



BUS.HR1 Organisational structures and span of control

AQA 8132 · Calculator allowed · about 60 minutes

Total Marks

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Name: _____ Date: ____ / ____ / ____

Answer ALL questions in the spaces provided. Show your working for any calculation: method marks are available even if your final answer is wrong. Bramwell Logistics, used throughout this pack, is a fictional business.

1 Which one of the following best describes an organisational structure?

- ☐ A) The list of products a business sells
- ☐ B) The way a business arranges its staff into levels of authority and responsibility, often shown as a chart
- ☐ C) The total amount of money a business owes
- ☐ D) The advertising methods a business uses

(Total for Question 1 is 1 mark)

2 Which one of the following best defines 'span of control'?

- ☐ A) The number of hierarchy levels in a business
- ☐ B) The number of subordinates that report directly to one manager
- ☐ C) The distance between a business's head office and its branches
- ☐ D) The number of customers a business serves each year

(Total for Question 2 is 1 mark)

3 State two factors that could influence how wide or narrow a manager's span of control should be.

(Total for Question 3 is 2 marks)

4 Define each of the following organisational structure terms.

(a) Hierarchy (1)

(b) Chain of command (1)

(c) Delaying (1)

(Total for Question 4 is 3 marks)

5 Explain one advantage to Bramwell Logistics of having a tall organisational structure (many levels of hierarchy).

(Total for Question 5 is 3 marks)

6 Explain one advantage to Bramwell Logistics of having a flat organisational structure (few levels of hierarchy).

(Total for Question 6 is 3 marks)

- 7** Bramwell Logistics has 1 Managing Director, who has 4 department managers reporting directly to them (a span of control of 4). Each department manager has 6 supervisors reporting to them. Each supervisor has 8 warehouse staff reporting to them.

(a) Calculate the total number of supervisors across all 4 departments. **(1)**

.....
(b) Using your answer to part a, calculate the total number of warehouse staff. **(1)**

.....
(c) Using your answers to parts a and b, calculate the total number of people employed by Bramwell Logistics (including the Managing Director and department managers). **(1)**

.....
(Total for Question 7 is 3 marks)

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- 8** Bramwell Logistics is considering delayering by removing the supervisor layer entirely, so that each department manager manages the warehouse staff in their department directly. Using your answer to question 7b, calculate each department manager's new span of control after delayering. Show your working.

(Total for Question 8 is 2 marks)

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- 9** Explain one way delayering, as described in question 8, could benefit Bramwell Logistics beyond reducing costs.

(Total for Question 9 is 3 marks)

10 Removing the 24 supervisors (question 7a) would save 27,000 pounds per supervisor in annual salary, but each redundancy costs Bramwell Logistics a one-off redundancy payment of 1,200 pounds per supervisor.

(a) Calculate the total one-off redundancy payment cost for all 24 supervisors. (1)

(b) Calculate Bramwell Logistics' net saving in the first year after delayering, after paying the redundancy costs in part a. (2)

(Total for Question 10 is 3 marks)

11 Explain one disadvantage to Bramwell Logistics of the wider span of control (48, question 8) that department managers would have after delayering.

(Total for Question 11 is 3 marks)

12 State two ways Bramwell Logistics could help department managers cope with their wider span of control (48) after delayering.

(Total for Question 12 is 2 marks)

13 Explain one advantage to Bramwell Logistics of decentralising some decision making to warehouse team leaders after delayering, rather than keeping all decisions with department managers.

(Total for Question 13 is 3 marks)

- 14** Explain one way delayering (removing the supervisor layer) could affect the motivation of the remaining warehouse staff.

(Total for Question 14 is 3 marks)

- 15** Delayering would give Bramwell Logistics a net saving of 619,200 pounds in year one (question 10b) but would leave each department manager with a very wide span of control of 48 (question 8), a fall from the current tighter structure where each supervisor manages only 8 warehouse staff (question 7).
Recommend whether Bramwell Logistics should go ahead with delayering across all 4 departments. Justify your answer using the figures and points made earlier in this pack.

(Total for Question 15 is 9 marks)

Mark scheme · BUS.HR1 Organisational structures and span of control

Question 1

- **B1** B cao
- **Answer: B**

Question 2

- **B1** B cao
- **Answer: B**

Question 3

- **B1** one acceptable factor, e.g. how experienced/skilled the subordinates are
- **B1** a second acceptable factor, e.g. how complex or routine the work is, or how much time the manager has to supervise each person
- **Answer: Any two, e.g. how experienced the subordinates are; how complex or routine the work is.**

Question 4

- (a) **B1** the number of levels of authority within a business, from the most senior to the most junior
- (a) **Answer: The number of levels of authority within a business, from most senior to most junior.**
- (b) **B1** the route through which instructions/authority pass down from senior management to junior staff
- (b) **Answer: The route through which instructions pass down from senior management to junior staff.**
- (c) **B1** removing one or more layers/levels of management from a hierarchy
- (c) **Answer: Removing one or more layers of management from a hierarchy.**

Question 5

- **B1** identifies the advantage, e.g. each manager has a narrow span of control
- **B1** develops the point, e.g. this means a manager can supervise, support and check each subordinate's work more closely
- **B1** links clearly to an outcome, e.g. leading to closer quality control and clearer promotion routes for staff
- **Answer: A tall structure gives each manager a narrow span of control, so they can supervise and support each subordinate more closely, leading to closer quality control and clearer promotion routes.**

