

Chapter 13

Ordinary Level Questions

Q1. Circle TRUE or FALSE for each of the following statements about leadership and management.

| Statement | TRUE / FALSE |
|---|--------------|
| A leader focuses on long-term vision and change. | TRUE / FALSE |
| A manager's role includes organising and planning daily operations. | TRUE / FALSE |
| Leadership and management are the same and involve the same tasks. | TRUE / FALSE |

Q2. Explain how applying innovative approaches within organisations can contribute to the success of the business.

1. **Innovation helps a business stand out from competitors** by offering something new or improved.

This can attract more customers and build brand loyalty as the business is seen as forward-thinking.

2. **Drives efficiency**, saving time and money through smarter processes or systems.

Increased efficiency leads to lower operating costs and allows staff to focus on higher-value work.

Q3. (i) Complete the following Leadership Styles. One is done for you:

Autocratic

Democratic

Laissez-Faire

(ii) Outline how a leadership style you have studied encourages organisational innovation.

Democratic leadership encourages innovation by involving employees in decision-making. When staff feel trusted and valued, they are more likely to suggest creative solutions and new ideas.

Q4. Explain two impacts conflict may have on a workplace.

1. Reduced Productivity and Teamwork

Conflict can damage working relationships and cause tension between staff. This often leads to poor communication and less collaboration, which slows down projects and reduces overall output.

2. Higher Absenteeism and Staff Turnover

Ongoing conflict can lower morale and increase stress for employees. As a result, staff may take more sick leave or leave the business, increasing the cost of hiring and training replacements.

Q5. (i) Outline two reasons for conflict in a workplace.

1. Pay Disputes

Conflict can arise when employees feel their pay does not reflect their workload or rising living costs.

This is common during periods of high inflation, where staff may seek wage increases that employers are unwilling or unable to meet.

2. Poor / change to Working Conditions

Disagreements can occur if new duties or technology are introduced without adequate training or reward.

Staff may resist changes like returning to the office after remote working, leading to tension between employees and management.

(ii) Describe how a business could try to deal with a conflict internally.

1. Meet and Talk

Employers and employees can meet directly to clarify the issue and seek a mutual solution.

This helps both sides feel heard and can often resolve misunderstandings before they escalate further.

Back In Business

Or

2. Negotiation

Both parties agree to compromise in order to find a fair outcome.

For example, if staff ask for a 10% pay rise and the employer offers 2%, they might settle on 5% through negotiation.

Q6. Match each conflict resolution approach to its correct description.

| | |
|------------------------|--|
| A. Conciliation | 1. The business tries to solve the problem using managers |
| B. Arbitration | 2. A neutral person makes a decision that both sides must follow |
| C. Internal resolution | 3. A neutral person helps both sides talk to reach an agreement themselves |

| A | B | C |
|---|---|---|
| 3 | 2 | 1 |

Higher Level Questions

Q1. Distinguish between leadership and management in organisations under three clear headings.

1. Role in the Business

A leader provides long-term vision and inspires staff to pursue big-picture goals. A manager organises people and resources to achieve the day-to-day objectives of the business.

2. Risk and Innovation

Leaders take risks and encourage creativity, often driving change and innovation. Managers aim to control risks and focus on stability by implementing plans and tracking progress.

3. People Management

Leaders build trust and positive relationships to influence and motivate staff. Managers coordinate teams by assigning roles and ensuring tasks are completed effectively.

Q2. Analyse three ways organisational culture can contribute to the success of a large technology company like Apple.

1. Shared Purpose and Values

A strong culture aligns employees around common goals and expectations. At Apple, this helps staff make consistent decisions that support innovation and brand identity.

2. Improved Collaboration and Innovation

An open, trusting culture encourages staff to share ideas without fear of judgment. This leads to faster problem-solving and a steady flow of product and process innovations.

3. Increased Loyalty and Retention

When staff feel valued and supported, they are more likely to stay and grow within the company.

This reduces recruitment costs and ensures continuity in high-skill roles, which is vital in tech.

Q3. (i) Choose a leadership style. Describe the main features of this style.

Democratic Leadership

This style involves staff in decision-making and promotes open communication. Democratic leaders trust their employees, delegate responsibility, and encourage input.

(ii) Evaluate how this leadership style may support or hinder innovation in a growing business.

Supports/Promotes Innovation

Democratic leadership creates a culture of intrapreneurship where staff feel safe to share ideas with management and feel they will be valued and listened to. This encourages them to offer new ideas.

This is especially helpful for a growing business that needs creative input and adaptable thinking to expand/grow their product and market share.

A potential challenge however if staff consultation is overused is that it may slow down decision-making when quick action is needed.

In high-pressure situations, too much consultation may delay progress or reduce clarity.

Q4. Workplace conflict can arise for many reasons and may negatively impact team performance.

(i) Describe two common causes of conflict in the workplace.

1. Pay or Working Conditions

Conflict can arise when employees feel their pay is unfair or their conditions have changed without reward.

This often happens during times of inflation or when new technology is introduced without proper training.

Example: A company asks staff to take on extra duties after a restructure but doesn't increase their wages, leading to frustration and dispute.

2. Poor Communication

When roles, expectations, or changes are not clearly communicated, misunderstandings can occur.

This can create confusion, duplicate work, or lead to staff feeling left out of decisions.

Example: Two team members are assigned overlapping tasks without knowing, leading to tension when deadlines are missed.

(ii) Explain one way conflict may impact staff or productivity.

