

## **Knowledge Organisers**

### **OCR GCSE (9-1) Business - Year 10 – Business 1**

#### **3 - People**

**3.1 – The role of human resources**

**3.2 – Organisation structures & different ways of working**

**3.3 – Communication in business**

**3.4 – Recruitment and selection**

**3.5 – Motivation and retention**

**3.6 – Training and development**

**3.7 – Employment law**

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.1 – The role of human resources

Human resources are the people who work for a business – this can include owners of the business, employees, contractors etc

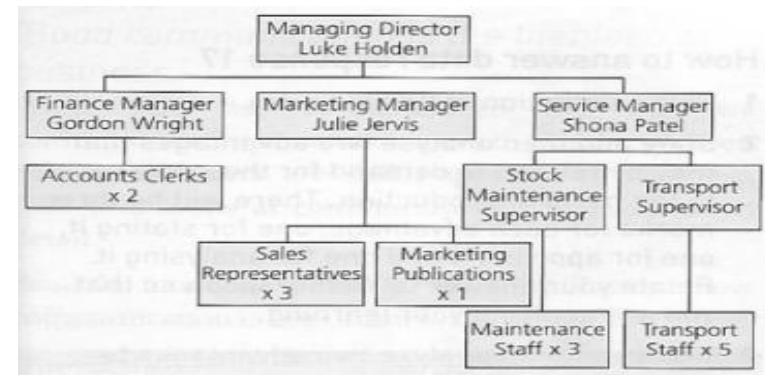
Key words	
Functions	The different types of work that need to be done in a business eg in production, marketing, finance, HR
Human resources	The workers employed by a business
Identifying HR needs	Act of thinking about the purposes of HR and how many and what types of workers will be needed
Personnel plan	Plan detailing the employees a business needs eg how many, whether they will be full or part-time workers, skills they should have and when they will work

### 3 - People – 3.2 – Organisation structures & different ways of working

Key words	
Organisation structure	How people and departments are arranged within a business
Organisation chart	Diagram that shows how the workers are organised in a business and who is in charge
Chain of command	Links in the levels of authority from those at the top (with most authority) to those at the bottom (with least authority)
Span of control	Number of subordinates who report directly to the line manager
Subordinates	Workers that a line manager is responsible for
Delegation	Process where a manager gives authority to a subordinate to make decisions for which the manager is responsible
Tall organisation structure	Has many layers of staff eg directors at the top down to shop floor workers at the bottom
Flat organisation structure	Only has a few layers eg two or three

#### Factors influencing human resource needs of a business

Factor	Influence on the human resource need
What it produces	Are skilled or unskilled workers needed, or a mix of both?
How much it produces	How many workers will the business need?
The method of production	Can machines rather than workers be used?
When production takes place	Are workers needed seven days a week or only on specific occasions?
The 'functions' or 'jobs' to be completed	What type of workers are needed – finance, production, marketing, human resources.
The budget available to the business	How much can be spent on workers?



#### Questions

**Explain** what is meant by human resources and the human resource needs of a business.

**Recommend** when a tall or flat organisation structure is most appropriate for a business.

#### Challenge Activity

Analyse why it is appropriate for a large business like Coca-Cola to be organised into different geographical areas.

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.2 – Organisation structures & different ways of working (continued)

The ways in which people work has changed significantly in recent years.

Key words	
Flexible working	Practice of people working partly from their place of work and partly from elsewhere eg at home, while they are mobile and possibly at times to suit them
Full-time working	When a person works 35 hours or more per week
Part-time working	When a person works less than 35 hours per week
Self-employment	When someone works in their own business, selling their work to buyers who may be consumers or other businesses
Temporary working	Only working for a short period of time for an employer eg on a short contract or a day-to-day basis
Working from home	Completing work from home
Working while mobile	Working while on the move, travelling or on holiday

### Advantages & disadvantages of different ways of working for a business

Way of working	Advantage to the business	Disadvantage to the business
Full-time working	The worker is permanently available for the business.	The business may have to pay a worker at a time when no work needs to be done.
Part-time working	The worker can be asked to work at specific times needed by the business.	The business may have to train many more workers than if it employed only full-time workers.
Flexible working	The business may benefit from motivated workers who like the flexibility of when they will work.	The worker may not be available to work when needed by the business.
Temporary working	The business only needs to employ workers for the length of time they need them, for example, at harvesting time.	The business may find it difficult to recruit enough workers at times when they are needed.
Working from home	The business may save costs by not having to provide office space.	Workers may not communicate with each other very well, reducing their efficiency.
Working while mobile	The business benefits from the increased productivity of the worker.	The business may not be able to monitor that the worker is working as much as he or she should.
Self-employment	Businesses often like to use self-employed contractors to do work for them because they only need them for a specific job and they do not need to pay national insurance or pension contributions for them, or to pay them when there is no work to be done.	The self-employed person may not work in the way that the business' own employees are trained to.

