
Chapter 13

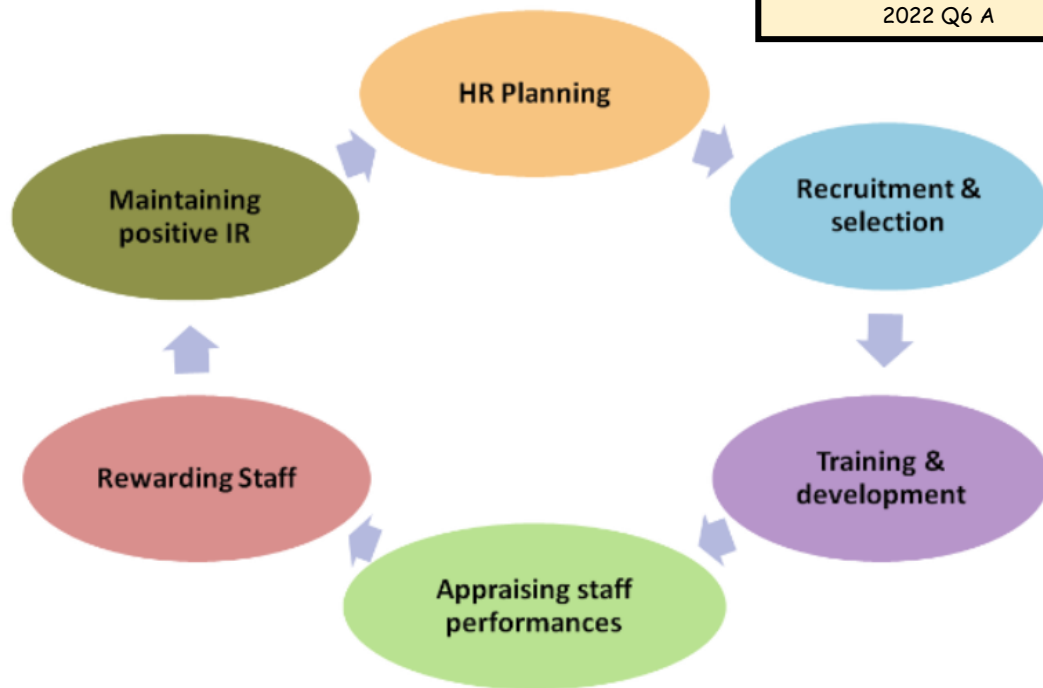
Human Resource Management

Higher Level

Past Exam notes (For this chapter)

HUMAN RESOURCE MANAGEMENT

Past Exam Questions
2022 Q6 A



1. HUMAN RESOURCE PLANNING

WHAT IS HUMAN RESOURCE PLANNING

HRM is the recruitment, training and keeping of motivated staff. It also includes good Industrial relations. HRM is important because for a business to grow it needs to have excellent staff with the right skills. HRP identifies the future staffing needs of the business and plans to have the right number of staff with the right skills at the right time. It is also known as Manpower Planning.

To prepare a HRP plan the following steps must be followed

1. Audit the present human resource levels

A human resource audit is a survey of the skills present in the existing workforce. This is then compared with the future needs to identify staff shortages/surpluses

2. Forecast future human resources needs of the business

Staff numbers can rise and fall due to expansion, mergers and new technology. Natural wastage is when staff leave the business due to retirement or to take up new jobs. Business need to plan their HR carefully so they always have skilled staff

