2.1 Human resource management

Name: _____ Class: _____ Date: _____ **Total: 22 marks**

KEY WORDS labour turnover • motivation

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Objective

Use the vocabulary of organisational structure, apply leadership styles and motivation theories to a case, calculate labour turnover, and name the communication barriers (syllabus 2.1–2.4, 2.6; SL).

1 Key knowledge and worked examples

Unit 2 toolkit. Structure: span of control, chain of command, levels, delegation; tall vs flat; by function, product, region; matrix. Leadership: autocratic, paternalistic, democratic, laissez-faire, situational. Motivation: Taylor, Maslow, Herzberg (hygiene vs motivators), McClelland, Deci and Ryan. Labour turnover $= 12/80 \times 100 = 15\%$. Rewards: financial (salary, wages, commission, PRP, profit share, shares, fringe) and non-financial (enrichment, rotation, enlargement, empowerment, purpose, teamwork). Communication: formal vs informal, and the barriers.

2 Practice

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]

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

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

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

3 Exam-style questions

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]

3.2 *(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]

Solutions

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 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).

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 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.

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 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).

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.