



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge International Diploma in Business
Advanced Level

HUMAN RESOURCE MANAGEMENT

5175/01

Optional Module

October 2013

2 hours plus 15 minutes' reading time

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt **all** tasks.

Start each task on a new piece of paper.

Please leave a margin on the right and left hand side of each new page.

At the end of the examination, fasten all your work securely together, in the correct order.

The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **4** printed pages.



You must read the case study below and attempt ALL of the tasks which follow.

(This case study is fictitious.)

Global Mining and Exploration Company

The Global Mining and Exploration Company (GME) is a relatively new business that plans to operate mines and process mineral resources from operations across the world. National governments issue licences to authorise businesses to extract mineral resources in their country, and these are only likely to be given to businesses with an excellent reputation. Manuel has recently been appointed as director of Human Resource Management (HRM) at GME and he will be responsible for devising policies and strategies that will improve the management of human resources. 5

GME will be expected to provide details of its policies and objectives to different national governments. This is necessary to convince them that it is a reputable business and for them to issue it with operating licences. Manuel is currently preparing a mission statement to specify both the operational and strategic purpose of HRM in GME. Some government departments have a very out-dated impression of what HRM involves, so Manuel also intends to prepare a summary of how HRM has developed into its current form. 10

Most of the minerals in GME's mines tend to be fully extracted in less than two years; some are operational for a few months only. Although modern technology for mineral extraction is widely used, and is continually improving, GME's work is unusual in that the workforce need to be skilled in the use of complex machinery, but also need to be physically very strong. The nature of the work is dangerous and, partly because of this, a number of other organisations or groups usually exist within each country which monitor and influence GME's activities. 15

Before GME is granted operation licences, most governments will expect to see evidence of GME's employment records relating to its previous operations and its approach to human resources planning. Most governments would like GME to offer employees permanent full-time contracts but GME generally finds that this type of contract is not the most suitable. Employees tend to leave when the mine is exhausted and is closed down. GME often has problems dealing with staff caught stealing some of the smaller, valuable minerals that are mined. 20 25

As the machinery used in the mines is very expensive, GME require the mines to be operating for 24 hours a day, 7 days a week, in order to get full value from this investment. Experience has shown that miners operate most efficiently in small teams that are allocated targets for the amount of materials to be mined. In some countries there have been disputes between team members and their managers, so Manuel has also been asked to prepare suitable problem solving mechanisms. Teams do not always achieve their production target as the amount of minerals available in each section of the mine cannot always be accurately predicted. 30

Manuel feels that the system of payment and rewards offered to workers needs to be re-evaluated to ensure that workers are paid a reasonable amount but also that they have some financial incentive to work harder. Fringe benefits are not offered as they are not considered suitable for the type and duration of the work. GME currently trains its own staff on how to use the machinery, and Manuel is considering if this is the most suitable method of training. 35

You must attempt ALL of the following tasks.

Where appropriate use information from the case study to support your answer.

- 1 (a) Manuel is preparing a mission statement to specify both the operational and strategic purposes of HRM at GME.
- (i) Suggest suitable content for a mission statement on the operational and strategic purposes of HRM. [6]
- (ii) Provide examples of how the operational purposes would be relevant to GME. [4]
- (iii) Provide examples of how the strategic purposes would be relevant to GME. [4]
- (b) Explain how HRM has developed into its current form. [6]
- [Total: 20]**
- 2 (a) GME uses technology that is frequently being updated and improved.
- (i) Describe how technical change influences HRM at GME. [4]
- (ii) Describe the main features of the employment market that GME operates in with regard to the usual type of employee required. [6]
- (b) Explain, using examples, what role the 'other organisations or groups' will have with regard to HRM practices at GME. [4]
- (c) Explain how legislation relating to HRM practices could affect GME. [6]
- [Total: 20]**
- 3 GME's mines are usually only in operation for one to two years and this is a significant factor when deciding which types of employment contracts to issue to staff.
- (a) (i) Describe the different types of employment contracts. [6]
- (ii) Recommend which type of contract would be most suitable for GME. [4]
- (b) (i) Describe the different ways of ending employment contracts that GME could use. [6]
- (ii) Explain the procedure GME should use to end contracts for staff caught stealing. [4]
- [Total: 20]**

- 4 (a) (i) Identify the **five** different working patterns that exist for organising work. [5 x 1 = 5]
(ii) Describe how effective **each** of the working patterns would be for GME. [5 x 1 = 5]
(b) Describe how a grievance procedure could operate at GME. [4]
(c) Give examples of suitable standards, targets, key accountabilities and key competences that could be used for measuring and monitoring the miners' work performance at GME. [6]
[Total: 20]
- 5 (a) The method of payment and reward that GME offers employees has been determined by a number of factors.
(i) Explain which methods of financial payment would be most appropriate for GME to use. [4]
(ii) Evaluate which fringe benefits employees would find most useful at GME. [6]
(b) Explain the main objectives in providing training and development to employees. [4]
(c) Describe how the nature of the work in the mines contributes to motivation. [6]
[Total: 20]

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