3. Monitor the level of Labour turnover

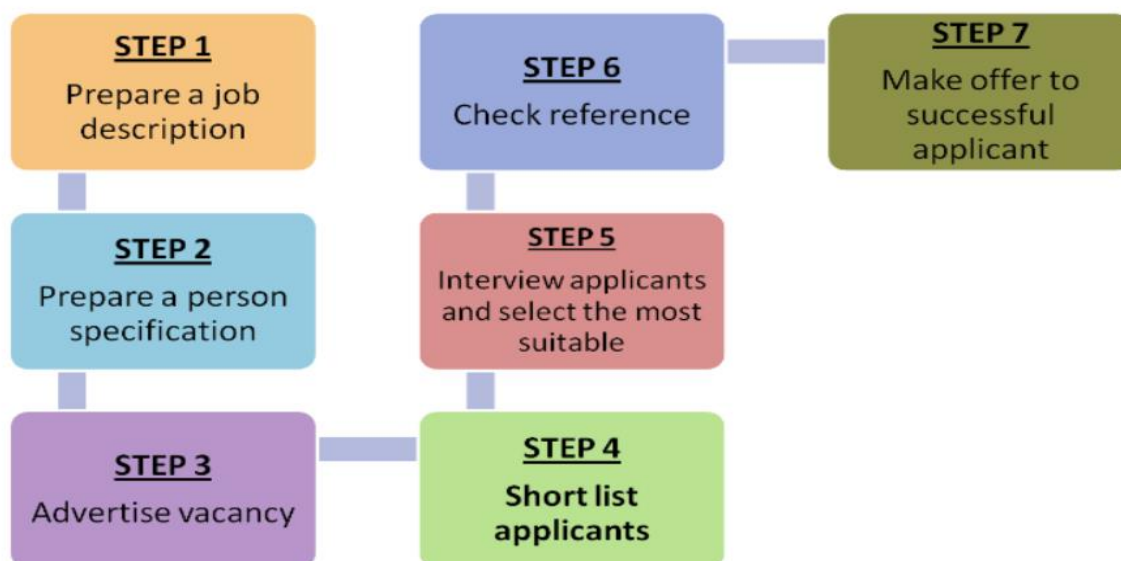
Labour turnover refers to the rate of employee leave a firm. Certain level of staff turnover is good because it introduces new blood to the firm. But high turnover is not good as staff members leave they have to be replaced. If there are highly skill staff leaving the business this can be costly for the firm. High staff turnover can be caused by Poor recruitment, unsuitable staff being taken on, Poor pay, Discrimination, Poor Industrial Relation

4. Prepare a HR Plan

This can be achieved by Training staff, Promoting Staff, Redeploying staff to vacant jobs in the business, Recruiting new employee from outside the business, Downsizing reducing the number of employee in a, business (Natural wastage/Redundancies)

2. RECRUITMENT AND SELECTION

HOW DOES A BUSINESS RECRUIT AND SELECT STAFF



Recruitment - This involves attracting suitable candidate with relevant skills, qualification and experience to apply for a job.it includes preparing a job description and person specification as well as creating and placing a advertisement

Selection -

Past Exam Questions

2018 Q6 A

2014 Q5 A

2023 Q6 C

Step 1 - Prepare a job description

A job description relates directly to the nature of the position itself, rather than the person required to fit it. It will set out the following - the main duties, tasks and responsibilities involved in the job, Job title, who they reports to, the salary and the expectations (targets to be achieved).

Past Exam Questions

2018 Q6 A

2014 Q5 A

2023 Q6 C

Step 2 - Prepare a Person Specification

This sets out the professional qualifications, experience and key characteristics and skills required by the successful candidate. It allows the business to define the kind of person required and helps in the writing of an accurate job advertisement. It determines how important qualifications and skills are for the successful candidate. The person specification allows the HR department to compare evidence from each applicant against the requirements of the job. With requirements stated in the person specification the recruitment and selection process is free from bias and the HR department is most likely to get the best candidate for Area Manager.

Step 3 - Advertise vacancy

Both the Person Specification and the Job Description form the basis of the job advertisement and subsequently the interview questions. Jobs can be filled internally and externally.

Past Exam Questions

2014 Q5 A

2023 Q6 C

Internal Recruitment

This is using internal communication such as Notice boards, E-mail, Company newsletters to advertise vacancy. This can mean promoting or deploying existing staff from within the business. Benefits of internal include the following it is Less risky because the firm knows the employee already, knows the employee, Possibility of promotion can, motivate employees, It is low cost - because there is little Advertising

Past Exam Questions
2016 Q5 A

Benefits on internal recruitment

1. Morale improves in business as staff have greater variety and promotion opportunities- career progression/can act as a motivator and strengthen employee commitment to the business.
2. Employee's skills, capabilities and attitude to work will be well known by management.
3. Employee has working knowledge of how firm operates - reduces need for and cost of induction training.
4. Reduces labour turnover as the opportunity for promotion exists.
5. Less disruption within the business/vacancy can be filled quicker and cheaper/reduced costs of advertising

Past Exam Questions
2014 Q5 A
2023 Q6 C

External Recruitment

This involves inviting applicants from outside the business. This can be done by Personal friends, Internet, Newspapers, Employment agencies. Benefits of External include the following - External candidates can bring new skills and experience to the business, The firm may get a wide range of applicants from different backgrounds

Past Exam Questions
2016 Q5 A

Benefits of external recruitment

1. Best candidate for the job can be recruited/wider range of candidates.
2. New employee brings fresh ideas/more open to change.
3. Wide ranging experience from previous employment/better skill set/higher calibre.
4. No existing relationships in the business - may reduce chance of conflict/less tension among existing staff.

