

OCR

Oxford Cambridge and RSA

Monday 16 June 2014

Level 4 Certificate in Management Consulting

Unit 1 Understanding industry sectors and the drivers which impact them

MARK SCHEME

Duration: 1 hour

MAXIMUM MARK 50

DRAFT

Version: **2** Last updated: **18/03/2014**

(FOR OFFICE USE ONLY)

This document consists of 14 pages

PREPARATION FOR MARKING ON-SCREEN

1. Make sure that you have accessed and completed the relevant and training packages for on-screen marking: *scoris assessor Online Training* and the *OCR Essential Guide to Marking*.
2. Make sure that you have read and understood the Instructions for On-Screen Marking and the mark scheme and the question paper for this unit. These are posted on the RM Cambridge Assessment Support Portal <http://www.rm.com/support/ca>
3. Log-in to scoris and mark the **required number** of practice responses and the **required number** of standardisation responses.

PREPARATION FOR PAPER BASED MARKING

1. Make sure that you have accessed and completed the relevant training for paper based marking.
2. Make sure that you have read and understood the Instructions for Specialist Marking and the mark scheme and the question paper for this unit.
3. Before the Standardisation meeting you must mark at least 10 scripts from several centres. Use **pencil** and follow the **mark scheme**. Bring these **marked scripts** to the meeting

MARKING INSTRUCTIONS – FOR MARKING ON-SCREEN AND FOR PAPER BASED MARKING

1. Mark strictly to the mark scheme.
2. Marks awarded must relate directly to the marking criteria.
3. The schedule of dates is very important. It is essential that you meet the scoris 50% and 100% (traditional 40% Batch 1 and 100% Batch 2) deadlines. If you experience problems, you must contact your Team Leader (Supervisor) without delay.
4. If you are in any doubt about applying the mark scheme, consult your Team Leader by telephone or the scoris messaging system, or by email.
5. Work crossed out:
 - a. where a candidate crosses out an answer and provides an alternative response, the crossed out response is not marked and gains no marks
 - b. if a candidate crosses out an answer to a whole question and makes no second attempt, and if the inclusion of the answer does not cause a rubric infringement, the assessor should attempt to mark the crossed out answer and award marks appropriately.
6. Always check the pages (and additional objects if present) at the end of the response in case any answers have been continued there. If the candidate has continued an answer there then add a tick to confirm that the work has been seen.
7. There is a NR (No Response) option. Award NR (No Response)
 - if there is nothing written at all in the answer space
 - OR if there is a comment which does not in anyway relate to the question (e.g. 'can't do', 'don't know')
 - OR if there is a mark (e.g. a dash, a question mark) which isn't an attempt at the questionNote: Award 0 marks - for an attempt that earns no credit (including copying out the question)
8. The scoris **comments box** is used by your team leader to explain the marking of the practice responses. Please refer to these comments when checking your practice responses. **Do not use the comments box for any other reason.**
If you have any questions or comments for your team leader, use the phone, the scoris messaging system, or e-mail.

9. For answers marked by levels of response:
- To determine the level** – start at the highest level and work down until you reach the level that matches the answer
 - To determine the mark within the level**, consider the following:

Descriptor	Award mark
On the borderline of this level and the one below	At bottom of level
Just enough achievement on balance for this level	Above bottom and either below middle or at middle of level (depending on number of marks available)
Meets the criteria but with some slight inconsistency	Above middle and either below top of level or at middle of level (depending on number of marks available)
Consistently meets the criteria for this level	At top of level

10. These are the annotations, (including abbreviations), including those used in scoris, which are used when marking

Annotation	Meaning of annotation

11. Here are the subject specific instructions for this question paper

Subject specific marking instructions that apply across the whole question paper must appear here. These must be compatible with the OCR Marking Instructions above. Include here any instructions for marking when a candidate has infringed the rubric.

12. Here is the mark scheme for this question paper.

MARK SCHEME

Question		Answer/Indicative content	Mark	Guidance
1	(a)	<p>Indicative content:</p> <ul style="list-style-type: none"> · focus on the process rather than the input of expert knowledge · helps the organisation to implement its own change procedures · process consulting. <p>Exemplar response:</p> <p>Eg Rather than providing specialist information the management consultant equips the organisation with the skills and knowledge required to resolve the challenges it faces (1).</p>	1	For one mark.

Question	Answer/Indicative content	Mark	Guidance
1 (b)	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> · client-consultant relationship · nature of the contract · timescales · resources · nature of problems under investigation · objectives · intended outcome · appropriateness · personal preference · management consultant's expertise. <p>Exemplar response:</p> <p>Eg The nature of the problems being investigated may affect the choice of consulting approach used (L1). If the problems are of a technical nature, such as upgrading technology, then a management consultant is likely to have been hired for their specific technological expertise. In such cases a management consultant is likely to use an expert approach (L2). The accurate determining of user requirements, coupled with knowing what is available and where to source it cost effectively, should increase the likelihood that the solution better meets the needs of the organisation. Furthermore, using knowledge gained from previous system implementation, the management consultant should be able to ensure that the transition to the new technological system goes smoothly. Thus minimising workforce stress and negative effects on external customers (L3).</p>	6	<p>Levels of response</p> <p>Level 3 (5 - 6 marks) Candidate analyses factor(s) which may affect the choice of management consulting approach used in an engagement.</p> <p>Level 2 (3 – 4 marks) Candidate explains factor(s) which may affect the choice of management consulting approach used in an engagement</p> <p>Level 1 (1 – 2 marks) Candidate identifies factor(s) which may affect the choice of management consulting approach used in an engagement</p>

