analysis with the HR plans, the HR planner can determine what should be done about human resources in the future.

The process includes investigating the level of decision-making by employees in a job category, the skills employees need to do the job, the autonomy of the job and the mental effort required to perform the job.

1.5 An analysis of the workplace is done through a job analysis. A **job analysis** is the systematic investigation of the tasks, duties and responsibilities of the jobs in an organisation.

The result of a job analysis is a written job description. A **job description** describes the job in terms of the tasks, duties, responsibilities and working conditions of the job, while a **job specification** specifies the minimum requirements incumbents must meet to be able to do the job. These requirements include a person's qualifications, knowledge, skills, abilities and experience.

#### QUESTION 2

- 2 1 Identify the document which Bingo can use, that provides details about vacancies and the requirements new employees must meet (2)
- 2 2 A number of items should be included in an advertisement Identify five (5) of these items (5)
- 2 3 Identify the four (4) important stages of an interview (4)
- 2 4 Distinguish between "structured" and "unstructured" interviews (6)
- 2 5 What do you understand by the concept "reference checking" and what are the purposes of using a reference check? Provide three purposes (4)
- 2 6 All successful candidates will receive a job offer Identify any four (4) items that should be contained in this job offer (4)

2.1 The **hiring requisition** is a document which provides details about the vacancy and specifies the requirements the new employee should meet. The tasks, responsibilities and working conditions of the job as well as the skills, abilities, qualifications and other personal characteristics required to do the job should appear in the hiring requisition.

2.2 **The name of the organisation.** The name is important, but it should not take up most of the space. A company's name will not attract applicants. If the nature of the organisation is not generally known, a brief (one-sentence) description of what it does is necessary.

- **Duties of the job.** Duties that form the core of the job as well as the most difficult duties should be outlined.
- **Unattractive features.** Recruiters often withhold the unpleasant aspects of the job. This information is necessary so that potential applicants can decide if they still want to apply. In addition, only applicants who meet these requirements will apply.
- **Compensation.** Jobs offer tangible (salary and perks) and intangible rewards (status and prestige), but only tangible rewards should be mentioned in a job advertisement. Status is, however, conveyed in the form of the job's reporting responsibility – for example "the person occupying this position will report directly to the Managing Director". Potential applicants want to know what the salary and fringe benefits are.
- **How to apply.** This information should come at the end of the advertisement, and must not be treated as self-evident. What the applicant has to do to apply for the job, must be made very clear (by stating the name and telephone number of a contact person, the address of the organisation, if a CV or application form must be submitted, and the closing date for applications).

2.3 An interview consists of the following **four** stages:

- opening the interview
- gathering information
- providing information
- closing the interview

2.4 The **structured interview** consists of a series of job-related questions that are posed to each job applicant. Structured interviews are more reliable and accurate and less subjective and inconsistent than unstructured interviews.

In the **unstructured interview**, the interviewer asks probing, open-ended questions. This type of interview is comprehensive and the interviewee does most of the talking.

2.5 Reference checking involves the checking of references provided by the job applicant. The purposes of checking references are to obtain additional information and to verify information.

- 2.6 the name of the organisation
- his job title and job description
- his salary package details
- terms and conditions of employment
- annual and sick leave provisions

**QUESTION 3**

- 3 1 Identify only two (2) purposes of conducting a performance appraisal (2)
- 3 2 Quite often when a performance appraisal is conducted, certain appraisal errors tend to occur. Identify five (5) of these errors and briefly describe each by referring to a practical example (15)
- 3 3 Identify four (4) sources that can provide feedback on employee performance (4)
- 3 4 For a performance evaluation to be effective, it should consist of four (4) basic elements. Identify these elements (4)

3.1 Two purposes of conducting a performance appraisal is to strengthen high achievers and motivate average employees to perform better.

3.2 **Rater bias** is an error that occurs when a rater's values or prejudices distort his rating. Such biases are not related to job performance and may stem from personal characteristics.

**The halo effect** is rating a person high on all items because of good performance in one area. A negative halo, or "devil's horns" effect, also exists, and occurs when the supervisor allows one instance of negative behaviour to cloud his objectivity in all ratings.

**Central tendency** is a common error that occurs when employees are incorrectly rated as average or at the middle of a scale. This happens when supervisors find it difficult to rate some employees higher or lower than others, even though their performances reflect a real difference.

**Leniency** is giving a high performance appraisal rating to an undeserving employee. This is common among inexperienced or poor supervisors who decide that the easiest way to appraise performance, is simply to give everyone a high evaluation. The opposite of this is strictness, where supervisors are unduly critical of an employee's work performance and consistently award low ratings even though some employees may have achieved an average or above-average performance level.

**Recency** accounts for a rating error occurring when an appraiser assigns a rating on the basis of the employee's most recent performance rather than on his long-term performance. This is quite normal and can be overcome by conducting frequent appraisals – for example monthly or quarterly – and/or keeping a running log of critical incidents of the employee's behaviours and outcomes.

3.3 Four sources for performance feedback include:

- Supervisor
- the employee himself,
- colleagues, and
- other multiple raters.

3.4 For a performance evaluation to be effective, it should consist of the following basic elements:

- Goals (identifying job standards and responsibilities).
- An evaluation instrument (method).
- The measurement of job performance against set standards.
- Feedback.

