

# Human Resource Management

## Questions, Exercises and Cases

Prof. Dr. Armin Trost

English Version

On the following pages you will find questions for your own reflection. I have been using these questions in previous exams. In my exams a maximum of 18 points can be achieved per exam. 9 points are required to pass. The point values that can be attained for each question are indicated in brackets. Furthermore, you will find some exercises and cases.

## Content

Introduction .....	2
HR Strategy & Planning .....	3
Talent Acquisition.....	4
Candidate Selection .....	7
Compensation & Benefits.....	10
Learning .....	12
Talent Development .....	14
Work.....	16
Retention.....	19
Change Management.....	21
HR Organization.....	24
HR-IT.....	25
Social Media.....	25
HR Controlling.....	26

## Introduction

1. Innovation and related technological advancements impact our activities in HRM. Give two examples of your own choice as to how HRM has been impacted by this. [4]
2. A future challenge for HRM is the proportional increase of "knowledge workers". What does this mean specifically? [3]
3. Over the course of the past years globalization (must not be explained) had a significant impact on human resource management. Explain four different effects in one sentence each. [2]
4. Explain two reasons why current demographic changes affect human resource management. [2]
5. **Exercise:** Note three things, which are highly important to you in regards to your professional future. Ask your parents/grandparents

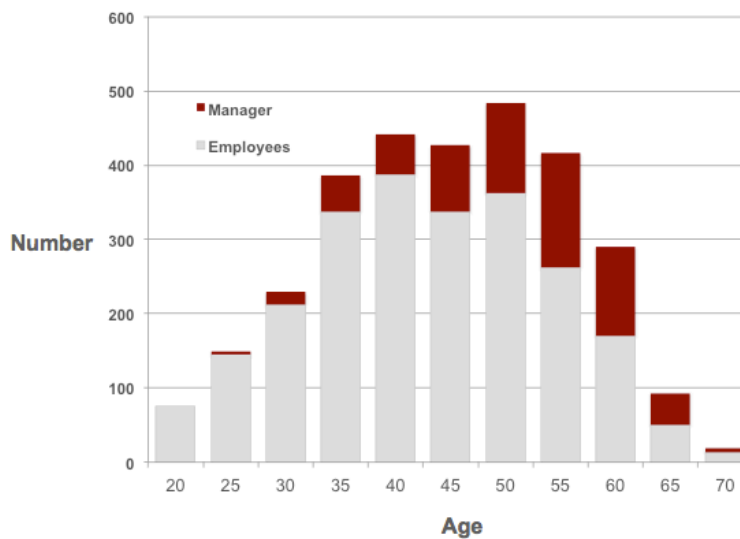
what has been important to them when they were your age. Compare these points. If you find any differences: what do they mean to HRM in a company today?

6. Different concepts of HRM are used to address challenges relevant for the future success of companies. Briefly explain three different challenges and related HRM concepts. [3]

### HR Strategy & Planning

7. **Exercise:** After many years of innovative new product development a company starts to focus on international growth. What does this strategic change mean for the employees in terms of required competence, motivation and values? How should this change impact HR-related activities and processes (e.g. recruiting, HR development, compensation)?
8. You will find several functions in companies (such as sales, production, product management) where more HRM-related efforts (e.g. in recruiting, HR development) are required than in other functions. What would you call these kinds of functions? [3]
9. The training budget for a company of 100 employees is 1 million Euros. How would you distribute this budget amongst the employees? Explain your recommendation. [3]
10. Name two companies and related key functions. Please explain. (You do not need to explain the term "key function") [3]
11. What could be a key function at BMW? Explain your choice. [2]
12. From your experience and observations, what could be a bottleneck function at IKEA? Please discuss. [2]
13. A manager is saying: 'In our company sales is a key function. If we would lose employees in this function we would struggle in finding new hires to replace them'. Please comment. [2]

14. What conclusions do you draw from the graph below? What would you call an analysis like this? [3]

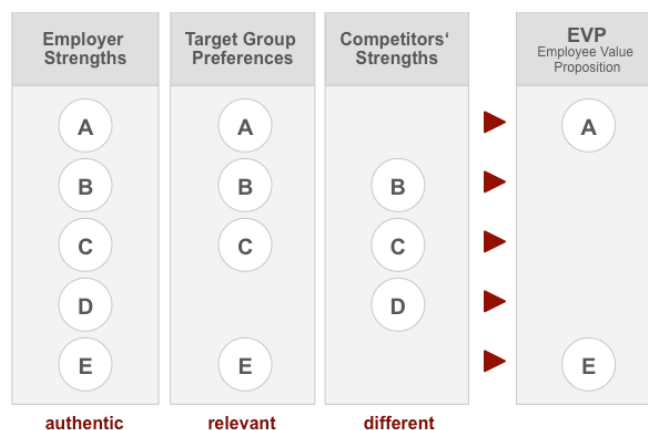


15. How can task analysis be used to determine future quantitative labor demand? [3]
16. What determines workforce demand on a company's specific hierarchical level? [2]
17. How many employees are needed to run a McDonalds restaurant? Estimate the amount of FTEs (Full Time Equivalentents) based on own assumptions. [3]

### Talent Acquisition

18. Explain two pros and two cons of internal hiring. [3]
19. How did a typical job advertisement in 1990 differ from a current, modern or future one? Name four different points (before – after) in terms of bullets. [2]
20. Companies are ready to pay twice as much for a contract worker as part of a contingent workforce than for an employed one. Why? [2]
21. Executive search consultants must take care of so called off-limits. What does that mean? [2]
22. A law office is desperately looking for qualified lawyers to hire. In the past, job postings were far from successful. What would you recommend to the law firm? Explain four innovative actions briefly. [5]