### Questions

**Explain** the different ways of working.

**Evaluate** whether one way of working is suitable for a business or a worker.

### Challenge Activity

Analyse the benefits to a business like McDonald's of employing workers on a part-time basis.

### Advantages & disadvantages of different ways of working for a worker

Way of working	Advantage to the worker	Disadvantage to the worker
Full-time working	The worker is paid for a full working week.	The worker is tied to working a full working week throughout the year (except for holiday periods).
Part-time working	The worker can work when it suits them, for example, during the hours their children are in school.	The worker will only get paid for the hours they work and this may mean less money than they need or want. The worker may have to take a second job.
Flexible working	The worker can work at times that suits them, for example, they can work four long days and take the fifth day off as flexi-time.	The worker may not be offered as much work as they want.
Temporary working	The worker can work and earn for a period and then have time to do other things they want to, such as going on long holidays.	The worker may find there are times of the year when there is no work for them.
Working from home	The worker saves time and money by not having to travel to work.	The worker may find there are distractions at home such as noisy children or they may miss socialising with other workers.
Working while mobile	The worker can make full use of their time, even when they are travelling.	The worker may feel under pressure to work a lot, even while on holiday.
Self-employment	The worker may like being in control and may be highly motivated because their earnings depend on how much they produce.	There is less job security for the worker as there may be times when there is no work and so no income.

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.3 – Communication in business

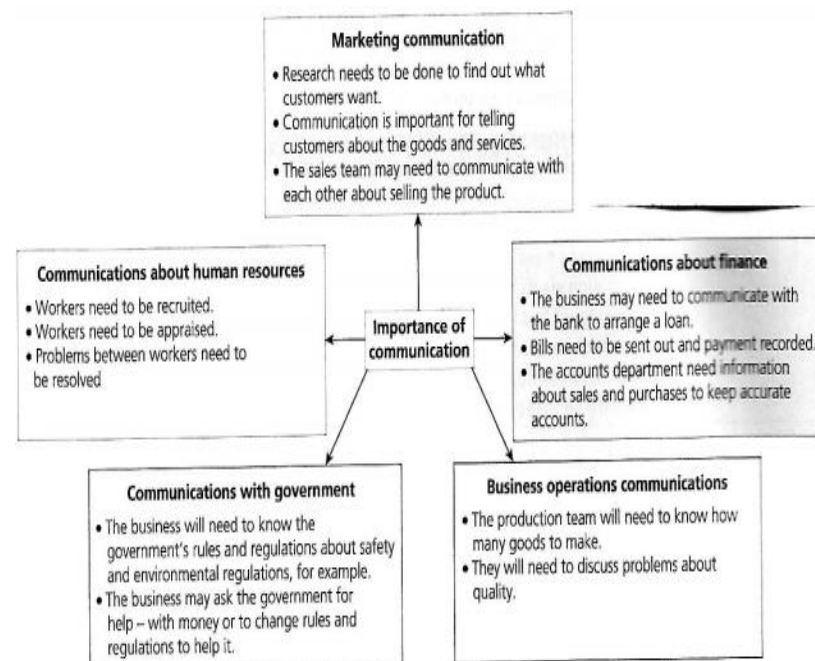
ICT has revolutionised the way businesses communicate but personal contact and written communication are still important.

Communication is the transmission of a message from a sender to a receiver.

Key words	
Digital communication	Electronic exchange of information using ICT
Feedback	Response made by the person who received a communication which indicates whether they have understood the communication
Internal communication	Communication between people employed in the same organisation
Vertical communication	Communication up and down the hierarchy within an organisation
Horizontal communication	Communication between people on the same level of the hierarchy in an organisation
External communication	Communication between people in an organisation and others outside the organisation
Formal communication	Communication that uses official channels of communication within an organisation
Informal communication	Communication that is outside official channels of communication within an organisation

Methods of communication	
Verbal/spoken	Non-verbal/written
Phone	Letter
Meeting	Email
Presentation	Text
	Social media
	Website

### The importance of business communications



### Questions

**Explain** what is meant by digital communication.

**Analyse** the benefits to a business of using digital communication.

### Challenge Activity

Analyse the way digital communications have affected the different functions of a business eg marketing, human resources and operations.

