



Chartered Institute of Personnel and Development

Advanced Level Qualification

Human Resource Management in Context

September 2013

23 September 2013

13:50 –17:00 hrs

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

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

Please write clearly and legibly.

Questions may be answered in any order.

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

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

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

You will fail the examination if:

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

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

SECTION A – Case Study

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

Home Building Society (HBS) is small but long-established, mutual building society with branches in Northern England, but operating nationally. Its business activities are diverse and the Society provides a wide range of services and products to its individual and corporate customers, in a sector which is very competitive. It employs about 6,000 staff and its revenue last financial year was £700 million, with an operating profit of £51 million - down three per cent from the previous year.

HBS's products and services are as follows:

- Banking services: including current accounts, off-shore accounts, customer lending and personal loans.
- Property: covering residential mortgages and commercial mortgages, buildings and contents insurance, and mortgage insurance.
- Credit card services.
- Travel facilities: including foreign currency exchange, travel insurance, motor insurance, personal accident insurance, and payment protection policies.
- Private finance: such as private pensions, unit trusts, other investments and equity dealing services.

The Society, though small compared with its competitors, is a well recognised brand, with a good reputation in the market. HBS with its range of services has wide sources of funding, and its resources are managed conservatively, without taking undue risks in the financial and property markets. For example, 70 per cent of its funding is provided from retail sources. Like its competitors, it has reduced its exposure to one-year fixed term bonds, where competition is greatest and customer loyalty lowest. Instead, it has competed successfully for 3-5 year term products. The Society's strong retail funding base is complemented by a diversified wholesale funding portfolio. Its diverse sources of funding help reduce liquidity and solvency risks.

A number of external market factors are likely to support the Society's prospects in the short term.

- There is buoyancy in the buy-to-let market, though last year was nowhere near 2007 levels of business. But this market is steadily on its way up, which is good for landlords and brokers alike. A sustained uptrend in the buy-to-let market could drive up demand for buy-to-let mortgages in this market.
- HBS is planning to expand into the Republic of Ireland and create an off-shore presence there. This will enable the Society to attract retail savings, as well as to provide access to European Central Bank funding if required.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

- HBS's credit card lending prospects are good. This is partly because last year saw growth in lending and the Society hopes to increase its revenue and market share in this area.
- HBS is planning to invest in a new, sophisticated computer software and technology platform to provide increased benefits to its customers. This is expected to support market growth and reduce costs.
- HBS is investing in learning and development of its staff at all levels.

Despite the above positive developments within the Society, the future performance of HBS is closely linked to how the overall UK economy performs in the next year or two. The Society's Board of Directors believes the economy is beginning to recover but that economic recovery remains fragile. Further, by historic standards, the pace of the upturn is likely to be slower. For example, household debt levels remain relatively high; disposable incomes have been under sustained pressure; unemployment is well above pre-recession levels; and wages are not keeping pace with inflation. Against this backdrop of slow recovery, the return of interest rates to more normal levels is expected to be gradual. However, the housing market continues to present some challenges, with transaction levels remaining below historic norms and house prices rising gently for the past year. Retail buyer activity seems likely to remain subdued.

In the light of these developments, the Board of Directors is particularly concerned with the external pressures likely to act on the business over the next 12-18 months. The Society has set up a Working Party to identify the main economic trends, and demographic and technological trends, facing the business over this period and to consider their possible impacts on its business prospects.

You have been asked by the Chief Executive Officer to write a report on the following trends likely to affect HBS over the next 12-18 months, drawing upon relevant research.

- 1. Explain how trends in (a) monetary and interest rate policy, (b) fiscal policy and (c) the Coalition Government's general economic policy in the UK are likely to affect the demand for the Society's products and services for this period.**
- 2. Explain how trends in (a) the housing market and (b) the labour market in the UK are likely to affect the demand for the Society's products and services for this period.**
- 3. Identify and analyse how the principal demographic trends in the UK are likely to affect the demand for the Society's products and services for this period.**

It is recommended that you spend approximately 35% of your time on each of Tasks 1 and 2 and 15% on each of Tasks 3 and 4.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

SECTION B

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

A

1. There has been some debate about the development of 'new' organisational forms in the literature on organisations in recent years, in reaction to classical bureaucracy.
 - i. Drawing on research and current practice, compare and contrast the main features of classical bureaucracy and post-bureaucratic forms of organisation.
 - ii. To what extent does your organisation demonstrate a bureaucratic or post-bureaucratic form and why? Assess its effectiveness.

