Lesson 1: Core concepts: structure, chain of command, span of control

KNOWLEDGE ORGANISER

🎯 Learning goals

- ✓ Say what an organisational structure is
- ✓ Name job roles and who does what in a business
- ✓ Explain the chain of command and span of control
- ✓ Explain why businesses use a structure

🔑 Key words

Organisational structure How a business is organised, shown as a chart.

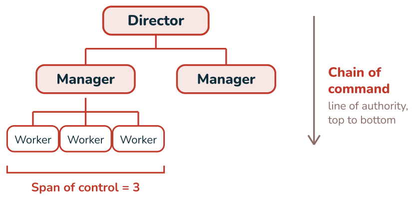
Hierarchy The levels of a business, top to bottom.

Chain of command The line that orders and decisions follow.

Span of control How many workers one manager is in charge of.

Authority The power to make decisions and give orders.

📘 What you need to know



Chain of command runs down the levels; span of control is how many report to one manager.

1. What is an organisational structure?

An **organisational structure** shows how a business is organised. It tells you three things: what job each person does, who is in charge, and who reports to whom. It is usually drawn as a chart. The most senior people are at the top.

Why does this help? Everyone knows their job. Less work gets missed or done twice. Decisions are made faster. So the business is more likely to reach its goals.

2. Chain of command

A **hierarchy** is the levels of a business, from the boss at the top to the workers at the bottom. The **chain of command** is the line that orders and decisions follow, going down. It is about who is in charge of whom — not just how messages are sent.

> *"The chain of command shows who employees report to and who makes decisions."*

Here is the structure of **FreshBite Foods Ltd**, a ready-meal maker:

The CEO is in charge of the whole business. Each manager is in charge of the supervisors below them. Each supervisor is in charge of the workers. The chart makes everyone's job and the chain of command clear.

3. Span of control

Span of control is the number of workers one manager is in charge of. A **narrow** span means a few workers. A **wide** span means many workers. With a wide span, a manager has less time for each worker.

4. Tall and flat structures

A **tall** structure has many levels and a narrow span. A **flat** structure has few levels and a wide span.

✅ Test yourself

Cover the answers below, answer Q1–Q10, then check.

Q1 What is an organisational structure?
Q2 Why do businesses use organisational structures?
Q3 What is span of control?
Q4 What is a narrow span of control?
Q5 What is a wide span of control?
Q6 What is the chain of command?
Q7 What is a tall organisational structure?
Q8 What is a flat organisational structure?
Q9 One advantage of a flat structure?
Q10 One disadvantage of a tall structure?

ANSWERS

A1 A formal system that shows how roles, responsibilities, and authority are arranged in a business.
A2 To clarify roles, improve communication, and ensure tasks are carried out efficiently.
A3 The number of employees a manager is responsible for.
A4 When a manager supervises a small number of employees.
A5 When a manager supervises a large number of employees.
A6 The line of authority through which decisions and instructions pass.
A7 A structure with many layers of management and a narrow span of control.
A8 A structure with few layers of management and a wide span of control.
A9 Faster communication and decision-making.
A10 Slower decision-making due to many management layers.

Lesson 2: Strategic choices: tall vs flat, centralisation, delayering

KNOWLEDGE ORGANISER

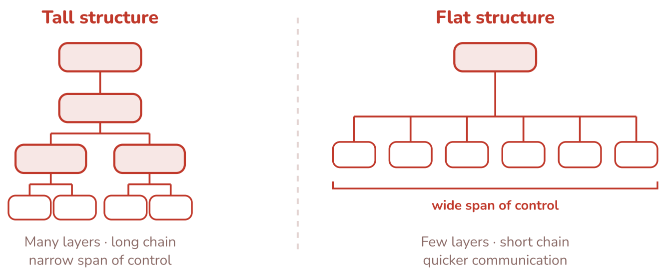
🎯 Learning goals

- ✓ Explain the difference between tall and flat structures
- ✓ Say how structure affects decisions and communication
- ✓ Explain centralisation and decentralisation
- ✓ Explain delayering and one effect it has

🔑 Key words

- **C** **Centralisation** Decisions are kept at the top.
- **D** **Decentralisation** Decisions are passed down to lower levels.
- **D** **Delegation** Giving a task to someone below you, but staying responsible.
- **D** **Delayering** Removing a level of management to make a flatter structure.

📘 What you need to know



A tall structure has many layers and a narrow span; a flat structure has few layers and a wide span.

1. Tall and flat: the effect

The number of levels changes how a business works each day.

In a **tall** structure, decisions are often slower and senior managers keep more control. In a **flat** structure, decisions are often quicker and managers lower down have more say.

