



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

HUMAN RESOURCE MANAGEMENT

5175/01

Optional Module

May 2010

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.



You must read the case study below and attempt ALL the tasks which follow.

(The case study is fictitious.)

FUSION ON TOUR

Fusion is a world famous rock band that is planning to tour the continent of Asia in 2011. They will play 47 concerts over a period of six months, which requires a considerable amount of planning and a very large staff to travel with them.

The managers of the group and their core technicians and advisors are all employed on permanent contracts with monthly salaries. However, for the tour they will need more technical help, general labourers and a number of specialists such as sound and lighting engineers. The technical staff will be employed on one-year fixed term contracts. The general labourers who move and set up the equipment at each concert will be hired by agencies in the different locations. They will be employed by the agencies on casual or temporary contracts and not actually employed by the Fusion Management. They will be paid a fixed fee plus a bonus if no problems arise. 5 10

Staff who will be employed for the duration of the tour are to be selected by a specialist employment agency, with the Fusion Management making the final decision from those recommended. Their weekly wages will be paid in cash in the currency of the local country, at the minimum rate, but all meals and accommodation will be paid for as part of the package. At the end of the tour, each employee will be judged on a set of targets and competencies, and awarded a bonus if they are successful. 15

The most controversial issue is that the Fusion Management have stated that they do not want to employ any workers who are members of any trade union because they cause too much trouble. They are happy to conform to the legal environment in each country, ensuring that minimum wages are paid, health and safety laws are obeyed and equal opportunities legislation is followed. It is because they strictly follow all of these laws that they believe trade unions are not required. 20

The Fusion Management are aware that working on a tour such as this - working on the road - is very different from a 'normal' job. Everyone works in task groups, with the responsibility for ensuring certain aspects of the concert or its preparation run smoothly. For example, the sound crew are responsible for making sure that on the night of the concert the sound quality is perfect. There is no room for errors and anyone who is not performing to the best of their ability is sacked and replaced. The hours are long and similar to a shift system, although shifts are not regular. The hours of work are determined by the arrival time at each venue and the end of each concert. 25

Despite the unsocial hours and variable working conditions, there is no shortage of people in the music industry who want to work on such a high profile tour. Future employment and pay levels will be improved if individuals can add this tour to their Curriculum Vitae (CV). Job satisfaction is provided by the range of experience gained, the prospect of promotion or immediate recognition, the levels of responsibility given and the variety of work. There is a considerable amount of on-the-job training which is the best way to train for these tasks. Several courses and training schemes exist, but nothing can replace the practical experience gained from a real concert tour with its different locations and changing environment. 30 35

The large supply of labour requires a very careful selection process, with a range of tests and interviews after the initial screening process. However, the Fusion Management has a method that has been used many times before and is very reliable. The workforce selected must be the best available because any mistakes could seriously damage the reputation of Fusion. There is no room for unqualified or inexperienced staff. 40

You must attempt ALL of the following tasks.

Where appropriate use information from the case study to support your answer.

- 1 (a) Explain how the employment agency is contributing to the strategic purpose of Human Resource Management (HRM) on the Fusion tour. [5]
- (b) Explain how the employment agency is fulfilling the role of a modern HRM department. [5]
- (c) Explain the **two** different approaches taken by Fusion Management to the management of Human Resources on the tour. [10]
[Total: 20]
- 2 (a) Explain the significance, to the employees and Fusion, of the fact that the employees who work for Fusion Management are not members of a trade union. [10]
- (b) Explain why it is important for Fusion Management to conform to the legal environment in each country. [10]
[Total: 20]
- 3 (a) Explain the difference between a permanent and a fixed term contract. [5]
- (b) Explain the benefits for Fusion Management of 'contracting out' to an employment agency. [5]
- (c) Describe the process that Fusion Management should use in order to select its employees from those recommended by the employment agency. [10]
[Total: 20]
- 4 (a) Explain the patterns of work that Fusion employees have when they are on tour. [5]
- (b) Explain the organisation of the work (the working structure) for the Fusion employees on tour. [5]
- (c) Explain how employees' work will be measured and monitored by the Fusion Management. [10]
[Total: 20]
- 5 (a) Explain how the workers on the Fusion tour are motivated. [10]
- (b) Explain why on-the-job training is better than off-the-job training in the live music industry. [10]
[Total: 20]

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

University of Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.