MANAGEMENT

Professional 2
June 1999

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 and depth of an answer.

Many of the answers are required in a specific format, eg 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 Author

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

Question 1

(SU 16)

AIMS OF THE QUESTION

1 To assess the candidate's ability to recognise the key conditions that should exist if an effective quality initiative is to be implemented.

2 To assess the candidate's understanding of the 3 phases of quality management, referred to as, 'the quality cycle'.

GENERAL

The suggested solution to Part (a) of the question is based an extract from a research document, A Strategy for Quality, by the Centre for Public Services, Sheffield. This extract is produced in the Open Learning Material, Block 4, Page 75. No author reference or date for the article is given.

The suggested solution to Part (b) of the question is taken from the Open Learning Material, Block 4, Page 70 - 72.

(a)

The conditions are:

1 A commitment to quality from elected and appointed representatives, management and service workers at all levels.

2 An overall philosophy and practice which is rigorously implemented.

3 A specific committee and team devoted to developing and co-ordinating the implementation of quality improvements.

4 Attitudes of the workforce need to be positive towards quality implementation, and this is likely to require training.

5 A bottom-up as well as a top-down approach, that is ideas on quality improvement should be accepted by front-line staff as well as senior management.

6 Quality measured from the out set by users and service workers, and it should have viable results.

7 Democratic structures established to obtain and assess user workforce views, levels of satisfaction and their ideas on improving quality.

8 Quality assessed by multi- functional teams which bring different skills, experiences and perspectives.

9 All parts of the service should be part of the quality initiative.

10 Quality improvement should be seen as an on-going task.

(10)

(b)

The quality cycle as per the OLM consists of three phases:

1 **Quality Design and Specification**

This phase determines the principle reasons for the system(s). These may well have changed since the system(s) was first implemented.
To provide a framework to consider quality in the Finance Section answers have to outline the following.

- What is the purpose of the service ?
- Who are the users?
- What are the requirements of the users?
- How far can these requirements be met within existing budget, skills, knowledge, information and management?
- What standards need to be established to determine how the service is delivered?

2 **Organising for Quality of Service**

Having determined the specifications and standards, consideration then needs to be given to the organisation of service delivery. Specifically this involves:

- staffing structures;
- management and supervision;
- systems and procedures;
- staff training and development;
- equipment;
- control and monitoring;
- system and personnel support mechanisms.

3 **Quality Assessment**

Standards should be assessed regularly. This work could be undertaken by the service user, or a third party. Ideally it should be a third party, providing they understand the needs of the user and the problems faced by the provider. However, it is likely to be part user and part provider. The assessment can be ongoing, but realistically it is usually undertaken at fixed points.

Examples of quality assessment are:

1 Measurement - e.g. waiting time, number of errors.

2 Observation.

3 Performance indicators.

4 Inspection.

5 Surveys.

6 Self/Peer review.

10

(20)

Students may present alternative phases, and credit should be given if they would help to improve service quality.

Question 2

(SU 20)

AIMS OF THE QUESTION

1 To assess the candidate's understanding of the purpose of induction programmes.

2 To examine the candidate's understanding of the content and timing of an induction programme.

3 To examine the candidate's ability to determine an evaluation process for an induction programme.

GENERAL

The question does not ask for an induction programme to meet the needs of a specific person or post. It is clear, however, that it should be specific to the finance department.

With the above point in mind the candidate must consider whether the contents of the induction programme should be the same for every new employee in the department – from finance director to trainee, and support staff e.g. secretaries, or whether there needs to be general elements to the programme and then specifics depending on post and responsibilities.

(a)

Recruitment and selection of new staff is an expensive process. It is generally far more cost effective to keep staff than recruit new ones. Additionally, most organisations cannot afford to have non-productive staff for long periods. Staff training and development should start when a new employee joins the organisation. The first stage is the induction programme.

This is the point where the organisation introduces the new employee to systems, procedures and culture of the organisation.

Provide a new employee with no support or information and they quickly become alienated, and then demotivated.

However, a carefully constructed and informative induction programme helps to stimulate their interest in the organisation, motivate them and they become efficient and effective employees very quickly. *5*

(b)

Induction programmes can take several different forms. Many organisations run several general programmes through out the year, supplemented by departmental specific programmes.

In this instance the whole programme has to be managed by the department.

There are a number of options available to the department. These vary from general yearly programmes to individually tailored programmes. Which ever option is deemed appropriate it would be in the best interests of the department to have a programme that would enable the new employee to become an effective member of the Department as soon as possible.

