

# MANAGEMENT

**Professional 2**  
**December 2000**

# MARKING SCHEME

### **Marking scheme statement**

It is unlikely that the candidate will include all the issues identified in the suggested solutions, and in fact may raise many other, equally valid points. The marker should use their discretion when marking. However, it is important that marks given for a specific section do not exceed that section's allocated mark.

Additionally, any points raised that are not in the suggested solution must be relevant to the question. This is particularly important if the question refers to, for example, providing a solution to a problem with limited resources and the candidate's answer requires massive investment.

A candidate may make a number of assumptions at the beginning of their answer. Providing they appear appropriate then the marking scheme may be adjusted accordingly. However, the marker must be aware of the candidate who deliberately misinterprets a question to enable them to produce a more simplified answer, or a completely different answer from what is required.

Generally one mark should be awarded for each point made. However, consideration must be given to the relevance of the point and depth of answer.

Many of the answers are required in a specific format, e.g. a report, memo, etc. This is seen as good practice only for Professional 3. Unless specific guidance is given from CIPFA Education and Training Committee, no marks should be added or deducted for meeting or failing to meet this requirement.

### **Note from the authors**

Management is not an exact science, and therefore how a particular situation is resolved is not always going to be the same, or an individual response to a given situation may be different from another person.

This can cause a number of problems for examiners and candidates in an examination such as this. Nevertheless, the questions have been deliberately worded to try and provide a degree of reality. This, in the confines of an examination question, is not always possible. Therefore, some of the scenarios are a little false, and the answers do not always seem to take account of the day-to-day problems associated with management – the subject under examination!

To try to overcome this problem the suggested solutions are only to be treated as guidelines for the marker. It is important that a degree of flexibility is maintained at all stages of the examination process.

Finally, all the questions (and suggested solutions) are based on the CIPFA Open Learning Material. At the beginning of each suggested solution is the Open Learning Material Study Unit reference.

The authors would be grateful for any comments or observations in respect of this examination paper, the suggested solutions and marking scheme.

**Suggested solution to question 1 (SU21)**

**Aims of the question**

- To determine the candidate's understanding of the importance of allowing an appraisee to discuss their work and how an appraiser may encourage them to do so.
- To examine the candidate's understanding of the importance of constructive criticism and how this should be carried out.

**General**

There have been a number of questions concerning appraisal interviews on past papers. The majority have not been as specific as this. The question is concerned with only two areas: the appraisee discussing their work, and giving constructive criticism.

Although the requirement is clear, some candidates may discuss appraisal interviews in general or drift away from the question requirements. For example, discussing the importance of allowing the appraisee to give feedback concerning objectives, which whilst important is not what the question asks. Candidates should not receive marks unless they address the specific requirements of the question.

**Suggested solution**

(a)

Although the main objective of appraisal is to provide feedback, in most circumstances it's good practice to encourage the appraisee to talk about their work early on. This lets them know that they are allowed to talk, and that they're entitled to contribute to the interview. It can also be useful to get them to reveal their own assessment of their performance. If your assessment and theirs are going to be radically different, it's best to be aware of this as soon as possible; and even if they're not, it'll tell you how much detail you're going to have to go into when conveying your own assessment.

*1 mark for each point made up to a maximum of 3*

The environment should be non-intimidating. The room arrangements and your body language should be relaxed. There should be specific time given. You should have undertaken some research into the background of the appraisee; for example you need to be aware of their current qualifications, training and development, objectives and targets, levels of sickness. Additionally you should have read previous appraisal notes. Confidentiality, Advance Notice and Open questions.

*1 mark for each point made up to a maximum of 3*

To encourage them to specifically discuss their job you could prompt the appraisee by asking questions such as:

- Their feelings about the job
- What situations cause them problems
- Their use of time
- What parts of the job they find interesting
- Their relationships with superiors and subordinates
- Their achievements in the job
- Their under-achievements in the job
- How they think the job could be improved

*½ point for each point made up to a maximum of 4*

*(10)*

(b)

Criticism should always be directed towards the improvement of performance. For example, if objectives haven't been achieved, it's necessary to explore why. It may be that circumstances have changed, or resources haven't been available. Or the appraisee didn't have the skills to complete the task or couldn't get co-operation from colleagues. Once the reasons are understood, they may reveal a need for action. In this way, an open and constructive discussion of problem areas can lead to improved performance. It's important for the appraiser to spend time prior to the appraisal interview becoming familiar with the environment the appraisee works in. Possible demotivational effects and Confidentiality.