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.4 – Recruitment and selection

**Recruitment** refers to the process of finding people to work in a new or established business. Businesses analyse their human resource needs when they start up and at regular intervals once established.

**Selection** is the process of choosing between applicants for a job.

Key words	
Human Resources department (HR)	Department that deals with recruitment and selection of workers, pay and other employment matters
Job description	List of main duties, tasks and responsibilities of a worker
Person specification	Lists qualities, qualifications, knowledge that a person should have to do a particular job
Internal recruitment	Job vacancy filled by someone who is already employed by the business
External recruitment	Job vacancy filled by someone who is from outside the business
Recruitment agency	Specialist agency that carries out all tasks involved in recruitment and selection of workers on behalf of a business
Employment agency	Agency that has workers readily available for business hire, usually for short periods of time

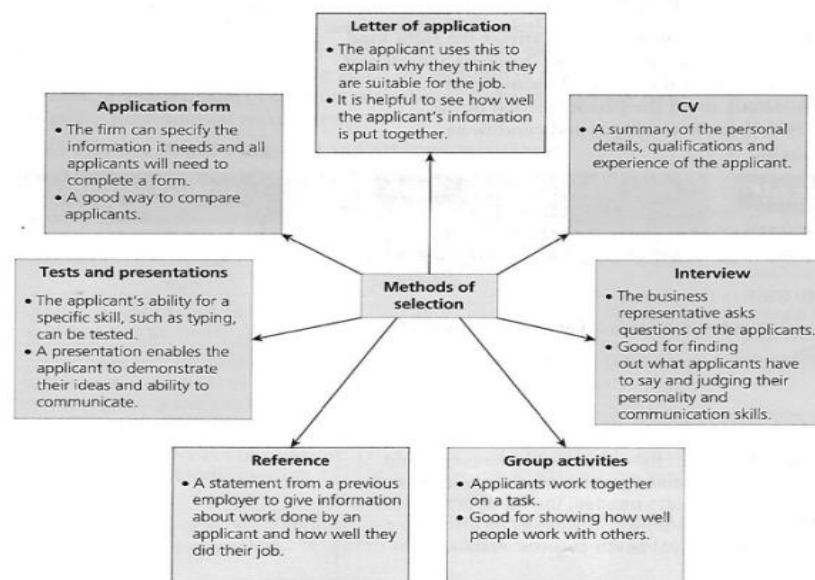
### Why businesses recruit workers

To start up a business	To run the business, to make goods or provide a service
When a business grows	May need more managers and workers
To replace employees who leave	Eg through retirement, promotion, dismissal etc
To fill a skills gap	May need more skilled workers eg due to changes in production etc

### Recruitment media and suitability for internal or external recruitment

Website	Both
Social media	Both
Local newspapers	External
National newspapers	External
Specialist magazines & journals	External
Job centre	External
Word of mouth	External
Email	Internal
Company magazine or noticeboard	Internal

### Methods of selecting a job applicant



### Questions

**Explain** the different methods of selection.

**Analyse and** recommend when a business should make use of each of the different methods of selection.

### Challenge Activity

Aldi is opening a new supermarket in St Ives, evaluate which recruitment media they should use to advertise job vacancies and which method of selection they should use to decide on applicants to employ.

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.5 – Motivation and retention

**Motivation** is how workers are encouraged to work hard.

**Retention** of workers is when workers choose to stay in a firm rather than move elsewhere.

Key words	
Labour turnover	Is a measure of the number or proportion of a staff who leave a firm each year and need replacing
Productivity	Is a measure of output per worker – it is one way of measuring the performance of workers
Financial motivation	Methods that involve some kind of payment, either in money or kind
Non-financial motivation	Ways of encouraging workers to work longer or more efficiently but which do not involve paying them extra money

#### Financial methods of motivation

Pay (wage or salary)	Wage – usually paid weekly and based on hours worked. Salary – annual sum (divided into 12 monthly payments)
Profit sharing	Workers paid part of profits of the business
Bonus	Payment received in addition to pay
Fringe benefits	Benefits in kind eg insurance, health care, car allowance, subsidised canteen meals

#### Non-financial methods of motivation

Praise	Workers complimented on their work making them feel valued
Award scheme	Way of recognising individual worker or team's effort and achievements eg vouchers, certificates etc
Working environment	Improving the quality of the workplace and its atmosphere

#### Importance of employee motivation and importance of employee retention

Benefits of motivated workers
High worker productivity
Reduced levels of worker supervision
Low worker absenteeism
Improved quality

Benefits of worker retention
Business needs to recruit workers less often, saving time and money
Training costs will be lower as the business will not need to train as many new workers
When a business needs to recruit new workers, it may be easier as it will have a good reputation for treating its workers well

#### Questions

**Explain** what financial and non-financial motivation is. Recommend the types of workers who will be motivated by different methods of non-financial motivation.

