

1. Study the information below and then answer the questions that follow.

A CUT ABOVE THE REST

Crystal Clear Ltd is a manufacturing company producing cut-glass perfume bottles. The company is run by the mother and son team, Sian and Dylan Protheroe.

The company has now decided to produce a new collection of luxury crystal glasses, in addition to supplying bottles to its regular outlets. Sian and Dylan anticipate that its workforce will have to be doubled from the current number of thirty employees. The larger workforce will include fifteen additional glassblowers and two new management positions, which will lead to a wider **span of control**. Up to now, the business has been a close-knit friendly organisation.



The design software and technology at its Clwyd (North Wales) glassworks is the most modern in the industry but the manufacturing process is still dependent on the highly skilled craftsmen it employs. There will need to be considerable training for all employees in order to produce the high quality required for the luxury crystal glasses. For these skilled positions the business will have to pay higher wage levels to recruit and retain staff.

For the two management positions, Sian wants to reward loyal workers by promoting internally, but Dylan feels that they should go for external candidates for these positions. At least Sian and Dylan agree that having the right people who work with you, rather than for you, is vital.

- (a) Explain, with the use of a diagram, the meaning of the term *span of control*. [4]
- (b) With reference to Maslow's theory, how might the expansion of the company affect the motivation of new and existing employees? [8]
- (c) Discuss the view that the company should fill the new management posts through internal rather than external recruitment. [8]