Increased Absenteeism

Conflict can raise stress and reduce morale, leading staff to take more sick leave or leave the company.

This lowers productivity and adds pressure on the remaining team.

(iii) Analyse two internal approaches a manager could take to resolve a conflict between employees.

1. Meet and Talk

The manager arranges a private meeting where both employees can explain their perspective. This encourages open communication, helps clarify misunderstandings, and allows emotional tension to ease.

If handled well, it can rebuild trust and prevent the issue from spreading across the team.

2. Negotiation

The manager facilitates a process where each side agrees to give up something in order to reach a shared outcome. It creates a fair solution and shows that both views are respected, which can strengthen workplace relationships.

This also reduces the risk of repeat conflict, as both parties feel involved in the outcome and are more likely to stick to the agreement.

Q5. (i) Outline the role of each of the following external approaches in resolving conflict: (i) Conciliation (ii) Arbitration

Conciliation

A third party helps both sides open communication and may suggest solutions, but the final agreement is made by the parties themselves.

Arbitration

A third party listens to both sides and makes a recommendation. If binding, both sides agree in advance to accept the decision.

(ii) Explain one situation where each method might be more appropriate than the other

Conciliation

Best used when both sides are willing to talk but need help communicating.

Example: A disagreement over workload distribution between teams that want to reach a mutual agreement.

Arbitration

Useful when talks break down and a firm resolution is needed.

Example: A long-running pay dispute where both sides cannot agree, and a binding decision is required to move forward.

The Business World - StoryCraft Studios

StoryCraft Studios is a creative content agency based in Galway. Founded by three friends, the business grew from a single desk to a busy studio with clients across Ireland and the UK. The team produces video, podcast, and design work, with a strong focus on collaboration.

The company encourages all staff to contribute ideas, regardless of their role. Weekly team meetings are open discussions, and junior staff often take the lead on new concepts. Staff are also given time each month to experiment with creative techniques through “Studio Sprints.”

As the company grew, some tasks had to be delegated. One founder, Liam, now focuses on big-picture direction and strategy, while others manage daily projects, timelines, and internal coordination. They also hired two project managers to reduce the workload on senior staff.

The leadership team values shared decision-making. When a staff member suggested trialling a new editing software, the idea was tested and later adopted across the team. This has helped the business stay efficient and open to new approaches.

However, not all changes have been smooth. At one point, the sales and production teams clashed over deadlines. Some staff felt left out of decisions, while others felt stretched too thin. The disagreement affected morale and caused delays.

To address the issue, managers met with staff individually, then brought in a neutral third party to help guide a joint meeting. A new system was introduced to improve communication around timelines. The team now checks in more regularly to prevent future problems.

StoryCraft continues to grow, but the team knows that maintaining a positive culture and open communication will be key to managing future challenges.

Q1. Distinguish between leadership and management using examples from *StoryCraft Studios*. In your answer, refer to different responsibilities or approaches taken by the team as the business expanded.

Leadership involves setting direction and inspiring others to work towards a shared vision.

At StoryCraft, Liam took on a leadership role by focusing on the big-picture strategy and guiding the company's creative direction as it grew. The leadership team also encouraged innovation by supporting new ideas like trialling new software.

Management is about organising people and resources to ensure daily operations run smoothly.

Other team members at StoryCraft managed day-to-day projects and timelines. They also hired project managers to handle coordination and reduce pressure on senior staff.

Q2. Analyse two ways the organisational culture at *StoryCraft Studios* supports innovation.

1. Encouraging Staff Input

All employees are encouraged to contribute ideas, no matter their role.

This inclusive culture helps unlock creativity across the team and leads to fresh, valuable contributions from junior and senior staff alike. It leads to a wider range of ideas and fosters a culture where innovation becomes part of everyday work, not just something led from the top.

2. Time Set Aside for Creative Exploration

Monthly "Studio Sprints" give staff dedicated time to try new techniques or experiment. This signals that innovation is valued, and helps generate new concepts that can benefit future projects. It helps generate fresh techniques and ideas that can later be applied to client projects, keeping the business competitive and creatively agile.

Q3. (i) Outline two reasons for conflict at *StoryCraft Studios*.

1. Communication Breakdown

Some staff felt left out of key decisions, especially between the sales and production teams.

This lack of involvement created frustration and reduced team cohesion.

2. Workload Pressure

Others felt overstretched due to unclear deadlines and project expectations. This imbalance contributed to rising tensions and stress within teams.

(ii) Describe two ways in which the conflict is likely to impact operations at *StoryCraft Studios*.

1. Lower Staff Morale

When employees feel excluded or overworked, motivation drops and team spirit suffers. In the case of *StoryCraft*, staff felt left out of decisions and overstretched, which led to frustration and weakened collaboration.

2. Delays in Project Delivery

Disagreements between teams can slow down workflows and disrupt timelines. At *StoryCraft*, the clash between the sales and production teams over deadlines caused delays, directly affecting the company's ability to deliver on time.

Q4. Describe how *StoryCraft Studios* addressed a conflict they faced internally.

The managers met individually with team members to understand their concerns. They then brought in a neutral third party to guide a joint meeting between the conflicting teams. Following this, a new system was introduced to improve communication around timelines and expectations.

Evaluate how effective this approach may be in preventing similar issues in future.

This approach was effective because it tackled the root cause of poor communication. By involving a third party, staff felt heard and the process remained fair. The introduction of regular check-ins helps keep problems from building up. Overall, the business is now better prepared to prevent similar conflict, supporting a healthier team environment as it grows.