

# Dilemma in hiring

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Mr Darris, the CEO of Plomsom Ltd, was not very happy with the way things were shaping. It was the time of year when the sales of tractors were highest and the factory was running at maximum efficiency. Running a factory without an operations manager was something that was unheard of and there he was without an operations manager for the third month in a row! With the year-end only a quarter away that spelt trouble with a capital T. Not only would the company's performance plummet to new lows – something the shareholders were not going to be happy with – his job and incentives were also at stake. The situation he was in had got him rattled, to say the least!

## Plomsom Limited

Headquartered in Chennai, India, Plomsom Ltd specialized in the manufacturing of tractors with a pan-India presence. The demand for tractors in India has been closely linked with the agriculture output. The tractor industry is highly influenced by the cyclic trends of agriculture and crop patterns that depend on monsoon rains. For these reasons, the sales trends and the bottom line of Plomsom Ltd are quite volatile. There is a vast potential for growth for Plomsom Ltd as currently there is a low level of tractor penetration in India. High focus by government on making the finances available for the procurement of tractors by small farmers and the favorable policy for mechanization of agriculture and rural development are future drivers for the expected high growth for the company.

During the months of October, November and December there is an increase in the sales of tractors as this is the time of the harvest and sale of kharif crop. A good kharif crop harvest enables the farmers to have credit available for buying tractors. This year, due to a very good monsoon there has been a good kharif crop and Plomsom Ltd expects a high sale of its tractors. In the financial year 2011-2012 there were total domestic sales of 190,003 units, an increase of 10 percent compared to 172,730 units sold in financial year 2010-2011. This year the company expects an increase of 15-20 percent in its sales. Mr Darris is making all efforts and attempts to achieve this figure. It is very crucial for his organization especially when he was in the middle of major negotiations that may prove to be very beneficial for his company in coming years.

## The dilemma in making

On July 30, 2011, the previous Operations Manager, Mr Harish, submitted his papers. He was on a contract with a three-month notice and was to be relieved on October 30. Darris and Harish commenced their search for a replacement Darris initiated the process by asking the HR manager to draw up the job analysis for the position. The job analysis was done using both the observations reported by Darris and through the analysis of Harish's diary where he documented the main aspects of the job that he performed. The job analysis provided the information for the job description, job specification and job evaluation, thereby helping in

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designing the job posting advertisement (Exhibit 1). After consultation with the HR department, it was decided that both print media and electronic media would be used for advertising purposes. By August 20, the HR manager had received around 50 applications for the post. Darris in consultation with the HR department decided to initiate the selection process. First, the curriculum vitae (CV) were screened and ten candidates were selected for interviews. The HR manager booked the time and date for the interview of the candidates whose CVs had been selected. Both Darris and Harish were the part of the first interview panel. By August 29, Darris found a suitable incumbent operations manager. This was followed by an interview with the HR manager, where salary details and start dates were discussed. The incumbent manager had to serve a one-month notice period in the past organization and expressed his desire to take a vacation for 15 days and join after one and half month. The terms were agreed and the incumbent agreed to join on October 20 – a handover period of ten days being acceptable to all three.

October 20 arrived but there was no news of the incumbent operations manager. It was as if he never existed – all attempts to trace him turned out to be futile. As Darris could not keep Harish later than October 30 contractually, the latter was relieved. Darris was now not only the CEO, but also the operations manager!

Normally that would not have been a problem – but during late November, he was scheduled to visit the USA and Europe and to conclude some important deals that would bring in enormous revenue and profit potential for the company. This would be the culmination of almost eight months of hard work and his presence was absolutely essential – as this was when the final negotiations would take place. The trip would keep him away from the office for at least 45 days.

The factory also needed a senior manager's presence, as theirs was a seasonal business, with the last six months contributing to 70 percent of the top line and 25 percent of the bottom line!

A fleeting thought of handling the charges to the Mr Kishore Gopinathan, Assistant Manager Operation occurred to Darris. Mr Kishore, was a young man in his late 20s. He had a BE in Mechanical from NIT, Kurushetra University and had worked for Plomsom Ltd for the past four years. After giving a deep thought, Darris decided against handing Kishore the charges as he felt he was not ready for the responsibility and would not be able to handle the daily pressures.

Being a seasoned professional, Darris immediately realized that being away from November 25 for 45 days was not practical – business growth cannot be realized at the expense of current year profits! He immediately rescheduled his meetings to January 15 – only he knew how much difficulty he had in convincing the partners and ensuring that the deals did not fall through.

On November 1, he approached the leading manpower consultant in India to assist in the search for an operations manager. He shared the job posting advertisement (Exhibit 1) with the consultant, which was earlier used for recruitment and selection. In addition to the job posting advertisement, Darris asked the consultant to consider the requirements below while searching for the desired candidate:

- Exposed to international quality standards and systems.
- Age not more than 45 years.
- Good references.
- Good health.
- Willing to join on or before January 10, 2012.

