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**Managing People**  
**QCF**  
**Subject Examiner's Report**

**Unit Title:**     **Managing People**  
**Unit Code:**    4.2 Managing People  
**Session:**      December 2015

## Question 1

- (a) Explain the term 'diversity' when applied to the management of people.
- (b) Outline the ways an organisation can promote diversity in its recruitment and selection process.

### 1. Comments on learners' performance

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This is a popular choice. The answers were above the average, with good qualities. A large majority were able to earn a sound pass or better by providing decent descriptions of diversity and its practices and policies. A small number produced excellent answers. On the other hand, there was a similar minority who has some basic understanding of the topic but provided very generic answers to part (b). In those cases, the answers they provided didn't demonstrate the full understanding of this topic in 'recruitment and selection'. There was lack of detailed examples in recruitment and selection procedures.

### 2. Mark scheme

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- (a) The CIPD (2008) defines diversity as 'valuing everyone as an individual', and sees managing diversity as central to good people management. Diversity management recognises that the workforce is comprised of a diverse population of people consisting of both visible and non-visible differences. This includes not only differences covered by employment law, but others such as personality, social background and work style. Managing diversity is more about valuing the differences people have and using and celebrating these differences. This might include such diversity over: qualifications, learning difficulties, gender, accent, political affiliation, ethnic origin, sexual orientation, spent convictions, age, caring responsibilities, trade union membership. If the organisation is able to cope with these differences and create a culture where diverse talent is valued and can flourish that will enable organisations to maximise their human resources and enhance their competitive advantage. The legal aspect of managing for diversity is the legislation on equal opportunities and discrimination about gender and race
- (b) \* Advertisements must not discriminate on the basis of sex, marital status, race, ethnic origin or disability. This means that job titles need to be gender or race sensitive and indicate the acceptability of an individual on objective grounds.
  - \* The process for short-listing candidates and the quality of the person specification against which they will be short-listed. It is important that this process considers candidates on their merits against the person specification and for no other reason. Records should be kept of the short-listing process in case of a complaint and so that reasons for non short-listing are readily available.
  - \* The selection process must be rigorously fair and, if it's possible, the selection panel should be reflective of the mix of candidates being considered by it. Some important considerations include: any ancillary aspects of the process including workplace visits, presentations and other selection techniques should be equally attainable by any competent individual regardless of gender, race or disability. When it comes to the selection interview if it is not possible to ensure a completely representative mix on the panel, common sense needs to prevail. If all the applicants for a key managerial job are female, it is recommended to have at least one female member on the panel. Organisations that operate in multi-ethnic communities with a multi-ethnic workforce should be striving to employ a workforce that is broadly representative and is recruited and selected on the same basis.
  - \* The questions asked at interview should be drawn from a common list for all candidates and not seek to discriminate in any way. Either the questions that discriminate on the basis of sex, marital status, race, ethnic origin or disability should not be asked, the presumption being that the individual has made satisfactory arrangements to be able to undertake the job they apply for, or the questions should be asked of all candidates' dependent on their personal circumstances.

### 3. Recommendations

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Candidates should study the concept, policies and particularly the practices of equity and diversity topic. Students need to provide appropriate examples and explanations that relevant to each stages of HR practices, in this case which is recruitment and selection.

#### Examiner's tips

Learn this area thoroughly. It is essential to not only understand the concept but also its application in HR procedures.

## Question 2

- (a) Assess the impact of globalisation on organisations' people management activities.
- (b) Discuss the reasons why organisations promote effective teamwork.

### 1. Comments on learners' performance

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A large majority provided sufficient answers in part (b); the answer in part (a) on average however, were of a lower quality. There was a minority who were highly familiar with the globalization and effective teamwork. Not small number of candidates provided reasonable answer but only from the marketing point of view in part (a), therefore were not awarded good marks. Most of candidates demonstrated a good understanding of part (b).

### 2. Mark scheme

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**(a)** Globalisation is the process whereby the business environment has become increasingly international or global. The globalisation of the economy has meant the employment relationship is now affected by global events even for those who work in locally-based concerns.

One aspect derives from the improvements in telecommunications that have enabled business (such as call centres which answer queries about such things as financial matters, or airline bookings) to be based anywhere in the world.

