

CIPS Level 5 – Advanced Diploma in Procurement and Supply

Managing Teams and Individuals [L5M1]

Sample Answer Guidance

SAMPLE QUESTIONS

(Q1) – Managing Teams and individuals

Alarmset

Maria is the newly appointed procurement manager for Alarmset, a company that develops manufactures and installs alarm systems.

Initially Maria’s experienced conflict with her team, but worked quickly to resolve these issues. The working relationships improved with the team demonstrating their commitment by creating new ideas in both process improvement and product development. Maria recognised the importance of maintaining a cohesive team. She took the opportunity of involving all team members in decision-making and set up a weekly group lunch that provided an opportunity for all team members to meet informally. The lunchtime sessions provided Maria with the opportunity to update the team members on key developments in the organisation, as well as new policies and strategies, and relationships with key stakeholders. The team were able to talk about issues of concern and to get to know each other better. Every few months, she runs an offsite ‘away-day’ for the group where each team member prepares an update on a relevant procurement topic and presents it to the group.

Maria noticed that one of her team, Faizel, had started to arrive late to work and the quality of his work has deteriorated. He appeared to be communicating less with other team members. Maria decided to talk with him, and Faizel admitted that he had lost interest in his work. Faizel wanted a role where he would be able to use and develop his financial skills, as he wasn’t able to in his current role as an assistant to one of the senior buyers. Faizel also believes that Fran does not delegate enough responsibility to him. Maria promises to look into the matter.

Alarmset has recently announced plans to expand into the growing market for assistive technology to help elderly and disabled people live independently. New procurement staff may be required, but Maria also wants to take the opportunity of enhancing the skills within her current team. Maria has set up an appointment with the human resources manager to discuss an appropriate course of action.

Question One

Explain the ‘Human Relations’ approach to management using examples from the scenario to support your answer.

[25 marks]

LO: 1

AC: 1.3

Planning your answer

Command Words

It is important in any constructive response question to understand the Command word used in the question as they tell you exactly what the assessor wants you to do. In this question, the assessor will want you to clearly: **Explain** the ‘Human Relations’ approach to management using examples from the scenario to support your answer.

The Command word in this question is **Explain** “Give reasons for, or account for something, so that it is clear or easy to understand”

Answering the question

A good approach to answering this question would be to have a short introduction relating to an explanation of what the Human Relations approach to management is e.g.

“A people focussed approach which developed mainly as a reaction to the de-humanising aspects of the classical approaches to organisational behaviour and management. These classical approaches such as scientific management and bureaucracy involved increased impersonalisation and standardisation of work roles and thus workers were becoming alienated. The human relations approach focuses on satisfying the human factors in the workplace and looks at the organisation as a social system.”

And then following on from the introduction, perhaps have a short sub-heading, “Human Relations approaches with examples from the Alarmset scenario include:”

Then perhaps give four or five examples providing an explanation for each. Less than four will unlikely accrue full marks.

This approach helps to ensure that you understand the question, recognise the command word and explain the Human Relations approach with four or five examples from the scenario.

The following is suggested answer content rather than a model answer and can include but not limited to:

Human Relations approach to management with examples:

Answers might include reference to the work of Elton Mayo and the Hawthorne experiments where the effect of changes in working conditions such as lighting, heating and rest periods were studied on the productivity of female workers at Western Electric Company.

Mayo’s findings included the following:

- That there were positive benefits to be gained by allowing workers the opportunity to talk about their feelings and concerns.

In the Alarmset scenario, Maria identified that Faizel’s performance at work had deteriorated and took the opportunity to discuss the underlying issues with him, giving Maria the opportunity and option to work to resolve these for the benefit of both Alarmset and Faizel. A different more classical management approach may have seen disciplinary action taken resulting in more demotivation and deterioration of performance, and perhaps likely that Faizel would look for opportunities out-with Alarmset.

- Mayo also found that productivity and morale appear to be affected positively when a group are given more attention and provided the opportunity for consultation.

In the Alarmset scenario this manifested itself through the team creating and delivering toward new ideas in both process improvement and product development.

