



Chartered Institute of Personnel and Development

Advanced Level Qualification

**Leading, Managing and Developing
People**

May 2017

Date: Thursday 25 May 2017

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.

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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.

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.

Five years ago two bright, young computer science graduates called Gary Smith and Mike Brown started a company they called GARMIK Ltd. Their aim was to write cutting-edge software which effectively protects corporate IT systems from sophisticated hacking attacks. GARMIK's products combine strong firewalls with the presence of so-called 'honeypots' containing data which is non-sensitive, but which attracts hackers and alerts an organisation to the fact its systems are under potential attack. Gary and Mike's products quickly found a market, and since then their operation has grown substantially.

Two years ago they decided to start hiring people to work for them in software development, sales and administrative roles. They also took the decision to move into some striking offices located on a science park close to the town where they live in the South of England. GARMIK was soon employing 20 people and successfully launched new, updated versions of their principal product range.

It is now becoming clear that there are considerable opportunities for further, rapid expansion. A number of large, international corporations have contacted Gary and Mike with a view to commissioning bespoke versions of their products, while demand for training and maintenance contracts from existing customers is growing week by week. Diversification into related areas using the GARMIK brand is also something the partners are keen to explore.

Mike and Gary are keen to seize these opportunities, but also have very considerable concerns. First, they are keenly aware that the market they operate in is highly competitive, unpredictable and volatile. They are soon likely to find themselves competing directly with some far better resourced technology companies who will have the capacity to undercut them on price. The survival and future success of GARMIK thus relies on their capacity to innovate and continually refine their software, as well as on their capacity to build their brand and market their products more effectively on a global scale. They are also going to have to source a great deal more capital and take some big, personal, financial risks if they are to develop GARMIK into a sizeable organisation with true international reach.

While they are keen to maintain their UK-based headquarters, Gary and Mike know that they are going to have to start employing sales teams and training personnel to operate in a variety of different countries. The highly specialised nature of the software that they write will also require them to recruit internationally to enable them to continue developing and updating products in the UK. The scale of the challenge ahead is exciting, yet daunting.

Gary and Mike have drawn up some detailed business plans which they aim to take to would-be investors with the aim of securing the funds that they require. On the staffing

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side, they plan an expansion to 150 staff over the next two years and to hire a further 150 in the following two years. They therefore envisage heading up a company which employs over 300 people in four years' time. Around 40 of the new recruits will be based in overseas locations, while the majority of the others will be recruited overseas to work in GARMIK's UK headquarters.

While the partners share an ambition to build their business along these lines, they disagree over the approach they should take towards human resource management in the future.

Gary accepts that GARMIK will need to employ a human resource specialist to help them achieve their aims, but is reluctant to develop any kind of sizeable HR function. He sees such departments as being a bureaucratic drain on resources, incapable of adding value to organisations, while tending to limit both innovation and agility. His priority is to ensure that as the company grows it remains lean and flexible with minimal overheads. To that end he is minded to sub-contract as much future HR work as possible to consultants and specialist service providers. They can be readily discarded if they do not perform or can be replaced by less costly, alternative suppliers.

Mike, by contrast, takes the view that GARMIK can only thrive in the long-term if it takes a thoroughly strategic approach to the acquisition and development of its human capital. He too is concerned about overheads, but believes that it is impractical to expect sub-contractors to be able to meet the company's HR requirements. He therefore favours the establishment of an in-house HR function consisting of some four or five qualified professionals.

- 1. Explain why GARMIK can expect to face more challenges than most organisations when seeking to recruit and retain the people they need if their business plans are to be successfully achieved.**
- 2. What advice would you give Gary and Mike about the approaches they should take to recruiting, developing and managing the performance of their future workforce?**
- 3. What advice would you give Gary and Mike about the most appropriate way forward for GARMIK as far as the management of HR activity is concerned? Justify your answer.**

In each case, take care to provide a good justification for your recommendations, drawing on published research and examples of current practice.

It is recommended that you spend roughly a third of your time on each of Questions 1, 2 and 3.

