

**ADVANCED LEVEL EXAMINATIONS**

**Leading Managing and Developing People**

**EXAMINER'S REPORT**

**January 2011**

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**Chartered Institute of Personnel and Development**

**Advanced Level Qualification**

**Leading Managing and Developing  
People**

**January 2011**

**27 January 2011 09:50 –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 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.**

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#### 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.**

Clive Stocker has recently been appointed to the post of Group Director of Human Resource Development (HRD) by senior managers at the Geronimo Corporation, a large retail company which runs three chains of fashion stores with a presence on most UK high streets, in shopping centres and on retail parks. The company also operates outlets in airports across Europe and has recently started opening shops in major cities across the world. This is a highly competitive business in which companies can only survive and prosper by keeping a lid on costs while also continually improving the quality of their products and the level of service provided to their customers.

Geronimo employs a thirty-strong team of trainers who are all based at its corporate HQ building in London. Their role is to deliver a variety of training programmes to staff based around the UK and, increasingly, elsewhere in the world. Most of the trainers have been employed by Geronimo for a long time and are well-paid in comparison to equivalents in other companies. While some are excellent at their job, consistently receiving outstanding feedback from trainees, some of the longer-serving members of the team are widely perceived to be uninspiring and out-of-date in their approach. Formal feedback in some cases is poor. Clive's predecessor, who has recently retired, was aware of these problems, but never really got on top of them.

Clive has a general management background, having run a flagship store in Central London very successfully for the past five years. He has no experience of HRD work, but has plenty of ideas about how to restructure and generally shake-up the training team he has inherited with a view to improving both its quality and its value for money. He put forward a two-stage plan at his interview and was given the job as a result. Senior managers have agreed to a £35,000 a year pay rise and have strongly hinted that further promotion opportunities will soon come his way.

The first stage of Clive's plan involves reducing the size of the training team from thirty to twenty. This will be achieved through a compulsory programme of redundancies, the purpose of which is to lose the poorer performers while retaining the services of those who carry out their jobs to a higher standard. To that end he has drawn up a new departmental structure and has written new job descriptions for each of the twenty roles within it. The thirty existing trainers will be invited to apply for the twenty remaining jobs on a competitive basis. He will be interviewing them and will decide who to retain and who to make redundant on the basis of his impressions.

Stage two of his plan will follow a few weeks later. This will involve putting in place new working practices designed to make the remaining members of the training team work more efficiently. Clive plans the following:

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- To move the team to a new open-plan office based thirty miles away in space above one of the stores that the company operates in Kent. No one, except Clive himself, will occupy a single office at the new location.
- The trainers will be expected to operate a hot-desking system. A locker will be provided in which each team member stores personal belongings. No-one, except Clive, will have any designated personal office space.
- New contracts will be issued to all trainers which guarantee no set number of hours work each week. Henceforth the trainers will be employed on a zero hours basis, working as and when required on an hourly rate. Anyone who refuses to sign these terms will be dismissed and offered new terms in accordance with the new contracts.
- A proportion of the team's existing work will be delegated to managers in stores. Further savings will be achieved by introducing more e-learning and by outsourcing the delivery of much health and safety training to external providers.

Clive does not plan to let anyone on the team know about stage two of his strategy until after Stage one is completed. He fears that if he does so, some of the stronger performers on the team will press the company for voluntary redundancy, potentially leaving him with weaker performers to work with. By keeping stage two secret he can engineer the redundancy of the weak trainers, before embarking on his change programme with the remaining team members.

If he is successful, Clive will deliver savings worth hundreds of thousands of pounds over two or three years while also improving the overall quality of training across Geronimo. He will be £35,000 a year richer himself and in line for a major promotion some time soon.

