**The Nature of Work – Task book #4**

Key points & supporting activities in preparation for semester one exam

**Legal & ethical information management**

* Privacy –eg medical information
* Financial security -eg banking details
* Personal security –eg victims of domestic violence, stalking

**Activity:** Explain each of the above reasons for legal & ethical information management.

**Workplace organisational structure – functional & geographic**

**Functional**

* Common structure – evolved from businesses focusing on specialisation with the aim of efficiency
* Organised based on specialised functional areas –eg finance, marketing, IT
* Best suited for
	+ providers of standardised goods & services
	+ stable environments – business doesn’t need frequent changing or updating

Advantages

* Specialisation – cluster people together based on their knowledge, specialisation. Makes it easier to upskill people in one particular department & therefore “climb the promotional ladder”. Provides clear career goals & the direction to reach them.
* Performance – maximise performance as all necessary resources are in one place. This means expertise is easily shared amongst workers at all levels in the specialty area. Efficient resources use as not “doubling up”. Specialised training improves employee skills, improves their effectiveness & makes it easier for employees to “stand out”.

Disadvantages

* Complicated communication & decision making process as departments have different outlooks.
* Bureaucratic –so takes longer to make decisions as departments not accountable to each other & share decision making.
* Synchronisation between departments more difficult, potentially decreasing flexibility & innovation.
* By focussing on the department an employee specialises in, they may lose sight of larger company view & objectives.

**Geographical**

* Based on geographical units (eg regional, national, international) that report to a central headquarters.
* Offices operate individually while following company policies & values.

Advantages

* Can be highly effective if located in regions they serve & employ local labour.
* Communication & collaboration –more personal communication as work side by side with colleagues rather than emailing. This encourages strong, collaborative teams that plan, decision make together. Working closely together provides the ability to adapt quickly to change & have everyone onboard with new strategic initiatives
* Local managers –leaders who are familiar with local environment, culture, laws. Understand what drives local behaviour, understand tax, financial reporting requirements, understand most effective management practices for the region. Improved decision making as able to accommodate to match local conditions, employ local talent.
* Geographical focus –enhanced customer service as more at ease with people who “speak their language”. Able to liaise between departments as all working together (eg tax, IT support). Able to alter products to suit local tastes, finances, beliefs etc
* Performance measurement & strategy –easier to track performance of individual markets via profit margins, costs & link performance improvements to specific regions & tailor products, resources to suit regional differences.

**Activity:** Compare functional & geographical organisational structures

|  |  |  |
| --- | --- | --- |
|  | Functional | Geographic |
| Communication between departments |  |  |
| Collaboration between departments |  |  |
| Company innovation |  |  |
| Customer service |  |  |
| High level decision making |  |  |
| Specialisation of individual employee role |  |  |
| Organisational flexibility – responsiveness to change |  |  |

**Effective Resource Management**

Resource management

* Efficient & effective resource allocation.
* Includes planning, allocating, scheduling resources to tasks.
* Impacts on schedules & budgets.

Effective resource management requires insight into future needs – demand & supply of resources.

Human (eg recruiting, training, salary, redeploying)

* Everything to do with the employees
* Recruiting –searching for & obtaining a pool of potential candidates with the desired knowledge, skills, experience. Purpose- to find widest & best applicant pool for the organisation to select the best possible candidate from. Ineffective recruitment can cause significant cost to a business – reduced productivity, interpersonal difficulties, operational interruptions, customer service costs
* Training – process of acquiring new behaviours, knowledge, skills and attitudes which enhance employees' ability to meet current and future job requirements and perform at higher levels.
* Organisation responsible ensuring employees have appropriate skills & knowledge through ongoing professional learning. It ensures ongoing competiveness & adaptability for the company
	+ on the job training
	+ internal & external workshops & courses
	+ coaching, mentoring
	+ external study
* Salary – Human resources department determining salary & benefits to attract, retain, motivate employees.
* Redeploying –reorganising workplace to meet current & future needs – redundancy, retirement, retraining into a different area of the business

Financial (eg budgeting, forward planning)

Link between what a business wants to achieve in the future & the resources it will need to do so.

* Budgeting –legal requirement. Plan for revenue & expenditure
* Forward planning –crucial to good management & future security. Establishing a clear view about where the organisation is heading & how it will get there. Three key principles:
	+ establishing a clear view
	+ where the organisation is heading
	+ how it will get there

Physical (eg buildings, grounds, equipment)

Anything needed to carry out the day to day business activities. Includes Facilities & grounds, plant & equipment, consumables.

Improving physical resources for efficiency can improve the sustainability of the business. Can create economic value & contribute to healthy ecosystems & strong communities.

