MANAGEMENT

Professional 2
June 2000

MARKING SCHEME

CIPFA

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 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.

Question 1 (SU7) – Suggested solution

Aims of the question

- To assess the candidate's understanding of role theory and its application within a team based example.

- To examine the candidate's knowledge of the nature of assertiveness and how it can be used to improve an individual's contribution to an organisation.

General

The question is specifically concerned with the consideration of Role Theory (Block 3 SU7, 5) and Assertiveness (Block 3 SU7, 9). Weaker candidates may only list the basic elements of these two issues in their answers with little or no contextualisation. Such candidates will not score highly on this question. The better candidates will be those who show an understanding of the issues by selecting and contextualising those that are most relevant (especially in part (a)). Some candidates may also make the link between Patricia being more assertive with her boss – i.e. the candidate!

This question is not specifically about appraisals, personal objectives, team/group working and/or communication, although the examiners would expect to see aspects of these considered by good candidates within their answers. Those candidates who dwell too long on these aspects however are unlikely to score well.

Suggested solution

Part a

Role theory is attributed to Handy (1992) and is concerned with the potentially confusing perceptions that can be placed on roles by the individuals that hold them and the people they interact with. Role theory is not limited only to relationships within the workplace, but can be extended to include the demands placed on an individual (the focal person) by friends, family and work colleagues etc.

(Candidates may reproduce Handy's typical family role set given in the open learning materials).   *1*

The elements of role theory that give rise to problems are given in the open learning materials. Namely:

- **Role ambiguity** – Clearly the case here as Patricia, her boss and the rest of the IT team all hold different perceptions of the role she is undertaking.

- **Role incompatibility** – Patricia may be feeling uncomfortable with the role she has been given if it does not match with her personal goals/identity.
- **Role Conflict** – Clearly Patricia feels there is a conflict between her 'normal' work and that of the project team. There is also a potential conflict arising within her personal life that may be drawing her attention away from both her 'normal' and team roles. (Candidates should be careful here not to just assume that Patricia will not act professionally just because she is getting married – rather they should be mindful of the pressure she is likely to be feeling both at home and at work).
- **Role Overload** – Perhaps Patricia is displaying signs of this and needs help either in reducing the load or managing her time more effectively.
- **Role Underload** – This may not be a problem here but candidates should ensure in their answers that they do not over compensate when looking at role overload.
- **Role Stress** – a function of the above problems and something which should be managed carefully. Some stress can help to improve performance, but generally stress can be damaging to the individual and the organisation.

½ mark per element explained plus ½ for relating it to the case, to a maximum of 6

Action Points

Candidates should develop action points that they can undertake to improve Patricia's situation. Marks should only be awarded if the recommendations are appropriate and practical within the context of the case. Action points could include:
- Review and clarification of Patricia's objectives within the team
- Assessment of Patricia's skills/capabilities and any related training issues
- Regular reporting/communication framework established to review:
  - IT team outcomes
  - Performance of Patricia
- Review and clarification of Patricia's objectives within the office
- Review of Patricia's workload
- Possibility for the utilisation of the other team member/temporary staff

½ mark per recommendation to a maximum of 3

Part b

Assertiveness is:

Self expression through which one stands up for ones own basic human rights without violating the basic rights of others (Jakubowski-Spector (1973))

Assertiveness is a skill that individuals can learn to improve the quality of communication both in their personal and work lives.

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A one-day assertiveness course may be expected to include the following:

- An understanding that assertiveness is a skill that can be acquired rather than being just a natural trait
- The differences between passive, assertive and aggressive behaviour with examples of possible outcomes
- The development of self-awareness possibly through role play
- Being positive as an important aspect of assertiveness
- Guidelines on the important use of assertive language
- Avoidance of personal attacks, sticking to the facts
- Being able to say 'No'
- Being honest
- Non verbal communication

½ mark per valid point to a maximum of 5

Such a course might help Patricia to improve her position by allowing her to:

- Improve her communication skills and confidence

- Get her points across on the IT strategy team in a more effective manner

- Possibly improve her motivation as she would feel she was being utilised more effectively

It should be remembered that Patricia may also use her new found skills to be able to communicate more effectively with her line manager and therefore have more control over her 'normal' working environment. Candidates should view this in a positive light.

1 mark per point to a maximum of 3

(20)

Question 2 - Suggested solution
(SU 8 & SU 9)

Aims of the question

- To assess the candidates understanding of the benefits of specialist teams from an individual and organisational perspective.

