

EXAMINATION CASE STUDY: Reassessment, 2014

Module code:	HR6005
Module title:	HRM: Strategic Context & Process
Module leader:	Harinder DHESI

Date:	July/August 2014
Duration:	2 Hours

Exam type:	Unseen, Prepared
Materials supplied:	Case study
Materials permitted:	Case study (which may be annotated) issued in advance of exam
Warning:	Candidates are warned that possession of unauthorised materials in an examination is a serious assessment offence.

Instructions to candidates:	<p>Candidates will be required to answer ALL of the questions in Section A and TWO questions from Section B.</p> <p>Section A carries 60 marks in total and in Section B each question is worth 20 marks.</p> <p><i>Additional marks will be awarded to theory & application (evidence of relevant reading, research & understanding).</i></p>
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Case Study Galley Cafeteria

Below you are given a short description of the prevailing employee relations climate in a fictional workplace. You are required to consider how the necessary processes of change might best be managed. The case concerns the fortunes a small unit employing 20 people and its need to adapt its HR practices in the face of a wholesale transformation of its business environment.

The Galley Cafeteria

The Galley is a 150-seat canteen-style restaurant located on the top floor of an eight-storey office block. The building was originally constructed in the 1970s to house employees of a large international shipping company and is located two miles from a major city centre. At the time of construction this was a semi-derelict dockland area being earmarked for substantial redevelopment.

Until 2002 the Galley was a subsidised staff canteen serving meals and snacks to company employees and providing buffet lunches for meetings and functions held in the building. Since then, however, due to increased international competition, the company has declined in size to a very great extent and now occupies only one floor of the building with the rest of the office space being rented to a variety of smaller companies.

For a year the Galley continued to operate as before – only now serving the new office workers in addition to those employed by the shipping company. In 2003, however, it was sold to a commercial catering company – Lunchbox UK Ltd.

Because of transfer of undertakings regulations all the existing 20 staff were re-employed by Lunchbox on their existing terms and conditions of employment. These were relatively generous, when compared with those existing for other Lunchbox employees, having been negotiated with the shipping company by representatives of the Transport and General Workers Union.

The area around the building has undergone rapid development over the past two years. Where once there were empty warehouses and derelict land there are now 30 office buildings, a cinema, a sports centre and a number of private apartment buildings. As a result, three new chain restaurants and two pubs have opened within ten minute walk of the office building in which The Galley is situated. Employees working in the building are thus increasingly choosing to eat out at lunch time and The Galley has reported a substantial dip in profits.

Three months ago, the long-serving manageress of The Galley retired and was replaced by Jean Porter, an experienced caterer who had previously managed other Lunchbox operations. The Galley's 20-strong staff have not, however, responded well to her appointment. This is partly because she is ten years younger than most of them and partly because of a general resistance to her determination to force the pace of change.

A number of initiatives brought forward by Jean have met with a poor response from the staff. The introduction of a wider range of dishes, the serving of hot breakfast snacks from 8.00am and the provision of themed menus (e.g. Chinese at Chinese new year) have all been met apathetically by chefs and waiting staff alike. Employees have recently become more hostile towards Jean following her decisions to abolish

the half-hour morning coffee / smoking break and not to replace two members of staff who left to move to other catering operations run by Lunchbox UK.

To date, discontent has taken the form of higher rates of absence, lateness, scruffy dress and on occasions lack of politeness towards customers and colleagues. More overt forms of action have, however, been considered. All staff remain members of the Transport and General Workers Union and are in close touch with their regional officer.

Because of the poor financial performance of The Galley, Lunchbox UK has now instructed Jean to reduce the total wage bill by 5% over the next six months. Understandably she is very concerned about how this can be achieved given the current state of employee relations in the restaurant.

Adapted from the work of: Stephen Taylor, Manchester Metropolitan University