

7HRC – Human Resource Management in Context

EXAMINER'S REPORT

September 2018

**Advanced Level Qualification
Human Resource Management in
Context
September 2018**

Date: 25 September 2018

Time: 09:50 – 13:00 hrs

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

Instructions

- Answer **all** of Section A.
- Answer **five** questions in Section B (**one** per subsection).
- Read each question carefully before answering.
- Write clearly and legibly.

Information

- 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 coincidental.

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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% in either Section A or Section B
and/or
- You achieve less than 50% overall.

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Section A – Case Study

Note: In your responses, you are allowed to improvise or add to the case study details provided below. However, the case study should not be changed or compromised in any way.

Trufflebags Ltd is a long-established family business. The company manufactures up-market confectionery products (chocolates, fudge, toffees, soft drinks and ice creams) at a factory in the Midlands which employs 50 people. The product range is then mainly sold through a chain of thirty small, branded Trufflebags shops which are prominently located on high streets in cities and towns across the UK. The retail division employs around 150 people at any one time, many of whom work on a part-time basis. There is a head office located adjacent to the factory at which a further team of 20 people are employed in management and administrative roles.

The Chairman and Managing Director of Trufflebags is the formidable Kassia Candy, who inherited the company from her father who founded it sixty years ago. She has run it for the past thirty years, for most of the time with considerable success. She oversaw the opening of a flagship shop in London's Covent Garden and greatly extended the company's product range. Under her leadership the brand was consolidated, Trufflebags shops becoming well-known as excellent places for people to purchase gifts and treats for themselves. The company continues to enjoy high levels of brand recognition in the UK and remains popular with its loyal, older customer base who have shopped for its products for many years.

In the past few years, however, business conditions have become much more challenging. The company has lost about 30% of its overall market share and has seen its retail sales dwindle rapidly. The biggest concern is that the average footfall on the high streets where Trufflebags' shops are located has declined by around 4% year-on-year for the past five years. The company has also received some reports from mystery shoppers it has employed which have given poor feedback on levels of customer service offered in its stores. Meanwhile new competitors with a more sophisticated, original and up-to-date brand image have attracted a lot of business away from the company's outlets, building a prominent online and global reputation which the company has been unable to match.

At the same time it is costing Trufflebags a great deal more to import the core products that go into their most popular products, while many fixed costs associated with running high street retail outlets have increased. In the last year the company went into the red for the first time in its history. Losses of over £500,000 were reported by its accountants.

On the HR front things have been going badly too. Staff turnover levels are higher than at any time in the company's history and managers are struggling to recruit new staff to work in the retail outlets who have either the experience or the aptitude required to meet the company's expectations. Absence levels are running at high levels too, requiring a degree of overstaffing to ensure that stores can open and close on time.

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Just when Kassia thought that things couldn't get any worse, Trufflebags has been the subject of a series of negative stories in a local newspaper that have been picked up on social media. The firm's factory operation has been labelled the worst place to work in the county it is based in. Some former staff members have been interviewed complaining that they were all employed on insecure contracts on minimum wage rates and that insufficient attention is given to health and safety training. Poor reviews have also been posted by employees on the Glassdoor website. A week later further stories then circulated in social media criticising the unhealthy nature of the company's products and the amount of single-use plastic packaging it uses. Claims are also made that it imports products grown on plantations that use "slave labour". These stories are all considerable exaggerations and in some respects untrue, but they are doing a lot of damage to Trufflebags' hard won corporate reputation.

You work for a firm of consultants that has been hired to advise Kassia Candy about the steps she needs to take to start turning round the fortunes of Trufflebags over the next year. You are asked to make a number of contributions to a briefing paper that will be sent to her. The following questions and tasks are assigned to you. In each case set out the key points you would make and how you would justify them:

- 1) What different factors are combining to reduce over time the number of people walking down high streets in towns and cities?
- 2) Provide an analysis which explains why Truffebags' general and HR business costs are increasing.
- 3) Drawing on examples of published research or organisational practice explain what general steps Truffebags managers might take to reverse the company's poor recent record as far as recruitment, retention and absence are concerned.
- 4) What advice would you give Kassia about the financial and HR steps she should take to re-establish Truffebags' corporate reputation?

It is recommended that you spend around 25% of your time on each of Tasks 1, 2, 3 and 4

Section B

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Answer FIVE questions in this section, ONE per subsection A to E. You may include diagrams, flowcharts or bullet points to clarify and support your answers, so long as you provide an explanation of each.

