Exercise walk-through

2.1
Human resources in context: supported rehearsal

International Baccalaureate · IB Diploma · Business Management · SL

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

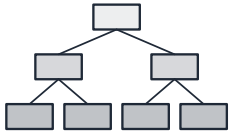
- **Frederick Taylor** : workers are motivated mainly by money. He used **scientific management** : break each job into simple tasks, find the fastest method, and pay by output (**piece rate**). Critics say people want more than money, and repeated simple tasks are boring.
- **Abraham Maslow** : people 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]



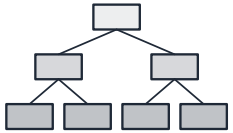
2.2 The repair business employs 80 people on average and 12 left during the year. Calculate the labour turnover rate and state one cost of a high rate. [3]

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]



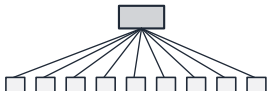
2.4 Any two of: self-interest (loss of status, pay or routine); low tolerance of uncertainty; misinformation; misunderstanding of the change; a different assessment of its costs and benefits.

Exercises 2.5·3.1

2.5 Name the five leadership styles and state one situation in which an autocratic style is the right choice. [3]

autocratic | paternalistic | democratic | laissez-faire | situational

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]



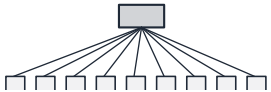
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2.5 Autocratic, paternalistic, democratic, laissez-faire, situational (2 – 1 for three or four). Autocratic fits an EMERGENCY or a safety critical task – a recall of faulty brakes needs one voice and immediate obedience (1).

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, Paper 1 style.)* Mechanics on piece rates feel their effort is unrewarded when parts arrive late, and turnover has reached 15%. Using two motivation theories, recommend a reward package, and name one communication barrier the owner must remove to deliver it. [4]



Exercise 3.2

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3.2 Herzberg: late parts and the piece-rate dispute are HYGIENE failures – fix the parts supply first, because no reward package motivates while dissatisfaction persists (1); motivators then do the work: responsibility for diagnosis and a team bonus create satisfaction. Maslow: the package should meet belonging (team, not individual piece rates) and esteem (recognition, the senior-mechanic title) once pay and safety are secure (1). Recommendation: base salary plus a team bonus on completed repairs, with diagnostic responsibility and a formative appraisal – aiming turnover back toward 8% (1). Barrier: the chain of command through two levels distorts the message – communicate the change face to face with the mechanics, not by memo through the workshop managers (1).

Local review guidance: the division written out with the $\times 100$ before the percentage; theories NAMED then applied to the workshop facts, and the recommendation follows from them; (R1 3.1) the advantage and the disadvantage each applied to THIS business. This is authored classroom guidance.