

# MURANG'A UNIVERSITY COLLEGE

# (A Constituent College of Jomo Kenyatta University of Agriculture and Technology

# COURSE NAME: STRATEGIC HUMAN RESOURCE MANAGEMENT

UNIT CODE: 2047

**DATE: 19<sup>TH</sup> APRIL 2016** 

TIME: 2 HRS

### **INSTRUCTIONS**

Answer question one and any other two questions

### QUESTION ONE

a)	Define strategic human resource management.	(2marks)
b)	Explain the aims of strategic HRM.	(4marks)
c)	Outline the steps involved in the strategic management process.	(14 marks)
d)	Explain in detail the three generic competitive strategies that companies	use to achieve
	competitive advantage.	("10 marks)

# **QUESTION TWO**

a)	Define human resource planning.	(2marks)
b)	State the four key objectives of human resource planning.	(4marks)
c)	Explain the seven elements of strategic human resource planning.	(14marks)

# **QUESTION THREE**

a) In which ways do you think the presence of employee voice may be helpful to the implementation of universalist approach (20 marks)

- a) Discuss the forms the human resource management could use in creating competitive advantage of an organization (6 marks)
- b) Explain the challenges/ barriers that strategic human resource face in the world today (14marks)

# STRATEGIC HUMAN RESOURCE MANAGEMENT

# MARKING SCHEME APRIL 2016.

# **QUESTION 1**

- a) Strategic HRM is an approach that defines how the organizations goals will be achieved through people. (2 marks)
- b) Aims of strategic HRM
  - To generate organizational capability by ensuring that the organization has skilled, committed and well motivated employees.
  - To achieve the vertical alignment of HR strategies with business strategies and horizontal integration of HR strategies
  - To provide a sense of direction in an often turbulent environment that the business needs
  - To create firms which are more intelligent and flexible than their competitors (4 marks)
- c) Steps involved in the strategic management process
  - Define the current business
  - Perform external and internal audit
  - Formulate new business and mission statement
  - Translate the mission into strategic goals
  - Formulate strategies to achieve the strategic goals
  - Implement the strategy
  - Evaluate performance (14 marks)
- d) Three generic competitive strategies
  - Cost leadership
  - Differentiation
  - Focus (10 marks)

- a) Human resource planning is about ensuring the correct number and mix of employees is available to an organization (2 marks)
- b) Key objectives HRP
  - To prevent understaffing and overstaffing

- To ensure the organization has the right employees with the right skills
- To ensure the organizations responds to environment changes e.g. technology
- Unite the line management and staff managers (4 marks)
- c) Elements of SHRP
  - Strategic planning
  - Demand forecasting
  - Auditing current HR capability
  - Supply forecasting
  - Carry out a gap analyses
  - Planning
  - Implementation and evaluation (14 marks)

# **QUESTION 3**

- a) How employee voice may be helpful for implementation of universalist approach
  - For uniformity of the best approach across the different organization
  - Proper utilization of resources
  - It reduces conflict in an organization
  - Reduces costs of the organization
  - It enhances team work
  - Encourages ownership of the organization
  - It encourages workers to perform better
  - It leads to better decision making
  - Leads to reduction of delays on implementation of plans
  - Leads to improved organization performance and growth
  - It cultivate a good working environment
  - Reduce exit of employees (20 marks)

- a) Forms the human resource management could use creating competitive advantage
  - Quality of the product/ research
  - Use of technology
  - Employee skills and commitment ( 3x2= 6 marks)
- b) Challenges facing strategic human resource
  - Most organizations adopt short term mentally and focus on current performance because stakeholders want quick rewards
  - The inability for the HR executives to think strategically
  - Most senior managers lack appreciation for the value of HR and its ability to contribute to the organization from a strategic perspective

- Some functional managers see themselves as HR managers hence concerned with technical aspect than human aspects
- Quantifying many of the outcomes and benefits of HR programmer
- Human assets not owned by organization and therefore perceived as a higher risk investment than capital assets.
- Strategic HR may be resisted because of incentives for change that might arise(7x2=14marks)

# **MURANGA UNIVERSITY COLLEGE**

### **COURSE NAME: STRATEGIC HUMAN RESOURCE MANAGEMENT**

#### UNIT CODE: 2407

DATE: APRIL 2016

TIME: 2 HRS.

### **SUPPLEMENTARY**

### **INSTRUCTIONS**

Answer question one and any other two question

### **QUESTION 1**

a) The complex resource based view is thought to have considerable implications on the theory and practice of strategic human resource management. Discuss (30 marks)

### QUESTION 2

a) Explain how HR function can contribute to strategic plans and actions of the firms (20 marks)

### **QUESTION 3**

- a) Explain the aims of strategic HRM (6marks)
- b) Outline the steps involved in the strategic management process (14 marks)

### **QUESTION 4**

a) Describe the four roles of HR in strategic management process (20 marks)

# COURSE UNIT: STRATEGIC HUMAN RESOURCE MANAGEMENT

### MARKING SCHEME: SUPPLEMENTARY

### **APRIL 2016**

- a) The implications of RBV theory and the practice of strategic human resource management
  - A method of identifying firms strategic advantages based on a firms assets, skills capabilities and intangible

- It is the theory states that firms differ in fundamental ways. Each firm has a unique set of resources which can be tangible and intangible
- It advocates core competence
- Tangible assets- are the production facilities raw materials
- Intangible assets e.g. brand name, the company reputation, organization morale , trade mark
- What makes a resource valuable is its scarcity, durability, critical in nature-meets the custom needs
- According RBV resource that have the following characteristic have more advantage
  - 1. Resource that are more valuable
  - 2. Resource that are rare
  - 3. Resource that are inimitable
  - 4. Resource that are non-substitutable
  - 5. Resource that are effectively organized (30 marks)

# **QUESTION 2**

- a) How HR function can contribute to strategic plans and actions of the firm
  - Encouragement of pro-active rather than reactive behavior
  - Explicit communication of goals
  - Stimulation of critical thinking
  - Productivity as an HR based strategy
  - Quality and service are HR based strategies
  - Proficient strategic management (20 marks)

- a) Aims of strategic HRM
  - To generate organizational capability by ensuring that the organization has skilled, committed and well motivated employees.
  - To achieve the vertical alignment of HR strategies with business strategies and horizontal integration of HR strategies
  - To provide a sense of direction in an often turbulent environment that the business needs
  - To create firms which are more intelligent and flexible than their competitors (4 marks)
- b) Steps involved in the strategic management process
  - Define the current business
  - Perform external and internal audit
  - Formulate new business and mission statement

- Translate the mission into strategic goals
- Formulate strategies to achieve the strategic goals
- Implement the strategy
- Evaluate performance (14 marks)

- a) The four roles of HR in strategic management process are
  - Environment scanning
  - Strategy formulation
    - 1. Corporate level
    - 2. Business unit level
    - 3. Functional level
  - Strategy implementation
  - Strategy evaluation (20 marks)