Therefore an appropriate induction programme could take the following form.

A senior member of the department be given responsibility for managing the induction programme. This role would involve preparing and maintaining a general information pack about the organisation and the department.

The contents would include:

- corporate and department mission and aims;
- rules;
- prohibitions;
- safety precautions;
- site map, e.g. location of all organisations buildings and departments, parking;
- building map, e.g. departments, toilets, refreshments;
- details of key staff;
- telephone directory.

This general pack should be supplemented with information for the new employee that is specific to their role, for example, in the case of a principal accountant this would include:

- financial regulations and standing orders;
- accounting system documentation;
- deadlines, e.g. budgets, final accounts;
- information flows.

Additionally, the new employee should be shown around the department by the senior member of staff, (junior members are unlikely to know the roles and responsibilities of all members of the department) and introduced to staff, particularly those who they will be working with. As soon as appropriate they should also be introduced to any people they will have contact with outside the department.

Within the first few days they should also meet with their line manager to determine specific responsibilities and personal objectives.

There are of course other options for an induction programme, and the content list could be extended.

Clearly, there is no single solution, however it must be appropriate to a small district council finance section, as indicated in the question.

(10)

(c)

1 Feedback from the employee

This could be:
- immediately on completion of the induction programme;
- after a defined period, say 1 month;
- at their first appraisal (which is likely to be within, 6 months of their starting date).

2 Feedback from line manager

- after a defined period.

The person undertaking the evaluation should determine how long it takes for the new employee to become an effective member of the department. It would not be appropriate to have a standard time for a new employee to be effective as the complexity of the task needs to be considered. However, where specific tasks are easy to measure and/or are time constrained then there is scope for establishing a standard time for the employee to be effective in that task. For example, payroll preparation, compliance audit, etc.

Other methods of evaluation that could be used over time (trend analysis):

- Staff Retention. Are new staff staying longer than in the past?
- Service Performance. Has the overall performance of the department improved?
- Staff Morale. Has the morale of the department improved (or been maintained?)
- External Feedback. Is feedback from outside the department positive or negative?

5

(20)

Question 3

(SU 17)

AIMS OF THE QUESTION

1 To assess the candidates understanding of the barriers to change.

2 To allow the candidate to determine ways to overcome barriers to change.

3 To examine the candidates ability to outline a set of guidelines for implementing change.

GENERAL

A straightforward question made a little more difficult by specifying the context in which the answer must be given. Therefor e, candidates should not be awarded marks for merely listing the barriers to change detailed in The CIPFA Open Learning Material, Block 4, SU 17, p91.

Part (a), asks two specific, but related questions, but the mark is not split. This is to give markers flexibility when marking, although the candidate must produce a well balanced answer (answer both questions) to gain maximum marks.

Part (b) The answer does not have to be in the context of the question as guidelines are more likely to be generic.

(a)

(i) The most likely reasons the tutors are resisting change:

- Consultation

It seems the tutors were not consulted about the changes. The scenario states the tutors were 'told to.....' change.

- Explanation

As it seems the tutors were not consulted it can be assumed they were not given reasons for the changes. For example, why do course members want more detailed course notes and examples?

- Position

The tutors probably know the college cannot afford to cancel courses or replace tutors. Therefore, why should they change.

- Responsibility

The management wish to give them more responsibility. As the work/teaching is merely an extension of their hobby or interest an extra hour (money) is not a motivator.

- No confidence in the Management

Clearly, the management of the College have created a problem for themselves. It seems there was little planning regarding the changes and so aspects such as consultation and explanation of the problems were not undertaken otherwise management would not have 'told' the tutors what they had to do knowing what a strong position they have.

Additionally, it is 18 months since the changes were implemented and it seems no action has been taken since that time, and the position has deteriorated.

- Comfortable

If the tutors are happy with the way things are done they have no incentives to change. Particularly to weekend working.

Summary

The Management Team and you specifically, the Bursar (the candidate), must take responsibility for allowing the College to get into 'serious financial difficulties'. It seems strange that the Management Team waited until the 'final report' to react, surely they must have known the position before hand. (It will be interesting to see how many candidates, in their role of the bursar, suggest they should resign! or even accept any responsibility)

(ii) Ways to overcome the resistance to change

- Meetings

A series of meetings have to be held with the tutors. The timing of these meetings is critical as most tutors are only part-time and therefore may work during the day. Also, they may be reluctant to travel to the college for a meeting that they feel they have little to gain from.

