CIPFA

LEADERSHIP AND MANAGEMENT

Diploma stage examination

12 December 2006

From 10.00am to 1.00pm
plus ten minutes reading time from 9.50am to 10.00am

Instructions to candidates

*Answer all **three** questions.*

Question 1 carries a total of 40 marks.
Question 2 and 3 each carry a total of 30 marks

Where a question asks for a specific format or style, such as a letter, report or layout of accounts, marks will be awarded for presentation and written communication.

AT THE HEART OF
YOUR CAREER

1

At her annual appraisal, Liz Proctor was discussing development needs with her line manager, Bob Roffey. Bob had recently been promoted and this was his first 'round' of appraisals since being in his new post. "It says here that objectives have to be SMART, so we can work to that framework in our discussions about you," he said. In line with a new strategy in the organisation, a directive had been passed down from the Board that all appraisals should include an element of aligning each role in the organisation with the overall strategy.

"I've done quite a few of these now," Bob explained to Liz as he began the appraisal meeting. He explained how he had found a number of different attitudes among staff not only to the appraisal meeting but also to the agreement of targets and objectives. "Some people seem keen to negotiate ambitious objectives for the year ahead and others seem more keen to lower my expectations of them."

Liz explained some of the things that she felt had been good over the past year and some things that she felt could have prevented her from being more effective in her job. Some of the people in her department, she explained, were good to work with because they were self-motivated and driven, whilst others seems more concerned with talking when they should be working and doing as little work as possible when at their desks. Liz described how these people annoyed her and sometimes prevented her from making as much progress in her work as she wanted to. Bob listened carefully as Liz spoke. "Which sort of worker are you?" he asked.

- **Requirements for question 1**

(a)   Explain the meaning of the term 'idiographic' and explain why individual appraisals are idiographic in nature.   *6*

(b)   Explain five benefits of appraisals to an organisation.   *10*

(c)   Describe and evaluate the usefulness of the SMART framework in performance appraisals.   *10*

(d)   Explain McGregor's assumptions about workers in organisations and how these might affect Bob Roffey's approach to the process of appraising his staff.   *14*

(40)

2 Beryl Rapley found out about changes to the responsibilities of her department through a chance conversation in the canteen with Dorothy Smith. As a department head, Beryl thought that she should be told about any changes through official channels and not through chance meetings. Dorothy herself said she couldn't remember where she had heard, but that she was sure the rumour was true.

Beryl, head of social services at Peterhood local authority, went to see Horace Schofield, the CEO. Horace explained that it was very difficult to keep discussions and planned changes confidential because of the need to consult widely on any changes and involve as many stakeholders as possible. "So many people are involved in any change that formal channels can sometimes get confused with informal ones. Sorry if you've been upset by things."

Beryl complained that despite Horace's talk about wide consultation, she didn't remember being consulted herself about the proposed changes. "As head of department, you have to admit that I am a stakeholder, Horace," she complained.

- **Requirements for question 2**

(a) Horace mentioned formal and informal channels. Explain the nature of 'formal' and 'informal' organisations. *8*

(b) Describe the advantages and disadvantages *to the organisation* of consultation with regard to a matter such as the changing of departmental responsibilities as described in the case. *8*

(c) Briefly describe each of Fayol's 14 primary principles or functions of management. *14*

(30)

3 Gibside local authority had suffered from shortages of key workers in some of its main service departments for many years. Although many advertisements had been placed for people, applications had been small in number and, in most cases, inadequate in what the Diane Evans, the HR manager, called "quality." There had also been issues with the retention of staff, especially in the lower pay bands. Diane had a suspicion that one reason for the problems with staff turnover was some individual managers' management styles.

At a senior management meeting, a number of department heads asked Diane to examine the reasons for the recruitment and retention problems. "Can you explain why we aren't getting enough applicants from the adverts we place?" asked Andy Barnes, one of the department heads. "We follow the same set of procedures whenever we make an appointment," Diane said. "I can only imagine that local labour market conditions don't provide enough on the supply side."

In response to this, Andy drew Diane's attention to an advert that had attracted no applicants at all. It was for a relatively senior and experienced person. "Was this job correctly specified? Something must have been wrong to get no applicants at all," Andy said.

"Let me ask you some questions," said Diane, turning the questioning round to her colleagues. She went on to ask colleagues about whether or not it was possible that the way they managed their staff could have any effect on levels of satisfaction and motivation. "Could we be struggling to keep people because of the way we manage them? There is more to management than just imposing targets and measuring against them," she said.

- **Requirements for question 3**

(a) Explain what Andy meant when he asked, "Was this job correctly specified?"   *6*

(b) Briefly describe the normal set of procedures involved in an appointments process.   *6*

(c) Explain, with reference to the case scenario as appropriate, the meaning of the terms 'scientific management' and the 'human relations' theory of management. Describe how these might be relevant to the problem of staff retention in a local authority such as Gibside.   *12*

(d) Critically evaluate the use of performance targets in public sector organisations.   *6*

(30)