



---

Chartered Institute of Personnel and Development

**Advanced Level Qualification**

# **Human Resource Management in Context**

## **January 2014**

28 January 2014 9:50 – 13:00 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 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 per cent in either Section A or Section B.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### 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.**

Eco.org is an independent non-governmental environment protection organisation, operating in the UK and mainland Europe. As a not-for-profit organisation, Eco.org is involved in environmental management, lobbying, advocacy and conservation. Its aim is to work with a range of internal and external stakeholders in the UK and Europe to promote clean air and clean drinking water, to protect communities from the harmful effects of waste and noise, and to support economic sustainability.

Eco.org is based in London, has around 2000 employees and 20 local offices in other parts of Europe. It employs a range of well-qualified technical specialists, lawyers, economists, statisticians and engineers. Eco.org is a traditional mechanistic organisation, currently facing a number of organisational challenges. These include: increased customer expectations; rising demand for its services; the need for a more effective organisational structure; the need for innovative working methods; the need to compete effectively; and the need to understand the interests of its various stakeholders in carrying out its business projects.

To be effective in their jobs, Eco.org's professional employees have to be creative and able to think clearly to respond to the problems raised by the organisations and groups with which they work. Unfortunately, Eco.org's organisational system does not always provide sufficient opportunities for employees to do this. Three key organisational problems need to be addressed in the short term.

First, as a traditional bureaucracy, Eco.org has a multiplicity of layers and a long chain of command from the top of the organisation to operational level, each incorporating relatively narrow spans of control. This rigid structure inhibits the creation of a motivated and empowered workforce and is not conducive to team working. It slows down communications within the organisation, which creates communication problems between individuals and groups. The number of levels between the top and bottom of the organisation results in a rigid inflexible structure, which can stifle ideas, innovation and creativity. Earlier attempts have been made to open up lines of communication within Eco.org but without success.

Second, the organisational culture is a weak one, with little alignment to the organisation's dominant environmental values. Partly because of this, Eco.org has difficulty promoting personal growth opportunities, effective job performance and rewards, and integration of on-the-job learning and work experience for its employees. Employees need more challenging portfolios of work. Eco.org's bureaucratic structure and its inhibiting culture fail to foster flexibility, creativity and an element of risk-taking amongst its workforce. The short-term vision of the organisation is 'survival'. As a result, employees cannot always meet the demanding needs of its clients in the environmental protection community.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

Third, because of its rigid organisational structure, there is poor team-working within Eco.org. It is very difficult to create effective teams, which have a common purpose, high commitment to achieving targets, and clear understanding of the work to be done, with each team member being involved. In the current structure, teams are weak at generating ideas, sharing them and opening up communications between and across team members. As one senior member of the management team recently commented, 'We need to be natural partners with our clients, colleagues and communities. We are best when working as a team.'

A new senior management team (SMT) was recently appointed in Eco.org. It is aware that the structure of an organisation varies widely depending on a number of factors. These include: the external environment within which it operates; its dominant culture; the nature of the work done; and its activities. Most importantly, the SMT understands that organisations with organic structures are able to respond and adapt effectively to changes in their external environment. Such a structure is also likely to promote more innovation, creativity and employee empowerment than the current bureaucratic one.

The SMT wants to move the organisation forward. In the short term, it is particularly concerned about the dysfunctional organisational structure and the organisation's relations with its external stakeholders. But the SMT also has concerns about the changing external contexts of the organisation and the weak performance management system within it.

**You have been asked by the senior management team to prepare a report covering the issues listed below, drawing on research and current practice to support your arguments.**

- 1. Outline and describe a new organisational structure for Eco.org, which is likely to promote organisational flexibility, effective team working, improved internal communications, and a motivated workforce. Justify your answer.**
- 2. Using specific examples, identify the main stakeholders involved with Eco.org, indicating which are the most important ones and why.**
- 3. Provide an audit of the main external influences acting on Eco.org, using a STEEPLE analysis (socio-cultural, technological, economic, environmental, political, legal and ethical) and critically review it.**
- 4. Make the case for introducing a new performance management system within Eco.org and explain how this can be made to work in practice. Justify your response.**

*It is recommended that you spend 25% of your time on each of these four tasks.*

**PLEASE TURN OVER**

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### 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. You have received the following email from the new Chief Executive Officer (CEO) of a local small to medium size manufacturing organisation, with whom you have worked previously.