**Answer all four of the following questions, taking care in each case fully to justify the arguments that you want to make.**

- 1. What are the main strengths and weaknesses of Clive Stocker's plans from a practical change management perspective?**
- 2. In what ways might criticisms be made of Clive's proposals from an ethical or professional perspective?**
- 3. What published literature in the form of theory or research might you use as the basis of an argument for taking a different approach to that proposed by Clive?**

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**4. What alternative approach would you recommend was taken and why?**

*It is recommended that you spend an equal amount of time on each of the above tasks.*

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#### SECTION B

Answer FIVE questions in this section, ONE per 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. In recent years several studies have been published which demonstrate a positive link between activity in the fields of Human Resource Management (HRM) and Human Resource Development (HRD) in organisations and superior business performance.
  - i. Explain what approaches to HRM and HRD are most commonly associated with the achievement of superior performance in organisations.
  - ii. Explain why some managers remain unconvinced by the claim that the introduction of these approaches in their organisations will lead to improved business outcomes.

#### OR

2. HR managers are increasingly being required by their organisations to demonstrate not just that they add value through their activities, but also to quantify the value added in financial terms.
  - i. Explain why the requirement to evaluate HR activity using financial measures has become so much more common in recent years than it was in the past.
  - ii. Set out and critique **three** approaches that are commonly used by organisations to evaluate the performance of their HR functions.

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#### **B**

3. It is often argued that managers cannot 'create' a committed workforce, but can help to create the conditions in which commitment can develop and grow, not least by stepping back and letting their staff get on with their jobs without interference.
- i) Evaluate the claim that major business advantages typically accrue when employees demonstrate genuine commitment to the objectives and value systems of their organisations. Illustrate your answer with examples from your own work experience.
  - ii) To what extent do you agree with the view that managers can best foster high levels of commitment from their teams by 'stepping back' and refraining from interfering? Justify your answer.

#### **OR**

4. Recent research (Latham 2007:133-147) suggests that people with some personality traits are more likely to be highly motivated in their jobs than those with different types of personality. In particular it has been found that those who exhibit both high levels of conscientiousness and agreeableness are generally more highly motivated than others.
- i) Explain why people who exhibit both high levels of conscientiousness and also high levels of agreeableness are most likely to exhibit high levels of motivation in the workplace.
  - ii) What practical implications arise from these research findings for HR managers looking to improve levels of motivation among their workforces?

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#### C

5. Some argue that good leadership in organisations only occurs when their leaders are assisted by 'good followers' who are supportive but also prepared to engage in 'constructive dissent' from time to time.
- i) What, in practical terms, might be meant by the term 'constructive dissent'? Illustrate your answer with an example.
  - ii) What steps can organisational leaders take in order to encourage 'good followership' among their teams?

#### OR

6. It is fashionable to claim that there is no single set of qualities that effective leaders possess. Instead, everything is contingent on the situational context within which the leader has to lead. The same leader might be highly effective in one situation, but hopeless in another. Different qualities are thus required to lead in different situations.
- i) Drawing on examples you have observed or read about, explain to what extent you agree or disagree with this view about leadership.
  - ii) What lessons could your organisation learn from contingency theories about leadership when determining its approach to succession planning and management development?

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**D**

7. Managers increasingly view reward management as a strategic activity which can help achieve important organisational objectives.
- i) What in your view are the major objectives that reward systems can help to achieve if they are effectively designed and implemented? Illustrate your answer with examples from your own organisation.
  - ii) Why are managers these days more inclined to define and communicate a clear 'reward strategy' for their organisations than they were in the past?

**OR**

8. HRM and HRD work involves a considerable amount of necessary administrative activity. It follows that doing this work both to a high standard and as efficiently as possible can help an organisation out-perform its competitors.
- i) To what extent do you agree with this point of view? Justify your answer with reference to your own organisation.
  - ii) If it is true that HR administration is both necessary and can help deliver superior performance, why have HR leaders been so keen in recent years to downplay its significance as an HR activity and to stress the strategic nature of HR work?