*1 mark for each point made up to a maximum of 5*

The main points that should be considered when giving criticism are:

- Criticise performance, not the individual
- Criticism is not an end in itself, but to improve performance
- Feedback should be factual
- Ask questions rather than make statements
- Restrict yourself to key issues
- Focus on things which can be improved rather than things that cannot
- Provide positive feedback as well
- Do not form opinions or conclusions without evidence
- Do not patronise or use over elaborate language
- Do not seek excuses, but you must consider circumstances

*½ mark for each point made up to a maximum of 5*

*(20)*

## **Question 2 - suggested solution (SU 7)**

### **Aims of the question**

- To determine the candidate's understanding of the theories that describe and sometimes categorise individuals' personalities.
- To assess the candidate's ability to recognise the difference between passive, assertive and aggressive characteristics.
- To assess the candidate's understanding of the limitations of personality testing as a method to determine future performance.

### **General**

The questions could have been asked without the scenario. However, by reading the scenario it puts into context the subject matter without leading the candidate towards a specific answer. Most candidates should recognise the type of behaviour and/or the way that behaviour is arbitrarily categorised.

The requirement is reasonably straight forward, although some candidates may not recall the specific names given to the theories, nomothetic and idiographic, but should be able outline the theories in question.

Part (c) specifically asks why a personality test alone cannot predict future performance. It does not ask for a description of personality testing or the benefits of personality testing.

### **Suggested solution**

(a)

#### **Nomothetic Approach**

The nomothetic approach stresses the importance of types and traits. A type is a predetermined personality category into which people fit if they possess certain common patterns of behaviour. A trait is a habitual pattern such as always being untidy or late.

/

Hans Jurgen Eysenk devised a personality theory involving types and traits. He reasoned that where particular character traits predetermined in an individual, forming a cluster, then this individual could be characterised as a particular type. The types that he identified were extrovert (tough minded, needed strong and varied external stimulation, optimistic, aggressive); introvert (introspective, reserved, appreciated order, reliable); the neurotic (worried, pessimistic, not self-reliant, submitted to order easily) and stable (self-confident, resisted irrational fears, realistic, solved own problems).

*½ mark for each type up to a maximum of 2*

The nomothetic approach is based on the assumption that personality is primarily inherited. *1*

### **Idiographic Approach**

The idiographic approach, by contrast to the nomothetic approach, seeks to do justice to the uniqueness and complexity of individual personality. It is based on the fact that individuals possess unique character traits that cannot be compared with anyone else's, and it believes that we can adapt our behaviour patterns in line with our experience and what is expected of us by society. In this context, George Herbert Mead argued that the self has two components, the:

*1*

**‘Me’** This reflects the norms and values of society that the individual learns and accepts; and the

**‘I’** This reflects the unique, individual conscious and impulsive aspects of the individual. *2*

Patterns of socially acceptable behaviour are specified in very general ways so there is plenty of room for people to show flexibility, individuality, originality and creativity. *1*

*(8)*

**(b)**

### *Characteristics*

#### **Passive Person**

1. Has rights violated
2. Is taken advantage of
3. Does not achieve goals
4. Feels frustrated, unhappy, hurt and anxious
5. Inhibited and withdrawn
6. Allows others to choose for him/her

*½ mark for each point up to a maximum 3*

#### **Assertive Person**

1. Protects and respects the rights of others

2. Achieves goals without hurting others
3. Feels good about self
4. Has appropriate confidence in self
5. Socially and emotionally expressive
6. Chooses for self

*½ mark for each point up to a maximum of 3*

**Aggressive Person**

1. Violates rights; takes advantage of others
2. May achieve goals at expense of others
3. Defensive and belligerent
4. Humiliates and deprecates others
5. Explosive; unpredictably hostile and angry
6. Intrudes on others' choices

*½ mark for each point up to a maximum of 3*

(9)

(c)

It has shown itself to be impossible to predict an individual's performance in a particular job based on personality tests alone. While these provide some useful insights, the quality of an individual's work will depend on a range of factors including:

- Motivation
- Ability
- Training
- Management style
- Type of work
- Working conditions

*½ mark for each point up to a maximum of 3*

(20)



**Question 3 - suggested solution (SU18)**

**Aims of the question**

- To determine the candidate's understanding of proactive personnel management and reactive personnel management.
- To assess the candidate's understanding of any dangers to an employee of an employer requesting personal information from that employee.
- To determine the candidate's understanding when support or well meaning interest can be viewed as an invasion of privacy.

