

Unit 1.7 Organizational planning tools [HL Only]

Task 1: Complete the missing words

Organizational planning tools provide a systematic framework to deal with problems, concerns or issues faced by a business so that rational and sound decisions are made. For example, _____ analysis is used to deal with the forces for and against change. A _____ is a visual representation of the probable outcomes (in monetary terms) resulting from the various decisions that a business can pursue. Most decision making models consider the various opinions and beliefs of a firm's _____ (such as the shareholders, managers and employees).

Business decisions are not always made purely on facts and quantifiable reasoning. Instead, key decisions are often based on gut feelings, emotions, _____ (or instinct) and whether managers are comfortable with their decisions, irrespective of any potential financial gains. Nevertheless, managers tend to consider both the benefits (financial and non-financial) and the costs before making any final decisions. Decision-making is also likely to be affected by various _____ styles, e.g. it is probable that autocratic managers make decisions in a different manner from democratic or laissez-faire managers.

Task 2: True or false?

		True/False
a.	Organizational planning tools guarantee success.	
b.	Organizational planning tools help businesses to deal with their problems, issues or concerns in a systematic way.	
c.	Traditionally, a fishbone diagram shows the causes and effects of a problem or issue (which itself is shown on the right-hand side of the diagram).	
d.	The fishbone diagram has statistical weights placed on each cause or effect of a problem or issue.	
e.	Decision nodes are represented by squares in a decision tree diagram.	
f.	An advantage of decision trees as a decision-making tool is that they consider qualitative aspects of a key decision.	
g.	In a force field analysis, driving forces push for change whilst restraining forces act against change.	
h.	Gantt charts show the quickest time in which projects can be completed if tasks are sufficiently well-planned and carried out efficiently.	
i.	All change, no matter what size, has implications for staff.	

Task 3: Multiple choice

- Which advantage does not apply to the use of decision trees?
 - They set out decision-making problems in a clear and logical manner
 - They are based on important intuitive and qualitative factors that affect decision-making
 - They force managers to assess the risks made in pursuing certain decisions
 - They provide a quick and visual interpretation of the likely outcomes of decisions that need to be made

2. Drawbacks of using decision trees do not include
 - A. They ignore intuitive decision-making
 - B. They ignore social factors and legal constraints in the decision-making process
 - C. They ignore the financial costs of investment decisions
 - D. The probabilities are only estimates and the outcomes are therefore uncertain

3. Which statement below does not apply to the fishbone model of decision-making?
 - A. It looks at the causes and effects of a particular problem or issue
 - B. It is a visual tool used to identify the root cause of a problem or issue
 - C. It places a monetary value on key decisions
 - D. It can be a useful brainstorming tool for decision-making

4. External constraints on organizational planning include
 - A. Organizational culture
 - B. Human resources
 - C. The availability of finance
 - D. External shocks

5. At the initial stages of dealing with restraining forces, a business is most likely to
 - A. Carry out a STEEPLE analysis
 - B. Conduct a SWOT analysis
 - C. Communicate the purpose of change
 - D. Identify key barriers to change

6. Force field analysis is
 - A. Not of any use to inward-looking organizations
 - B. Used to examine the reasons for change
 - C. Subjective as weights can be skewed in favour of management preferences
 - D. Useful for examining external factors affecting change

7. To overcome resistance to change, a business is most likely to
 - A. Adopt a dictatorial leadership style to implement change
 - B. Hold a staff meeting to explain why the changes are necessary
 - C. Entice staff to conform to change by promising future pay rises
 - D. Communicate every stage of the change process to accelerate developments

8. Which of the following is unlikely to be a core feature, rather than an outcome, of effective change management?
- A. Gaining the support for change from all staff members
 - B. Communicating the rationale for all changes to overcome resistance to and fears of change
 - C. Summarizing the net benefits of change
 - D. Providing training opportunities to cope with and adapt to the change
9. Factors that push for change in an organization are known as
- A. Restraining forces
 - B. Driving forces
 - C. Motivating forces
 - D. Competitive forces
10. Which factor is not a cause of resistance to change?
- A. Communication issues
 - B. Adaptive cultures
 - C. Inadequate or inaccurate information
 - D. Insecurities and fears of the unknown
11. Which option does not suggest why the change process might fail?
- A. Inert organizational cultures
 - B. Inability to communicate the vision for change
 - C. Not planning for short term impacts
 - D. Empowerment of staff
12. Which factor below does not present a barrier to effective change management?
- A. The fear of change, such as job losses or reductions in remuneration
 - B. Individuals being unable to reach their higher level needs, such as recognition or self-actualization
 - C. Training needs to allow staff to adapt to change, although this might prove to be expensive and time consuming
 - D. Managers finding it difficult to change their management style to accommodate the change
13. Which statement does not apply to Gantt charts?
- A. They allow managers to complete a project in the quickest time available
 - B. They are used to schedule tasks of a project
 - C. They give project managers an instant overview of a particular project
 - D. The time scale is shown on the vertical axis of the chart

14. The rules used to construct and interpret Gantt charts do not include
- A. The length of each bar in the Gantt chart shows the duration of the task
 - B. Tasks that can be carried out simultaneously are combined on a bar in the chart
 - C. Each bar shows the start date, duration and end date of an activity
 - D. Each horizontal bar shows the start and finish dates
15. The ultimate purpose of producing a Gantt chart is to
- A. Identify the shortest amount of time needed to complete a particular project
 - B. Plan tasks in a logical sequence so that all different processes can be completed
 - C. Weigh up the advantages and disadvantages of a decision
 - D. Allow managers to set out problems in a clear and logical manner