23. What is the major difference between a product brand and an employer brand? [2]
24. What's the difference between an employer image and an employer brand? [2]
25. What could a company learn from its newly hired employees when building an employer brand? Please describe three different aspects. (Note: this question asks for content not for methods. You don't need to explain, what an employer brand is.) [3]
26. Why has employer branding become one of the hottest topics in HRM over the last few years? (You don't need explain what employer branding is.) [3]
27. **Exercise:** Visit the career websites of various companies. What employee values did you find and how are these communicated through text and visuals? How well are the various companies doing on it? What are good examples and what are weak ones? With regards to the employee value proposition, what are major differences between good and weak pages?
28. An employee value proposition should be authentic, target group relevant and unique. How can you ensure it is that way? [4]
29. Explain the diagram below. How can you translate it into very specific actions? [5]:



30. A midsize company of 1,200 employees is about to built an employer brand (does not need to be explained). Please outline a rough project plan including major project steps, main activities per step and related outcomes. [4]
31. Why have job ads become less effective in talent acquisition? Under which conditions would you stick to this particular approach? [3]

32. There is a difference between active and passive seeking of candidates. Why is that differentiation relevant to employers? You don't need to explain the difference as such. [3]
33. Why can the difference between active and passive seekers be seen as relevant for candidate sourcing (you don't need to explain what the difference is)? [2]
34. A mid-sized company in the Black Forest is desperately looking for qualified engineers in the field of process automation. Job ads have proven to be ineffective. What would you recommend to the management of this company? Explain three different measures. [3]
35. One of the major downsides of career fairs is the fact that you probably won't get in touch with passive seeking candidates. What does that mean and why can this be seen as a real disadvantage? [2]
36. Why do companies use contingent workforces? (You don't need to explain this concept as such.) [2]
37. It's said that "A players know A players". Please explain what this means and what makes this assumption believable. [3]
38. Employee referral programs (must not be explained) are an effective way to acquire talent. Give two reasons why this is the case. [2]
39. An employer plans to hire its best interns in the long run as permanent employees. Explain a possible approach in very precise steps. [3]
40. As part of a candidate retention program companies use to prioritize candidates. What does this mean and what are the practical implications? [3]
41. Briefly explain three different recruiting activities which enable you to hire passive seekers. [3]
42. Briefly name and explain six different measures/actions, which can contribute to a positive candidate experience. (You don't need to explain the term candidate experience.) [3]
43. **Case** Talent Acquisition at ErgoDrive

ErgoDrive GmbH is a company in the automotive supply industry with 25,000 employees currently and annual revenue of 2.3 billion Euros. The development functions and central business areas such as HR, finance, controlling and marketing are essentially located in Germany. In recent years, ErgoDrive has increasingly focused on the development and production of control components that are particularly in demand in the field of e-mobility. The company sees its future in this sector. ErgoDrive believes

to have competitive advantages specifically through product innovations and the speed in which the company can get new products market-ready.

The company expects significant growth in the coming years as well. Each year, some 100 new jobs need to be filled just in the developing areas. This is turning out to be a herculean task for the totally overburdened HR department. The labour market is practically dried up. The reputation of the company over its competitors such as Bosch, Conti or the major OEMs (Daimler, VW and BMW) is rather low. So far, ErgoDrive has mainly utilized job ads to recruit. Where they didn't know what else to do, human resources consultants (or head-hunters) were hired. There are rather informal connections with a few selected universities in the region. Every now and then they battle their way through career fairs - with reasonable success.

Obviously, the subject of recruitment is increasingly becoming a strategic challenge for ErgoDrive. Therefore, management initiated a 2-day workshop in which the current recruitment practices were to be scrutinized and new, alternative routes outlined. As an external consultant, it is your job to prepare and run this workshop.

- a) Who should attend this workshop and why?
- b) What would you look at in advance to get a picture of the situation?
- c) What questions should be answered with this workshop?

### **Candidate Selection**

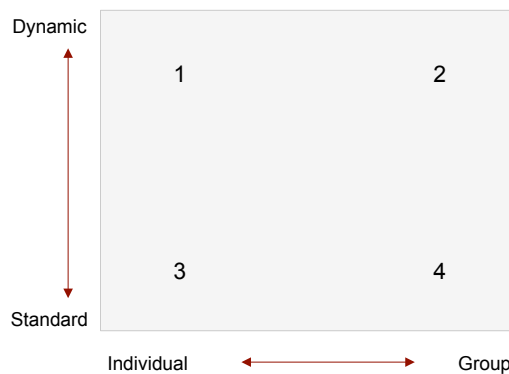
44. When selecting candidates what is worse: false negative or false positive? Please argue. [2]
45. A company employs a couple of product managers. What methods can you use to better understand the main tasks of a product manager in this particular company? Briefly explain two different approaches. [2]
46. Develop a job profile (requirements) for the job of a nurse by using the critical incident technique. [3]
47. When selecting a candidate would you rather consider his/her competence or talent? Give reasons for both alternatives. [2]
48. 'Human beings are by nature capable to make valid judgements about others. This can help especially in the area of candidate selection.' Would you agree or not? Please explain. [2]
49. What is stereotyping? Please give a specific example. [3]
50. Most recruiting processes start with reviewing resumes and end with intense interviews and/or an assessment center. What is the

underlying logic behind the sequence of the different methods used along the process? [5]

