

Oxford Revise | Edexcel GCSE Business | Answers

Chapter 38 Motivation

38.1 Award 1 mark for the correct answer: **B** Easier to attract employees.

A is not correct because it is what can happen if employees are not motivated, and **C** and **D** are not correct because they are methods of motivating employees.

38.2 Award 1 mark for each correct answer. The correct answers are: **B** Job rotation and **C** Autonomy.

A, **D** and **E** are not correct because they are all financial methods of motivating employees.

38.3 Award 1 mark for identifying one reason, plus up to 2 further marks for explaining this reason. Here is an example of a 3-mark answer:

- *Motivation in the workplace helps a business retain employees (1).*
- *Motivated employees are more likely to work for a business for a longer period of time than people who do not like their jobs (1).*
- *This makes it easier for a business to provide consistent levels of customer service and to meet demand, because it does not have to deal with staff shortages (1).*

38.4 Award up to 6 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–2 | <ul style="list-style-type: none"> • The answer demonstrates elements of knowledge and understanding of business concepts and issues. It contains limited business terminology. • The answer attempts to explore business information and/or issues. It contains limited connections between points. |
| 2 | 3–4 | <ul style="list-style-type: none"> • The answer demonstrates mostly accurate knowledge and understanding of business concepts and issues. It includes appropriate use of business terminology in places. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. |
| 3 | 5–6 | <ul style="list-style-type: none"> • The answer demonstrates accurate knowledge and understanding of business concepts and issues throughout. It includes appropriate use of business terminology. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. |

Relevant points that could be included

- Non-financial methods of motivation, such as job rotation, job enrichment and autonomy, do not add to a business's costs. This makes them a cost-effective way to motivate employees.
- Non-financial methods of motivation often require a more decentralised organisational structure. For employees to have more control over their work and make more decisions themselves, businesses may need to adjust their organisational structure to delegate authority.

38.5 Award 1 mark for a correct definition. For example:

A bonus is an additional payment paid for meeting a target (1).

38.6 Award 1 mark for stating one financial method used to motivate the sales assistants. The answer must apply to the case study. For example:

Commission on each sale (1)

38.7 Award 2 marks for linked points that apply to the case study. Award 1 mark if the points are not linked or do not apply to the case study. Here is an example of a 2-mark answer:

- *Conducting performance reviews ensures the showroom managers are meeting with the showroom assistants regularly (1).*
- *This will enable them to establish training needs to help each sales assistant sell more cars, which will increase the business's sales revenue (1).*

38.8 Award up to 6 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–2 | <ul style="list-style-type: none"> • The answer contains limited application of knowledge and understanding of business concepts and issues to the case study. • The answer attempts to explore business information and/or issues. It contains limited connections between points. |
| 2 | 3–4 | <ul style="list-style-type: none"> • The answer contains sound application of knowledge and understanding of business concepts and issues to the case study, although there may be some inconsistencies. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. |
| 3 | 5–6 | <ul style="list-style-type: none"> • The answer contains detailed application of knowledge and understanding of business concepts and issues to the case study throughout. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. |

Relevant points that could be included

- Paying the sales assistants commission on each sale seems to be motivating the sales assistants to sell more vehicles. There is a direct relationship between the work the sales assistants do and the financial benefit they receive, which in turn benefits Bakers in the form of increased sales revenue.
- Paying all the employees at the showroom a bonus if the monthly sales targets are met is demotivating the sales assistants, who are leaving the business. As a result, the business is paying bonuses and having to pay to recruit and train more sales assistants.

38.9 Award up to 9 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–3 | <ul style="list-style-type: none"> • The answer contains limited application of knowledge and understanding of business concepts and issues to the case study. • The answer attempts to explore business information and/or issues. It contains limited connections between points. • The answer contains a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. |
| 2 | 4–6 | <ul style="list-style-type: none"> • The answer contains sound application of knowledge and understanding of business concepts and issues to the case study, although there may be some inconsistencies. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. • The answer contains a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. |
| 3 | 7–9 | <ul style="list-style-type: none"> • The answer contains detailed application of knowledge and understanding of business concepts and issues to the case study throughout. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. • The answer contains a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. |

Relevant points that could be included

- Increasing the commission paid on each sale to 7.5% will significantly increase the money each sales assistant receives each time they make a sale, which should be motivating. This should result in fewer sales assistants leaving Bakers.
- Increasing the commission paid on each sale will not address the issue that is causing sales assistants to leave Bakers: all employees will still be paid a bonus if a showroom meets its monthly sales target.

This means that increasing the commission might not stop the rise in the number of sales assistants leaving Bakers.

- Bakers should choose Option 1 because it shows the sales assistants that they are valued and should serve as a motivator. However, it should also explore non-financial methods of motivation to retain sales assistants and encourage them to see all employees at the showroom as one team worthy of a bonus if sales targets are met.

