5HR03

Reward for performance and contribution

Learner assessment brief

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Level 5

Associate Diploma in People Management

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5HR03 – Reward for performance and contribution

This unit focuses on the business factors that influence reward policies, as well as the financial drivers of the organisation and the impact of reward costs. It explores the role of people practice, and how it can help managers make professional reward judgements. It also looks at the impact of rewarding performance.

CIPD Insight factsheets:

- The CIPD factsheet on strategic reward and total reward provides an overview of the various aspects that can be explored in terms of designing and developing a reward strategy.

- The CIPD factsheet 'reward – an introduction' provides an overview on the options organisations can use to reward people and recognise their contributions.

CIPD Podcasts:

- The CIPD executive pay and the psychology of motivation podcast looks at the pay gap and whether reward packages are much of a motivator.

Case Study

Home International is a furniture manufacturer and online retailer. The organisation is a family-owned business that was started over 30 years ago, and currently employs 175 people on full-time or part-time contracts in the UK. They have offices based in Oxford, Munich, Santa Cruz, Suez, and Kuala Lumpur. The organisation is growing and reaching a wider market due to the growth of online furniture shopping.

The organisation has grown during the pandemic, as clients have decided to invest in their homes. More and more people are changing their habits and purchasing sustainable products, which is seen as a positive, because Home International specialise in this area.

However, the business is currently in the process of reviewing all its policies, as Brexit means there have been several changes to rules regarding importing and exporting. This review includes people management processes in areas such as performance and reward. The objective is to cut costs, improve profits and reduce turnover.

Each office has a factory where the furniture is made and distributed on a global scale. Recently, the organisation has seen a higher turnover among the factory operatives who are aged 18 – 32 years old, whereas the office employees stick around for longer, and have an age range from 48 to 68 years old.

Preparation for Tasks:

- Plan your assessment work with your assessor at the start of the assignment. Where appropriate, agree milestones so they can help you monitor your progress.
- Refer to the indicative content in the unit guide and support your evidence.
- Pay attention to how your evidence is presented. Remember you are working in the People Development Team for this task.
- Ensure that the evidence generated for this assessment remains your own work.

You will also benefit from:

- Acting on formative feedback from your assessor
- Reflecting on your own experiences of learning opportunities, training and continuing professional development
- Taking advantage of the CIPD Factsheets, Reports and Podcasts, and any other online material on these topics

Task: A written response to the questions below

The HR director has asked you to create a written response which will be circulated to the key stakeholders in the business. It will focus on reward principles, approaches to reward and recognition. It will also cover grade and pay structures along with job evaluation and the legislation requirements which impact reward. You will need to include research around the area of reward and performance management and link in business examples to support your research and show further depth.

Your response must cover:

1) Explain two principles of reward and why reward is important to culture and performance management. (AC1.1)

2) An assessment of how extrinsic and intrinsic rewards contribute to improved employee contribution and sustained organisational performance. (AC1.2)

3) Explain differences between types of grade and pay structures. (AC2.1)

4) Explain how contingent rewards can impact individual, team and organisational performance. (AC2.2)

5) Explain the merits of different types of benefits offered by organisations. (AC2.3)

6) Explain the merits of different types of recognition schemes offered by organisations. (AC2.4)

7) Assess the business context of the reward environment. (AC3.1)

8) Evaluate the most appropriate ways in which benchmarking data can be gathered and measured to develop insight. (AC3.2)

9) Explain approaches to job evaluation. (AC3.3)

10) Explain the legislative requirements that impact reward practice. (AC3.4)

Your evidence must consist of:

Written responses of approximately **3900** words (+ or – 10%).
Please use the assessment criteria numbers as your headings.

Assessment criteria checklist

Use this as a checklist to make sure that you have included the required evidence to meet the task.

	Assessment Criteria
1.1	Explain the principles of reward and its importance to organisational culture and performance management.
1.2	Assess the contribution of extrinsic and intrinsic rewards to improving employee contribution and sustained organisational performance.
2.1	Explain differences between types of grade and pay structures.
2.2	Explain how contingent rewards can impact individual, team and organisational performance.
2.3	Explain the merits of different types of benefits offered by organisations.
2.4	Explain the merits of different types of recognition schemes offered by organisations
3.1	Assess the business context of the reward environment.
3.2	Evaluate the most appropriate ways in which benchmarking data can be gathered and measured to develop insight
3.3	Explain approaches to job evaluation.
3.4	Explain the legislative requirements that impact reward practice.

Assessment criteria marking descriptors:

Assessors will mark in line with the following assessment criteria (AC) marking descriptors, and will indicate where the learner sits within the marking band range *for each AC*.

Assessors must provide a mark from 1 to 4 for each assessment criteria within the unit. Assessors should use the mark descriptor grid as guidance so they can provide comprehensive feedback that is developmental to learners. Please be aware that not all mark descriptors will be present in **every** assessment criterion, so the assessor must use their discretion when grading.

The grid below shows the range for each unit assessment results based on total number of marks awarded across all assessment criteria.

To pass the unit assessment learners must achieve a 2 (Low Pass) or above <u>for each of the assessment criteria</u>.

The overall result achieved will dictate the outcome the learner receives for the unit, provided **NONE** of the assessment criteria have been failed or referred.

Please note that learners will receive a **Pass or Fail** result from the CIPD at unit level. **Referral** grades can be used internally by the centre.

Overall mark	Unit result
0-19	Fail
20-25	Low Pass
26-32	Pass
33-40	High Pass

Marking Descriptors

Mark	Range	Descriptor
1	Fail	The response DOES NOT demonstrate sufficient knowledge, understanding or skill (as appropriate) to meet the AC. Insufficient examples included where required to support answer. Insufficient or no evidence of the use of wider reading to help inform answer. Presentation or structure of response is not appropriate and does not meet the requirement of the question/assessment brief.
2	Low Pass	The response demonstrates an acceptable level of knowledge, understanding or skill (as appropriate) to meet the AC. Sufficient acceptable examples included where required to support answer. Sufficient evidence of appropriate wider reading to help inform answer. Satisfactory in-text referencing. Answer is acceptable but could be clearer in responding to the question/task and presented in a more coherent way. Required format adopted but some improvement required to the structure and presentation of the response.
3	Pass	The response demonstrates a good level of knowledge, understanding or skill (as appropriate) to meet the AC. Includes confident use of examples, where required to support the answer. Good evidence of appropriate wider reading to help inform answer. A good standard of in-text referencing. Answer responds clearly to the question/task and is well expressed. Presentation and structure of response is appropriate for the question/task.
4	High Pass	The response demonstrates a wide and confident level of knowledge, understanding or skill (as appropriate) to meet the AC. Includes strong examples that illustrate the points being made and support the answer. Considerable evidence of appropriate wider reading to inform answer. An excellent standard of in-text referencing. Answer responds clearly to the question/task and is particularly well expressed or argued. Presentation and structure of response is clear, coherent, and responds directly to the requirements of the question/task.