- Explanation

The current position the College is in has to be explained, along with reasons for the proposed changes.

- Consultation

The tutors should be consulted about the implementation of the proposed changes.

- Compromise

Management must be flexible with the proposed changes and any agreement or change, and be willing to compromise on some of the proposals.

- Timetable

A timetable for agreed changes has to be drawn-up.

- Monitoring and Review

The changes have to be monitored and fixed periods for review determined.

Summary

The tutors are in a comfortable position and see no personal benefits from change. However, if the position of the College is explained, they may not only go along with many of changes but suggest others themselves.

The College management are unlikely to achieve their objectives if they try to apportion blame for the current position on the tutors or are unwilling to compromise on some points.

16

(b)

Note: The requirement is for a generic answer, it does not have to be specific to the scenario.

1 Allow plenty of time: it always takes longer than you think:
- plan as far ahead as you can;
- build communications and team-working;
- build in milestones;
- ensure regular feedback;
- be flexible to cope with delays;
- but not so flexible you never reach your objective.

2 Decide on your change process and your vision for change. You must drive - to avoid being driven.

3 Involve all stakeholders. Decide who is involved in the type of change you require and any related change processes.

4 Sell your vision. Fix it in people's minds through your style, your communications, your procedures and by focusing on the merits of the changes themselves.

(Extract - CIPFA Open Learning Material, Block 4, SU17, P89)

4

(20)

Students might also suggest Lewin’s Unfreeze, move to change and refreeze model of change management.

Students may also mention “Forcefield Analysis” as a way of moving from the current situation to a changed one.

Question 4

AIMS OF THE QUESTION

1 To assess the candidates ability to identify a series of problems that have developed in a team

2 To assess the candidates ability to suggest solutions to those problems in the short, medium and long term.

GENERAL

This is a broad question that covers many of the study units (hence a single one isn't given above).

However, the requirements for the candidate are quite specific. They are:

1 Identify problems
2 Suggest solutions

The difficulty for the candidate is prioritising the solutions into the short, medium and long term.

The candidate is likely to adopt one of several approaches, which is why the marks have not been sectionalised.

The most likely approach, and that given in the suggested solution below is:

Identify:

- whole team problems, then;
  - short term solutions;
  - medium term solutions;
  - long term solutions.

- individual team member problems, then:
  - short term solutions;
  - medium term solutions;
  - long term solutions.

Finally it should be noted that the suggested solution is not comprehensive. Marks can be awarded for points that are not detailed below. However, they must be;

- within the context of the scenario;
- within the candidate requirements.

Potential problems

1 Whole team

(a) It is stated in the note that the retired Principal Auditor (P.I.) was, 'under pressure to improve efficiency and effectiveness of audit work'

It is not clear whether this was a perception or reality, neither is it clear if it refers to the team or the P.I., or why there is a need to improve efficiency and effectiveness.

Short term
- clarify the position with the CIA.
- identify a series of performance measures to determine efficiency and effectiveness levels.
(this should be undertaken regardless of the outcome of the clarification)

Medium term
- monitor the performance measures.

Long term
- review performance measure results and take appropriate action.

(b)

Motivation/Morale

It seems that all the individual team members are demotivated. It may be that they are all demotivated for different reasons (see below - individual problems), however, it is likely there are some common causes too. These could be:

- Pay, e.g. less than their equivalents in the finance section.
- Conditions of work, e.g. poorly designed, heated, ventilated and dirty office.
- Poor support and resources, e.g. lack of equipment.
- Meaningless work, e.g. not sufficiently challenging or they cannot see its purpose.
- Leadership/Management style, e.g. have no confidence in their manager, receiving no guidance or direction, closed-door policy
- Politics, e.g. office or organisational politics.
- Training and staff development, e.g. lack of both.
- Organisational structure, e.g. no career path.
- Dominant individual, e.g. one member of the team disrupting others.

Short term
- discuss with individuals (see individual problems below) and discuss with whole team.
- identify the problems.
- discuss solutions.
- implement appropriate solution(s). This may be determine a training and staff development plan for the team for example, or bid for additional equipment.

Medium term
- monitor reaction of staff to solutions.
- continue dialogue with staff.

Long term
- as above.

(c)

Organisational change

There may be rumours of , or actual planned, organisational change in the near future.

Short term
- determine if there is planned change or if there is any foundation to any rumour.
- discuss with staff your findings.

Medium and long term
- discuss with staff immediately any planned change.