OR

2. Businesses are typically described as being driven principally by the interests of their shareholders or stockholders. However, some observers support the case for adopting a 'stakeholder' concept of business organisations.
 - i. Explain, with examples, who the main stakeholders in organisations are. Why is it important to consider stakeholders when analysing an organisation?
 - ii. Critically analyse the stakeholders in your organisation and assess which are considered the most important and why.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

B

3. Drucker (2002) and other earlier managerial theorists promoted the collegiate or collegial style of business leadership, where, amongst other things, top business leaders shared responsibility for management with their entire management team. Today, this style of leadership has been largely superseded by the chief executive officer (CEO) model.
- i. Drawing upon research, define what is meant by a collegial management style and assess its advantages and disadvantages as a senior management style.
 - ii. To what extent is the senior management style in your organisation based on a collegial or CEO model and why? How could this style be improved?

OR

4. Select **any one** management function in your organisation (e.g. operations management, marketing, finance or other) and critically evaluate its contribution to organisational success. Draw on current practice to inform your answer.
-

C

5. You have received an email from the local further education college asking you to make a presentation to a small group of business studies students entitled 'An introduction to strategic management today.' They want you to cover two main issues.
- i. Explain why the strategic management function in organisations has become of increasing importance in recent years.
 - ii. Outline how corporate strategy is made and applied in practice.
- Draft what you will say and why.

OR

6. There is a substantial body of literature in the English-speaking world over the last 30 years on strategic HRM and its importance in contributing to improved organisational effectiveness.

Drawing on research, select **any one** model or theory of strategic HRM (such as the resource-based view of the firm) and critically evaluate it.

PLEASE TURN OVER

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

D

7. The term 'globalisation' is now in common usage in most languages around the world. It is, however, a disputed and controversial term for many people and amongst some interest groups, such as anti-globalisation movements and anti-globalisation protesters.
- i. Drawing upon research, provide **up to three** arguments supporting globalisation as an economic and social phenomenon and **up to three** arguments against it.
 - ii. Discuss how globalisation affects your organisation.

OR

8. Multi-national or trans-national corporations (MNCs/TNCs) are major players in the global economy and their importance has grown in response to economic interdependence amongst countries. This is reflected in increasing flows of goods, services, capital, labour and finance between nation states.
- i. Drawing upon research, critically evaluate the main factors promoting the globalisation of business corporations.
 - ii. Explain how governments support the economic and business prospects of MNCs/TNCs.
-

E

9. You have been invited to give a talk to some overseas managers about to work in the UK, explaining the aims and methods of business pressure groups in the UK political system.

Drawing on research, draft what you will say and why.

OR

10. Drawing on research, critically review **up to three** of the Coalition Government's economic and social policies since 2010, outlining their impact on business (or public) organisations.

END OF EXAMINATION

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Introduction

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

On this occasion, 222 candidates sat the examination. Of these, 153 achieved a pass standard or more, giving a pass rate of 69%. The breakdown of grades is shown below.

September 2013		
Grade	Number	Percentage of total (to 1 decimal point)
Distinction	5	2.3
Merit	25	11.3
Pass	123	55.4
Marginal fail	20	9.0
Fail	49	22.0
Total	222	100.00

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

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

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

Regrettably, prior to the start of the exam an error was identified in Section A of the paper. Although Section A consisted of a pre-seen case study with *three* tasks, the rubric recommended that candidates divide their time across *four* tasks. Centres were instructed by email, 20 minutes before the start of the exam, to notify candidates that they should allocate 30% of their time to Task 3 instead of 15% as

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

stated in the paper. However, following the examination, it became apparent that not all candidates had received this message before or during the exam.

In order to adequately and equitably mitigate for any resultant adverse effects and ensure that no candidate was disadvantaged, this fact was taken into consideration during the marking and moderation processes. It was also subsequently referred to the CIPD Special Consideration Panel. The final published results reflect this special consideration. In retrospect, there was no evidence that candidates had been disadvantaged and the encouraging pass rate of over 69% provides reassurance that any possible adverse effects of the error have in any case been compensated for.

Section A

Learning outcomes: 4 and 6

This section consisted of a seen case study and candidates attempted three tasks. The case study involved a building society that was particularly concerned with the external pressures likely to act on the business in the next 12-18 months.

