1 (2014)

7	a	Name one leadership style. Autocratic/Democratic/Laissez Faire	10
	b	Illustrate how a manager adopting this leadership style might manage the process of change in a business: Change is implemented by intimidating workers into accepting change e.g. threatening redundancies etc.	
		Change is implemented by having a consultative process with employees e.g. calling a meeting and discussing and seeking opinions and views of staff with a view to reaching a compromise. Less engaged in the process of change and adopts a 'hands-off' approach.	

2 (2012)

4. (a) Define the term delegation.

Delegation involves the assignment of authority/power to another person. It is generally assigned from a manager to a subordinate, to undertake a specific work task or project. The accountability for the particular task/project is also assigned.

(b) Outline two benefits of delegation within a business.

- Manager is not required to do all the work and has more time for strategic planning.
- Task/project may be completed to a higher standard due to the level of personal accountability provided by delegation.
- Increased employee motivation from job enrichment/ improved staff morale/more challenging work.
- Effective time-management tool/ managers can prioritise tasks that need their attention.
- Higher skilled workforce will allow greater management flexibility.
- May improve the work-life balance for the manager.

4	В	Physical Needs	20
		Need for food, water, clothing and shelter.	
		It offers competitive salaries to all employees	
		Safety Needs	
		The need for certainty and physical safety.	
		Long- term contracts of employment to all employees	
		Social Needs	
		The need for interaction with other human beings.	
		A team structure exists in the business where employees from	
		all over the world work together on innovative projects	
		Esteem Needs	
		The need to have your performance recognised by others.	
		Staff ideas are accepted, and innovation rewarded.	
		Self-Actualisation	
		This need is met when an employee reaches their full potential.	
		Hexagon supports employees who take on further studies.	
		Hexagon supports employees who take on further studies.	

S/he makes decision without consulting with anyone.

10

Example: A product recall or an emergency in store.

Characteristics

- The leader gives instructions to subordinates.
- Decision making is not shared/no consultation.
- Little room for employee innovation.

• **Democratic** The leader involves the employees in the decision making process. S/he listen to the views of others and may facilitate consensus of the team. Leadership generates a sense of belonging but it is still centrally controlled by the manager/ Capitalise on the skills and talents of employees by letting them share their views rather than expecting them to conform.

Characteristics

- The leader shares decision making with subordinates.
- They listen to the views of employees /collaborative/keep employees informed of changes so they feel part of the retail outlet.
- Leadership generates a sense of belonging but is still centrally controlled by the manager.
- Teamwork-fosters an atmosphere that values information sharing/greater openness.
- Requires trust between manager and employees.
- Laissez faire (Free reign) Leadership involvement is minimised/Very highly skilled employees (such as middle managers) may make their own decisions and there is no requirement for central coordination.

<u>Characteristics</u>

- Very highly skilled employees/experts (such as middle managers).
- This involves allowing subordinates to set their own goals and achieve them without interference of management.
- Requires employees who are very engaged with their work.

	4	С	(ii)	•	Instant/quick decisions where there is no need for input on the decision or where the decision wouldn't change as	10
0	- (6				result of employee input autocratic style would be appropriate.	
				•	Type of Employees. The amount of direction needed by employees will need to be considered. Assembly line staff more suited to an autocratic style.	
		CLUX		•	Time. If an outcome is needed fast, a more autocratic form of leadership may be required.	
				•	Complexity of the task/Skills of employees. A more complicated task will require more detailed instruction and supervision. However, if the skill set is high, employees may require a leader to be a facilitator to allow them to figure out the task themselves.	
				•	Corporate Culture. The culture of the organisation will also	
				•	influence the leadership style expected by the manager. Span of Control	

(B) Outline **one** appropriate leadership style which a manager in a retail outlet could adopt, giving reasons for your choice. (20 marks)

	Question	Possible Responses					
6	(B)	Democratic	Leadership				
		<u>Characteristics:</u>	style 3m				
		The leader shares decision making with subordinates.	2@7(4+3)				
		They listen to the views of employees					
		/collaborative/keep employees informed of changes so they feel part of the retail outlet.					
		 Leadership generates a sense of belonging but is still centrally controlled by the manager. 					
		 Teamwork-fosters an atmosphere that values information sharing/greater openness. 	+3m for reference to retail				
		Requires trust between manager and employees.	outlet				
		Reasons:					
		 Employee have some freedom to show innovation/greater flexibility/greater empowerment. 					
		 Provides feedback to employees on their relationship with customers/appreciation of their efforts. 					
		Employee will mirror the behaviour of the manager with customers.					
		 Employees will sell from a position of confidence as they are allowed to grow personally while they help grow the retail business. 					