A

1. It is often argued that we are currently seeing a profound change in the way that organisations are managed. This is often characterised as representing a shift from a 'mechanistic' form of organisational design and management style to approaches which are 'organic'. The change manifests itself in fewer levels of management hierarchy, less bureaucracy, decentralised decision-making and less tightly defined job boundaries.
 - i) Drawing on published research or examples of practice, explain how far you agree with this observation and why.
 - ii) What factors in our business environment strengthen the case for those who would like to see the evolution of a more organic approach to management?

OR

2. Every organisation has a range of stakeholders who have a legitimate interest in its survival and long-term success. The extent to which managers take account of these groups tends to vary depending on how much power stakeholders exercise over them.

You are asked to undertake and present a brief analysis of your own organisation's main stakeholders and stakeholder groups. Identify **AT LEAST FOUR** distinct examples, in each case explaining why they should be considered legitimate stakeholders, the nature and extent of their power and how far their interests are, in practice, considered when managerial decisions are taken.

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B

3. You attend a meeting to which all the managers employed by your organisation have been invited. Your Chief Executive Officer (CEO) is there to brief everyone about key strategic objectives for the coming three years.

After setting out her broad vision, when answering a question she states that her preference is to pursue an 'emergent strategy' rather than a 'rational strategy'.

You are asked by your colleagues to explain this distinction with some examples. You are also asked to explain the circumstances in which each approach is likely to be more effective. What would you say? Justify your answer.

OR

4. When new managers are appointed to senior jobs in organisations they are often advised to avoid falling into the trap of trying to achieve too much all at once. When this is attempted limited achievement often results because attention and energy is spread too thinly. They are thus well advised to set themselves a small number of realistic, strategic objectives to prioritise. Achieving these then serves both to increase their confidence as managers and the confidence their organisations have in them.

Assume that you have been promoted into a senior (or more senior) HR management role in your own organisation. What **THREE** initial, strategic objectives would you set yourself? Justify your choice, explaining why you consider these to be priorities. State what specific measures you will use to track progress towards achieving them in practice.

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5. The globalisation of the world trading and economic system has been one of the most significant trends in the business environment for some years now. The current spell of globalisation is generally considered to have started over fifty years ago, moving at a faster pace since the early 1990s.

Its consequences for product markets and labour markets, both domestically and internationally have been profound.

- i) Drawing on research explain why the trend towards greater globalisation has occurred and why it appears to have accelerated over the past twenty-five years.
- ii) What do you think will be the most significant consequences for your industry if the trend towards greater globalisation continues? Justify your answer.

OR

6. You receive the following e-mail from a friend who works in HR for a growing technology company employing 1000 people which is based in your country.

“Hi. I need your advice. Awesome news. My company has just announced its intention to take over a competitor which employs 350 people across three continents! Suddenly we are going to be managing an international workforce. We are going to need to send some of our managers overseas to manage these operations over the next three months. I have been asked to brief the CEO about the main HR actions that need to be taken to help ensure the takeover goes well. What should I say?”

Draft a helpful response setting out and justifying **FOUR** key points, making reference to research.

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7. In nearly every country of the world populations are ageing. Since 1950, according to the Organisation for Economic and Cultural Development (OECD), the median age in industrialised countries has increased from 29 to 39. In the UK in this time the median age increased from 35 to nearly 41. There is every reason to anticipate that this trend towards an older population will further increase in the future.
- i) Explain why populations are ageing so rapidly.
 - ii) What are the most important implications of this trend for:
 - a. commercial organisations

AND

- b. HR management.

Justify your answers, drawing on published research and/or examples.

OR

8. Your manager reads an article in which it is stated that the early 2020s will see the widespread adoption of IT devices which create a 'virtual reality' allowing their users to simulate the experience of being present in different places. Such devices will enable us to interact 'face to face' with others who are in fact physically located some distance away, potentially on the opposite side of the world. Such devices are also likely to be able to offer 'augmented reality' for their users, for example by translating conversations simultaneously into other languages so that two people can talk directly to one another despite having no knowledge of one another's languages.

You are asked to write a briefing paper speculating about what the advent of virtual reality may mean for working practices and HR activities in your organisation. What key points would you make? Justify your answer.