51. Name and explain six different (!) candidate selection methods. (Explain each method in one sentence. All methods must exist in practice even though some of them might show limited validity.) [3]
52. What does graphology mean in the context of candidate selection and what are your thoughts on the subject? [2]
53. Personality tests are supposed to measure personality. (a) How would you define personality in this particular context? (b) What is the related meaning of social desirability and (c) how do professional tests deal with it? (d) What is the difference between a personality and an aptitude/ability test? [3]
54. What exercises do companies typically use in assessment centers? Describe two exercises and what they are supposed to measure. (You don't need to explain what assessment centers are. Please give examples other than self presentation and tests.) [3]
55. There are methods to select candidates which are expensive and valid. Other methods are rather cheap but not as valid. As HR manager which alternative would you prefer? Please discuss. [3]
56. Online testing allows an adaptive presentation of items. How does it work? [3]
57. What is an ability test? Please give two examples. [2]
58. The average score of an ability test based on the entire population is 60. The higher the score the stronger the ability measured. Standard deviation is 5. A person achieved a score of 65. Please interpret this individual result. [1]
59. Tests are seen as being highly objective due to the limited influence of test operators. What does this mean and how would you proof a test's objectivity? [5]



60. As part of assessment centres exercises differ along two dimensions (see figure below). What are typical exercises in the fields 1-4? [3]



61. Why are assessment centres seen as being objective? Please also explain the criteria objectivity in your own words. [5]
62. There are multiple advantages to assessment centers. What is the one specific advantage of assessment centers that sets them aside from other selection methods? Please discuss. [2]
63. Please rank the following three selection methods according to their objectivity: (a) Presentation as part of an assessment center, (b) Intelligence test, (c) Personal interview. Please discuss. (You do not need to explain the three methods). [3]
64. As part of an assessment center (does not need to be explained) a company is using a test to measure leadership competence. (a) What would you call such a test? (b) Describe as detailed as possible how you would judge the validity of a test like this. [4]
65. „When variable A closely correlates with variable B, you can assume A as being the cause and B as being the effect“. Would you agree? Please explain. [1]
66. How would you analyse the reliability of a thermometer? [3]
67. Can a selection method be valid but not reliable? Can a selection method be reliable but not valid? Please explain. [3]
68. **Exercise:** You can measure length by simply estimating it. Calculate the inter-rater reliability of this particular method.
69. How exactly would you judge the validity of a test that is supposed to measure leadership quality? [3]
70. There is a test, which is supposed to measure a person capability to drive a car. The test's validity is .42. a) What's the meaning of this value? b) How would you calculate validity in this particular case? [3]

**Compensation & Benefits**

71. Imagine an A-Player and a B-Player both having the same job receive the same level of compensation. Which effect would you expect? Please explain. [2]
72. What factors are typically used to determine base pay? Please discuss. [2]
73. When determining individual compensation/salary multiple factors need to be considered, which leads to significant complexity. In practice how do companies deal with this level of complexity? [2]
74. Imagine a company, where all employees earn exactly the same salary. (a) What are the advantages of such a "system"? (b) Briefly explain four different ways to eventually increase equity. (c) As far as employee compensation is concerned what does the term equity concretely mean? [4]
75. What is a benchmark job in the context of compensation and benefits? Explain how they are used briefly. Give an example. [2]
76. Please explain how a company can evaluate its jobs. How are the results used to determine the base pay of its employees? [5]
77. Market pay rates are often considered when determining employees' compensation. What does this mean and how is it done in practice? [3]
78. There is the idea of compensation structure leading to more equity when defining an employee's individual base pay. (a) Point out major reasons supporting this idea. (You don't need to explain what a pay structure or equity is). (b) Are there reasons to question this particular assumption? [5]
79. The market line represents the relationship between job value and market pay. It is estimated by using regression analysis. Please explain. [4]
80. To describe the salary of a population one would use the median, rather than the mean (or average). What's the difference and why is the median preferred? [3]
81. In company A (100 employees) and company B (1,000 employees) median salary is 40,000 Euro. Now imagine one would add one employee with an extremely high salary to each company. Where will the median increase the most? Please discuss. [1]

82. **Exercise:** Prepare a list of significant personal objectives for the upcoming 12 months. All objectives should be specific, measurable and realistic. How easy or difficult is that task for you and why?
83. Does pay for performance impact an employee's actual performance? [4]
84. A company in the retail industry shares its profit among all 10,000 employees. What information do you need in order to calculate the average share per employee? Do an estimation based on own assumptions. [2]
85. Estimate the profit share per employee of a company based on own assumptions. [4]
86. What are the major differences between employee stock options and employee stock ownership? [3]
87. What are employees' risks related to employee stock ownership versus employee stock options? (You don't need to explain the two concepts) [3]
88. Compare the risks of stock ownership and stock options from an employee's perspective (you don't need to explain the two concepts). [3]
89. Why are employee stock options an appealing way to reward employees for company success? [5]
90. Many companies offer benefits to their employees in order to achieve financial advantages. How is that possible (do not argue based on psychological effects such as motivation/satisfaction increase)? Give your explanation according to a practical own example. [3]
91. **Case** Employee Compensation at AgileTech

At AgileTech 200 employees are employed. Since 2006 this company delivers professional services in the High Tech industry with a strong focus on digitalization, automation and process optimization. The founder of AgileTech is a well-known visionary not only in technology but also when it comes to leadership and organization.

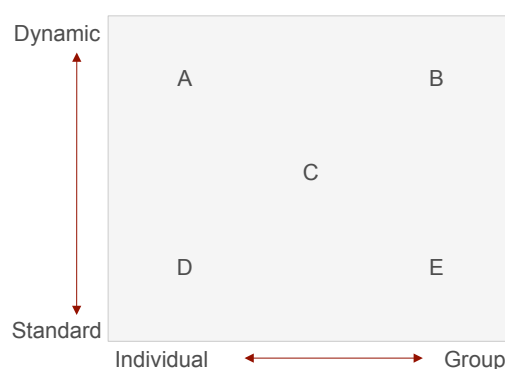
Since the very start of this company all employees share the same compensation level. In this company it does not matter whether you are a back-office assistant or a consulting manager. Everyone earns 70.000 Euro a year – everyone! On top 10% of total annual income (after taxes) is shared equally among all employees at the end of the year.

