



**DMM-5544**

**M. B. A. (F.T.) (Sem. IV) (CBCS) & M. B. A. (E.)  
(Sem. VI) (CBS) & (New Course ATKT) Examination  
March / April - 2016  
OHR-402 : Strategic & Global Human Resource  
Management**

Time : 3 Hours]

[Total Marks : 70

**Instructions :**

(1)

नीचे दृष्टावेक निशानीवाणी विगतो उत्तरवडी पर अवश्य कभवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
M.B.A. (F.T.) (Sem. IV) (CBCS) & M.B.A. (E.) (Sem. VI) (CBS) &.....	<input type="text"/>
Name of the Subject :	<input type="text"/>
OHR-402 : Strategic & Global Human Resource Management	<input type="text"/>
Subject Code No. : <input type="text" value="5"/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="4"/>	Section No. (1, 2,.....) : <input type="text" value="Nil"/>
Student's Signature	

(2) Question 6 is compulsory.

(3) Attempt any 4 from question 1, 2, 3, 4 and 5.

- 1 What is SHRM? Explain strategic environment of company 14  
with strategic changes in Human resources with example.
- 2 Develop a set of behaviourally based interview questions 14  
for the following jobs :
  - (1) High school Principal
  - (2) Sales Manager at Insurance Company
- 3 Discuss advantages and disadvantages of 360-degree 14  
feedback system? How should an organization decide whose  
feedback to seek and why?
- 4 What are the Strategic HR issues in Global Assignments? 14
- 5 Write Short notes on : (any two) 14
  - (1) HRM: Investment Perspective
  - (2) Managerial Roles in case of Stereotype threats
  - (3) Job Characteristics Model
  - (4) The National Labour Relations Act (NLRA)

**Infosys - Strategic Human Resources Management****Introduction :**

After a decade of fast growth, going from 250 employees to 15,000 employees and from \$5 million in revenue to \$754 million as well as being ranked No. 1 in the Business Today Best Employer survey, Infosys Group felt a rude shock in 2003 when it fell off of the Best Employer List completely. Because of this disaster, the leadership of the company held a meeting in November of 2003 to set a new and aggressive milestone for the company: to ensure that Infosys Group was on the Top Ten lists of both Best Performing Companies as well as Best Employers by 2007. While leadership set this seemingly attainable goal, the HR team knew it would be no easy task as no large organization had ever been able to achieve this distinction because of the need to control costs for financial performance and the spending required for employee satisfaction. The fact that Infosys fell completely from the Best Employers list caused a huge media uproar and commotion in the industry, and the situation was referred to as the "downfall" of the poster child of the Indian software industry. As Infosys continued its growth, the HR team knew it needed to prevent crises like this from happening in the future, but they did not have a model or path to follow.

**Background**

In 1981, after working in the public sector and at a start-up software firm in India, Narayana Murthy, along with six others, left their jobs at the software firm and founded Infosys with only \$250 borrowed from their spouses. From the start, Murthy and his six colleagues shared a vision of creating wealth in a legal and ethical manner. Youngest cofounder and current CEO Nandan Nilekani stated that they wanted to build a company that "was professionally owned and professionally managed, with good corporate governance, good employee management, and good ethics."

The bureaucratic and heavily regulated governmental environment in India in the 1980s made it very difficult for Infosys to get off the ground; taking 12 months and 15 visits to Delhi to get permission from the government to import a computer and one year to get a phone line. The issue of foreign exchange for travel abroad was controlled through the Reserve Bank of India, and all of these constraints meant longer lead times in executing business. By 1986 Infosys still only had one client and by 1989 when the U.S. government put a restriction on the number of B1 visas it issued each year, Infosys was no longer able to visit its customer locations in the U.S. and the company was at a point where it was almost completely dissolved. After one of the cofounders left the company to pursue other opportunities in the U.S., the remaining cofounders discussed dissolving or selling the company, but when Murthy offered to buy out their shares to continue the company, the rest of the cofounders decided to stay in it with him.

The HR team at Infosys continued to make attempts to make the workplace more fun and meaningful, however even though they instituted a number of programs and events to do so, employee discontent continued to rise. As it continued to grow with each passing year, the diversity and disparity of the employee hierarchy was becoming more apparent and middle and senior managers were not in touch with the rapidly changing realities of the employees at lower-levels. Managers were unable to understand the frustrations of the lower-level employees who were doing less interesting work and found it challenging to take a hands-on approach to management and also struggled with effective delegation as their responsibilities expanded. This ultimately led to a high turnover rate, even though the company was expanding and growing, which meant high employee costs because of the need to build up recruiting efforts.

## **Problem Analysis**

### **The Problem**

In 1999 Infosys decided to implement a series of changes including building a portfolio of core companies and services and reorienting the way people were measured, compensated, promoted, and rewarded in an effort to improve productivity, cost-competitiveness, and efficiency. After changes were made including the introduction of a variable pay structure across the entire organization, flattening the organization by removing eight of its fifteen layers, and a promotion policy that depended on the needs of the organization rather than solely on the individual's performance and seniority, Infosys remained high on the Best Employer lists in 2001 and 2002. In 2003, however, Infosys fell off of the lists completely, shocking everyone else in the industry as Infosys had always been recognized for its path-breaking HR practice.

Upon analysis of the situation, the Infosys management realized that the changes that had been initiated since 2001 had an unintended impact in de-emphasizing the traditional culture of Infosys, which was a small company and collegial environment where processes and policies were flexible and customized to individual needs. Challenges in managing expectations and communication within the large organization led to employees being doubtful about the impact of the changes as well as being unclear about the rationale behind the changes, which appeared to be benefiting the company at the expense of the employees (DeLong & Rengaswamy, 2005).

#### **Questions :**

- (1) Strategic Human Resources Management is all about balancing human resources so that the company is meeting the needs of its employees and the employees are meeting the needs of the company. Discuss the role of SHRM in above case.
- (2) As a HR manager give the possible solutions of above case.