2 Individual

(a) Brian Beatty

Problems

It is important to determine if the note from the retired P.I. is a fair reflection of Brian's views and attitude.

He seems demotivated and wishes to retire. But if the note is correct this does not seem an immediate option.

He is not willing to use a computer.

He complains about the organisation.

Solutions

Short term

- have a discussion with Brian. Ask for his views about the organisation and the future for him personally
- ask him to identify his strengths and weaknesses

If the note is correct and Brian does wish to retire but cannot afford to he must still contribute to the team in an effective manner.

- agree with Brian a series of objectives/targets and determine a staff development plan to support those aims.

Medium term

- monitor and amend the objectives/targets and the staff development plan
- seek explanations from Brian for any short fall in expectations.
- if Brian is not meeting the agreed targets and cannot provide good reason, then the matter would have to be referred to the CIA.

Long term

- review objectives/targets and staff development plan with Brian
- determine further objectives and targets and future staff development needs
- if, having not met expectations in the medium term, and the situation had not improved, despite referral to the CIA, then the CIA may commence disciplinary procedures.

(b)

Gemma Fisher

Problems

Seems to have lost interest in the work. This could be for a number of reasons;

- demotivated (see problems - Whole Team - above);
- lost interest in auditing, and wants a change;
- lost interest because CIPFA training refused;
- under pressure from external sources.

Solutions

Short term

- discuss with Gemma how she views the organisation and the audit section, and how she sees her future developing.

- discuss with Gemma a series of objectives/targets and determine an appropriate staff development and training plan to support the agreed objectives targets. If Gemma still wishes to undertake CIPFA training this can be incorporated into the training plan. It does not necessarily mean taking time off (there is already one trainee, Joanne), it can be distance learning in the first instance.

- If there is a problem caused by external pressures then you could discuss:
    - using more flexible work patterns;
    - working from home for certain periods in a week;
    - taking short term unpaid leave;
    - working reduced hours, temporarily or permanently.

None of these should affect the staff development plan. Also, if Gemma is dissatisfied with audit, a staff development plan still has to be commenced to ensure she is effective whilst she remains a member of the audit team.

Medium term

- discuss the outcomes of any measures taken in the short term. Amend if necessary.

Long term

- discuss the outcomes of measures taken in the short and medium term;
- determine additional objectives/targets and amend the staff development and training plan accordingly.

Joanne Hood

Problems

- Not meeting performance targets (it seems strange Joanne is the only one not to meet targets, may be she is the only member of staff with targets, or they are unreasonable (not reviewed for nine months) when undertaking CIPFA training.

- absenteeism

Solutions

Short term

- discuss with Joanne why she has not met her performance targets. Amend if necessary and agree a staff development and training plan appropriate to those targets.

- discuss the CIPFA training (exams only four weeks away). If there seem to be problems contact the CIPFA college to discuss options.

- discuss with Joanne her attendance record and identify cause(s). If Joanne is not willing to discuss this issue it would have to be referred to the CIA.

- If a cause for the absenteeism is related to stress at work then her objectives and targets have to be reviewed with that in mind.

Medium term

- review Joanne's attendance record.

- monitor the staff development and training plan and agree any amendments.

- discuss the CIPFA training (examination and outcome), and if possible attend employer liaison meeting at the college.

Long term

- as medium term.

- review and amend objectives/targets and agree with Joanne a training and development plan appropriate to those amendments.

Note

As a guide marks could be awarded as follows

	Problems Marks	*Solutions Marks (2 for each term)*
Whole team	1½	*6*
Beatty	1½	*6*
Fisher	1½	*6*
Hood	1½	*6*
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Total	6	*24*	
			(30)

Question 5

(SU 1, 8, 10 and 21)

AIMS OF THE QUESTION

1 To assess the candidates understanding of the merits and difficulties of pay for performance schemes.
2 To assess understanding of how groups are formed and how they develop.
3 To assess ability to consider the two previous issues in a context which is not directly covered in the OLM.
4 To assess understanding of the complexity of human motivation and ability to convey an overview of a complex area of study.
5 To assess the candidates understanding and appreciation of the alternative views of the role and functions of a public service manager and their ability to appraise those views.