Step 4 - Short list applicants

A short list of the most promising candidates is then drawn up. Applicants with bad spelling, sloppy application and no cover letter will be rejected. A Cover letter - This is a short letter highlighting why you think you are suitable for the job and requesting an interview (It should be included with the CV)

Curriculum Vitae (CV)

This is a short document usually 2 pages summarising Personal details, Education, Qualification, Work Experience, Interest and hobbies, Referees

Application form

Some large organisation may ask applicant to fill in an application form. This will ask questions such as applicants name address, education, work experience and interest relevant to the job

Cover Letter

This is a letter written by a job applicant (Person applying for the job) giving details why they want the job and the benefits and skills they can bring to the business

Past Exam Questions

2018 Q6 A

2014 Q5 A

Step 5 - Interview Applicants

The job interview is used to determine if the applicant is suitable for the job. A job interview is a process in which a potential employee is evaluated by an employer for prospective employment in the company. Question should be prepared to determine the candidate's ability to do the job, get along with other employees, work in teams and contribute to the business in an innovative and effective manner. Interviews generally take the form of interview panels where a number of interviewers interview one candidate. Under the Employment Equality Act candidates can't be asked about their age or marital status, Some employee may ask applicants to complete a selection test. This is to measure and compare applicants Aptitude, Intelligence and Personality for the job

Past Exam Questions

2018 Q6 A

2023 Q6 C

Panel Interview

A selection technique used to choose the candidate who most closely matches the criteria set out in the person specification. The candidate is interviewed by a group of interviewers who meet the candidate in order to reduce the effect of a single interviewer's personal bias.

1. To avoid gender balance
2. To distribute questions across the panel
3. To determine the candidate fits with the corporate culture.

Step 6 - Check Reference

This is a written or verbal recommendation from a former employer or person the know the applicant. They are usually checked after the interview for accuracy and honest before making a job offer to the applicant.

Step 7 - Make an offer to successful candidate

If references are satisfactory a job offer will be made to the applicant. Once accepted a contract of employment exists between each party and the employee is entitled to a copy of their basic terms and conditions of employment. When going through the employment procedures all departments should behave ethically and comply with legislation. The process must be fair and free from bias and discrimination and the best candidate should be selected for the job.

Equal opportunities - means that all applicants of equal ability for post have an equal chance of being hired or promoted.

3. TRAINING AND DEVELOPMENT

HOW DO FIRMS TRAIN AND DEVELOP THEIR STAFF?

Firms train and develop their staff by

1. Induction
2. Staff training
3. Staff development

Past Exam Questions
2018 Short Question 10

1. Induction

This is the introduction of new staff into a job and an organization. Effective induction should familiarize staff with issues such as - The organization, policies and rules, staff with whom they will be working with, layout of the building.

2. Staff Training

This ensures that all employees have up to date skills and knowledge needed to do their job.

This can be done by

- On the job - teaches skills and knowledge through work experience
- Off the Job - this is all types of education and courses that are done outside the business

3. Staff Development

This teaches an employee multiple skills which they can use in many jobs.

Staff Development - means that staff are more flexible and better able to adapt to change (filling in for absent work mates). Are more suitable for promotion - because they have a wider understanding of the different work that is done in the business

4. PERFORMANCE APPRAISAL

Past Exam Questions

2010 Q5 A (ii)

2023 Q6 C

WHAT IS PERFORMANCE APPRAISAL

^{Def} This is the process of setting performance standards for each employee and then assessing their performance regularly over a period of time. It involves the following

1. Agreeing targets

At the start of the year the employees and their supervisor set targets for an employee to meet over a period of time. Productivity is a measure of the efficiency in a business and is measured by output per worker

2. Reviewing progress

The manager and employee meet at regular intervals to review the progress towards the agreed goals

3. Discussing outcomes

At the end of the stated period both parties agree again to evaluate performance and set new targets

Benefits of Performance appraisal

1. Identifying any training needs
2. identifying employees for promotion
3. Improving communication

Past Exam Questions

2019 Q6 C

2015 Q6 B

2010 Q5 A (ii)

Importance of Performance Appraisals

The following are some of the reason that management carry out performance appraisal can

1. To review the progress of employees in order to determine the appropriate reward.
2. Goals can be set for future performance and these targets can be agreed by employees.
3. Decide on suitable wages for employees or discuss the possibility of a pay rise.

