Read the case study below and answer the questions that follow.

**Workforce planning to meet strategic objectives**

Patel and Yule Construction is a medium size engineering contracting company specialising in earthquake strengthening of commercial buildings and apartment complexes in New Zealand, where they have focused on the Christchurch and Wellington markets. In recent years it has seen very strong growth with the sales revenues generated from its commercial activities – in line with strategic objectives. This strong growth is anticipated to continue well into the medium term if suitable sources of finance can be found and recruitment needs fulfilled.

On the human resources side of the business, two issues need to be addressed. Firstly, to take advantage of the anticipated growth opportunities, highly skilled engineers need to be recruited in a very tight labour market where experienced engineers are difficult to find and command very large salaries. This shortage of skilled engineers is not anticipated to ease in the foreseeable future. Olivia Chrisp, who heads the workforce planning team in the human resources department at Patel and Yule construction, believes that by offering more flexible employment conditions and contracts, including the option of portfolio working, the company may find a competitive advantage in attracting engineers the firm requires.

In addition, either an additional two construction crews will need to be employed directly by the company or a reliable construction firm will need to be found who have the ability to take
on board some technically challenging outsourced (subcontracted) projects. Miss Chrisp has outlined to senior management the advantages and disadvantages to both of these options, and a careful analysis of the company’s strategic objectives is necessary to determine which option the firm should ultimately pursue.

Source: www.IBBusinessandManagement.com

25 marks, 45 minutes

1. **Explain** the following terms from the case study.
   a. human resource management
   b. recruitment
   c. portfolio working

2. **Explain** what is meant by “more flexible employment conditions and contracts”.

3. **Analyse** the arguments against for and against the possible outsourcing (subcontracting) of construction work to another firm.

4. **Evaluate** how workforce planning may help businesses meet their strategic objectives.