#### Challenge Activity

Analyse the importance of motivation and retention to a business.



## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.6 – Training and development

**Training** is usually short term and involves developing a worker's specific skills needed to do a particular job.

**Development** is about the overall growth of the worker and is usually long term.

<b>Key words</b>	
Induction training	Training to introduce a new worker to their job and the organisation eg introduction to others in the business
On-the-job training	Occurs at the place of work and while the worker is doing his/her job
Off-the-job training	Occurs away from the job eg employee may be sent elsewhere or it could still be at the place of work
Professional development	Developing the long-term potential of workers
Apprenticeship	Long-term development programme for workers to learn job skills while they work
Staff development	Includes apprenticeships and professional development programmes

#### Benefits of training to a business

Development of the business
Improving productivity
Solving skill shortages
Improving customer service
Improving motivation and retention

#### Types of off-the-job training

Lectures
Role play or simulation
Reading and reflecting on online materials (e-learning)
Demonstrations
Team building activities

#### Advantages of on-the-job training

It is specific to the individual and business
Is saves on the cost of travel to the course
The worker produces something as he/she trains
The business can teach the person exactly how they want the job done

#### Benefits of staff development to businesses and employees

Benefits to employees of staff development	Benefits to the business of staff development
Staff develop skills and qualifications	Can motivate workers, leading to an increase in output, improvement in quality and reduction in costs
Staff are paid while they develop new skills	Can help to overcome a skills shortage
Staff may receive promotion or other benefits as a result of their development	Can aid recruitment if workers believe the business will help them to develop
	Can help the business to meet its future staffing needs

#### Questions

**Explain** the meaning of on-the-job, off-the-job and induction training.

**Analyse** the advantages and disadvantages of each type of training to both the business and the employee.

#### Challenge Activity

**Evaluate** the usefulness of staff development to an employee and the business.

## OCR GCSE (9-1) Business - Year 10 – Summer Term – Business 1

### 3 - People – 3.7 – Employment law

**Employment law** relates to regulations and rules that are put in place to protect workers from employers who may treat them unfairly.

<b>Key words</b>	
Discrimination	When one worker is treated differently from another for no acceptable reason
Contract of employment	Legal agreement between an employer and an employee
Statement of employment particulars	Part of a contract of employment, it gives details of the terms of employment eg pay, conditions, holiday
Working time directive	Statement of the maximum number of hours that a person can be asked to work
Employment tribunal	Panel that hears cases where employment laws may have been broken and which comes to a decision either in favour of the employer or employee
Trade union	Employee organisation that exists to represent the interests of its members
Holiday entitlement	Amount of paid holiday that a worker can have in a year eg 5.6 weeks each year (8 bank holidays are included in this)

#### **The Equality Act 2010**

The Act states that a person cannot be treated differently on grounds of their gender, race, ethnicity, disability, sexual orientation (LGBTQ+ – lesbian, gay, bisexual, transgender, queer), religion or beliefs.

The Equality Act 2010 brought together 116 pieces of legislation into one single Act. The Act relates to the protection in the workplace and outside.

Discrimination at work can affect the following:

- Recruitment
- Pay
- Terms & conditions
- Promotion opportunities
- Training opportunities
- When an employee is dismissed

#### **How businesses can benefit from complying with employment laws**

Workers may see the business as a good employer – this could help with motivation and efficiency
Can help with the retention of workers
Businesses with a good reputation may find it easier to recruit new workers

#### **Costs to businesses resulting from employment laws**

<b>Wage costs</b> – businesses may need to employ more workers eg due to restrictions on hours that individuals can work or to ensure the business is complying with the laws
<b>Court costs</b> – paying for lawyers if an employee takes them to an employment tribunal
<b>Fines</b> – businesses may need to pay compensation to a worker if they are found guilty of breaking laws
<b>Publicity costs</b> – if a business is taken to court it may lead to bad publicity and result in a fall in sales

#### **Questions**

**Explain** what is meant by discrimination in recruitment and selection.

**Analyse** the impact on businesses of laws which are designed to stop discrimination.

#### **Challenge Activity**

Analyse 2 problems that a business may face if it discriminates against an employee.