

Hrm case study: new director of human resource

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Answer: After thoroughly study of the case of Mount Ridge Engineering's corporate human source structure and plant operation procedures, we found current relationships between human resource policies and actual plant operations are very weak. Although we can say that the human resource department has established a fairly complete set of procedures and policies, the actual implementation of the policies at plant level operations do not seem to be thorough enough, no employee implement those rules.

Especially, the staffing function is very weak. There is no proper linkage between corporate HER structure and operations at the plant level.

In other word there is no chain of command kind of linkage between them. It seems that operations office can do the HER functions by themselves like hire and fire which is in fact corporate HER department's sole function. Even In the termination form there is only Employee's signature and Plant supervisor's signature I. E.

No control of the corporate HER department at all. The reason behind leave seems to be written by the supervisor not the employee, this is not logical. In fact, forcing a person for signing on the blank Tort AT termination notice is completely illegal. An act (IT ten allegation of Johnson is true).

This may create a big legal problem in future. Here are the examples which show the indistinct relationship between corporate human resource structure and operations at the plant level: Johnson would like to have a promotion due to know a good deal about the equipment operator's Job. But seems the

standard promotion channel was not set up or Brannon didn't follow the system when doing evaluation.

Hence Johnson did lots but still couldn't get the promotion from Brannon. Johnson didn't follow personnel regulations as Johnson was not satisfied with the annual evaluation, hence, he was absent without notifying his boss.

Brannon took advantage of his authority to terminate Johnson as on the termination letter his signature was enough to terminate him. Considering most of the facts, several causes found for this situation, some of them are Rapid expansion preventing proper dissemination of human resource policies. Lack of comprehensive human resource training program.

Lack of proper human resource related internal controls. Retention culture has not yet developed (to hire a new staff is more expensive than to retain the old staff.

Because of such relationship between corporate HER structure and operations at plant t has created a long term negative impact on the whole organization itself. As described by Newcomer, one of their biggest problems has been getting management- especially plant management to understand the legal and governmental regulations affecting HER procedures. Over the years there have been situations where supervisors have not followed company policy. An example of this adverse impact is Johnny's case.

Though Newcomer had already developed many benefit packages of human resource as company policies at the beginning, seems nobody followed.

Such as, Johnson didn't notify his supervisor when he's absent, Brannon added the incorrect season through the termination form for Johnny's leave, and the Job Johnson did was out of employee handbook. One of the important goals of the company is to remain nonunion. But if the situation get more bad shape there may be chance of discrimination, deprivation and finally the company can get unionized. If the situation gets continued, the company can even get warning or punishment from department of labor, which will adversely affect the competitive advantage.

Question-2: How should Newcomer have handled this situation? Answer: First of all Newcomer should investigate whether allegations made by Bud Johnson re true or not. A fair decision cannot be made without hearing from both sides in an unbiased manner. She needs to investigate if there were any fraction between Brannon and Johnson. After all investigations, if she finds that Brannon is to be blamed for all the mess, then necessary disciplinary actions should be taken against Brannon according to company's policy.

We can suggest some alternative solutions to Newcomer to handle this situation: Correcting the leave reason for Johnson as per his request and don't let the issue to go outside the organization.

Try to retain Johnson by incrementing reasonable amount in salary as he deserves higher salary as per Nils extraordinary performance. Re-selling ten termination Tort Ana process procedure. The HER department should be involved in the sign loop, employees should maintain the reason of leave and no revise of the termination form is allowed.

For the process procedure, all termination forms should be feedback to HER department and the employees should have the interview with HER department as well. Maintain a HER officer in each plant.

If it is expensive, at least corporate office can train a person in each plant to look after the HER function and report to the report HER Department.

Auditing each department to know if it implements company policy or not.

Setting up a communication channel for employees to highlight or for related supervisors to ask help. Reviewing the employee handbook and make sure that all managers know the employee handbook is a legal concern as well.

Due to a Jury construed the handbook as a contract of employment that was breached by the employer.

) Considering the company current policy that was low cost production, the short-term best alternative will be “ Re-design the termination form and process procedure”. And in order to make sure all related departments all clear with company policies, auditing activity can be held at the end of the year. Hiring of additional HER personnel is also necessary to support related activities. Question-3: What, if any, disciplinary action should have been taken against the plant superintendent (Brannon) at the time of the incident?

Answer: First of all, before taking any kind of disciplinary action and decision, the higher authority of corporate HAIR department shall listen to the arguments of both Brannon and Johnson. To verify about their arguments, management can take interview of heir respective colleagues and supervisors independently.

Here all allegations made by Johnson may not be 100% true. It is hard to believe that he had been asked by Brannon to sign a blank form and added the incorrect reason after he had signed the form. It's Johnny's fault as well if he signed on a blank form and be absent without any notification.

So, after investigation whoever is found to be guilty shall be punished. The nature of punishment shall be based on the company's written policy, labor act etc. If after investigation, it is found that Brannon has personal problems with other staffs as well, then some strong disciplinary measures must be taken against him, which may be even termination from the job.