- a) What is good about this compensation model?
- b) Give three reasons, why this model might not work

- c) Explain two ways how you would enhance this model. Please answer the following questions for each of the ideas you propose:
- Concept: What would you concretely do?
  - Effect: Why do you believe your idea would improve?
  - Risk: What might be a major risk?

### Learning

92. Explain the difference between competence and talent based on an own example. [2]
93. What is the difference between knowledge and competence? [2]
94. In order to increase the quality of interviews, a company is about to develop interview training for all managers. What would you do? Please outline very specific actions along with the different phases of training development. [4]
95. "To understand employees' training needs you simple have to ask them". What's your opinion on that? (You don't need to explain alternative ways). [2]
96. On-the-job training allows participants to immediately apply newly acquired knowledge. Please explain this argument by using a specific example. [3]
97. Assign the following training methods to the different areas in the picture below: 1. Facilitated group discussion, 2. presentation, 3. literature study, 4. role play, 5. coaching. (You must not add any explanation to your decisions). [2]



98. **Exercise:** Make a list of 8-10 things, which you can do better than others. For every point indicate how you learned it. How many times did you learn something through training, experience or from/through others?

99. In training evaluation you can differentiate between behaviour-level and learning-level. How are these two levels applied in practice and what is the major difference? [3]
100. All international sales people of a company attended an English training program. Please explain four different ways to evaluate this program. (Do not discuss advantages and disadvantages). [4]
101. A company is operating an onboard program in order to introduce newly hired employees. Explain as specific as possible how to evaluate a training program like this. [3]
102. Some studies have proven the effect of the relevance of training content on learning transfer. a) What does this mean? b) Give an own, practical example to illustrate this effect. [2]
103. What do companies want to achieve by using knowledge management? Explain the three major goals. [3]
104. A modern challenge of most companies is to retain knowledge. What does this mean? [3]
105. In the last few years there was a major shift in knowledge management from a collect-approach to a connect-approach. (a) What does this mean with regards to major challenges addressed by knowledge management? (b) How could a connect-approach look like in a midsize company?
106. As part of knowledge management there are yellow pages and knowledge databases. What are the fundamental differences between these two approaches? [2]
107. A company is operating a knowledge management system where employees are encouraged to publish knowledge documents. Describe three indicators, which continuously reflect the success of a system like this. [6]
108. **Case** Training program at YoungFashion

YoungFashion is a globally operation fashion company with more the 600 stores all across Europe. Over the course of the last three years revenue went down significantly, which led to the strategic decision to better train YoungFashion's sales force more intensively. As part of this strategy all country managers where requested to build and operate a country-specific training program for their sales workforce. At no moment the executive board had any doubts about the idea of improving revenue through increased sales competence. Other factors were not taken into closer considerations.

Thomas is the German country manager. He manages 50 stores and 3.000 employees (2.600 in sales). He instantly took action and set up a project

team consisting of three store managers, the German Head of HR, the German Head of development and training. He also had the idea to actively engage some sales employees from different stores, when it comes to the development/design of this particular training program.

Right from the beginning the project team has defined some guiding principles and framework conditions:

- Attendance to the program should be voluntary
- Budget per attendant should be around 500 Euro
- No class-room training

In a project kick-off-meeting the project team met to outline the different steps required to bring this entire idea to life.

- a) What might be the relevant project-steps from the beginning to the end of the program?
- b) What are the concrete actions you might undertake as part of the different steps?
- c) What might be 2-3 concrete training-measures of this program?

### **Talent Development**

109. Many companies use competence models. (a) What is that? (b) How can this approach be criticized? Briefly point out two arguments against the usage of competence models. [3]
110. Some companies use competence models as part of their talent development programs. What is a competence model and how is it used? [3]
111. If you need to publish an article about Performance Appraisal in Wikipedia. What would you write? [3]
112. Most companies run performance appraisal being part of performance management. (a) What is performance appraisal and (b) what are its most important purposes? (c) Explain one major reason, why this procedure gets increasingly criticized. [4]
113. Explain the term cascading by using a specific example. [2]
114. A presumed purpose of performance appraisal is to cascade company goals across each hierarchical level down to the bottom line. Please explain this idea by using a specific example. How can this idea be criticized? [5]
115. How can you use behaviourally anchored rating scales and what are their advantages? [2]

116. Explain the terms potential and talent by referring to the learning curve. (You might add a graph to your explanation). [3]
117. How can you tell, whether a person got talent? [2]
118. Describe the fundamental idea of the performance-potential-grid. What is the purpose of this particular tool? [3]
119. There are employees demonstrating strong potential but weak performance. How would you deal with those employees? [3]
120. Explain the logic behind the performance-potential-grid. For what purpose do companies use this instrument? [3]
121. **Exercise:** Study the biography of a celebrity of your choice. It could be someone in the field of sport, music, politics or any other field. What has been relevant to the success of his/her career? What can we learn from your insights with regards to HRM in terms of identification and development of high-potentials?
122. In modern organization there are different meanings of what 'career' is all about. Please explain. [2]
123. In companies how are employees treated after being identified as high-potentials? [4]
124. In a mid-sized company, 20 high-potentials have been identified. In the long run the company is about to prepare these 20 people for leading positions. (a) What is a high-potential? (b) Describe three measures, which are appropriate to develop these young employees. [4]
125. Action learning is among the most effective methods of talent development. Give four reasons why this is the case in form of bullet points. [2]

126. **Case** Susan

Susan is a highly talented and ambitious person. She obviously got all the potential someone needs to move into a top-management position on the long run. She studied business management at a high-ranked business school and graduated with perfect marks. After having finished her Master Degree Susan instantly got employed at the global auditing, tax and management consultancy Hensley, Barkey & Hetches (HBH, 7,200 Employees, 1.3 billion annual revenue) as a junior consultant.

