ADVANCED LEVEL EXAMINATIONS

7HRC – Human Resource Management in Context

EXAMINER'S REPORT

September 2011

Chartered Institute of Personnel and Development

Advanced Level Qualification

Human Resource Management in Context

September 2011

26 September 2011   13:50 –17:00 hrs

Time allowed – Three hours and ten minutes
(including ten minutes' reading time)

Answer Section A and FIVE questions in Section B (one per subsection A to E).

Please write clearly and legibly.

Questions may be answered in any order.

Equal marks are allocated to each section of the paper.
Within Section B equal marks are allocated to each question.

If a question includes reference to 'your organisation', this may be interpreted as covering any organisation with which you are familiar.

The case study is not based on an actual organisation. Any similarities to known organisations are accidental.

You will fail the examination if:

- You fail to answer five questions in Section B (one per subsection) and/or
- You achieve less than 40 per cent in either Section A or Section B.

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SECTION A – Case Study

Note: It is permissible to make assumptions by adding to the case study details given below provided the case study is neither changed nor undermined in any way by what is added.

Linguascripta SRL (a Romanian limited company) provides software translation and professional translation services (or "localisation" services) for its multinational clients. These services include document translations, website translations and desktop publishing services. The company was founded in Bucharest in 2000 by Karina Rivaldi. Its first client was SAP AG, a German company developing systems, applications and products. Within two years, Linguascripta had doubled its staff, moved into a more spacious office better equipped for the nature of its work, and was looking for new clients internationally.

The company is driven by a small, young, international management team consisting of Karina Rivaldi, the President, Demitrie Miklos, the Production Manager, and Charles Schweitzer, the Sales Manager, who is from California. HR issues are the responsibility of the Manager of Administration, who reports to the President.

Given the growing market demand for technical solutions and the company's awareness that it had potential to grow, it decided to sharpen its technical abilities. A determining factor in the company's evolution was its constant emphasis on the importance of new technologies. This has resulted in continuous investments in infrastructure, recruiting and developing specialised staff and providing continuing professional development opportunities for them.

The company's philosophy is based on close collaboration with its clients and its ability to provide them with a personalised high quality service. Its multilingual services are tailored to its clients' needs and their styles of working. Linguascripta thus operates like another business unit within client organisations.

The early stages of the company's evolution and growth were localising SAP products into Romanian, consolidating its relationships with current customers, and broadening its expertise with new customers in the machine tool and pharmaceutical sectors. Subsequently the company added a number of multinational corporations as clients and completed the translation of E-learning material for MS Business Solutions into Romanian and MS Office into Swedish. More recently, Linguascripta began working with SAS Institute Inc (whose headquarters is in Cary, North Carolina, US), opened an office in Brazil, developed support for Asian languages and completed the localisation of Microsoft's Customer Relationship Management solution into Romanian, Spanish, Russian and Portuguese.

When celebrating its 10th anniversary in 2010, the company moved to a new larger office in Bucharest and opened an office in Italy. It also localised a complex supply chain application into

Japanese, and delivered the Romanian, Iberian Portuguese and Brazilian Portuguese translations for Microsoft's VISTA.

This dynamic company uses both internal and external resources in servicing its clients, depending on the specific requirements of each project. As a general rule, it performs all technical and project management tasks internally and uses independent professionals for outsourcing certain linguistic tasks.

- Internal resources: the company has a team of 150 highly qualified professionals, comprising project managers, software engineers, linguists and Desk Top Publishing specialists. They work closely together to successfully complete the projects assigned to them, ensuring compliance with deadlines, budgets and each client's quality requirements.
- External resources: the company works with over 350 certificated independent professionals, who participate regularly in its projects. It maintains close relationships with its external collaborators. Amongst others, it provides translations into French, Italian, German, Spanish, Portuguese, Russian, Swedish, Japanese, Korean, and Chinese.

Linguascripta claims that it is a distinctive business and provides a competitive edge to its clients because of:

- Management commitment: the company is big enough to process large volumes (two million words a month), but small enough to meet the requirements of its clients with flexibility and enthusiasm.
- Technical competence: the corporate team of project managers, linguists and IT specialists works hand in hand to complete the most technically demanding projects successfully and punctually.
- Quality-oriented approach: quality is the company's primary goal. For this reason, quality assurance is not merely a question of checking the final product. Instead, every stage of the production process is monitored. Using standardised processes in this way guarantees a high level of quality.
- International expertise: the company's customers are large, international companies based in Europe and the USA. In order to deliver up-to-date and culturally sensitive translations, it has built up a comprehensive network of native speaking translators who live in the relevant countries and with whom it works on a regular basis.
- Experience: the company has demonstrated a proactive approach and technical expertise within the framework of many large-scale multilingual projects with customers such as SAP and Microsoft.