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Section B

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. The Chartered Institute of Personnel and Development (CIPD) recently contributed to a major research report entitled 'Reporting Human Capital: Illustrating Your Company's True Value' (2016). The report stated that in recent years leading UK companies have tended to include considerably more discussion of the ways in which they seek to develop human capital in their published annual reports. In particular there has been much more emphasis placed on programmes that have been implemented with the aim of improving equality and diversity.

- i. Explain why large private corporations see an increasing need to include information about human capital and its development in their annual reports.

AND

- ii. Why, in particular, are they so much more inclined to boast about their equal opportunities and diversity programmes?

AND

- iii. What examples of human capital development might your own organisation include in a published annual report for the year 2016-2017? Justify your choices.

OR

2. In 2016 the CIPD published a research report entitled 'Attitudes to Employability and Talent'. The authors started by discussing the apparent shift that has occurred in recent years away from a situation in which employers look to offer job security to their people, to a 'new deal' in which opportunities to develop 'greater employability' is provided instead. In practice, however, only limited evidence was found of employers providing any formal programmes aimed at helping people to plan for future careers outside the organisation.

- i. To what extent do you agree that the idea of a 'new deal' in which job security is replaced with employability opportunities in practice represents a 'raw deal' for most people? Justify your answer.

AND

- ii. Outline a business case for investing more in the provision of effective employability opportunities in your own organisation.

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B

3. For several decades occupational psychologists have made an important distinction between extrinsic and intrinsic motivation. Most accept that these are very different processes and that intrinsic motivators are much more effective than extrinsic motivators at generating high levels of discretionary effort. A further commonly accepted view is that while intrinsic motivation is not something that managers can initiate directly, they can take steps to encourage its development.
- i. Drawing on your own experience and published studies, explain how extrinsic and intrinsic motivation differ. Illustrate your answer with examples.

AND

- ii. What can managers do to help their employees develop intrinsic motivation while at work?

OR

4. Recent research on commitment in the workplace has focused on the nature of relationships that employees develop with managers. It appears that the employees who are most committed to their organisations are also those who claim to have developed close, trusting personal relationships with their managers. By contrast, people who perceive their relationship with managers to be distant, tend to be much less committed to their organisations.
- i. Reflecting on your own experience and observations in workplaces, explain how far you agree with this proposition and why.

AND

- ii. What steps would you recommend that your own organisation might take to encourage greater personal closeness between managers and employees?

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5. Writing in the Harvard Business Review, Jerker Denrell (2013) argued that most of what is believed about effective entrepreneurial leadership is deeply flawed. Most studies focus on highly successful people, concluding that the key attributes are persistence in the face of initial setbacks and the ability to persuade others to follow them. The problem with this formula, according to Denrell, is that these same traits are also shared by many spectacularly unsuccessful entrepreneurial leaders. They cannot therefore fully explain what makes a successful leader.
- i. Drawing on your reading, examples and/or published research about effective leaders, explain how far you agree with Denrell's argument.

AND

- ii. What other attributes are needed if an entrepreneurial leader is to be successful? Justify your answer.

OR

6. You are appointed to act as a professional mentor to a new, 21 year-old graduate recruit. At your first meeting she explains to you that she is a highly driven person with ambitions to reach a senior management position as soon as possible. Her long-term aim is to become a well-respected business leader.

What advice would you give to her? Justify your answer with reference to research and your own observations of senior managers.

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7. You work for a recently established, growing organisation that provides a range of management and support services to a chain of 15 independently-managed academy schools. Your team is responsible for looking after HR issues and providing advice to head teachers in respect of over 2000 full and part-time staff. You have been asked to advise on whether or not it would be appropriate and cost effective to establish a specialised occupational health department, initially consisting of a doctor and two qualified nurses.

What business case could be put forward in support of this initiative?

OR

8. It is often argued that formal suggestion schemes represent one of the least expensive and most effective HRM practices. While it is rare to read any significant criticisms of such schemes, it is widely accepted that a truly positive impact will only be achieved if they are designed and introduced with some care.
- i. Set out and justify at least **TWO** distinct points in favour of the introduction of a formal suggestion scheme.

