

IB Business Management 2.3

# Leadership and Management Foundations

Standard Level worksheet | Trimester assessment practice

<b>Focus</b>	Distinguish leadership from management, recognize core leadership styles, and explain why growing businesses need both.
<b>Suggested time</b>	45 minutes
<b>Marks</b>	30 marks
<b>Instructions</b>	Answer all questions. Use business terminology accurately. In the case-study and extended-response sections, apply your answer to the context provided. Students may respond on separate lined paper or digitally.

## Section A: Multiple choice

- Which statement best describes management? (1 mark)
  - Inspiring employees with a long-term mission.
  - Organizing resources and monitoring performance to meet objectives.
  - Giving staff complete freedom to choose priorities.
  - Relying only on instinct instead of evidence.
- Which action is the clearest example of leadership? (1 mark)
  - Checking stock levels against a weekly target.
  - Allocating next month's advertising budget.
  - Explaining a shared vision that motivates staff to innovate.
  - Completing payroll on time.
- A project leader who asks designers and engineers for ideas before making a final choice is using which style? (1 mark)
  - Autocratic
  - Democratic / participative
  - Laissez-faire
  - Bureaucratic
- Which situation is most likely to justify an autocratic approach? (1 mark)
  - A routine brainstorming session for new packaging ideas.
  - A factory safety incident that requires immediate instructions.
  - A long-term culture change project.
  - A team of expert researchers working independently.
- Which is a likely benefit of delegation in a growing business? (1 mark)
  - Senior managers become responsible for fewer outcomes.
  - Employees gain authority and managers can focus on strategy.
  - The need for communication systems disappears.
  - All decisions become more centralized.

## Section B: Short answer

- Distinguish between leadership and management. [2 marks]
- Explain one reason why a growing business needs both leadership and management. [2 marks]
- Explain two benefits of participative leadership for a product design firm. [4 marks]

## Section C: Data response / case study

### Case study: SunPeak Storage

SunPeak Storage is a renewable energy start-up that designs home battery systems. When orders increased, the founder appointed Maya as chief executive. Instead of approving every decision herself, Maya introduced weekly problem-solving meetings, shared a clear mission about reducing household carbon emissions, and allowed team leaders to trial small design changes without waiting for head-office approval.

After six months, managers reported better cross-team cooperation, but some supervisors worried that too much discussion might slow future international expansion.

#### Selected operating indicators at SunPeak

Indicator	Before Maya	6 months after Maya
Employee suggestions implemented per quarter	4	15
Staff turnover	18%	9%
Average product-development delay	6 weeks	2 weeks

- 9a.** Identify one piece of evidence that Maya is demonstrating leadership rather than only management. [2 marks]
- 9b.** Explain one benefit of Maya's approach using the data in the table. [3 marks]
- 9c.** Recommend whether Maya should continue with a participative style as SunPeak expands internationally. [4 marks]

## Section D: Extended response

- 10.** Evaluate the view that effective businesses need stronger leadership than management. [8 marks]

In your response, use relevant business concepts, consider more than one side where appropriate, and reach a supported judgement.

## Answer key and marking guidance

Accept any other valid, well-applied point. Where relevant, reward the use of case material and precise business terminology.

### Section A answers

Q	Answer	Guidance
1	B	Management focuses on coordinating resources, planning, and controlling performance.
2	C	Leadership is about vision, influence, and commitment.
3	B	Participative leaders invite input before deciding.
4	B	Autocratic leadership can be appropriate when speed and clarity are essential.
5	B	Delegation develops staff and frees senior leaders for higher-level work.

### Section B answers

#### Question 6 [2 marks]

- Leadership focuses on vision, influence, motivation, and direction.
- Management focuses on planning, organizing, controlling resources, and meeting operational targets.

#### Question 7 [2 marks]

- Growth creates complexity, so management is needed to coordinate people, budgets, and systems.
- At the same time, leadership is needed to keep employees committed to the firm's purpose and change agenda.

#### Question 8 [4 marks]

- Employee ideas can improve product creativity and quality.
- Involvement can raise motivation because staff feel trusted and listened to.
- Discussion can improve implementation because team members understand the final decision.

### Section C answers

#### Question 9a [2 marks]

- She communicates a mission about reducing carbon emissions, which gives purpose beyond routine tasks.
- She creates forums for collaboration and motivates staff to contribute ideas.

#### Question 9b [3 marks]

- Implemented employee suggestions increased from 4 to 15, suggesting a more innovative culture.
- Turnover fell from 18% to 9%, indicating stronger motivation or commitment.
- Development delays fell from 6 weeks to 2 weeks, so engagement may also have improved responsiveness.

#### Question 9c [4 marks]

- A participative style should broadly continue because it has improved ideas, retention, and speed.
- However, Maya may need to become more directive in urgent situations or when global coordination requires fast decisions.
- A balanced judgement should recommend participation with clear decision deadlines and delegated authority.

### Section D marking guidance

**Question 10 [8 marks]: Evaluate the view that effective businesses need stronger leadership than management.**

#### Indicative content

- Leadership builds vision, culture, and commitment, especially during growth or change.
- Management is essential for budgets, targets, schedules, and control of daily operations.

- Without leadership, employees may not feel motivated or aligned; without management, execution may fail.
- The most convincing judgement is usually that businesses need an appropriate balance, not one function alone.

Band	Descriptor
0	No relevant response or answer not worthy of credit.
1–2	Limited knowledge. Few relevant points. Little or no application. Unsupported assertions.
3–5	Some understanding and partial application. A few relevant arguments are explained but analysis is uneven. Limited evaluation.
6–8	Good understanding with relevant application. Balanced analysis and a supported judgement. Clear use of case/context.

Marking note: For higher bands, reward balanced analysis, applied examples or case references, and a clear supported judgement.