The company is at the next stage of its development and is considering setting up a large office in London because of increased market opportunities in the English-speaking world.

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As a preliminary to this proposed exercise, you have been asked, as a UK-based consultant, to write a report to the management team covering the following issues, drawing upon research and evidence-based sources. You must justify your response in each case.

1.   The management team wants more information on and an evaluation of the supply-side of the UK labour market, especially the situation in London. To this purpose, identify and analyse three major demographic trends that are likely to impact on the company's ability to recruit and retain skilled workers in the metropolis, either positively or negatively.

2.   Identify and analyse three major social trends that the company needs to take into account in determining whether or not to establish a London office.

3.   Analyse and evaluate the consequences of the Coalition government's economic policies in the next five years for a new business in London.

4.   Critically examine the implications of the Coalition government's education policy so far as Linguascripta is concerned, if it was to relocate to London.

It is recommended that you spend 25% of your time on each of the four tasks

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SECTION B

Answer FIVE questions in this section, ONE per subsection A to E. To communicate your answers more clearly you may use whatever methods you wish, for example diagrams, flowcharts, bullet points, so long as you provide an explanation of each.

A

1. In an age of globalisation and intense competition in product and other markets, organisations have to respond to the external contexts in which they operate quickly and decisively.

    Identify **up to three** major trends in the external contexts impacting on your organisation and explain, with examples, how and why they act as key drivers in determining your organisation's HR strategy.

OR

2. Organisation theory draws upon a range of academic and practical disciplines such as social sciences, economics, politics, philosophy, management and ethics. This results in a number of approaches to the study of organisations.

    i.   Drawing upon research, outline the modernist (or orthodox) approach to organisation theory.

    ii. Drawing upon research, outline the symbolic perspective of organisation theory.

    iii. Summarise the relevance of both these approaches to organisation for the study and practice of management.

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B

3. The marketing function provides the interface between organisations and their customers, with the aim of promoting sales, customer acquisition, customer loyalty and customer retention.

    i.   Critically evaluate the role of marketing within organisations, highlighting the key elements within it.

    ii.   Discuss how the HR function can contribute to the effectiveness of the marketing function.

OR

4. The contemporary HR function is increasingly concerned with business focus, its contribution to added value, a unitary perspective of the employment relationship and the assumption that people in organisations make a difference to organisational performance. But there is no single model of the HRM function or any consensus about its wider features, only a series of different models.

    i.   Drawing upon research, critically evaluate any **one** recognised model of the HRM function.

    ii.   Discuss the extent to which this model is applicable to your organisation and why (or why it is not).

C

5. In conditions of market uncertainty, competition, and rapid changes in the external contexts of organisations, organisational leaders in the private, public and third sectors are using systems and techniques of strategic management.

    i.   Drawing upon research, critically evaluate **one** model of corporate strategy.

    ii.   Examine its relevance to your organisation.

OR

6. Best fit models of HR strategy have been described as 'outside-in' theories of HR and are based on the proposition that different types of HR corporate strategy are suitable for different types of business conditions and organisational contexts.

Drawing upon research, specify **one** best fit model and critically evaluate it.

D

7. You work for a French multinational company which is hosting a seminar in London for its managers from around Europe. You have been asked to make a short presentation to this group on "Three main differences between the UK market economy and European social market economies."

    Drawing upon research, outline **three** main differences and discuss their implications for developing and implementing HR strategies and practices in the UK business.

OR

8. Traditionally, public services in the UK, at both local and national levels, were insulated from the pressures of the market, competition and continuous change. Since the late 1970s, however, there have been successive waves of public management or administrative reform.

    i.   Identify **up to three** policy initiatives in public management reform in recent years and their underpinning objectives.

    ii. Critically evaluate the impact of these initiatives on the HR function in public service organisations

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E

9. Drawing upon research, critically evaluate the role of any **one** international organisation involved in the governance of the global economy. Justify your response.