Another aspect is the increasing competition from other countries that can offer services more cheaply. (For example, the software prowess of India has led to job losses in Europe as solutions are found online from India.) Increasingly, large multinational organisations set the pace in their industries by transcending national practices and traditions. (For example, health and safety procedures are introduced into countries with no national standards by multinationals because of company policy.)

Globalisation also means that organisations employ people from other countries to work alongside locals. In Europe with the free movement of people within the European Union for employment. Most of people will be affected by some aspect of these global trends, even if people working in a very small local organisation.

**(b)** A formal work group is often called a team. A fully effective team includes the following characteristics:

1. Clear goal and purpose. The vision, mission, goal, or task of the team has been defined and is now accepted by everyone. There is an action plan.
2. Informality The climate tends to be informal, comfortable, and relaxed. There are no obvious tensions or signs of boredom.
3. Improve employee participation. There is much discussion, and everyone is encouraged to participate.
4. Improve communication. Listening. The members use effective listening techniques such as questioning, paraphrasing, and summarizing to get out ideas.
5. Civilized disagreement. There is disagreement, but the team is comfortable with this and shows no signs of avoiding, smoothing over, or suppressing conflict.
6. Consensus decisions. For important decisions, the goal is substantial but not necessarily a unanimous agreement through open discussion of everyone's ideas, avoidance of formal voting, or easy compromises.
7. Open communication. Team members feel free to express their feelings on the tasks as well as on the group's operation. There are few hidden agendas. Communication takes place outside of meetings.
8. Clear roles and work assignments There are clear expectations about the roles played by each team member. When action is taken, clear assignments are made, accepted, and carried out. Work is fairly distributed among team members.
9. Shared leadership While the team has a formal leader, leadership functions shift from time to time depending on the circumstances, the needs of the group, and the skills of the members. The formal leader models the appropriate behaviour and helps establish positive norms.
10. External relations The team spends time developing key outside relationships, mobilizing resources, and building credibility with important players in other parts of the organization.
11. Style diversity The team has a broad spectrum of team-player types including members who emphasize attention to task, goal setting, focus on process, and questions about how the team is functioning.
12. Self-assessment Periodically, the team stops to examine how well it is functioning and what may be interfering with its effectiveness [Click here to enter text.](#)

### 3. Recommendations

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Candidates should further study the globalisation and all PESTEL influences to the organisation and people management. It's also good to know the up to date knowledge and news that relevant to those factors.

#### **Examiner's tips**

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Students shall focus on HR/management answers rather than other subject (for example, Marketing) when answering the questions.

### Question 3

- (a) Outline the reasons why organisations may wish to have 'engaged' employees.  
(b) Describe the methods organisations can use to promote employee 'engagement'.

#### 1. Comments on learners' performance

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Question 3 tended to exam the reasons and the methods of employee engagement. A large majority of candidates demonstrate a good understanding of this topic. The best answers provided a detailed description of the engagement methods in the organization with some examples in the real business world. A minority answers contained only an outline of the engagement methods but with no further discussions.

#### 2. Mark scheme

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**(a)**

- Engaged employees are likely to perform better than those who are not – they are more willing to take on extra work, and tend to have high ratings in performance appraisal.
- Engaged employees are more likely to be innovative at work – this might include searching out new methods of working, feeling enthusiastic about innovative ideas, and working to transform such ideas into meaningful applications.
- Engaged employees are more likely to want to stay with their employer.
- To allow employees have greater levels of job satisfaction.
- To allow employees have better relationships with colleagues, seniors and subordinates.
- To provide employees more opportunities for self-actualisation.

**(b)** Alfes et al [CIPD, 2010] propose six drivers for engagement:

- Meaningfulness of work – jobs that are more intrinsically rewarding
- Employee voice – the opportunity to become involved in decisions which the workforce regards as important
- Senior management communication and vision – a willingness to share thinking and ideas
- Line management reinforcement – through positive leadership
- Person-job fit – so individuals are comfortable about their occupations
- Supportive work environment – pleasant operational conditions.

- Students may also address this question by briefly reviewing the principal areas for people management and leadership in the organisation:
  - Managerial leadership – a positive stimulant for engagement
  - Recruitment and selection – taking care to attract individuals whose psychological propensities indicate some readiness to become engaged
  - Learning, training and development – encouragement for self-managed learning and generous provision for self-development
  - Reward and recognition – systems that celebrate progress, achievement and success
  - Customer-related performance-management processes

#### 3. Recommendations

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Candidate should learn about the employee engagement methods and provide more details of each methods, rather than provide the outline only. The simple bullet point list is not enough and not sufficient to demonstrate the knowledge and understanding of this area.