If Susan would not be able to make her way inside her current employer HBH she definitely would drop out and do something else anywhere – family, different employer, different career etc. By any mean she doesn't want to waste her potential and ambition. On the other hand HBH strategically agreed upon the long-term goal to increase the ratio of female executives. As one of the perfect candidates Susan would be a perfect fit.

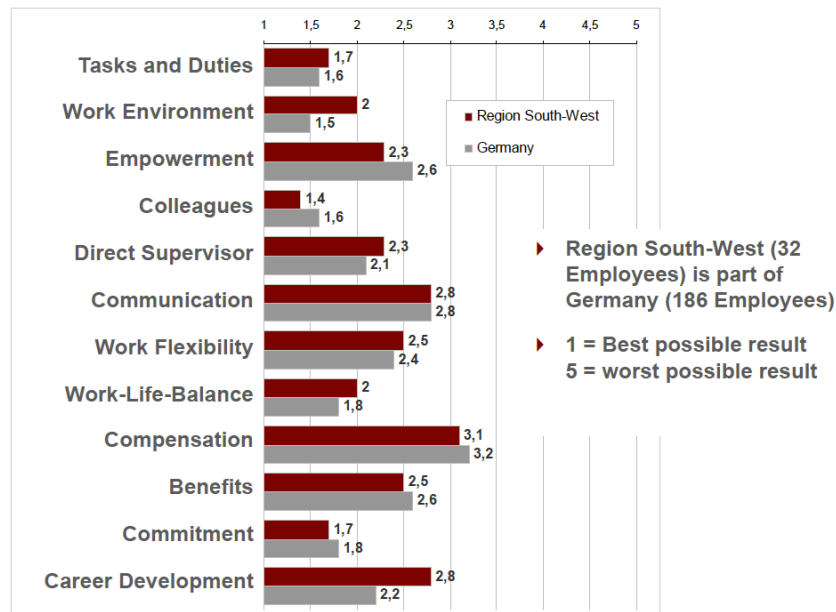
- a) What are the major challenges HBH must cope with?
- b) What kinds of steps, methods, tools or procedures might HBH implement to meet both, Susan's expectations and the intended female-executive-ratio?

### **Work**

- 127. The working world is under a fundamental change. Explain two major changes compared to the traditional working environment. Why is this change happening? Explain two reasons. [4]
- 128. The sentence 'I show up at work on time' will hardly be understood by future generations. Why? [2]
- 129. In company A work time is being recorded (you don't need to explain what that is) in company B it is not. What kind of leadership culture would you assume in company A and what kind in company B? [3]
- 130. Name and describe two different (as opposite as possible) working hours models along the relevant key dimensions. [2]
- 131. Someone says: „The working hours model of an employee mainly depends on the requirements of his/her job“. Please comment [3]
- 132. Young employees (20-25) require different measures in terms of HR than their older colleagues (50+). (a) Why? (b) Use a specific example to explain what the significance of this is in practice. [4]
- 133. A company is about to build a new facility for its 200 employees of the research & development department. Are there reasons why the HR director should put his/her attention on this project? [3]



134. **Exercise:** Put yourself in the position of the manager of Region South-West who gets the employee survey report shown below. What is the biggest strength and biggest weakness of your business unit?



135. Would you agree to the following statements: 'When responses of the employees in an employee survey are calculated percentages we name this a relative comparison'? Please comment in one sentence. [1]
136. Traditional employee surveys often do not lead to expected sustainable changes. Explain two reasons why. [4]
137. One of the major issues with traditional employee surveys is related to the fact, that not every topic is relevant for everybody on every hierarchy level. Explain this point by using an own example. [3]
138. One particular issue of traditional employee surveys is that objectives are being set after rather than before the survey. What does this mean and what practical recommendations does this indicate? [3]
139. Imagine a company following a branding strategy. What would be an appropriate question for a pulse survey? Explain your suggestion. [3]
140. A company is about to do an employee survey. As a consultant you are asked what topics should be chosen. What's your answer? [3]
141. As part of an employee survey employees are encouraged to answer the following question: "How satisfied are you with your career opportunities in our company?" How would you evaluate the meaning of the results? [3]

**142. Case Marvin**

Since two years Kate is managing an accounting-team. Her team consists of eight employees. Most of them joined the team earlier than Kate and own more working experience. Kate believes in a highly people-centric management-style. Trust is her dominant and guiding management principle. She repeatedly told to her team she wouldn't care about physical presence. She rather counts on performance, team-results and autonomous collaboration. Overall, this style is highly appreciated by all team-members.

For a couple of days Kate could feel a growing resentment inside her team. In accounting there always are some weeks in a year, where the workload is truly heavy due to the seasonal nature of such a kind of function. Especially when preparing the annual business report everyone in the team is required to spend a significant amount of extra hours over the course of a few weeks.

Marvin however, an experienced colleague in the team seems not to care as much about this challenges as most others do. Some mentioned: "Why should we do Marvin's work? While everyone is working through the weekend he always leaves the office on time and does not spend extra hours. He rather seems to take care for his colony of bees (his new hobby). This is not fair. Due to his long tenure he even earns a higher salary than most of his peers".

Kate knew she had to act somehow in order to keep the motivation-level up. Otherwise her principle on giving trust could be questioned by the team's majority.

- a) What should Kate do in this particular situation?
- b) What should she do to avoid situations like this in the future?