OR

10. The European Union (EU) is made up of 27 member states, working collectively to promote social and economic progress and the welfare of their citizens and businesses within the Union. Following the Treaty of Lisbon 2009, several countries in south-east Europe and beyond, such as Turkey, are seeking membership of the EU.

    Critically evaluate the cases for and against expanding membership of the Union to other European democracies, using examples. Justify your response.

END OF EXAMINATION

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Introduction

This report reviews the September sitting of the Human Resource Management in Context advanced level examination of the CIPD. This is a core module within the advanced level qualifications framework and draws upon the "Strategy, Insights and Solutions" professional area of the CIPD's HR Profession Map.

On this occasion, there was a small cohort of 27 candidates taking the examination. Of these, 19 achieved a pass standard of performance or more, giving a pass rate of 70.4%.
The breakdown of marks was as follows:

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Grade	**Number**	**Percentage of total** (to 1 decimal point)
Distinction	2	7.4
Merit	4	14.8
Pass	13	48.2
Marginal fail	1	3.7
Fail	7	25.9
Total	**27**	**100**

The examination consists of two sections, a seen case study in Section A and short answer questions in Section B, where candidates have to attempt five (out of 10) questions, which are divided into five sub-sections. All learning outcomes of the unit are assessed on the examination paper.

In addition to demonstrating knowledge and understanding in this examination, successful candidates are expected to match the CIPD vision of the HR professional as a business partner and a thinking performer who can deliver day-to-day operational requirements and reflect on current procedures, systems and contexts, so as to be able to contribute to continuous improvement and change initiatives.

Candidates are expected to achieve M-level performance in the examination, drawing upon evidence-based argument, critical thinking and broad understanding of their field of study, not only within their own organisation and sector but also across a reasonable spectrum of other organisations and sectors.

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This is the third examination report by the Chief Examiner for this module.

Section A

This section consisted of a seen case study with four questions, where candidates were expected to answer all questions. The case study centred on the activities of Linguascripta, a Romanian public company, which works internationally, providing software translation and professional translation services to its international clients. It is a relatively young company employing a team of highly qualified professionals, as well as a number of independent translators and support staff. Linguascripta is at the next stage of its development and is considering setting up a large office in London. It is doing this because of increased market opportunities in the English-speaking world.

Candidates were required to act as a UK-based consultant and write a report to the management team on four issues, drawing upon research and evidence-based sources to illustrate what they were arguing. They were also required to justify their responses in each case.

The case study touched on a number of issues covered in the module's learning outcomes. It was particularly intended to test in-depth knowledge and understanding of *Learning Outcomes: 6 and 7*. There are a number of ways in which this case can be approached but the following summary points could be examined and developed in the answers of candidates.

Task 1

The management team wanted more information on and an evaluation of the supply-side of the UK labour market, especially the situation in London. To this purpose, candidates were asked to identify and analyse three major demographic trends that are likely to impact on the company's ability to recruit and retain skilled workers in the metropolis, either positively or negatively.

Any three of a number of demographic trends could be identified and discussed, providing that they were justified by candidates. These included the age structure of the population, which in

London is generally younger than in other parts of the UK. This is likely to affect issues such as labour mobility, attitudes to work, life-style choices and so on. Ethnicity is another issue, since

London has a wide range of ethnicities and sub-cultures which are likely to impact on labour supply and the skills available in a knowledge-based business such as Linguascripta. Migration is a very important factor too. Economic migrants form an important part of the London labour market and come from a wide range of backgrounds, destinations and languages; they tend to be populated by younger age-groups, some well qualified – others less so (Institute of Public Policy Research 2011).

This needed to be explored and discussed in terms of labour supply, work permits and skills sets, for example. This question could also be approached from the perspective of the size and structure of the working population such as the changing occupational and sector distributions of the workforce. The gender distribution could also be analysed and reviewed. Relatively high levels of employment in the greater London area were a further labour market issue that could be explored and discussed in responses to this question. Issues relating to labour market competition, wage rates and labour turnover might be discussed too.

Better candidates were able to identify and analyse three major demographic trends from those outlined above. Some candidates did very well in responding to this question, picking on most of the issues discussed above. These answers were underpinned by sound analysis, critical evaluation and research-based evidence in examining each of the three demographic trends that were discussed by candidates in their responses.