4. To provide employees with feedback so their productivity can increase.
5. To improve staff motivation by recognising staff achievements and giving appropriate award.
6. To assess employee's potential for promotion or a bonus or extension of a contract.
7. Management obtain feedback from employees on what resources they require/training, retraining needs or additional supports.
8. To measure employee output against a standard.

Past Exam Questions
2010 Q5 A (ii)

Performance Appraisal is reviewing the performance of the employees in business. It is usually carried out by the Human Resource Manager to judge/assess/evaluate the employee. The Human Resource Manager forms a judgement on a person's work by reviewing the quality of the work, the progress the person has made or the capability of the person. An interview/discussion may take place between the employee and HRM to discuss goal setting targets, expectations, problems employees may be encountering or resources needed in order to achieve targets.

5. REWARDING STAFF

FINANCIAL REWARDS

There are two main types of financial rewards that can be offered to employees

1. Wages and salaries
2. Prof sharing schemes

Past Exam Questions
2017 Q6 A
2013 Q5 B
2023 Q6 B (ii)

Wages and Salaries

Employees must be paid a fair wages for their labour (8.90). There are 3 types of wages and salaries

1. Flat rate pay.

Employees receive an agreed set rate of pay per week/month based on a standard number of hours worked (€500). There is no incentive to work harder or for longer.

2. Time-Rate Pay

Employees are paid a set amount for each hour they work. Overtime is usually paid at a higher rate. There is no reward for improved efficiency and employees may be tempted to work slower so they will receive more payment

3. Piece-Rate pay

Employees are paid for each item produced that meets the desired quality standard. It encourages maximum effort. Safety rules may be ignored if workers rush their work and may lead to quality control problems as employees may try to get as many items produced as possible to increase their earnings. Piece rate is not suitable for certain jobs (Teacher)

Bonus payments - give employees a share of the profits resulting from their increase efforts

Commission - is an extra payment based on a percentage of the value of sales achieved. This is normally paid in addition to a flat payment. It has the advantage of directly encouraging sales

Benefits-in-kind

These are taxable non-cash payments to staff. It includes

1. Free or subsidised meals
2. Company car

Profit-sharing schemes

This is a scheme where some of the business profits are paid to employees on an agreed basis. The scheme is administered, and profits are paid to employees to motivate them to become more productive.

Share ownership schemes

This is when the company offers free or low-price shares to their employees (Facebook). It is an incentive for staff to keep costs down. It breaks down 'them and us' mentality between employees and management

HOW IS FINANCIAL REMUNERATION DETERMINED?

Some jobs can be better paid than others for the following reasons

1. Demand excess supply - highly skilled doctors are in smaller supply than bus drivers. So doctors earn more

2. Ability and skills - are required for some jobs
3. Long training periods - Vets and surgeons discourage people so keep the supply down
4. The risk, danger and responsibility
5. Trade unions

Past Exam Questions

2013 Q5 B
2023 Q6 B (ii)

WHAT NON-FINANCIAL REWARDS CAN A FIRM OFFER TO STAFF?

1. Improved working conditions

Job satisfaction is the degree to which employees feel positive about their jobs, enjoy doing it and want to continue working with the firm. Job satisfaction is very important to a firm because it relieves

1. Stress
2. Improves motivation
3. Reduces labour turnover and bad IR
2. Shorter working hours and longer holidays
3. Safe and pleasant physical surroundings - there are healthy and clean working facilities with no discrimination, bullying or harassment
4. Job Satisfaction/Job enrichment/Job enlargement: Employees are rewarded because the job satisfies their social needs (teamwork) and self-actualisation needs (opportunity to do further study). The nature of the work (vocation) and the opportunities it presents (travel) reward the employee e.g. a volunteer with a third world relief agency or charity.
5. Flexitime: This allows employees the freedom to choose their own work hours within an agreed time frame e.g. workers may have to be in the workplace between 10am and 1pm only. This allows employees to work from home and organise for example their childcare arrangements more efficiently.
6. Job sharing: This involves employees sharing a position e.g. two employees have a job split between them. This is a flexible approach to employment and recognises that employees may wish to prioritise leisure time over work time.