GENERAL
Part (a) of this question is demanding as it covers several diverse areas of study and requires the student at least in part to relate those areas of study in a way not overtly considered in the OLM. It is also wide ranging and will require skill on the part of the candidate in producing a balanced response. Markers should be aware therefore that whilst some appropriate scope for flexibility is given within the marking scheme each individual element of part (a) should be attempted and undue compensation between sections should be avoided.
Whilst the issues addressed in part (b) of this question have been assessed recently it is felt by the examining team that candidates answers to this type of question are generally poor and that the profile of what is an important consideration for any manager in the public services is an important one to raise. Consideration of the core nature of the role and tasks of public management is vital to anyone performing the role whatever view the individual ultimately adopts.

(a)

As a minimum the student should present those key points included in the OLM but may include others. In particular given the context, issues around the divisive nature of individual PRP schemes would be valid.

Points covered in the OLM:

Attractions of PRP:

Provides incentive for good performance, thereby improving performance;
Provides opportunity for management to directly relate performance to pay;

Promotes cultural change.

Doubts about PRP:

Potential for unfair implementation by overworked or under-trained managers;
Whether the measure is appropriate;
Potential damage from perceptions of favouritism or bias;
Assumption that employee effort is the only variable in performance attainment;
Demotivation resulting from impossible targets;
Assumption of simple motivation by economic reward - may demotivate more "mature" individuals.

Other relevant points may include:

The overall aim of paying for performance is to

- Motivate all employees.
- Increase the commitment of employees by encouraging identification with organisational mission, values, strategies and objectives.
- Provide clear communication of the performance expectations of the organisation and direct attention and endeavour where the organisation wants them by specifying performance goals and standards.
- Reinforce cultures and values which foster high levels of performance, innovation and team-work.
- Help to change cultures which need to become more results and performance orientated.
- Differentiate and discriminate between employees in terms of rewarding their contribution to the organisation in terms of achievement and not just effort.
- Emphasise individual or team performance as appropriate dependant upon the scheme adopted.
- Improve the recruitment and retention of high quality staff.
- Flex pay costs in line with company performance.

Those who support payment linked to performance argue that individual, team and overall organisational performance will improve by meeting the above aims, however the implementation of incentive and bonus schemes may not produce the results anticipated.

Many of the recognised disadvantages were identified in the CIPFA material and overall, the implicit expectation that people will perform more effectively if offered financial incentive has long been open to question.
Recent research evidence has shown that poorly designed schemes are likely to demotivate staff more effectively than well-designed and implemented schemes will motivate them.

Schemes will be inadequate if:

- They do not match the culture and value systems of the organisation.

- Managers and those who implement the systems are not committed to making them work and are not properly trained to do so.

- Performance rewards are not closely linked to the business, do not support overall strategy and are not flexible enough to respond to changes in strategic direction.

- The key performance indicators and critical success factors are not clearly identified.

- The system is unfair in that rewards are arbitrary and not linked clearly to competencies and achievements through an effective appraisal system which is preferably in place before PRP is introduced.

- Performance targets are too mechanistic – qualitative targets and standards are just as important to success as quantitative ones.

- Provision is not made for monitoring, evaluating and reviewing the system to ensure that it can develop and respond to changing needs.

Given that the student is likely to refer more closely to the OLM and coverage is not as wide as that indicated above marks should be awarded on the basis of ½ mark for each valid point up to a maximum of 5 marks for this element of the question.

The next element of the question considers the potential for team reward systems. However a wide variety of approaches may be taken to this as the issue of team PRP schemes is not overtly covered in the materials. Team development is covered in SU8 and the student will need to link their understanding of the two issues in order to produce an appropriate response.
The candidate may initially usefully consider the advantages of such schemes.
One of the key criticisms of PRP schemes is that poorly designed, they act as positive discouragement to team working.
One way to avoid this is to reward group rather than individual performance.

Group schemes are particularly useful to:
- Promote the value and successful operation of team work.
- Facilitate the setting of group targets where results are dependant on joint effort.
- Prevent unfairness where the work of one person is dependant upon the efforts of others.

However group schemes may diffuse individual motivation as the relationship between individual effort and reward is no longer direct. A further potentially negative effect is to create inappropriate peer group pressure.

The above points draw on the work of Armstrong[1] and are intended to provide a frame of reference for markers. As this area is not specifically covered in the OLM valid points made by a candidate should be given a full mark provided the maximum of 20 marks for section(a) are not exceeded overall.

This section of the question then requires consideration of how groups develop and the possible impact upon the success of the scheme.