There are a number of ways in which this case can be approached but the summary points below could be explored and developed in answers.

Task 1

This asked candidates to explain how trends in (a) monetary and interest rate policy, (b) fiscal policy and (c) the Coalition Government's general economic policy in the UK are likely to affect the demand for the Society's products and services for this period.

Competent business-focused answers were expected to this question, not the technical details of macro-economic theory. The starting point is that HBS operates in very competitive product markets, where there is a range of adept providers. The impact of the macro-economy and its contexts on the business are critical factors. They are very important determinants of its success or otherwise in the various markets in which HBS operates.

During the past few years, following the financial crisis in 2007, monetary policy has been generally loosened, largely through quantitative easing but interest policy has been tight and interest rates decidedly low for some time. This has provided some stability within the financial markets in which HBS operates. But savers have lost out, whilst borrowers including buy-to-let (BTL) owners have benefited. Any rises in interest rates could reverse this trend. Buyer activity could also be affected, if there were a sharp rise in interest rates.

Fiscal policy has also been relatively stable, following earlier rises in VAT, although public spending has been robustly cut. One outcome of this has been cutbacks in

housing benefits and spending on new social housing. However, fiscal policy constraints could lead to a rise in interest rates, with implications for the Society's

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

business opportunities. Possible changes in stamp duty and business rates also need to be kept under review.

The impact of the government's austerity policy, and lack of economic growth, affects all kinds of businesses including HBS. These have commonly resulted in redundancies and decreased market demand for some products and services of these firms. Pressures on HBS are likely to derive from developments in all sectors of the housing market, demand for mortgages and the Society's range of financial and other services, such as weakening demand for foreign currency exchange and travel insurance. HBS needs to have contingencies for dealing with these policy and market factors.

Most of the answers to this question were reasonable; although there were very few candidates who showed much understanding of fiscal policy. Only a few candidates seemed to know fiscal policy consisted of not just taxation but also government borrowing and spending. Although a detailed understanding of the elements of monetary and fiscal policy was not expected, a basic familiarity was. The best offered was that government policy, with the intent of reducing income and corporation tax, would benefit HBS and its customers.

The main focus in these responses was on interest rate policy and some comment on other government policies. The link to products, when there was one, usually focused on mortgages or savings. Some candidates argued that since HBS is a mutual society and without shareholders, it should be able to offer its customers better rates on savings. There were also claims that setting up in Ireland should attract more deposits but too often this argument lacked justification.

Task 2

This required candidates to explain how trends in (a) the housing market and (b) the labour market in the UK are likely to affect the demand for the Society's products and services for this period.

Competent business-focused answers to this question were expected too, not detailed micro-economic analyses. A main issue with the housing market is its wide regional variations in prices and supply of family homes, with London and the south being generally buoyant and the rest of the country lagging behind. Some areas in the north are being particularly hard-hit. This means that there are likely to be differential regional impacts of these market factors on the Society.

However, on the other side, the BTL market is expanding, due to market pressures in the availability of family homes and shortages in social housing. The UK commercial property market has been badly hit by recession too. All these factors affect demand for the Society's products. The labour market, like the housing market, varies regionally and locally. Unemployment (especially long-term unemployment) impacts on demand for housing, mortgages and the financial services provided by HBS in different parts of the country differentially. If economic growth returns and job

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

prospects increase, these will result in increased demand for HBS's products across the board.

In general answers to this question were good, with some candidates having researched further into trends in the housing and labour markets. The weakest answers went little further than to discuss facts raised in the case study. Very few answers considered the north/south divide in their analyses and, in terms of housing trends, suggested demand for mortgages would increase because interest rates will remain low.

Better candidates tempered this argument with the realisation that savings levels would remain slow to recover. These answers would have been strengthened, if some consideration had been given to the availability of property and the competition for it. Some candidates rightly discussed the fear that recent lending initiatives may lead to another house price bubble which could burst, so HBS should remain cautious. The main issues mentioned regarding labour markets were unemployment and immigration. Again there were few who considered the north/south divide and, in the weakest answers, there was a lack of direct links between these and demand for HBS products and services.

Task 3

This question asked candidates to identify and analyse how the principal demographic trends in the UK are likely to affect demand for the Society's products and services for this period.