- To determine the candidate's ability to recognise how specialist administrative teams may improve communication with external clients.

General

The question does not require the candidate to discuss disadvantages of teams or any problems that specialist teams may have in communicating with clients, although in both cases there are many. Candidates should not be awarded marks for listing disadvantages or problems.

The scenario provides the candidate with a framework to prepare their answer, although clearly many of the benefits in Part A and Part B are generic. The candidates who refer specifically to the scenario should receive a better mark.

Part A should be considered as two separate requirements and marks split evenly between benefits to the individual and the organisation.

Suggested solution

Part a

Benefits for the individual.

- Efforts more easily recognised
- A feeling of protection
- Greater job satisfaction
- Improved motivation
- Feeling of more importance
- Opportunity to specialise
- A feeling of belonging
- Clarity of task
- Clarity of role
- More likely to see whole picture

(½ mark for identifying a point and ½ for explanation, to a maximum of 7)

Benefits for the organisation

- Individual contributions taken together can result in a greater level of achievement (synergy)
- Teams work better at problem solving
- Greater employee involvement can result from increased individual motivation and employees seeing the whole process
- Improved internal communication (direct support to the academic functions)
- Less likelihood of conflict between support service and service deliverers (academics)
- Increased focus of the specialist operation (e.g. international)
- Greater understanding of role/task and associated problems therefore many potential problems averted.
- Greater ownership of the function and tasks
- Improved decision making

(½ mark for identifying a point and ½ mark for explanation, to a maximum of 7)

(14)

Part b

Communication with HBS's clients may be improved in the following ways:

- Clarity as to point of contact for clients (e.g. a postgraduate student contacts the postgraduate team)
- Greater understanding of the problems/issues of the administrative requirements for clients wishing to undertake a course or who are on a particular course
- Staff have greater knowledge of course requirements and so able to pass this information more clearly
- It is easier for a specialist team to solve a problem or reach a decision so client notified more quickly.
- A specialist team is more likely to become familiar with their clients, and so are more likely to know their requirements.
- The administrative process is unlikely to have blockages when staff are on holiday or sick, therefore client not ignored or left waiting for information.
- Standardisation of correspondence (specific to function)
- Direct telephone/fax/e-mail to specific administrator

(1 mark per point explained, to a maximum of 6)

(20)

Question 3 - Suggested solution

(SU 7 & 1998 TECHNICAL UPDATE)

Aims of the question

- To assess the candidate's understanding of a learning organisation, how to become a learning organisation and the benefits of being a learning organisation
- To determine the candidate's ability to explain the difference between delegation and empowerment and to identify the benefits to an organisation of empowering its staff.

General

The question covers two distinct areas of the syllabus. Both questions are straight forward, with no real risk of misunderstanding.

Neither part requires the candidate to identify any problems or disadvantages. Therefore, candidates should receive no credit for doing so.

Part (a) requires the candidate to format their answer in a manner that covers three points. It is suggested that marks be apportioned as follows.

Explanation of a learning organisation	3 marks
How to become a learning organisation	3 marks
Benefits of being a learning organisation	4 marks

Part b requires the candidate to format their answer in a manner that covers two points. It is suggested that marks be apportioned equally.

Suggested solution

Part a

A learning organisation is an organisation that is committed to development of all its processes, systems and staff. It is not simply sending a few people away on the odd training course. It encompasses all aspects of the organisation.

The organisation should always be striving to reach a level of achievement that both satisfies its customers and its staff.

Although many elements of creating a learning organisation are related to training and development of staff this does not necessarily mean training courses. Much of the transfer of knowledge can be undertaken in-house. Team meetings, briefings, on the job training, newsletters, staff suggestion schemes, almost anything that involves the transfer of knowledge, skills or information adds to the concept of a learning organisation.

(Up to a maximum of 3)

To become a learning organisation needs more than a statement in the organisation's aims and objectives, although this is not a bad place to start. Commitment is needed from all employees, but most of all from senior managers. Too often in organisations it is the senior managers who do not see the need for themselves to learn new processes and skills, extend their abilities or broaden their knowledge. (Students will need to be sensitive to the context here and take care as to how they express this point)

Training and development plans must be well planned and integrated. One off training courses may be useful to learn a specific skill or provide information on a single issue, but only if the whole process is integrated are employees, and so the organisation, likely to benefit in the long term.