AND

- ii. What principles should be adopted when designing and introducing a formal organisation-wide suggestion scheme? Justify your answer.

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9. Several recent research studies have shown that societies are becoming less and less trusting of governments, institutions, media organisations and experts, as well as businesses and their leaders. Only very small minorities of younger people trust that larger organisations 'will do the right thing', while fewer than half of respondents to a recent international survey said that they 'had a lot of trust' in the organisations they worked for.

- i. Explain why these findings should be of particular concern to HR managers.

AND

- ii. What steps could senior leaders in your organisation take to improve the extent to which they are trusted by employees? Justify your answer.

OR

10. You receive the following email from a former colleague, now working in an HR role for another organisation:

'Hi. My boss has asked me to prepare a talk for our team. She wants me to lead a discussion on how best to distinguish a professional approach to managing people from an unprofessional approach. I have also been asked to illustrate the talk with examples. Can you share your thoughts with me?'

Reply to this email with:

- i. Your ideas about the distinction between professional and unprofessional people management.

AND

- ii. At least **TWO** examples of current practice to back up these views.

END OF EXAMINATION

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Introduction

340 candidates sat the Leading, Managing and Developing People exam in May. The cohort performed very creditably, achieving a healthy overall pass rate of 75%. Over a fifth of the candidates gained final marks that were in the merit or distinction categories, some of which were truly outstanding in part in not across all sections.

Examination results of 7LMP, May 2017

May 2017		
Grade	Number	Percentage of total (to 1 decimal point)
Distinction	13	3.8
Merit	77	22.6
Pass	164	48.3
Marginal Fail	31	9.1
Fail	55	16.2
Total	340	100.00

The papers were marked by Krystal Wilkinson, Graham Perkins, Julie Beardwell, Penny Graham, Cecilia Ellis, John Mitchell, Catherine Jones, Andrew Hambler, Claire Roberts and myself.

Detailed feedback on each question is as follows:

Section A

Learning outcomes: 4 and 6

This section was intended to test knowledge and understanding of Learning Outcome 4 (contribute to the promotion of flexible working and effective change management in organisations) and Learning outcome 6 (Assess the contribution made by HRM and HRD specialists in different types of organisation).

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Question 1

Some candidates seemed to struggle with this first question, giving us the impression in some cases that it was not one they were expecting and had not given much thought to ahead of the exam. A handful failed to attempt a direct answer, instead writing what they had prepared to write in response to the case study. Others were very brief, failing to justify their points effectively. Most, however, gave us reasonable responses and some were excellent.

A number of distinct points could have been made here and the highest marks were awarded to those who demonstrated both breadth and depth of understanding. The main challenges are associated with the speed and scale of the expansion that is envisaged. The company is looking to hire large numbers of people to undertake quite specialised roles in a relatively short period of time. Maintaining effective management control of the evolving corporate culture and a sense of shared purpose in such a scenario is difficult. There is a danger that existing team members will leave and that newly recruited staff will not remain in post for very long unless the process is carefully planned. Secondly, there are fundamental issues associated with the competitive environment in this industry. GARMIK is competing with far better resourced competitors who will be able to pay substantially bigger salaries, while also providing outstanding career development opportunities. Sourcing the required talent will thus be challenging as will retaining people once they start to work for GARMIK. Thirdly there are major practical challenges associated with employing people overseas and recruiting people overseas to work in the UK when they have very limited expertise in international HRM.

Question 2

This was the most straightforward question in Section A and most candidates were able to tackle it without major difficulties. The weaker answers tended simply to summarise good practice without making much effort to link their suggestions to the particular situation described in the case study. Stronger answers were far more tailored to the current and likely futures needs of the case study company, applying theoretical knowledge effectively to the facts of the case.

