

**UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS**  
Cambridge International Diploma Advanced Level

**MARK SCHEME for the October 2009 question paper**  
**for the guidance of teachers**

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

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

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**1 (a) Explain how the Head Office of COplc can continue with the strategic purpose of HRM. [5]**

**Level 1 [0–3 marks]**

The candidate will quote the strategic purpose without answering the question OR attempt to answer the question but will omit the strategic purpose or makes errors.

**Level 2 [4–5 marks]**

The candidate will answer the question and understand that the strategic purpose (handling growth efficiently; ability to react to change; specialist expertise to the medium and long term development of the organisation) is a central function rather than an operational function best handled at the operational bases.

**(b) Explain what the consultants mean by the phrase “the changes that are taking place in HRM”. [5]**

**Level 1 [0–3 marks]**

The candidate will quote the phrases used in the report OR may become confused between the changes taking place in HRM and the changes proposed for COplc.

**Level 2 [4–5 marks]**

The candidate will correctly explain the changes that have and are taking place in HRM (welfare, contracts, technology/training, working structures, work centred) and that COplc should adopt some or all of these.

**(c) Explain why the consultants believe that the operational purpose of HRM needs to be carried out locally. [10]**

**Level 1 [0–4 marks]**

The candidate may quote the statement in the case study; make a vague reference to the plants being all over the world; talk about different recruitment/selection; begin to explain the operational purpose.

**Level 2 [5–8 marks]**

The candidate will begin to put some of the options in Level 1 together. They may explain what the operational purpose is and that the local labour markets are different in each location; they may cite some aspects of the operational purpose and the need to recruit and select.

**Level 3 [9–10 marks]**

The candidate will put more than two aspects together – operational purpose includes the right mix of skills, knowledge and experience; the plants are across the world; the local labour markets are very different; recruitment and selection are therefore important in a local context.

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**2 (a) Explain the concept of lifelong learning in the context of COplc. [5]**

**Level 1 [0–3 marks]**

The candidate may list a series of training or explain this in a non-technical manner. They may simply describe training or explain lifelong learning without mentioning COplc.

**Level 2 [4–5 marks]**

The candidate will explain the concept of lifelong learning in the context of COplc – the constant changes in technology requiring new skills and making other skills redundant; requiring a regular update and adaptation of knowledge and skills.

**(b) Describe the differences and similarities between the labour market at Plant 1 (South America) and Plant 2 (North Africa). [5]**

**Level 1 [0–3 marks]**

The candidate will only describe the difference OR the similarities. They may attempt to do both but there will be errors.

**Level 2 [4–5 marks]**

The candidate will correct describe BOTH the similarities and the differences. Skill levels, age range & size – different; gender – the same; working sector – unknown in North Africa.

**(c) Explain the *effect* of the differences in the labour market faced by COplc in Plant 1 (South America) and Plant 2 (North Africa). [10]**

**Level 1 [0–3 marks]**

The candidate may attempt to quote the statements made in the case study or make a vague reference to the plants being in different parts of the world or try to describe the different types of labour available. The explanation or description will be weak with errors/omissions.

**Level 2 [5–8 marks]**

The candidate may accurately quote the statements made in the case study or will accurately note the differences in the labour market of the two plants. At the top of this band an attempt will be made to explain the *effect* of some of the differences.

**Level 3 [9–10 marks]**

The candidate will accurately explain the differences noting the size, skill level, age, education and locality of the labour force and the effect that may have – e.g. difficulty filling all jobs (size), difficulty filling some of the more technical positions (skill level), work rate and adaptability (age), the ability to train and develop new skills (age and education). These are suggestions and not an exhaustive list.

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**3 (a) Explain why COplc needs HR planning. [5]**

**Level 1 [0–3 marks]**

The candidate may repeat the statements made in the case or try to explain what HR planning actually means.

**Level 2 [4–5 marks]**

The candidate will clearly understand what HR planning means and explain the fact that with the changing needs of the industry COplc will need to forecast the future demand and supply of labour.

**(b) Explain the difference between the use of a redundancy policy and the use of fixed-term contracts. [5]**

**Level 1 [0–3 marks]**

The candidate will try to explain both of the above poorly or one well. A comparison will not be made.

**Level 2 [4–5 marks]**

The candidate will clearly understand and explain both redundancy and a fixed-term contract. They may state that redundancy is the forced end of a contract, any contract, whereas a fixed-term contract has a pre-determined end date.

**(c) Explain how the two strategies outlined by the consultants might help COplc to combat the growth of technology. [10]**

**Level 1 [0–4 marks]**

The candidate may quote the strategies outlined in the case study or make a vague reference to the need to change or train staff. There will be no link to COplc.

**Level 2 [5–8 marks]**

The candidate will explain two of the strategies well or all four poorly. There will be errors and omissions but a link will be made to COplc.

**Level 3 [9–10 marks]**

The candidate will explain fully at least three of the strategies outlined and link these to COplc and the changing technology which create changing labour needs – redundancy; fixed term contracts; investigating the age profile; lifelong learning.

**4 (a) Describe two working structures that COplc might use. [5]**

**Level 1 [0–3 marks]**

The candidate will explain the territorial (geographical) and functional structures or other structures such as permanent/temporary incorrectly.

**Level 2 [4–5 marks]**

The candidate will accurately explain the product and matrix structures or permanent/temporary project/task structures.

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**(b) Explain how COplc might use TQM. [5]**

**Level 1 [0–3 marks]**

The candidate will briefly explain TQM with errors and omissions.

**Level 2 [4–5 marks]**

The candidate will accurately explain TQM.

**(c) Explain in detail how COplc presently determines the wage and salary levels of its staff. [10]**

**Level 1 [0–4 marks]**

The candidate may quote the statement made in the case or use some of the payment methods listed in the case such as fixed, piece rate and share option. A weak attempt at explaining competition or market forces may be presented.

**Level 2 [5–8 marks]**

The candidate will begin to explain the concepts of market forces and competition. There will be errors and omissions but the ideas of demand and supply will be implicit at the top of this band.

**Level 3 [9–10 marks]**

The candidate will accurately and fully explain that in a competitive market the competition for workers determines both the demand and the supply. This 'market' determines the wage rate.

**5 (a) Explain how the following schemes might operate:**

**(i) a piece-work payment; [2]**

**(ii) a share option scheme. [2]**

**1 mark**

The candidate will explain the system poorly with errors and omissions.

**2 marks**

The candidate will accurately explain the system. [2 × 2 marks]

**(b) Explain the benefits of using external trainers. [6]**

**Level 1 [0–3 marks]**

The candidate will explain what an external trainer is or list a few benefits.

**Level 2 [4–6 marks]**

The candidate will explain at least three benefits such as teaching experts, up to date knowledge, no disruption to work, external viewpoint accurately.

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- (c) Explain why the establishment of formal consultation and negotiation systems would benefit COplc. [10]

**Level 1 [0–4 marks]**

The candidate will explain what a formal consultation or negotiation system is. Some examples may be quoted. Errors and omissions will exist.

**Level 2 [5–8 marks]**

The candidate will accurately explain a type of consultation and negotiation system and how it operates. Reference to COplc will be made. Implicit will be the benefits to COplc but candidates could also recognise problems.

**Level 3 [9–10 marks]**

The candidate will produce a level 2 answer but the benefits to COplc will be explicit, clear and accurate with clear reference to the purpose of resolving conflict.