Appropriate structures to support long-term training and development have to be established.

(Up to a maximum of 3)

The benefits of a learning organisation are:

- Multi-skilled employees
- Improved (informed) decision making
- Improved organisational performance
- Reduction in errors
- Turnover of staff reduced
- Saving in recruitment
- Increased organisational flexibility

From an individual's point of view learning enhances:

- Motivation
- Job satisfaction
- Promotion chances
- Job security

(Up to a maximum of 4)

Part b

There are a number of definitions of empowerment, such as, 'giving people the freedom to manage their own jobs', Wilson (1997). Schermerhorn (1996) calls it, 'the process through which managers allow and help others to gain power and achieve influence within the organisation.'

The Collins Concise English Dictionary (1993) defines it as, 'to give ability to; enable or permit'.

This is not the same as delegate, which means, 'to give duties or tasks to'.

Wilson (1997) describes four levels of empowerment in an attempt to remove any confusion. These are:

Level 1: Job empowerment
Empowerment at this level changes the structure and context of a person's job. Extra tasks are added which give more meaning and control to the individual. There is a lifting of management controls and a degree of self-management is introduced.

Level 2: Workplace empowerment
This level of empowerment entails the person having some control and influence on the environment and circumstances in which products and services are produced. People can control not only this work but also the way in which it is done.

Level 3: Unit empowerment
Empowerment at this level involves working in the management and running of a discrete unit of a larger organisation. The unit may be a product centre, a factory, a hotel, a department of a hospital or a department of a local authority.

Level 4: Organisational empowerment
At this level, workers are involved in the decision making of the unit and also the decision making of the larger organisation of which they are part.

(Up to a maximum of 5)

The benefits of empowering people are:

'To master the complexity and pace of challenges', and, 'an organisation's success may well depend on how much power can be mobilised throughout the ranks of employees', Schermerhorn (1996).

Mullins (1996) supported this argument, 'increasing business competitiveness demands that organisations have to offer the best quality products or services for the best prices. This requires that organisations harness the talents and commitment of all their employees. Getting the best out of people and attempting to improve job satisfaction demands a spirit of teamwork and co-operation, and allowing people a greater say in decisions that effect them at work. In order to improve business performance managers will need to relinquish close control in favour of greater empowerment of employees.'

From an individual's perspective empowerment means becoming involved in the management and decision making process, whilst having the freedom to act independently.

From a manager's perspective it means relinquishing power. However, the benefits of having a highly motivated and flexible unit should easily outweigh any loss of power.

(Up to a maximum of 5)
(20)

Question 4 – Suggested solution

(SU5, SU6, SU17)

Aims of the question

- To assess the candidate's understanding of the management of change within a small organisation (SU17)

- To determine candidate's ability to relate the importance of organisational culture to the continued success of an organisation. (SU5)

- To examine the candidate's knowledge of the way in which the external environment is important to organisations (SU6)

- To establish candidate's understanding of the way that organisations can seek to influence their external environments. (SU6)

General

The scenario is set within a small organisation and as such candidates are expected to refer to this in meeting the requirements of the question. Although the type of organisation may be unfamiliar to candidates, there will be similarities to the nature of small accounting/audit sections within many public sector organisations.

In answering Part (a), candidates are asked to consider the specific issue of the implementation of a new IT system. The requirements clearly state that this is related to resistance to change and as such candidates should not get too bogged down in the technical IT issues. This part also challenges candidates to consider the resistance to change within the organisation and also externally. Appropriate solutions are also sought by the question.

Part (b) asks candidates to consider the role of culture within organisations. It does not however require candidates merely to list cultural models. Rather, candidates are expected to consider the wider aspects of organisational culture that are important to organisations and how, over time, these need to be managed in order to maintain successful organisational strategies.

In answering Part (c), the examiners are asking candidates to consider the impact of the external environment and how this will affect the functioning and development of organisations. This is an aspect that has been examined in the past but which has been poorly answered by students. Clearly the development of partnership working throughout the Public Sector means that this will be an important aspect of any public sector manager's role.

Suggested solution

Part a

The OL materials cover some aspects of resistance to change. Those most likely to be relevant here are as follows:

- Disruption to work routines
- Disruption to existing work groups and interpersonal relationships – possibly with client groups
- Fear of loss of status – being replaced by a computer
- Change in required skills and aptitudes do not match employees preferences
- Employee may fear retraining as they may feel they will not be able to cope with or develop the required new skills
- Suspicious of the real objectives – cutting costs?