2. Communication

Structure changes how **fast** and how **clearly** messages travel. Tall structures have long message paths. Flat structures have short ones. Poor communication slows a business down.

3. Centralisation and decentralisation

In a **centralised** business, the top makes the decisions. In a **decentralised** business, decisions are passed down. Keeping control at the top gives more control but slower answers. Passing it down gives quicker answers but less control at the top.

4. Delayering

Delayering means removing a level of management. Businesses do it to speed up decisions, cut costs, and improve communication. The trade-off: the managers who stay end up with a **wider span of control**.

✅ Test yourself

Cover the answers below, answer Q11–Q18, then check.

Q11 What is centralisation?

Q12 What is decentralisation?

Q13 One advantage of centralisation?

Q14 One advantage of decentralisation?

Q15 What is delegation?

Q16 What is delayering?

Q17 One benefit of delayering?

Q18 How can organisational structure affect communication?

ANSWERS

A11 When decision-making authority is kept at the top of the organisation.

A12 When decision-making authority is delegated to lower levels of management.

A13 Greater control and consistency in decision-making.

A14 Faster decisions and increased employee motivation.

A15 Passing responsibility for tasks to lower-level employees while retaining accountability.

A16 Removing levels of management to create a flatter structure.

A17 Reduced costs and quicker communication.

A18 It influences speed, accuracy, and whether communication is vertical or horizontal.

Lesson 3 · Part 1: Recruitment & selection: the process and the documents

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🎯 Learning goals

- ✓ Explain the difference between recruitment and selection
- ✓ Compare internal and external recruitment
- ✓ Describe job analysis, job description and person specification
- ✓ Explain why good recruitment improves performance

🔑 Key words

- **Recruitment** Attracting people to apply for a job.
- **Selection** Choosing the best person from those who applied.
- **Internal recruitment** Hiring someone already in the business.
- **External recruitment** Hiring someone from outside the business.
- **Job description** A document listing the duties of a job.
- **Person specification** A document listing the skills and qualities needed.

📘 What you need to know

Dominic owns **Dominic's Pizza**, four busy takeaway shops in London. Demand is rising at weekends, so he needs to hire new staff.

1. Recruitment vs selection

Recruitment means attracting people to apply for a job. Selection means choosing the best person from those who apply. Recruitment comes first, then selection.

2. Internal or external recruitment?

Dominic can hire from inside the business (internal) or from outside it (external).

Internal

- ✓ Cheaper — no advertising costs
- ✓ Motivates existing staff
- ✓ You already know the person
- ✗ Smaller pool of people
- ✗ No new ideas brought in

External

- ✓ Wider pool of people
- ✓ Brings new skills and ideas
- ✗ More expensive
- ✗ Takes longer
- ✗ You don't know the person yet

3. The three documents

Before advertising, Dominic prepares three things:

Job analysis — he works out the tasks and skills the role needs. For a pizza chef:

prepare food quickly · follow hygiene rules · work under pressure

Job description — a document listing the **duties**:

main tasks · working hours · responsibilities

Person specification — a document listing the **skills and qualities** needed:

experience · teamwork · reliability

4. Why recruitment matters

Getting the right staff helps the business. Faster service keeps customers happy, reliable staff stay longer, and skilled workers get more done. Good recruitment improves **productivity, quality and staff retention**.

✅ Test yourself

Cover the answers below, answer Q19–Q28, then check.

Q19 What is recruitment?
Q20 What is selection?
Q21 What is internal recruitment?
Q22 One benefit of internal recruitment?
Q23 One drawback of internal recruitment?
Q24 What is external recruitment?
Q25 One benefit of external recruitment?
Q26 What is a job description?
Q27 What is a person specification?
Q28 Why is an effective recruitment process important?

ANSWERS

A19 The process of attracting suitable candidates to apply for a job.
A20 The process of choosing the most suitable candidate from applicants.
A21 Recruiting employees from inside the business.
A22 Lower costs and better staff motivation.
A23 Limits the pool of applicants.
A24 Recruiting employees from outside the business.
A25 Brings in new skills and ideas.
A26 A document outlining the duties and responsibilities of a job.
A27 A document outlining the skills, qualifications, and qualities needed for a job.
A28 It improves productivity, quality, and staff retention.