The main demographic trends in the UK include an ageing population often with assets, young people often without them, immigration into the UK and increasing ethnic and national diversity in parts of the country. Again the impacts of these developments within the UK are regional and locally specific; their precise impacts vary widely and differentially within regions. But HBS needs to take such demographic changes into account in delivering its services to its customers, adapting them according to geographic conditions where necessary. Diversification of the Society's business portfolio could be a planned response to some of these pressures. But competition will remain tough for the foreseeable future.

There were some good answers to this question, relating mainly to ageism and more females in the working population. These answers linked well with issues such as pensions, insurance, loans and credit arrangements. More attention however, might have been given to the fact that income rises remain behind inflation and the prospect of redundancy remains high, particularly in the public sector. These issues are likely to temper any increase in demand for the above products. A more balanced review of these issues would have strengthened some answers.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Section B

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

Question 1

Learning outcome: 1

This question asked candidates to draw on research, compare and contrast the main features of classical bureaucracy and post-bureaucratic forms of organisation and discuss these concepts in terms of their own organisations.

Traditional organisational theory is rooted in ideas associated with scientific management, human relations theory and bureaucracy. Since the 1980s, with the spread of globalisation and emergence of service economies in many western countries, there has been a reaction against Weberian models of bureaucracy. This raises concerns that the conditions for bureaucracy no longer persist and that both organisations and societies are characterised by the speed of change within them. The central purpose of bureaucracy is related to managerial control in organisations; whereas post-bureaucratic theory argues that organisations need to be flexible and innovative in response to rapid external changes. Hecksler (1984) and others call these post-bureaucratic, networked or virtual organisations, with open boundaries, shared values and flexibility. This contrasts with the rule-making, stability and hierarchies associated with the Weberian bureaucratic model.

Weber was frequently cited in connection with bureaucracy and marks awarded accordingly. Most candidates could identify key features of bureaucracy but post-bureaucratic organisational forms caused more difficulties for many candidates. Some did well, however, by citing N form organisations, matrix organisations, organic forms and so on. Most candidates were able to relate the question to the form of organisation where they worked. Weaker answers focused just on decision-making and whether this was from the top down, effectively formatting the question to suit their own interpretation of it.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Question 2

Learning outcome: 1

This asked candidates to explain, with examples, who the main stakeholders in organisations are and why stakeholders are important in analysing an organisation. They also had to critically analyse the stakeholders in their organisation and assess their relative importance in organisational priorities.

Shareholder capitalism is the prime driver within UK business organisations, in contrast to mainland Europe where a stakeholder form of capitalism is widely recognised. However, it is increasingly accepted that UK businesses need to take

account of more than just their shareholders in business decision making. For example, stakeholder theory argues that every legitimate person or group associated with a business does so to obtain benefits for themselves. These include (in no order of priority) shareholders, managers, employees, customers, suppliers, creditors, local communities and so on.

Stakeholder theory argues that all these parties have claims on organisational resources, although which stakeholders have the highest priority in organisations varies on a case-by-case basis. Here issues of power, legitimacy and urgency are relevant (Mitchell et al 1997). Organisational leaders need to know who the priority stakeholders are, so the business can take account of their interests in business decision-making and be accountable to them. Candidates are expected to relate the stakeholder model to their own organisations.

This was a more popular question in this section than Question 1. Maybe it was considered an easier one, as it did not require any research. Answers, however, proved to be of mixed quality. Many candidates merely included the main stakeholders in organisations and they made some unsupported suggestions to determine their importance. There were a large proportion of candidates, even those that gained a minimum pass, who did not critically analyse the stakeholders in their organisation.

The best answers were able to explain the importance of recognising stakeholder interest in terms of their legitimacy, their power to influence strategic decisions and the probability that they might exercise that power. A few candidates were then able to apply this framework to assess the priority stakeholders in their organisations. Weaker answers simply identified typical stakeholders and presented rather poor arguments how they might affect an organisation.

In the second part of the question, many answers also failed to prioritise stakeholders in terms of those who are the most influential and to be managed carefully. Some candidates argued that customers are significant stakeholders because if they get upset the organisation could lose their business. More marks would have been awarded if this argument had been justified by suggesting that consumers' behaviour

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

would only be damaging if they acted in unison, or each consumer purchases a large proportion of total sales. More reasoning of this kind was required in these answers.