**General**

This question is a departure from the scenario-based question that has become a common feature of this paper. However, this area has not been examined previously and without an over elaborate scenario it would prove difficult to do so.

The style should not cause problems for the candidate as this approach is taken in most other examinations at this level.

The questions should not leave the candidate in any doubt about the requirements, but could be perceived as quite difficult. However, providing the candidate has read through the Open Learning Material there should be no problem in answering the question.

**Suggested solution**

(a)

Being reactive would mean dealing with problems of recruitment, redundancy, pay and conditions and so forth, as they occur; being proactive would mean planning ahead so that problems do not occur, and that things might actually be improved. This distinction between a proactive and a reactive approach to the management of people is a very important one for the organisation particularly in achieving long-term objectives of the organisation.

*1 mark for explaining reactive management and  
1 mark for explaining proactive management up to a maximum of 2*

Proactive management (examples)

- Estimating staff needs for future years
- Agreeing a grievance procedure
- Working out a programme of staff reduction
- Training staff in appraisal techniques
- Agreeing a process for pay negotiations

*1 mark for each example given up to a maximum of 3*

Reactive management (examples)

- Recruiting staff to meet an increased workload
- Conducting an appraisal programme
- Dismissing staff for reasons of redundancy
- Negotiation with a union over a pay claim
- Dealing with staff grievances
- Remedying unsafe working conditions

*1 mark for each example given up to a maximum of 3  
(8)*

(b)

The reasons for an employee wishing not to divulge personal information may be:

They do not wish to be categorised, for example:

- Coming from a poor background
- Coming from a privileged background
- Living in a bad neighbourhood
- Being an 'anorak'

It may lead to discrimination, for example:

- Religion
- Single parent
- Political belief
- Previous convictions.

Impacts of legislation, for example:

- Data Protection
- Human Rights.

*1 mark for identifying an issue and 1 mark for each example up to a maximum of 4*

(c)

Advice.

- Each case has to be considered in its own right – what is seen as support in one instance may be seen as an invasion of privacy in another
- Remember that an organisation does not own its employees
- Be aware that everyone needs a life outside of their work
- All employees need to get away from work and work colleagues at some time
- Be clear about the organisation's policies regarding employee privacy
- It may be appropriate to refer the employee to your senior manager or the Personnel department if you feel your position may be compromised
- Treat all employees fairly and openly, be aware of support being seen as favouritism and so offending that person
- Restrict your support to work based activities, preferably in the work place.
-

*1 mark for each point raised up to a maximum of 8  
(20)*

**Suggested solution - question 4 (SU5)**

**Aims of the question**

- To assess the candidate's ability to identify and explain the elements that determine the culture of an organisation.
- To examine the candidate's understanding of the main types of organisational culture (as identified by Charles Handy 1993).
- To assess the candidate's ability to identify a culture from a scenario and identify the problems that an organisation with that culture may face.

**General**

Part (a) and Part (b) largely rely on the candidate's ability to recall the main elements and types of organisational culture and then outline the points in a structured manner.

Part (c) requires the candidate to determine from the scenario the type of organisational culture the Trust has, and identify any problems the candidate's firm may face. This part of the question is much more challenging, as it is not clear from the scenario which single type of culture dominates or how that type of culture was formed – more closely related to real life. Clearly, answers will differ, but the main consideration for markers is a clear identification of the main factors that form the type of culture and recognition of the problems the firm will have to overcome.

The question provides a balance between recognised theory and interpretation of that theory.

