

Question 24 (8 marks)

TextMore is a global communications business that is facing increased competition. Management has decided to reduce the size of its factory workforce by 25% but also employ more information technology (IT) specialists.

(a) Identify the TWO human resource processes that will be used in this situation.

- (i) Acquisition 1
- (ii) Separation 1

(b) Explain how TWO human resource strategies could be used to effectively manage downsizing TextMore's factory workforce.

- (i) TextMore can ~~use outsourcing~~ to employ more IT specialists. 3
~~By using~~ use outsourcing to employ more IT specialists.
 This reduces costs and allows them to get people that is right for the job from another country, having more skills/qualifications than just the country which it is based.
- (ii) Another strategy include investing 3
in training and development programs for their employees to keep up with the rapidly changing technology as well as updating skills to give the firm a competitive advantage and also maintain its position with the increased competition.