

IB Business Management - Topic 2.1 Introduction to Human Resource Management

Worksheet 2 (Version B)

Focus: Human resource planning; internal vs external influences; demographic and technological change

Suggested time	60 minutes
Total marks	50
Instructions	Answer all questions. For multiple choice, select the best answer (A-D). For written responses, show clear business reasoning and use terminology accurately.

Command terms reminder: define (give the meaning), explain (give reasons or causes), analyse (break down with cause-effect), discuss/evaluate (consider different viewpoints and reach a justified conclusion).

Section A: Multiple choice

Choose the best answer for each question. **[10 marks]**

- 1.** A human resources (HR) plan is best described as: **[1]**
 - A. a document that lists current employee job titles only
 - B. an assessment of current and future workforce capacity and the actions needed to meet future labour needs
 - C. a marketing plan designed to increase sales
 - D. a financial statement showing labour costs for the previous year
- 2.** Which of the following is an INTERNAL influence on HR planning? **[1]**
 - A. Immigration policy
 - B. Demographic change in the population
 - C. Corporate objectives of the business
 - D. The national unemployment rate
- 3.** Which of the following is an EXTERNAL influence on HR planning? **[1]**
 - A. The type of product sold by the business
 - B. Flexi-time arrangements negotiated with employees
 - C. The age structure of the national population
 - D. The firm's internal culture and values
- 4.** In the gig economy, workers are most commonly classified as: **[1]**
 - A. permanent employees with guaranteed hours
 - B. contractors/freelancers paid for tasks or time worked
 - C. unpaid interns
 - D. shareholders of the business
- 5.** When unemployment is very low, labour is likely to be: **[1]**
 - A. plentiful and inexpensive
 - B. scarce and potentially more expensive
 - C. illegal to hire
 - D. irrelevant because HR planning is unnecessary
- 6.** One likely HR planning benefit of offering flexi-time is that it can: **[1]**
 - A. guarantee that all employees work identical hours
 - B. reduce the need for recruitment by increasing retention of skilled staff
 - C. remove the need for any core working hours
 - D. eliminate the need for training
- 7.** Occupational mobility of labour refers to: **[1]**
 - A. employees moving house to work in another region
 - B. employees switching between different occupations with few barriers
 - C. employees leaving the labour force permanently
 - D. employees working fewer hours each week
- 8.** Demography is the study of: **[1]**
 - A. marketing strategies
 - B. human populations and their structure
 - C. financial ratios
 - D. government budgets
- 9.** STEEPLE analysis is most useful to HR planners because it provides a framework to consider: **[1]**
 - A. only financial factors affecting wages
 - B. internal training schedules
 - C. external social, technological, economic, ethical and other forces that may affect future labour needs
 - D. personal opinions about leadership

10. Using SWOT analysis to support workforce planning is most directly useful because it can help managers to: [1]

- A. forecast sales and therefore estimate future labour demand
- B. calculate payroll taxes
- C. replace recruitment with automation
- D. guarantee employees will accept change

Section B: Short answer

Answer all questions in this section. [12 marks]

1. Define the term human resource planning (human resources plan). [2]

2. Explain two ways in which demographic change can affect human resource planning. [4]

3. Explain two ways in which technological developments might affect human resource planning when labour is scarce. [6]

Section C: Data response / case study

Read the case study and answer the questions that follow. [18 marks]

Case study: EuroBike Manufacturing (workforce planning)

EuroBike Manufacturing assembles electric bicycles in a European country. Demand is seasonal: sales peak in late spring and summer. The business wants to expand its product range while also increasing short-term profits. Unemployment in the region is very low, so skilled production workers are hard to recruit. At the same time, new production-line technology (robot-assisted assembly and digital quality checks) is becoming affordable and could change how many workers, and what skills, EuroBike will need.

EuroBike's current workforce profile is shown below.

Age group	Current employees (2026)	Expected retirements by 2029
18-34	90	0
35-44	80	0
45-54	60	5
55-64	70	45
65+	20	20

Answer key and marking guidance (teacher copy)

Use this section for marking. Student responses may vary; award marks for accurate business knowledge, application to the scenario, and logical reasoning.

Question type	How to award marks
[2] Define	1 mark for an accurate definition; +1 mark for clear wording and/or a relevant example.
[4] Explain two	Typically 2 marks per point: 1 for identification, 1 for explanation linked to the question/context.
[6] Analyse	Reward cause-effect chains, depth, and application. Often 3 marks per developed point (identification + development + application).
[10] Evaluate/Discuss	Use the level descriptors provided. Look for balance, application, evaluation of trade-offs, and a justified conclusion.

