Higher Business Management
Understanding Business

Types of Business Organisation

1. Explain 3 reasons why an organisation would become a private limited company. (3)

2. Many companies are now classed as multinationals. Explain the advantages and disadvantages of operating as a multinational. (5)

3. Discuss the effects of becoming part of a franchise. (5)

Objectives/Growth

4. Describe 3 different methods of growth. (3)

5. Explain how different methods of growth can lead to increased sales or profits. (5)

6. Describe the possible objectives of a private limited company. (4)

Stakeholders

7. Describe how 5 different stakeholders of Fopp could influence the organisation. (5)

8. Describe the different interests 5 stakeholders may have in an organisation. (5)
Internal Influences/Corporate Culture

9 (i) Describe different methods organisations can use to develop a corporate culture. (4)

(ii) Explain the advantages to an organisation of having a strong corporate culture. (4)

External Influences

10 (i) Explain the effects that 3 political factors could have on an organisation. (A different effect should be explained each time.) (3)

(ii) Describe 4 external factors (other than political) that could have an impact on an organisation. (4)

Decision Making

11 Describe how a manager could assess the effectiveness of a decision. (4)

12 Explain the factors that could affect the quality of a decision made by a manager. (4)

13 Justify why strategic decisions are made by senior managers. (3)

14 (i) A manager decides to grant a worker’s request to have a week’s holiday. Identify and justify this type of decision. (2)

(ii) Describe 2 other types of decisions and give an example of each. (4)

15 Distinguish between a strategic decision and a tactical decision. (3)

16 Explain internal problems that can exist when managers try to make effective decisions. (4)
17 Explain the role of a manager in effective decision making. (5)

18 Distinguish between a tactical decision and an operational decision. (3)

**Structures**

19 Most organisations group their activities by function. Describe the advantages and disadvantages of functional grouping. (5)

20 Discuss the advantages and disadvantages of customer grouping. (4)

21 Describe the main features of a matrix structure. (3)

22 (i) Describe the main characteristics of an entrepreneurial structure. (3)

(ii) Distinguish between a centralised structure and a decentralised structure. (3)

23 Compare the use of functional grouping with product grouping. (5)

24 Distinguish between centralised and de-centralised decision making. (5)

25 Describe factors that influence the formal structure of an organisation. (3)