Exercise walk-through

2.1

Human resources in context: supported rehearsal

International Baccalaureate · IB Diploma · Business Management · HL

Leadership and management

- **Management** is about getting things done.
- Henri Fayol listed its functions: planning, organising, commanding, coordinating and controlling. **Leadership** is about setting a direction and inspiring people to follow it.
- A good manager is not always a good leader, and the reverse is also true.
- The best style depends on the situation: the task, the time available, the skills of the workers, and the culture of the business.

Motivation and demotivation

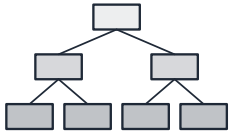
- **Frederick Taylor** : workers are motivated mainly by money. He used **scientific management** : break each job into simple tasks, find the fastest method, and pay by output (**piece rate**). Critics say people want more than money, and repeated simple tasks are boring.
- **Abraham Maslow** : people have a **hierarchy of needs** . A lower need must be met before the next one motivates.
- **Frederick Herzberg** : two separate sets of factors. **Hygiene factors** such as pay and conditions do not motivate, but if they are poor, workers become unhappy. **Motivators** such as recognition and responsibility create real **motivation**.

Sources for this lesson

- International Baccalaureate, *Business Management guide* (first assessment 2024).
- Haidilao International Holding, annual reports 2018–2023 and the November 2021 restaurant review announcement.
- F. Herzberg, B. Mausner and B. Snyderman, *The **Motivation** to Work* (1959); A. Maslow, "A Theory of Human Motivation", *Psychological Review* (1943).

Exercises 2.1·2.2

2.1 Define *span of control* and *chain of command*. [2]



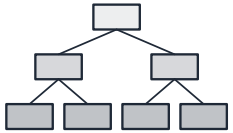
2.2 The repair business employs 80 people on average and 12 left during the year. Calculate the labour turnover rate and state one cost of a high rate. [3]

staff leaving: 12

average staff: 80

Exercises 2.1·2.2

2.1 Define *span of control* and *chain of command*. [2]



2.1 Span of control: the number of subordinates a manager directly supervises (1). Chain of command: the line of authority along which instructions pass from the top of the hierarchy to the bottom (1).

2.2 The repair business employs 80 people on average and 12 left during the year. Calculate the labour turnover rate and state one cost of a high rate. [3]

staff leaving: 12

average staff: 80

2.2 Labour turnover $= 12/80 \times 100 = 15\%$ (2). Any one cost: recruitment and selection costs; induction and training of replacements; lost experience and customer relationships; lower morale among those who stay (1).

Exercises 2.3·2.4

2.3 Distinguish Herzberg's hygiene factors from his motivators, giving one example of each. [4]

hygiene factors

motivators

2.4 State two reasons why employees may resist change. [2]



new system

Exercises 2.3·2.4

2.3 Distinguish Herzberg's hygiene factors from his motivators, giving one example of each. [4]

hygiene factors

motivators

2.3 Hygiene factors are conditions whose ABSENCE causes dissatisfaction but whose presence does not motivate – pay, working conditions, company policy, supervision; example: a clean, safe workshop (2). Motivators are features of the work itself that create satisfaction and effort – achievement, recognition, responsibility, advancement, growth; example: being trusted with the diagnosis of difficult repairs (2).

2.4 State two reasons why employees may resist change. [2]



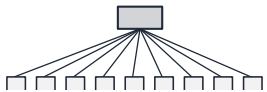
2.4 Any two of: self-interest (loss of status, pay or routine); low tolerance of uncertainty; misinformation; misunderstanding of the change; a different assessment of its costs and benefits.

Exercises 2.5·3.1

2.5 Classify each reward as financial or non-financial and name its type: (a) a share of annual profit paid to all staff, (b) letting a mechanic design their own working day, (c) 5% of each sale. [3]

profit share | job enrichment | commission

3.1 *(Original, Paper 1 style.)* The owner is considering removing the senior-mechanic level so that each workshop manager supervises 19 mechanics directly. Explain one advantage and one disadvantage of this flatter structure for the business. [4]



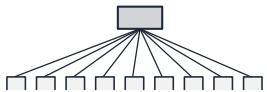
Exercises 2.5·3.1

2.5 Classify each reward as financial or non-financial and name its type: (a) a share of annual profit paid to all staff, (b) letting a mechanic design their own working day, (c) 5% of each sale. [3]

profit share | job enrichment | commission

2.5 (a) Financial – profit-related pay (1). (b) Non-financial – empowerment (or job enrichment) (1). (c) Financial – commission (1).

3.1 *(Original, Paper 1 style.)* The owner is considering removing the senior-mechanic level so that each workshop manager supervises 19 mechanics directly. Explain one advantage and one disadvantage of this flatter structure for the business. [4]



3.1 Advantage: removing a level shortens the chain of command and cuts salary costs, so decisions and communication between the manager and the mechanics are faster and cheaper (2). Disadvantage: a span of 19 leaves little time for coaching or appraisal of each mechanic, so quality and motivation may fall and the manager may be overloaded – the senior mechanics also lose a promotion step (2).

Exercise 3.2

3.2 *(Original, HL culture.)* The business acquires a rival run by written procedures and fixed job descriptions, while its own workshops use self-managing teams. Using Handy's culture types, explain the clash and one consequence for the integration. [4]



Exercise 3.2

3.2 *(Original, HL culture.)* The business acquires a rival run by written procedures and fixed job descriptions, while its own workshops use self-managing teams. Using Handy's culture types, explain the clash and one consequence for the integration. [4]



3.2 The acquired firm has a ROLE culture – authority comes from the job description and written procedure; the repair business has a TASK culture – authority comes from expertise within self-managing teams (2). The clash: acquired mechanics feel unsupported without procedures while the owners' mechanics resent paperwork, so each side judges the other incompetent or chaotic (1). Consequence: slower integration, lost staff (the turnover the business has just reduced rises again) and failure to realise the acquisition's savings unless a deliberate culture programme bridges the two (1).

Exercise 3.3

3.3 *(Original, HL employee relations.)* The acquired staff's union demands the owners' bonus scheme. Recommend conciliation or arbitration, justifying the choice. [3]



Exercise 3.3

3.3 *(Original, HL employee relations.)* The acquired staff's union demands the owners' bonus scheme. Recommend conciliation or arbitration, justifying the choice. [3]



3.3 Recommend CONCILIATION: a neutral third party helps the union and the owners reach their own agreement (1), which keeps control of the bonus scheme's design with the parties and builds the trust the merged workforce needs (1). Arbitration would be faster and binding, but it hands the decision to an outsider and may leave one side resentful – appropriate only if conciliation fails and a strike threatens the workshops (1).

Local review guidance: the division written out with the $\times 100$ before the percentage; theories NAMED and then applied to the workshop case, not recited; (R1 3.3) a recommendation with the condition under which the other option would be preferred. This is authored classroom guidance.