

SECTION – II

Q. 4. Case Study

(15)

Mr. Vinod Chaudhary is the President of Chaudhary Chemicals Ltd. The employee strength of the company is 795 workers and 80 executives. Mr. Sachin (GM-HR) and Mr. Abhinav (Manager-HR) had experience of more than 15 years in HR field. Mr. Sachin reviewed the performance of various sections of the plant and sent a detailed performance report to the VP-HR. The production analysis of the year 2011-12 and 2012-13 revealed that the company was capable to produce the same output only with the help of 610 workers. The company did not require this large number of staff. The report suggested that the staff was productive but we could earn more if we reduce the staff. The company had a contract of 4 years with an MNC company to produce chemicals but at the same time is trying to get more business from UK, South Africa and Australia. There are around 30 employees who are retiring in next two years. As per the report of production analysis and management, there is an overstaffing of 145 workers in the plant. The present trade union in the plant is very strong and they always try to put pressure for various types of demands. The president decided to remove these extra employees from the plant. The order for retrenchment on the basis of their performance has been sent to HR department. But the manager-HR is in trouble as he knew that trade union will never accept this decision and may go on strike. If Manager-HR doesn't follow the order then he will have to suffer.

Questions:

- 1) Analyse the main problem in the case.
- 2) Do you think retrenchment (Layoff, downsizing) is the only solution in this case?
- 3) If you are the HR manager, how would you defuse the problem?
- 4) Do you think this problem is a problem or an opportunity?

Q. 5. Answer the following:

(10)

- a) Explain the process of performance appraisal with a neat diagram.

OR

- b) There are various errors in performance appraisal process. Explain any 5 errors in detail.