'As you know, I've recently been appointed CEO to this business, which has a pragmatic and informal approach to corporate strategy. This seems to work in practice, largely because our order books are full. But I need some advice:

- i. What is the case for having a written corporate strategy?
- ii. Please explain the major differences between a "rational" approach and an "emergent" approach to strategy.'

Drawing upon research, provide answers to these two questions.

#### OR

2. Boxall and Purcell (2011), amongst others, argue persuasively that the resource-based view of the firm (RBVF) has provided an important counterweight to the marketing-oriented models of strategic management, as illustrated by the works of Porter. The RBVF thus provides a critique of the dominant strategic models of the 1980s.
  - i. Drawing on research, discuss why the RBVF is generally accepted as an important theoretical foundation explaining linkages between HRM and organisational performance.
  - ii. What are the main critiques of the RBVF?

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### B

3. You have been asked to give a talk at a learning event for UK managers who will be working on mainland Europe. The title of your talk is the 'Main features of the UK market economy and the European social market economy.' You are expected to cover two issues.
- i. Describe and analyse the main features of the UK market economy, including its labour market characteristics.
  - ii. Describe and analyse the main features of the European social market economy, including its labour market characteristics.

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

### OR

4. Reform of public services has been a major policy objective of successive UK governments for over 30 years. These reforms have affected local government, central government and other public agencies and have taken a variety of forms such as outsourcing of services.
- i. Drawing on research, explain, with examples, how outsourcing public services to the private sector has impacted on the provision of these services over this period.
  - ii. Drawing on current practice assess **up to three** HR implications associated with the outsourcing of public services.

**PLEASE TURN OVER**

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### C

5. Globalisation is a hot topic today, with international markets playing an increasingly significant part in business relationships, capital movements and labour mobility.
- i. Critically evaluate **up to three** reasons supporting globalisation.
  - ii. Critically evaluate **up to three** reasons against globalisation.

Draw on relevant research to inform both your answers.

### OR

6. Recent political debates in the UK have resulted in the Conservative Party promising a referendum on UK membership of the European Union (EU), if it wins a majority in the next Parliament.
- i. Drawing on research, critically analyse **up to three** reasons for continuing UK membership of the EU and **up to three** reasons for leaving the EU.
  - ii. What would be the effects of withdrawal from the EU on your organisation?

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### D

7. Some recent reports suggest that there is growing public concern about the increasing income gap between the rich and the rest of the population in the UK. Some estimates suggest that about a quarter of the population believes benefits for the unemployed are too low but, within a changing social stratification structure, over four-fifths consider the income gap between rich and poor to be too large.
- i. Drawing on research, explain why there is an increasing gap in personal incomes in the UK.
  - ii. Analyse the implications of increasing income inequality for organisations and communities in the UK.

### OR

8. The UK has always been a country to which people migrate. But since the early 1990s, the annual number of immigrants entering the UK has approximately doubled from around 300,000 to 600,000.
- i. Drawing on research, discuss why immigration has increased into the UK over the past 20 years.
  - ii. Analyse how immigration into the UK affects your organisation.

**PLEASE TURN OVER**

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### E

9. In May 2010, the current UK government came to power in the UK. It has both its supporters and its critics in government and outside it.
- i. Drawing upon research, critically evaluate **either** (a) the government's general economic policy over these years **or** (b) its general social policy.
  - ii. Examine and discuss the impact of **any one** named government policy on your organisation during this Parliament.

### OR

10. There has been a large expansion of employment legislation in the UK over the past 40 years. You have been asked to give a short talk to a group of young managers, covering the two issues below.
- i. Account for the increase in UK employment legislation over this time.
  - ii. Select **one** piece of employment legislation, giving reasons for your choice, and critically evaluate this law.

Outline what you will say in each answer, drawing upon research and/or good organisational practice.

