

BUSINESS MANAGEMENT

Unit 3

Targeted Evaluation Task for School-Assessed Coursework 2



2017 Set of 2 Structured Questions on Managing Employees for Outcome 2

SOLUTIONS & RESPONSE GUIDE

Task 1

Question 1 (4 marks)

Locke and Latham believe that employees would be more motivated by achieving defined goals. These goals need to be specific and clear, but also have some degree of difficulty to encourage employees to be more productive. The goals have to be set collaboratively between management and employees with the provision of regular feedback to reduce any anxiety and confusion. In this way goal setting could lead to better work performance by increasing motivation and effort. Also because employees do have some input into their goals, then they are more likely to try to do their best and achieve these.

However, goal setting can be time consuming as the manager would need to discuss and negotiate goals with each of his/her employees or teams. If the employees did not have the required skills and competencies to achieve preset goals then this too would also undermine performance and lead to lower morale. It could also become quite expensive to reward all employees who actually did achieve their stated goals.

Mark allocation:

2 marks are allocated for the positive aspects of using this theory.

2 marks are allocated for the negative aspects of using this theory.

Question 2 (6 marks)

The Four Drive Theory focuses on employees' desire to acquire by being able to buy material goods and also to gain status, power and influence in their workplace. The second drive relates to the need to bond or form relationships with individuals and groups. This is relevant to the workplace as people spend so much time working, so they need to be able to have positive interactions at work as well as opportunities for teamwork and collaboration. The third drive focuses on the ability to satisfy the employee's curiosity to learn new skills and to be challenged in the workplace. The fourth drive is linked to high levels of trust between management and employees. Employees seek a safe and secure work environment and want fair treatment to be able to work effectively.

This theory differs from Locke and Latham in that it has a different focus. There are some similarities with the drive to comprehend seeking challenging work which is part of the goal based theory, but the Four Drive Theory is far more comprehensive and examines the needs of the employee for a variety of angles, rather than just setting specific and clear goals with ongoing feedback.

Mark allocation:

4 marks are allocated for the explanation for the Four Drive Theory. (1 mark for each drive x4)

2 marks are allocated for the explanation of the differences to Locke and Latham's goal based theory.

Question 3 (4 marks)

One motivational strategy would be career advancement which is the opportunity for staff to be promoted within Moors. If employees are recognized for their contribution and given more responsibility, then this will boost their morale as they feel that their efforts are acknowledged leading to increased levels of job satisfaction and loyalty.

Another motivational strategy could be financial bonuses to the teams which could involve a one off additional payment over and above normal salaries. The team would have reached its specific targets or made a significant contribution to the success of the business and be duly recognized by this additional pay.

Mark allocation:

2 marks are allocated for the identification and description of each motivation strategy. (x2)

Question 4 (6 marks)

Performance management refers to managers and employees working together to plan, monitor and review employee contributions to the business. Management uses a range of strategies to assess employee performance and provide feedback. This process allows management at Moors to identify staff who deserve promotions and pay rises. It also helps them identify staff who need additional training, as they may not be achieving either business or personal goals.

One strategy that Moors could adopt is management by objectives where management and employees meet and set objectives which they then periodically discuss. This differs from employee self- evaluations which require employees to reflect on their own performance as they conduct a self-assessment of their work. They need to look at their strengths and weaknesses, identify areas for improvement and ways to make them better employees.

Both strategies can be used by Moors to evaluate employee performance and ensure that they are meeting their goals and targets. With management by objectives, management plays a key role in determining the progress of the employee, whereas in the self -evaluation the employee needs to consider career aspirations and how they are able to achieve these in the workplace.

Mark allocation:

2 marks are allocated for an outline of the importance of performance management.

1 mark is allocated for the explanation of each strategy. (x2)

2 marks are allocated for reference to both the similarities and differences.

Task 1:20 marks

Task 2

Question 1 (4 marks)

Termination refers to the ending of the employment cycle. Woolworths intends to reduce the size of its workforce so it will go through a process of seeking volunteers to leave the organisation through voluntary redundancies. There may be some form of severance pay to make this option more attractive so that employees who are close to retirement may decide to take the package and leave of their own choice.

If there are not enough staff who volunteer then forced redundancies will occur. This means that management will determine which employees will be asked to leave. Again there may be some form of payout, but these employees had no intention of leaving Woolworths, so they will be distressed that they were chosen to lose their jobs.

Mark allocation:

2 marks for the explanation of forced terminations.

2 marks for the explanation of voluntary terminations.

Question 2 (4 marks)

One entitlement issue would be ensuring that the employee receives all the money they are owed. Aside from their wage or salaries, any holiday pay, long service leave payments and other pay entitlements need to be finalized and made to staff who have been made redundant at Woolworths.

A transition issue would relate to the staff taking early retirement packages, ensuring that they have sought financial advice regarding their superannuation and any other pension entitlements, as they are leaving the workforce for good.

Mark allocation:

2 marks for the outline of the entitlement issue.

2 marks for the outline of the transition issue.

Question 3 (4 marks)

One key stakeholder involved in the termination of staff would be management at Woolworths. They would need to review all policies in relation to forced terminations and ensure that any relevant laws are followed to avoid any legal action for unfair dismissal. Management would also need to speak with the staff who are being terminated, retaining some level of confidentiality and sensitivity in their approach.

Another key stakeholder would be the union representing the staff who are going to be terminated. They would be working with management to ensure that their members receive all their entitlements, advance warning and some outplacement services to be able to find other work and deal with the loss of their jobs. They would also need to advise staff of the redundancy process and ensure that they feel supported throughout this whole process.

Mark allocation:

2 marks for the identification and analysis of each stakeholder. (x2)

Question 4 (3 marks)

A collective agreement is a means of determining the wages and conditions of employees. It is negotiated at the workplace level between management and the union representing the employees, or a group of employees representing all the staff. The collective agreement must include the 10 National Employment Standards as well a nominal expiry date, procedures for settling disputes, terms to allow for individual flexibility and provision for consultation with employees on major workplace changes.

Question 5 (2 marks)

Arbitration is a method of industrial dispute resolution where an independent third party listens to the arguments of both sides and then makes a legally binding decision.

Question 6 (3 marks)

Industrial action is only allowed during the negotiations or bargaining period of a collective agreement. The union involved must conduct a secret ballot of members with the majority voting in favour of industrial action e.g. holding a strike. Management at Woolworths would need to be informed of the proposed action at least 3 working days in advance. Approval for the industrial action must also be sought from the Fair Work Commission.

Mark Allocation:

1 mark for each set in the process that is outlined. (x3)

Task 2: 20 marks

Total 40 marks