In weaker responses, candidates commonly struggled to identify three major demographic trends at all, didn't appear to understand what demographic trends are or to relate them to the question set. Sometimes these candidates confused demographic with social trends Often what was discussed (for example, 'environmentalism') were not demographic trends at all but were issues such as the psychological contract, recruitment and selection, and general HR matters that were not asked for in the question set. Most of these answers were muddled in their approaches and lacked any clear evidence-based arguments.

Task 2

This required candidates to identify and analyse three major social trends that the company needs to take into account in determining whether or not to establish a London office.

Any three of a number of related social trends could be explored here. Family structures are one of them. This touches on family size, size of household, availability of child care facilities, numbers of single-person households, especially in city like London, as well as the supply and demand for housing, both in the market and social sectors, public services and so on. Housing policy, for example, is an important issue that impacts on labour market issues – its availability, cost and quality. Ethnicity raises issues of the significance of dress codes, possibly language skills in some cases, and religious customs and traditions and how these are likely to affect the workplace and relations within them. The standard of education and training among the available workforce from secondary level upwards could also be considered an important factor affecting labour supply and demand. Demands for work-life balance could arise out of such trends. All these factors have implications for managing diversity within organisations.

Better answers hit the question full on and there were some very good answers. They did this by covering three of the trends outlined above. These answers were well-structured, clearly

argued, drew upon relevant research and had a clear focus and approach to the social issues raised.

Weaker candidates, on the other hand, struggled to identify and analyse three major *social* trends. Their answers were often thin in content and, again, focused unnecessarily on issues such as off-shoring, the skills gap and the cost of living - which could have been used in responding to Task 4 rather than this one; none of which were asked for in the question set.

Other weak responses were largely anecdotal, barely a few lines in length and 'content light'. There were no references to the basic literature in the field; nor in most cases were the identified trends linked to the business plans of Linguascripta.

Task 3

This asked candidates to analyses and evaluate the consequences of the Coalition government's economic policies in the next five years for a new business in London.

There was scope for a variety of approaches possible in crafting responses to this question. The consequences of the Coalition government's economic policies on businesses in London and elsewhere are likely to be both direct and indirect. The direct effects relate to targeted reductions in public spending, public investments or services that impact on businesses and companies, such as contracts with public sector providers or outsourcers and provision of infrastructure affecting the business community. Changes in fiscal and taxation policy also affect businesses directly, as well as any reductions in consumer spending or corporate spending by other businesses that are likely to have market relationships with Linguascripta. The indirect effects of public spending cutbacks, rises in taxation or national insurance are likely to impact on the employees, customers and creditors of the business in terms of their willingness to work, to do business with the firm and spending (or reduce spending) in the micro-economy.

Better answers to this question focused strongly on the economic policies of the Coalition government and their implications for businesses in London. These answers developed a selection of the points argued above and the importance for Linguascripta to be fully aware of the hostile economic climate currently facing companies in London – especially new firms – and of finding ways to deal with it by appropriate planning, foresight and business focus.

Weaker candidates generally produced confused answers and clearly didn't know much about the Government's flag-ship economic policies. These answers focused largely on the plan to reduce the structural deficit within the life-time of this Parliament and little else. Frequently, these candidates expressed their (lack of) basic economic understanding by drawing upon some of the unsubstantiated views expressed in the popular press, without providing any underpinning analysis or critical evaluation of these viewpoints. These answers covered issues such as unemployment, benefit payments and taxation policy. Such responses lacked depth

and failed to demonstrate any effective understanding of the economic policies identified. Nor were these issues clearly related to Linguascripta's possible location in London.

Task 4

This asked candidates to critically examine the implications of the Coalition government's education policy so far as Linguascripta is concerned, if it was to relocate to London.

The Coalition's policy affecting secondary, further and higher education sectors is particularly important for firms such as Linguascripta. They are likely to affect the supply of trained labour to the labour market, the quality and performance of this labour and the ability to meet the labour market needs of employers. Rises in tuition fees for university courses, for example could affect both the demand for university places and what sort of courses are offered in the market place by university and equivalent higher education institutions. Educational standards in secondary schools, in turn, affect the employability of new starters and young workers, as well as the availability of further and vocational education opportunities for young people who might be attracted to work for the company, or supply labour services to it.