The Community Accountants may be resisting the change for any or all of the above reasons. In addition, candidates may speculate about the community accountants' familiarity with IT and the pressure of existing workloads.

The client groups may have similar reasons for resisting change. Voluntary groups often lack resources and skills, hence the need for organisations like Casper. Cost and disruption are also likely to be a major factor here and candidates should refer to the potential loss of funding if resistance is very strong and the change not managed effectively.

½ mark per well reasoned point to a maximum of 3

Factors that can reduce or control resistance to change would be:

- Planning - i.e. taking account of the workloads of staff, the most appropriate timings for clients, training requirements, systems changeover
- Effective communication – key to managing the relationships between staff and clients should be regular, appropriate and two way
- Explaining the reasons for change
- Keeping control of the process – being seen to be in control
- Commitment from management – key to getting staff on board and also engendering a positive attitude when 'marketing' the change to clients (see below)
- Positive attitude – in marketing the changes to clients and funders
- Promote benefits – improved efficiency/turnaround times/ease of use for staff, better provision of service for clients/funders
- Involvement of end users – both staff and clients groups would need to be involved here. Joint development of ideas and problem solving.
- Open discussion of problems/fears

Casper may, if it does not have one already, introduce a newsletter to keep client groups informed of the changes. Also regular client group meetings could be facilitated.

A key aspect of the change is that staff are brought onboard quickly so that they do not undermine the change by setting client groups against it or developing client groups fears. Given the size of Casper, staff will need to be heavily involved in both the implementation of the change and also their current workloads. A rescheduling of workloads may therefore be required or the appointment of a temporary member of staff to either cover for existing Casper staff or actually implement the change.

Candidates may be drawn into some discussion of change agents. This would be appropriate only if the size of Casper is taken into account and therefore who would fulfil this role. Funding may limit the appointment of an external Consultant/Change Agent.

1 mark per well reasoned point to a maximum of 7

Part b

Organisational culture is considered in **SU 5** of the open learning materials. Candidates may approach this part of the question in a number of ways. However, there should be an attempt to link the theoretical issues with those of the case where relevant. Key aspects that would be expected within an answer are given below.

What is culture

Culture is often described as 'the spirit of an organisation' or 'what goes on around here'.

Organisations have cultures just as individuals do. However, with organisations, the issues become far more complex. Culture is an important aspect of the management of organisations, especially with regard to the development and successful implementation of strategies.

1 mark for an appropriate definition and explanation

Casper's Culture

In identifying the current culture of Casper, candidates may refer to some of the elements of culture contained in SU5 e.g.

- Values, beliefs and assumptions – central to any organisation's culture and which in this case are manifest in the shared beliefs of the staff regarding the value of the voluntary sector
- Leadership and management – The Director would also appear to have a regard for the voluntary sector and is also committed to the provision of high quality services. A further aspect to consider here would be the implied desire to expand the organisation in both size and activity
- Candidates may also consider Stories and myths, Rituals and symbols and Structures and systems although we are told little about these in the scenario.

The above aspects of culture would appear to be in some part responsible for Casper's implied success to date and the question requires candidates to establish which general aspects of culture will be important in the future. Clearly one aspect will be to retain those aspects which have worked well in the past where they are appropriate.

3 marks for identifying the aspects of culture relevant to Casper

Important aspects of Organisational Culture

Organisational culture will be influenced by:
- Size
- Technology
- Environment
- Goals and objectives
- People
- History and ownership

Most, if not all, of these are clearly likely to change for Casper over the coming years. It is important therefore that the following are considered:

- Organisational strategy – it is important that culture is considered in the development and implementation of any future strategies for growth i.e.
  - Matching strategies to culture - cultural fit
  - Reviewing changes in culture over time
  - Recognising a need to change organisational culture where appropriate
- People prefer to work in open, fair, consultative cultures – the complexity of managing such cultures will increase as the organisation grows. Employee satisfaction and commitment will effect quality of service.
- Structure – ensuring that structures and cultures match is important if strategies are to be communicated and implemented effectively (candidates may refer here to Handy's four types of culture – power, role, task and person)
- Orientation – organisations may be product/service, sales or customer oriented. In times of growth and change, customer orientation may be the most successful. Maintaining this orientation is clearly dependent upon the issue raised above.
- Strong cultures – can have positive and negative effects. On the one hand they can maximise motivation through the shared goals of individual and organisation. On the other hand they may promote resistance to change. For Casper, growth may provoke resistance to change if it is seen to be going against the values of the staff.

