

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA SEMESTER- III - EXAMINATION-SUMMER-2024

Subject Code: 4539233**Date: 02/05/2024****Subject Name: Human Resource Audit****Time: 02:30 PM TO 05:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

Q. no.	Question Text and Description	Marks
Q.1	Define the following terms: (a) Human Resource Audit (b) Capacity builder (c) Audit report (d) Human Resource valuation (e) TQM (f) Group dynamics (g) KRAs	14
Q.2	(a) Define Human Resource Audit. Briefly explain different components of human resource development Audit.	07
	(b) Discuss in audit team. Also elaborate the need of the human resource audit goal.	07
OR		
	(b) Briefly discuss the audit of human resource function.	07
Q.3	(a) Discuss in detail the strategic alignment of HR Audit with reference to retail sector.	07
	(b) “Assessing the ability for change” – Explain the statement in the light of HRD audit process.	07
OR		
Q.3	(a) Explain in detail important issues taken into consideration for performance management with respect to HRD audit.	07
	(b) Briefly discuss the specific purposes for conducting an HRD audit in the contemporary management world.	07
Q.4	(a) Define human resource valuation. Discuss in detail the rationale of human resource valuation and auditing.	07
	(b) Enlist and explain the HR audit for workplace policies and practices.	07
OR		

- Q.4** (a) Discuss in detail different issues in Human capital measurement and reporting. **07**
- (b) Explain the pre-audit steps you would take in order to gather objective responses to your audit questions. Having done so, how would ensure that the Audit would be able to address the concerns of the CMD? **07**

Q.5 Case Study:

Conventionally the value of people to the organization has been royally ignored over a period of time. Even in the service intensive industries like IT (Information technologies) the concept of HRA was not being applied. In India, Infosys Technologies (Infosys) was the first software company to value its human resources starting from the financial year 1995-96. In that year, the company used the Lev & Schwartz Model and valued its human resources assets at Rs 186 crore. Infosys had always given utmost importance to the role of employees in contributing to the company's success. Human resources accounting (HRA) was a step further in Infosys' focus on its employees.

Narayana Murthy, the then CMD of Infosys, said: "Comparing this figure over the years will tell us whether the value of our human resources is appreciating or not. For a knowledge intensive company like ours, that is vital information."

However, the concept of HRA was not new in India. HRA was practiced by public sector companies like Bharat Heavy Electronics Ltd. (BHEL) and Steel Authority of India Ltd. (SAIL) way back in the 1970s. But the concept did not gain much popularity and acceptance during that time. It was only in the mid-1990s, after Infosys started valuing its employees, that the concept gained popularity in India. By 2002, HR accounting had been introduced by leading software companies like Satyam Computers and DSQ Software, as well as leading manufacturing firms like Reliance Industries, Tata Motors, ACC, ONGC and Cement Corporation of India.

- (a) In the light of the system, explain different methods which can be adopted for HR Accounting of Infosys? **07**
- (b) The concept of HRA in India is of recent origin and is struggling for acceptance. It is said that this concept does not hold good for labour surplus economies of developing countries like India. **07**

OR

- Q.5** (a) Most of the companies in India valued human assets on the present value of the individual's future earnings. However, some critics argued that placing an amount or value on the individuals might offend them, and that it was unethical. Explain **07**
- (b) Explain about the types of Human capital which can be utilized for HR Accounting **07**