Lesson 3 · Part 2: Recruitment & selection: the 8 stages, shortlisting and the exam

KNOWLEDGE ORGANISER

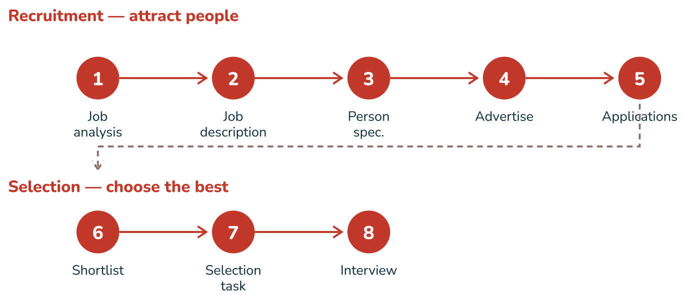
🎯 Learning goals

- ✓ Recall the 8 stages of recruitment and selection in order
- ✓ Shortlist candidates against an essential person specification
- ✓ Design a fair selection process
- ✓ Explain how good recruitment improves productivity, quality and retention

🔑 Key words

- **Shortlist** The strongest few applicants, chosen to go forward.
- **Selection task** A practical test or trial that checks job skills.
- **Essential criteria** Things a candidate must have — or they are rejected.
- **Desirable criteria** Bonus things that are helpful but not required.

📘 What you need to know



The eight stages: five for recruitment (attracting people), then three for selection (choosing the best).

The recruitment and selection process has **8 stages**. The first five are **recruitment** (attracting people). The last three are **selection** (choosing the best).

Two stages are often muddled in the exam: the **job description** lists the **duties**, while the **person specification** lists the **skills and qualities**. The selection task (a trial shift or practical) checks the person can actually *do* the job, not just talk about it.

✅ Test yourself

Cover the answers below, answer Q19–Q28, then check.

Q19 What is recruitment?
Q20 What is selection?
Q21 What is internal recruitment?
Q22 One benefit of internal recruitment?
Q23 One drawback of internal recruitment?
Q24 What is external recruitment?
Q25 One benefit of external recruitment?
Q26 What is a job description?
Q27 What is a person specification?
Q28 Why is an effective recruitment process important?

ANSWERS

A19 The process of attracting suitable candidates to apply for a job.
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A28 It improves productivity, quality, and staff retention.

Lesson 4: Motivation: financial methods

🎯 Learning goals

- ✓ Explain why motivation matters to a business
- ✓ Define the financial methods: salary, wage, commission, profit sharing
- ✓ Apply each method to the right kind of worker
- ✓ Evaluate which financial method suits a business

🔑 Key words

Motivation How willing staff are to work hard for the business.

Salary A fixed yearly amount, usually paid monthly.

Wage Pay for the hours someone works.

Commission Extra pay based on how much someone sells.

Profit sharing Staff get a share of the business's profits.

📘 What you need to know

Why motivation matters

Motivation is how willing staff are to work hard to help the business meet its goals. Motivated staff are more productive, do better-quality work, and are less likely to leave. So motivation links straight to **productivity, quality and retention**.

The four financial methods

Financial methods use **pay** to motivate. The four you need are:

1 Salary

A fixed yearly amount, paid monthly. Common for managers and office staff. Gives security but isn't linked to output.

2 Wage

Pay for the hours worked. Common for shop and hourly staff, like Dominic's counter staff.

3 Commission

Extra pay based on how much you sell. Rewards effort directly — good for sales roles.

4 Profit sharing

Staff get a share of the business's profits. Rewards the whole team and builds loyalty.

Financial methods can lift effort and output. But money has limits — once staff earn enough, extra pay matters less. That is why businesses also use non-financial methods (Lesson 5).

✅ Test yourself

Cover the answers below, answer Q29–Q35, then check.

Q29 What is motivation?

Q30 Why is motivation important for a business?

Q31 What is a salary?

Q32 What is a wage?

Q33 What is commission?

Q34 What is profit sharing?

Q35 One advantage of financial motivation?

ANSWERS

A29 The willingness of employees to work hard and achieve business objectives.

A30 It leads to higher productivity, better quality, and lower staff turnover.

A31 A fixed annual payment, usually paid monthly.

A32 Payment based on hours worked.

A33 Pay based on sales made by an employee.

A34 Employees receive a share of the business's profits.

A35 Encourages employees to increase effort and output.

Lesson 5: Motivation: non-financial methods

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🎯 Learning goals

- ✓ Define the four non-financial methods: management style, training, responsibility/promotion, fringe benefits
- ✓ Apply each method to staff at Dominic's Pizza
- ✓ Build chains of reasoning: method → behaviour → business benefit
- ✓ Write a justified 9-mark answer

🔑 Key words

- **N** **Non-financial method** A way of motivating staff that does not involve money.
- **M** **Management style** The way a manager leads and treats staff.
- **R** **Responsibility** Giving staff more duties or decisions to make.
- **F** **Fringe benefits** Non-pay extras, like free meals or flexible hours.