Question 3

Learning outcome: 2

This asked candidates to define what is meant by a collegial management style and assess its advantages and disadvantages as a senior management style. They also had to consider the extent this is the senior management style in their organisation.

A collegial management style is associated with a wide range of elements or components. But its core features include leadership promoting co-operation between managerial colleagues, collective responsibility for the decisions taken, collaborating with other members of the management structure, performing tasks for

the good of the group, and respecting the decision-making processes of the unit. Collegiality is associated with what Hopper and Hopper (2009) describe as thoughtful listening and shared responsibility in the top management team, and the chief executive paid only modestly more than those in the team.

The case for collegiality includes the benefits of collaboration and trust amongst colleagues, open communication amongst them, and working together with a common purpose. The case against includes some colleagues failing to pull their weight, unwillingness within the group to share responsibility, and incompetence by some team members. Candidates needed to assess whether the collegial model or CEO model operates in their organisation and explain the rationale for this, and whether what is practised can be improved.

This was not a very popular question, although similar questions have been asked previously. Put simply, those few candidates who passed were able to describe effectively the nature of a collegial style and offer some comments on its advantages and disadvantages. They were perhaps fortunate in that their organisations are more akin to the CEO model and they were therefore able to suggest that the leader should demonstrate a more facilitating and less dictatorial role in their managerial approach.

Question 4

Learning outcome: 2

This question asked candidates to select any one management function in their organisation and critically evaluate its contribution to organisational success.

In this own organisation question, only one management function needed to be identified and analysed. Candidate responses were expected to identify and discuss this function, and adopt an evidence-based, analytical approach, as well as demonstrating powers of critical evaluation.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Generally candidates picked operations management, finance or marketing. Other answers focused on audit, quality and HR. These were generally satisfactory responses, with better answers focusing on their contributions to business success rather than just describing the processes and roles.

The weakest answers simply said this is 'the function' and this is 'how it works'. Slightly better candidates were able to imply through their descriptions the importance of the function to the organisation's performance. Only in the very best answers was there any real attempt at any critical evaluation. Besides mention of its effectiveness, these candidates discussed some weaknesses of the function. The possibility that finance might be too rigid in controlling budgets when setting them was hardly touched upon.

Question 5

Learning outcome: 3

This asked candidates to explain why the strategic management function in organisations has become of increasing importance in recent years. They also had to outline how corporate strategy is made and applied in practice.

Strategy or what was formerly described as corporate planning has always been an important function in organisations. But contemporary strategic management is increasingly crucial, especially in large, complex organisations seeking competitive advantage in global markets in conditions of fast and complicated change. Put crudely, those leading organisations need to know what the key objectives of the business are and how to achieve them. They also need to be able to turn an organisation in different directions, if the marketplace or external conditions demand this.

However, as in most fields of managerial thinking, there is no single, preferred model of strategic management. Various models are proposed in the literature, which is basically divided into the rational school of strategy and the emergent school. But the basic stages in the strategy process are strategy analysis, strategy formulation, strategy implementation, and strategy evaluation.

The first part of this question was dealt with well, although succinctly in most answers. Answers could be distinguished by responses to the second part of the question. Some candidates had clearly studied environmental scanning, strategic choice and strategic implementation steps and they could draw on a model to explain the process of making a strategy. Other candidates floundered and simply talked about needing a mission, vision, values and strategy but failed to say how these things were arrived at. Better answers often discussed a rational approach to strategy making and then also referred to emergent strategy.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Question 6

Learning outcome: 3

This question asked candidates to draw on research, select any one model or theory of strategic HRM and critically evaluate it.

There was plenty of scope in this question for candidates to select any one model (or sub-model) of SHRM, drawn from best-practice, best-fit and the resource-based view of the firm (RBVF) approaches, including variations of these. But to gain good marks, candidates were expected to demonstrate their powers of critical evaluation of the model chosen and to show its limitations as well as its strengths. These could include causality, universality (or not) of the model, proxies of measurement, unrealistic assumptions about the economic rationalities of organisations and so on.

The pleasing thing about most answers to this question was that candidates showed a promising understanding of the differences between best practice, best fit and the RBVF. Other candidates, however, besides being aware of these distinctions, were unable to provide a satisfactory description of their chosen theory and critically evaluate it. Some candidates produced an outline of all three theories which in most cases wasn't enough to pass. Those achieving a marginal pass standard of performance usually did on the strength of their descriptions and knowledge of a theory, but with little critical evaluation. The depth and accuracy of the critique produced was the main determinant of the final mark awarded.