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9. Political debate in industrialised countries has traditionally focused primarily around issues relating to economic policy such as competitiveness, free markets, taxation and spending on public services. Over time, however, different debates are achieving much greater prominence. One example is the rise of concern about the environment and ways of achieving more sustainable forms of economic development. Another is a form of 'identity politics' which gives much greater prominence to debates about, for example social mobility, nationhood, overseas migration, gender, race, ethnicity and sexuality.
- i) Why do you think that this apparent shift in the nature of our political environment is occurring?
 - ii) What are the major potential future implications for organisations and for HR management in your country if the trend continues?

OR

10. Your organisation's HR department has been asked to organise a one day training event for line managers to brief them on areas of employment law. They need to know more about these in order to ensure that the need to defend costly and time consuming Employment Tribunal cases is avoided. You are asked to lead a session lasting for around an hour.
- i) What area of employment law would you choose to focus on in your session and why?
 - ii) What **THREE** major, specific learning outcomes would you want your audience to meet? Justify your answer.

END OF THE EXAMINATION

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Introduction

This report reviews the September 2018 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 “Insights, Strategy and Solutions” professional area of the CIPD Profession Map. A total of 216 candidates took this examination.

The examination format remains unchanged however due to difficulties associated with distribution of the case study in advance of the examination it was treated as an unseen case study when marking and moderating examination scripts. We also appreciated the potential knock-on impact on the time candidates had to revise for Section B resulting from the case study error and therefore we applied marking compensation across the whole paper. Section A required candidates to answer four questions based on information contained in the case study and in Section B they were required to answer five out of ten questions that were divided into five sub-sections. All the learning outcomes of the module were assessed on the examination paper.

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

Candidates were 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.

Section A

Learning outcomes:

The case study is particularly intended to test in-depth knowledge and understanding of:-

- LO2: understand, analyse and critically evaluate the managerial and business environment in which HR professionals work.
- LO4: understand, analyse and critically evaluate the market and competitive environments of organisations and how organisational leaders and the HR function respond to them.

As indicated above, due to distribution problems this section has been marked and moderated as an unseen case study with four tasks. The case-study was set in the context of an organisation (Trufflebags) that manufactures up-market confectionary products and sells these through a chain of braded shops located on high streets throughout the UK. Over the past few years business conditions have become much more challenging. Footfall in shopping centres has decreased, market share of retail sales has declined and the cost of

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importing core products has increased. From an HR perspective staff turnover levels are high, recruitment is difficult and absence levels are high resulting in a degree of overstaffing in order to maintain the required level of service.

In responses to the case-study, candidates were expected to answer all four tasks demonstrating M-level performance and the ability to develop logically structured and clearly focused responses to the tasks set. They were also expected to show familiarity with recent research and examples of current practice.

Tasks one, three and four were generally well answered with task two providing the greatest challenge. Weaker candidates often failed to relate well to general business costs in task two and also failed to recognise the need to promote inexpensive HR initiatives when considering task three.

There are various ways in which this case could have been approached, but the practicality and depth of responses were more important than providing ideal solutions. The following commentary illustrates the types of issues that could be examined and developed in answers.

Task A1

This task required candidates to identify different factors that combine to reduce the number of people walking down high streets in towns and cities.

Footfall is in decline on UK high streets for a number of reasons. First candidates might point to the rise of alternative ways of shopping: - out-of-town shopping centres, big supermarkets, the rise of online and mail order alternatives. The cost of transport (bus fares, train fares, parking charges etc.) are also factors to consider as is, more generally, the presence of more alternative forms of leisure activity. The trend is also something of a vicious circle as when well-known shops go out of business this in turn creates less footfall which worsens the problem for the surviving retailers. The closure of bank branches and post offices is also unhelpful as it leads to less passing trade and a less conducive shopping environment.

The majority of answers to this task were well structured and considered an appropriate combination of factors that are likely to reduce the number of people walking in high streets in towns and cities. Surprisingly few candidates focussed on the problem created when closure of outlets in the high street reduces the attractiveness of the area with fewer people walking past active shops. Most answers recognised that online shopping provided more choice, free delivery and often cheaper products and contrasted this with higher costs associated with street shopping. Overall this task provided the best answers in Section A.

Task A2

This task asked candidates to provide an analysis which explains why Trufflebags' general and HR business costs are increasing.