**Suggested solution**

(a)

There are five elements of organisational culture. Four of the elements *stories and myths*, *rituals and symbols*, *leadership and management* and *structure and systems* are focused on the fifth, *values and beliefs*. (See diagram, Open Learning Material SU 5, P38.)

**Values and Beliefs**

An organisation's values shape its beliefs and assumptions and permeate all the other components of its culture. Values are at the heart of an organisation's own particular recipe for success.

**Stories and Myths**

An organisation's ethos is often expressed in its own peculiar stories and myths – sometimes known as folklore. (The organisation's history and significant dramatic events.)

An organisation's heroes (and villains) communicate much about its beliefs and ideals.

### **Rituals and Symbols**

An organisation will have its own rituals and symbols, which may include such things as corporate image promoted internally and externally, dress codes, company jargon, forms of address, types of celebrations, ways of creating esprit de corps etc. These indicate the types of behaviour that are expected and rewarded within the organisation, and dominate attitudes towards its significant stakeholders.

### **Leadership and Management Style**

Organisational culture is frequently determined at the top of an organisation, and leadership and management style are important channels for disseminating it. Leaders' behaviour will communicate a range of beliefs and assumptions about the organisation's priorities and about employees and their needs and motivation.

### **Structure and Systems**

The organisation's structure and systems are key components in creating and maintaining organisational culture. They indicate whether the organisation promotes collaboration or competition, whether it prefers communications to be open or more strictly controlled, whether it prefers a hierarchy or a more project oriented method of working.

*2 marks for each element identified and explained  
½ for identifying element and 1½ for explanation  
up to a maximum of 10*

(b)

The main types of organisational culture (as identified by Charles Handy 1993) are as follows.

### **Power Culture**

Power cultures are often found in small entrepreneurial organisations, where one person (or a small number of key individuals) holds power. Control is maintained through key appointments and personal contacts with the leader. There are few formal rules, and communications are maintained through direct personal contact. Decisions are based on power relationships rather than collaboration or teamwork. Successful individuals tend to be power-oriented, self-confident, thick-skinned and willing to take risks. The advantage of this type of culture is its ability to react quickly to changes or challenges in the external environment. Its disadvantages are that its essentially autocratic style of leadership frustrates employees. Decisions are based on a few key individuals. Growth poses particular problems for this type of culture.

Handy uses the image of a web to illustrate a power culture.

### **Role Culture**

Role cultures exhibit the classic features of bureaucracy, and are often common in large organisations. The structure is hierarchical. Procedures, communication and accountability are dominated by rules and formal reporting chains. Employees are expected to fulfil specified roles and stick to the rules. In return they can expect secure and predictable employment. Such cultures are most successful in stable environments, but are slow to react in situations of rapid or even moderate change.

Handy uses the image of a Greek temple to illustrate a role culture.

### **Task Culture**

Task cultures are characterised by their emphasis on carrying out and completing tasks or projects. They exhibit the project orientation, open communications and teamwork generally associated with matrix structures. Power and influence are widely dispersed and based on individuals' expertise and commitment to team effort. Successful individuals tend to be good co-ordinators and team members, adaptable and self-confident in their expertise. Task cultures often create flexible and supportive working environments that provide high levels of psychological satisfaction to employees who fit the team profile. Such cultures are difficult to control.

Handy uses the image of a net to illustrate a task culture.

### **Person Culture**

Person cultures exist to support the development and growth of their members. Individual objectives dominate, and members tend to be difficult to manage and unresponsive to conventional organisational power systems such as position, reward or expert power. There is little organisational control, egalitarianism is an important value, and power and influence are shared. Unsurprisingly, person cultures tend to be found primarily in families and communitarian experiments such as co-operatives or kibbutz's, and much less often in commercial or public service organisations.

Handy uses the image of an unstructured cluster to illustrate a person culture.

*2 marks for each type of culture identified and explained  
1/2 for identifying the type and 1 1/2 for explanation  
up to a maximum of 8*

(c) (i)

There are a number of ways to analyse organisational culture. One method would be to use Handy's types of culture to determine a close fit with the organisation in question. A second approach could be to determine the orientation of the organisation, for example its values, direction and aims. Finally, it is possible to take the elements identified in Part (a) to undertake the analysis.

