



ICM

SEPTEMBER 2015

PEOPLE IN ORGANISATIONS – PRE-ISSUED CASE STUDY & GUIDELINES

Important notes for candidates regarding the pre-issued case study

The case study is designed to assess knowledge and understanding of the People in Organisations syllabus in the context of the relevant case study. The examiners will be marking candidates' scripts on the basis of the questions set. Candidates are advised to pay particular attention to the mark allocation on the examination paper and to plan their time accordingly.

Candidates should acquaint themselves thoroughly with the case study and be prepared to follow closely the instructions given to them on the examination day. Candidates are advised not to waste valuable time collecting unnecessary data. The cases are based upon real-life situations and all the information about the chosen organisation is contained within the case study.

As this case represents a real-life situation, anomalies may be found in the information you have before you. Therefore, please state any assumptions you make that are reasonable when answering the questions. Remember, you are going to be tested on your overall understanding of the case issues and your ability to answer the questions that are set in the examination.

In order to prepare for the examination, candidates will need to carry out a detailed analysis of the case material ahead of the examination. Candidates have sufficient time during the examination to answer all the questions, but this means that detailed analysis has taken place before commencing the examination. The examiners are looking for clear evidence that candidates have a good understanding of the case and can use the relevant course ideas from the syllabus to answer the questions.

The copying of pre-prepared 'group' answers, including those written by other third parties, is strictly forbidden and will be penalised. Thus, questions will demand analysis in the examination itself and individually composed answers are required in order to pass.

Candidates are only allowed to take up to two pages (four sides) of A4 notes into the examination room. These notes should be attached to the script at the end of the examination and returned.

A copy of the pre-issued case study material will be available in the examination. Candidates are NOT permitted to take into the exam the downloaded case study or any other notes. Candidates should not attach any other additional information in any format to their answer book. Any attempt to introduce such additional material will result in the candidate's paper being declared null and void.

The examination will be for **THREE HOURS** and will consist of **TWO** parts.

Part A comprises **FOUR** compulsory short answer general questions and is worth **40%** of the final mark. **These questions are not specifically related to the case study.** It is recommended that you spend approximately **ONE HOUR** on Part A.

Part B comprises **THREE** compulsory questions related to the pre-issued case study that you will have analysed before entering the examination room. This part is worth **60%** of the final mark. It is recommended that you spend approximately **TWO HOURS** on Part B, which includes planning and checking your answers.



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PEOPLE IN ORGANISATIONS
CASE STUDY – ALL CHANGE AT CALICO

Jennifer Calico's idea to publish self-help books started after she graduated with an MA in English Literature. After her graduation, Jennifer worked for some time at a large UK-based publishing house where she learnt how the publishing business worked. Whilst at the publishing company she nurtured her idea to create her own publishing company. In early 1990 Jennifer felt that there was a gap in the market which she felt she could fill, and in 1991, she started Calico Publishing in a small office in the East End of London. Jennifer was lucky enough to have friends who would back this new business and within 5 years Jennifer had put together a small but dedicated team of specialists who produced Calico self-help books. The initial topics covered were mainly health and fitness, but other titles and topics followed which mirrored the changes and demand for leisure, health, art and crafts. By 2009, the business published some 30 types of self-help books, with a net turnover of £2 million a year. Jennifer's team had all come from a similar background to her own – university graduates who had spent some time in various areas of the publishing industry. They were young, had good ideas and worked well as a team. It was normal for the employees to have nights out together and to spend time on holiday together too.

Calico revolves around the design, printing and distribution of self-help books covering a wide range of titles such as – creative arts, home and garden, games, health and fitness and music. Jennifer has prided herself on being able to tap into the latest fads and new ideas that her small team has created over the past 15 years. Over the past twelve months the market for this type of self-help book has been intense with the large publishing houses beginning to target Jennifer's traditional market. The swift changes that have been happening as a result of the World Wide Web (www) has also meant that Jennifer's business has seen profits fall. Over the past six months Jennifer has had to lay off some of her staff who have been employed on a contract only basis. Her core workforce now numbers some twenty employees, and Jennifer is worried about the future of her business given the external environment that she now has to work in. Jennifer has always been a fighter when it comes to her company. She has a dedicated and talented core group of staff who she feels are able to make the changes that are needed if the business is to prosper in the future. What is needed is a new approach to how the business should be organised. Jennifer's relationship with her staff is a close one, many have worked for her for many years and see the future as a challenge that they can rise to and excel in. The team has good ideas and new ways to deliver their core product. The key problem is the way the business is structured and the costs of running a company given the demands placed upon it by a growing number of competitors.

Jennifer has hired you to recommend a new approach to the HRM function based on her proposal to move to a virtual organisation, so she can focus on other areas of her business. During your first two weeks, you find out that the company has been greatly affected by the upsurge in the economy and is expected to experience overall revenue growth by 10 percent over the next three years, with some pundits suggesting a growth as high as 30 percent. However, five of the ten workers are expected to retire within three years. These workers have been with the organisation since the beginning and provide a unique historical perspective of the company. The other workers are of diverse ages.

In addition to these changes, Jennifer believes they may be able to save costs by allowing employees to telecommute one to two days per week. She has some concerns about productivity if she allows employees to work from home. Despite these concerns, Jennifer has even considered closing down the physical office and making her company a virtual organisation, but she wonders how such a major change will affect the ability to communicate and worker motivation.

Jennifer shares with you her thoughts about the costs of health care on the organisation. She has considered cutting benefits entirely and having her employees work for her on a contract basis, instead of being full-time employees. She isn't sure if this would be a good choice.

Jennifer schedules a meeting with you to discuss some of her thoughts. To prepare for the meeting, you perform research so you can impress your new boss with recommendations on the challenges presented.