**143. Case The failing of a good idea**

Steve and Ray are on their way back home from an international conference on digitalization and industry 4.0. Both are highly energized, inspired and full of ideas. In the past few days at the conference they became fully aware about all the tremendous technological changes to come in their industry (automotive). They especially were excited about new developments in the area of connectivity and connected cars. Imagine different control components in a car would be equipped with IP-addresses. Garages, services, dealers could do some remote tests on cars and at the same time give warnings, advices and trigger relevant services. At the end everyone could save much time and money.

Highly motivated Steve and Ray continued to work on their ideas during the days and weeks after their return. At a later stage they knew they had to collaborate and to communicate with colleagues from other departments such as product management and research and development. They got in

touch with relevant peers beyond their departmental borders. Too often they got the colleagues' responses "It's not my job to deal with your ideas" or "on which account can I charge the working time I spent with you and your idea?". It all turned out to become a completely disappointing experience. To gain support they talked to their boss, who then talked to his boss. Eventually the ideas found their way to Dr. Pfister's desk, an executive who was famous for being conservative and not open for innovation. It all fizzled out.

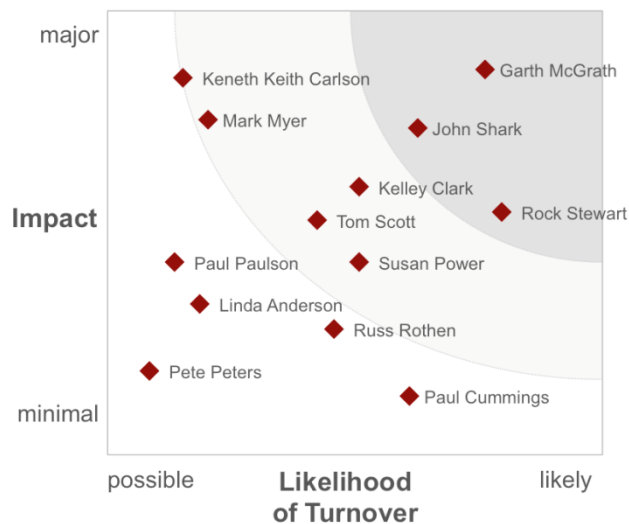
Steve quit his jobs and joined a competitor. Now he is happy to spend his time on connectivity and connected cars. His company is extremely successful in that area. Three years later, when Steve met Ray for a beer Ray reported about his company. They eventually started to work on the ideas they already had a couple of years ago – probably too late.

- a) Why did Steve and Ray fail?
- b) What should this company change to avoid situations like this in the future?

### **Retention**

144. A company reports a turnover rate of 1.2%. What is the meaning of this figure and how would you interpret it? [2]
145. What is the total cost of a trainee voluntarily leaving his/her company after the education period? Make a reasonable estimation. [3]
146. Would you agree to the following statements: 'A company with a turnover rate of 1% only is facing no retention issue'? Please comment in one sentence. [1]
147. What is the study "The Unemployed from Marienthal" by Marie Jahoda (1933) all about and what can we learn from this particular study? [3]

148. Explain the basic idea of the diagram below. How would you do an analysis like this in practice? [3]



149. What are the pros and cons of doing an exit surveys? (You don't need to describe what an exit survey is.) [3]
150. How can multiple regression analysis be used to better understand the reasons of voluntary turnover? [2]
151. **Exercise:** Read the case study "The Unmanageable Star-Performer" published in the Harvard Business Review (<http://bit.ly/1atxvmp>). How would you evaluate the performance of the HR director Caroline Dougherty? What could she have done better?
152. Explain three effective measures/activities to retain high performing employees from your viewpoint. [3]
153. Voluntary turnover can happen due to causes on different levels: organization, manager, employee. a) What does this mean? b) How can you figure out which level is of highest relevance (do not think of doing exit surveys)? [4]
154. **Case** Reducing voluntary turnover at AppLab

AppLab is a medium-sized software company that specializes in developing integrated apps for the financial sector. For example, this company has developed an app with which you can quickly and easily scan and manage receipts. Many banks offer AppLab apps to their customers for personal online banking. The company has grown rapidly during the past decade. While it employed 80 people in 2005, it has 900 employees today. The recipe for AppLab's success is its special, user-friendly design and the high degree of product innovation.

AppLab's turnover rate has been steadily rising for about three years. In 2013, it was 7%, by 2014, 9% and in 2015, 12%. This means AppLab must engage in a massive recruiting effort. In addition to constant growth, staff replacements must be provided for. At the same time, it is getting increasingly difficult for the company to find the IT specialists it needs. The Executive Board has become increasingly concerned about this situation starting in 2014.

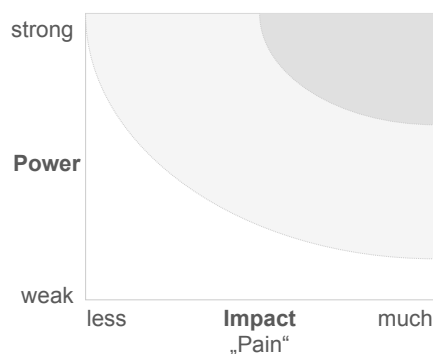
Therefore, an external institute was commissioned that same year to conduct an employee survey across the entire company in which all employees were asked about their satisfaction, addressing a wide range of aspects: salaries, development prospects, leadership, etc. Overall, the results were close to the industry standard but not much happened as a result of it.

- a) Illustrate at least two hypotheses that could explain why the employee survey hasn't accomplished anything.
- b) You are hired as a consultant to help this company solve their turnover problems. A first workshop is to be held still before the end of the year. What questions would you discuss in the context of this workshop with the participants? Who should attend this workshop?