Past Exam Questions

2023 Q6 B (i)

Flexible working conditions refer to arrangements between the employer and employee that allows employees to adapt their work schedules or patterns to better suit their needs. Common forms of flexible working conditions include - working from home

1. **Flexitime:** In this arrangement, employees can choose when to start and end their workday within defined limits. It provides greater autonomy over work hours.

2. **Job sharing:** This involves two or more people sharing the tasks of a single job. They split responsibilities and work hours between them. It's a collaborative approach to managing workload.
3. **Part-time working:** Employees work fewer hours than the standard full-time schedule. It's ideal for those seeking work-life balance or managing other commitments¹.
4. **Compressed hours:** This arrangement involves mixing shorter and longer working blocks. For example, an employee might work longer hours on certain days to have shorter workdays on others.
5. **Tele working** this is when the employee can work from home. They may do this 2-3 times a week with the other days working at the place of work

6. INDUSTRIAL RELATIONS

Industrial relation refers to the quality of the relations between the owners and the employees.

Good IR is important because

1. Improve morale and motivation
2. Productivity is increases
3. Less risk of strikes
4. Reduction in labour turnover

Promoting Positive IR

1. Train managers to deal with human resources problems so they can resolve them quickly
2. Recruit staff with positive attitude and provide proper training and development
3. Communicate regularly and honestly with staff
4. Have a clear grievance procedure for staff and management to follow when conflict arises
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Chapter 13

Human Resource Management

Higher Level

Past Exam Questions (For this chapter)

SHORT QUESTIONS

2018 - Question 10

Distinguish between induction training and staff development.

LONG QUESTIONS**2023 - Question 6**

New employees will seek flexible working conditions if pay demands are not met.

Adapted from Irish Examiner

- (B) (i) Explain the term flexible working conditions.
- (ii) Outline the different types of financial and non-financial rewards that business to attract employees. (20)

In 2022 recruitment companies noticed that Human Resource forecasts were adapted as the economy struggled with the cost of living costs

- (C) Explain the following terms in the context of human resource management.
- Job Description and Person Specification.

- Internal and External Recruitment.
- Interview and Selection. (25)

2023 - Question 6 (Deferred)

- (B) (i) Explain what is meant by Performance Appraisal.
- (ii) Analyse how Performance Appraisal can contribute to the successful running of a business. (20)

2022 - Question 6

Read the information supplied and answer the questions which follow.

The increase in the numbers of employees now working remotely from home has changed the traditional office beyond recognition. The role of the Human Resources (HR) Manager has never been more important.

- (A) (i) Discuss any three functions of the HR Manager in a business.
- (ii) Analyse the impact of remote working on one of the Human Resource Management functions. (20)

2019 - Question 6

- (C) Discuss the reasons why management carries out performance appraisal. (15)

2018 - Question 6

Read the information supplied and answer the question which follows.

The Area Manager Programme is a critical part of our business. What sets us apart from our competitors is the calibre of people in our stores

Source: www.aldirecruitment.ie

- (A) Discuss the role of the following in the effective recruitment and selection of an Area Manager for a large supermarket chain:
- | | | | |
|----------------------|-----------------|------------------|------|
| Person Specification | Job Description | Panel Interview. | (20) |
|----------------------|-----------------|------------------|------|

2017 - Question 6

- (A) Outline the financial rewards used for motivating employees. (15)

2016 - Question 5

Read the information below and answer the questions which follow.

SuperSave

SuperSave, a supermarket chain located in the south west, is considering updating its IT system to link all its stores and to modernise all its operations. It intends to implement a new Quality Assurance programme throughout all its stores. It is also considering a major recruitment campaign.

- (A) Discuss the benefits of both internal and external recruitment for management positions for a business such as SuperSave. (20)

2015 - Question 6

- (B) Outline the benefits of performance appraisal for employees in a business. (15)

2014 - Question 5

- (A) Outline the stages in a 'recruitment and selection' process, using the following headings:
- (i) Internal and External Recruitment
 - (ii) Job Description and Person Specification
 - (iii) Job Interview. (25)

2013 - Question 5

- (B) Explain the different types of financial and non-financial rewards for employees in a business. (20)

2011 - ABQ

- (B) Evaluate the effectiveness of the Human Resource department at Clothes-4-Us Ltd. (30)

2010 - Question 5

Performance appraisals are a valuable way to communicate with employees and may boost business productivity in difficult times.

- (A) (i) Explain what is meant the term performance appraisal.
- (ii) Outline the benefits of performance appraisal for a business. (20)