**QUESTION 4**

- 4 1 As soon as successful candidates have been appointed to positions, compensation should follow Identify six (6) objectives of a compensation plan (6)
- 4 2 Distinguish between internal inequity and external inequity when compensating employee (4)
- 4 3 Use a diagram to illustrate the various forms of compensation (11)
- 4 4 Identify the difference between intrinsic rewards and extrinsic rewards Provide an example of each (4)

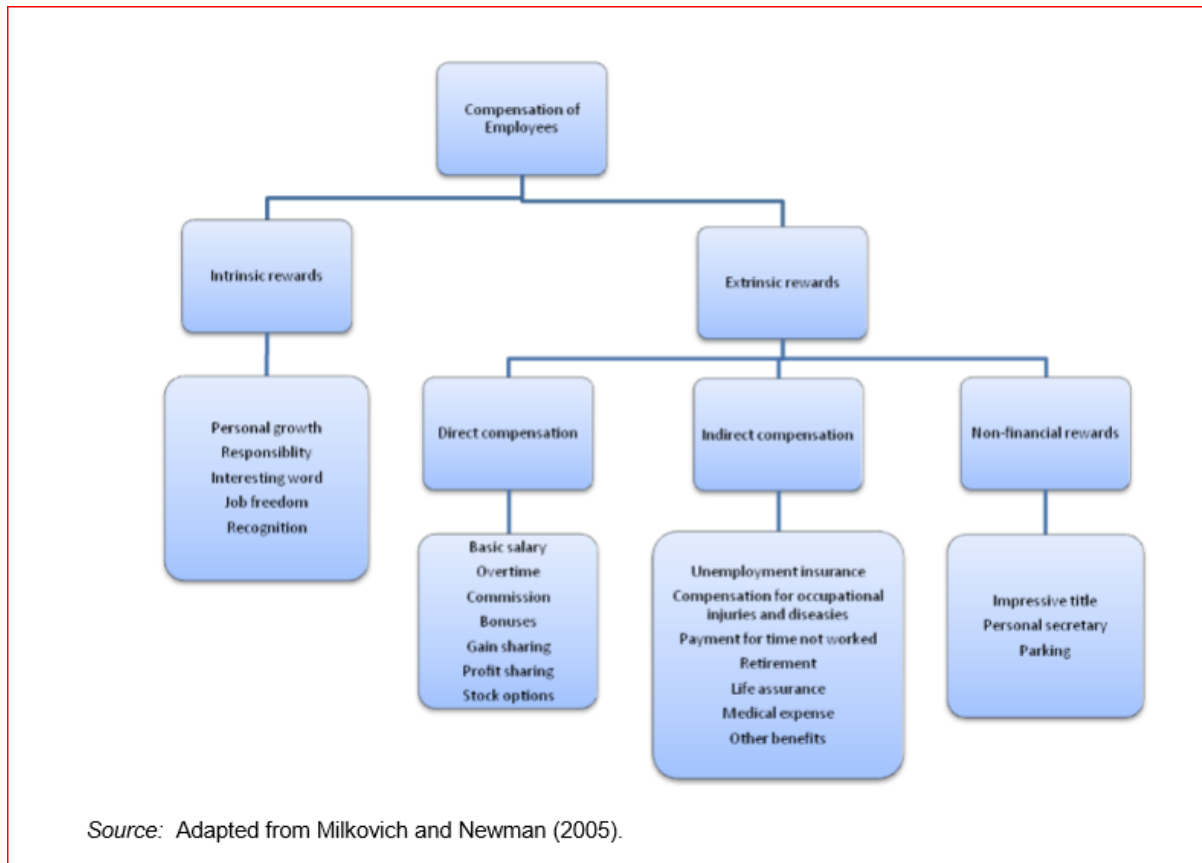
**4.1 Six (6) objectives of compensation plan:**

- To attract the best qualified staff.
- To retain suitable employees by rewarding top performers.
- To maintain equity by considering the perception of fairness in the distribution of rewards.
- To maintain cost-effectiveness.
- To comply with legal requirements.
- To provide for flexibility and administrative efficiency.

4.2 Internal inequity relates to a situation whereby the remuneration of employees within the organization is not equally even their jobs are equal, while external inequity relates to the differences of remuneration of employees from different organisations even though their jobs might be equal.

Question 4.3





4.4 Extrinsic rewards include a salary and benefits, while intrinsic rewards include achieving personal goals, having autonomy, receiving recognition and enjoying more challenging job opportunities.

**QUESTION 5**

- 5 1 The Occupational Health Safety Act 85 of 1993 provides for certain functions to be performed by both employers and employees at the workplace Identify any three (3) of these functions to be performed by each of the parties (6)
- 5 2 Bingo Manufacturing should have a safety management system in place comprising five (5) main elements to ensure that it complies with the health and safety requirements of the Act Identify these elements (5)
- 5 3 The Occupational Health and Safety Act provides that a workplace with offices should have one safety representative for every fifty employees If Bingo has a total of 300 employees, how many safety representatives should it have? (1)
- 5 4 A labour relationship will always comprise three (3) parties Identify these parties (3)
- 5 5 There are several reasons why people join groups in organisations Briefly describe these reasons (10)

5.1 Employers' functions:

- Take precautionary measures.
- Provide information, instruction and training about and supervision of safety in the workplace.
- Prevent employees from continuing with tasks with a safety or health risk.

Employees' functions:

- comply with the rules and procedures issued by the employer
- wear the prescribed safety clothing or use the prescribed safety equipment
- report unsafe or unhealthy conditions

5.2 Five elements for safety management system include:

- A health and safety policy.
- Operating procedures so that their policy can be implemented, such as setting up health and safety committees.
- Planning and implementing safety and wellness plans.
- Measuring the effectiveness of their accident prevention and safety plans.
- Auditing health and safety practices.

5.3 Bingo must have 15 safety representatives

5.4 Three parties in labour relationship include:

- state
- employer
- employee

5.5 Five reasons why people join groups include the following:

- security
- status
- goal achievement
- affiliation
- power