1 mark for each well developed point to a maximum of 6
(only half marks for points which do not relate back to the scenario)

Part c

The suggested solution to this part is based upon the contents of **SU 6** of the Open Learning Materials. Clearly other models are available and credit should be given for the use of appropriate alternatives.

(i)   The way in which an organisation interacts with its environment is an important consideration within this question. Miles and Snow (1978) identified 4 types of organisation:

- Reactor
- Defender
- Prospector
- Analyser

Casper would appear to be displaying the characteristics of either a 'Prospector' or an 'Analyser' organisation.

2 marks for a well presented case that relates back to the scenario

(ii)

With regard to the concerns about the external environment, issues specific to Casper will include:

- Anticipating/Keeping track of the growth of voluntary sector groups
- Keeping track of the changing needs/requirements of voluntary sector groups
- Keeping up to date with the financial reporting requirements of the voluntary sector
- Legislation and how this will affect the complexity of management and reporting requirements within voluntary sector groups
- Economic climate and how this will affect the funding of, proliferation or decline of voluntary sector groups
- The key funders (local authorities) and what their needs are likely to be e.g. Best value, Performance indicators and the effect on SLAs and Funding
- The national lottery grant and other potential sources of funding to replace it
- The ability of voluntary groups to pay for services
- Technological change and its implications for the new IT system

Frameworks are given within the OL materials for examining the external environment (see example below) and candidates may choose to present their analysis in this way. Merely listing the model however without reference to the case should only result in 2 of the marks available being awarded. This is also an area where the Management syllabus overlaps with that of Business Strategy, candidates may therefore choose to present their analysis by way of a PEST analysis, which has similar components to that given below.

The external environment of an organisation can be broken down into its task environment and its societal or contextual environment.

Task Environment	Societal Environment

• Customers or clients	• Politics
• Competitors	• Society and Culture
• Suppliers	• The economy
• Governmental agencies and organisations	• Technology
• Shareholders	• Demographics
• Trade unions	• Ecology

4 marks for a well presented case that relates back to the scenario
(only 2 marks if only a general model is described)

In Influencing the environment, candidates may come up with a variety of responses:

- Environmental Forecasting
    - Predicting trends
    - Developments
    - Technological changes
- Establish boundary- spanning roles e.g. public relations officer who may lobby funders and clients
- Co- operative activities
    - With similar groups in other regions
    - With private sector providers
    - With Funders
    - With Clients

Other potential means of gathering intelligence about the environment with a view to influencing it would be:
- Questionnaires
- Marketing
- Customer Satisfaction surveys
- Meetings with funders
- Competitor analysis

1 mark for each well developed point to a maximum of 4

Question 5

Block 1 SU 1:1 1:3 2:2 2:3 2:6;

Block 2 SU 3:2 3:6 4:3 4:4 4:5 5:5 6:4;

Block 3 SU 7:5 7:7 8:2 8:3 8:5 8:6 9:4 9:5 9:8 10:2 10:4 10:6;

Block 4 SU 12:3 12:4 13:2 13:5 14:3 14:5 15:2 15:4 16:5 17:4;

Block 5 SU 20:4 22:2

Technical Update 1998

Aims of the question

- To test the candidate's understanding of the strengths and weaknesses of hierarchy and bureaucracy as a means of organisational design and control
- To examine the candidate's ability to relate the issues identified to the specific managerial context of the public services
- To assess the candidate's ability to explore a newer, looser form of organisational governance based upon collaborative networks within a public service context
- Within the context of the shift from traditional public service command and control networks, to examine the candidate's understanding of the potential benefits (organisationally and individually) of the empowerment of a broader base of stakeholders within an organisation.
- To test the candidate's ability within a time constraint to rationalise and prioritise other significant management issues which impact upon the operation of collaborative networks

General

The question is set in the context of a PCG, however non NHS students should not feel at a disadvantage as the issues are generic and the terminology has either been kept non-specific or where necessary explained. The requirements of the question are complex, drawing on a very wide range of syllabus areas and specifically requiring the candidate to relate generic issues to a public service context. It is not enough to understand the advantages and disadvantages of bureaucracy without relating those issues to the specific managerial demands of the context.