Likert’s System IV Management Model 1967

- We can also refer to Likert’s System IV Management Model (1967) which highlights the importance of a participative management approach in a social group setting in order to help satisfy the psychological and social needs of employees. Likert argues that this approach can positively affect performance in the workplace by encouraging goal setting, decision making and problem solving.

In the Alarmset scenario, Maria is using this type of approach whereby she set up informal weekly lunchtime sessions to allow the team members an opportunity to meet informally as well as running off-site sessions for the team every couple of months.

We can also consider Neo-Human Relations Approaches such as:

McGregor's Theory X and Theory Y styles of Management

- McGregor's Theory X assumes that people need micromanaging and be offered a reward or incentive to work, are lazy and avoid responsibility. Whereas his preferred Theory Y assumes that people take pride in their work, need a participatory management style and are self-motivated.

In the Alarmset scenario this can perhaps be seen with Faizel wishing to develop his financial skills and contribute more to the team in a different role. i.e. he isn't necessarily motivated by money, and he wants to take on more responsibility.

Another Neo-Human Relations Approach and model we can consider is:

Maslow's Hierarchy of Needs

- Maslow used his model to show how important human relationships are in helping individuals to realise their full potential. It is a triangular hierarchical model starting with basic biological and physiological needs, then next, to fulfil our desire for safety, progressing to belongingness, then esteem (achievement, status) and finally to Self-Actualisation (personal growth & fulfilment).

In the Alarmset scenario, Maria wants to take the opportunity of enhancing the skills within her team. This can be seen in several areas within Maslow's model with the opportunity for individuals either to work within a group to enhance their skills (belongingness), increase their self-esteem by achieving and perhaps gaining additional recognition and status; and finally in regards to self-actualisation, personal growth and fulfilment.

Other suggested answer content to consider could include:

- Consultation can lead to the creation of self-governing teams and good co-operation with management.
- Self-governing teams have a strong sense of identity which can lead behaviour to become orientated toward the work group's interests rather than the organisations.

The human relations and neo-human relations approach highlights the requirement for managers to focus on the needs of workers as well as tasks and processes and to recognise the importance to workers of being part of a group or team and to develop incentives and rewards accordingly.

Answers might also recognise that 'happy' workers are not always the most productive and strong groups will need to be carefully managed. Also, once an initiative is rolled out to the whole organisation, the productivity benefits are not necessarily replicated.

Other valid responses will be accepted.

(Q2)

Question Two

Assess the main factors that are likely to influence job satisfaction within a procurement team. Use appropriate theory to support your answer.

[25 marks]

LO: 2

AC: 2.4

Planning your answer

It is important in any constructive response question to understand the command word used in the question as they tell you exactly what the assessor wants you to do. In this question, the assessor will want you to clearly: ‘**Assess** the main factors that are likely to influence job satisfaction within a procurement team. Use appropriate theory to support your answer’.

The Command word in this question is “Assess”, which means ‘decide the value of, judge, measure the importance of’.

Answering the question

A good approach to answering this question would be to have a short introduction relating to job satisfaction and the importance of it to both the individual and the organisation.

Job satisfaction refers to the quality of working life and fulfilment achieved by an individual in his or her job role. It influences how productive the workforce is and whether the organisation is maximising the value from its workers. People who are well managed and supported in using their skills in the workplace will tend to deliver more for the organisation than one that lacks opportunity and is dissatisfied.

Following the introduction, candidates may provide a short summary section of the major ‘Factors that are likely to influence job satisfaction within a procurement team’. Candidates may also outline the headline theorists relevant to the response.

The question is worth 25 marks and candidates could assess in some breadth and depth four or five factors underpinned with appropriate theory to ensure to provide a good response.

The following is suggested answer content rather than a model answer. Factors that influence job satisfaction can include but are not limited to:

- **Individual Factors** such as personality traits, education, cognitive ability, skills, age, perception of equity and orientation to work
- **Social Factors.** Relationship with colleagues, quality of team working, group norms and social interaction.
- **Cultural Factors.** Personal attitudes, beliefs and values. Power, politics and influence in an organisation.
- **Organisational factors.** Organisation design, leadership and management style, working conditions.
- **Environmental Factors.** Macro-environment, task environment.