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Again there is plenty in the case for candidates to pick up on here, both in relation to general business costs and HR costs in particular. Strong candidates will discuss the impact of fall in the value of the pound on import costs and oil / transport costs, and to be aware of increases in shop rents and business rates in recent years. On the HR side, increased staff turnover is costly because it leads to a need for higher spends on recruitment and training. But in tight labour market conditions, with low levels of unemployment, some increase in turnover is inevitable. Staff absence is also costly as it often requires employers to pay people who are not working (SSP etc), while overstaffing and paying enhanced hourly rates to others. There are also significant administrative costs that are incurred. Increases in the National Living Wage may also be discussed here as the case makes clear that some if not most of the company's employees are paid at these rates.

This question was not as well answered as task one. Several candidates considered the increased costs arising from HR factors but failed to consider business costs in general. Most answers recognised that recruitment and selection costs increase with high labour turnover and absence from work, few however considered the impact of the fall in the value of the pound, high rents or transport costs.

Task A3

This question asked candidates to explain what general steps Trufflebags' managers might take to reverse the company's poor recent record as far as recruitment, retention and absence are concerned.

The key here is that candidates do not recommend very costly courses of action that while they might be effective are not viable options given the perilous financial state of the company. Big pay rises and major training initiatives are not therefore options. Instead there is a need to improve employee engagement levels while keeping a firm lid on costs and, quite possibly, making redundancies. This is not easy to achieve, but it can be done with open and honest communication, employee involvement / voice, the introduction of forms of flexible working that appeal to staff and generally by treating staff well at a personal level (noticing what they do, thanking them, appreciating their contribution etc). There is also mileage here in senior managers setting out a longer-term vision so that people understand that they have a future in the company and that managers do not want them to leave. Good candidates will support their explanation with examples of appropriate published research such as Guest D.E. (2014), Meyer J.P. (2017) or provide examples of good organisational practice.

Answers to this task were generally well considered but often failed to provide examples of published research or organisational practice. The structure promoted by the question appeared to assist candidates to identify key points and justify arguments. Common issues discussed were employee engagement and voice, staff opinion surveys, job design, online recruitment, absence monitoring and exit interviews. Better answers referred to published research such as those listed above or Pfeffer's Best Practice Model and Macleod's Engaging for success.

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Weaker answered failed to recognise the need to ensure that initiatives chosen should take proper account of the organisation's financial difficulties.

Task A4

This asked candidates to provide advice to Kassia about the financial and HR steps she should take to re-establish Trufflebags' corporate reputation.

There are some very practical things that can be done here, particularly on the HR side, but again it is important that the financial situation of the company is taken into account when making recommendations. One example is ensuring that health and safety standards are both met and seen to be met. While there are limited prospects for increasing pay by much, a signal can be sent out about future intentions in this regard. If the company were, for example, to establish more of an online presence, over time well-paid job opportunities might open up. Similarly, while jobs are likely to be insecure in the short term, Managers can signal their intention of minimising compulsory redundancies and giving preference to existing staff when new opportunities arise. Products should only be sourced from responsible overseas suppliers. Beyond this the need is to counteract unfair or untrue negative publicity and to commit longer-term to a suite of CSR activities which can help rebuild the company's reputation. The company should be seen to be enhancing life on the plantations it sources products from, committing to fair trade principles, and must take steps to reduce sugar and fat content in its products.

This question was generally well answered but did pose some problems for weaker candidates who failed to recognise the poor financial situation of the company. The distinction between high and low marks was the breadth of advice given to Kassia and the depth of justification provided. Better answers considered both short and long term steps that should be taken. For example given the financial situation the need for extensive staff training should be long term rather than short term. Good answers provided sound suggestions including attention to Health and Safety, reviewing the sourcing of raw materials and the possibility of promoting an online presence.

Section B

In this section, candidates were required 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 both parts in each question.

Question A1

Research, Own Organisation

Learning Outcome 1:

LO1: understand, analyse and critically evaluate contemporary organisations and their principal environments.

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It is often stated that organisations are becoming more organic, and there are some high profile examples. But there remain plenty of examples of organisations that are not just essentially mechanistic in design and approach to management, but in many respects are becoming more so. This is particularly the case internationally. Good answers to part 1 should thus be nuanced and not simply an uncritical endorsement of the argument set out in the question stem. As always the 'and why?' is particularly important when judging the quality of answers. A good, persuasive justification for the point of view should be advanced.

The main argument in favour of a shift towards more organic approaches (e.g.: Mintzberg etc) rests on the proposition that our business environment is, over time, tending to become less predictable, more volatile and a good deal more competitive. Opportunism, flexibility and agility are thus required if competitive advantage is to be secured and maintained for any length of time. The key factors here are thus accelerating technological change, the globalisation of markets and, in some areas of the world, political uncertainty too.

