### SESSION PLAN

**COURSE:** ABE Level 6 Organisational Design, Development and Performance

**ELEMENT:** Element 2 – External and internal factors and their impact on the organisation

## **LEARNING OUTCOME 2**

**Analyse the impact of external and internal factors on organisational performance (20%)**

* 1. Analyse the impact of external factors on the success of the organisation
  2. Analyse the impact of internal factors on the success of the organisation
  3. Analyse the influence of external and internal factors on the design of the organisation

**NUMBER OF SESSIONS:** Three - approximately twelve hours in total (plus self-study)

**SESSION TOPICS:** Session 1: The impact of external factors on the success of the organisation

Session 2: The impact of internal factors on the success of the organisation

Session 3: The influence of external and internal factors on the design of the organisation

**Note to tutors: this is the recommended session plan for learning outcome 2, element 2 of ABE Level 6 Organisation Design, Development and Performance. You should follow the plan, using the resources (referenced as ‘slides’ here) and activities provided. It is important to enhance all sessions with local examples and case studies, involving the learners ACTIVELY wherever possible.**

### SESSION 1: The impact of external factors on the success of the organisation

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 4 hours | Introduction to session and learning outcomes | Use **6UODD Tutor Presentation E2**  Explain the element and what is going to be covered.  Talk about an organisation like a boat bobbing around on the ocean. The external factors are the wind and the rain and everything else that is affecting it. The internal factors are what is going on in the boat. In this session we are talking about the external factors. | 1-4 | Make notes and ask questions about this element’s scope as required. |  |
| PESTLE | Explain the nature of a PESTLE analysis.  Political  Economic  Social  Technological  Legal  Environmental  Choose an organisation that one of the students described in the first session. Apply the PESTLE factors to that organisation, explaining the types of issues that come under each of the headings.  Then move on to brief Activity 1 for students. Allow 40 minutes for students to complete this. | 5 | Complete Activity 1.  As a group choose an organisation that you all know well enough to analyse. Use this organisation for all of the activities in this element.  For the first activity you need to carry out a PESTLE analysis. Do this as a group discussion, allowing everyone to put forward their ideas of PESTLE factors. | **6UODD E2 LO2 Activity 1 – PESTLE analysis** |
| Porter’s Five Forces | Now move on to explain Porter’s Five Forces. Use this film to help your explanation: <https://www.youtube.com/watch?v=3AD-M5GqalM>  Go back to the organisation that you used when explaining the PESTLE analysis and apply Porter’s 5 Forces to it. Activity 2.  Allow students 50 minutes to do this.  Then, look at the PESTLE and Porters information together, and explain to students how the different analyses allow the organisation to look at different issues. | 6-7 | Complete Activity 2.  Now, for the organisation you have chosen, carry out an analysis using Porter’s Five Forces.  Reflect on the external factors – which do you think have most impact on organisations in your country? | **6UODD E2 LO2 Activity 2 – Porter’s Five Forces** |
| Environmental scanning | Go through the process of environmental scanning.  Facilitate this as a discussion, asking the learners to talk through the way that they would use this approach to analyse the organisation they have chosen as the case study for this element of study.  Ask the following questions:  What would you do to analyse the environment of the organisation?  How would you gather information about the environment?  How would you gather information about the competitors?  How would you analyse the organisation internally?  How would you decide what actions to take? | 8-9 | Contribute to the discussion and ask questions where necessary. Make notes. |  |
| Stakeholder mapping | Explain the process of stakeholder mapping and the theory behind this.  Use this film to help: <https://www.youtube.com/watch?v=M0NNRgDxP3s>  Go back to the organisation that you are using as your example. Ask students to help you identify the different stakeholders, so that they can show that they understand the concept of a stakeholder. Brief Activity 3. Allow 30 minutes for this. | 10-11 | Activity 3  Read the journal article: Braun, M. Latham, S and Porschitz, E (2016) "All together now: strategy mapping for family businesses", Journal of Business Strategy, Vol. 37 Iss: 1, pp.3 – 10  From this article make notes about the ways to map the needs of different stakeholders. Now think about the stakeholders of the organisation that you are focusing on as a group. Fit them into the appropriate place on this stakeholder mapping diagram. | **6UODD E2 LO2 Activity 3 – Stakeholder mapping** |
|  | Review of session and learning outcomes | Ask students to read the next section of chapter 2 of the study guide before the next class | 12 |  | . |