Contextualisation to a procurement situation:

In the context of a procurement team individual factors could relate to the person's skills and knowledge in relation to procurement and their employment history and category knowledge. In relation to social factors, job satisfaction may relate to the organisation of the procurement team such as a centralised or decentralised structure. Cultural factors related to procurement could be linked to international contracting which will vary from one international context to another. The organisational factors such as a flat or steep hierarchy may also vary in a procurement context. Finally, environmental factors in the macro environment such as political and legal pressure may have an impact in terms of job satisfaction within a procurement team.

There are many theories that can be used to help inform and assess the above. Job satisfaction has strong links to motivation theory and both Maslow's Hierarchy of Needs and Herzberg's Two-Factor hygiene theory can be referenced whilst recognising that they were based on Western research.

Maslow's Theory is based on a scale which involves the motivation of individuals from basic safety needs through to self-actualisation at which point individuals are able to fully express themselves through their work. In the context of procurement, basic safety needs include health and safety availability of PPE. Self-actualisation would be when procurement staff can decide the main projects to be undertaken.

Herzberg's Theory divides motivation factors into two groups. Hygiene factors, which are those that can only be made to be satisfactory, but do not contribute to higher level motivation e.g. working conditions and salary. The true motivators are achievement, recognition, responsibility and advancement.

Clarke et al (1996) argues that job satisfaction is related to age and an individual's career can be mapped over time using a U-shaped curve.

Hackman and Oldham's (1975) Job characteristic model identifies five intrinsically motivating job characteristics such as skill variety, task identity, task significance, autonomy and feedback in the work environment.

Zheloukhova (2017) discusses job design for job enrichment where the individuals are supported on working on tasks that are motivating, whilst meeting organisational needs. Early Scientific Management (Taylorism and now digital Taylorism) influenced the breaking down of tasks leading to worker boredom and alienation from social interaction, end products and customers.

Other answer content can include:

- Content of the work and level of responsibility
- Alignment with organisational objectives
- Development opportunities
- Social/team support and recognition
- Work/life balance.
- Other theories such as, Locke's Goal-Setting Theory, Vroom's Expectancy Theory

Answers will need to demonstrate an assessment of these factors e.g. an evaluation or judgement with reference to suitable models where applicable. Candidates should also link the responses to the context of procurement as requested by the question.

Other valid answers will be accepted.

Pass grade answers will consider the main factors that are likely to influence job satisfaction, and make some judgement of their importance, within a procurement team. Appropriate theory to support the answer will include more than one theorist.

(Q3)

Question Three

Using appropriate theory, explain the stages of team development and provide the key features of each stage, supported by relevant examples.

[25 marks]

LO: 3
AC: 3.2

Planning your answer

Command Words

It is important in any constructive response question to understand the Command word used in the question as they tell you exactly what the assessor wants you to do. In this question the assessor will want you too clearly:

Using appropriate theory, **explain** the stages of team development and provide the key features of each stage, supported by relevant examples.

The Command word in this question is Explain, “Give reasons for, or account for something, so that it is clear or easy to understand”

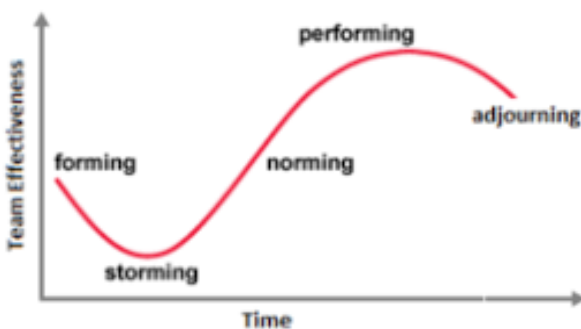
Answering the question

A good approach to answering this question would be to have a short introduction relating to a definition or explanation of teams such as ‘a small group of people with complementary skills who are committed to a common purpose, performance, goals and approaches for which they hold themselves jointly accountable.’ (Katzbach & Smith). Answers might also recognise that teams are complex and dynamic; they mature, develop and change over time.