#### Examiner's tips

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Engagement is a popular topic. Besides getting to know the concept, rationale and methods of employee engagement, it is also good to understand the practices. To understand the rationale from both employer and employee perspectives is important, too.

## Question 4

- (a) Outline the role played by financial reward (or ‘money’) in any two theories of motivation.  
(b) Explain why an organisation may wish to invest in job design.

### 1. Comments on learners’ performance

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Although a popular question, the answers on average. Majority candidates did well in part (a), whilst answers to part (b) were weak. The candidates demonstrated a good understanding of the motivational theory and the role of financial reward in those selected theories. Most of them selected the Maslow’s hierarchy of needs or Herzberg’s motivation-hygiene model. However, small number of candidates selected Theory X and Theory Y which does not constitute a ‘motivation theory’. In part (b), the majority of answers were weak or only earning a pass. Most of candidates only provided generic answers of the importance of designing an interesting job and designing the job suits the organisation for example. None of those answers were exemplary.

### 2. Mark scheme

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(a) McGregor’s Theory X and Theory Y does not constitute a “motivation theory”, but the following possibilities should be viewed as acceptable:

- Maslow’s hierarchy of needs. Money is valuable for what it will buy, but also has symbolic significance as a measure of status and self-actualisation.
- Herzberg’s Motivation-Hygiene model. Money is largely a „hygiene“ factor, but can retain its symbolic status as an indirect test of achievement and growth.
- McClelland’s Need-for-Achievement framework. Money is linked to achievement.
- Expectancy Theory. Money is one of the factors involved because individual feelings about monetary reward will depend on the extent to which the reality equates with the expectation.

(b) Job design affects the motivation and commitment of the job-holder in the sense that undemanding, low-level, routinised and highly-disciplined tasks will produce mechanistic and instrumental attitudes.

- The way the job is designed may also stimulate symptoms of alienation, i.e., a positive dislike of the work, the work environment, the employer and indeed the whole system which permits such scenarios to exist.
- Clegg et al [*Managing and Organisations*, Sage, 2008] refers to “grunge jobs”, comprising work carried out at the lower reaches of the supply chain supporting global business, and also jobs performed by an underclass of sometimes illegal workers operating in very poor conditions outside the formally recognised and regulated job market. See Rees and French, *Leading, Managing and Developing People*, CIPD, 3rd edition, 2010, p. 158]
- Valuable to include in any answer to this part of the question will be a reference to Hackman and Oldham [*Work Redesign*, Addison-Wesley, 1980] who propose that there are five key characteristics which help determine whether a job can be motivating:
- Skill variety – if different and diverse activities demand the exercise of a range of skills and abilities
  - Task identity – the extent to which a job involves a whole and identifiable piece of work with a tangible end result
  - Task significance – the perceived value and effect of a job on other people
  - Autonomy – where a worker is free to schedule the pace of his or her work, have some choice in how the work is carried out and is relatively independent of supervision
  - Feedback – the degree to which a worker gets information about the effectiveness of his or her performance.
- Low-level roles are more likely to be process-constrained, involve very limited discretionary powers and limited technological freedom. Individuals may be required to work collaboratively with others, and comply with job routines dictated by external pressures.
- Higher-level roles are more likely to contain powers of autonomous decision-making (about both process and outcomes), where individuals make qualitative choices about results and priorities; on the other hand, technological system may continue to dictate timescales and working methods to a large degree.
- For workers who are instrumentally motivated, job design may have little impact on their attitudes.
- For employees seeking self-actualisation, job design is very important, but its positive impact may be negated if management adopts a command-and-control philosophy focusing on errors, mistakes and omissions rather than success, progress and improvement.

- Jobs that are intrinsically boring or tedious may equally be made more tolerable if management is sympathetic, supportive, sensitive and helpful, e.g., for office cleaning.

### 3. Recommendations

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Students need to learn more about the motivation and motivational theories. Understand the total rewards and its role in motivational theories are essentials. Job design has great impact on organisational planning and development. To fully understand its contribution in relevant HR practices is recommended.

#### Examiner's tips

Motivation and total rewards are very popular topics which are examined regularly. Students should also study the 'job design' and its impact on organisations. This area is very weak in all centres.

