



Section 2.1

Activity 2.1.1

1. 'Labour mobility' is the extent to which workers are willing and able to move to different jobs requiring different skills.
2. Benefits migrant labour might bring to businesses in a developed country like Germany might be:
 - Lower labour costs
 - Access to skilled labour
 - More motivated workers.
3. A developed country like Germany might attract migrant workers with appropriate skills by:
 - Advertising jobs in overseas markets
 - Offering favourable employment conditions
 - Offering work permits and visas.
4. The advantages a country like the Philippines might get from migrant workers leaving the country could include:
 - Migrant workers sending money back to their country
 - Migrant workers bringing skills back to the country when they return
 - Creation of new opportunities for workers within the developing country.

The disadvantages might include:

- A loss of skilled labour
- Increased labour costs
- Loss of tax revenue.

Activity 2.1.2

1. 'Redundancy' is where a job a worker has been doing is no longer required and they have to leave the business.
2. Human resource planning might be important to Peugeot for:
 - Knowing how many employees are needed to run the business efficiently
 - Knowing what employee skills are required to run the business efficiently
 - Planning changes in the number of employees and their skills in the future.



3. Factors that might influence the number of workers employed by Peugeot include:

- Demand for the firm's goods
- Productivity of the firm's workers
- Labour turnover and absenteeism rate.

Activity 2.1.3

Research question.

Activity 2.1.4

1. A 'contract of employment' is a legal document that sets out the terms and conditions of a worker's job.

2. Effects on employers of more flexible labour contracts might include:

- Reduced labour costs
- Easier-to-manage workers
- Less time spent on labour regulations.

3. Effects on employees of more flexible labour contracts might include:

- Employees feeling more vulnerable
- More job opportunities
- Lower wages.

Activity 2.1.5

1. 'Performance appraisal' is the process of assessing the effectiveness of an employee based on set targets.

2. Aspects of ExxonMobil's employee training might include:

- On-the-job training within the business
- Off-the-job training away from the business
- Behavioural training.

3. Employee training might improve ExxonMobil's profitability by:

- Reducing unit costs as workers are more efficient
- Increasing revenue as the quality of employees' work improves
- New products developed by more skilled employees.



4. The advantages of ExxonMobil's decision to adopt more flexible working patterns might be:

- Reduced labour costs
- Easier-to-manage workers
- Less time spent on labour regulations.

The disadvantages might be:

- Employees feeling more vulnerable
- Communication with workers is more difficult
- Lower wages.

Activity 2.1.6

1. 'HR outsourcing' is where a business pays another business to manage its HR functions.

2. BP has outsourced the following HR functions:

- Payroll
- Recruitment
- Employee record functions
- Expatriation management
- Relocation services.

3. Outsourcing its HR function might have reduced BP's costs through:

- More efficient operations by the outsourced company
- Greater efficiency at BP as it concentrates on its core functions.

4. The advantages of BP outsourcing its HR function include:

- More efficient operations by the outsourced company
- Greater efficiency at BP as it concentrates on its core functions
- Lower cost of operating an HR department.

The disadvantages of outsourcing the HR function might include:

- The cost of paying for the outsourced function
- Loss of control over the quality of the outsourced function
- Redundancy costs of removing the in-house HR function.



Activity 2.1.7

HR management might support Toyota's innovation through:

- Attracting employees with innovative skills
- Training the workforce effectively
- Creating a culture that motivates and empowers innovative employees
- Effectively managing all aspects of employees' work to allow them to be innovative
- Retaining the most innovative employees.

Activity 2.1.8

1. Differences between Japanese and Chinese HR management might include:

- Chinese management using a top-down approach, whereas Japanese managers are more consultative
- A stricter hierarchy in Chinese management.

2. Two effects of an equal relationship between workers and managers in Japanese firms might be:

- Greater cooperation
- More motivated employees
- Better information flows.

3. Effects of individualism in German organisations might include:

- Employees feeling more responsible and empowered
- Quicker decision making
- Competition increases motivation.

4. The discussion might consider the problems for German businesses through the following points:

- In China: the hierarchical approach, the top-down decision-making and authoritative management style
- In Japan: the fixed gender roles, lack of individualism, the equality between managers and employees
- Language and cultural differences German managers experience when dealing with Japanese managers and workers
- Government regulations on human resources are different in Japan.

Exam practice question

1. 'Human resource management' (HRM) is the strategic approach to the effective management of an organisation's workers.



2. Google's recruitment process might include:
 - Establishing the exact nature of the job
 - Drawing up a person specification
 - Preparing a job advertisement
 - Short listing candidates
 - Conducting interviews
 - Appointing candidates.
3. Appointing 4000 new employees a year might bring the following benefits to Google:
 - New ideas
 - Competition increases the motivation of existing staff
 - Attracting new customers.
4. Google's approach to the working environment might bring the following advantages:
 - Creativity and innovation
 - High worker motivation
 - Team working and togetherness

and the following disadvantages:

- The cost of creating and managing the environment
- Workers might exploit the culture
- Some workers might not like the environment.

Key concept question

Globalisation might have the following effects on the management of human resources:

- Businesses can hire workers from overseas
- Managing employees with diverse international backgrounds
- Managing employees in dispersed geographical locations
- Managing employees with different cultural backgrounds
- International regulations on employment
- Employees seeking professional development in other countries
- Training for employees in international aspects of their work, such as languages.