This question was less popular than question 2 and generated some mixed responses. Better answers cited research to substantiate arguments used and related well to the need for many organisations to manage more flexibly to cope with uncertainty and change. Weak answers tended to be descriptive rather than analytical with brief comments often lacking analysis and failing to provide well justified and persuasive arguments. The second part of the question was less well answered with many candidates failing to identify convincing business factors.

Question A2

Current Practice, Own Organisation

Learning outcome 1:

LO1: understand, analyse and critically evaluate contemporary organisations and their principal environments

The identity of stakeholders inevitably varies from organisation to organisation, shareholders for example playing a big role in commercial organisations but none at all in the public sector. So there are no definitive lists. The question asks for at least four distinct groups to be identified. The classic list comprises owners, managers, employees, customers, creditors, suppliers, community and government. But there is room for additional examples and for some division of such examples into different groups. It is important though that these are reasonably distinct (i.e.: not four separate groups of employees or customers) for high marks to be awarded. In each case candidates need to reflect thoughtfully on their relative power (potentially individually as well as at the group level) and explain how far in practice this is deployed and to what effect as far as managers are concerned. The fuller and better justified the answer, the higher the mark awarded.

Candidates appeared to be well prepared for a question relating to stakeholder analysis and generally this was answered well. Most candidates identified at least four appropriate stakeholder groups. Good answers provided appropriate analysis of the nature of each

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group's power base and outlined its extent and the capability of each to use it. Weaker answers provided descriptive answers with little analysis.

Question B3

Current Practice, Own Organisation Situational

Learning outcome 3:

LO3: Understand, analyse and critically evaluate how organisational and HR strategies are shaped by and developed in response to internal and external environmental factors.

The key distinction is between a corporate strategy which is centrally planned in a logical, rational manner following analysis of the business environment, the activities of competitors and current strengths / weaknesses (i.e.: rational), and one which emerges over time in response to events and is not centrally planned. Emergent strategies often have no clearly defined objectives, instead these develop over time in response to customer demand and other pressures in the environment. A broad vision and strategic objectives are worked towards, but the detail emerges rather than being determined via a process of strategic choice. Any examples from the candidates' own experience or from their reading about strategy-making could be used here to demonstrate understanding.

Candidates are expected to convincingly articulate with some clarity the advantages and disadvantages of using each approach in different situations. The consensus among researchers is that rational strategies are best suited to smaller or less complex organisations (e.g.: one industry, limited product range, based in one country) and with relatively stable business environments. This enables a smallish, senior management team to plan ahead credibly. As soon as an organisation becomes more complex (multi-divisional etc) and its environment becomes unpredictable / volatile, organisational agility is required and hence an emergent approach tends to make more sense.

This was a much more popular choice than question 4 and generally was well answered. Most candidates were able to explain the differences between an emergent and rational strategy. Better answers provided good examples to illustrate their argument and demonstrated a clear understanding of circumstances in which each approach is likely to be effective with appropriate justification.

The second part of the question was not as well answered. A number of answers asserted that rational strategy is best adopted by large organisations and emergent by small firms with little justification. Better answers considered both the nature of the business and its business environment.

Question B4

Current Practice Own Organisation Situational

Learning outcome 3:

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LO3: Understand, analyse and critically evaluate how organisational and HR strategies are shaped by and developed in response to internal and external environmental factors.

This is a straight forward 'own organisation' question and there are no right or wrong answers. What matters is that each part of the question is addressed fully and directly. Three distinct HR objectives need to be set out, each of which must be distinct and have a strategic character (i.e.: not simply operational targets or objectives relating to employee interests without a business justification). The choice then needs to be justified effectively and persuasively. Good answers will provide a credible and well-evidenced business case. Thirdly, a clear statement of specific measures (targets, benchmarks, ratios etc) which can be used to establish how much progress is being made in practice towards the achievement of each of the three.

This question was not well answered with many candidates failing to provide adequate justification or identify appropriate measures to track progress of HR objectives identified. Most candidates struggled to identify objectives that were strategic in character and few provided appropriate justification for their choice. Good answers clearly explained how strategic objectives could be tracked and measured and supported their argument with examples of how strategic HR objectives could be integrated into measurement systems such as the Balanced Score Card.