No single approach is either correct or wrong in this situation. However, given that Handy's types of culture have been summarised in Part (b) of the question, it seems

appropriate to use that method. (Using the elements identified in Part (a) is acceptable although lack of information limits this approach)

### **Analysis**

It seems the Trust has elements of more than one of Handy's types of culture, so it has to be determined which dominates.

There are clear elements of a *power culture* in that control is maintained through personal contacts 'close friends' being appointed. Communication is maintained by personal contact 'weekly meetings', and a key individual, the Chair, seems to control the decision making through the appointment system, although there is no evidence to indicate that an autocratic style of leadership exists concerning the activities of the Trust.

It can, however, hardly be described as an entrepreneurial organisation, or that the Trustees are power-oriented, self-confident, thick-skinned or willing to take risks.

It seems that the Trust exhibits elements of a *role culture*, in that it is dominated by rules and regulations, 'we must do things correctly'. Trustees are expected to stick to the rules, but it is not clear if they have specified roles (other than the Chair). It seems to operate in a stable environment and may be slow to react to change. However, it is not a large organisation (except financially) and there is no evidence of a hierarchical structure, other than the Chair, secretary and administrator appearing to dominate proceedings.

The Trust is task oriented in the sense it has only one objective. But there is no evidence to support any of the other common features associated with a task culture. For example, it is not clear if power and influence is widely dispersed, based on Trustees expertise or even if the Trustees have any specific expertise.

The Trust does not seem to exhibit many of the elements of a *person culture*. The Trust does not exist to support the growth and development of the Trustees, and there is evidence of organisational control. Nevertheless, it does seem to be based on a 'family' basis.

The type of culture that the Trust probably most closely resembles is a *role culture*. This type of culture is normally associated with large organisations, for example, local authorities, civil service or the NHS. However, there are elements of the other types of cultures within the Trust. This is not uncommon. Very few organisations exhibit the classic conditions of a specific type of culture.

*6 marks should be awarded for the analysis.*

*½ mark for identifying a feature and then 1 mark for explanation of that feature*

*2 marks are available for specifically stating the type of culture*

*1 mark for recognition of the dominant type and*

*1 for recognition that elements of other types are evident*

***It should be noted that if a candidate concludes that a different type of culture dominates and can justify their conclusion they should not be penalised. We are not dealing with an exact science!***

(c) (ii)

**Problems**

Problems the team may encounter are as follows:

- Unwillingness to discuss issues
- Understanding why procedures exist/have not changed
- Gaining the Trustees' trust
- Identifying the specific objectives of the Trust
- Reluctance to change by the Trustees
- Obtaining information from the Trust
- Unwilling to take/act on advice given by your team
- Agreeing a strategy for the coming year

*½ mark per problem raised up to a maximum of 4*

(12)

(30)



**Question 5**

**Block 2 SU3; SU 4**

**Block 3 SU 8; SU9; SU10**

**Block 4 SU 12; SU14; SU17**

**Block 5 SU 22**

**Aims of the question**

- To assess the candidate's ability to reconstruct the content of the OLM and present an argument to support their own engagement as an internal change agent
- To examine their ability to draw on the relevant and disparate aspects of the syllabus which impact upon the retention of staff in a changing environment under conditions of uncertainty
- To assess the candidate's understanding of the critical nature of the need for reclarification and continued monitoring of the achievement of organisational objectives under conditions of major change and uncertainty
- To assess the ability of the candidate to be sensitive to and to suggest positive management of the stress caused by change

**General**

Although, initially, this question may appear to be about change management which clearly is the underpinning issue, the scenario and requirements are quite specific. The change is already underway and therefore students should not discuss standard change management techniques or barriers to change and overcoming them but should deal with the issues identified in the requirements.

The requirements deal with some areas of the syllabus that have either not been covered or have not been assessed in this way in the past. Students will have to draw on and relate together topics in a way that is new to them but in a context that should have some practical resonance.

The scenario uses the setting of a Central Government Agency, but the change is one typical of many PSOs and it should not therefore present problems regarding unfamiliarity. Study Unit 22 does specifically mention the establishment of next steps agencies as an example of a changing organisation, clearly things have moved on and whilst anonymised the situation depicted is typical of agencies at present.

