

# The financial institution



**Brand:** Mehta Solutions

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**Short Description**

**The financial institution**

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## **The financial institution CAST STUDY solution**

**Read both Case 1 and Case 2 given below and answer the questions given at the end of each case.**

### **CASE 1**

A financial institution has just decided to open a branch at Bhimunipatnam, an exclusive resort located about 20 miles from Waltair, a large city. There is no bank at present in Bhimunipatnam. The financial institution is anxious to determine the appropriate wage for the clerical staff it expects to hire. Clerks in the city office at Waltair receive a starting wage of Rs. 1,000 per month. As a matter of company policy these wages rates have been set at mid point of the range for financial institutions in Waltair. A survey at local business at Bhimunipatnam indicates that the 'going rate' for qualified clerical personnel varies between Rs. 1,200 - Rs. 1,400 a month. This higher rate in Bhimunipatnam may be attributed, in part, to the substantially higher cost of living in this resort town, the limited number of young people seeking employment and the fact that there are no other financial institutions in Bhimunipatnam. Banks in Waltair have traditionally paid lower wages than other businesses, on the ground that banks offer better working conditions and higher prestige.

#### **. Questions :**

- (a) What amount, institution fix as personnel ?
- (b) What factors should be considered in making the decision ?

### **CASE 2**

Mr. C.S. Sharma joined in 1970 in Indian Institute of Technology - a premier educational institution in the country, imparting higher level education in technology. His job demands higher level and latest knowledge, higher level teaching skill, and other skills in introducing and practising different teaching methods and bringing should the financial its hiring rate for clerical (b) coordination between the institute and industry. The institute implemented the pay scales in 1976 recommended by the University Grants Commission which were at par with the pay scales of teachers in Universities and Colleges. The demands of the jobs in Universities and Colleges are quite low compared to those of the Institute. The pay of Mr. Sharma. has been fixed at that level of Mr. Singh, who joined the Institute in 1974 as the University Grants Commission did not recommend any

weightages for the teachers who put up less than five year's experience. Mr. Sharma was quite unhappy over the parity of salary of the teachers of the institute with the teachers from Universities and Colleges; and also with those having less than five year's experience. Hence he decides to quit

**Questions :**

- (a) Do you justify the decision made by Mr. Sharma ?
- (b) Do you suggest any measures to stop Mr. Sharma from quitting the job ?
- (c) Do you think that there is something wrong with the Institute pay practices and the University Grants Commission's recommendations ? If yes, what are they ? How do you rectify them ?

**Details**

**1. Case study solved answers**

**2. pdf/word in 24-48 hrs**

**3. Fully Solved with answers**