Autocratic

Characteristics:

- The leader gives instructions to subordinates.
- Decision making is not shared/no consultation.
- Little room for employee innovation.

Reasons:

 Tasks are completed efficiently /may be suitable in high volume stores/fast paced retail outlet where staff are told what to do without question.

Free reign/Laissez-faire

Characteristics:

- Very highly skilled employees/experts (such as middle managers).
- This involves allowing subordinates to set their own goals and achieve them without interference of management.
- Requires employees who are very engaged with their work.

Reasons:

- Little supervision from management/staff make their own decision.
- Management have more time to dedicate to strategic issues.

5 (2012)

(C) Outline two styles of leadership and illustrate how each of these styles may be appropriate in different business situations.

Leadership Styles.

Autocratic

- Leader who likes to be in control of things and does not delegate/ Little consultation with employees, frequently dictating instructions/ Opinions of employees are not considered
- All major decisions are made by the leader and orders are issued and directives are made to be obeyed without question.
- Fear and threats are used as motivators/ Little trust in employees
- Manager suffers from overloading and the quality of their work suffers
- Subordinates get little experience of management and promotions are mostly external
- Morale can low among staff/ Staff turnover can be high/ Staff become frustrated: industrial relations disputes follow

Illustration: This style of leadership may be appropriate in a crisis or emergency situation where tough decisions may be needed quickly e.g. turning around a business, facing insolvency.

Democratic

- Power is shared with staff
- Authority is delegated to staff, but ultimately responsibility rests with the manager.
- Opinions/ideas/feedback are sought before decisions are made and tend to be better as a result.
- Trust is built overtime with staff/ Staff feel more valued and motivated.
- Promotions are internal as staff get experience of management.
- Intrapreneurship may occur.
- Decision making can be slow and delayed.

Illustration: It may be appropriate in a business that promotes teamwork (e.g. Google). Works well in an environment where staff can handle responsibility.

Laissez – Faire

- Management has a facilitative role (guide) and does not get involved in the day- to -day running of the business.
- Almost all authority is delegated to staff.
- Huge Trust is placed in staff.
- Highly motivated and trustworthy workers use their initiative leading to very high levels of intrapreneurship.
- Staff are empowered rather than ordered.
- Greater freedom given to staff in setting own goals.
- Managers are free to deal with more strategic matters.

Illustration:

Is likely to be used by High Tech industries which rely on well educated and highly self-directed employees. Prevalent form of leadership in firms engaged in R&D and advertising where creativity is valued.

(20 marks)

Delegation involves the assignment of authority to another person, generally from a manager to a subordinate, to undertake a specific work task or project. Successful delegation requires that the manager articulate the following clearly to the subordinate:

- Details including deadline of the assigned task/project
- The extent of the authority delegated, including reporting requirements to the manager

The manager must also ensure that the person to whom the task/project has been delegated has the necessary skills and competencies, and is provided with the necessary resources to complete the task/project.

The ultimate responsibility for the task /project remains with the manager.

(ii) Describe the benefits of delegation for a manager.

- More efficient completion of tasks or projects, as manager is not required to do all the work.
- Task/project may be completed to a higher standard due to level of personal accountability provided by delegation.
- Increased employee motivation from job enrichment/ improved staff morale/better work.
- Managers can prioritise tasks that need their attention, thereby having more time for the completion of these tasks and for managing i.e. planning etc.
- Higher skilled workforce will provide greater flexibility for manager.
- May improve work-life balance for the manager- better distribution of work.

(B) Analyse the implications for a business of a manager adopting a Theory X approach to managing.

Theory X Manager believes that workers:

- are lazy and that they dislike work
- lack ambition, and will avoid taking responsibility
- dislike and are reluctant to accept change in the workplace
- are motivated by money will not be possible to provide extra pay in current economic climate to motivate workers

The Theory X Manager adapts an Autocratic approach to management - supervising workers closely, offering incentives or using sanctions to ensure employee co-operation and conformity.

Characteristics/Implications of a Theory X Manager may include:

- Manager keeps control/ possible conflict between management and employees.
- Little trust/employees less likely to use their own initiative.
- No consultation when making decisions/lower productivity and lower quality
- Little delegation/fewer opportunities for employee promotions.

(A)

(B)

One motivational theory (describe)

- Maslow's Hierarchy of Needs
- McGregor's Theory X and Theory Y **Three** styles of leadership (discuss)

- Autocratic (Authoritarian)
- Democratic
- Laissez Faire