The question is also a break with tradition in that for the first time we have included a non-specific requirement (part d). There is a huge range of issues within and around the syllabus upon which a candidate could legitimately draw for this requirement. The difficulty will be selecting the most significant, contextualising them and not being tempted to spend too long on this area. By making this the last requirement of the last question we do not feel we are unfairly tempting students but weaker candidates may fail to balance their time appropriately. We see this as good preparation for P3.

As normal the suggested solution is drawn purely from the open learning material but there are many other relevant issues and concepts upon which students could draw and credit

should be given provided they clearly relate to the scenario and requirements of the question.

Suggested solution

Part a

This is a relatively straightforward introduction to the question but no more than half the available marks should be awarded if the student does not relate the issues to a public service management context.
A guide to content can be found in study unit 2 (sessions 2, 3 and 6 refer) study unit 3 (sessions 2 and 6) and study unit 4 (session 3)

It would be reasonable to start with an assessment of the characteristics of bureaucracy:
- A formal, written body of rules governing the operations of the institution and the duties of officials within it
- A formally recognised, hierarchical chain of command
- Recognised standards required for entrance to and promotion through the hierarchy
- The principle that individuals and posts they occupy are separate

- Written records of activities and decisions

- Impersonal relations between the organisation and its clients

- Fixed salaries for officials

Weber himself recognised that as an organisational form there were disadvantages and acknowledged the negative and dysfunctional potential

Disadvantages
- Extreme rationality
- Fails to account for the human element
    > Tendency to misunderstand true feelings, motivation and behaviour of people in organisations
    > Assumes human beings are motivated exclusively by material self-interest and are passive agents to be manipulated and controlled
    > Assumes people are basically lazy and will avoid showing initiative or taking responsibility if they can
- Assumes people should only do their jobs according to official, written rules and procedures. Human relations theorists thought it could be improved by making it less formal and allowing more participation of subordinates in decision-making.
- Extreme division of labour can result in monotony, boredom, worker alienation and inefficiency
- Unresponsive to change and the competitive environment
- Unresponsive to consumer needs and set on budget maximisation

Advantages
- Policies, job procedures and rules can improve productivity and make management's job easier

- Egalitarian and meritocratic aspects
- Accountability
- Official commitment to probity
- Clear standards of job performance
- Division of labour allows synergy to occur, reduces inefficiencies, improves monitoring and improves productivity
- Hierarchies produce appropriate spans of management and improve management control
- Detailed job specification and description clarifies role identification
- Clear lines of command and control identify responsibility, accountability
- Communication channels are clear
- Produces greater goal congruence and thus possibly builds on public service ethos
- Reduces service co-ordination difficulties
- Improves job-security thereby improving motivation, loyalty, flexibility (willingness to be), and morale

Advantages and disadvantages should be discussed within framework of public service management issues e.g. public accountability, compulsory tax levy etc (SU 1:3)

1 mark per point made and related to a public sector context but no more than half of the available marks for the section should be awarded for either advantages or disadvantages i.e. a balanced response is required

up to a maximum of 7

Part b

Students will probably find this section more difficult as little is explicitly considered within the open learning material. Co-operative activity is explicitly dealt with as a means of coping with environmental turbulence in Study Unit 6:4 that includes

> Reference to the work of Emery and Trist and their suggestion that the most appropriate strategy for dealing with turbulent conditions involves collaboration and co-operation
> Collaborative frameworks reduce uncertainty creating a more stable, predictable and controllable environment

Other issues which could be directly drawn upon from the OLM relate to

> improved decision-making through broader involvement (SU 13:2)
> improved motivation and potential for self-actualisation (SU10:2)
> improved motivation through job enrichment (SU10:4)

They may also introduce arguments relating to the reduction in difficulties associated with quasi-markets, contracting costs and adversarial relationships generated by short-term contracting.

Bureaucracies and quasi-markets involve specification and negotiation based upon the obligations of the parties involved. Collaborative structures are more likely to generate trust and foster understanding which will lead to a longer-term perspective on decision-making, improved interpersonal relationships.

It is also likely that in an atmosphere of trust detailed contract specification is less necessary and is less likely to be duplicated therefore reducing transaction costs.

Similarly in an atmosphere of open commitment there is less need for detailed monitoring.

Wider ownership of decision-making improves legitimacy and therefore public confidence and sense of citizenship.