38.10 Award 1 mark for stating one type of contract that employees at Lido Leisure plc might be offered. The answer must apply to the case study. For example:

Full-time contracts (1)

38.11 Award 1 mark for correct working and 1 mark for the correct answer:

$$\frac{360-120}{2240} \times 100 (1)$$

Answer = 10.71% increase (1)

38.12 Award 2 marks for linked points that apply to the case study. Award 1 mark if the points are not linked or do not apply to the case study. Here is an example of a 2-mark answer:

Many of Lido Leisure plc's employees need qualifications to carry out their roles, and informal training tends not to lead to a qualification (1). This means employees need to have the necessary qualifications before they are employed, or Lido Leisure plc needs to pay for formal training alongside informal training (1).

38.13 Award up to 6 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–2 | <ul style="list-style-type: none"> • The answer contains limited application of knowledge and understanding of business concepts and issues to the case study. • The answer attempts to explore business information and/or issues. It contains limited connections between points. |
| 2 | 3–4 | <ul style="list-style-type: none"> • The answer contains sound application of knowledge and understanding of business concepts and issues to the case study, although there may be some inconsistencies. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. |
| 3 | 5–6 | <ul style="list-style-type: none"> • The answer contains detailed application of knowledge and understanding of business concepts and issues to the case study throughout. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. |

Relevant points that could be included

- Having a decentralised organisational structure is likely to be motivating for Lido Leisure plc's employees. The senior employees have a high-degree of autonomy to make decisions and train junior employees, which will make them feel valued.
- Having a decentralised organisational structure could be problematic for Lido Leisure plc if experienced senior employees leave and their replacements lack experience. The new senior employees will struggle to train junior employees effectively and this may cause conflict between decision-makers.

38.14 Award up to 9 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–3 | <ul style="list-style-type: none"> • The answer contains limited application of knowledge and understanding of business concepts and issues to the case study. • The answer attempts to explore business information and/or issues. It contains limited connections between points. • The answer contains a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. |
| 2 | 4–6 | <ul style="list-style-type: none"> • The answer contains sound application of knowledge and understanding of business concepts and issues to the case study, although there may be some inconsistencies. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. • The answer contains a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. |
| 3 | 7–9 | <ul style="list-style-type: none"> • The answer contains detailed application of knowledge and understanding of business concepts and issues to the case study throughout. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. • The answer contains a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. |

Relevant points that could be included

- Lido Leisure plc should choose to recruit externally because the business has a relatively flat organisational structure, which is likely to mean that most of the customer-focussed roles are at the same level and so the new jobs do not offer existing employees opportunities for promotion. The business will also have a wider pool of candidates to choose from if it recruits externally.

- External candidates will not know the business and how it operates, which will mean they will take longer to get up to speed than internal candidates. There is also a risk that new people being brought into the business will upset the supportive dynamic of senior employees supporting junior employees, which may demotivate existing staff.
- Lido Leisure plc should choose Option 2 and recruit externally to bring new ideas and experiences into the business. However, it should manage the recruitment carefully to ensure it does not demotivate existing employees, and it could do this by inviting senior employees to contribute to training new employees.

38.15 Award up to 12 marks. First identify the correct level, and then decide whether the answer falls towards the bottom of the level or towards the top of the level and award marks accordingly.

| Level | Marks | Explanation |
|-------|-------|--|
| 1 | 1–4 | <ul style="list-style-type: none"> • The answer demonstrates elements of knowledge and understanding of business concepts and issues. It contains limited business terminology. • The answer contains limited application of knowledge and understanding of business concepts and issues to the case study. • The answer attempts to explore business information and/or issues. It contains limited connections between points. • The answer draws a conclusion, which is supported by general assertions drawn from limited evaluation of business information and issues. |
| 2 | 5–8 | <ul style="list-style-type: none"> • The answer demonstrates mostly accurate knowledge and understanding of business concepts and issues. It includes appropriate use of business terminology in places. • The answer contains sound application of knowledge and understanding of business concepts and issues to the case study, although there may be some inconsistencies. • The answer explores business information and/or issues. It contains interconnected points with chains of reasoning, although some of the logic may be inconsistent. • The answer draws a conclusion, which is based on sound evaluation of business information and issues. |
| 3 | 9–12 | <ul style="list-style-type: none"> • The answer demonstrates accurate knowledge and understanding of business concepts and issues throughout. It includes appropriate use of business terminology. • The answer contains detailed application of knowledge and understanding of business concepts and issues to the case study throughout. • The answer explores business information and/or issues. It contains detailed interconnected points with logical chains of reasoning. • The answer draws a valid and well-reasoned conclusion, which is based on thorough evaluation of business information and issues. |

Relevant points that could be included

- Financial methods of motivation involve a monetary reward to motivate employees. Non-financial methods focus on the day-to-day working practices of employees.
- Paying more than competitors is the best thing Lido Leisure plc can do to retain its employees. Alongside free use of the facilities, paying them well will make employees feel valued and make it less likely they will move to another company.
- Lido Leisure plc acknowledges that some elements of working at a lido can be boring and this is why the business also makes use of non-financial methods of motivation. Giving people autonomy, variety and an opportunity to grow makes people happier in their jobs, which leads to better customer service and better staff retention.
- Although financial methods of motivation might stop employees leaving Lido Leisure plc, on their own they are unlikely to ensure people working for the business enjoy their jobs. This is why a blend of financial and non-financial methods of motivation are a vital part of Lido Leisure plc's retention strategy.