

**Evaluating a tall structure**

Strength	Regular promotion opportunities
Strength	Easier to maintain standards / check everyone's work
Strength	Each person's job role is clear
Weakness	Very hard for lower levels to communicate with the top
Weakness	Decision making may be slow due to many layers
Weakness	Long chain of commands may lead to poor communication
Weakness	Large span of controls may make managing staff difficult/stressful

**Evaluating flat structure**

Strength	Fewer managers needed
Strength	Workers have more responsibility
Strength	Communication is quicker and more efficient
Weakness	Each manager is responsible for more people
Weakness	Fewer promotion opportunities
Weakness	Spans of control may be large
Weakness	

**Evaluating a centralised structure**

Strength	Decisions taken with an overview of whole company
Strength	Consistent policies and decisions
Strength	The whole organisation follows the same goals/objectives
Weakness	Reduces delegation, so local managers can not respond to changes quickly
Weakness	Less job satisfaction
Weakness	Workers may resent having to follow orders from 'head office'
Weakness	Discourages independence

**Evaluating a de-centralised structure**

Strength	Involvement in decision making by more staff
Strength	Can adapt to local conditions
Strength	Problems can be dealt with quickly at a local level
Weakness	Managers will need more training
Weakness	A mistake in one branch could impact reputation
Weakness	
Weakness	

**Key vocabulary**

Centralised structure	An organisation where most decisions are made at head office not within the branch
Decentralised structure	An organisation that allows staff to make decisions at a local level
Flat structure	An organisation with few layers of hierarchy
Hierarchical structure	An organisation with many layers of management, therefore creating a tall organisational pyramid
Organisation chart	– a diagram that shows the internal structure of an organisation
Span of control	The number of people a manager is directly responsible for in an organisation
Subordinate	The term for people underneath another in an organisation chart

**Exam tips**

- When counting a span of control, only include those directly underneath, not all staff
- Delegating work and having more responsibility can make staff more motivated – they feel valued. Don't assume employees want to do as little work as possible
- Consider the level of skills of the workers – more skilled generally need less supervision so flatter structures can work well

**Wider Business world**

Sainsbury's	An example of a centralised business where local branch managers have little power over decision making
NHS, police force	Examples of tall hierarchical structures
Morrison's and Tesco	Each supermarket has a store manager who can make certain decisions concerning areas like staffing, sales promotions.

### Communication methods

<b>Key idea 1</b>	Verbal – meetings, telephone, digital methods such as Zoom
<b>Key idea 2</b>	Written – letters, reports, posters
<b>Key idea 3</b>	Digital – email, instant messenger, texting, social media

### Links to other topics

**Motivation** – too little, or too much can lead to poor motivation

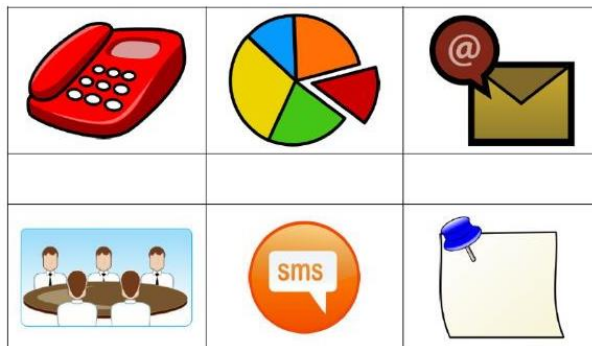
**Technology** – has enabled more methods to be available

**Stakeholders** – different groups will need to be communicated with in different ways

**Globalisation** – being able to use electronic communication has helped with globalisation

### Communication problems

<b>Key idea 1</b>	Too little communication – can lead to employees being unaware of what is happening, leading to mistakes and inefficiency
<b>Key idea 2</b>	Too much communication so employees are overloaded
<b>Key idea 3</b>	Other information or activities act as barriers to communication



### Barriers to communication

<b>Key idea 1</b>	Written – illegible handwriting, poor spelling and grammar, poor font or presentation
<b>Key idea 2</b>	Verbal – language not understood, accent not understood, speaking too fast or slow, not pausing when speaking
<b>Key idea 3</b>	Receiver – poor attitude, not listening
<b>Key idea 4</b>	General – timeliness, structure of communication not clear, cultural differences, use of jargon, technical issues, no opportunity for feedback

### Key vocabulary

Communication	The passing of information from one person or organisation to another
Insufficient communication	Too little communication which may leave some staff under-informed and demotivated
Excessive communication	Too much communication, causing overload for staff; a particular problem with email
Barrier to communication	Something that prevents the flow of communication
Jargon	– technical or obscure words used by a particular group of people that may not be understood by everyone

### Exam tips

- When counting a span of control, only include those directly underneath, not all staff
- Delegating work and having more responsibility can make staff more motivated – they feel valued. Don't assume employees want to do as little work as possible
- Consider the level of skills of the workers – more skilled generally need less supervision so flatter structures can work well

### Wider Business world

Microsoft	Research by Financial Times identified Microsoft as having excellent communication
Volkswagen	VW told all its staff to not check emails on weekend