The best answers properly focused on the international aspects here, first discussing how best to recruit overseas and to provide effective induction and training for people who are recruited. There is a good case here for working with an agency that has experience and knowledge of overseas IT labour markets, and there is also a case for investing in the development of impressive in-house recruitment webpages. As far as selection is concerned the key point is that GARMIK not only need to be concerned with technical skills and potential, but also with the selection of individuals who will be able to adapt and thrive in the UK. They will also need proper preparation prior to expatriation so as to enable a relatively smooth process, followed by an extensive and well-thought through induction experience. Attention needs to be given to housing and also potentially

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to the needs of families who will be relocating to the UK. HRD will be central to the success of the proposed expansion plans as the software that GARMIK develops is highly specialised. Formal training interventions will be required alongside informal, on-the-job development initiatives which are tailored to the particular needs of each learner. Strong candidates demonstrated a familiarity with the approaches to performance management which are used in the big tech companies. The extent of direct supervision is limited, employees being encouraged to work collaboratively in teams. Remuneration is heavily linked to company performance as well as individual contribution. A heavy emphasis is placed on coaching and mentoring, while employee participation is actively encouraged. There was thus plenty of room here for candidates to develop their own perspectives. The more credible and well-justified the suggestions, the higher the marks that were awarded. It was important, however, that candidates covered all four of the practice areas flagged in the question reasonably fully, and some did not achieve this. Others lost marks for devoting too much space to descriptions of theories without going on to explain their particular relevance in the case study scenario.

Question 3

What was important here is that candidates did not simply recommend the establishment of a traditional, well-resourced, centralised HR function without paying due attention to the particular needs of this business over the next few years. This is a small business that is going to expand steadily. A five or six strong HR team is not therefore a practical possibility in the short term. Too often candidates made this kind of proposal, demonstrating very limited commercial understanding. It may be that an in-house HR function is appropriate, but if that is what they recommended to score high marks they needed to justify the choice effectively, while also clearly demonstrating how they plan to avoid bureaucratic approaches which tend to stifle creativity, innovation and flexibility. They also needed to explain how a traditional approach would serve to add value and not simply become the drain on resources that Gary, in particular, fears. Stronger candidates took on board the need to incorporate a degree of outsourcing here, accepting that some elements of HR can be better provided on a sub-contracted basis in an organisation such as GARMIK.

The most compellingly argued answers proposed thoughtful and sometimes quite elaborate blends of in-house and outsourced approaches to different areas of HR practice. Another relatively common way that students lost marks here was through a failure to address the issues raised in the case about HRM, writing instead about alternative strategies and HR philosophies that had nothing obvious to do with the issues in the case at all.

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Section B

Question A1

Learning outcome: 1

This question was intended to test knowledge and understanding of learning outcome 1 (review and evaluate major contemporary research and debates in the fields of HRM and HRD).

In the indicative content for learning outcome 1, specific mention is made of 'measuring the value of the HR function' so we expected candidates to be broadly familiar with the practice of human capital reporting in the context of demonstrating the contribution made by the HR function in organisations.

Stronger answers demonstrated an appreciation of the purpose of annual reports for leading PLCs. They represent a formal statement both of the company's financial position and its likely future prospects. The primary aim is to impress/reassure shareholders, credit agencies, financial journalists and the financial markets that the company represents a good investment opportunity. Human capital statements are intended to be perceived as strong 'leading indicators', providing investors with evidence of sound management with an eye to future stability and growth. This is seen as being increasingly important as work becomes more knowledge-based. Demonstrating that an organisation will in the future have access to the skills and experience required to meet its strategic objectives is thus more significant than it was in the past when most jobs required limited education or specialised knowledge.

Too many candidates either only mentioned these commercial matters very briefly or ignored them altogether, focusing solely and rather unconvincingly on labour market matters, notably recruitment and retention issues. Many students lost marks as a result of taking this kind of narrow, exclusively HR-oriented approach.