Better answers were generally sound on both school policy and higher education policy and were always focused on the question set. Good examples of how these policies were likely to affect Linguascripta were provided, as well as being critically reviewed. These answers also covered post-school, non-higher education. They answers explored the role of other policies, such as apprenticeships and workplace learning in the Government's educational portfolio.

Weaker answers struggled with this question and were unable to draw out some of the underpinning issues in education policy that were likely to impact on a company like Linguascripta and the markets that it is trying to satisfy. In fact, some candidates failed to respond to the implications of education policy for LInguascripta at all or produced very short, limited answers. Even where the main strands of education policy were summarised quite well, the ensuing discussion was often naive and lacked depth or conviction. In other cases, the response to this question was not organised effectively. Worryingly, some of these answers seemed as if some candidates had brought 'pre-prepared' answers into the examination room and then had tried to 'shoe-horn' them into their examination scripts, irrespective of their relevance to the question set.

Section B

In this section, candidates had to choose one question out of two in each of five sub-sections that covered the remaining learning outcomes not examined in the Section A case study. Most questions consisted of more than one part and candidates were expected to attempt all parts in each question.

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Question 1

Learning outcome: 1

This question asked candidates to identify up to three major trends in the external contexts impacting on their organisation and to explain, with examples, how and why they act as key drivers in determining this organisation's HR strategy.

In responding to this question, candidates had the opportunity to identify any three contexts drawn from the socio-cultural, technological, economic, environmental, political, legal and ethical contexts of organisations, affecting their organisation, and to justify why they had chosen them. The key drivers involved include demography, communications, economic policy, natural resources, public policy, the law and ethical issues. Each of these is likely to affect HR strategy and decision making in specific ways at organisational level. Candidates needed to explore the impacts of any of these three contexts within their organisations in terms of particular HR issues.

Good answers to this question were detailed in their content, well considered and demonstrated some understanding of how the major external contexts identified by candidates impacted on their own organisations. They were well organised, drew upon relevant literature and answered both parts of the question competently. Better answers also demonstrated how these contexts affected HR issues. Other better responses provided three detailed and good examples of the major external contexts, with relevant discussion of the underpinning issues and effectively demonstrated the implications for HR practices.

Weak answers covered only part of the two questions put and were poor at explaining how these contexts acted as key drivers in the formulation of their firms' HR strategies. In other cases, the trends identified were not relevant or were unclear or did not focus on the factors in the business environment likely to impact on HR strategy. Other weak candidates produced poorly structured answers that did not connect the two parts of the question effectively. In other cases, candidates appeared to jump the questions asked by considering part two of the question before explaining the first part. These answers did not therefore connect the respective parts of the questions put.

Question 2

Learning outcome: 1

This question asked candidates to:

i. Draw upon research and explain the modernist (or orthodox) approach to organisation theory.

ii.   Draw upon research and explain the symbolic perspective of organisation theory.

iii. Summarise the relevance of both these approaches to organisation for the study and practice of management.

The differences between these two views of organisations arise out of the nature of reality, theory of knowledge, nature of organisations and the focus of organisation theory, as well as their preferred research methodologies. The orthodox approach argues that there is an objective reality, knowledge is 'positivist', is based on empirical observation, and organisations are 'real' objective entities driven by rationality, efficiency and effectiveness. Symbolic interpretivism argues that there is no objective reality, only subjective awareness of it. All knowledge is relative to the knower and shifts over time. Organisations are socially constructed entities and reconstructed by their members, with people give meaning and order to their experiences through interpretive, symbolic acts. Orthodox theory provides models, frameworks, and principles for practising managers, aiming to give prediction and control in organisations, whereas the symbolic perspective is one that non-managers are more likely to recognise intuitively and to identify with in their 'reality' to counterbalance the control imposed on them. These have implications on how people are managed in organisations.

Only three candidates attempted this question and none achieved a pass standard of performance. One of these was able to outline the differences between the two approaches to organisation theory descriptively but was unable to discuss the relevance of each of these approaches for the study and practice of management. Another answer was even weaker, since the candidate muddled up both models of organisation theory and was confused between the two models. The other candidate attempting this question wrote about systems theory in general, did not relate it to organisation theory and was unable to demonstrate even a basic understanding of the question set. This was a poor set of responses to the question set.

Question 3

Learning outcome: 2

This question asked candidates to:

i.   Critically evaluate the role of marketing within their organisation and highlight the key elements within it.

ii. Discuss how the HR function can contribute added value to the marketing function.

