

Unit 12 - Business Planning

- ❖ Comparing different possible decisions to work out which decision is better.
 - Help to reduce the amount of uncertainty in any decision, giving managers much more confidence in the choices they make.
 - Encourages managers to be logical and consider all the possibilities.
 - A lot of complex decisions involve too many 'unknowns', so therefore could be too difficult to construct.
 - Problematic if the business environment is too changeable, might not go to plan.

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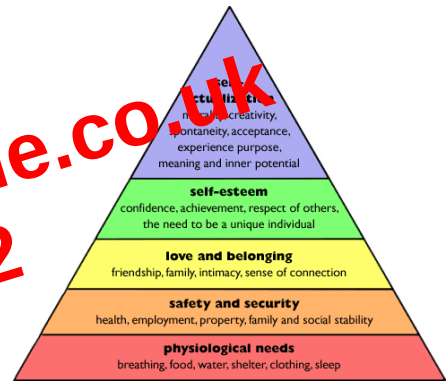
June 2007 Q3a, Q3b
January 2008 Q3a
June 2008 Q2a, Q3b
January 2010 Q3a, Q3c
June 2010 Q2a, Q2c
January 2011 Q3b
January 2012 Q1ai, Q1aii, Q3a, Q3c
June 2012 Q2b
January 2013 Q2b, Q3a
June 2013 Q2a

Spec Says:

- ❖ The theory of motivation as proposed in:
 - Maslow's Hierarchy of Needs
 - Herzberg's Two Factor Theory
 - McGregor's Theory X and Theory Y.
- ❖ How the models relate to employees of different types and personal motivation. The need for managers to recognise the different motivational needs of different people in the workforce, including:
 - skilled as opposed to unskilled staff
 - manual or process-based as opposed to knowledge-based tasks
 - old as opposed to young staff
 - paid as opposed to volunteer staff.
- ❖ How different management or leadership styles may affect motivation.
- ❖ How different organisational structures impact on employee motivation.
- ❖ The role of empowerment in developing motivation.
- ❖ The problems with empowerment in terms of management control, devolution of power and authority and acceptance of responsibility.
- ❖ How managers need to consider when and how to empower employees through delegation.

Maslow's Hierarchy of Needs

- ❖ Argued that basic needs are shown at bottom of hierarchy with higher needs at the top.



Herzberg's Two Factor Theory

- ❖ Argued that there are motivators and hygiene factors.
- ❖ Argued that pay was not able to motivate staff, and was only a hygiene factor that would have to be satisfied to prevent dissatisfaction.
- ❖ **Motivators = PPRRA**
- ❖ **Hygiene Factors = SSSCC**

McGregor's Theory X and Theory Y

- ❖ Argued the view on how managers view subordinates.
- ❖ Theory X managers expect the worst from employees.
- ❖ Theory Y managers expect the best from employees.
- ❖ **Job enrichment:** Designing jobs containing

Theory X and Theory Y (Douglas McGregor)

Theory X

The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform.



their

Theory Y

The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.

