M-EPA-RetM4993 Mark Scheme

Marks/AC Was a retail manager, ensuring accurate stock control is essential, especially during holiday seasons Using an automated stock system and co-ordinating deliveries effectively helps keep high-demane items available while avoiding excess stock of slower-moving items. Outline 2 impacts of delivery shortages not being reported accurately and how this affects a retail business. The learner must outline how 2 different impacts of inaccurate delivery reporting for delivery affects a retail business. Impacts of delivery shortages not being accurately reported could include: • customer dissatisfaction • lost sales opportunities • stock management disruptions • increased operational costs • ineffective promotions • reputation damage • theft or fraud detection issues How delivery shortages not being accurately reported can affect a business could include: • customers may be unhappy due to out-of-stock popular items or inaccurate information, leading to frustration as customers are unable to find what they need, affecting the shopping experience and potentially driving them to competitors. • missed sales can affect the store's revenue and growth, as customers may seek the product elsewhere. • poor inventory control, leading to overstocking of less popular items and stockouts of best-sellers. Causes inefficient use of space and capital, impacting the store's ability to meet customer demand. • increased operational costs because of last-minute orders or emergency shipments to meet customer demand. This incurs additional costs, reducing profitability and increasing logistical complexity. • the store may fail to meet promotional targets, which can lead to reduced sales during key periods and negatively affect profitability. • if customers regularly encounter out-of-stock tiems, the store's reputation for reliability and availability can suffer, potentially reducing customer loyalty. • unresolved fraud issues can lead to financial losses and affect the store's ability to track inventory accurately. Describe 2 b	Q	Answer	Max
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The benefits of using a fully automated ordering system **could include**:

- increased accuracy as they reduce human error in data entry and inventory counts
- time efficiency as it speeds up the ordering process by generating orders based on current stock levels and sales data
- cost savings by minimising manual labour and reducing errors
- enhances reporting through the generation of detailed reports and analytics helping managers make informed strategic decisions
- improved supplier relationships as orders can be placed quickly and efficiently and allows for consistent communication and reliability
- staff productivity as they do not need to enter details to place a stock order each day or regularly

1 mark for each correct benefit provided to a maximum of 2. 1 mark for each suitable description of how it provides an advantage over a manual system to a maximum of 2.

Explain 2 reasons why a fully automated ordering system may be less efficient than a manual stock ordering system.

1c Q3

The learner must **explain 2 reasons** of how a fully automated ordering system is less efficient than a manual stock ordering system. The learner must provide a reason for each explanation as to how this impacts the system's efficiency.

4 ST4

Reasons why automated stock replenishment systems may not be as efficient as manual systems **could include**:

- automated systems are dependent on the accuracy and quality of data meaning poor data entry or incorrect stock levels can lead to inaccurate replenishment decisions.
- staff may require significant training to effectively use automated systems, which can lead to a temporary decline in efficiency during the transition period.
- automated systems are often programmed with specific rules and thresholds for replenishment. This rigidity can prevent quick adjustments in response to sudden market changes or unexpected demand fluctuations.
- any inaccuracies through the system could poorly affect sales with stores missing key product lines.
- they rely on technology, which can be subject to failures or glitches. If the system experiences downtime or malfunctions, it can disrupt the ordering process and lead to stock shortages or excess.
- it lacks the ability to assess consumer insights such as seasonal demand fluctuations or emerging trends, relying solely on historical data. As a result, it may not identify slow-moving stock effectively and could continue to replenish items that should be phased out.

2 marks for each correct explanation of why a fully automated ordering system may be less efficient than using a manual stock ordering system to a maximum of 4.

A retail business is conducting a financial review of its stores. The retail manager must evaluate key financial aspects including profit margins, budgeting, forecasting practices and the use of financial data for strategic planning.

Identify 3 contributing factors that need to be considered when planning the staffing budget for a retail business and how each factor can impact overall budget planning.

2a Q4 The learner must **identify 3 contributing factors** that need to be considered when planning the staffing budget and how each factor can impact the overall budget planning of a retail business.