Question C5:

Current Practice, Own Organisation, Situational

Learning outcome 5:

LO5: Understand, analyse and critically evaluate globalisation and international forces and how they shape and impact on organisational and HR strategies and HR practices.

Identifying the antecedents of globalisation is challenging and contested, so a wide range of opinions can be expressed by candidates. These are expected to be well-informed and well-justified. Most published analysis points to technological developments having a prime role. In the early years, innovations in transportation technology were highly significant (container shipping, jet aircraft, inter-continental rail and road links), reducing the costs of undertaking international trade hugely. In more recent years it is information and communication technologies (ICTs) that have been the major contributor, reducing costs while vastly increasing the capacity of organisations and consumers to transmit data around the globe swiftly (fibre optic cables, satellites, world wide web, smartphones etc). We have thus now pretty well arrived at a situation in which anyone anywhere in the world can sell goods and services to anyone else. Governments have also played an important role, actively encouraging international trade by reducing tariffs and barriers while courting would-be international investors. Inter-governmental organisations (EU, IMF, World Bank, WTO etc) have also clearly played a very major role in promoting global business activity. Aside from ICTs, the other major contributing factors to the post 1990s acceleration are geo-political developments (fall of the Berlin Wall, the opening up of the Chinese, Indian and other Asian economies etc).

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Answers to part two should be focused on the candidate's industry and not just their organisation, although I would expect most examples to come from organisations. They should also focus mainly on the future. Again, there is a wide range of possible answers here ranging from very direct effects (international competition, managing cultural diversity, expanding overseas etc) to less direct examples (increasing competitive intensity, greater volatility and unpredictability, industrial restructuring etc).

Candidates appeared to be well prepared for a question on globalisation and most attempting this question provided sound answers that explained why the trend towards greater globalisation occurred and accelerated in recent years. Research evidence to support arguments given was provided in good answers.

The second part of the question asked candidates to identify significant consequences for their industry if the trend continues and provide justification. Many identified consequences but few provided appropriate justification.

Question C6

Current Practice, Research, Situational

Learning outcome 5:

LO5: Understand, analyse and critically evaluate globalisation and international forces and how they shape and impact on organisational and HR strategies and HR practices.

Most answers were expected to focus on attracting suitable volunteers for the expat roles, selecting the right candidates and then preparing them both professionally and personally for their new roles. These activities are challenging and if not carried out effectively will lead to disappointing postings and, possibly, early returns. There are a wide range of possible points that could be used as the basis for the answer relating to attraction, selection and preparation. Families may also be involved. Some considerations are very practical (reward packages, language training, transportation arrangements), others are more general (cultural differences, institutional differences etc). What matters is that sound, well-informed advice is given, that the four points made are reasonably distinct from each other and that good justification is provided to back up the four points. Good candidates will provide examples of relevant research to justify advice given.

Candidates interpreted this question in a number of different ways with many focussing legitimately on HR actions that need to be taken to help ensure the takeover goes well, answers that evidenced strategic thinking and evaluation of possible actions scored well.

Only the best answers referred to appropriate research evidence and provided sound justification of the four key points identified.

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Question D7

Current Practice, Research

Learning Outcome 6:

LO6: understand, analyse and critically evaluate demographic, social and technological trends and how they shape and impact on organisational and HR strategies and processes.

Populations across the world are ageing for two main reasons. First it is due to increasing life expectancy. People, on average, live a little bit longer each year – a trend that dates from over 100 years ago. The main reasons are better medical care, improved nutrition, improved sanitation and healthier lifestyles (e.g.: many fewer smokers). The other significant contributing factor is a decline over time in fertility rates. This means that fewer babies are being born, increasing the proportion of a population that is older. Precise fertility rates vary considerably from country to country, and fluctuate over time. But the overall, long term historic trend is downwards. The reasons relate to improved levels of education, urbanisation, later marriage and women gaining greater control over their own fertility through wider availability of contraception and abortion.

There are a number of potential implications that candidates may choose to discuss in part 2. To score high marks they must provide credible arguments relating both to commercial organisations and HR more specifically. The main implications for commercial organisations relate to an ageing target market for goods and services. Put simply, there is increasing opportunity for the development of products and services which are attractive to older people who have always tended to have different spending patterns to younger people. There is a knock-on effect on marketing strategies which traditionally tend to focus on younger adults with disposable income, largely because they show greater willingness to try new products and to switch brands. It is harder to persuade older people to do this, but once older people are satisfied with a purchasing choice, they tend to be very loyal to the brand. Relationship marketing is thus becoming increasingly important.