Boasting about achievements in the field of equal opportunities and diversity contributes for three main reasons. First it is important because of the evolving regulatory agenda (equal pay audits, targets for the appointment of women to senior management posts etc). Organisations perceive that they will be rated more positively if they are seen to be fully committed to this agenda and to be doing more than paying lip-service to it. Secondly, it is about demonstrating an appreciation of the need to maximise human capital by valuing everyone's talents and benefiting from all contributions. This is attractive to would-be investors. Thirdly it signals that a company is professionally-managed which helps to enhance its reputation in a general sense, attracting customers as well as potential employees. A good proportion of candidates were clued up on the legal reporting side, but too few demonstrated a full appreciation of the wider reputational and commercial advantages associated with being known to be strong in

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the fields of equality and diversity. Consequently those who were able to articulate points such as these without just focusing on issues relating to labour market competition scored highly here.

To do well in part (iii), some emphasis had to be put on recent and current initiatives as the question asks about this year's annual reporting. The question was phrased so that people who work in all types of organisation could answer it, and this was in consequence answered pretty well by most of those who attempted it. A very wide range of initiatives and interventions could form the basis of a good answer here. It was thus the quality of the justification which largely determined the mark. Weaker answers tended to use a lot of bullet points without providing much, if anything, by way of justification or were simply descriptions of what was or could be done without any serious justifications at all.

Question A2

Learning outcome: 1

This question was also intended to test knowledge and understanding of learning outcome 1 (review and evaluate major contemporary research and debates in the fields of HRM and HRD).

Most candidates who attempted this did reasonably well on part (i), developing solid arguments one way or the other and justifying them reasonably effectively. However, a sizeable minority struggled and avoided (or misunderstood) what the question was asking. The issue here is not whether or not opportunities to gain greater employability are a good thing. Few would disagree that they are. The issue is whether employers are actually taking many significant steps to providing them.

Of those who answered the question directly, some agreed with the report's authors that there is no new deal in practice for most people and that the idea that 'employability' represents something equivalent to job security is little more than empty rhetoric. What has happened is no more or less than an increase in job insecurity. Employment allows people to gain useful work experience and to build up their human capital, but that was the case previously too when job security was also on offer. Others took the view that this case is overstated and that greater emphasis is placed on HRD and on career development in organisations. It is not just empty rhetoric, but a core element of evolving HR strategies looking to attract strong performers by offering more by way of employability opportunities than their labour market competitors. Examples of graduate recruitment campaigns and training programmes were used in stronger answers to justify this point. What mattered as far as marking was concerned was that a compelling argument was advanced and justified effectively.

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Answers to part (ii) clearly varied depending on what the candidate's own organisation currently provides. For some there was no significant employability programme of a formal kind, while for others it was more a question of improving an existing offering. The key here was that candidates demonstrated some appreciation that providing 'employability opportunities' is not the same thing as allowing people an opportunity to pick up useful work experience. It involves taking active steps to help prepare them for a future career outside the organisation that they currently work in.

Weaker answers failed to provide much by way of a business case, which was the main requirement in part (ii). Stronger answers focused on this as we wanted them to. The business case for the provision of greater employability opportunities is mainly rooted in the need to build an attractive employer brand / employee value proposition so as to attract and retain superior performers. A second strand relates to encouraging greater engagement and hence discretionary effort. A commitment to employability is part of the process of becoming a genuine 'employer of choice' and thus helps to enhance corporate reputation more generally. Stronger candidates also noted that it also potentially involves providing valued staff with opportunities to improve their prospects by working elsewhere and so the business case is by no means always clear-cut.

Question B3

Learning outcome: 2

This question was intended to test knowledge and understanding of learning outcome 2 (evaluate major theories relating to motivation, commitment and engagement at work and how these are put into practice by organisations).

Only a minority of candidates opted for this question and how well they did really depended on their understanding of intrinsic and extrinsic motivation. Some demonstrated good understanding, but others confused it with Magregor's theory X and Y, Herzberg and even Maslow.