But, if the relationship was sour only with Johnson, then Brannon should be warned about it and should be notified that if similar incidents occur again in future, he might be terminated from the job.

He can also be transferred to another plant with warning. Question-4: If Johnny's allegations were true, what are the legal ramifications of Britton's behavior? Answer: If Johnny's allegation were true, it will probably put the company in an illegal position. Making Johnson to sign on a blank sheet of termination notice and making a wrong statement (by choosing Justification as quit to make another job"), which in fact is supposed to be selected as "Dissatisfied pay", can be regarded as crime and against labor law.

It is very clearly written in the Notice of Termination that exact reasons of termination should be filled up whatever it may be. So, if this issue goes to the media and labor union of other competitor's company, it can create big trouble to Mount Ridge.

Now they don't have union, but to get their right, staff can aka union with a lot of demand. Brannon may sentence to Jail and fired off from the I en company's Tame may get eternalness wanly may Mage ten overall company. Performance and financial situation as well, in the worst case. So, it's better if the company negotiate with Johnson so that he won't go to Department of Labor.

Moreover, I think it is also good for the company to retain such employee who is laborious and intelligent. With rewards and necessary trainings he can prove himself to be a valuable asset to the company itself.

Question-5: Describe Mount Ridge's business strategy. What is the relationship between its business strategy and its human resource practices?

Answer: Cost Leadership is the Mount Ridge's Business Strategy. In order to make the plants very efficient and cost effective, Mount Ridge has chosen a new technology which generates electricity as well as steam, known as "generation".

It chooses its plant sites in vicinity nearby industrial plants, which utilizes steam and sell electricity to the local utility. Starting with a single plant in Kentucky it had planned & financed to build seven new plants over next five to eight years of which 5 plants already ready.

In addition to this Met. Ridge has also planned to build an additional 2 to 3 plants in the Northeast where the demand for generation plant is very strong. Their basic business strategy is to catch the market where they have more competitive advantage, where demand is more but electricity price is high.

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In order to meet its business strategy Met. Ridge has also followed some HER practices like developing Job descriptions, a salary program, benefit packages for both corporate and plant personnel, supervisor's manual and other basic personnel policies. Starting with Just personnel, it has recruited additional 34 people at corporate head quarter and 183 new employees in the plants.

The company has also forecasted to build their human resource as approximately 650 to serve its total nine plants by the end of next 2 to 3 years. The company's policy is to make their organization union free.

In order to reinvest the company's profit into future plant expansion, Met. Ridge doesn't have any profit-sharing plan but in order to motivate it's the relationship between internal staff enjoyable, productive and loyal, every year they run " employee appreciation dinner" aerogram at every plant where president and other corporate officers also attend at the party. Because, the company's founder/president himself values a sound relationship with its employees.

He believes that productivity and loyalty can be harvested from employees by maintaining a good relationship.

But it seems the same message has not been properly practiced throughout the organization. In addition to above, from the case, we may understand that the company's strategy is to centralize HER function. However, now the relationship between HARD and other departments are not very close. Even in the Johnson case, the plant supervisor may decide by his own without

noticing HARD. Moreover, he did not put a correct reason of Johnny's resignation and probably will put the company in an illegal situation.

We learned that the organization structure is quite loose.

If most employees do not have a clear picture of the company's basic policy and regulation, through the company's expanding, they will hire more and more employees and then similar cases will happen again. HARD should provide a combination of administrative expertise and act as a strategic partner within their company. Question-6: What strategic human resource issues will Newcomer likely face as the company expands to the Northeast? How might this expansion affect the structure of the organization and its human resource department .

Answer: As per the case study Mount Ridge has forecasted to grow to a total of nine plants and approximately 650 corporate and plant employees over the next two or three years (by adding 2-3 plants in the Northeast).

This is almost 3 times expansion of the human resource (from 183 to 650), just within 3 years. That means a very large expansion of resources on the HER point of view. Though Mount Ridge is expanding its human resources, but they have not thought to solve the present problems of the HARM yet.

If without solving the present HER problem they only concentrate on expanding the plants and generate revenue, the case like Johnson may repeat or even more complicated bad situation may arise which in turn degrade the performance of the whole organization and the company cannot achieve their goal, that's sure. Before expanding their new plants, they must

well plan the human resources; they must reorganize and revitalize their present organization structure. Present organization structure is quite loose.

If most employees do not have a clear as a strategic partner within their company.

Through this article, we can see that the Human Resources would face a lot of problems such as the older Human Resource policies, understand the legal and governmental regulations, and the benefits should be changed to fit the right now situations. For example, if the employees got a promotion or dissatisfied with his pay, who can ask for problem or answer them questions? Those are very important because the company may have same problem happen again in the Northeast. During the company expanding, they may need more employees which is hired only by H.

R.

Department at corporate headquarter. If laborer got problem, the H. R. Cannot be directly to handle. As this case, the structure of organization should have to make a little change for more efficiency.

Although Newcomer had developed benefit packages such as employee handbook, Job description, a salary program, a supervisor's manual, and other basic personnel policies, those are too old to handle right now situations. The biggest problems have been getting management to understand the legal and governmental regulations.