### SESSION 2: The impact of internal factors on the success of the organisation

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative assessment** |
| Total for session 3 hours | Introduction to session and learning outcomes | Use **6UODD Tutor Presentation E2**.  Learning outcome 2.2 | 13 |  |  |
|  | SWOT analysis | Talk through the SWOT analysis, paying particular attention to the range of issues that could be raised under each of the headings.  Strengths  Weaknesses  Opportunities  Threats  Use this film to help explain the SWOT process: <https://www.youtube.com/watch?v=GNXYI10Po6A>  Then, carry out a SWOT analysis for the organisation you have been using as your example. Activity 4. Allow 20 minutes for this | 14 | Activity 4  Carry out a SWOT analysis of the organisation that you are focusing on in this element.  Start by reading the journal article: Helms, MM and Nixon, J (2010) Exploring SWOT analysis – where are we now?: A review of academic research from the last decade", Journal of Strategy and Management, Vol. 3 Iss: 3, pp.215 – 251.  From this article summarise the benefits of carrying out a SWOT analysis. | **6UODD E2 LO2 Activity 4 – SWOT analysis** |
|  | Schein’s four layers of culture | Explain Schein’s model with four layers of culture.  Play this video that applies the model to Enron: <https://www.youtube.com/watch?v=NiqGmykYEMA>  Either facilitate a discussion about Innocent Drinks, which is discussed as a case study in the study guide, or choose a different organisation to use as a case study discussion.  What are the values of the organisation?  What are the beliefs of the organisation?  What are the behaviours of the organisation?  Allow 20-40 minutes for Activity 5 depending on the amount of research required.  Ask students to think about organisations that they know. Do the values, beliefs and behaviours differ significantly? | 15-17 | Activity 5  As a group apply the four layers of culture to your chosen organisation. Reflect on the layers of culture. Which do you think have most impact on organisations in your country? | **6UODD E2 LO2 Activity 5 – Layers of culture** |
|  | Handy’s model of culture | Explain the model of culture developed by Handy  Power culture  Role culture  Task culture  Personal culture | 18 | Make notes, ask questions. |  |
|  | Review of session and learning outcomes | Share session summary. Each student group has been analysing a different organisation. For Activity 6, they should pull together the different analyses that they have carried out, ready to share a presentation of 5-10 minutes to their fellow students at the end of next session. | 19 | Complete Activity 6 as homework | **6UODD E2 LO2 Activity 6 – Presentation** |

### SESSION 3: The influence of external and internal factors on the design of the organisation

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| **Approx.**  **Duration** | **Topic** | **Tutor Activity** | **Slides** | **Learner Activity** | **Formative Assessment** |
| 3 hours | Introduction to session and learning outcomes | Use **6UODD Tutor Presentation E2**  Learning outcomes 2.3 | 20 |  |  |
| Scenario Planning | Talk about the tools of scenario planning and how they can be used to help determine the design of an organisation.  Choose a possible scenario. For example, you could choose the scenario of McDonald’s debating whether to enter a new country and start to open restaurants there. Apply the scenario planning tool to show how McDonald’s would think about the options and decide whether or not to open the restaurant.  How would they determine the scope of what they are planning?  How would they define the drivers for change?  What might be the opposing drivers?  How would they create a scenario story?  How could they determine the impacts of the different scenarios?  As a class discussion, for the organisation that the students are using throughout this element ask them to identify three different scenarios that could arise.  For each of these ask them to use the scenario planning tools to them to gain some insight into the potential impacts of these scenarios.  Allow 20-40 minutes for this. | 21-22 | Make notes and contribute to the class discussion. |  |
| Strategic Capabilities | Explain the concept of strategic capabilities, and talk through the table that is in the notes.  Go back to the organisation that you have been working through in this section. Explain the capabilities of this organisation under the following headings:  Physical capabilities  Financial capabilities  Human capabilities | 23-24 | Complete an analysis of the strategic capabilities of the organisation you have chosen to address. | **6UODD E2 LO2 Activity 7 – Strategic capabilities** |
| Leadership styles | Explain the different leadership styles, including transformational and transactional leadership.  Ask students to each choose one leader that they admire. It does not have to be a business leader, it could be someone from sport, music, politics or anything else. Ask them to briefly say why they admire that leader.  Then, ask the student to reflect on the different leadership styles and to identify which style best explains their chosen leader.  On the flip chart keep a record of what types of leadership styles are most commonly mentioned by the students. Is there a particular leadership style that seems to described most of the popular leaders?  Facilitate a discussion on the impact that leadership styles might have on the success of the organisation.  Do autocratic leaders have more success because people are clearer about what to do?  Is it more successful to take a democratic style and to discuss options with subordinates? | 25-26 |  |  |
| HR policies and procedures and successful organisation design | Explain a range of different HR policies and procedures and talk about the way that they link to successful organisation design.  Recruitment and selection  Reward  Learning and development  Do these policies and procedures help to determine what sort of people we want in the organisation? If we do not have a policy does our recruitment become rather vague?  Brief Activity 8 and facilitate feedback session. | 27 | Complete Activity 8  Read the journal article at <http://www.aabri.com/manuscripts/131646.pdf>.  This is an interesting study relating to different coffee shops. There are five questions at the end of the article. Prepare your answers to those questions, ready to discuss in the classroom session. | **6UODD E2 LO2 Activity 8 – Organisation design** |
| Summary | Summarise the different approaches that have been learnt to analysing an organisation, recapping on what has been learnt from the different analyses.  Ask the different student groups to do their 10 minute presentations summarising the analyses that they have carried out. | 28 | Follow-up on Activity 6. You have now carried out a number of analyses of your chosen organisation, both looking at external and internal factors.  How do you think that those factors impact on the design of an organisation? List at least five impacts that you have identified. |  |
| Review of session and learning outcomes | Ask students to read the first section of the next chapter of the study guide before the next session. |  | Preparation for next session. |  |

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