Extrinsic motivation involves us acting in a particular way primarily because we are encouraged to do so by something or someone outside of ourselves. The main extrinsic motivators are; pleasing someone we love, respect or need (parents, children, partners or managers), achieving higher status (for example, a promotion) or fame and gaining more money or other forms of material reward. Importantly, however, we are also extrinsically motivated by a wish to avoid negative consequences such as displeasing a person we love, need or respect, losing status, and receiving reduced rewards. Extrinsic motivation is something that managers can quite easily learn to encourage in people. Promising a bonus or a pay rise are obvious ways, as are threats to take disciplinary action if people do not act in a particular way.

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Intrinsic motivation is very different. This is where our desire to act in a particular way or to achieve a goal is generated internally. It comes from within our personalities and is present irrespective of externally-administrated reward or punishment. The major examples are; a desire to learn and develop ourselves, the pleasure of doing something well / achieving a goal, genuine interest and personal enthusiasm for a task, achieving goals which have a purpose and benefit others and potentially helping others to achieve their goals.

Managers cannot create intrinsic motivation, although they can take steps which enhance the likelihood that intrinsic motivation will occur (for example, empowering employees, allowing them time to do things properly, providing them with developmental opportunities and maintaining good working conditions). The stronger answers gave good examples here.

Question B4

Learning outcome: 2

This question was also intended to test knowledge and understanding of learning outcome 2 (evaluate major theories relating to motivation, commitment and engagement at work and how these are put into practice by organisations).

This was chosen by most candidates, and the whole it was answered pretty well, full and direct answers being given to both parts.

Research on importance of developing close, trusting, personal relationships up and down organisational hierarchies is one of the more interesting findings to come out of studies on positive organizational psychology and emotional intelligence. They demonstrate that many people have a strong inclination to develop close, personal relationships with their managers and that this enables a high degree of trust to be established which in turn generates higher levels of commitment. Relationships that are distant and more transactional in nature can be equally effective in other respects, but they are much less likely to lead to high levels of organisational commitment on the part of employees. Most candidates agreed with this assertion broadly and were able to justify their view with examples – both negative and positive - from their own experience. Some, however, argued an alternative point of view based on other research which put greater stress on the need for employees to admire their managers and to feel the need to please / impress them irrespective of any kind of personal closeness. Either or any point of view was acceptable here as far as marks were concerned, provided the answer was well-justified.

The strongest answers to part 2 avoided simplistic, one dimensional arguments. A number of distinct interventions have things to offer here, including appropriate HRD interventions, the criteria which are used to select team leaders and managers in

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organisations and a range of interventions aimed at improving the performance of line managers. Many focused largely on better communication, not always explaining how HR managers can promote it effectively. Answers had to be focused on the candidates' own organisations in order for high marks to be awarded.

Question C5

Learning outcome: 3

This question was intended to test knowledge and understanding of learning outcome 3 (debate and critically evaluate the characteristics of effective leadership and the methods used to develop leaders in organisations).

This was the only question on this paper which was mostly answered rather poorly. Part (i) in particular seemed to confuse candidates, many of whom failed to address it properly at all. Instead they simply discussed the traits of effective leaders.

Denrell's central point is very well made. He points to several examples of big leadership failures that involved figures who had in spades both the capacity to persuade others and to persist in the face of setbacks. He concludes that success in business leadership can only be explained by other factors. He focuses primarily on the quality of strategies that are pursued and also on luck. Some entrepreneurs are just very fortunate in his view. There are many other arguments that could also have been made in answer to part (i). Some stronger answers, for example, argued that these qualities are necessary but not sufficient. What mattered when awarding marks was that a persuasive argument was advanced which was well –justified, preferably with reference made to reading and / or examples. The strongest answers focused on entrepreneurs, but it was also possible to do reasonably well here drawing on examples of leaders operating in all manner of situations.

There was also plenty of room for originality when answering part (ii). Luck was sometimes reasonably mentioned in this context, but answers primarily focused on good judgement, treating people with respect, creativity, resilience, personal drive, energy and the support of an effective, conscientious and well-qualified team.

