

Chapter 11: Worksheet mark scheme (37 marks, HL 37 + 2)

- 1** Explain the following terms:
- a** delegation (HL) (2)
The passing on of authority (power) and responsibility (accountability, i.e. who is to blame).
 - b** chain of command (2)
The line of authority within an organisational structure (who reports to whom).
 - c** levels of hierarchy (2)
Levels within an organisational structure on each of which the personnel have equal status and authority.
 - d** span of control. (2)
The number of subordinates reporting to someone more senior in an organisation.
- 2** State **two** advantages and **two** disadvantages of a flat organisational structure. (4)
- Advantages:
- fast decisions are possible
 - better control/direction
- Disadvantages:
- manager is likely to be overworked
 - delays due to long queue to see manager
 - fewer new ideas
 - bureaucracy often necessary
- 3** State **three** advantages and **three** disadvantages of a tall organisational structure. (6)
- Advantages:
- motivation increased
 - promotion possibilities
 - worker input more likely, leading to increased motivation
- Disadvantages:
- loss of direct control
 - more mistakes likely
 - may suffer from communication problems
 - slower decisions
- 4** Many firms try to cut costs by changing to a flatter organisational structure. What is another term for this process? (1)
- Delaying

5 State **three** advantages and **three** disadvantages of centralisation.

(6)

Advantages:

- fixed rules lead to rapid decision-making
- consistency reduces conflict
- central decision-making leads to economies of scale
- decision-makers are experienced professionals

Disadvantages:

- little scope for inventiveness
- less flexible for fast adaptation to change
- employee demotivation: may feel their input is not valued
- differences in local trading conditions may not be recognised
- junior managers do not have the chance to make decisions, so lack opportunity to develop professional skills

6 Explain **one** major disadvantage of the matrix structure.

(2)

- Team members have two bosses, so requirements and pressures on them may be conflicting.
- Less control from the top may be resisted by senior managers and so decisions and/or recommendations are sometimes blocked.

7 List the **six** Ss of Peters's Seven-S model that are connected by the seventh factor, 'shared values'.

(6)

- structure
- strategy
- systems
- skills
- style
- staff

8 In your own words, give a short summary of Mintzberg's theory.

(3)

Organisational structure results from the interaction of organisational strategy and environmental forces (pull factors), resulting in five basic organisational types: entrepreneurial, bureaucratic, professional, divisional and innovative.

9 HR outsourcing is becoming more common. List **three** reasons why outsourcing of recruitment may not be best for a business.

(3)

- lack of local knowledge
- lack of direct knowledge of the company, its existing people and how a new person could fit into the existing organisational structure and social relationships
- employees may feel controlled from outside