Exercise walk-through

2.2
Leadership, management and motivation

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

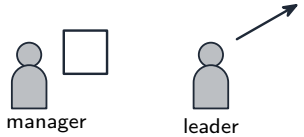
- **Frederick Taylor** : workers are motivated mainly by money. He used **scientific management** : break each job into simple tasks, find the fastest method, and pay by output (**piece rate**). Critics say people want more than money, and repeated simple tasks are boring.
- **Abraham Maslow** : people 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 Distinguish between management and leadership. [2]

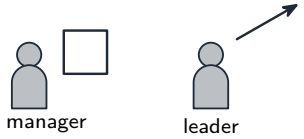


2.2 Outline **two** hygiene factors in Herzberg's theory. [2]

hygiene motivators

Exercises 2.1·2.2

2.1 Distinguish between management and leadership. [2]



2.1

management: planning, organizing and controlling resources to achieve objectives; leadership: setting a direction and inspiring and influencing people to follow it

2.2 Outline **two** hygiene factors in Herzberg's theory. [2]

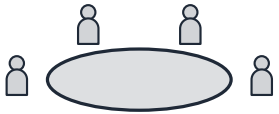
hygiene motivators

2.2

any two: pay; working conditions; job security; company rules and policies; relations with supervisors

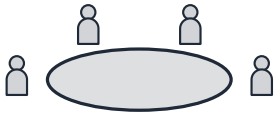
Exercise 2.3

2.3 Explain **one** advantage and **one** disadvantage of a democratic leadership style for a software firm. [4]



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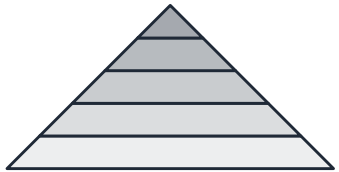


2.3

advantage: skilled programmers contribute ideas, so decisions are better and staff feel valued and motivated; disadvantage: consulting takes time, so decisions are slow, a problem when deadlines are tight

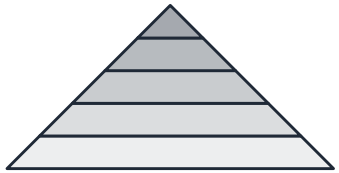
Exercise 2.4

2.4 Using Maslow's hierarchy, explain why a pay rise may not motivate a well-paid manager. [3]



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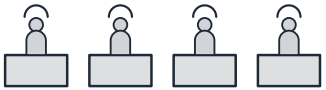
2.4

a well-paid manager's lower needs (physiological and safety) are already met; according to Maslow, a met need no longer motivates; the manager is more likely to be motivated by esteem or self-actualization, e.g. recognition or challenging projects

Exercise 3.1

3.1 Pacific Call runs a call centre with 300 staff. Staff answer calls from a script and are paid an hourly wage. Absence is high and many staff leave within a year. The manager plans to replace the hourly wage with a **piece rate** per call answered.

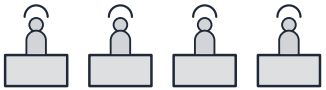
Discuss whether a piece rate is the best way to improve motivation at Pacific Call. [10]



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award up to [10]: Taylor: piece rate rewards output, so staff may answer more calls; but staff may rush calls, lowering quality and customer satisfaction; Herzberg: pay is a hygiene factor; it may reduce dissatisfaction but not motivate; scripted, repetitive work lacks motivators such as responsibility and recognition; alternatives: job enrichment, empowerment to solve customer problems, job rotation, team targets; Maslow/Deci and Ryan: social needs, relatedness or autonomy could be met through teams and some freedom from the script; judgement linked to high absence and turnover; conclusion: a mix of fair pay and non-financial rewards