Points relating to the advantages of networks should be awarded on the basis of one mark for each relevant point well explained up to a maximum of 5. The 3 remaining marks for this section are to be allocated for appropriate consideration of the difficulties of networks.

- Possible problems related to role (SU 7:5)
  - > Ambiguity
  - > Conflict
  - > Incompatibility
  - > Overload

- Possible group problems
  - > a forced network may not be a psychological group (SU8:2)
  - > groupthink may emerge overriding creativity (SU 8:6)
- communication may be problematic (SU9:4)
- power and authority relationships may be unclear (SU 4:4)
- responsibility and accountability may be unclear and generate problems of public accountability
- a shift towards looser contractual relations in the broader public services may open up problems in the abuse of trust (fraud, bid-rigging and kick-backs)
- may be detrimental in terms of transparency and financial accountability
- much of the research evidence is based on the private sector where networks tend to be temporary, opportunistic alliances – raises question marks about suitability as a long-term governance structure
- partnerships and networks tend to be vulnerable and prone to disruption if the interests and objectives of any of the stakeholding parties change
- maintaining interest and commitment once the initial enthusiasm has worn off can be problematical.

maximum marks for part b 8

Part c

This section requires a fairly straightforward consideration of the difficulties presented by the over-specification of jobs and roles as in a bureaucratic/ hierarchical structure and the resultant stultification of creativity.

The main source of material within the OLM is in the 1998 technical update on empowerment. Care should be taken in the award of marks for this section. Students should have planned their answer appropriately and not duplicate material from part b). Where issues raised in part c) are simply reiteration of part b) no further marks should be awarded.

By removing traditional command and control mechanisms creativity and innovation is likely to improve as individuals are empowered:

- by getting involved in selecting their work assignments and the methods of accomplishing tasks
- by creating an environment of co-operation, information sharing discussion and shared ownership of goals
- by encouraging individuals to take initiative, make decisions and use their knowledge
- by encouraging them to find solutions to problems

Up to a maximum of 3

Advantages for the individual:
An empowered individual

- is more likely to be motivated through self-actualisation (SU 10:2) and through job enrichment (10:4)
- Is less likely to succumb to Organisationally Induced Helplessness (OIH) (SU 7:7)
- Worker alienation and disinterest is reduced by removing the "cog in the machine" mentality (SU 2:6)

Up to a maximum of 2

Advantages for the organisation

- Greater job-satisfaction is likely to increase staff retention rates (SU22:2)
- Improved innovation increases capability to cope with change and maintain competitive advantage (TU 1998)
- Creativity improves quality (SU 16:5)
- Greater stakeholder involvement improves awareness of functions, potential and strategy (SU 12:3)
- Greater involvement in the decision making process increases the validity and legitimacy of those decisions (SU 13:2)

Up to a maximum of 2
Maximum marks for part c 7

Part d

The greatest problem this section presents for students should not be content but organisation. Time management will be a major factor and markers should look for evidence of a rationale. Students were specifically asked for "significant" issues marks should not be awarded for a "dustbin" list of points.

There are many issues students could draw on some are listed below with their OLM reference for information. Markers should only give credit to those that clearly relate to the scenario and the requirement of the question and should not duplicate credit for points previously made. In general one mark should be awarded for a point well made and explained.

Possible issues:

- Leadership
  - > is the GPs style appropriate? (SU14:3)
  - > does he have leadership power? (SU 14:5)

- Delegation
  - > Is he seeing the benefits of delegation? (SU15:2)
  - > Is he delegating effectively? (SU15:4)

- Change

  > Has poor change management affe cted individual motivation? (SU 10:6)
  > Is there sufficient commitment to the change? (SU17:4)

- Is there a need for training and training needs analysis? (SU 20:4)
- Is there a need for training / coaching in the decision making process? (this may be a new responsibility for some members of the network) (SU 13:5)
- Are meetings being managed/ chaired effectively? (SU 9:8)
- Have objectives been set to clarify needs and expectations – is there a business plan? (SU12:4)
- Issues around changes in structure being dependent upon relinquishing of power (Mintzberg's 5 parts) (SU 4:5)
- Difficulties associated with a change in organisational culture (SU5:5)

- Groups

  > Whether the group has gone through all of the stages of development (SU 8:3)

  > Whether there is effective participation within the group and whether the roles are appropriate (Belbin) (SU 8:5)

- Whether good communication skills are being practised (SU 9:5)

Maximum marks for part d 8

(30)