



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

**FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF
COMMERCE**

BHM 822: HUMAN RESOURCE MANAGEMENT

DATE: THURSDAY 8TH FEBRUARY 2018

TIME: 2.00 P.M. – 5.00 P.M.

INSTRUCTIONS

Answer Question ONE and any other THREE questions

Nestle is today the world's leading food company, with a 135-year history and operations in virtually every country in the world. Nestle's principal assets are not office building, factories, or even brands. Rather, it is the fact that they are a global organization comprised of many nationalities, religious, and ethnic backgrounds all working together in one single unifying corporate culture.

The willingness to learn is therefore an essential condition to be employed by Nestlé. First and foremost, training is done on-the-job. Guiding and coaching is part of the responsibility of each manager and is crucial to make each one progress in his/her position. Formal training programs are generally purpose-oriented and designed to improve relevant skills and competencies. Therefore they are proposed in the frameworks of individual development programs and not as a reward.

Most of Nestlé's people development programs assume a good basic education on the part of employees. However, in a number of countries, we have decided to offer employees the opportunity to upgrade their essential literacy skills. A number of Nestlé companies have therefore set up special programs for those who, for one reason or another, missed a large part of their elementary school. In 2015, the company hired 40 engineers as management trainees. The new hires were fresh from public colleges from each country, and other prestigious technical institutions. Obviously they were toppers in their respective branches and institutions.

The management in each country adopted a freakish policy with regard to performance appraisal – 10 percent of all the employees were to be rated below average. The management did not want all the employees to be ranked high, notwithstanding their excellent performance. The axe fell on the trainees. The raters rated all the 40 trainees below average. Humiliated, these 40 put in their papers even before their training period expired.

However, Nestlé's success in growing local companies in each country has been highly influenced by the functioning of its international Training Centre, located near our company's corporate headquarters in Switzerland. For over 30 years, the Rive-Reine International Training Centre has brought together managers from around the world to learn from senior Nestle managers and from each other.

Nestlé's overarching principle is that each employee should have the opportunity to develop to the maximum of his or her potential. Nestlé do this because they believe it pays off in the long run in their business results, and that sustainable long-term relationships with highly competent people and with the communities where they operate enhance their ability to make consistent profits. It is important to give people the opportunities for life-long learning as at Nestlé that all employees are called upon to upgrade their skills in a fast – changing world. By offering opportunities to develop, they not only enrich themselves as a company, they also make themselves individually more autonomous, confident, and, in turn, more employable and open to new positions within the company. Enhancing this virtuous circle is the ultimate goal of their training efforts at many different levels through the thousands of training programs they run each year.

Question One

- a) Outline the benefits of training at Nestle' (5 marks)
- b) The prerequisite for employment at Nestlé is "willingness to learn" Elaborate this criteria. (5 marks)
- c) Analyze the global HRM challenges faced at Nestlé (10 marks)

- d) Explain the performance appraisal errors that could have led to this rating injustice (5 marks)
- e) Explain the pros and cons of external recruitment in reference to the 40 engineers (5 marks)

Question Two

You have been consulted to carry out a job analysis for Bata shoe company. Describe the types of information to be collected and the specifics of a job description and job specification (10 marks)

Question Three

Discuss the process of Human Resource planning in a public organization (10 marks)

Question Four

Explain the grievance handling procedure. (10 marks)

Question Five

Describe the components of a compensation programme in an organization (10 marks)