Technological (eg communication, production techniques, customised software)

* Communication –technology provides immediate, convenient & efficient communication globally.
* Production techniques –keeping up to date with most efficient & effective techniques – eg automation, technology for record keeping
* Customised software –generally produce most efficient system as specific to the needs of a particular business.

**Management Styles**

Autocratic

* Manager makes all decisions.
* Autocratic managers have a lot of power over their staff.
* Employees have few opportunities to make suggestions.
* Advantageous in fast-paced work environment where quick decisions are needed for efficiency. Can be effective for some routine and unskilled jobs. Autocratic leadership is therefore incredibly efficient.
* Ideal in crisis – quick decisions or complex decisions needed without dissent –eg military
* Motivate employees through confidence in manager’s ability for accurate & productive decisions.
* Downside most people resent being treated this way. Often results in high levels of absenteeism and high staff turnover.

Bureaucratic

* Rigorous rule followers
* Very appropriate management style for work involving serious safety risks, involvement of large sums of money & routine tasks.
* Inflexibility & high levels of control can demoralize staff, diminish the organisation's ability to react to changing external circumstances.
* Ineffective in teams and organisations that rely on flexibility, creativity, or innovation.
* Often, bureaucratic leaders achieve their position due to their conformity to rules rather than qualifications or expertise, resulting in resentment when team members don't value their expertise or advice.

Laissez-faire

* Employees given freedom to work, set own deadlines.
* Managers provide team support with resources and advice, but otherwise don't get involved.
* Effective if manager monitors what is being achieved & regularly communicates with employees.
* Effective with employees who are highly experienced & skilled self-starters.
* Main benefit is high levels of job satisfaction & increased productivity.
* Negative when manager exerts insufficient control. Can inadvertently occur when manager has little control.
* Not good when employees are unmotivated, low in skills & knowledge resulting in poor achievements & low job satisfaction.

Democratic/participative

* Employees encouraged to contribute, but manager has final say.
* Encourages creativity resulting in highly engaged employees, increasing job satisfaction & developing people’s skills.
* More productive & motivated workers as they feel involved.
* Suitable when teamwork is essential & quality more important than efficiency or productivity.
* Negatives – slower due to more people participating in decision-making but often better results. Not good in crisis situations when decisions need to be made quickly. Employees may not have knowledge/expertise to provide high quality input.

**Work Place Satisfaction Links with Management Styles**

Strong link between workforce practices (including leadership, culture and management), productivity and the wellbeing and fulfilment of people at work.

Benefits of effective management include:

* Social and economic benefits of positive work environments for home and family life as well as an individual’s mental and physical health
* Improved employee fulfilment and wellbeing at work
* Better management-employee relationships (leading to fewer industrial relations disputes)
* Improved leadership capability resulting in more resilient organisations better equipped to deal with changes, such as climate change and the subsequent greening of the economy.

**Activity:** Complete the retrieval chart

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Management style | Autocratic | Bureaucratic | Laissez-faire | Democratic/Participative |
| Key features |  |  |  |  |
| Impact on job satisfaction |  |  |  |  |
| Impact on workplace efficiency |  |  |  |  |
| Impact on productivity |  |  |  |  |
| Impact on sustainability |  |  |  |  |

**Corporate & Social Responsibility**

Corporate social responsibility (CSR) refers to a business practice that involves participating in initiatives that benefit society. CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Businesses exist to make a profit. However, no organisation operates in isolation; there is interaction with employees, customers, suppliers and stakeholders. CSR is about managing these relationships to produce an overall positive impact on society, whilst making money.

* CSR is about transparency & honesty – paramount to earning the public’s trust.
* CSR will appeal to socially conscious consumers & employees, while making a difference in the world.
* Community – support local charities, employ local talent, purchase supplies locally
* Employee – provide them with a voice, flexible working arrangements
* Organisation – improve profit – generate good will toward your company.

**Environment:**One primary focus of corporate social responsibility is the environment. Businesses, both large and small, have a large carbon footprint. Any steps they can take to reduce those footprints are considered both good for the company and society as a whole.

**Philanthropy:**Businesses also practice social responsibility by donating to national and local charities. Whether it involves giving money or time, businesses have a lot of resources that can benefit charities and local community programs.

**Ethical labor practices:**By treating employees fairly and ethically, companies can also demonstrate their corporate social responsibility. This is especially true of businesses that operate in international locations with labor laws that differ from those in developed nations.

**Activity:** Explain how a company could make changes to improve on each of the following:

1. Environment
2. Philanthropy
3. Ethical labor practices