## Question 5

- (a) Describe the steps that should be taken to manage poor performance.  
(b) Describe the four stages of the Training Cycle.

### 1. Comments on learners' performance

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A large majority of candidates were able to show an understanding of the ways to improve poor performance and the stages of the training cycle. Most of them have covered it effectively. Many candidates produced a list of steps that can improve poor performance including the most popular answers 'identify the poor performance' and 'training, learning and development'. Not small number of candidates also mentioned financial rewards or job rotation. In part (b), most of the candidates were able to identify the four stages of the training cycle. A few only listed the four stages with no further description.

### 2. Mark scheme

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- (a)
- Identify the specific areas of under-performance
  - Establish the causes [see above]
  - Agree on the action required
  - Ensure that the necessary support (coaching, training, resources) is provided
  - Monitor progress and provide feedback
  - Supply additional guidance as required
  - As a last resort, invoke the capability or disciplinary procedure, to start with an informal warning.

- (b)
- Identify the training needs: the poor performance and identify the reason and needs
  - Plan the training programme and activities: identify the suitable methods regards to the knowledge, skills and attitude that suit to improve the particular poor performance
  - Deliver the training; coach and mentoring can also be included.
  - Training evaluation and feedback

### 3. Recommendations

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This area needs to be covered in more depth. Candidate shall read the question and be aware of the requirement. For example, candidate shall provide further description of the list or steps.

#### Examiner's tips

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In addition to understand the training cycle, it is important to understand the methods and its practices in each stage.



## Question 6

- (a) Explain the issues that organisations should consider when handling a disciplinary procedure.  
(b) Outline seven key stages of a disciplinary procedure.

### 1. Comments on learners' performance

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The purpose of this question is to exam the understanding of the procedures and possible issues that can impact the disciplinary procedure in the organisation. There were reasonable attempts at this questions and in general a good pass mark was earned. There were very few really good answers and qualified 'explain' which this question required. Most of the candidates listed the appropriate issues in part (a) and the seven key stages in part (b). Candidates did very well in part (b). A small number of candidates provided similar answers in both questions.

### 2. Mark scheme

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(a) Any established disciplinary procedure must be adhered to; it will normally consider the following component parts:

- The employee should be informed about the complaint
  - He/she should be given a chance to explain.
  - He/she should be given an opportunity to improve, except in particularly gross cases of incapability or misconduct.
  - The employee should be warned of the consequences (dismissal) if specified improvements don't take place.
  - Any decision to dismiss must be based on sufficient irrefutable evidence.
  - Mitigating circumstances should be taken into account.
- If a disciplinary interview is necessary, it should contain these steps:
- Get all the facts in advance.
  - Invite the employee to the meeting in writing, and let them know that they have the right to bring someone with them.
  - Give reasonable notice – at least two days.
  - Plan how the meeting will be conducted.
  - Start by stating the complaint to the employee and referring to the evidence.
  - Give the employee plenty of time to respond.
  - Use adjournments to consider the points raised and relieve pressure.
  - Consider what action is appropriate, and then deliver the decision confirmed in writing.

(b) Disciplinary procedures and their operation should be based on the ACAS codes on the subject. Good practice guidance within these requires an organisation to adopt four key procedures where disciplinary action may result in disciplinary sanctions or offences which could lead to terminating the contract. Seven stages are:

- Develop a disciplinary procedure
- Develop disciplinary rules
- Distinguish between conduct and capability
- Conduct investigations
- Operate rules fairly
- Establish a range of disciplinary sanctions
- Allow appeals to be heard

### 3. Recommendations

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Students should read the question more carefully and understand the focus of the question. For example, part (a) focus on the 'issues', part (b) focus on the 'stages' and 'procedures', therefore the answers shall be provided from different prospective.

#### Examiner's tips

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In this question, part a) and part b) carried different marks. Students therefore should appropriate the different amount of time and effort to these two sections to earn better marks.

## Question 7

- (a) Explain why organisations may value having empowered employees.
- (b) Explain the benefits an employee may gain from being empowered by their organisation

### 1. Comments on learners' performance

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This seems to be an area which is dealt with effectively. A large majority were able to earn a pass or better by providing reasons and decent explanations of employee empowerment. A good number produced exemplary answers that deserved to be awarded high marks. On the other hand, there was a similar minority who only provided a simple list without any further explanations. Generally, candidates did well in this question. But the benefits and the reasons listed often needed elaborating and simple statements and list are not enough.