As always seems to be the case when we ask questions about effective leadership, a minority of candidates cite the example of Adolf Hitler with an apparent degree of admiration. In the past I have strongly suggested that they should stop doing this as the argument is very unconvincing, particularly when made in the context of organisational leadership. I would like to reiterate this again. Adolf Hitler was a demagogue who preached a vile ideology, used disgusting tactics to silence and defeat his opponents, killed millions and ultimately led his people to total defeat in an appalling war. He is not a good example of an effective leader. Please encourage your students to read some history before glibly citing this monstrous man as some kind of model leader figure.

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Question C6

Learning outcome: 3

This question was also intended to test knowledge and understanding of learning outcome 3 (debate and critically evaluate the characteristics of effective leadership and the methods used to develop leaders in organisations).

This question was about leadership development and the actions individuals can take to help themselves to acquire the qualities needed to gain and then succeed in senior management roles. A range of equally strong arguments could be advanced here, and were. What mattered when awarding marks was that these were persuasive and effectively justified with reference to published research of some kind and to examples from the candidates' own experience. The strongest answers were wide-ranging, often stressing approaches such as gaining appropriate experience, learning from role-models, taking opportunities to make an impact when they arise, building up a social network, undertaking formal training and development opportunities, gaining international experience, reflecting critically on one's own performance, gaining a deep understanding of industry dynamics (present and future), engaging in CPD of all kinds, while also learning from one's own mistakes and those of others. Knowing one's own limitations is also good advice for would-be leaders. The weaker students tended to list points, but were poorer at justifying them, if indeed any serious attempt at all was made to do so.

Question D7

Learning outcome: 5

This question was intended to test knowledge and understanding of learning outcome 5 (critically assess the aims and objectives of the HRM and HRD functions in organisations and how these are met in practice).

A good proportion of candidates gave this a go, and on the whole they produced well-argued and thoughtful answers which directly addressed the question. Some, however, always seem to struggle with the requirement to produce a compelling business case when they are asked to. Too often the case that is advanced focuses wholly on the advantages that accrue to staff without any mention of how that in turn might benefit the organisation. It may be that candidates think this is so self-explanatory as not to require justification. This is not the case. A business case is not the same thing as a moral or ethical case. Sometimes we ask for the latter. Here it was the former we were looking for.

The business case in support of occupational health services is primarily based on the long-term financial benefits that accrue when an organisation's employees enjoy better mental and physical health. There are considerable savings to be achieved as a result of

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lower absence, occupational health departments being able both to help people to return to work earlier after a long-term illness and to help prevent illnesses from developing in the first place. When counselling- type services are provided, a good OH service can also help people to retain higher levels of engagement and hence organisational performance. There is also a case for appointing new staff subject to an OH assessment which can help screen out people with high absence records before their contracts are finalised. The wider the range of points that were made here, and the better informed the answer, the higher the mark awarded.

Question D8

Learning outcome: 5

This question was also intended to test knowledge and understanding of learning outcome 5 (critically assess the aims and objectives of the HRM and HRD functions in organisations and how these are met in practice).

There are four commonly cited, principal advantages that are associated with formal suggestion schemes. First they are widely seen as constituting an effective and relatively inexpensive form of employee involvement. They give employees a sense that their views are being listened to, which is something they like. Schemes thus help to improve employee engagement as well as potentially recruitment and retention. Secondly, suggestion schemes can help improve an organisation's performance, particularly when problems which are holding it back are identified or savings realised as a result. Thirdly, they can act as a source of innovative ideas which can help to shape an organisation's future plans and agendas. Fourthly they represent a tool for effective organisation learning, being a means where by tacit knowledge in particular is shared. Candidates who developed and effectively justified arguments along these lines picked up plenty of marks here. The highest marks went to those who did more than simply argue that suggestion schemes are a form of employee involvement, true though this is. There is more to them than that and we were looking for 'two distinct points'.

