

GCE



Revised GCE
Teacher Guidance
Business Studies
A21 Organisational Culture

For first teaching from September 2016



GCE Business Studies (A21)

Organisational Culture an Overview

The topic of 'organisational culture' has a new emphasis in the revised specification. Research has shown that business performance may be significantly improved if employees are motivated and co-ordinated in achieving the company's goals. If everyone agrees upon and cares about the organisational values and the leadership they are given, it can be a huge boost to the business.

The location of the business, legislation, changes to leadership and operational modifications will all impact on the organisational culture.

This section of the specification requires students to understand, analyse or evaluate how or why both internal changes and external pressures may affect culture. The content in this section is new and what follows is a short guide to how the learning outcomes could be interpreted in the course of the examination series.

Learning Outcomes:

- *demonstrate and apply knowledge and understanding of organisational culture and its importance to a business;*

This may reference how **external** environment or **internal** factors may impact on business decisions. A useful resource for this learning outcome would be Hofstede's earlier and perhaps more familiar model of culture, the 6-dimensions of national culture. In this model the dimensions are external to the business and may be a useful tool for the candidate to summarise the issues a business may face if relocating in a new country for example. If a candidate chooses another valid approach to this type of question it will also be credited appropriately. Throughout this section of the specification students will learn about what influences culture and why it is important in a business.

Any question relating to this scenario is likely to be examining AO1 and AO2 only, as the learning outcome above implies.

Learning Outcomes:

- *analyse and evaluate cultural issues related to key functional business areas;*

This would refer to any one or more of the key functional areas of a business, as previously listed in the A2 FAQs. The wording of the learning outcome implies culture that is **internal** to the business. A question on this could be answered by using either Handy's model or Hofstede's multi-focus model on organisational culture, if directed to do so, otherwise, any other valid response will be credited.

As an example a question may be based on a given scenario in which the culture in one or more business areas e.g. marketing; may be very different from that in another, e.g. Finance.

Any question relating to this learning outcome is likely to be examining AO1 to AO3 or AO4 depending on the command word, as the learning outcome above implies.

(An evaluate question could require 2 or 3 points to be evaluated depending on the mark tariff for that particular question.)

Learning Outcomes:

- *Analyse and evaluate two models of culture prevalent in a business:*
 - Handy; and
 - Hofstede

This learning outcome applies to Handy's 4 types of organisational culture; and to Hofstede's 8 dimensional multi-focus model. Both models review the internal culture of a business and its potential impact on the operational requirements, and or staff behaviour/roles.

Candidates need to be familiar with the Handy and Hofstede models indicated above, and be able to use them in the context of a business scenario and the question presented.

Both models are described on a CCEA factfile.

For future assessment of this learning outcome candidates are likely to be presented with a case study that demonstrates a type of culture in a business, and be asked a question on the impact of that culture or possible impacts of a change.

Knowledge, application, analysis and evaluation skills (AO1 to AO3 or AO4), are required to respond effectively to this learning outcome. Candidates should respond appropriately to the command word in the examination. They may be asked to evaluate a business culture using some aspects of either the Handy or Hofstede approach.

(An evaluate question could require 2 or 3 points to be evaluated depending on the mark tariff for that particular question.)

Learning Outcomes:

- *analyse and evaluate the factors influencing culture in a business.*

The wording of the learning outcome implies that this refers to the internal functions of the business. Please see the list of possible factors previously provided in the A2 FAQ document.

Knowledge, application, analysis and evaluation skills (AO1 to AO3 or AO4), are required to respond effectively to this learning outcome. Candidates should respond appropriately to the command word in the examination.

(An evaluate question could require 2 or 3 points to be evaluated depending on the mark tariff for that particular question.)

Learning Outcomes:

- *analyse and evaluate the changing organisational culture in a business organisation.*

The wording in the learning outcome suggests that a potential question will be about factors that could be internal or external to the organisation that may force a change to the organisational culture. For example this could be the impact of mergers, relocation, legislation changes etc.

Knowledge, application, analysis and evaluation skills (AO1 to AO3 or AO4), are required to respond effectively to this learning outcome. Candidates should respond appropriately to the command word in the examination.

(An evaluate question could require 2 or 3 points to be evaluated depending on the mark tariff for that particular question.)

Read the question; read the case study

Candidates should always read the question carefully as the command word used will clearly direct them to the requirements for the response. The stimulus will also have appropriate prompts and information for students to build upon.

Some suggestions for resources/reading for organisational culture

(NB these examples are not intended to be prescriptive as there are many more examples available online or in textbooks)

Handy – 4 culture model

CCEA Factfile; www.tutor2u.net/business/reference/models-of-organisational-culture-handy

Hofstede – 8 dimensional multi focus model

CCEA Factfile:

<https://www.hofstede-insights.com/models/organisational-culture/>

Hofstede – 6 dimensional model:

www.tutor2u.net/business/reference/hofstedes-national-cultures

www.mindtools.com/pages/article/newLDR_66.htm

Examples of articles on the importance of culture in business:

<http://www.oracle.com/us/corporate/profit/archives/opinion/050312-dhummel-1614961.html>

<http://smallbusiness.chron.com/can-cultural-differences-affect-business-communication-5093.html>