Again it would seem that this question had been selected as an easier option to the alternative provided. This did not actually prove to be the case, as a number of candidates struggled to include a set of relevant, quality arguments which is expected at M-level. Those who passed did well, with some achieving a merit, in contrast to those who had limited knowledge and appeared to scabble together some basic or unrelated arguments.

Question 7

Learning outcome: 5

This asked candidates to draw upon research and provide up to three arguments supporting globalisation as an economic and social phenomenon and up to three arguments against it. Candidates also had to discuss how globalisation affects their organisation.

A number of arguments support the case for globalisation. These include: international trade keeps prices of goods and services low and quality high; globalisation distributes wealth cross-nationally; it creates new wealth in nation states; globalisation promotes international peace; and globalisation helps protect the environment.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Its critics argue that globalisation: leads to disparities in global wealth; a single global market affects everyone when its conditions become challenging (such as financial crises and economic downturns); it hurts workers in some countries more than others; MNCs become too powerful; it leads to a homogenous world culture; and deadly diseases can cross national borders.

This was by far a more popular question than Question 8 and both parts of the question were generally well done. There were, however, some variations in whether candidates were able to draw on research to inform their answers. Candidates seemed to like writing about how globalisation affects their own organisation, which is hopefully something they discuss in classes.

The worst answers failed to offer any acceptable arguments for and against globalisation and to provide a reasonable discussion on the impact on candidates' own organisations. In some instances, the arguments for and against were more a matter of guesswork rather than based on research evidence. These answers were rarely plausible enough to earn a pass mark.

Those achieving a good pass showed a sound understanding of the arguments for and against globalisation but often only provided a brief or one-sided discussion on the effects on own organisations. The best answers produced a more balanced discussion outlining some of the positive and negative effects of globalisation.

Question 8

Learning outcome: 5

This question asked candidates to draw upon research and critically evaluate the main factors promoting the globalisation of business corporations. They also had to explain how governments support the economic and business prospects of MNCs.

Factors promoting global business corporations include: their ability to leverage their firm specific advantages and location advantages under a common governance structure; they are able to segment the production process into discrete operations and locate them in different parts of the world to their own advantage; they develop because of the opportunities provided by growing economic interdependence of nation states; more countries have adopted the free market ideology; falling trans-continental transportation costs facilitate their growth; they have support from major international organisations promoting free trade; and state support is provided in most countries.

The roles of government in supporting MNCs include infrastructure projects, tax incentives, investment in science and technology, and reducing labour standards.

This was not a popular question and those attempting it showed a reasonable knowledge and understanding of the concepts. The factors most often mentioned were the opportunities presented by locating to low cost regions, advances in technology and improved communications. In the weakest answers, methods of

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

government support were either weak or not considered. In the best answers, there was good comment on issues such as infrastructure, investment opportunities and tax incentives.

Question 9

Learning outcome: 7

This asked candidates to draft a talk to some overseas managers, about to work in the UK, explaining the aims and methods of business pressure groups in the UK political system.

Business pressure groups representing firms and sectors of the economy, as well as those representing workers, seek to influence government policy when it is being created or implemented. They typify plural societies such as that of the UK. They are regarded as legitimate players in the political system at all levels - local, regional, national, Europe and, in some cases, internationally. Their basic aim is influence, modify or change government policies in the interests of their members.

The methods used include lobbying politicians, ministers and MPs, as well as MEPs and, where relevant, international players.

Other methods include promoting media campaigns, distributing petitions, producing documentaries, attending rallies and marches, and using social media. Crucially, these political activities are hall-marks of an open and Western democratic society, where politicians and political parties are ultimately accountable to the public interest and pressure groups seek to influence them lawfully and without corruption.

On the whole, candidates appeared to understand the aim of pressure groups and include some examples. The weaker part of this question was inclusion of their methods. For many candidates, this was overlooked and if included it was quite brief. Pressure groups could be identified by most, with examples and better answers concentrated on business pressure groups; candidates weren't lured by the student finance campaign or environmental campaigners.

The aims were generally well understood, methods wider in some answers than in others, with better answers including the power of social media and other media forms. Some candidates spoke reassuringly about irregularities in lobbying, which have been in the news headlines recently. But few referred to research in their responses.