**END OF EXAMINATION**

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### Introduction

This report reviews the January 2014 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, 299 candidates took the unit. Of these, 200 achieved a pass standard or more, giving a pass rate of 66.9%. The breakdown of grades is shown below.

January 2014		
Grade	Number	Percentage of total (to 1 decimal point)
Distinction	5	1.7
Merit	34	11.4
Pass	161	53.8
Marginal fail	20	6.7
Fail	79	26.4
<b>Total</b>	<b>299</b>	<b>100.00</b>

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

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

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

### Section A

This section consisted of a seen case study with four questions, where candidates were expected to answer all questions.

*Learning outcomes: 1 and 2*

The case study touched on a number of issues covered in the module's learning outcomes. However, it was particularly intended to test in-depth knowledge and understanding of Learning Outcomes 1 and 2.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

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

### Task 1

This asked candidates outline and describe a new organisational structure for Eco.org, which is likely to promote organisational flexibility, effective team working, improved internal communications, and a motivated workforce.

There are a number of approaches that candidates could adopt to answer this question. Basically, Eco.org needs an organisational structure that helps develop an innovative and entrepreneurial culture to facilitate success. A bureaucratic, hierarchic structure inhibits this.

One response is to create a flat organisational structure, with far fewer - or even one - organisational level(s). This means that the chain of command from the top of the organisation to the bottom is short and the span of control wide. With fewer layers to cascade information down, communication channels are likely to be clearer and more effective. A second alternative is a matrix structure, which is commonly used for project work, made up of individuals with specialist skills who work together on a common project. A third option is a mixed structure comprising a flat, non-hierarchic system combined with a matrix structure for specific projects requiring a variety of skills. A fourth approach is adopting an organic structure promoting vertical and lateral communications, de-centralised decision-making, less specialised job roles and high reliance on mutual adjustment between co-workers (Burns and Stalker).

The overall objective is to have an enabling environment, where individuality, team working, integrity, and openness are promoted in the work environment, underpinned by an entrepreneurial and innovative 'can-do' culture. Better performing candidates are likely to consider other benefits such as effective team working, team decision-making, multi-channel communication and the changing culture of the organisation.

Most candidates recognised the need for an organic structure and a matrix structure was promoted by the vast majority. Most explained how this would facilitate an entrepreneurial and innovative culture. A few better answers built on the need for effective team working and a can do approach to problem solving but these were in a minority. The weakest answers, noting from the case the organisation is bureaucratic and mechanistic, simply argued for a more organic structure based on team working. There was no indication of the overall shape the structure would take.

### Task 2

This asked candidates to identify and critically review the main stakeholders involved with Eco.org, indicating which are the most important ones and why.

Enterprises such as Eco.org are likely to be involved with a range of organisational stakeholders nationally and cross-nationally. Most directly are its employees, clients, suppliers and creditors. But because its environmental protection activities, a much wider range of stakeholders are likely to be involved with Eco.org. These include: international and regional inter-governmental organisations such as the UN Environmental Programme, the European Environmental Agency; national government organisations (around Europe); and

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

other non-governmental organisations. The latter include: international bodies such as the World Wide Fund for Nature, the World Business Council for Sustainable Development; European bodies such as the European Environmental Bureau and Client Action Network; and national bodies such as the Campaign to Protect Rural England and the Institution of Environmental Sciences.

There were some good answers here, which drew on Mitchell's matrix for classifying stakeholders. Some candidates were more specific than others when identifying stakeholders and some weaker students failed to prioritise the stakeholders. In weaker answers, the major failing was that stakeholders were merely identified but with little justification for their importance. Some candidates offered dubious arguments such as employees and customers being important because they are there and without them organisations could not exist. Whilst this argument is obvious, it misses the point of stakeholder analysis, in particular the need to prioritise them.

### Task 3

This asked candidates to audit of the main external influences acting on Eco.org, using a STEEPLE analysis and critically review it.

Candidates could be selective in the areas they might examine, when expanding and developing these categories of analysis. For example, the environmental context might include global warming, conserving natural resources, and sustainable economic development. The political context includes party politics, public policy, pressure groups and public opinion. The legal context covers health and safety, environmental protection, legal systems and role of the law in this area. There are also issues arising out of the ethical context regarding the balancing of stakeholder interests, ethical business practices, human rights and corporate social responsibility.