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#### E

9. Many surveys conclude that HRM in public sector organisations tends to be more bureaucratic in nature than is the case in equivalent sized private sector organisations. Decisions about recruitment, promotions and dismissals take longer to reach, while absence levels remain a good deal higher.
- i) Why is HRM in some public sector organisations characterised by bureaucracy and slow decision-making when compared to HRM in most larger private sector companies?
  - ii) To what extent could a public sector organisation with a high absence rate improve attendance by applying approaches to absence management that are commonly used in the private sector? Illustrate your answer with examples of absence management initiatives.

#### OR

10. 'Best fit' theorists working in the HR field argue that approaches to the management of people should vary depending on the type of business strategy that has been adopted by an organisation. What is appropriate in support of one competitive strategy will be inappropriate in support of another.
- i) In what respects would you advise managers in a small, high class 'boutique' restaurant to pursue different HR policies from managers operating a large chain of canteen-style catering outlets in schools and factories? Justify your answer.
  - ii) What aspects of HRM practice would you recommend were followed in both types of organisation and why?

**END OF EXAMINATION**

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#### Introduction

Only 15 candidates sat this first paper under the new CIPD advanced awards scheme, all from the same centre. It is therefore difficult to draw out too many general lessons or to reach a considered judgement on the effectiveness of the new examination format.

The breakdown of marks was as follows:

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Grade	Number	Percentage of total (rounded up)
Distinction	0	0
Merit	4	26
Pass	5	33
Marginal fail	1	7
Fail	5	33
<b>Total</b>	<b>15</b>	<b>100</b>

So this group of pioneers achieved an overall pass rate of 59%.

The papers were marked and moderated by myself and Krystal Wilkinson.

#### Section A

The main innovation here was the use of a seen case. The candidates received copies ahead of the examination, but did not, of course, know what questions would be asked. Perhaps unsurprisingly the marks were pretty good here as a result. Only three of the fifteen candidates failed to score over 50%, and one of those did not attempt an answer at all.

The case study was focused on Learning Outcome (LO) 4 (flexibility and change) and LO 7 (professionalism and ethics). The first two questions asked for a critique of the approach chosen from a change management and ethical perspective respectively. These were generally answered very competently, candidates resisting the temptation to condemn the steps taken by Clive Stocker outright. Some good, nuanced arguments were developed which balanced business performance needs with employee interests.

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The best answers made appropriate use of thinking in fields such as the psychological contract and also focused as much on the long term issues as on the immediate consequences of the plans. We were not looking for any particular set of points to be made. The more original, thoughtful, credible and well-argued the answer, the higher the marks that we awarded.

Question 3 was intended to be a bit more challenging, in that it required candidates to make use of published research findings as the basis for arguing in favour of a different approach. Some struggled more to write M level answers here, going beyond merely citing a theory or set of research findings to develop a coherent, original argument. The good, merit-level answers were able to outline models such as Lewin's, Kotter's and the CIPD's own model of effective change management, which stress the importance of planning major change carefully and of taking account of the need to bring people with you through the use of effective persuasion. They also pointed out the negative consequences for organisations that have taken alternative approaches.

The final question was more practical. Candidates were simply asked to say how they would approach the task differently. There were plenty of good, strong answers here, although some who had chosen to answer Section B first were a bit rushed. The extent and quality of the justification (the "and why?") were key factors here in determining the final mark.

All in all I think this was a pretty straightforward case which gave strong candidates an opportunity to shine. There had apparently been some coaching ahead of the exam by tutors at the centre – similar research findings were quoted across most answers – but this did not in my view hugely affect the outcome. It remained very clear which candidates could and could not write a good, M-level answer.

#### **Section B**

This unseen part of the paper was a good deal less impressively answered generally, although the strong candidates were able to do very well, demonstrating their knowledge and understanding and developing well-informed justifications to back up their key points.