6 FN4, FN6

Contributing factors to be considered when planning staffing budgets **could include**:

- rates of pay staffing costs vary based on age, length of service or job seniority. Changes in the national minimum wage (NMW) and national living wage (NLW) can significantly impact overall payroll expenses.
- staff capability in different periods different times of day or specific days, such as delivery days, may require additional staff. Anticipating peak periods, like holidays, ensures adequate staffing levels are maintained.
- minimum staffing levels regulations may require a minimum number of managerial staff on-site, often at a higher pay rate. Policies like lone worker regulations in small businesses may also influence staffing decisions.
- national insurance contributions staff under 16 or working limited hours may not incur national insurance (NI) costs. For example, 3 staff working 10 hours each may not trigger NI costs, while a single employee on a 30-hour contract will.
- pay as you earn (PAYE) considerations employees earning under £12,500 annually may not be subject to PAYE deductions. This factor can influence recruitment decisions, particularly for large contracts.
- pension contributions employees who opt into pension schemes or who earn enough to require mandatory contributions, will have an additional cost of around 5% of their earnings deducted for pensions.
- sickness contingency the staffing budget should account for potential employee sickness, including costs for temporary cover or additional hours for existing staff.
- holiday coverage calculating the need for extra staff to cover paid holidays is essential. For instance, if the minimum required staffing is 350 hours weekly, an absent employee on a 37.5-hour contract must be considered in the budget.
- breaks management staffing calculations should include coverage for breaks, ensuring the minimum number of employees is always present on the shop floor.
- training costs ongoing training expenses, such as first aid certification or e-learning, need to be factored into the budget, including the time employees are away from work for training.
- uniform and equipment costs the cost of uniforms and any necessary equipment should be considered per employee. If these items are reused or shared, they may not need to be included in the staffing budget.

Head office/HR function - some businesses use a baseline to estimate staffing costs, accounting for overheads related to HR functions, payroll processing, recruitment, training and other administrative expenses. 1 mark for each suitable factor identified to a maximum of 3 (FN4). 1 mark for how each factor can impact overall budget planning to a maximum of 3 (FN6). A retail store's success can be measured using 'sales per square foot' or 'sales per square metre.' Identify 2 factors that contribute to achieving a high volume of sales per square foot or metre. The learner must **identify 2 factors** that contribute to achieving a high volume 2b Q5 of sales. Factors that contribute to sales per square foot or metre **could include**: size of store footfall and location effectiveness of displays stock availability store layout and design price of items promotional strategies staff performance staff training 1 mark for each suitable factor identified to a maximum of 2 marks. Outline 2 ways profit and loss statements help a retail manager in assessing business performance. 2c The learner must **outline 2 ways** profit and loss statements help in assessing 4 FN6 Q6 business performance. Ways profit and loss statements help assess business performance could include: identifying profitability - profit and loss statements reveal the overall profit or loss for a specific period, enabling managers to quickly assess whether the business is financially healthy. tracking revenue trends - by comparing sales figures over different periods, managers can identify trends in revenue growth or decline, helping to inform future business strategies. monitoring expense management - the statement details various expenses, allowing managers to evaluate cost management effectiveness and identify areas where savings can be made. product performance evaluation - managers can analyse the profit margins of individual products, helping them to determine which items are most profitable and which may need to be discounted or discontinued. budget performance assessment - comparing actual results against the budget allows managers to see where the business is over or underperforming, helping to inform future budgeting decisions. decision-making support - insights from profit and loss statements provide valuable information for strategic decisions, such as pricing

adjustments or investment in marketing campaigns.

- setting financial goals managers can use historical profit and loss data to set realistic financial targets for future periods, ensuring the business is focused on achievable objectives.
- stakeholder communication profit and loss statements serve as a clear and concise way to communicate financial performance to stakeholders, including investors and senior management, fostering transparency and trust.

1 mark for each suitable way identified to a maximum of 2 marks.