Section A answers: Multiple choice

Q	Answer	Rationale (brief)
1	B	An HR plan forecasts future labour needs and sets actions such as recruitment, training, redeployment or redundancy.
2	C	Corporate objectives arise within the business; the others are external factors.
3	C	Demographic change (age structure) is an external factor shaping labour supply and demand.
4	B	Gig workers are typically contractors, which can reduce costs such as holiday pay or pensions for the firm.
5	B	Low unemployment can create labour shortages and upward pressure on wages.
6	B	Flexi-time can improve employee loyalty and retention, reducing recruitment/training needs.
7	B	Occupational mobility is the ability and willingness to move between occupations.
8	B	Demography examines population size, age structure, birth rates, etc., which affect labour markets.
9	C	STEEPLE helps managers scan external environments that shape sales, production methods and workforce needs.
10	A	SWOT can inform sales forecasts and strategic choices, which then affect labour demand.

Section B markscheme: Short answer

1. Define the term human resource planning (human resources plan). [2]

Indicative answer: Human resource planning is the process of forecasting a business's future labour needs (numbers, skills and locations) and setting out actions needed to meet those needs (e.g., recruitment, training, redeployment, redundancy).

Marking guidance: 1 mark for forecasting/assessing future needs; 1 mark for actions to meet needs.

2. Explain two ways in which demographic change can affect human resource planning. [4]

Indicative answer: Demographic change can affect HR planning by (i) changing demand for goods and services as populations age or grow, altering required staffing levels and skills; (ii) changing labour supply - ageing/declining populations can reduce available workers and raise wages, increasing the need for retention, training or automation (other valid effects).

Marking guidance: 2 marks per explained way (max 4).

3. Explain two ways in which technological developments might affect human resource planning when labour is scarce. [6]

Indicative answer: Technology may substitute labour (fewer low-skilled workers needed) and/or complement labour (new skilled roles such as technicians, programmers and data analysts). It can increase productivity, reducing

dependence on scarce labour, but requires investment in training and recruitment of specialist skills.

Marking guidance: Up to 3 marks per explained way (max 6) with reference to labour scarcity.

Section C markscheme: Case study

Case study: EuroBike Manufacturing (workforce planning)

1. Using the table, calculate the total number of expected retirements by 2029. Explain one implication for EuroBike's labour supply. [4]

Indicative answer: Total expected retirements by 2029 = 5 + 45 + 20 = 70. Implication: EuroBike faces a significant loss of experienced labour, increasing recruitment and training needs and risking skill shortages in a tight labour market; wage pressure may rise as the firm competes for scarce workers.

Marking guidance: Up to 2 marks for calculation (method + total) and up to 2 marks for a clear implication linked to labour supply.

2. Recommend two actions EuroBike could include in its HR plan to meet its objectives. Explain how each action would help. [6]

Indicative answer: Possible HR plan actions include: (1) Apprenticeships / wider recruitment (including migrants) to replace retirees and support growth; (2) Upskilling/training existing staff for robot-assisted assembly and digital quality; (3) Retention incentives for older skilled workers; (4) Selective automation to raise productivity. Each should be linked to expanding the product range and increasing short-term profits in a labour-scarce market.

Marking guidance: Up to 3 marks per action (recommendation + explanation/application), max 6.

3. Analyse how the new production-line technology could affect the number and type of workers EuroBike requires. [4]

Indicative answer: Automation could reduce the number of low-skilled assembly workers needed while increasing demand for higher-skilled roles (maintenance engineers, programmers, quality technicians). It may change shift patterns and require retraining of current staff to operate and troubleshoot new systems, improving productivity and reducing reliance on scarce labour.

Marking guidance: Award up to 4 for applied analysis (number/type of workers, training, productivity).

4. Analyse one way flexi-time or the gig economy could help EuroBike manage seasonal demand. [4]

Indicative answer: Flexi-time can help EuroBike extend operating hours and match staffing to seasonal peaks without permanently increasing headcount; it can also improve retention. Gig/temporary contracts can allow EuroBike to scale labour up during peak months and down during low demand, reducing idle labour costs, though quality and training may be harder to manage.

Marking guidance: Award up to 4 for analysis linked to seasonal demand and HR planning.

Section D markscheme: Extended response

Question: Discuss whether external influences are likely to have a greater impact than internal influences on EuroBike's human resource planning over the next three years. [10]

10-mark extended response (evaluation) - marking guidance

Award marks using a best-fit approach.

0: No relevant content.

1-2: Very limited knowledge; largely descriptive; little/no reference to the case; no judgement.

3-4: Some relevant knowledge; limited application to the bank; limited analysis; judgement is asserted rather than justified.

5-6: Clear knowledge and some application; some analysis of advantages/limitations; a conclusion is present but may be unbalanced or weakly supported.

7-8: Very good knowledge and strong application; balanced analysis including resistance to change; conclusion is well supported and context-based.

9-10: Excellent, integrated response; strong, precise application; perceptive evaluation (including trade-offs/ethics) and a fully justified conclusion.

Indicative content: External influences: labour market scarcity/low unemployment, demographic ageing and retirements, technological change, economic environment. Internal influences: corporate objectives (profit and product expansion), type of product (quality expectations), existing skills, flexi-time policy. A strong answer compares relative importance and time horizon, and reaches a justified conclusion for EuroBike.

Marking guidance: Use the 10-mark level descriptors provided.