There were some variable answers to this question, ranging from lists of single words or phrases to detailed narratives set out under each of the STEEPLE headings, with critical review as requested. Weaker answers muddled SWOT analyses with STEEPLE analyses and seemingly had little idea what they had been asked to do. Some of the other weaker answers were too internally focused to serve as a STEEPLE analysis. There were also some disappointing answers for what should have been a straightforward question, especially in a seen case study. A number of candidates were able to identify some external factors but the associated analysis was extremely limited.

### Task 4

This asked candidates to make the case for introducing a new performance management system within Eco.org and explain how this can be made to work in practice.

The basic case for introducing a performance management system in Eco.org is that the current one doesn't work and a new one is needed to link improvements in corporate performance with individual and group performances. Commonly such systems incorporate three processes: planning, improving and reviewing performance. This can be done at organisation, business unit, department, team and/or individual levels. Such systems are typically aimed at: managing organisational performance; managing employee performance; or managing both.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

Good answers provided a sound case for providing a new performance management system and related this well to the need to support the new culture discussed above. Better answers provided sound justification but weaker answers tended to be largely descriptive. Answers to this question were probably the weakest section. There were lots of generalised points in the poorest responses. Few weak answers really talked about models of performance management.

### Section B

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

#### Question A1

*Learning outcome: 3*

This question asked candidates to make the case for having a written corporate strategy and explain the major differences between a 'rational' approach and an 'emergent' approach to strategy.'

There are many reasons for having a written corporate strategy. These include: it is known, can be adapted in response to new developments, can be communicated internally, provides a focal point in the marketplace, can be evaluated, can form the basis for future strategy, provides a structure for decision-making, can be used in training and development, and provides a bench mark for future planning.

The major differences between rational and emergent strategies include: the rational approach is prescriptive, scientific, the outcome of objective analyses and planning, provides possibilities for making comparisons with defined objectives. The emergent approach is unstructured, flexible, fragmented and shaped gradually. Implementation is focused on learning or organisational development.

Most candidates answered this question and tended to score well. A sound case was made for a written corporate strategy and the need to communicate this to internal and external stakeholders. Some candidates argued that size of organisation was a significant determinant for a formal written policy. The second part of the question was again answered well by most candidates, with the differences between them well described. Little research evidence was provided to support the arguments of weaker candidates. Weaker candidates didn't specifically focus on the case for having a written strategy.

The weakest answers seemed to assume that the rational approach involves a tightly controlled autocratic approach to strategy formation; the emergent approach on the other hand is very *laissez-faire*, disorganised and with nobody caring or taking responsibility for strategy. Some candidates dispelled of this notion, because neither are entirely true in practice, not in larger firms anyway. There were also occasional mentions of logical incrementalism.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

### Question A2

*Learning outcome: 3*

This asked candidates to discuss why the resource-based view of the firm ( RBVF) is generally accepted as an important theoretical foundation, explaining linkages between HRM and organisational performance, and to evaluate the main critiques of the RBVF.

The RBVF is an inside-out theory of strategic management, originating in the strategic management literature. It is concerned with the relationships amongst the internal resources of the firm, including its human resources, and strategy and organisational performance. Its focus is on promoting competitive advantage through development of human capital, not simply aligning HR to corporate strategy. The RBVF argues that the people in organisations provided competitive advantage for the firm, because they are valuable, rare, not imitable, and not substitutable. The focus is on behaviour, skills, knowledge, attitudes and competencies of these people. Critiques of the RBVF include: it exaggerates differences between firms; it is tautological; it is a static model, doesn't incorporate change; doesn't fully take account of the external contexts; and the economic rationality of its actors is unrealistic.

This was not a popular question. Strategic models of HRM, including best practice, best fit and the RBVF, continue to challenge most students. Some knowledge of the RBVF was indicated by candidates, who seem to take these theories at face value and seldom go so far as to evaluate their strengths and weaknesses. The determination of a pass or fail rested on the depth of knowledge in the first part of the question, because critiques of the RBVF were generally weak.