1 mark for each suitable outline to a maximum of 2 marks.

A retail manager needs to schedule a performance review meeting with a team member to address their underperformance and explore ways to support their improvement.

Describe 2 benefits that constructive feedback will have on the team member during the performance review, and how each benefit supports the team member's performance.

The learner must identify **2 benefits** of providing constructive feedback. For 4 CO5 each benefit, the learner must **describe how it helps the team member**.

Benefits of constructive feedback could include:

- Improved performance
- Increased motivation
- Clarification of expectations
- Development of skills
- Fostering open communication
- Enhanced team dynamics
- Setting a positive example
- Encouraging accountability

Descriptions of benefits **could include**:

- improving performance allows the team member to understand the areas needing improvement and make the necessary adjustments to improve their overall effectiveness in their role
- increasing motivation through highlighting their strengths and contributions encourages the team member to maintain or improve performance, knowing their efforts are valued
- clarifying expectations ensures the team member understands the manager's performance expectations and aligns the team member's actions with the team's or business's goals, ensuring a focused approach to work
- identifying areas for skill development provides opportunities for the team member to enhance their existing skills or learn new ones, fostering personal growth
- promoting open dialogue encourages the team member to discuss challenges and seek guidance, leading to a more supportive and collaborative work environment
- addressing performance issues that affect team cohesion helps resolve conflicts or inefficiencies, improving overall team collaboration and effectiveness
- setting a positive example shows the team member how to communicate constructively within a team and sets a precedent for

open and supportive communication, contributing to a growthoriented culture encouraging the team member to take ownership of their performance promotes responsibility and accountability, helping the team member to recognise their impact on the team and business 1 mark for each suitable benefit identified to a maximum of 2 marks. 1 mark for each suitable description of how the benefit helps the team member to a maximum of 2 marks. Identify 2 methods the retail manager could use to understand the team member's needs before the performance review meeting. 3b The learner must identify 2 methods that could be used to understand the 2 CO3 Q8 team member's needs. Methods that assess the team member's needs could include: one-to-one meetings utilising performance data implementing feedback surveys observing daily activities gathering peer feedback reviewing training history encouraging self-assessment analysing customer feedback 1 mark for each correct method identified to a maximum of 2 marks. Describe 3 key principles of active listening and how each principle contributes to a more productive and constructive discussion during a performance review. 3с The learner must provide **3 key principles** of active listening, with a clear 6 CO4 Q9 description of each. For each principle, they must describe how it contributes to a productive and constructive discussion during a performance review. Key principles of active listening **could include**: • focus on the speaker • maintain eye contact • use silence effectively adopt open body language ask open-ended questions ask probing questions request clarification avoid interruption paraphrase and summarise show empathy provide non-verbal cues How each principle contributes to a more productive and constructive discussion could include: focusing on the speaker enhances engagement, making the team member feel heard and valued, leading to a more productive conversation

- maintaining eye contact reinforces that the team member's input is important, helping to create an environment of trust and openness
- using silence effectively encourages the speaker to elaborate on their thoughts, promoting a more thoughtful and reflective discussion
- adopting open body language signals to the team member that their input is welcomed, encouraging them to share more openly
- asking open-ended questions allows the team member to express themselves more fully, providing valuable insights for the discussion.
- asking probing questions helps to uncover root causes and potential solutions, leading to a more comprehensive and productive conversation
- requesting clarification prevents misunderstandings, leading to a clearer and more focused discussion.
- avoiding interruptions promotes respect and trust, ensuring that the team member feels heard and valued
- paraphrasing and summarising ensures mutual understanding, helping to avoid confusion and fostering a constructive conversation
- showing empathy builds rapport and trust, making the team member feel supported and encouraging open dialogue
- providing non-verbal cues encourages the speaker to continue sharing, as they feel their contributions are being positively received

1 mark for each suitable description of a key active listening principle to a maximum of 3 marks.

1 mark for how each key principle contributes to a more productive and constructive discussion to a maximum of 3 marks.