Question 10

Learning outcome: 7

This asked candidates to draw on research and critically review up to any three of the Coalition government's economic and social policies since 2010, outlining their impact on business (or public) organisations.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

Any three areas of public policy could be considered. A wide choice of Coalition policies was available to candidates for discussion. Examples could be drawn from the economy, health care, education, taxation, Europe, Defence, the Environment, Foreign Affairs, Transport, and Business.

Frequently the policies cited included benefit reform, auto-enrolment of pensions, spending cuts in the public sector, educational reforms, tuition fees, academies and free schools. Weak candidates described actions but failed to show their impact on businesses but better answers took this part of the question on board.

A large proportion of candidates responded to this question, with answers ranging from very good to poor. Most candidates had some awareness of coalition policies. The most competent answers contained good descriptions of the chosen policies and provided reasonable analyses of the impact on businesses. Candidates who failed did not provide sound descriptions and either ignored or offered little comment on the impact on business. The extent of the latter was usually the reason for these answers being awarded a marginal pass or fail.

Conclusion

The pass rate in this examination diet was a respectable 69%. The marking team is of the view that this examination paper provided a good test of all the learning objectives and the indicative content of this unit, and it was a fair test of candidate knowledge, understanding and application of knowledge within the module. The marking team observed the following general points in assessing candidates in this examination:

1. One general feature distinguishing strong examination scripts from weak ones was the ways in which better candidates set out their answers. In the case study, for example, this was demonstrated by candidates developing well-structured answers, with headings, sub-headings and clear logical patterns of argument. On the other hand, some weak candidates did themselves a disservice, by providing disorganised answers, leaving the examiner to pick through and determine the responses to the various parts of the question. Tutors could encourage candidates to clearly label the structure to their answers on, say, the left-hand margin of the answer book.
2. In the short answer questions, 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. Some candidates prefer starting each *question* on a new page of the answer book but also indicate where these answers have two sub-sections.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

3. Candidates are reminded that ability to communicate conclusions about debates in HRM or HRD, in concise modern English, to specialist and non-specialist audiences, is one of the Generic Assessment Criteria in the Advanced Level Qualification.
4. In the case study, answers were that were average or around the pass standard sometimes lacked a balanced detailed analysis of the main issues and direct links with the impact on HBS products. Weaker candidates often failed to describe whether the effect of policy would have a positive or negative effect on products and services. However, a healthy majority were able to demonstrate sufficient understanding and application of the main issues to earn a pass or better.
5. Within some centres, it was clear that candidates had been well prepared in answering the case study questions, *without* providing prepared answers. There were some candidates that clearly shone in the case study, suggesting that HR students have the capability to acquire this level of economic understanding and awareness, subject to the level of preparation and background reading a candidate completes.
6. On the other hand, it is disappointing for examiners to see in many cases the limited and narrow knowledge that candidates have, who then struggle to provide even pass standards answers to the case study questions. Further, there was no evidence that candidate performance was adversely affected by the note at the end of page 3 of the examination paper. Thus whilst the case study appeared challenging to some candidates, many made a reasonable attempt at answering it. Those candidates underachieving in the case study also underperformed in Section B.
7. Examiners did not pick up on any trends in the case study to suggest that candidates were put off by the timings issue. In fact, there was a number of candidates that performed better in the case than in Section B.
8. In Section B, overall candidate performance was generally disappointing, with less able candidates tending to provide descriptive answers rather than demonstrate their powers of critical evaluation when required. Comparing marks across Sections A and B, candidates generally performed better in Section A than in Section B.
9. In Section B, only a handful of candidates were unable to attempt five questions of which they had some knowledge. The depth and breadth of that knowledge was usually the main discriminator between stronger and weaker candidates. A common weakness in Section B answers was the inability of some candidates to apply the concepts to their own organisations in ways that were both convincing and objective. Answers of this kind mostly described the positive attributes of a system or function, with little organisational evidence to support their claims. Candidates seemed to avoid criticising their effectiveness, particularly in answers to Questions 1, 3, and 4.

Human Resource Management in Context

EXAMINER'S REPORT

September 2013

To conclude, I would like to acknowledge and thank my excellent team of markers who contributed to the assessment process on this occasion. These were John Ashcroft, Helen Bessant, Chris Evans, Alan Peacock and Amanda Thompson.

Professor David Farnham

Chief Examiner