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

HUMAN RESOURCE MANAGEMENT   **5175/01**

Optional Module   **October 2011**

2 hours plus 15 minutes' reading time

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
You may use a soft pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt **all** tasks.
Start each task on a new piece of paper.
Please leave a margin on the right and left hand side of each new page.

At the end of the examination, fasten all your work securely together, in the correct order.
The number of marks is given in brackets [ ] at the end of each question or part question.

This document consists of **3** printed pages and **1** blank page.

UNIVERSITY *of* CAMBRIDGE
International Examinations

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You must read the case study below and attempt ALL of the tasks that follow.
(This case study is fictitious.)

Unique Software Solutions (USS)

Unique Software Solutions (USS) is a computer software company that designs and produces customised computer software for businesses. Clients provide details of what they need the software to do and USS creates tailor-made programs to meet the clients' specific needs. Although all of the work is unique there are many similarities as business clients frequently want computer programs to perform tasks for common functions such as Accounting, Production and Stock *5* Control. The business is owned by Daljit and his role in the business is to deal with the strategic side of the Human Resource Management (HRM) function, and the General Manager for the operational side is Abdul. The company operates a centralised approach to management and every issue must be referred to Abdul. All work that comes in is allocated by Abdul to different staff and he alone monitors and chases progress on the different jobs. *10*

The company has a staff of ten systems designers, five programmers, three sales staff and five office staff. Only four of the systems designers are on full-time permanent contracts, with a further three on full-time temporary one year contracts, one on a part-time temporary one year contract and the other two employed on a casual basis when there is extra work available or a need to meet deadlines. The office staff work on a flexi-time basis as this is common practice for this type of staff *15* in the region. All of the sales staff are employed on full-time permanent contracts and they receive a number of extra benefits in addition to their salary. The company justifies this by stating that sales staff with the right skills are rare, but office staff are plentiful and easily trained. Across the region there is a high standard of education but insufficient jobs for the young educated person. In fact 40% of the unemployment in the region is made up of people less than 25 years of age, which *20* is also the largest age group of the regional population. The majority of the unemployed are male, whilst the number of females slightly outnumbers the number of males in the under 25 age group.

The programmers are employed on full-time permanent contracts and are expected to undergo at least two training sessions per year on the latest technology and new applications in the industry. This is usually arranged in-house by USS. Failure to attend the two training sessions is a *25* disciplinary offence under the terms of the programmers' contracts; this is felt to be necessary as it is essential to keep up with the progress of technology within the industry. Abdul is thinking of increasing the number of training events to three per year, but he is worried that he would not be able to provide all of these sessions in-house. The programmers work a shift system which includes some night working. They dislike this and would prefer to work standard daytime or *30* flexi- time hours as the office staff do.

Some of the systems designers were given temporary one-year contracts to enable the business to appraise how effective the employees were before offering them a permanent post. There are now two permanent full-time jobs available which any interested staff will have to apply for as they are open to everyone, including the casual workers. All applicants will have to go through the normal *35* selection process, including practical tests, and for those who are employed at present, the results of their half-yearly individual performance appraisal will also be considered.

Abdul and Daljit are considering whether the company should be reorganised by placing staff and work into different divisions such as Accounting, Production and Stock Control and work then allocated to one of these areas. This would avoid the present system where the first available *40* designer and programmer are allocated the next job that comes in. Staff have serious concerns about this reorganisation as they feel that work in some areas is harder and more demanding than in others, so some staff could end up with harder jobs.

You must attempt ALL of the following tasks.
Where appropriate use the case study to support your answer.

1 **(a)** Explain Abdul's role as the operational manager of human resources and describe how it is different to the strategic role of Daljit. **[10]**

   (b) Explain how the approach to the management of human resources at Unique Software Solutions (USS) could be changed from the present centralised approach. **[10]**
   [Total: 20]

2 **(a)** Describe the significance of the main features of the local employment market for USS. **[10]**

   (b) Explain the effect of technical change on training at USS. **[10]**
   [Total: 20]

3 **(a)** Describe the different forms of employment contract used by USS. **[10]**

   (b) Explain the normal selection process that the candidates for the new full-time jobs at USS will have to undergo. **[10]**
   [Total: 20]

4 **(a)** Explain the different working patterns at USS. **[10]**

   (b) Explain how the performance of the staff at USS is likely to be monitored. **[10]**
   [Total: 20]

5 **(a)** Explain what fringe benefits USS might provide for the sales staff it employs. **[10]**

   (b) Describe how USS will have decided upon the type and level of reward it pays to its employees. **[10]**
   [Total: 20]

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