

Unit 8: Understanding Organisational Structure, Culture, and Values

Unit reference number: T/506/4457

QCF Level 4: BTEC Professional

Credit value: 6

Guided learning hours: 20

Unit aim

This unit provides the learner with an understanding of the development and role that the structure of an organisation plays in its effectiveness and the importance of an organisations' culture in the achievement of high performance. The unit also provides an introduction to the relationship between organisational values and organisational culture and behaviour.

Unit introduction

The structure, culture and values of an organisation are key factors in defining how, why and where it operates. When you start a new job one of the first things you will do is to be inducted into the organisation's structure, culture and values.

This unit will enable you to understand what is meant by these terms and how the structure, culture and values each affect decisions the organisation makes about how it conducts its business and, in turn, how this impacts your everyday working life. You will learn about the different types of organisational structure and why different organisations have different structures. You will explore how the organisational culture varies in different organisations and how organisations seek to build a high performance culture. Values or our ideas about what is good or important are a guide to how we behave and in this unit you will consider how beneficial it can be if the organisation and the workers share the values affecting working life.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
<p>1 Understand the development and role of organisational structures in organisational effectiveness</p>	<p>1.1 Compare the use of different types of formal organisational structures</p> <p>1.2 Analyse the factors affecting the development of a formal organisational structure</p> <p>1.3 Assess the extent to which informal organisational structures contribute to achieving organisational effectiveness</p>
<p>2 Understand how organisational culture is developed and the value of a high-performance culture</p>	<p>2.1 Examine the factors influencing the development of organisational culture</p> <p>2.2 Evaluate the influence of different groups of stakeholders on organisational culture</p> <p>2.3 Analyse the different types of organisational cultures</p> <p>2.4 Analyse the features of a high-performance organisational culture</p> <p>2.5 Explain how organisational cultural analysis can be used to align organisational culture to strategy</p>
<p>3 Understand the relationship between organisational values and organisational culture and behaviour</p>	<p>3.1 Explain the concept of organisational values</p> <p>3.2 Analyse the benefits to an organisation of having a set of shared values</p> <p>3.3 Examine the relationship between organisational values and organisational culture</p> <p>3.4 Analyse different models of organisational behaviour</p> <p>3.5 Assess the impact of organisational culture and values on team and individual behaviour in an organisation</p>

Unit content

1 Understand the development and role of organisational structures in organisational effectiveness

Organisational structures: line, line and staff, matrix, team; mechanistic versus organic; centralised versus decentralised; flat versus tall

Factors affecting development of formal structure: size of organisation; product or service; organisational life cycle; strategy; business environment; type of workforce; Hardy's three significant workforces: professional core, contractual fringe and flexible labour force

Grouping of work: function, product or service, location, nature of work, common time scales, staff employed, customer groups, combinations of methods of grouping work

Informal organisational structures: difference between formal and informal structure; benefits, e.g. promote communication, provide satisfaction, provide social control; potential drawbacks, e.g. resistance to change, role conflict, lack of control over information of informal structure

Organisational effectiveness: achievement of objectives, efficiency, sustainability, growth, competitive advantage, reputation, influence, external benchmarking

2 Understand how organisational culture is developed and the value of a high-performance culture

Organisational culture: definitions, e.g. Schein's levels of culture - artefacts, values and basic underlying assumptions

Influences on organisational cultures: history of organisation; primary function; technology; goals; size; location; management and staff; environment; other spheres of culture, e.g. national, professional, functional cultures of stakeholders

Types of organisational culture: Handy's types of culture, e.g. power, role, task, person; Deal and Kennedy's tough-guy macho, work-hard/play hard, bet-your-company and process cultures; Cameron and Quinn's culture types, e.g. clan, adhocracy, market, hierarchy, bases of theories; limitations of validity of theories

Stakeholders: owners, customers, managers, staff, suppliers, employer bodies, employee bodies, local community, government

Features of high performance culture: consistency, coordination, control, high demands made on employees, care for employees, studies of Peters and Waterman excellent organisations, Heller's study of top European companies; achievement of objectives, continuous improvement, level of employee commitment and identification with the business, reputational enhancement, positive perceptions (internal and external)