Darris knew that the specification was very restrictive, but he informed the consultant that he would be happy with an 80 percent fit. Remuneration would not be a constraint for the right candidate.

The consultant had short-listed seven candidates and he had interviewed them last week. He had narrowed down on three candidates, but none of them compared favourably with either Harish or the incumbent who did not join.

The profiles of the three candidates are enclosed in Exhibit 2.

Today, New Year's Day, should have been fun for Darris. But, far from enjoying the start of the New Year, he was struggling to come to terms with the dilemma at hand.

He was planning to zero in on one of the three candidates, when the phone rang. It was the incumbent who was supposed to join earlier! He apologized profusely for his absence, stating a small mishap in the foreign country, where he had been for a vacation with his family, as the reason. Since his face resembled a terrorist's photograph, the officials of the foreign country had kept him in custody until the investigations were completed. During the period, he was not allowed to speak to anyone – within and outside the country. He had been released only now and was calling from abroad. He would be able to come and join in around ten days.

If you were Darris, what would you do?

Do you think this situation could have been avoided? If yes, how?

**Keywords:**

India,  
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management,  
Succession planning,  
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### References

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### Further reading

- Belcourt, M. and Mcbey, K.J. (2004), *Strategic Human Resources Planning*, Thomson Nelson, Toronto.

## Exhibit 1

Table E1 Job posting advertisement	
Position	Manager operation
Location	Tamil Nadu
Reports to	CEO
Academic qualification	Graduate engineers – Mechanical M. Tech in industrial engineering preferred
Experience	Minimum 15 years experience in manufacturing Minimum ten years experience at managerial level including minimum of five years as operation head in heavy engineering industry
Responsibilities	Managing overall assembly operation involving managing manufacturing line, processes, quality system to deliver best in class output consistently Built and maintain capacity and quality Coordinate the back end with design for product issue resolution Maintenance of plant and equipments Maintaining productivity at “MOST” level and benchmarking for continuous improvements Resource planning and monitoring budget for operations Planning for yearly capacities and quarterly and monthly productions with respect to delivery level commitment to sales and marketing department Provide training of workmen Maintain intra departmental and external interfaces with suppliers and vendors
Functional skills	Experience of heading team of minimum 200 workmen Knowledge of Indian agriculture sector Knowledge of heavy industry related products Production and assembly process understanding Strong industrial relation skills
Behavioral skills	Ability to maintain and foster cordial industrial relation culture Strong leadership skill Strong coordination, monitoring and review skills Execution excellence Achievement oriented Strong team builder Excellent communication skills in English, Hindi and Tamil
Compensation	Best as per industry standards

## Exhibit 2

<b>Table EII</b>				
<i>Parameters</i>	<i>Candidate 1</i>	<i>Candidate 2</i>	<i>Candidate 3</i>	<i>Candidate from USA</i>
Name	S. Rajagopalan	Yogendra Mishra	Terrence D'Costa	Raghuram
Age	46	42	45	40
UG qualification	B. Tech (Mechanical)	B.E. (Mechanical)	B.E. (Metallurgy)	B. Tech (Mech)
Institution	IIT, Kharaghpur	BIT, Messra	GCT, Coimbatore	IIT, Madras
Class	Ist	IIInd	Ist	Ist
PG qualification	–	M.E. (Indl Engg)	–	M. Tech (Prodn Engg)
Institution	–	Ranchi University	–	IIT, Kharaghpur
Total experience	23 years	17 years	20 years	15 years
Exp in mfg. ind.	15 years	12 years	15 years	15 years
Exp as ops head	6 years	3 years	5 years	5 years
Companies worked in	TELCO (3) Ashok Leyland (1) Maruti Udyog (3) Sohail Saud & Bahwan (Muscat) (8) Bharat Forge Ind. (3) Hyundai Motors (2) Ford Motor (2) TVS Motor Co. (working for one year)	TISCO (5) Bokaro Steel (4) Rourkela Steel (3) DHL (India) (2) ICICI Prudential (working for the last three years)	Salem Steel (2) Bhadravati Steel (2) Tata Motors Co. (5) Maruti Udyog (6) SR Batliboi (5)	Ashok Leyland Ltd (15)
Joining date	January 7	January 20	January 10	January 10
<b>Note:</b> Individuals have been disguised				

### About the author

Dr Seema Bhatt is currently working with G D Goenka World Institute (a branch campus of Lancaster University, UK). She is an MBA with a doctorate in management having eight years of teaching and training experience with B-Schools. She has worked as a lecturer in Chennai Business School, Chennai, NIILM-CMS, New Delhi, and ITM, Gurgaon. She has also designed, developed and administered soft skill training program for B-schools and corporate sector in Group Dynamics and Team Building, Communication, Leadership, Decision Making, Personality Development and Creativity. She has various research papers/articles into her credit. Seema Bhatt can be contacted at: seemabhatter11@gmail.com