Each question related to one of the seven learning outcomes and had two parts. The style of question was very much in the same vein as we established in the specimen paper. All were answered by at least two candidates, although some proved a good deal more popular than others.

#### **Question 1**

This tended to be answered very well or pretty poorly. Part i was more straightforward, although it was sad to see that quite a few candidates struggled to identify any 'bundles

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of good practice' or to demonstrate knowledge of 'high performance working systems'. Some appeared to be rather making it up as they went along, rather than drawing on knowledge and understanding of major research studies including CIPD-sponsored research. Part ii was tougher. We were looking here for an acknowledgement of the different perspectives that line managers and HR specialists often have (for example, short versus long term orientation, people-focused versus financially focused objectives etc) which lead some line managers to advocate macho-management approaches in place of those which are more people-centred.

#### Question 2

Only five candidates attempted this, and all but one passed quite comfortably. It is thus difficult to make any meaningful comments about the overall performance. We were looking for answers to Part i which referred to increasing competitive intensity, tighter profit margins and approaches which focus on core parts of businesses. In fact most answers were rather more short term in their approach, discussing the recent recession and developing arguments rooted in their experience of managing HR in difficult economic circumstances. Provided a good answer was given we were happy with that interpretation of the question. Part ii was very straightforward for those who were able to cite three distinct approaches, which was the case here. Candidates discussed benchmarking, balanced scorecards and various tools that measure staff attitudes. Few were able to develop really good critiques, but they nonetheless wrote thoughtfully and knowledgeably about these.

#### Question 3

This was answered by all but two of the fifteen candidates, producing a mixed bag of answers in terms of quality. There was a tendency to waffle a bit, repeating the points made in the question rather than to develop strong lines of original argument. Some answers drifted away from the issue of business advantages to concentrate on exclusively HR-related objectives, while others were more concerned with tools and techniques that are believed to enhance commitment. The best answers were able to draw on concepts such as 'discretionary effort' and to explain how exactly commitment translates into improved productivity and quality of service provision. Where research was quoted to back up the points being made, marks were awarded. Too many, however, failed to do this and also failed to give any of their own organisational examples as was required by the question.

Part ii was intended to be more challenging and that proved to be the case. The strong candidates were able to articulate a good argument here, explaining why 'stepping back' can yield stronger performance than close supervision. A good number, however, did little more here than repeat the idea in the question and said simply that they agreed. Few developed really strong arguments in opposition to the idea or calling for a more nuanced position that strikes a balance between supervision and empowerment.

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#### Question 4

In retrospect this was probably too specific a question to set, being focused so heavily on one piece of research. Neither of the two answers were impressive. The key idea really is that people who are conscientious and agreeable elicit positive responses from managers and colleagues and that this is what acts as the big motivator. The implications are mainly in the recruitment and selection field, the suggestion being that these are the traits that organisations should actively seek in new staff.

#### Question 5

This too proved deeply unpopular. There were only two answers, neither of which were quite of a pass standard. Perhaps the terminology put people off. In fact it was not a difficult set of ideas that we were looking at getting candidates to develop here. It is the straightforward proposition that decisions made by leaders tend to be better if they are first subjected to scrutiny by team members and tested properly. This can only happen if leaders encourage their 'followers' to question them and to dissent from time to time. It is a central idea in research on effective leadership.

#### Question 6

This proved the more popular of the two leadership questions by some margin, producing answers that varied greatly in quality. The best answers were thoughtful and drew extensively on the candidates' own experiences of being led. They also refrained from either wholly agreeing or disagreeing, arguing that some people are able to lead effectively in all manner of situations, while accepting that for others particular types of situation brought out their leadership skills. A feature of the best answers was reference to well-known leaders from history and from the political world. Some used these to great effect when developing their arguments.

Part ii was more challenging. The central point here relates to the way that organisational environments are continually changing, meaning that the type of leadership qualities that we need now may not be those that we need in the future. This needs to be taken account of when developing leaders for the future. The situations may be different. Unfortunately few picked up on this idea and developed points of that kind.