The marketing function incorporates marketing planning, product pricing, promotion of goods and services, and their distribution. It is explicitly customer-focused. Marketing techniques are now increasingly used not only by businesses but also by organisations with welfare, community and welfare goals. A key marketing task is to understand customer needs and how to develop

competitive advantage, as well as meeting key customer requirements through appropriate marketing mix decisions. Marketing's major elements are product, price, promotion and place. The effectiveness of the marketing function can be evaluated in terms of these four elements. The role of HR in contributing to added value to the function includes helping in the selection, placement and retention of key people in the function, through developing appropriate policies and strategies including rewards, benefits and conditions. The provision of learning and development and CPD opportunities are also likely to promote added value to the marketing function.

This was quite a popular question and better answers provided a sound grasp of each part of the question, often drawing upon the core text for this, and candidates linked it well to their own organisations.

Weaker scripts were unable to review or analyse the marketing function effectively and there was sometimes too much repetition about the 'own organisation' part of the question, with little understanding of how the HR function can contribute to the effectiveness of marketing. Amongst weaker answers, some candidates did not attempt both parts of the question, so that they performed badly in the question as a whole.

Question 4

Learning outcome: 2

This question asked candidates to:

i.   Draw upon research and critically evaluate any one recognised model of the HRM function.

ii. Discuss the extent to which this model is applicable to their organisation and why (or why it is not).

As Boxall (2007) indicates, HRM covers an array of activities with wide variations of practice across organisations, sectors and societies. Arising from this is a variety of recognised models of the HR function. They start with Legge (1978) and her conformist innovator, deviant innovator and problem solving models of HR. Others include Tyson and Fell (1986), Monks (1982), Storey (1992), Wilkinson and Marchington (1994), Reilly (2000) and Ulrich and Brockbank (2005). Any one of these models needed identifying, justifying and critically evaluating. Candidates also needed to discuss how this model applies (or does not apply) in their organisations.

Most candidates attempting this question were able to identify a recognised model of the HR function, drawing upon one of the above frameworks. Most candidates passed. Better answers were able to examine the extent to which the chosen model was or was not applicable to their own organisation, as well as using the literature to do this. These answers demonstrated good

links between the model identified and discussed and its relevance to candidates' own organisations.

The major reason why weaker candidates failed this question was that they confused models of HR strategy (such as 'best practice' ones) with models of the HR function. This type of response was not what the question asked and therefore these answers were unable to demonstrated M-level standard and a pass standard of performance.

Question 5

Learning outcome: 3

This question asked candidates to:

i.   Draw upon research and critically evaluate one model of corporate strategy.

ii. Examine the relevance to their organisation.

Within the broader debate about rational and emergent strategy, a number of strategic models are found in the research literature. A range of writers can be identified in both these mainstreams of the strategy literature. These include Quinn, Mintzberg, Hax and Majluf, Whittington, Johnson et al, David and others. Some candidates might interpret the question widely, others narrowly. Either approach is acceptable but answers must be related to the candidates' own organisations. In relating the chosen model to their own organisations, candidates could have made some appraisal of the organisation's internal resources, for example, human resources, finance, marketing, operations, and whether these internal resources adequate to the task.

Most candidates answering this question were able to demonstrate a pass standard of performance. Better candidates were able to write about relevant research, critically evaluate the model identified and consider its relevance to their own organisations.

Most weak candidates were only able to answer part of the question set or they confused the model of strategy they had identified with some other model, thus losing marks by not answering the question set. Other weak answers lacked depth, were very general or lacked research evidence. In weaker scripts, the second part of the question proved more problematic for most candidates than the first part. These candidates were therefore unable to link both parts of the question together, thus losing marks for this.

Question 6

Learning outcome: 3

This question asked candidates to draw upon research, specify one best fit model and critically evaluate it.

Best fit models, or outside-in theories, argue that different HR strategies are suitable for different business conditions and organisational contexts. The best fit approach claims that there is a link between HR strategy and competitive advantage but that HR strategy is contingent upon the particular circumstances for each enterprise. This means that organisations attempt to fit their HR strategies with the specific circumstances of each organisation. Candidates can select any of a range of models from the matching model, structural configuration model and business life-cycle models drawing upon writer such as Miles and Snow, Schuler and Jackson, Fombrun at al, and Kochan and Barocci. Critiques of such models include their simplistic responses to organisational strategy, lack of sophistication, insufficient attention paid to change, and are deterministic, top-down approaches to strategy determination.

