

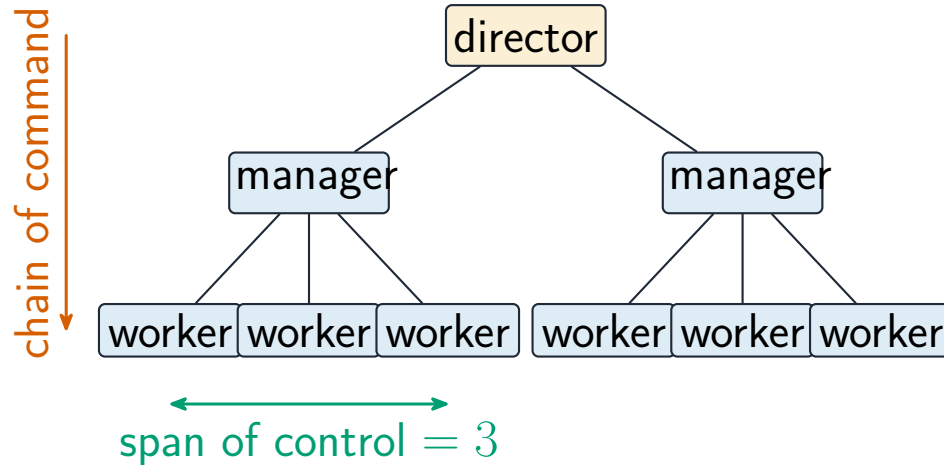
Exercise walk-through

2.2

Organisation and management

IGCSE Business Studies

Organisation charts



An **organisation chart** shows who reports to whom:

- **hierarchy** & **chain of command**
- **span of control** — direct subordinates
- **delayering** removes a level

Recruitment and selection



Write a **job description** & **person specification**,
advertise, shortlist, then interview.
Internal (from within) is
cheaper; **external** brings
new ideas.

How a business chooses who to hire

application form

the business's own questions, so every applicant answers the same things

CV

a short summary of a person's education and work history, written by them

the interview

the commonest method – but it favours confident talkers over able workers

tests

aptitude, skills or personality tests, used alongside the interview

internal

cheaper and faster, the person is known – but it leaves another vacancy behind and brings no new ideas

external

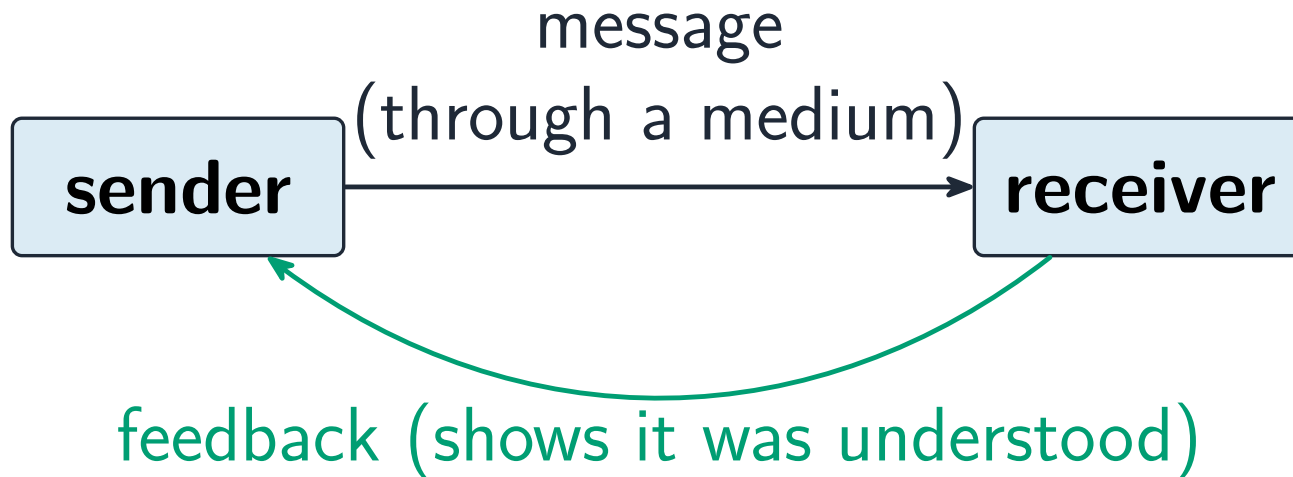
a wider choice and fresh ideas – but slower, dearer and riskier

Selection methods exist to **cut the risk of a wrong hire**, because replacing a worker costs far more than testing one.

Communication

A message goes from sender to receiver, who gives **feedback** .

Communication barriers (noise, unclear words, too long a chain) cause mistakes.



One-way, two-way, and what blocks both

good communication

information is sent, received **and understood** correctly

why it matters

workers know what to do, mistakes fall, and people feel involved

one-way

flows in one direction with no reply – a public notice, a memo

two-way

the receiver can reply and give feedback – usually better, because it **checks understanding**

a barrier

anything stopping a message getting through: the wrong medium, technical language, too long a chain, noise, or **a receiver not paying attention**

“Sent” is not “understood”. Every barrier question is answered by naming where in that chain the message was lost.

Exercises 2.1-2.3

2.1 Define the term *span of control*.

[2]

2.2 Identify two functions of management.

[2]

2.3 State the difference between an *autocratic* and a *democratic* leadership style.

[2]

Exercises 2.1-2.3

2.1 Define the term *span of control*. [2]

2.1

- **span of control** is the number of workers one manager is **directly in charge of** (K)

2.2 Identify two functions of management. [2]

2.2

- any **two** of: planning / organising / coordinating / commanding / controlling (K, K)

2.3 State the difference between an *autocratic* and a *democratic* leadership style. [2]

2.3

- **autocratic**: decides alone and gives orders (K)
- **democratic**: asks staff for ideas before deciding (K)

Exercises 3.1-3.2

3.1 Identify two things an organisational chart shows. [2]

3.2 Explain two benefits to a business of delayering its organisational structure. [6]

Exercises 3.1-3.2

3.1 Identify two things an organisational chart shows. [2]

3.1

- any **two** of: hierarchy / chain of command / span of control / who reports to whom (K, K)
-

3.2 Explain two benefits to a business of delayering its organisational structure. [6]

3.2

- for **each** of two benefits: K + An, max 3 each
- e.g. **lower costs**: fewer managers → lower salary bill → higher profit
- e.g. **faster communication**: fewer levels → messages reach workers quickly

Exercise 3.3

3.3 Do you think an autocratic leadership style is always the best style for a manager?
Justify your answer. [6]

Exercise 3.3

3.3 Do you think an autocratic leadership style is always the best style for a manager? Justify your answer. [6]

3.3

- **for autocratic:** fast, firm decisions – good in a crisis or with untrained staff
- **against:** ignores ideas and can demotivate skilled workers
- **judgement (Ev):** no style is always best – autocratic suits a crisis; democratic suits skilled staff