Question 6

- **B1** identifies the advantage, e.g. there are fewer levels for a decision or instruction to pass through
- **B1** develops the point, e.g. this makes the chain of command shorter, so messages reach warehouse staff more quickly and accurately
- **B1** links clearly to an outcome, e.g. this can also mean fewer managers' salaries to pay, reducing overall staffing costs
- **Answer: A flat structure has fewer hierarchy levels, so a shorter chain of command lets instructions reach warehouse staff more quickly and accurately, and fewer managers' salaries also reduce staffing costs.**

Question 7

- (a) **B1** 24 supervisors cao
- (a) **Answer: 24 supervisors.**
- (b) **B1** 192 warehouse staff cao (ft from part a)
- (b) **Answer: 192 warehouse staff.**
- (c) **B1** 221 employees cao (ft from parts a and b)
- (c) **Answer: 221 employees.**

Question 8

- **M1** 192 / 4 seen (ft from question 7b)
- **A1** 48 cao
- **Answer: 48.**

Question 9

- **B1** identifies the point, e.g. removing the supervisor layer shortens the chain of command between department managers and warehouse staff
- **B1** develops the point, e.g. messages and instructions no longer have to pass through an extra level, so they travel faster and are less likely to be distorted
- **B1** links clearly to an outcome, e.g. this can improve communication and speed up decision making across the 24 removed layers of supervision
- **Answer: Removing the supervisor layer shortens the chain of command between department managers and warehouse staff, so messages travel faster and are less likely to be distorted, improving communication and speeding up decision making.**

Question 10

- (a) **B1** 28,800 pounds cao (ft from question 7a)
- **(a) Answer: 28,800 pounds.**
- (b) **M1** $(24 \times 27,000) - 28,800$ seen (ft from part a)
- (b) **A1** 619,200 pounds cao
- **(b) Answer: 619,200 pounds.**

Question 11

- **B1** identifies the point, e.g. a span of control of 48 is very wide for one department manager to oversee directly
- **B1** develops the point, e.g. this leaves the manager far less time to support, train or check the work of each individual warehouse worker
- **B1** links clearly to an outcome, e.g. supervision and quality control could suffer, and staff may feel less supported, potentially reducing motivation
- **Answer: A span of control of 48 is very wide, leaving each department manager far less time to support or check individual warehouse workers, so supervision and quality could suffer and staff may feel less supported.**

Question 12

- **B1** one acceptable way, e.g. giving department managers extra management training
- **B1** a second acceptable way, e.g. appointing team leaders among the warehouse staff, or introducing clearer written procedures/checklists
- **Answer: Any two, e.g. extra management training for department managers; appointing team leaders among warehouse staff.**

Question 13

- **B1** identifies the point, e.g. decentralising routine decisions to team leaders reduces the number of decisions each department manager must make personally
- **B1** develops the point, e.g. this is especially useful with a wide span of control of 48, where one manager cannot make every decision themselves
- **B1** links clearly to an outcome, e.g. decisions can be made faster, closer to the warehouse floor, and team leaders may feel more trusted and motivated
- **Answer: Decentralising routine decisions to team leaders reduces the number of decisions each department manager must make personally, which matters with a span of control of 48; decisions are made faster and team leaders may feel more trusted and motivated.**

Question 14

- **B1** identifies the point, e.g. the supervisor role, question 7a, was a step on the promotion ladder for warehouse staff
- **B1** develops the point, e.g. removing this layer removes that promotion opportunity from the business's structure
- **B1** links clearly to an outcome, e.g. remaining warehouse staff may feel there is less chance to progress, which could reduce their motivation, even though some may instead value the wider responsibility of a team-leader-style role
- **Answer: The supervisor role was a step on the promotion ladder for warehouse staff, so removing it takes away that promotion route; remaining staff may feel there is less chance to progress and become less motivated, although some may instead value the wider responsibility of a team-leader-style role.**

Question 15

- **Level 1** (1-3): Makes simple, undeveloped comments about the delayering decision, with little or no use of the pack's figures and no clear recommendation.
- **Level 2** (4-6): Gives a developed argument for or against delayering, using some of the pack's figures, but does not fully weigh both sides or reach a clearly justified recommendation.
- **Level 3** (7-9): Weighs the evidence for and against delayering, using the span-of-control, cost-saving and redundancy figures from this pack, and reaches a justified recommendation supported by that analysis.
- **Indicative content:**
 - For delayering: it produces a large net saving of 619,200 pounds in year one alone (question 10b), and this saving would recur every following year without the one-off redundancy cost, since the ongoing salary saving is 648,000 pounds a year.
 - For delayering: a shorter chain of command (question 9) can speed up communication between department managers and warehouse staff, and decentralising routine decisions to team leaders (question 13) can help manage the wider span.
 - Against delayering: a span of control of 48 (question 8) is extremely wide compared with the current supervisor ratio of 8 (question 7), risking weaker day-to-day supervision, slower support for staff, and lower quality control.
 - Against delayering: removing the supervisor layer removes a promotion route for warehouse staff (question 14), which could reduce motivation and increase staff turnover, partly offsetting the financial saving.
 - Judgement: given the very large and recurring financial saving compared with the one-off redundancy cost, a reasonable recommendation is that Bramwell Logistics should go ahead with delayering, provided it invests part of the saving in manager training and team-leader roles (questions 12 and 13) to manage the risks of the much wider span of control.