CIPS Level 5 – Advanced Diploma in Procurement and Supply

Managing Teams and Individuals [L5M1]

Sample Answer Guidance
(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.

[20 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. (Either four or five marks for each depending on the breadth and depth of explanation). 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 fulfill 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.

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 20 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.

Zheltoukhova (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.
Question Three

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

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.’ (Katzenbach & 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 20 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)

**SPS Software**

To improve procurement, SPS Software decided to set up a new procurement function. Karen Barker is the newly appointed procurement manager. She is responsible for pursuing savings across the whole business, focusing on key areas of expenditure; Karen has limited management experience and has not
been responsible for managing and directing staff, but is keen to learn. One issue that she knows she must address is to motivate the new team. She has been given a team of one senior buyer and two assistant buyers to help her. They all previously worked in procurement though not within a software environment and none have any technical or product knowledge for this environment but were keen to move to SPS Software in order to progress their careers. The two assistant buyers will require specific development regarding the financial aspects of their new role due to the significant areas of expenditure they will be responsible for.

Resources will be required both in terms of time and money to undertake a structured training programme for all of the new staff. It is also understood by the company, that a range of delivery methods for the training should be used to accommodate the different learning styles of the participants.

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mia Almond</td>
<td>Senior Buyer</td>
<td>Responsible for large expenditure such as business-critical software with $750,000 annual spend and web site hosts and developers $500,000 annual spend</td>
</tr>
<tr>
<td>Christine Lowiski</td>
<td>Assistant Buyer</td>
<td>To specialise in communication contracts such as telecoms and on-line conference facility $360,000 total annual spend</td>
</tr>
<tr>
<td>Marcus Pollon</td>
<td>Assistant Buyer</td>
<td>Works on smaller project procurements for the development of new products. Average annual spend $300,000</td>
</tr>
</tbody>
</table>

Karen recognises that training of the new procurement team will be required, and this will require the preparation of a training and development plan.

**Question Four**

Examine the factors that Karen should consider when preparing such a training and development plan.  

[20 marks]

**LO: 4**

**AC: 4.4**

**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 ‘Examine’ the factors that Karen should consider when preparing such a training and development plan.

The main Command word in this question is **Examine** “Look closely at something and discuss in a balanced and detached way in order to come to a decision/ conclusion”

**Answering the question**

A good approach to answering this question would be to have a short introduction perhaps along the lines of “Training and Development seeks to improve the individual, team and organisational performance, develop talent potential and produce positive behavioural change, individually and collectively within organisations. The pace of technological, political and social change and the growing importance of Procurement and Supply
Chain Management within organisations make training and development a continuous and key priority for successful organisations.”

Then following on from the introduction perhaps have a short sub-heading: Factors that Karen should be considered when preparing a training and development plan for her team include:

We need to recognise here that the question is worth 20 marks and we could look to examine four or five factors relative to the case study.

This approach helps to ensure that you understand the question, recognise the main command word and examine some of the main factors that Karen should consider when preparing a training and development plan for her team.

The following is suggested answer content rather than a model answer.

Factors that may be considered when developing a training and development plan include:

- Setting the objectives of the training, personal, professional and organisational
- The costs and benefits of the training
- The methods of delivery to be used
- The use of training needs analysis to inform the training requirements
- The linkage between the training and development plan and individual’s development plans
- The method to be applied to assess the performance and effectiveness of the training and development itself.

Answers may indicate that the training and development plans primary purpose is in building and sustaining long-term competitive advantage/improved service provision for SPS Software.

These plans must align SPS Technology strategic organisational goals with the individual aspirations and future abilities of the employee, with employee ownership of the plans another factor to consider.

Answers may also mention the inclusion of self-directed training, coaching and mentoring programmes in the plan as other potential and valid avenues that SPS Technology may consider.

Answers may take the perspective of either Karen or the broader organisation of SPS Software. The factors they consider may be slightly different, with the organisation taking a wider perspective. For example, budgetary constraints might be a particular concern for the organisation.

Approaches & Frameworks to consider can include:

There are many approaches to answering the question including the RAM model by CIPD, Tom Boydell or Mullins frameworks and the Addie approach, although any other relevant models are acceptable.