### **Change Management**

155. When talking about change management, how would you define the term "change" in that particular context? [2]
156. There are at least five types of strategic changes. Give examples of each type of change. [3]
157. What's the difference between a merger and an acquisition? [2]
158. You are required to compose an article about the term "change management" (five sentences at maximum) on Wikipedia. What would you write? [2]
159. Very often resistance of informal opinion leaders are of greater power than resistance of formal leaders. What does this mean and what might be a practical implication? [4]
160. As part of change management it is necessary to define guiding principles at the beginning of the project. Use an example to explain the reasons why. [3]
161. Company X is bought by company Y. (a) What would you call such a change? (b) Outline three activities to limit the resistance of employees concerned with such a change. [4]

162. Explain four reasons why strategic changes often fail according to John Kotter. [4]
163. According to John Kotter, transformations often fail due to a lack of "short-term wins". What does that mean specifically and how does he discuss the relevance of such short-term wins? [2]
164. Would you agree to the following statements: 'A sounding board makes decisions about operational (not strategic) issues in a change'? Please comment in one sentence. [1]
165. What are the reasons for early versus late communication as part of a change program? You do not need to explain the differences of both approaches as such. [4]
166. A company's division is about to be totally restructured. You can either communicate this measure as early as possible or as late as possible. Explain the pros and cons of both alternative communication strategies. [4]
167. Some companies run so-called stakeholder-analysis being part of their change management programs (see figure). (a) How does it work and (b) what are concrete, practical conclusions based on such an analysis? [3]



168. A company of 5.000 employees currently is organized according to its products. As part of a large-scale change the company will be organized along its functions. (a) How would you name this type of change? (b) What is the change all about? (c) What would be four things you'd definitely undertake as part of a change management. Explain each activity in a few sentences. [6]
169. **Exercise:** Imagine the senate (the leading committee) of our university decided to relocate our entire campus within the next 12 months. Develop a communication plan including the why, when, who, whom and how.
170. A company is about to change its executive compensation system. Obviously there is a risk of having certain managers resisting such a change. How would you deal with that problem? [6]

171. Why is it that open-space-events are more commonly used in a modern working environment than in a more traditional one? [2]

172. **Case** Change Management at SmartSensors

The Smart Sensor GmbH was founded in 1976 and has been managed in a patriarchal manner by the company's founder since then, with even the simplest decisions made only by him. Objectives and directives were delegated from top to bottom under the motto "orders, obedience and control." Currently, the company employs 1,200 people and generates approximately 150 million Euros in sales a year with sensor technology which is mainly used in production automation. The company is active on a global scale and operates two production sites in the Czech Republic and Mexico in addition to its headquarters in Germany. Development takes place mainly in Germany and the U.S.A. Additionally, SmartSensor has several sales offices in the U.S., Europe and Asia.

The company has a strict hierarchical structure. In addition to the CEO (company founder), there are 4 other managing directors (development, sales, production and commercial areas). Below that is the level of the senior department heads and managers of local offices. Department heads report to the senior department heads and have team managers under them. The company works according to rules and standardized processes. Thinking is done at the top and execution takes place at the bottom. Every year, targets are agreed on with each manager at all levels, which if achieved will have impact on the variable salaries. Thus, every manager tries to achieve their own individual goals. There are classic, annual budgeting processes and an annual business plan. Lateral cooperation between business sectors may take place informally but is hardly provided for.

Now, as the old company founder is retiring, his daughter will be taking over the corporate management. It is her goal to fundamentally change the management and organization within the company, mainly to increase Smart Sensor's power of innovation and ability to change. She wants the employees to assume more responsibility and actively contribute. Above all, she wants the employees to cooperate better as teams and intensify communication between the different departments considerably. She has already adopted two measures. 1. Individual bonuses will be replaced in favour of team bonuses and performance-related bonuses. 2. In the future, objectives will not be issued from the top down, but instead will be worked out between the various departments. Further action will follow in the coming years.

- a) What could be the sense of urgency here?
- b) Formulate a vision for this change.
- c) Perform a simple change analysis for 2-3 target groups.
- d) Select two compatible principles for the changes being implemented.
- e) Develop a communication plan.

- f) What would be appropriate measures to get its employees involved?

Where necessary, simply work on the basis of your own assumptions

### HR Organization

173. What is the difference between an international and a global organization? Explain the difference based on an example from your own observation or experience (the example must not necessarily relate to HRM). [3]
174. How can you tell as an applicant whether a company's recruiting-organization is multinational or global? What would you concretely expect at a multinational versus global organization? [2]
175. There are typical conflicts between headquarters and local subsidiaries. (a) Why? (b) Give an example of such a conflict. [3]
176. Related to HR Organization the picture below is often used. What is the main message of this picture? [3]



177. In a modern HR organization you will find (1) shared service centre, (2) HR business partner and (3) centre of expertise. Link the following HR-related activities to these different units. Please argue. a) working certificate preparation, b) building an employer brand, c) coordination of a specific training program delivered to a dedicated department [2]
178. Companies implement shared service centers in order to benefit from economies of scale. Please explain this idea based on an HR-related example. [2]
179. A company is about to implement a Shared Service Center for its HR development activities. How would you determine tasks and responsibilities of this service center? Explain your approach based on very specific tasks. [3]
180. Name and explain typical tasks of a so-called HR Business Partner (in a few words each. You may bring up as many tasks as come to your mind). [2]



181. What is the difference between an "HR Business Partner" and a "Center of Expertise" in terms of their responsibilities? How do these two areas collaborate and why is there such a differentiation? [3]
182. **Exercise:** Visit some of the leading job boards such as Monster or SimplyHired and search for some jobs in the field of HRM. What kinds of jobs/roles do you find and what are related responsibilities?
183. It is assumed that through outsourcing companies can save money. What are the reasons behind this idea? (You don't need explain the term outsourcing). [2]