And then following on from the introduction perhaps have a short sub-heading “Stages of team development and key features with relevant examples include”

This approach helps to ensure that you understand the question, recognise the command word and explain the stages and key features with relevant examples. Remember the question is worth 25 marks.

The following is suggested answer content rather than a model answer and can include but not limited to:



Answers might base the discussion on a model such as Tuckman & Jensen’s (1977) stages of group development. (The original Tuckman model recognised four stages – the later Adjourning stage taking it to five)

The Tuckman & Jensen’s model is significant because it recognizes the fact that groups do not start fully-formed and functioning. It suggests that teams grow

through clearly defined stages, from their creation as groups of individuals, to cohesive, task-focused teams.

The Five Stages:

1. Forming – Where members find out about each other and begin to establish purpose, composition, leadership and organisation. At this stage, there may be wariness of new ideas and a need to be accepted. Typical behaviours during this period may see individuals on their best behaviour, presenting their ‘best self’ and avoiding conflict as the need for approval is high during this initial phase.

Whilst an essential part of team development, the forming stage does not generally contribute to task effectiveness.

2. Storming – This is where team members begin to assert themselves and test out roles, leadership, behavioural norms and ideas. This phase will see a period of potential conflict as individuals ‘jockey for position’ expressing strong views, challenging and disagreeing with others. Successful negotiation of the storming phase will result in the agreement of group structures and the nature of the tasks and processes.

This stage is essential for groups to determine how they operate, however failure to navigate this stage will result in ongoing group dysfunction.

3. Norming – The settling down stage where group procedures and customs are well defined and adhered to. Energy levels may be lower than initially but team members are working together methodically leading to cohesive and co-operative behaviours.

This stage will result in a more synergistic approach to task and group challenges and the development of more of a ‘we’ mentality in pursuit of group task goals and objectives.

4. Performing – Team development is now complete with the group focused on achieving objectives effectively.

This stage sees team loyalty increasing and members seeking to contribute maximum effort to team goals. Group members become more trusting and this is reflected in high levels of commitment to both task and group objectives.

5. Adjourning. This is the final stage of group development covering the period during which a group parts ways. The reasons can be varied including completion of the project task. There may be a sense of the group that the work is done and perhaps closing with an evaluation of the results and producing final reports. The Adjourning stage can cause a significant amount of feeling of loss, sadness and anxiety similar to the grief over the loss of group identity and friendships. It is important that team leaders and facilitators establish closing procedures with the group, perhaps with a closing ritual or ceremony celebrating the achievements of the group and members.

Answers might also refer to other team development models such as:

Schutz’s FIRO Model which can be used to identify issues which can arise at each stage of team development such as ‘inclusion’, ‘control’ and ‘affection’ issues. The FIRO model suggests that individuals with similar needs will work together better than those with differing needs,

And

Belbin’s team roles – where a team is built to include a mix of complementary skills and contributions in order to fill nine key roles to form a balanced team.

(Q4)

Gentec

Gentec supply circuit boards to consumer electronics manufacturers. Gentec purchase a wide range of electronic components from multiple suppliers. Most of these components have three or four suppliers who can meet Gentec's requirements, although these products are quite specialised and can sometimes create bottlenecks in supply.

Gentec currently operate on a purely transactional and arms-length relationship with all these suppliers. Gentec try to generate as much competition as possible between the suppliers and share minimal forward planning information, adopting a transactional competitive tendering approach with all suppliers.

Requirements for electronic components are re-tendered each time they are needed which is an administratively challenging and relatively expensive approach. Gentec have maintained this low trust approach with minimal engagement of their suppliers. Price is seen as the overriding objective and Gentec believed that this transactional arms-length approach, with minimal stakeholder engagement, provided it with the lowest possible prices.