Part two proved to be more challenging for some candidates as the answer was less immediately obvious. The stronger candidates, however, had little difficulty in developing some sound and well-justified points. The research on suggestion schemes strongly recommends that they are kept simple and that the process of making suggestions should not be too complex or time consuming. Secondly it is necessary to remind employees regularly that the scheme exists and to actively encourage them to make use of it. A further stream of research recommends that people whose suggestions are subsequently adopted should be rewarded appropriately, and seen to be rewarded. This serves to encourage people to take the scheme seriously and to participate in it. It is also, of course, important that suggestions are acted upon where practicable in order to maintain credibility in the scheme. Finally, there is widespread agreement that without conspicuous and energetic senior management support, suggestion schemes rarely

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have any significant positive impact. As always the higher marks went to those who justified their points and did not simply list them.

Question E9

Learning outcome 7

This question was intended to test knowledge and understanding of learning outcome 7 (promote professionalism and an ethical approach to HRM and HRD practice in organisations).

HR managers should be concerned about falling levels of trust because it tends to make it harder to achieve core HR objectives. An organisation is less likely to perform well if a good portion of its people are working in a low-trust atmosphere. Employee relations are likely to be poor, positive psychological contracts in limited supply and there will be fewer examples of discretionary effort. It is much harder to build a sense of shared purpose when trust is low – something that is closely linked to long-term organisational success. Where trust is very low, employees may become actively dis-engaged. Managing change will be harder too, because cynicism about motives breeds resistance. There will be a knock-on impact on an employer's reputation in labour markets which will make recruitment and retention of strong performers harder too. Most candidates managed to develop and justify sound points along these lines, although for many answers were rather rushed as this was the last question on the paper that they attempted.

The strongest answers to part (ii) covered a number of different types of intervention, much depending of course on the approach actually used in the candidates' own organisations. First and foremost steps need to be taken by senior managers to avoid doing things and making decisions that help to build mistrust (eg: paying themselves larger and larger amounts of money while keeping a lid on everyone else's salaries, saying one thing and doing another etc). Secondly they need to make more effort to communicate effectively and to listen to/take on board the views of others. They should avoid engaging in pseudo-consultation exercises and imposing their judgements come what may. Thirdly, there is a need to take business ethics seriously and to bend over backwards not just to act fairly, but to be seen to do so. Finally, they need to be aware of the importance of trust in organisations and of the damage that reduced levels of trust can do to commercial prospects. The issue thus needs to be taken more seriously than it typically is. Some candidates lose marks on questions like this because they largely describe what happens in their organisations rather than assess, evaluate or, as was required in this case, suggest improvements.

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Question E10

Learning outcome: 7

This question was also intended to test knowledge and understanding of learning outcome 7 (promote professionalism and an ethical approach to HRM and HRD practice in organisations).

Debates about how best to define the term 'professionalism' in management work have been carried on for many decades and have never been fully resolved. Managers generally do not see themselves as being members of a profession in the way that lawyers, doctors and accountants do and, in any event, are required to show greater loyalty to the interests of the organisations they work for than they do either to any professional body or a client group. This does not mean, however, that managers should not conduct themselves in a professional fashion while at work, striving to make reasoned decisions rooted in good judgement, treating their people politely, equitably and with respect, completing work to the very highest standards and refraining from becoming too emotionally or personally involved in matters.

All of these approaches to the management of people could form the basis of a distinction between a professional and an unprofessional approach. Many stronger answers were specific about the need to follow a code of business ethics when discussing a professional approach to the management of people. A wide range of examples were used as the basis of answers to part (ii). These could come either from published literature or from the candidates' own experience or observations. In practice there was plenty of scope here for the development of original ideas and arguments. Provided the justifications advanced were sound and compelling, candidates picked up marks.

Conclusion

This was a challenging paper in many respects, covering a diverse range of topics and perspectives, but as the final breakdown of marks demonstrated, candidates on the whole rose to the challenge and performed very creditably.

As always in order to do well candidates need to demonstrate that they have studied the subjects effectively and can write full, direct and well-informed answers which are effectively justified. Those who do this consistently, not only pass, but achieve merits and distinctions as well.

Stephen Taylor

Chief Examiner