Organisational cultural analysis: alignment of culture with strategy, analytical tools, e.g. Cameron and Quinn (1999) Organization Culture Assessment Instrument (OCAI) dimensions for measurement (dominant characteristics, organisational leadership, management of employees, organisational glue, strategic emphasis); Johnson's cultural web, e.g. stories and myths, rituals and routines, control systems, symbols, organisational structure, power structure, the paradigm; use of Johnson's web in cultural analysis

3 Understand the relationship between organisational values and organisational culture and behaviour

Values: definitions, e.g. De Vito's 'organised system of attitudes, Johannesen's conceptions of 'The Good or The Desirable'; impact of values on motivation and human behaviour; examples of values affecting workplace behaviour, e.g. hard work, financial security, honesty, financial success, ethical behaviour, fair treatment of employees and stakeholders, sustainability, community engagement

Organisational values: definitions, e.g. Milton Rokeach's 'enduring organisation of beliefs concerning preferable mode of conduct'; examples of organisational value statements, e.g. Body Shop

Benefits of shared values: increased integrity, coherence and integration leading to improved performance (Cloke and Goldsmith); congruence between personal and organisational values in promoting employee satisfaction, increased commitment of employees and reduced staff turnover (Taylor Cox); ability to communicate values to stakeholders; building trust of stakeholders (Covey)

Challenges of shared values: difficulty embedding common set of values (Lucas); dangers of common set of values, e.g. risk taking, lack of flexibility, 'group think'

Relationship between values and culture: influence of values on all decision making; Schein's levels of culture: artefacts, values and basic underlying assumptions; Howe, Howe and Mindell's value dimensions, e.g. locus of control, self-esteem, tolerance of ambiguity, social ambiguity and risk taking; influence of value dimensions on organisational culture

Models of organisational behaviour: Autocratic, custodial, supportive, collegial (Cunningham, Eberle); co-existence of different models in one organisation

Impact of organisational values and culture on team behaviour: pervasiveness of organisational culture affecting selection of team members, team objectives, decision making; organisational culture as the largest and most controlling system (Egan); Chatman and Cha's tools, e.g. recruitment and selection, social tools and training, reward system

Impact of organisational values and culture on individual behaviour: Schein's quadrant (1968), e.g. conformity, isolation, creative individualism, rebellion and need to balance socialisation and individualisation

Essential guidance for tutors

Delivery

For this unit tuition for the learning outcomes lends itself to flexible delivery approaches. Tutors can deliver the unit using a wide range of teaching and learning strategies including lectures, discussions, seminar presentations, case studies, video clips, internet research and library resources, where the learner can work individually and in a group researching and gathering information about the subject.

Tutors can illustrate points with reference to examples of businesses that are recognised as having structures and values that support a high-performance culture. Many learners will use self-directed study together with the expertise and skills they may have developed in a career and be able to reflect on their experience of organisational structures, cultures and values.

To introduce the unit, it could be useful for learners to conduct research into the concept of organisational effectiveness and the impact that different types of structure and culture will have on this. For learning outcome 1, tutor input on the concept of formal organisational structure can lead to a whole group discussion where learners can contribute based on their research and their experiences, whether from their employing organisations or societal. It is important that learners are able to underpin their understanding of the concepts with the relevant theories or models. Learning outcome 2 would be suitable for case studies and small group discussions supported by tutor input to summarise and emphasise key concepts and principles. This learning outcome presents a good opportunity for learners to reflect on their own experiences of organisational culture whether as the leader/manager or part of a team in relation to the assessment criteria. For learning outcome 3, a guest speaker with experience of organisational change and innovation management could be used to introduce the topic by presenting an insight into the relationship between organisational values, culture and behaviour. This can then be followed up by tutor input and whole group discussion.

Assessment

Assessment for this unit could be through a written assignment, a reflective journal or perhaps a presentation. If a presentation is used evidence should be collected in the form of an observation record that is sufficiently detailed to enable internal and external verification to take place. This should be supported by other evidence such as the learner's presentation notes, slides or visual aids.