This was a popular question that was generally done effectively. Better candidates were able to describe a best-fit model of strategy and critically evaluate it, using relevant research.

Weaker candidates again confused the models they offered with best-fit. These included best practice models, the resource-based view of the firm and some candidates even discussed the "SWOT analysis." None of these answers were acceptable because they failed to address the question set. They were weak on research and critical evaluation.

Question 7

Learning outcome: 4

This asked candidates to draw upon research and outline three main differences between the UK market economy and European social market economies and discuss the implications of these differences for developing and implementing HR strategies and practices in the UK business.

Market economies combine a mix of private enterprise with varying degrees of government intervention and regulation but there are differences between the UK economy and European social market economies. The general categories where differences can be identified and be explored include their basic principles, how firms are managed, the financial system, the labour market, welfare system, and government policies. Any three of these areas can be explored in greater depth. The HR implications include the UK's flexible labour market, job security, employment regulation, union organisation, labour mobility, and styles of managing people.

This was a relatively popular question but answers varied widely. Beyond a few good, relevant and focused responses to this question, many were generally weak and overall performance was poor. The main problem was that very few candidates were able to identify three main

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differences between the UK and mainland Europe economies. Hence they were unable to discuss the implications of these economic systems for developing and implementing HR strategies. The weakest scripts were very anecdotal and lacked a basic understanding of the differences between the two sets of economic frameworks. To suggest, for example, that

Euro-market economies tend to be 'less profit-centred' that the UK clearly does not stand up to scrutiny. Links with HR practices were poorly understood.

Question 8

Learning outcome: 4

This asked candidates to:

i. Identify up to three policy initiatives in public management reform in recent years and their underpinning objectives.

ii. Critically evaluate the impact of these initiatives on the HR function in public service organisations.

Public management reforms have been analysed in terms of privatisation and marketisation, structural reorganisation and re-engineering, enhancing the '3-Es', in search of excellence, and reinventing democracy and public service orientation. An alternative model is that of maintaining the administrative system, modernising it, marketising it and minimising it. Policy initiatives have been aimed at promoting accountability, competition, customers, decentralisation, deregulation, efficiency, markets, quality, responsiveness, removing bureaucracy. The objectives included reducing costs, treating citizens as consumers, creating more flexible organisations, removing red tape, improving services, raising service standards, leaving civil servants free to do policy making. The HR implications included more managers, redundancies, training and development, more autonomy for managers, the search for performance, and new skill sets required.

This was a popular question that was generally done well. Better candidates were able to identify three policy initiatives in public management reform, as well as critically evaluate their impact on the HR function, from the examples outlined above. These answers were well informed, provided clear evidence of wider reading and gave sound examples of how the HR function had responded to the challenges facing it.

Weaker answers were muddled and only partially addressed the question set. Some of the examples given were not public management reforms, with the result that the second part of the question was inadequately addressed. Other answers completely missed the points behind both parts of the question and therefore scored low marks.

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Question 9

Learning outcome: 5

This question asked candidates to draw upon research and critically evaluate the role of any one international organisation in the global economy, as well as justifying their response.

A number of international organisations facilitate global trade and the liberalisation of world trade. Four major bodies are the OECD, IMF, World Bank and WTO. Candidates can select any one of these in responding to the question. All support globalisation, removal of trade barriers to free trade, and the promotion of political democracy. Supporters defend the roles of these bodies in challenging economic protectionism, freeing international trade and spreading economic development around the world. A sub issue is the extent to which promotion of free trade and free markets facilitates 'global' HR policies and practices. Opponents argue against the unregulated political power of large MNCs and the powers exercised through trade agreements, deregulated financial markets and the potential exploitation of labour resources.

This was not a popular question and the answers given to it were generally weak. Candidates struggled to provide good examples of an international organisation and where they did, such as the IMF, little research evidence was demonstrated and few details of the organisation's role in the global economy were provided. Answers tended to be unjustified and some answers were only a few lines long.

Question 10

Learning outcome: 5

This asked candidates to critically evaluate the cases for and against expanding membership of the Union to other European democracies, with examples.