### HR-IT

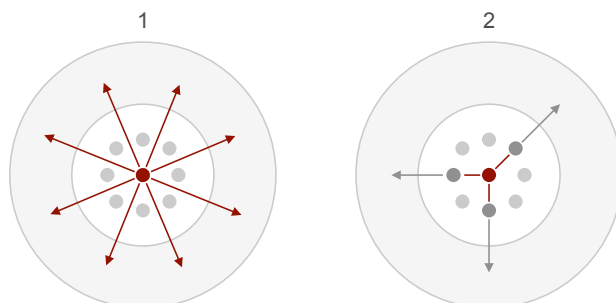
184. Name two software-providers, which focus on HR-Software. [1]
185. **Exercise:** Visit the websites of some leading HRM software providers. What are typical functionalities of the software packages offered?
186. Give and explain an example of a mobile application (for smartphones or tablets) in HRM. [2]
187. How could you instantly tell whether a certain software system is a user system or not? [1]
188. In the past HR information systems have been there to mainly make the lives of HR professionals easier. By now it is more about supporting employees (not HR) via mobile apps. Describe four different functionalities of such apps in one sentence each. (Make sure all your points mentioned closely relate to one of the main fields of HRM.) [2]
189. How could an employee self service work on a mobile device (e. g. smartphone). Please give your explanation of major functionalities based on an own example. [3]
190. Would you agree to the following statements: 'Technologies supporting recruiting-processes are also named e-recruiting'? Please comment in one sentence. [1]
191. Briefly list eight different functionalities you definitely would expect being part of a current recruiting software package. [2]
192. Describe some functionalities of a current HRM software solutions in a field of your choice. (Do not use eRecruiting, e-Learning or ESS). [3]

### Social Media

193. There is the idea of social media and web 2.0 democratizing HRM. (a) What does that mean? (b) One aspect refers to current and former

employees/candidates evaluating each other. What is this idea all about and what is it good for? [2]

194. The more links refer to a website the higher is its Google PageRank. The Google-Algorithm also takes into account the PageRank of the referring sites. Please explain. [2]
195. **Exercise:** Become a fan of some career fan pages on Facebook. Which ones of the selected pages do you really like, which ones do you not like? What are differences between good and weak fan pages? What are your general conclusions from what you found?
196. A company is about to use social media as part of its employer branding/recruiting. What is your recommendation to this company? [3]
197. How can Facebook be utilized to find and hire new employees? Where do you see limitations in using Facebook for this particular field? [3]
198. What is the particular relevance of LinkedIn or Xing within Human Resource Management? [2]
199. In order to provide external target groups with more insights into the daily work a company is about to use social media. There are at least two different strategies, 1 and 2.



a) Please describe both strategies. b) Which framework conditions would you consider to follow up on one or the other? c) Which one will probably lead to a higher level of authenticity, why? [4]

### HR Controlling

200. **Exercise:** Select 2-3 fields in HRM and define performance indicators for some aspects of your choice. Think about factors like efficiency, speed, quality of processes and results.
201. There is an indicator named 'Early Turnover', which is the voluntary turnover during probation period. Which conclusion might companies draw from this particular indicator? [2]

202. Explain two indicators (KPIs), which in your eyes are suitable enough to track the on-going success of change management. [2]
203. What is time-to-fill? What would you ask an HR manager in order to determine the significance of this indicator in his/her company? [3]
204. In the annual report of a company you can read about its cost-per-hire being around 6.500 Euro. What does this tell us? [2]
205. A company is constantly measuring time-to-fill. (a) What does that indicator mean and (b) how would you evaluate its significance? [3]
206. A company is measuring its cost-per-hire (does not need to be explained) on a regular basis. How relevant is this indicator? [2]
207. A company of 10,000 employees operates an Employee Self Service in order to manage its leave requests (you don't need to explain this concept). Total cost including software licence and operation is 50,000 Euro a year. Estimate the ROI based on your projection. [3]
208. In a company the annual revenue per employee is 100,000 Euro. How meaningful is this figure in regards to the contribution of employees towards company success? [3]
209. In a company the annual revenue per employee is 120,000 Euro. Human Capital Value Added per employee is 60,000 Euro only. (a) Which figure tells us more about the employees' contribution to the success of the company and why? (b) How can both figures be evaluated? [3]
210. **Case** ROI Calculations

Obtain the following statistics for a company of your choice: annual revenue, number of employees (preferably FTE), operational operating expenses, and personnel costs (salary, non-wage costs)\*.

In this case, it is assumed that 10% of the employees (FTE) are employed in key positions. Further, it is assumed that the contribution from these employees will be twice as high as the contribution of employees who are not in key positions. The company hires 5% of the current number of employees annually.

Calculate this company's business case for the following investments by applying the aforementioned assumptions:

- a) The company undertakes staff development measures for 10% of its workforce from which is expected that it will permanently increase the performance of the affected employees by 3%. Up to how much could be expended for this measure per affected employee, so that it would pay for itself after one year?

- b) New employees for key positions are found through talent relationship management (TRM), who are 1% better than the previous employees. The TRM raises the cost per hire by 2.000 Euros. After how many years, would this investment pay for itself?
- c) It is expected that new employees will produce only half the amount of experienced employees in the first six months of their employment. Through an on-boarding process it is believed that the contribution of all new employees will be increased in the first six months by 20%. Up to how much money can be expended for this measure so that it pays for itself? (You do not need to make any differentiation between key positions and other functions.)

Note: In the event that statistics are not available, you can use the following values: revenue: 760 million Euros, FTE: 8,000; personnel costs: 480 million Euros; total expenses: 720 million Euros.