Retailers aim to maintain a distinctive and consistent brand reputation by following brand standards and messaging, which help to communicate the brand's unique identity and values across all customer interactions and channels.

Explain 1 reason why multi-channel consistency is important in retail branding and how it could be

Explain 1 reason why multi-channel consistency is important in retail branding and how it could be applied.

2 BR2

The learner must **explain 1 reason multi-channel consistency is important** and

4a Q10

provide a relevant example of how this can be applied.

Reasons why multi-channel consistency is important **could include**:

- consistency across multiple channels fosters a sense of loyalty among customers, as they feel familiar with the brand and its offerings
- multi-channel consistency leads to a seamless customer experience, allowing customers to engage with the brand effortlessly across various platforms
- brands that maintain consistency can differentiate themselves from competitors, as a cohesive brand identity stands out in a crowded market
- a consistent brand image across channels projects a professional appearance, which can enhance credibility and attract customers
- maintaining consistency across various platforms helps protect the integrity of the brand, ensuring that the core values and messaging remain intact

How multi-channel consistency can be applied **could include**:

- ensuring that the same product descriptions and pricing are available on the website and in-store displays to avoid confusion
- using the same style of customer service, such as friendly and helpful interactions, whether customers are in-store or contacting support online
- implementing the same promotional strategies for seasonal sales, such as discounts and loyalty offers, in both physical and online stores
- having a standardised approach to packaging that reflects the brand identity, whether items are sold online or in-store
- using the same customer feedback approach, encouraging reviews and testimonials on social media and the company website to maintain an authentic brand voice
- aligning the visual elements, such as fonts and colours, in advertisements, website design and promotional materials to create a unified brand presence

1 mark for a suitable explanation of why multi-channel consistency is important.

1 mark for a suitable example provided.

A retail manager has noticed several complaints on social media regarding a key product sold by the retailer. Identify 1 immediate action and 1 long-term strategy that the retailer could use to address these complaints and protect its reputation.

4b Q11 The learner must **identify 1 immediate action** that the retailer can take to address the complaints and **1 long-term strategy** to address the complaints and protect its reputation.

2 BR1

Immediate actions that can be implemented could include:

- promptly contacting customers who have raised complaints to address their issues
- moving conversations from social media to direct messages for a more personal response
- allowing customers to express their concerns, whether in person or through email/social media
- demonstrating to customers their voices are heard, showing a commitment to resolving their issues
- communicating sincerely with affected customers, conveying empathy and acknowledging the problem, whether individually or in a group message
- analysing the complaints to determine if there are common issues with the product, helping to pinpoint the problem effectively
- keeping line management and senior leaders informed about the situation to ensure appropriate actions are taken

Long-term strategies that can be implemented **could include**:

 determining if the product should be withdrawn from sale or returned to the supplier to prevent further complaints and protect the brand's reputation

- if a pattern of complaints emerges on social media, consider a broader response to inform current and potential customers about the proactive steps being taken to address the issue
- consider a mass recall of the product to all customers reached through social media or e-mail, especially if the product poses any potential dangers or health risks

1 mark for a suitable immediate strategy identified.

1 mark for a suitable long-term strategy identified.

A retail manager at a large department store needs to set the sales targets for the upcoming year. This requires an analysis of the current product mix that includes both established items and new product launches to ensure targets are achievable and aligned with market trends.

Identify 2 internal factors and 2 external factors to consider when establishing sales targets for the upcoming year.

The learner must **identify 2 internal** and **2 external factors** that need to be considered when establishing sales targets for the upcoming year.

Internal factors could include:

- sales performance from the previous year
- changes in stock range for the upcoming year and whether there will be an increase or decrease in product variety
- quality of incoming stock and evaluating whether new stock is an improvement or decline
- considering upcoming product launches being introduced
- previous year's product launches which won't be repeated
- variations of in-store space and accounting for expansion or reductions
- adjustment in pricing compared to last year

External factors **could include**:

- current economic conditions
- emergence of new competitors or shifts in the local market
- inflation rates
- changes in consumer disposable income and looking at the effects of reduced income on discretionary spending
- considering the influence of one-off events occurring, for example, the Olympics or World Cup

1 mark for each suitable internal factor identified to a maximum of 2 marks. 1 mark for each suitable external factor identified to a maximum of 2 marks.

