

## Edition 14

KBR: Roles and responsibilities within an organisational structure

## **Answer sheet**

How was KBR formed?
 It was formed when M.W.Kellog set up an engineering firm and merged with a construction company called Brown and Root.

2. What are KBRsqcore businesses?

KBRs core businesses are:

Upstream . offers engineering, construction, purchasing and other related services for energy projects.

Downstream . serves customers in the petrochemical, refining, coal and gas markets.

KBR Services . provides construction and maintenance services.

KBR Technology . protects the technological property rights of the business.

KBR Ventures . offers financial investment and management services.

Government and Infrastructure (G&I) - offers construction, engineering, programme management and services to both public and private organisations all over the world.

- 3. How many employees does KBR have? KBR employs 57000 people worldwide.
- 4. Why might a matrix style structure be favoured over a traditional organisational structure within KBR?

With KBR working on so many different projects, this style is best suited as it has specialist workers allocated to the different projects, which ensures that there is expertise and the right skill blend allocated on each job, therefore allowing decision making to be more accurate and guicker.

- 5. In your opinion why is it important for KBR to have a 12 week probationary period for new starters?
  - 12 weeks will give both KBR and the new recruit enough time to see whether they are suited to the job and it also allows KBR to dispense with the new recruit if he or she does not fully fulfil the criteria required. Alternatively it gives the recruit enough time to prove one self.
- 6. Why is it important to write specific job descriptions and job specifications when recruiting for various roles?
  - So that the right person for the right job applies, also the roles at KBR are so diverse that specific jobs will need specific people. It is far more costly recruiting someone and then finding a place for them in the organisation.



- 7. A manager will often delegate and hence have a wide span of control. Is this a good or bad thing?
  - Good because the manager can actually manage, however can be bad if the managers subordinates are not competent at their job.
- 8. Why might businesses join forces on particular projects e.g. KBR and G&I business unit and Carillion to form the Aspire Defence? Businesses may join together on particular projects if one business has a skill set / assets/ expertise that the other business does not possess. This will help in landing larger contracts.
- 9. What are advantages and disadvantages of centralised and decentralised businesses? Centralised decision making is good if the management want total autocratic control and decisions made uniformly, but can be bad as the number of decisions needing to be made could be many and some trivial. However, if the business encourages empowerment and is more democratic in their approach, decisions can be made far quicker and the motivation of its staff maybe higher as the staff are made to feel trusted. Also decisions are also made, dependent on the local climate of which head office would not have much idea about.