When tender documents are issued, minimal information is shared as there is limited trust between Gentec and its suppliers. Gentec issue specifications which suppliers are required to follow without raising any questions. Unsuccessful suppliers are given no feedback. Suppliers are required to carry any development costs required for components. The suppliers do not regard Gentec as a core customer as each individual tender is for a fixed term and fixed amount with no longer term commitment.

Gentec have recently appointed a new supply chain manager, Michelle Stevens. Based on her previous experience in other markets and with other supplier stakeholders, Michelle believes that an alternative approach could be used with the suppliers of electronic components. This revised approach would attempt to build and maintain trust with the suppliers to gain their long-term commitment and to align the objectives of Gentec and its suppliers, who Michelle recognises are key stakeholders.

Question Four

Propose and justify ways in which Gentec can build and maintain trust with its suppliers, who are now recognised by Michelle Stevens as key stakeholders.

[25 marks]

LO: 4
AC: 4.2

Planning your answer

It is important in answering a constructive response question to understand the command word(s) used in the question. In this question, the command word is Propose (Suggest the most appropriate answer for consideration or action in relation to a situation) and to Justify (Give good reasons for decisions or conclusions referencing other text or evidence).

Answering the question

It is important to note that Michelle Stevens has a completely different approach. This approach will treat the suppliers as important stakeholders and the Mendelow matrix may be referenced to categorise this new approach. In order to build trust with the suppliers a new perspective treating them as important stakeholders will be required.

There are a number of ways in which stakeholder management could be improved – CIPS identify eight key elements to building and maintaining trust with stakeholders which include:

Support – Gentec can provide support to the suppliers by giving access to information related to forward plans and likely future demand.

Empathy – Gentec can communicate to the suppliers the problems and issues related to Gentec's customers and the suppliers can communicate the problems they identify in the supply market for electronic components.

Transparency – By reducing barriers between the organisations, Gentec can engage other internal stakeholders such as design and manufacturing between the suppliers and Gentec.

Communication – Gentec can improve the communication with the stakeholders by arranging meetings, early supplier involvement and information sharing. This may require the adoption of non-disclosure agreements.

Feedback – Gentec can move away from their current arms-length approach and provide feedback to the suppliers in terms of their performance. This may give the opportunity for suppliers to better meet Gentec's requirements.

Consultation – Gentec can engage in active consultation with the suppliers using their knowledge and skills for processes such as value analysis and engineering.

Engagement – Gentec can improve the trust of the suppliers by engaging at multiple levels. Senior managers in both organisations sharing information and collaborating should result in increased trust and reduction in overall cost.

Inclusion – Gentec can involve its suppliers in its longer-term plans which will help generate a greater degree of trust for the future.

Responses may propose any of the above ways to improve trust with the suppliers. There are also practical communication methods that could be used with any of the items above to develop trust. Regular meetings, joint and partnership working, sharing of investment costs and risks, newsletters and updates shared with suppliers would also enhance trust.

All of the above are ways in which Gentec can build and maintain trust with its suppliers, which will be a different approach to the current situation.

It is important to understand that the new approach will move the supply of electronic components from a bottleneck to a strategic category. Some may observe that this links to the Kraljic matrix, although this does not need to be directly stipulated.

Some may also note that the new approach will also move Gentec to a core customer for the suppliers of electronic components.

The CIPS Relationship Spectrum is also relevant, moving the existing supplier relationship from arms-length adversarial and tactical, to a more collaborative and partnership approach.

Responses should recognise that the suppliers have been treated ineffectively in the past as they are a key stakeholder, and this categorisation means that they should be managed closely – reference Mendelow matrix.

The Michelle Stevens approach should provide improved trust with the suppliers although it may also involve some supplier rationalisation as this level of trust and commitment can only be sustained with a smaller number of critical suppliers.

The number of ways in which trust can be improved is not stated in the task but four or five proposals would be expected. However, a range is acceptable, depending on the depth provided (e.g. more than 5 in less justification or less than 5 with very strong justification).

Other valid approaches and answers will be accepted.

SAMPLE QUESTIONS