### Question B3

*Learning outcome: 4*

This question asked candidates to describe and analyse the main features of the UK market economy and the European social market economy, including its labour market characteristics.

The main features of the UK economy include: dominance of the finance sector; high levels of privatisation; price-driven markets; profit-driven firms; finance is short-term, marketised and centralised; labour market with weak job security, weak unions and poor levels of skills; welfare system with falling universality, means testing and education related to class interests.

The features of the European Social Model includes: partnership between labour and capital; less privatisation; financial system seeks market-share, is bureaucratic and longer-term; labour market has higher job security, strong trade unions and high levels of skills; welfare system has high universal provision, low means testing and education is weakly linked to social class.

The choice between this question and the next was evenly distributed. This one was reasonably well answered, with much better attempts at describing and analysing the UK market economy and labour market characteristics than the European social market economy. Little research evidence was used for either part of question. Some weaker

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

candidates wrote generally about the EU and not about the social market economy and labour market characteristics of Europe.

Amongst weaker candidates, there was little or no reference to research and no indication in answers of giving a talk to UK managers. Remembering this might have been a clue to make some comment on the differences in management style, the management agenda, employment relations approaches in these two models, but none of these was considered.

### Question B4

*Learning outcome: 4*

This asked candidates to explain, with examples, how outsourcing public services to the private sector has impacted on the provision of these services over this period. It also required candidates to assess up to three HR implications associated with the outsourcing of public services, drawing upon current practice

Outsourcing public services can result in: the emergence of private-sector oligopolies; when choice is reduced providers can increase their costs; complex business arrangements make it difficult to hold providers to account; problems of market failure; if public bodies can only purchase from TNCs, then government revenues/taxation is exported; can produce a race to the bottom in wages; and when problems arise from complex financial deals, taxpayers pick up the pieces.

The impacts of outsourcing public services on HR include: leads to redundancies and re-deployment of public servants; increases numbers of managers and HR professionals; means more autonomy for managers; has training and development implications; requires new skills sets; and results in performance targets and performance management.

The standard of answers varied on this question. Little research evidence was used to structure arguments and few candidates provided appropriate explanations or examples of the impact on provision of services. The quality of answers provided to the second part of the question also varied considerably.

Better answers referred to issues such as accountability, lowering quality and increased cost of the service. Otherwise answers showed little awareness of the issues. Some candidates were unsure what outsourcing actually means; the sub-contracting of a public service to a private sector firm under a contract for services, confusing this with privatisation such as the recent sale of Royal Mail. Clearly, candidates unable to provide a decent answer to the first part of the question were unable to follow on and offer a decent answer to the second part. Mostly, the HR implications discussed were clearly linked to outsourcing and often it was not clear whether they referred to employees in the private-sector firm or those remaining in the public sector.

### Question C5

*Learning outcome: 5*

This question candidates to critically evaluate up to three reasons supporting globalisation and three reasons against it.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

The reasons supporting globalisation include: international trade keeps prices low and quality high; increases international specialisation; creates larger markets for goods and services; brings wealth to some of the world's poor; helps promote world peace; and can help protect the eco-environment. The reasons against include: creates disparities in global wealth; national economic contagions spread globally; creates cross-national financial problems (for example, the credit crisis in 2008); causes unemployment; lowers international labour standards; homogenises national cultures; poor countries get poorer; and serious diseases cross national borders.

This was the most popular question in Section B. The majority of candidates performed well, with a number securing merits and distinctions. Most were able to offer three reasons for and three reasons against globalisation. However, better answers, provided some evaluation and/or research.

Despite the general absence of research evidence in these answers, there were some good responses that contained some detailed analyses. One way or another, the arguments presented for and against were appropriate but in less depth by those who just managed a pass. Overall, however, this seems to be an area that is covered well by candidates and/or centres.

### Question C6

*Learning outcome: 5*

This asked candidates to critically analyse up to three reasons for continuing UK membership of the EU and up to three reasons for leaving the EU. Candidates also had to analyse the effects of withdrawal from the EU on their own organisation.