Types of employment	
1	Full time
2	Part time
3	Flexible hours

Types of contract	
1	Permanent
2	Temporary
3	freelance

### Links to other topics

**Technology** – has enabled more remote working and can contribute to improvements in efficiency

**Recruitment** – the type of contract offered may impact where and how the vacancy is advertised

**Training** – more likely for permanent staff

Benefits of part time/full time contracts	
<b>Benefit 1</b>	Stable earnings and high degree of job security
<b>Benefit 2</b>	Regular contributions towards pension
<b>Benefit 3</b>	Likely to receive holiday and sick pay, providing more security
<b>Benefit 4</b>	More likely to be sent on training courses to improve skills

Wider Business world	
<b>Remote working</b>	due to COVID-19 there has been a huge increase in people working this way
<b>Amazon</b>	– reputation for poor working conditions with excessive monitoring

Impact of technology on ways of working	
<b>Impact 1</b>	Has made it easier to work with people without being physically close to them
<b>Impact 2</b>	Can be used to monitor staff, e.g. productivity, breaks, accuracy
<b>Impact 3</b>	Can be used to improve efficiency by doing repetitive jobs more consistently and accurately
<b>Impact 4</b>	Remote working has pros and cons – a lack of natter and banter could mean good ideas are missed

### Exam tips

- Remember not all self employed people are super rich and successful entrepreneurs
- Self-employed workers will not get holiday pay, sick pay or contributions by their employer into their pension
- Flexible working may sound ideal to some, but for others it would not work. Don't assume everyone wants to work as little as possible!

### Key vocabulary

<b>Full time work</b>	35-40 hours per week
<b>Part-time</b>	Less than 35 hours and usually predictable hours /days
<b>Flexible hours</b>	Where days and hours vary from week to week
<b>Zero hour contract</b>	A type of flexible working where employees are not guaranteed any work from week to week
<b>Freelance contract</b>	An agreement over one job between a business and a self-employed worker
<b>Permanent contract</b>	An agreement between a business and an employee that work and income will be provided consistently into the long-term future
<b>Remote working</b>	Working away from the office, typically at home
<b>Temporary contract</b>	An agreement between a business and an employee that work and income will be provided for a specific time period, e.g. six months

**Documents used in the recruitment process**

<b>Job description, person specification</b>	created by the business so they are clear about the job that is needed to be filled and what the ideal candidate would be like
<b>Job advert</b>	this can be placed in various places, such as job centre, recruitment agency, online, internal notice board or email, newspapers or specialist magazines
<b>Application form, CV, letter of application</b>	completed by the candidate to provide all the information required by the business
<b>References</b>	supplied by people who know the candidate to support an application A candidate can be chosen through an interview, assessments, further tests or tasks

**Internal recruitment**

<b>Benefit 1</b>	Quicker and cheaper
<b>Benefit 2</b>	Motivational for employees knowing that they could be promoted to other roles within the business
<b>Benefit 3</b>	Business knows the candidate well
<b>Weakness 1</b>	Existing workers may not have necessary skills
<b>Weakness 2</b>	Creates a new vacancy that may not be filled from internal candidates

**External recruitment**

<b>Benefit 1</b>	Wider range of applicants to choose from
<b>Benefit 2</b>	External applicants will bring new ideas and skills to the business
<b>Weakness 1</b>	Expensive and time consuming process
<b>Weakness 2</b>	Not guaranteed to find a suitable candidate

**Links to other topics**

**Organisational structures** – HR will need to know where a vacancy fits within the hierarchy

**Legislation** – there are laws regulating how employees can be recruited

**Motivation** – offering internal promotion opportunities can be non-financial motivation

**Wider Business world**

<b>McDonald's</b>	Only recruit online
<b>B&amp;Q</b>	One of many business that no longer accept CV's, only application forms
<b>Merlin entertainments</b>	Require candidates to attend assessment centres.

**Key vocabulary**

<b>Directors</b>	people who make the biggest decisions faced by the business, e.g. aims and objectives
<b>Managers</b>	the people who organise others to carry out tasks
<b>Supervisors/team leaders</b>	these people ensure that the staff below them do what they are supposed to do
<b>Operational staff</b>	a member of staff who has specific responsibility for meeting for meeting a target set by the business that is focused on achieving the business's aims and objectives
<b>Support staff</b>	staff who provide help to operational staff, providing assistance with computer networks, administration task etc
<b>Person specification</b>	a description of the type of person who would best fit the job: their character, their experience and skills
<b>Application form</b>	a series of questions a job-seeker must fill in when trying to get an employer interested in interviewing them
<b>CV</b>	curriculum vitae. Sets out the person's experience, qualifications and other relevant facts
<b>Job description</b>	a short account of the main features of the job
<b>Internal recruitment</b>	appointing someone from within an organisation
<b>External recruitment</b>	appointing a new employee who does not work for the business

**Why train staff?**

<b>Key idea 1</b>	Has a motivating effect on staff who will feel appreciated and valued
<b>Key idea 2</b>	Staff will familiarise themselves with working practices and ways of working in the organisation
<b>Key idea 3</b>	Trained staff can better meet the needs of the business's customers