📘 What you need to know

Money alone isn't enough. Once staff earn enough, extra pay matters less. Many non-financial methods cost little or nothing, but have a big effect on how valued staff feel — which is key to **retention**.

The four non-financial methods

1 Management style
How the boss leads — supportive and fair, or strict and distant. Listening, praising and trusting staff makes them feel valued.

2 Training
Building staff skills. It shows the business is investing in them, which builds confidence and loyalty.

3 Responsibility / promotion
Giving staff more duties, or moving them up to a higher role. Staff feel trusted and can see a future.

4 Fringe benefits
Extras beyond pay — free meals, flexible hours, staff discount, birthday off. Make staff feel looked after.

A closer look at management style

Three common styles:

- **autocratic** (the boss makes all the decisions)
- **democratic** (the boss listens and lets staff help decide)
- **laissez-faire** (the boss leaves staff to get on with it)

A democratic style usually makes staff feel valued — but a brand-new starter often needs clearer direction first

Training motivates through a clear chain: the business invests in training → staff feel valued and gain skills → they work with more confidence → quality and productivity rise → staff stay longer.

✅ Test yourself

Cover the answers below, answer Q36–Q41, then check.

Q36 What is a non-financial method of motivation?

Q37 Give one example of a non-financial method of motivation.

Q38 How can training motivate employees?

Q39 Why can increased responsibility motivate employees?

Q40 What are fringe benefits?

Q41 Why do businesses use both financial and non-financial motivation?

ANSWERS

A36 A way of motivating employees that does not involve money.

A37 Training, promotion, responsibility, or management style.

A38 It develops skills and shows investment in staff.

A39 It increases job satisfaction and trust.

A40 Non-pay benefits such as company cars or flexible working.

A41 To meet different employee needs and improve long-term performance.

Lesson 6: Training: induction, on-the-job and off-the-job

🎯 Learning goals

- ✓ Explain the benefits of training a workforce
- ✓ Define and give examples of induction, on-the-job and off-the-job training
- ✓ Compare the benefits and drawbacks of on-the-job and off-the-job training
- ✓ Evaluate which method suits which business

🔑 Key words

Training Developing staff skills and knowledge to improve performance.

Induction training Training for new staff when they first join.

On-the-job training Training done at work, while doing the job.

Off-the-job training Training away from the workplace.

📘 What you need to know

Why training matters

Training means developing staff skills and knowledge so they do their job better. The specification names six benefits:

Productivity
Trained staff work faster and produce more.

Quality
Higher standards — fewer mistakes.

Adapt to tech
Staff use new tills, ovens and apps confidently.

Motivation
Staff feel valued and confident.

Retention
Trained staff are more likely to stay.

Customer service
Staff handle customers better — more repeat business.

The three methods

1 Induction

Training for **new** staff when they join (first day/week):

a tour | meeting the team | safety rules | key procedures

2 On-the-job

Training **while doing the job**:

shadowing a senior chef | coaching | learning the till in the shop

3 Off-the-job

Training **away from the workplace**: a college course, online course, or a food hygiene qualification.

Two things to remember: the difference between on-the-job and off-the-job is **where** the training happens. The difference between induction and the others is **when** — induction is only for new starters.

On-the-job vs off-the-job

On-the-job

- ✓ Low cost — no external course
- ✓ Learns exactly what this job needs
- ✓ Staff keep working while training
- ✗ Mistakes can affect customers
- ✗ Bad habits can be passed on
- ✗ No formal qualification

Off-the-job

- ✓ High-quality, specialist teaching
- ✓ Often leads to a qualification
- ✓ Good for complex or legal topics
- ✗ Expensive — fees and time off
- ✗ Staff are away from work
- ✗ Staff may leave once qualified

✅ Test yourself

Cover the answers below, answer Q42–Q50, then check.

Q42 What is training?
Q43 Why is training important for businesses?
Q44 What is induction training?
Q45 One benefit of induction training?
Q46 What is on-the-job training?
Q47 One benefit of on-the-job training?
Q48 One drawback of on-the-job training?
Q49 What is off-the-job training?
Q50 One benefit of off-the-job training?

ANSWERS

A42 Developing employees' skills and knowledge to improve performance.
A43 It increases productivity, quality, and staff retention.
A44 Training given to new employees when they join a business.
A45 Helps employees settle in quickly and understand expectations.
A46 Training carried out while doing the job.
A47 Low cost and job-specific learning.
A48 Mistakes can affect output or customer service.
A49 Training away from the workplace.
A50 High-quality, specialist instruction.