

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge International Diploma Advanced Level

MARK SCHEME for the May 2011 question paper
for the guidance of teachers

CAMBRIDGE INTERNATIONAL DIPLOMA IN BUSINESS
5175 Human Resource Management, maximum mark 100

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes must be read in conjunction with the question papers and the report on the examination.

- Cambridge will not enter into discussions or correspondence in connection with these mark schemes.

Cambridge is publishing the mark schemes for the May/June 2011 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

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- 1 (a) Describe Head Office's original Human Resources (HR) policy and explain how this changed in 2005. [10]

Level 1 (0–4 marks)

The candidate will quote from the case study..... *strategic decision made by Head Office, which also makes all the strategic human resource decisions... the Human Resource (HR) specialists at each factory make all operational HR decisions, with further delegation to particular line managers for specific issues.* An exact quote will achieve 2 marks.

Level 2 (5–8 marks)

The candidate will either explain **Strategic** purpose: specialist expertise towards the development of the organisation; ability to react to change; handling growth efficiently; and an **Operational** role: right mix of skills; controlling the costs of employment; motivating individuals and resolving conflict; **or** comment on the benefits and drawbacks of the policy. Marks will be awarded at the top end of the band for detailed descriptions.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and also evaluate the effect of the changes for the future of Cukz.

- (b) Assess the effect that the proposed change to the management of HR may have on Cukz Ltd. [10]

Level 1 (0–4 marks)

The candidate will explain the difference between *centralised* and *decentralised*. Without any evaluation or application a candidate cannot move out of this band. *All future operational HR matters will be transferred to Head Office.* An exact quote will achieve 2 marks. Candidates referring to the 2005 change can only gain a maximum of 4 marks.

Level 2 (5–8 marks)

The candidate should explain that the proposal is from a decentralised system to a centralised system. Marks will be awarded at the top end of the band for considering the general effects of these changes such as: motivation; productivity; efficiency; communication.

Level 3 (9–10 marks)

The candidate will produce a Level 2 answer but will evaluate the likely effects of the changes on Cukz.

[Total: 20]

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- 2 (a) Explain the influence that the legal environment is likely to have on the recent proposals of Cukz Ltd. [10]

Level 1 (0–4 marks)

The candidate will identify that some staff will be made *redundant* and *permanent contracts will be replaced by temporary one year contracts*. Contracts will also change *day work system to shift and flexitime working with more casual work*. Payment methods will change *piece rate basis with bonus instead of the present fixed salaries*. An exact quote will achieve 2 marks.

Level 2 (5–8 marks)

The candidate will identify the legislation invoked such as *employment protection; employee rights or pay related legislation*. Further analysis on how the legislation will affect Cukz in carrying out their new policies etc. will move mark to the top of this band; – *removal of sick pay, changes in contracts, changes of pay and conditions*.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and evaluate likely issues arising from the changes or mention age discrimination issues such as the age of the workers.

- (b) Discuss the effect that the local labour market and external organisations might have on the plans of Cukz Ltd. [10]

Level 1 (0–4 marks)

The candidate will refer to the *local labour market: skills required for the production of farming tools not available in the area; high percentage of unskilled labour predominantly in the age range of 50 to 60*. Other organisations – *The 'Association of Farming Tools Manufacturers' and the 'Local Chamber of Commerce'*. An exact quote will achieve 3 marks.

Level 2 (5–8 marks)

The candidate will provide an **explanation** of both the local labour market and the other organisations. At the top end of the band an attempt will be made to consider how the labour market and the different organisations could affect Cukz.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and analyse the impact of concerns such as not following industry standards, provoking widespread trade union action.

[Total: 20]

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- 3 (a) Explain the alternative approaches Cukz Ltd. might take to reduce the number of workers at the cooking utensil factory. [10]

Level 1 (0–4 marks)

The candidate will produce a list: *resignation; retirement; redundancy; mutual agreement; dismissal*; or a description which concentrates on one method or inaccurately mentions a few methods.

Level 2 (5–8 marks)

The candidate will accurately describe each of the alternative methods of ending contracts. At the top end of the band candidates will provide a detailed description of redundancy procedures.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and analyse the options available Cukz Ltd, with special reference to the age of employees.

- (b) Describe the proposals that Cukz Ltd. have made for different employment contracts at the cooking utensil factory. [10]

Level 1 (0–4 marks)

The candidate will identify the proposal that: *all workers are currently on permanent contracts but these will be replaced by temporary one year contracts that will be reviewed at the end of each year*. An exact quote will achieve two marks. Mention of working patterns alone is worth one mark.

Level 2 (5–8 marks)

The candidate will describe the two different types of contracts proposed and consider the changes to **methods of payment** and **working patterns**. At the top end of the band the candidate will discuss how workers might react to the changes and the possible impact on production.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and also evaluate the increased flexibility for Cukz and their production, and look at the impact on the work force's motivation with reduced employment security.

[Total: 20]

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- 4 (a) Discuss the effect of removing the information, consultation and negotiation systems at the cooking utensil factory. [10]

Level 1 (0–4 marks)

The candidate may simply describe systems for communication or resolving conflict. Answers will refer to loss of worker motivation and poor future communication via noticeboards only.

Level 2 (5–8 marks)

The candidate will produce a general answer describing how the different systems can aid communication/resolve conflicts. At the top end of the band the candidate will discuss the union position that ***an open system of communication and a formal consultation and negotiation system, could avoid any bad feeling or loss of jobs, thus maximising the company's production and minimising their costs.***

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and analyse the probability of reduced or inferior communication; increased incidence of disputes; disruption to production; etc.

- (b) Explain the potential impact of changing the working patterns at the cooking utensil factory. [10]

Level 1 (0–4 marks)

The candidate may identify the different working patterns. ***The current day work system will be changed to shift and flexitime working with more casual work.*** An exact quote will achieve 2 marks.

Level 2 (5–8 marks)

The candidate will explain the loss of job security from casual work and the unsociable hours in shift work. Examples of working hours may be provided. At the top end of the band candidates will explain the benefits of each change to both Cukz Ltd and its employees.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and also propose the need for greater flexibility to produce and respond to market needs or evaluate how flexitime may be preferable for some employees.

[Total: 20]

Page 6	Mark Scheme: Teachers' version	Syllabus
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- 5 (a) Explain the proposals to change the methods of payment and reward. [10]

Level 1 (0–4 marks)

The candidate will list different methods of payment. *Staff will now be paid on a piece rate basis with a bonus for achieving production targets instead of the present fixed salaries. Sick pay and all fringe benefits such as subsidised meals and reduced rates for the company's products will be stopped.* An exact quote will achieve 3 marks.

Level 2 (5–8 marks)

The candidate will explain the different methods of payment and reward as stated in the case study. At the top end of the band examples showing how the different payment methods and rewards operate will be provided.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and consider the effects of the proposals on the workers at Cukz.

- (b) Analyse the effects that all of the proposed changes by Cukz Ltd. might have on the motivation of the workers at the cooking utensil factory. [10]

Level 1 (0–4 marks)

The candidate may list generic factors affecting motivation: *working conditions; job satisfaction; working relationships; recognition; leadership style.* Or discuss the topic of motivation or discuss how workers might react to the changes.

Level 2 (5–8 marks)

The candidate will describe motivation in general but there will be some reference to aspects such as working conditions; job satisfaction; working relationships; etc. More able candidates will link the topic and factors of motivation to each of the changes that are planned.

Level 3 (9–10 marks)

The candidate will provide a Level 2 answer and make recommendations how Cukz could improve motivation.

[Total: 20]