Give 2 stages of the product life cycle and provide an example of a product that is currently in each stage.

The learner must **give 2 stages** of the product life cycle and provide a **suitable** 4 MA2 **example** for each stage identified.

Product life cycle stages could include:

- development
- introduction
- growth
- maturity

- saturation
- decline

Examples of products in the product life cycle **could include**:

- development a technology company developing a new wearable health monitor that tracks various health metrics, still in the testing phase
- introduction a new brand of organic snack bars that has just been introduced to grocery stores, with promotional events to attract consumers
- growth a smartphone brand experiencing rapid growth due to positive reviews and an increasing customer base, leading to expanded
- maturity a well-known fizzy drink brand that has dominated the market for years but now faces stiff competition from new, innovative beverages
- saturation a flat screen television brand that has reached its maximum market penetration with most potential customers already owning or having access to it
- decline a DVD rental service that has seen a decline in sales due to the rise of streaming services like Netflix, leading to reduced store locations and inventory

1 mark for each correct stage of the product life cycle to a maximum of 2 marks.

1 mark for each suitable example provided to maximum of 2 marks.

Explain 2 strategies a merchandising plan typically includes to support the launch of a new product instore.

5c Q14

The learner must **explain 2 strategies** a merchandising plan includes to support | 4 ME3 the launch of a new product in-store.

Merchandising plan strategies that support the launch of a new product could include:

- complementary placement and product signage positioning the new product alongside complementary items, for example, placing cooking sauce near pasta and using signage to highlight product benefits to encourage customer interest and purchase
- digital and in-store promotions utilising digital screens or in-store posters to draw attention to the new product, along with coordinating a launch event or limited-time discount to boost excitement and encourage purchases
- window displays and announcements using window displays to build interest before customers enter the store, combined with in-store announcements or signage to inform and guide shoppers towards the new product
- high-traffic displays and customer interaction creating engaging displays in high-traffic areas, for example, end caps and offering product demonstrations or tastings to give customers a direct experience, driving initial interest and sales
- related product placement and discount co-ordination placing new products near related items, for example, new beverage near snacks

- and coordinating with limited-time discounts to make the product more appealing and drive early sales
- prime shelf space and promotional signage allocating premium shelf space, for example, eye level to increase visibility and using promotional signage to catch customer attention and encourage trial purchases

2 marks for each suitable explanation to a maximum of 4 marks.

A strong understanding of key legislations governing business operations is important for a retail manager. This knowledge supports compliance, enhances customer confidence and promotes responsible business practices.

State the legislation that determines a customer's legal right to a refund and provide 3 examples of when a retailer is **not** legally obligated to offer a refund.

The learner must **state the correct legislation** and **provide 3 correct examples** 4 LG1 of when a retailer is not legally obligated to refund a customer.

The Consumer Rights Act.

Examples of when a retailer legally does not have to refund a customer **could include**:

- if the customer knew an item was defective or spoiled when they bought it
- damage caused by the customer, or an unauthorised repair often disqualifies a refund, although repair or replacement may still be offered
- retailers aren't required to refund for customer preference changes, such as size or colour, unless purchased online (where the Consumer Contracts Regulations applies)
- the item is being returned after 30 days but within 6 months, retailers can offer a repair or replacement before refunding
- beyond 6 months, proof of defect often shifts to the customer, and refunds are typically not required if the product has performed as expected and it has passed its expected lifespan
- perishable goods such as food items or flowers that spoil after a reasonable time, unless they were faulty upon purchase
- custom or personalised items that cannot be resold due to their unique nature
- items that have had the hygiene seal removed as these items cannot be resold for health and safety reasons
- earrings or body-piercing jewellery once opened these items are nonreturnable for hygiene and safety reasons, unless they are faulty

1 mark for identifying the correct act.

