

ENGINEERING TRIPOS PART IIA 2004

Solutions to Module 3E5
Human Resource Management
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Guidance for marking: 3E5 Engineering Paper 2004

Q.1

What do you understand by the term HRM (Human Resource Management)? [40]. To what extent has HRM been adopted in Britain? [60]. Use WERS98 survey data to support your answer.

HRM is difficult to define but one useful definition is that of Storey (1994). It is important to distinguish between the 'hard' and the 'soft' versions of the approach. Most answers will show that HRM adoption in Britain has been patchy and piecemeal and the soft versions are largely confined to greenfield sites operated by foreign-owned companies. WERS98 data suggests that unionised enterprises are more likely to adopt elements of HRM in their policies. A good answer will show that the pure version of HRM is rare, very expensive to introduce and unsuitable for the Anglo-Saxon version of capitalism.

Q.2

Why has the adoption of HR (Human Resource) practices taken a different form in Continental European Union countries than in Britain?

The continental model is a welfare state incorporating a mixture of state corporatism and family values. There are various versions of capitalism eg the Scandinavian model with its social democratic provision of universal rights, the Mediterranean version with its emphasis on pensions and the role of the family as a safety net, and the Continental model, where rights are important and cannot be taken away. All versions have provisions of social justice and social citizenship. At work, employees have job security, health and safety and representation rights the idea is one of a partnership and this means that the employees are bound to think about the good of the company too. This idea is very well demonstrated in the German tradition of *Mitbestimmung* (co-determination). This model is very different to the forms of Anglo-Saxon capitalism in the USA and the UK and explains why HRM will take on a different form in the Continent. A first class answer would also discuss the notion of 'social catholicism' as a philosophy in which many continental companies operate.

Q.3

Outline the main features of Christopher Freeman's modern version of long wave theory. Critically assess the view that long wave theory can be used to predict employment trends resulting from the diffusion of new technologies.

Students should be familiar with the work of Christopher Freeman and Carlotta Perez in particular. An outline of different versions of long wave theory is required and how clusters of technological innovations have been historically linked with different forms of work organisation and developments in labour markets.

The second part of the question refers to the view that the technologies of the 5th long wave are IT and telematics. Students would need to argue that there was a clustering of technologies during the downswing of the 4th long wave. A good answer would stress the importance of infrastructural problems in realising the full potential of these new technologies.

Q.4

Discuss the linkage between globalisation and the development of the marketing brands of multi-national companies. Outline the impact of international branding by multi-national companies on labour.

The first part of the question refers to process whereby large multi-national companies (MNCs) have relocated their manufacturing facilities from western countries to low-wage 'free trade zones' (or sweatshops) in Central America or Asia. Here they buy their products from contractors and sub-contractors. The product itself is not as important as the brand image itself eg Nike = 'Sport' not shoes, Virgin = 'fun' not airlines or a record label.

The second part of the question refers to the loss of manufacturing jobs in the West. There are 1000 or more 'free trade zones' spread through 70 countries and employing over 27 million workers, usually young women, who work very long hours for subsistence wages. They work in gated communities under a military-style management. A first class answer would refer to the work of Klein who drew attention to the marketing tactics adopted by global MNCs and the appalling working conditions of those who work for sub-contractors producing their branded global products.