Typical of a section b question the issues are not straightforward and whilst, as is our usual practice, the marking scheme draws purely upon the OLM, there are many other valid points which could be drawn upon. Provided they are well presented and explained and are relevant to the scenario and requirements, valid points should be rewarded, usually on the basis of 1 mark for each well reasoned point.

The marking scheme allocates marks across the four requirements but in some cases a particular issue may be pertinent to more than one requirement. For example motivation may be relevant to both staff retention and the achievement of objectives. Marks should be awarded where appropriate but should not be given where there is repetition of the same argument, nor should the maximum marks for each section be exceeded.

**Suggested solution**

(a)

Students may find this a difficult opener as the OLM considers this from the perspective of employing an external change agent (SU 17 session 6). Students are here required to turn the arguments around and present a case for their own employment.

The important issue of identifying the need for allocation of responsibility for the management of the change has been achieved with the development of the post. The advantage of an internal appointment may be presented in relation to a number of issues:

- Cost
- Awareness of organisational culture
- Understanding of organisational need
- Knowledge of organisational resources – particularly human resources given current role
- Retention of organisational control
- Perception of being “on their side”
- Development of the individual

*1 mark for each relevant point related to the case*

(5)

(b)

*Students may take a variety of approaches here – guidance on marking is to award 1 mark for each relevant point related to the case.*

Overall management’s aim must not merely be to get the right numbers but to ensure that the right people are in the right place in the organisation. The uncertainty may cause (and from the scenario does appear to be causing) the loss of valued members of staff.

Positive action must be taken to ensure that posts and people are matched and that opportunities are clarified. Clearly some loss is necessary and whilst shedding will be a critical part of the process this is not required for the question and no marks should be awarded for discussion of this issue. Retention is the issue and as part of that, positive presentation of the opportunities both in the departmental core and under redeployment.

One of the key issues in retaining staff will be gaining their commitment to the change. Study Unit 17 session 5 deals with this:

Getting people’s commitment requires some key human resource strategies:

- Ensuring staff are informed about change
- Involving everyone
- Offering training and support

The aim is to build trust and give people the feeling of being able to influence events.

Staff retention and redeployment is specifically dealt with in SU 22.

The study unit starts with a discussion of the sensitivity and difficulty associated with this aspect of HRM. It would be valid for students to present this point.

Helping people stay with the organisation will involve ensuring that they have:

- Job satisfaction
- The right money
- The right prospects

(Study Unit 22 session 2)

The situation is complicated by the uncertainty but management should take steps to:

- Listen to the employee's needs, desires and aspirations.
- Contribute management's knowledge and understanding of how far these are feasible and how they may be achieved.
- Help the employee take the appropriate steps, which might involve recommending them for training or development.

Getting people to stay by presenting positively the redeployment opportunities will be critical. The question does not ask for the benefits of redeployment and no marks should be awarded for that. Positive management of the redeployment process will be critical to retention and future motivation of staff and therefore students should cover the critical question:

- Does the employee have suitable skills for the area into which they're to be redeployed?
- If not can this deficiency be dealt with by training?
- Will they be any more secure or any more use to the organisation in their new role?
- How would this move fit with the employee's own career plans? Do they need career counselling?

Setting up a formal redeployment scheme and register may also be appropriate. (Study Unit 22 session3).

Clarity of communication is also relevant. Study Unit 9 covers this and, whilst too much detail would be inappropriate, some consideration of the need for effective listening and the importance of expressing thoughts and ideas clearly is worthy of credit.

Students could also consider the issues raised in SU10 session 6 regarding dealing with fear.

- Explaining change
- Consulting
- Keeping control
- Ensuring commitment
- Coaching individual performance
- Staying in touch
- Learning from change

*Up to 2 marks may be awarded for this provided it is not repetition of issues raised elsewhere and the maximum marks for the section are not exceeded.*

(10)

(c)

Study unit 3 deals with organisational design. The question does not ask for consideration of decentralisation or recentralisation issues and no marks should be awarded for this. It would be appropriate to consider the importance of clarification of new structures and the communication of new reporting lines and responsibilities in the maintenance of operational effectiveness.