RAM Model – Relevance, Alignment, Measurement developed by CIPD

Used to evaluate learning outcomes and the extent to which learning provision is aligned with business objectives. Such a focus helps to ensure that L&D interventions deliver value for both learners and organisations.
Boydell’s ‘Guide to the identification of training needs’ is present on four levels, each of which will influence the plan:

- **Individual:** including all personal, skill and career development opportunities presented by SPS Software.
- **Group Development:** this may include either cross-functional or inter-departmental teams, within SPS Software, with the use of team-building activities or informing SPS Software staff of new policies and procedures.
- **Occupational & Professional Development:** development of technical competencies and ethical standards relevant to that functional group within SPS Software.
- **Organisational Development:** such as the Learning Organisation and the associated transformational needs of SPS Software.

**Mullins more systematic framework** approach to the development of training and development plans:

- **Commitment:** Support from top to bottom of SPS Software and that sufficient resources are made available by the senior management team in order to carry out the required tasks.
- **Training needs analysis:** capability/competency gap analysis at organisational/departmental/individual level within SPS Software.
- **Involvement:** employees have a sense of ownership in the training and development processes.

**Addie Approach to Training & Development**

![Addie Approach Diagram]

Other valid answers will be accepted.

**Q5**

**Question Five**

Explain how equality and diversity issues can be managed to improve the effectiveness of the organisation.

[20 marks]

**LO:** 5
**AC:** 5.4

**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** how equality and diversity issues can be managed to improve the effectiveness of the organisation’
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 introductory sentence or paragraph on the importance of recognising the impact that equality and diversity now has within organisations in both facilitating the success of a business and ensuring a company meets legislative requirements such as the Equality Act 2010. We can also state simply the aims of equality and diversity; to ensure that everyone has access to the same opportunities and the same, fair treatment.

And then following on from the introduction perhaps have a short sub-heading “equality and diversity issues can be managed to improve the effectiveness of the organisation in the following ways:”

Then number or bullet point each of the identified ways going on to provide reasons or account for why they improve the effectiveness of an organisation.

This approach helps to ensure that you understand the question, recognise the command word and subsequently answer the question. A good strategy would be to explain four or five ways well in the time available recognising it is a 20 mark question.

The following is suggested answer content that can be further developed rather than a model answer. Equality and diversity issues can be managed to improve the effectiveness of the organisation in a number of ways.

The organisation has to have policies and procedures in place to ensure that it fulfils its legal obligations and statutory duties under the Equality Act 2010 (in the UK). The act is designed to protect individuals from unfair treatment in the workplace and promote a fair and more equal working environment. It provides a framework of discrimination law which can be used both for training and awareness purposes within the organisation as well as underpinning a company’s developed policies and procedures.

It may be useful for an organisation to appoint an equality and diversity co-ordinator and/or champion(s) who is/are responsible for championing equality initiatives and behaviours with the organisation and functions.

Ensure grievance and complaints procedures are in place and issues dealt with sensitively and consistently.

Promoting the positive contribution that equality and diversity can make to an organisation’s competitiveness. Competitive advantages can be accrued from Legal Compliance, Enhanced creativity and outputs, Improved service offerings and Retaining key talents.

Other ways include but not limited to:

- Acknowledging cultural differences when they arise
- Identifying and focusing on shared values and common ground
- Clarifying expectations, in terms of diversity, and gaining the commitment of the group to shared values and objectives
- Being aware of and identifying different interests, strengths and preferences, and showing appreciation and respect for different cultural contributions
- Flexibly exploring culturally appropriate ways of team building and rewarding excellence
• Being sensitive to power imbalances within the group based on cultural issues. These may include language and the relative roles of genders in different cultures
• Facilitating a communication and feedback process so that cultural and diversity issues are responded to sensitively and potential conflicts addressed
• Management and leadership styles in a multi-cultural setting
• Awareness training/Communication mechanisms to avoid intercultural issues

Answers may also refer to Mullins’ ‘ten practical ideas for managing diversity’:
• Testing assumptions about people before acting on them
• Ensuring that policies related to discipline and grievance are clearly understood
• Ensuring that written and unwritten diversity policies are understood and acted on
• Maintaining open channels of communication to identify possible issues before they become problems
• Learning how to understand the views of all staff and encouraging open approaches
• Being prepared to listen to varying methods of problems solving
• Having regard for strongly held beliefs by individuals (e.g. religious observances)
• Acknowledging all contributions to improving work environments and processes
• Knowing your own cultural diversity biases and not letting them affect your approach
• Taking care that any social events can be enjoyed by all staff, including those with physical disabilities.

Other valid responses will be accepted.