1 mark for each suitable example provided to a maximum of 3 marks.

Explain 2 legal requirements that **must** be followed when handling customer data under the current Data Protection Act and General Data Protection Regulation (GDPR).

The learner must **explain 2 legal requirements** that must be followed when handling customer data in relation to the current Data Protection Act and General Data Protection Regulation legislation.

Legal requirements of the Data Protection Act and General Data Protection Regulation that must be followed **could include**:

- information must be handled and processed fairly, lawfully and transparently following legal guidelines, ensuring customers understand how their data is used
- data should only be collected and used for the purposes explicitly stated to the customer
- only the data needed for the stated purpose should be collected and processed, avoiding excess
- data should be maintained accurately and updated as required to maintain its accuracy
- Information should not be kept longer than needed for its intended
- safeguards must be in place to protect data from unauthorised access, loss, destruction, or damage
- when collecting data, businesses must obtain explicit, informed consent from customers, especially if the data is sensitive or used for marketing purposes
- businesses are legally required to respond to subject access requests (SARs) by allowing customers access to their data within a specified timeframe
- businesses must provide clear information on customers' rights, such as access, correction and deletion of their personal data

2 marks for each suitable explanation of the legal requirement to a maximum of 4 marks.

A retail manager has been assigned to a struggling store with tight deadlines for improving several key performance indicators (KPIs). Failure to meet targets will trigger a store review. Recognising team members' strengths and development areas can enhance training effectiveness and boost overall performance.

Explain 1 leadership style that could be used to drive team improvement and how this could effectively impact team performance.

7a Q17 The learner must provide a suitable explanation of a leadership style that | 4 LE1 could be used and provide a suitable explanation of how this leadership style would be effective in driving team development.

The learner's answer should include a reason for their leadership choice, taking note that the question states that the poor performing store needs to improve its KPIs quickly. Therefore, the answer will need to balance team engagement and rapport with expediting an improvement in results.

Leadership styles **could include**:

- autocratic
 - democratic
- transactional
- transformational
- participative

The learner must also include a description of the leadership style chosen.

The impact of leadership styles on team performance could include:

- autocratic leadership enables the retail manager to make swift, decisive changes to improve performance. Given the urgent need to address poor KPIs, an autocratic approach ensures that directives are clearly communicated and implemented without delay.
- democratic leadership involves team members in discussions about performance challenges to foster a sense of ownership and accountability. By engaging team members in the decision-making process, the retail manager can uncover valuable insights that may lead to quicker buy-in and collective efforts to improve KPIs.
- transactional leadership focuses on clear performance goals and immediate rewards can effectively motivate the team in a timesensitive situation. Setting specific targets tied to incentives can encourage team members to improve their performance quickly, addressing the urgent need for better KPI results.
- transformational leadership encourages team members to embrace change and strive for excellence. When performance is lacking, a transformational leader can inspire and energise the team, fostering a positive environment that drives commitment to improvement in a short timeframe.
- participative leadership actively seeks input and collaboration from team members, encouraging them to provide feedback. However, it will allow the manager to make the overall final decision.

1 mark for a suitable leadership style identified.

1 mark for a suitable explanation of the leadership style identified.

2 marks for a suitable explanation of why this would be effective.

Describe 2 different learning styles that team members might have and provide an example of a training approach that would suit each learning style.

4 DS4

7b Q18 The learner must describe 2 different learning styles and provide an example of a training approach that would be suitable for each learning style identified.

Learning styles **could include**:

- visual/spatial learners who prefer images, pictures and spatial organisation of elements. They would benefit from being provided information in flow charts, diagrams or a step-by-step visual guide.
- auditory learners who learn best through music, sound, speaking or listening. They would benefit from training through verbal instructions or role-playing exercises where they can hear and discuss information.
- reading/writing learners who prefer reading and writing information.
 They would benefit from having a workbook/manual they could read or provided with a checklist to review and annotate.
- kinesthetics/tactile learners who learn best by physically engaging in activities or practising skills. They would benefit by actively participating in activities, such as stocking shelves, visual merchandising or practising till transactions.

