

7 Decisions and delegation – Part 2

Name: _____ Class: _____ Date: _____

Vocabulary

Write each word three times.

English	Write it 3 times (English)
centralisation	_____
decentralisation	_____
delegation	_____
accountable	_____

Recall

Once a structure is set, the firm must decide *who makes the decisions* and *how work is shared out*.

New ideas

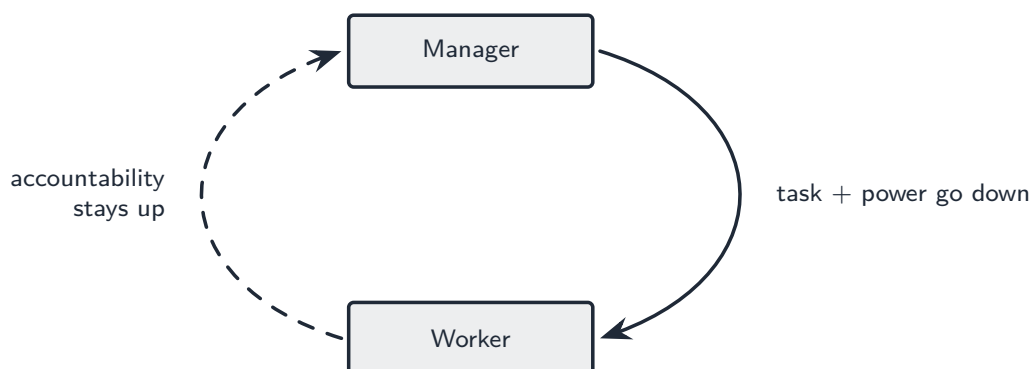
Read these first, then do the Practice.

■ 1 Centralisation vs decentralisation



- **centralisation** – most decisions are made at the top: strong control, but local knowledge is ignored;
- **decentralisation** – decisions are shared out to lower levels: faster and more motivating, but weaker control.

■ 2 Delegation and accountability



- **delegation** – a manager gives a task, and the power to do it, to a junior worker;
- but the manager stays **accountable** – the accountability for the result is still theirs.

Watch out: centralisation = the top decides (strong control, ignores local knowledge); decentralisation = lower levels decide (faster, more motivating, weaker control). In delegation the *task* and power pass down, but *accountability* stays with the manager.

Practice

Try these in order.

7.6 In a *centralised* firm, who makes most of the decisions? [1]

7.7 Give one benefit of *decentralisation*. [1]

7.8 What is *delegation*? [1]

7.9 When a manager delegates a task, who stays accountable for the result? [1]

7.10 Why should a manager delegate only to people they trust? [1]

7.11 Challenge. A manager delegates a task to a junior, but the work goes wrong. Explain who is accountable, and why a manager should therefore delegate carefully. [2]
