Solutions

Marking: **K** = knowledge, **App** = applying it to the business in the case, **An** = analysis (explaining causes and effects step by step), **Ev** = evaluation (a judgement with reasons, for this business). In calculations, **M1** is for the method and **A1** for the answer. Longer answers are marked in levels: the top level needs analysis applied to the business **and** a justified judgement.

Each answer shows the steps, then the **result**.

2.1

- $10/40 \times 100$
- **25**%

2.2

- $54/72 \times 100$
- **75**%

2.3

Any two: planning; organising; commanding (directing); coordinating; controlling

3.1

- Theory X managers believe staff dislike work and must be controlled and closely supervised (K)
- Theory Y managers believe staff enjoy work and want responsibility (K)
- so Theory X leads to an autocratic style, Theory Y to delegation and involvement (An)

3.2

Any two, each analysed (2 marks each):

- designers share ideas, so the agency gets more creative work (K, An)
- staff feel valued and involved, so motivation rises and they are more likely to stay (K, An)
- skilled staff know their work best, so their views improve decisions (K, An)

3.3

(a) $(0.18 - 0.10) \times 150$; **12** more staff

(b) points to include:

- the manager makes all decisions and gives orders without asking staff (K)
- staff feel ignored and not trusted, so their esteem needs are not met (An)
- satisfaction fell by 25 points, and unhappy staff look for other jobs (App)
- higher turnover raises recruitment and training costs and lowers service quality (An)

Levels: **top** (5–6) two points, each analysed step by step and applied to this business; **middle** (3–4) analysis of one point, or two points with little development; **bottom** (1–2) relevant points, little explanation.

(c) points to include:

- a democratic style involves staff, which may raise satisfaction and cut turnover (An)
- many supermarket tasks are routine, and quick decisions are needed at busy times, which suits a firmer style (An)
- the manager may lack the skills or personality for a democratic style; training may help (An)
- a mix may work best: clear rules for routine tasks, with staff consulted on rotas and changes (Ev)
- judgement: the manager should move towards a more democratic style, as the rise in turnover is costly; a fully democratic style is not needed (Ev)

Levels: **top** (6–8) analysis applied to this business, and a justified judgement that answers the question; **middle** (3–5) some analysis applied to the business; judgement weak or missing; **bottom** (1–2) relevant points, little explanation or application.