There are many reasons for and against UK membership of the EU. The generic benefits that incorporate specific special benefits (which can be explored by candidates) include: the economic benefits of the single European market; benefits for business; personal benefits for UK/EU citizens; health and social benefits; crime and justice benefits; and educational benefits. The case against includes: the costs of membership to the UK; inefficient policies such as the common agricultural policy; net migration across national borders into the UK; and the 'more bureaucracy, less democracy' argument. The potential effects of withdrawal from the EU on candidates' organisations need to be considered too.

Relatively few candidates attempted this question and most were marked on the margin of pass/fail. Reasons for membership seemed to be better considered than those against and few candidates considered the 'more bureaucracy less democracy' argument, whilst the impact on candidates' organisations was not considered effectively by weaker candidates.

### Question D7

*Learning outcome: 6*

This question asked candidates to explain why there is an increasing gap in personal incomes in the UK. They also had to analyse the implications of increasing income inequality for organisations and communities in the UK.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

The reasons for increasing income inequality in the UK have both economic and political origins. The increasing de-regulation of the UK economy has provided opportunities for some strategically-placed individuals and groups to take advantage of the market opportunities presented by this. These include firms and workers in the financial services sector, senior managers in the private and public sectors, an emerging entrepreneurial and risk-taking class, multi-national companies, and entertainers and sports players, as epitomised in the Times annual Rich List. There is high mobility of capital and high-value individuals, who see the UK as a relatively low-tax, stable society; which has produced 'winners' and 'losers'.

The impacts on organisation and communities are wide-ranging and are demonstrated in the distribution of winners and losers in terms of demand for goods and services, earning and living standards, investment in infra-structure and social capital, and jobs and employment. This was not a popular question to most candidates. It seems to be an area which has not received much attention. The reasons offered were mainly the segregated labour markets (the hour-glass model) and the propensity for immigrants to accept low-paid work.

Commentaries in the second part of the question were mainly limited to lower disposable income and demand for goods and services.

Strong answers related well to relevant research findings but weak answers tended to provide arguments based on low/high paid employment and did not relate this to market opportunity. The implications of increasing income equality was not answered well, particularly community issues in the UK. Nor was the political dimension really critically evaluated.

### Question D8

*Learning outcome: 6*

This asked candidates to discuss why immigration has increased into the UK over the past 20 years. Candidates also had to analyse how immigration into the UK affects their organisation.

In this two-part question, candidates were expected to demonstrate the extent and scope of immigration into the UK in recent years. It can be explained in terms of being the product of globalisation and economic conditions in developing countries, the demand for skilled professional labour in the UK from these countries, government support for these policies, and employer support too. Another driver is the EU's policy of freedom of movement within the Union. International politics plays a role too, with asylum seekers and illegal immigration into the UK, especially in large cities such as London. In the second part of the question, candidates are expected to examine and review the impact of immigration into the UK on their own organisations.

Immigration from European community destinations seemed to be the focus of most answers and little research evidence was provided, particularly that relevant outside Europe.

The affect on employing organisation was better answered, with some good examples demonstrating the benefits and problems encountered by organisations.

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

Credit was given for answers that focused on the 20 year span referred to in the question, as opposed to recent waves of migration from Eastern Europe. More limited answers just hooked into the recent news item about Romanian and Bulgarian migrants entering the UK for work. Many candidates were able to relay positive accounts of their own organisation's experiences of migrants, with better candidates considering migrants as employees and migrants as consumers/customers, thus taking a rounded view of the ways in which migration has impacted on their organisation. Better candidates also provided a critical perspective, considering costs of training, complexities of managing different cultures and beliefs and so on.

### Question E9

*Learning outcome: 7*

This question asked candidates to critically evaluate either (a) the Coalition's general economic policy over these years or (b) its general social policy. Candidates also had to examine and discuss the impact of one named Coalition Government policy on their organisation during this Parliament.

This question was aimed at testing candidates' understanding of the Government's general approaches to either economic or social policy matters since 2010. Economic policies turn largely on taxation, fiscal, public spending and privatisation issues. They include managing austerity and reducing the structural deficit. Social policy is also wide-ranging, including issues such as the health care, education and training, 'welfare reform' and pensions. Any choice and exploration of these topics is acceptable. Candidates were also expected to analyse and review how any one specific economic or social policy has affected their own organisation in this Parliament.