#### Question 7

This proved to be a very popular question. Some did well, but there were also some pretty poor answers presented, particularly in answer to Part ii where again there was an apparent inability to think beyond the recent recession. A particular and very striking weakness more generally was a complete failure on the part of most answers to make any mention at all of the role played by reward systems in attracting and retaining staff. There appeared to be a collective blind spot over this. Answers were much more solid on the use of reward systems to enhance performance, but even here candidates

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sometimes struggled to justify their points with examples from their own experience. On Part ii it would have been good to read some really well-informed answers about the rise of strategic thinking in HR generally and as a result the development of coherent reward strategies. No candidate mentioned the decline of trade unions or collective bargaining at all, none mentioned increased demands on organisations to develop greater efficiency, the delayering of levels of management, let alone skills shortages. Answers were thus rather narrow and disappointing.

#### Question 8

Only two answers here, one pass and one fail. It is therefore difficult to reach any definitive judgements. The idea behind Part i was very straightforward. HR admin is necessary and unavoidable for all organisations, therefore those who do it most efficiently are making a positive contribution to the bottom line and, potentially, to their organisation's long term financial position. Part ii aimed at getting students to debate the wisdom of the recent trend in HR to downplay administrative activities and to play up the strategic side. This was not something that this group of candidates felt either able or willing to do.

#### Question 9

The question was carefully worded to avoid stereotyping all public sector organisations in the same way, but the aim of Part i was simply to elicit answers which showed understanding of the different environments in which public and private sector organisations operate. Despite the creation of internal markets, for most public sector workers the need is to meet government-set objectives and targets in a relatively stable environment, whereas for the private sector things are a great deal more competitive and unpredictable. Points of this kind were made too rarely. Instead there was a tendency to caricature public sector organisations somewhat. Candidates demonstrated a lack of understanding about it – rather naive in many cases. This was evidenced particularly in answers to Part ii where many assumed, for example, that return to work interviews and absence monitoring were exclusively used in the private sector. Again, no-one mentioned trade unions or collective bargaining.

#### Question 10

There were some very impressive answers here as well as one or two that were very disappointing. All we were looking for was a basic understanding of the need to adapt HR practices to the situation that an organisation finds itself in. The objectives that the workforce have to meet in a high-class boutique restaurant relate primarily to quality of service. This requires a great deal of investment in training, reward for attending to detail, plenty of employee empowerment and careful recruitment of appropriate staff. By contrast the canteen is more focused on cost-control, much more fast moving in its operations, will be more heavily supervised and aiming at maintaining an acceptable level of quality rather than maximising it. Part ii by contrast was looking for examples of

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approaches in HRM that are universally applicable and part of the best practice conception such as employee involvement, extensive communication, building high trust relationships, fair dealing etc.

#### **Conclusions**

As was stated at the beginning it is difficult, and probably unwise, to draw too many firm conclusions from this small sample from one centre. Generally though my perception was that the standard of answers is very similar to those that candidates wrote to papers under the old PDS scheme. The new format helps stronger well-prepared and well-informed candidates by giving them greater opportunity to demonstrate their knowledge and to justify their points at length. This may be why there were a good number of merits awarded. It is not, however, particularly helpful to weaker candidates. Nonetheless the seen case should help to build confidence ahead of CIPD exams and thus make candidates less nervous. Hopefully having longer to think about Section B should also reduce nerves and make the paper a better test of overall knowledge and understanding. That said, it is clear from reading these papers that the 'old vices' are still very much there in answers to the new-style questions. Too often candidates lost marks simply because they failed to address the question directly, or missed a part of it such as a request to draw on examples from their own experience.

I will try to reach make more extensive and better informed judgements after the larger May cohort has sat this exam.

**Stephen Taylor**

Chief examiner

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