As far as HRM is concerned the most significant consequence is a tightening in the labour market for more highly skilled and well-educated younger people. The need is therefore to focus recruitment and retention efforts on an older demographic, many of whom are better placed to decide who they work for and for how many hours than younger colleagues. The development of flexible working options and employee value propositions which are designed to meet the needs of older people are thus likely to move up the HR management agenda in the future.

This proved to be a demanding question with candidates generally answering the first part of the question well but a large number of poor answers failed to provide adequate implication for commercial organisations or HR management in part ii). Only better answers suggested that organisations may need to change their products and services to accommodate an ageing customer base.

The best answers demonstrated a good understanding of the factors causing ageing in populations linking well with the suggestions outlined above and used appropriate research

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and examples to justify arguments used when considering implications for both commercial organisations and HR management.

Question D8

Current Practice, Own Organisation

Learning outcome 6:

LO6: understand, analyse and critically evaluate demographic, social and technological trends and how they shape and impact on organisational and HR strategies and processes.

Answers here will vary considerably depending on the type of organisation the candidate currently works for. Candidates are not expected to have in-depth knowledge of virtual or augmented reality as these do not specifically form part of the standards. They should, however, be familiar with the potential for new technologies of this kind to have a highly disruptive and potentially transformative impact on established day to day business activities. The most obvious change that virtual reality can be expected to bring about is a big increase in remote working, particularly in knowledge-based professions, including many in the management field. Physical proximity, for example, when meeting with an advisor, mentor, sales person or trainer will be unnecessary. A potential consequence is thus a big further push towards globalisation of human activity. What matters as far as the awarding of marks is concerned is that strong, thoughtful and well-justified points are made. The wider ranging and more distinct these are, the higher the mark should be.

This was a popular question to answer with the majority of candidates choosing this option. Better answers gave the impression that candidates had either direct experience of VR or had researched the topic.

Good answers considered a range of impacts that may be experienced on working practices and how these may influence HR activities and the wider organisational context. Common factors mentioned were the cost benefit of meetings that reduced travel, training and induction simulations and automated response to customer complaints or queries. Few however considered the disruptive consequences of adopting VR for example the lack of personal touch when dealing with customers.

Weaker answers widened the discussion to look at other technological trends, did not fully explore the impact of VR and failed to justify arguments used.

Question E9

Current Practice

Learning Outcome 7:

LO7 Understand, analyse, and critically evaluate government policy and legal regulation and how these shape and impact on organisational and HR strategies and HR practices.

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There are no definitive right or wrong answers here. Candidates will have a range of different opinions all of which may be entirely valid. What matters is that strong, thoughtful arguments are advanced and that compelling justifications are put forward to back them up. The rise of environmental concern is due to increased awareness of pollution, global warming, air quality and the negative consequences associated with unrestrained industrial and agricultural development. We are also seeing a rise in concern for animal welfare. The speed and scale of industrialisation is a major factor here as probably is the role played by social media in raising public consciousness. Media developments are also playing a part in the development of identity politics, but other factors are important too. We are seeing a reaction against aspects of globalisation (the power of international corporations and supra-national governance, large scale international migration etc) as well as the empowerment of groups who are able to use their influence to draw attention to long-present social injustices. Some argue that once a preponderance of people in a society achieve a high degree of affluence (breaking through the threshold of need) a wider range of concerns about quality of life come to the fore.

The potential implications for organisations are considerable. In order to maintain public (and hence consumer) trust there is an increasing need to seriously embrace a corporate social responsibility agenda and to commit to core principles of sustainability and fair dealing with all stakeholders. Public relations activity is likely to attain a position of greater strategic significance as how an organisation is perceived to be acting (however commercially successful it may be) is central if it is to maintain and build a positive long-term corporate reputation. On the HR side, equality and diversity is likely to become more and more important, reputations being increasingly determined by the extent to which organisations deliver effectively on this agenda.

This was the least popular question on the paper and few answered this well. Weak answers were brief and demonstrated little knowledge of the shift in the nature of the political environment or major implications for organisations. This clearly affected the ability of these candidates to provide a coherent answer to part ii).

The main concerns highlighted by better answers were increased pollution and global warming, the exploitation of people and scarce resources and mass migration of sections of the population. The main thrust of good answers to part ii) were the need for organisations to recognise the consequences of failing to develop and promote positive CSR policies and actions.