SU12 stresses the need for organisations to plan ahead, arguing that defining objectives and identifying key issues will reduce uncertainty. Students may therefore legitimately make the point that objectives should be reclarified and recommunicated and that this will aid staff retention and motivation toward the achievement of overall mission.

This point is reinforced in Study Unit 4 session 2 that considers redesigning and restructuring organisations. It would be relevant to discuss the importance of clarifying to staff that the restructure is designed to meet organisational objectives and mission.

SU12 also discusses the importance of organisational vision. It is possible in this scenario that the vision under Next Steps of an autonomous business unit may appear to be being undermined by the current change. The answer could therefore cover ways of achieving vision as detailed on page 6:

- Leadership – at every level, creating an atmosphere of dynamism and belief
- Communication – providing an understandable and all-embracing objective
- Relevant systems and structures – organising and doing things in ways appropriate to the vision or mission
- Awareness of needs and of available resources – both inside and outside the organisation

Students could also refer to the need for awareness as covered in Study Unit 12 session 3 and could discuss (briefly) changes in needs and expectations over time resulting in the appropriateness of existing projects being challenged.

The way in which objectives are expressed in the organisation must be reviewed to ensure that the new structure fits that expression. If necessary the expressions of objectives in

- Business plans
- Budgets
- Projects plans
- Decisions at meetings
- Staff appraisals
- Etc

must be reconsidered to ensure their fit with the new structure. In that reconsideration all staff at all levels of the organisation must feel able to contribute, the process must be bottom-up as well as top-down.(SU12 session 4).

Study Unit 12 session 5 considers the achievement of objectives. Whilst it would not be appropriate in the context of the question to discuss the details of performance management

systems, students should refer to the ongoing need to monitor performance against targets even during a period of major change. This is particularly important where staff are leaving key posts and cannot be replaced within the existing structure.

Better students may go on to discuss the need for senior management to constantly review and prioritise targets in the light of changing staff resources in order not to overburden remaining staff and to ensure that available resources are directed to the most critical operational areas.

Although a detailed consideration of leadership would not be appropriate, students could discuss the significance of the role of the leader in the communication of objectives, motivating the staff, communicating a clear vision, establishing goals and markers, setting clear timescales and priorities etc which will all be crucial to continued organisational effectiveness (Study Unit 14 session 2 and Study Unit 17 session 5).

The importance of social issues (Hawthorne studies) and the impact of the break up of existing work groups with the possible result of non-functional behaviours should also be considered. Details of group formation and development are not relevant but the need to achieve goal congruence between the organisation and the groups within it (including any trade unions or staff representative groups) is (SU8).

It would be appropriate either here or in part (b) (or both provided it is not mere repetition) to consider the motivation of staff. Consideration of theories of motivation is not relevant. Students may discuss the fact that many of the causes of poor motivation (SU10 session 3) may be perceived to be present and the resulting importance of the clear communication of the opportunities for job enrichment (SU10 session 4). Critical to continued motivation to achieve organisational objectives is that people need to know what those objectives are (SU10 session 4).

*These and many other issues may be relevant.*

*Marks should be awarded on the basis of 1 mark for each relevant, well-explained point clearly related to the case.*

(10)

(d)

Stress induced by change is specifically dealt with in SU17 session 9.

Students may introduce this section by discussing the need for managers to recognise the pressures of change and learn to manage them not only in themselves but in others too.

1

Helping people cope with the change:

- Help people understand what's going on. Provide information on the who, what, when, where, why and how.
- Realise what the people affected by the change are experiencing. Don't argue with them about their feelings or be surprised by strong reactions like anger or even grief. For many people a change causes a loss of identity.
- Talk it through. Listen to the personal implications of change.

- Encourage some action planning to help the individual take specific steps that clearly delineate progress; for example signing up for training.
- Help create a vision. It helps pull people into the future by showing them what the organisation will be like after the change.
- Recognise that some resistance to change is a natural reaction.
- Ensure that the opportunities available to them within the organisation are clearly communicated.
- Deal with the change as quickly and efficiently as possible.
- Provide confidential counselling and support.
- Explain the support that is available to staff who may be relocated.

*These and many other points may be relevant*

*1/2 mark should be awarded for each well explained point  
provided it is clearly relevant to the case*

*(5)*

*(30)*