The assessment criteria require the learner to 'explain', 'analyse', 'assess' and 'evaluate' so it is important that the method of assessment produces evidence showing that the learner has gone beyond a mere summarising of the main points and has fully explained, analysed or evaluated as required. Research sources used must be attributed and at this level referencing to sources is required.

If the learner is concurrently working towards a competency based qualification in management and leadership, then a holistic approach to the assessment of similarly-themed units in both qualifications could be helpful to the learner; for example the learner could reflect on whether theory can be used to explain how their organisation's structure and cultural practices have been designed.

Learning outcome 1 is about organisational structures. AC1.2 and AC1.3 would have greater meaning for the learner if they were based on an organisation with which they are familiar. If this is not possible then a case study could be used.

Learning outcome 2 is about organisational culture. Assessment of AC2.2 and AC2.5 could be based on the same organisation(s) referred to in learning outcome 1. For AC2.1 and AC2.3, a wider perspective of organisational culture is required, so the organisations referred to learning outcome 1 could be used as an example rather than the main source. AC2.2 requires the learner to 'evaluate' and to achieve this the learner needs to demonstrate evaluation skills such as selection from different sources of information, weighing of value of different information based on considerations of reliability and impartiality, setting criteria and drawing justifiable conclusions.

Learning outcome 3 is about values of the individual and the impact of shared organisational values. The assessment criteria require the learner to 'explain', 'analyse', 'examine' and 'assess' so the learner may need to be supported to ensure their evidence is sufficiently developed and analytical to satisfy these assessment criteria.

Evidence of Recognition of Prior Learning (RPL) can be used in the unit to confirm competence. Wherever possible, the learning outcomes in this unit should be assessed holistically across the qualification.

Indicative resource materials

Books

Boddy D – *Management: An Introduction*, 6th edition, (FT Prentice Hall, 2008) ISBN 9781292004242

Covey S – *The Speed of Trust: The One Thing That Changes Everything* (Simon and Schuster, 2008) ISBN 9781847392718

Mullins LJ – *Management and Organisational Behaviour*, 10th edition (FT Publishing International, 2013) ISBN 9780273792642

Shockley-Zalabak P – *Fundamentals of Organizational Communication*, 8th edition (Pearson International Edition, 2011) ISBN 9780205082797

Websites

www.thebodyshop.com/search/search.aspx?Search=values&orderdesc=true - web page of the Body Shop page showing its values

www.cipd.co.uk - the Chartered Institute of Personnel and Development: from which a booklet on staff well-being can be obtained.

www.mindtools.com - learning resources to support development of organisational cultures, values and communication

www.managers.org.uk - website of the Chartered Managers Institute which has some learning resources and articles on organisational cultures, values and communication

Other

Evan Davis 'Bottom line' podcast – *Transformation*, (13/03/14), available from www.bbc.co.uk/podcasts/series/bottomline/all

Peter Day's 'World of Business' podcasts – *Bad Company*, (11/08/11 and 10/09/11), available from www.bbc.co.uk/podcasts/series/worldbiz/all

Unit 9: Staff Recruitment and Selection

Unit reference number:	R/506/3865
QCF Level 5:	BTEC Professional
Credit value:	5
Guided learning hours:	29

Unit aim

This unit will study the impact of legislation on the recruitment and selection process and understand how to effectively conduct the selection process.

Unit introduction

Staff recruitment and selection is an essential but costly procedure for any organisation. Recruiting and appointing personnel with the right skills, knowledge and expertise will impact on the success of the organisation. Implementing an effective recruitment and selection process will ensure that the people appointed will make a positive contribution to the organisation meeting their objectives.

In this unit you will learn how employment legislation will impact on the recruitment and selection process and how they are incorporated into an organisation's policies and procedures. Recruiting and selecting staff can be an expensive process and before it is implemented an organisation must review their current and future objectives. As a manager you will have knowledge of the current and future objectives of the organisation and this will help in clarifying the need to recruit additional staff. Investigating where there is a need to recruit new staff will be beneficial in producing effective job descriptions and person specifications. Implementing an effective selection process will ensure that only employees with the required skills, knowledge and expertise are selected for the job role.