The case for expanding membership of the EU south-eastwards is that countries such as Croatia, Serbia, Herzogovina and Turkey are now relatively stable democracies with developing market economies that qualify for membership. Their incorporation into the EU will promote trading opportunities with these countries and other member states of the Union, their inclusion will further stabilise regional politics in this geographic area, and will raise the 'peace dividend' throughout the region and westwards. The case against membership is - which countries are the most obvious ones to incorporate? For example, some member states are opposed to Turkey's membership and others don't want some of the former Yugoslavian countries within the EU. Opponents to expansion question the timing of this, they don't think that the budgetary crises in some present member states are conducive to introducing new members at this stage, and for some opponents issues of religious differences and former political rivalries drive their agendas.

This was a popular question and answers to it tended to be good. Better answers provided solid, in-depth reviews of the cases both for and against expanding EU membership, with these candidates providing good evidence-based responses to the question put.

Weaker answers did not provide balanced analyses. These candidates tended to be strong on one side of the argument and weak on the other. In some cases, these answers were largely anecdotal and impressionistic rather than being measured and evidence-based. Weaker answers also tended to be poorly informed and therefore were not centred on the question put. These responses scored low marks.

Conclusion

The pass rate in this examination diet was 70.4% - the highest pass rate to date. The marking team is of the view that this examination paper provided a good test of all the learning outcomes and the indicative content of this unit, and was a fair test of candidate knowledge, understanding and application of knowledge within the module. The marking team observed the following general points in assessing candidates in this examination:

1. As indicated above, the pass rate was the highest to date, although it is very difficult to draw firm conclusions from this, due to the small number of candidates sitting the examination. Some of these candidates are likely to have been re-sitting the examination.

2. It was pleasing to note a larger proportion of higher-performing candidates in this examination, with just over a fifth of all candidates (22.2%) achieving either a distinction or merit standard of performance.

3. About a quarter of all the candidates sitting this examination were clear fails (25.9%).

4. Candidate performance continued to be generally better in Section A of the examination (the seen case study) than it was in Section B (the short answer questions). The average mark (arithmetic mean) in Section A was 54.4%, whereas the average in Section B was 47.5%, giving an average mark per script of 51.0%.

5. In Section B, candidate choice of questions was better distributed in this examination diet than it was in earlier diets. Only three questions were not widely attempted by candidates: Questions 2, 8 and 9. As mentioned in earlier examination reports, candidates are strongly advised to broaden their learning and understanding to cover all the learning objectives of the unit and the range of indicative subject matter within them, so that they have real choices in responding to Section B questions.

6.   A tendency noted by the Chief Examiner in this cohort was the candidates who either "re-interpreted" the questions set or seemed to be providing pre-determined responses anticipating certain questions in advance (often erroneously), so that they could write what they wanted to about the topic under discussion, rather than sticking to what had been asked by the examiner. This approach clearly lost marks for such candidates.

7.   Question spotting should be avoided in both sections of the examination paper. Candidates and subject tutors are reminded that all the learning outcomes covering the indicative content of this unit are assessed in the examination. As reported before, there is no discernible pattern indicating which learning outcomes are likely to be tested in each examination

8.   Another issue noted by the Chief Examiner was that some candidates continue to fail to justify their answers when this was asked for. Again this loses marks for examinees. Another common fault is for some candidates to introduce relevant theories or research findings into their answers but then fail to link them effectively to the question set.

9.   This is an M-level examination so candidates are expected to provide evidence-based answers to the questions set, drawing upon relevant research and good practice of HRM in its contexts. They are expected to read around the subject matter of this module. At a minimum, the Chief Examiner's core text provides an overview of the literature in the field and it identifies and reviews key studies in this field of professional knowledge and professional practice. But this is not enough and it needs to be supplemented through wider reading by candidates. These sources include relevant academic journals, professional periodicals and the quality press, as indicated by their subject tutors.

On this occasion, since there were relatively few examination scripts to be assessed, I undertook the entire marking duties myself. However, I would like to acknowledge the role of my marking team in contributing to the marking standardisation process, in the first instance, at our markers' meeting in London, shortly following the examination. The team involved was Derek Adam-Smith, John Ashcroft, Chris Evans, and Amanda Thompson. On completion of these examination assessments, my marking standards were subsequently moderated independently by a member of the marking team.

Professor David Farnham
Chief Examiner   September 2011