Question E10

Current Practice, Own Organisation, Situational

Learning Outcome 7:

LO7 Understand, analyse, and critically evaluate government policy and legal regulation and how these shape and impact on organisational and HR strategies and HR practices.

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Candidates are free to choose any employment law issue to write about here. It is important that they write about employment regulation and not some other legal matter or an issue which is more ethical in nature or concerned with good HR practice. They may choose a new regulation / group of regulations or examples of well-established employment law. They can take a broad approach (e.g.: health and safety law or discrimination law) or a narrower one (e.g.: agency workers' regulations). What matters is that it is salient to the current needs of their own organisations.

What matters is that some good, basic understanding of the candidates chosen subject is demonstrated, that they relate their answer to their own organisation's needs and that they provide sound, business-focused justifications both for their choice of topic and the specific learning outcomes they are aiming for.

The majority of candidates opted to answer this question in sub-section E. Questions on Employment Law are generally not well answered however this particular question was generally considered well.

Discrimination legislation was the most popular choice of topic and most candidates justified their choice. Appropriate learning outcomes were identified and justified in good answers however weak answers were too brief to be meaningful and did not demonstrate how and why they would meet the needs of managers or the organisation.

Conclusion

This paper provided a good test of all the learning outcomes and the indicative content of this module and was judged by the examining team to be a fair test of candidate knowledge and the application of knowledge within the module. The assessment team carefully considered the need to treat the case study as an unseen paper prior to agreeing standards of marking and marks awarded were monitored carefully to ensure that agreed standards were applied. The following general points follow from feedback provided by the team in assessing candidates in this written examination.

1. Apart from the generic assessment criteria used when marking scripts candidates are expected to provide evidence-based answers to the questions set, demonstrate critical thinking and broad understanding of the field of study. Candidates are expected to read around the subject matter of the module and provide informed, justified answers to the questions set and need to supplement their studies through wider reading. These sources include academic journals, professional periodicals, and the quality press.
2. There is evidence that most candidates performed well in the case-study section. Wider research into situations described in the case study was not expected on this occasion however better candidates demonstrated a sound awareness of the general contemporary business context. Task 2 in the case study section proved to be most challenging to candidates. Several candidates considered the increased costs arising from HR factors but failed to properly explain why business costs were increasing.
3. The performance of candidates in Section B of the examination was slightly weaker than in Section A with less able candidates tending to provide descriptive answers rather than

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demonstrate their powers of critical evaluation when required. The questions in this section were in similar topic groupings as in previous examinations, however questions 7 (population ageing) appeared to be the most demanding with part ii) causing the most difficulties. Question 9 (identity politics and sustainable forms of economic development) was the least popular question with part ii) providing the greatest challenge. Poor answers did not really address future implications to organisations if the shift in the nature of the political environment continues.

4. In Section B most questions have two parts so it is always helpful to examiners if candidates make sure that each part of the answer is separated from the other. Examiners then know exactly which part of the question is being attempted. Lower marks obtained in this section could be improved considerably if candidates focussed clearly on the particular requirements of the questions asked and produced effective, evidence-based answers to them. Good answers however demonstrated sound critical evaluation, and reflective justification.
5. An area of the syllabus that candidates appear to find challenging in this examination is Government policy and legal regulation and how these shape and impact on organisational and HR strategies within which HR professionals work. Both questions in this section (E) required candidates to demonstrate a basic understanding of the topic chosen together with thoughtful arguments and appropriate justification.
6. Answers to all questions have been viewed with M-level obligations in mind. In particular candidates are expected to demonstrate evidence based argument, critical thinking and broad understanding of the field of study. There are still a significant number of candidates who struggle to provide appropriate evidenced based arguments that are supported by research evidence, relevant literature and critical thinking when required. Unfortunately too many answers from these candidates provided descriptive answers.
7. The examining team believe that this examination tested the indicative content and learning outcomes of this module and provided a good spread of questions covering all the learning outcomes well.

The marking of this examination paper required special consideration from staff at CIPD and all of the examining team to ensure that candidates' performance was not disadvantaged as a result of problems arising from the distribution of the case study. I would like to acknowledge and thank my fellow team of examiners and staff at CIPD for making special efforts to ensure that appropriate consideration was given to marks awarded to answers provided by candidates in both sections of the paper.

Alan Peacock