This was the least popular question in Section B and the results were moderate, with not a great deal of knowledge of current policy being shown in candidate responses. The main policy issues discussed were reducing the structural deficit, through cuts in spending, low interest rates, support for flexi-time working and diversity; but also government plans to curb immigration through intensifying the points system. Those who failed this question did not examine these issues in any depth. As is often the case, both parts of the question were not given equal attention. Discussions on the impact of one government policy were generally scant and contained little substance.

### Question E10

*Learning outcome: 7*

This asked candidates to account for the increase in UK employment legislation over this time. Candidates then had to select one piece of employment legislation, giving reasons for their choice, and critically evaluate this law.

Voluntary regulation of the employment contract by collective bargaining between employers and unions has been largely superseded by legal regulation. A long series of statutory provisions have been put in place, aimed creating a detailed framework of employment laws aimed at regulating and controlling the conflicting demands of employers and employees in the labour market and place of work. These cover the contract of employment, wages and

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

benefits, working time, family friendly policies, health and safety, and discrimination in employment. Much of this has origins in the EU. The factors include economic policy, EU membership, decline of collective bargaining and political expediency. Candidates were expected to critically review any one piece of employment law.

This was a very popular question, possibly due to its HR positioning. Most candidates have a working knowledge of employment law and therefore regarded this as a straightforward question. A number of them failed to rise to the challenge, however, as limited answers were offered to the first part of the question, whilst descriptions of pieces of legislations were offered rather than evaluations. Unfortunately some candidates only see things from the employee perspective, not from the employers.

Weaker candidates commonly took an historical perspective to the question, ignoring the time frame constraint. Others focused only on European legislation and determined that this alone accounted for the increase. The role of law to regulate the parties to the employment relationship appears to be neglected as an appropriate framework to discuss this type of question.

In the second part of the question, some candidates showed lack of knowledge of the legislation by using incorrect terminology. The favoured choice was the Equality Act followed by the Working Time Directive, with very few answers moving beyond a basic description of the purpose of the legislation.

### Conclusion

The pass rate in this examination was 66.9%. 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. The marking team observed the following general points in assessing candidates in this examination:

1. Section A was generally well answered. The four points had been signposted and the majority of candidates had prepared well for this section. There were no surprises here.
2. Although most candidates managed to achieve a pass standard of performance in Section A, there were considerable variations between those candidates who appeared prepared for the case questions and those who were clearly floundering. The question on stakeholders seemed markedly better attempted than in previous diets and generally candidates seemed more comfortable in addressing practical issues, such as performance management and organisational structure, rather than the STEEPLE exercise, where they needed wider knowledge and understanding of the subject matter. In Section A, candidates would benefit from taking a more strategic, business approach to the questions set.
3. Candidates taking this examination appeared generally to have prepared well for the case study, thus maximising their chances of passing. Lack of critical argument and use of relevant research material when required are still limiting some candidates' ability to

# Human Resource Management in Context

## EXAMINER'S REPORT

January 2014

---

obtain good marks and the overall pass rate could be improved considerably, if this is addressed by future candidates.

4. Section B provided a wide range of subject areas to enable candidates to achieve a pass standard, with sufficient scope being offered by the alternative questions to enable them play to their strengths. But, as usual, there were some questions that proved to be more popular than others.
5. In Section B, Question 3, 4 and 9 appeared to be those which candidates tended to avoid answering. Good responses to these questions demand that candidates study the subject matter and have the requisite knowledge and understanding of it. All these areas are covered in the core text book.
6. Candidates should also regularly read a quality newspaper, watch Question Time and Newsnight on television, and the Sunday Politics Show to keep abreast of what is happening in the economic and political worlds. Too many candidates seem to be in uncharted waters regarding these central areas of the indicative content, all of which impact on the HR function.
7. Given the M-level standard of the ALQ, references by candidates to research and good organisational practice mark out bare pass answers from those obtaining safe passes and getting into the merit range.
8. Given the poor results in some centres, it seems possible that these candidates are not being taught at M level.

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

**Professor David Farnham**

Chief examiner