1 mark for each correct learning style described to a maximum of 2 marks.

1 mark for each appropriate example of a training approach that suits the learning style provided to a maximum of 2 marks.

Explain 2	ways feedback can be used to enhance training effectiveness.	
7c	The learner must explain 2 ways feedback can be used to enhance training	4 DS3
Q19	effectiveness.	1 500
Q19	effectiveness. Ways feedback can be used to enhance training effectiveness could include: clarifies performance expectations because feedback can help team members understand specific performance standards, enabling them to align their training efforts with these expectations identifies areas for improvement because constructive feedback can pinpoint skills or behaviours needing development, helping team members focus on improving those areas during training recognises strengths because positive feedback reinforces what team members are doing well, boosting their confidence and encouraging them to build on their strengths during training sets achievable performance goals as feedback supports the creation of clear, realistic training goals, giving team members a structured path to follow for improved performance encourages open communication because regular feedback fosters a culture of dialogue, enabling team members to ask questions and seek clarification during training, which enhances learning outcomes promotes accountability because feedback encourages team members to take ownership of their learning and performance, motivating them to engage more actively in training sessions facilities continuous improvement because ongoing feedback creates opportunities for gradual skill development, helping team members adapt and refine their performance through training enhances employee engagement because consistent feedback makes team members feel valued, increasing their motivation and participation in training activities	
	 2 marks for each suitable explanation of how feedback can be used to enhance training effectiveness to a maximum of 4 marks. investment in training, maintaining low staff turnover is a priority. Discuss 3 te to high staff turnover and how a performance management system can address. The learner must provide 3 correct factors that contribute to high staff turnover. For each correct factor provided, the learner must discuss how each factor can be addressed using a performance management system. Factors that drive high staff turnover could include: employees being overwhelmed by the amount of work they have lack of recognition from managers company culture 	
	 poor relationship with manager lack of flexibility inadequate remuneration and benefits lack of learning and development opportunities competitors with better terms and conditions How a performance management system can address high staff turnover factors could include:	

- a performance management system can implement regular feedback and recognition programs to appreciate employees' efforts, reducing feelings of undervaluation.
- by integrating career path planning into the performance management system, managers can identify growth opportunities for team members, encouraging retention.
- providing structured training and development programs within the performance management framework ensures employees feel equipped and confident in their roles.
- establishing clear performance expectations through documented objectives helps employees understand their roles better, minimising confusion and frustration that may lead to turnover.
- a robust performance management system encourages open lines of communication, allowing team members to voice concerns and feel heard, contributing to job satisfaction.
- implementing regular check-ins to assess workloads can help identify and alleviate pressure points, preventing burnout that often leads to high turnover.

1 mark each for each correct factor identified to a maximum of 3 marks.

1 mark for each suitable answer provided for how a performance management system can address each to a maximum of 3 marks.

Explain a benefit of using continuous professional development (CPD) in supporting a performance management system.

2 TP3

7e Q21 The learner must **explain 1 benefit** continuous professional development (CPD) has in supporting a performance management system.

Benefits of continuous professional development (CPD) in a performance management system **could include**:

- enhances skills and knowledge development CPD contributes to improved performance by allowing employees to improve their skills and knowledge, ensuring they stay current with industry standards and best practices
- alignment with business objectives CPD supports organisational goals and addresses performance gaps, helping the business achieve its overall targets effectively
- employee engagement and retention by offering CPD opportunities, organisations demonstrate a commitment to employee development, leading to higher job satisfaction and better employee engagement
- addresses performance gaps CPD provides opportunities for career growth and progression, motivating employees to perform better
- motivates and retains employees CPD encourages regular discussions between managers and employees about progress and development needs
- supports feedback and communication CPD encourages regular discussions between managers and employees about progress and development needs

2 marks for explaining a benefit using a CPD to support a performance management system.