### 2. Mark scheme

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(a) For a leader:

- Empowerment produces faster decision-making, especially in relation to customer-facing issues, where customers may receive responses immediately instead of having to wait until a supervisor or manager is called.
- Empowerment reduces the number of hierarchical levels in the organisation's system, and ultimately may eliminate the need for some levels altogether – thus reducing labour costs.
- Empowerment is consistent with today's thinking about the potential of people, and is antithetical to the type of job design favoured by Taylor.
- Empowerment is welcomed by customers, whose satisfaction levels may thus be greater, thereby, in turn, enhancing the likelihood of customer loyalty.
- Empowerment may even improve the quality of decision-making, because more decisions are made by employees who are closer to the realities of the situation.

(b) For an employee:

- Empowerment may bring increased recognition for employees, especially when their empowered decision-making reflects favourably on the organisation.
- Empowerment enhances job security among empowered employees, because they become more valuable to the business.
- Empowerment makes employees feel better about themselves and their work.
- Thus empowerment may reduce labour turnover and other forms of work-based alienation.
- Empowerment is a form of personal development, and encourages feelings of growth, autonomy and individual responsibility.

### 3. Recommendations

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Students must understand the benefit and the rationale of having empowered employee from both employee and employer point of view. More detailed explanations and in-depth understanding are necessary, rather than only provide a list.

#### Examiner's tips

Getting to know the reasons and the benefits of employee empowerment from both employee and employer perspectives are important.

## Question 8

- (a) Discuss the differences between 'effectiveness' and 'efficiency'.
- (b) Discuss the differences between transformational leadership and situational leadership.

### 1. Comments on learners' performance

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This seems to be an area to be improved. The candidates from most centres were able to demonstrate a basic understanding of leadership by providing sound reasons of some major differences between different leadership styles. On the other hand, some candidates knew about the topic but were not able to differentiate the leadership style. Therefore, those candidates only provided very brief and generic answers and did not earn enough marks to pass. Several candidates mixed up the leadership styles, or didn't provide sufficient descriptions of each leadership style.

### 2. Mark scheme

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#### (a)

- Managers rely on 'position power'. In today's employment setting, employees are no longer so willing simply to obey orders. 'Position power' (French and Raven) is less effective.
- The exercise of managerial authority produces compliance but rarely more. Organisations typically want more from people than mere compliance – they want engagement, commitment, high performance – these less easily secured through management by itself.
- The writ of managerial authority is restricted when the manager is absent. If people are led rather than managed, they will continue to act appropriately even if unsupervised (e.g., when the manager is absent).
- Leadership enables people to cope with flexibility and change – management by rules and procedures only copes with the status quo.

#### (b) Transformational leadership

- "A process by which leaders create high levels of motivation and commitment by generating and communicating a clear vision and, often, appealing to higher ideas and values among followers" (Gill Norris, in Rayner and Adam-Smith, eds, *Managing and Leading People*, CIPD, 2005, p. 52)
- Also motivating others by "transforming their individual self-interest into the goals of the group" (Rosener, 1990)

#### Situational leadership

- This contingency approach suggests a wide range of different but equally valid ways of leading and managing people.
- One situational approach is the Hersey and Blanchard model, which describes various leadership styles for groups or individuals who are at various stages of 'readiness' or 'maturity' to achieve a task – 'readiness' being defined as a combination of ability, willingness or confidence to carry out the task.
- Answers may refer to the Tell-Sell-Consult-Join framework.

### 3. Recommendations

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Candidates should avoid stating generic information of leadership only and should state the differences between different leadership styles more accurately.

#### Examiner's tips

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To understand this area is essential. The candidates should understand the concept, nature and implementation of leadership, as well as the differences and the uses of leadership styles.

## Conclusions

### Information for next sitting / Issues found / Difficult questions or topics

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- Students had low understanding of job design, the differences between different leadership styles.
- A better understanding of different motivational theories and total reward is to be further improved.
- Student shall read the questions carefully and understand the requirements and the focus on the question rather than provide generic answers to all the questions.
- Student shall provide detailed descriptions or explanations following the list they provided. Simple bullet points is not sufficient enough to demonstrate the knowledge and their understanding.