**Types of training**

<b>1</b>	Formal training
<b>2</b>	Informal training
<b>3</b>	On the job training
<b>4</b>	Off the job training
<b>5</b>	Ongoing training throughout your career

**Benefits and drawbacks of providing training for staff**

<b>Benefit 1</b>	Improvements to efficiency and quality
<b>Benefit 2</b>	Wider range of staff skills allows a business to respond to market changes quickly
<b>Benefit 3</b>	Boosts motivation of staff and they feel valued
<b>Drawback 1</b>	Paying to send staff on courses or bringing in external providers can be expensive
<b>Drawback 2</b>	Staff who are training can not do normal work so cover may be required
<b>Drawback 3</b>	Staff may leave for better jobs after receiving training

**Wider Business world**

<b>New Beckfoot staff</b>	All staff receive induction training such as SIMs, use of IT, tour of building, etc...
<b>Doctors</b>	an example of on-the-job training as part of their medical degree and after
<b>Aldi</b>	offer a training program for all new branch managers

**Links to other topics**

**Motivation** – providing training can motivate staff by making them feel valued

**Aims** – performance targets usually relate to the overall aims of the business

**Technology** – an investment in new technology will be wasted if staff are not trained to use it

**Sales process** – effective training leads to better customer service, part of the sales process

**Exam tips**

- Remember training does need to have a formal qualification linked to it
- Remember to analyse training benefits from the employer's point of view, not the employees

**Key vocabulary**

<b>Formal training</b>	the official training program, e.g. a 2 year graduate training program
<b>Informal training</b>	the unexpected, unplanned extra advice or demonstrations that come from colleagues or occasionally from customers
<b>On-the-job training</b>	training that occurs in the workplace whilst doing the job, e.g. on an apprenticeship
<b>Off-the-job training</b>	training away from the workplace, e.g. in a college
<b>Induction training</b>	training that occurs when you first start a job or join a new business
<b>Self-learning</b>	teaching yourself, perhaps by thinking why a problem occurred and making sure you learn from your mistakes
<b>Ongoing training</b>	regular, perhaps weekly training sessions for all staff
<b>Target setting</b>	when you are set goals by a manager and your job is to achieve them
<b>Performance review</b>	discussion between you and your line manager about how well you are working towards the targets set for you
<b>Retention</b>	calculation of how many staff stay loyal rather than leaving



### Benefits of motivating staff

<b>Key idea 1</b>	Higher productivity
<b>Key idea 2</b>	Attracts the best employees to apply for vacancies
<b>Key idea 3</b>	Lower staff turnover, so lower recruitment costs
<b>Key idea 4</b>	Better quality production or customer service, leading to repeat customers and less wastage
<b>Key idea 5</b>	More ideas from staff

### Costs of demotivated staff

<b>Cost 1</b>	Unhappy workers – demotivated workers are less satisfied and therefore this will impact their work
<b>Cost 2</b>	Poor customer service because they are likely to take less care when dealing with customers
<b>Cost 3</b>	Low productivity – output per worker will drop as effort levels will be lower
<b>Cost 4</b>	Higher staff turnover because demotivated workers will be looking to leave the business
<b>Cost 5</b>	Low or no profits

### Methods of motivation

Financial methods	Non-financial methods
Wages or salaries	Job rotation involves the movement of employees through a range of jobs in order to increase interest and motivation.
Fringe benefits e.g. company car, free laptop, free gym membership	Job enrichment means giving an employee additional responsibilities previously reserved for his manager or other higher-ranking positions
Bonuses – annual or monthly bonuses based on performance or meeting targets	Autonomy means giving workers greater freedom to make their own decisions
Commission – a % or lump sum received per sale	Job enlargement means increasing the scope of a job through extending the range of its job duties and responsibilities generally within the same level
Promotion – this involves moving into higher roles often at higher pay	

### Key vocabulary

<b>Motivation</b>	the desire to do the best you can
<b>Remuneration</b>	all the financial rewards received from work, both direct and indirect
<b>Fringe benefits</b>	rewards you get from work that are non-financial such as a company car or free membership of a club
<b>Salary</b>	an annual amount paid to employees, usually divided into 12 equal payments
<b>Wage</b>	an hourly rate
<b>Overtime</b>	working more than your contracted hours. Sometimes paid at a rate above your usual pay
<b>Bonus</b>	extra payments over and above your basic wage, often related to a target
<b>Commission</b>	being paid a percentage of the value of a sale you made
<b>Promotion</b>	being given a more important job in the organisational structure
<b>Job rotation</b>	having several tasks to do at work to remove the boredom of doing the same thing all the time

### Links to other topics

**Costs & revenue** – remuneration impacts on fixed costs; commission on variable costs, therefore affecting profit margins

**Training** – employees who are invested in tend to be more motivated

**Business aims** – bonuses can be related to targets, which usually relate to the business aims

### Exam tips

- Remember earning more money does not motivate staff to work harder – they may be pleased but won't do any more
- Financial rewards cost the business, so can affect profit margins, unless greater sales and revenue can be generated or cost savings
- Don't confuse job rotation and job enrichment
- Don't assume that staff want to do the littlest amount of work