Groups go through specific stages of development; they may never develop beyond a certain stage and therefore may be inefficient
A model developed by Barry Tuckman in 1965 can be used to illustrate how groups mature and develop:

Forming people are busy finding out about each other, they are not yet a group;Storming the conflict stage where bargains are set and common goals reached;Norming developing a way of working;

Performing getting on with the job in hand.Alternatively/additionally candidates may include reference to the work of George Homans (page 28 SU8). Homans produced a more comprehensive model of group development, which considered the mutual influence of internal and external environment on group behaviour. His work also considered required and emergent behaviour, required being that which is essential to the achievement of the agreed goal and emergent being that which develops as the goal is achieved and individual needs begin to be addressed.
The candidate should then consider the context of the question i.e. the fact that the team is new and therefore likely to be at the forming/storming stage and the impact this may have on the ability to effectively cope with the idea of group reward.
1 mark should be awarded for each stage of the process adequately described (or valid point made) and a further mark for a valid conclusion

The final stage of part (a) of the question involves the student in a broader consideration of human motivation.

[1] ARMSTRONG M (1996) Personnel Management Practice (6th Ed) Kogan Page

They may easily be drawn to a detailed consideration of each school of thinking, the skill in answering this question will lie in being able to give a broad overview of the key theories and an appropriate consideration of the place of pay within that framework.

Theoretical work included in the OLM that makes specific reference to the impact of pay as a motivator:

1. Douglas McGregor: Theory X and Theory Y

assumptions

Theory X:
people are lazy;
need constant supervision;
will only work when supervised;
primary motivator is pay.

Theory Y:
people are by nature highly active;
do not need constant supervision;
will act voluntarily;
have powerful sources of motivation other than money.

2 Frederick Herzberg ("Work and the Nature of Man" 1966).
identified

hygiene or maintenance factors	or	motivator factors
(satisfy the need to avoid unpleansantness)		(satisfy the need to personal growth)

Hygiene factors (including pay) will not produce a higher level of performance over a sustained period.Motivator factors actively create satisfaction and are effective in producing sustained motivation.*At least 2 theories, which make specific reference to pay, should be considered for up to 2 ½ marks eachOther theories may be considered to relate the overall complexity of the issue of motivation, for example*

Response related theories
praise works better than criticism
- rewards have to be given for specific behaviours so that reinforcements are tied directly to these desired behaviours in the mind of the employee.

Physiological theories
i.e. behaviour is not under voluntary control and is therefore extremely difficult to modify.

Goal theories
expectancy, we are motivated by the outcomes we expect from a particular behaviour.
i.e. the strength of motivation depends not only on how much you want something but also on whether on not you expect a particular behaviour to gain you that outcome.

Overall the student may conclude that supervisors must be as aware as they can be of the factors which affect the motivation of each individual member of staff and not to take an over simplistic view of motivation and must actively manage motivational factors.
A further mark for each valid poin t/theory described up to 3 marks making the overall mark for this final element of part(a) worth up to 8 marks

(20)

(b)

Requires a **brief** examination of the objectives of the public sector compared and contrasted to those of the private sector and identification of the context within which the public services are delivered:
e.g. equity and
accountability issues

Private sector model:
- strategy based on competition;
- primacy of marketing/customer relationship;
- budget related to sales;
- accountability in market;
- goals related to profit.

Public domain model:
- reconciliation of competing values;
- customer is client and citizen;
- budget is act of political choice;
- wide accountability;
- multiple goals.

plus an awareness of the changing role of PSO's
i.e. enablers rather than providers, possible need for increased business awareness; enterprise; commercialism etc.

½ mark for each valid point up to 3 marks

Possible models of management this produces:

1 BUSINESS MANAGEMENT APPROACH:
Argues that the 5 "E"'s:
economy;
efficiency;
excellence;
enterprise ;
effectiveness;
are common and that there is no distinction between public and private sectors, indeed that the public sector can only benefit from private sector practices

Up to 2 marks

A completely opposing view would support:

2 PUBLIC ADMINISTRATION APPROACH:
Traditional functions:
determination and implementation of public policy;
conversion of political choice into action.
Argues that equity and accountability distinguish public domain from private sector, with the consequent assumption that the public domain has separate roles and therefore unique management problems.

Up to 2 marks

3 further marks are then available for the candidate's presentation of a valid consideration of a further viewpoint i.e. a "middle ground" :

3 PUBLIC MANAGEMENT APPROACH:
An acceptance of the need for a traditional emphasis on accountability and equity but,
concerns of generic management are apparent in the public sector (e.g. human resource management, planning etc.)

common managerial processes to consider:
environmental pressures;
decision making;
control;
organisation;
co-ordination;
influence;
human relations;
change.

10

(30)