Question	Answer/Indicative content	Mark	Guidance
2	<p>Indicative content:</p> <ul style="list-style-type: none"> · emphasis on fund raising · importance of reputation · less emphasis on competitiveness · finding effective patrons and trustees · trends in third sector v sector trends in private sector. <p>Exemplar response:</p> <p>Eg A key driver in a third sector organisation is finding an effective patron who will champion its cause. In a private sector organisation there would be no need for a patron, instead the emphasis would be more likely to focus on operational efficiency (1). A charity needs to find an individual who is willing to promote the organisation for altruistic reasons. This individual needs a strong and positive public persona capable of encouraging the general public to make donations to the charity (1).</p>	4	<p>One mark for a correct identification up to a maximum of two identifications, plus a further one mark for each of two explanations.</p> <p>Differences required.</p>

Question	Answer/Indicative content	Mark	Guidance
3	<p>Indicative content:</p> <ul style="list-style-type: none"> · changes in demographics: adapting business activities in response to changes in the characteristics of the population · transparency: the need to conduct business activities openly and honestly · sustainability: the acceptance of environmental and social responsibility while undertaking business activities. <p>Exemplar response:</p> <p>Eg Changes in the age, gender balance and income levels of the population (1).</p> <p>Eg Operating in an open and honest way which avoids mistrust (1).</p> <p>Eg Giving due consideration to environmental and social factors rather than concentrating solely on profit and investment returns (1).</p>	3	<p>One mark for each correct identification up to a maximum of three identifications.</p> <p>Do not award examples.</p>

Question	Answer/Indicative content	Mark	Guidance
4	Indicative content: <ul style="list-style-type: none"> · sets parameters · disciplined methodology · structured approach · systematic evaluation · targeted investigation · modelling · utilises previous knowledge/experience Exemplar response: Eg Using an analytical framework provides a disciplined methodology (1) . This should ensure that the consulting work is systematic and focussed (1) , using time as efficiently as possible (1) .	6	One mark for a correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.

Question	Answer/Indicative content	Mark	Guidance
5	Use levels of response criteria. Indicative content: <ul style="list-style-type: none"> · added value · time benefits · maintain focus · manage workload · an analytical framework · hypothesis driven problem-solving · an holistic viewpoint · a multi-functional approach · quality control · expertise and methodology · an external viewpoint · broader perspectives · objectivity/independence 	8	Levels of response Level 4 (7 - 8 marks) Candidate evaluates likely benefits to a public sector client of hiring a management consultant to facilitate a major workforce restructuring programme. Level 3 (5 - 6 marks) Candidate analyses likely benefits of hiring a management consultant. Level 2 (3 – 4 marks) Candidate explains likely benefits of hiring a management consultant. Level 1 (1 – 2 marks) Candidate identifies likely benefits of hiring a management consultant.

Question	Answer/Indicative content	Mark	Guidance
	<ul style="list-style-type: none"> • avoidance of corporate politics • pro-active thinking • specialisation economies of scale - knowledge of best practice across industrial sectors worldwide. <p>Exemplar response:</p> <p>Eg One benefit of hiring a management consultant is to ensure that the existing senior executives are not overburdened with the restructuring programme (L1). Despite being in the midst of a major workforce restructuring programme, the senior executives need be able to concentrate on their routine work (L2). This should ensure that the needs of the community it serves continue to be met (L3).</p> <p>An external consultant should bring experience and expertise to the situation (L1). By using their knowledge of best practice the consultant should be able to avoid the common pitfalls of managing change (L2). This should help to ensure that the programme can be implemented with minimal workforce resistance and little, if any, adverse media publicity (L3).</p> <p>In a public sector organisation, perhaps, the most important benefit of hiring a management consultant to facilitate a major workforce restructuring is the freeing up of senior executives. With such an emphasis on operational efficiency and transparency in the public sector it is important that the senior executives are not overstretched by the restructuring programme. Given the high media interest in the public sector's performance it is imperative that the senior executives maintain their focus on their core operations (L4).</p>		

Question	Answer/Indicative content	Mark	Guidance
6	<p>Indicative content:</p> <ul style="list-style-type: none"> · products · provision of a service · buying and reselling · manufacturing · construction · extractive · breaking bulk · obtaining profit · meeting consumer needs · sensitivity to market · effective sales/marketing · functionality. <p>Exemplar response:</p> <p>Eg The client buys designer fashions from international markets and offers a bespoke personal shopper service (1). The client provides a high quality service allowing it to charge substantially more for each garment than the cost price (1).</p>	2	<p>Up to two marks.</p> <p>Do not award 'adds value' as this is the question.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative content	Mark	Guidance
7	<p>Indicative content:</p> <ul style="list-style-type: none"> · market structure · size/market power · nature and power of competition · ability to differentiate product/service · market volatility · current market trends · appropriateness. <p>Exemplar response:</p> <p>Eg Trading in high-end fashion, the market in which the client operates is extremely competitive (1). Non-price competition is the norm and to remain successful the client needs to keep ahead of the competition (1). Strategic planning is, therefore, difficult because long terms plans tend to be thwarted by the more immediate need to continually respond to competitor activities (1).</p>	6	<p>One mark for a correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative content	Mark	Guidance
8	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> · organisational structure · degree of formality · interdependencies between departments · delineation/demarcation · complexity of communication · flexibility · speed of response · creativity 	6	<p>Levels of response</p> <p>Level 3 (5 - 6 marks) Candidate analyses how the channels of communication within their client's business impact on its operational efficiency.</p> <p>Level 2 (3 – 4 marks) Candidate explains how the channels of communication within their client's business impact on its operational efficiency.</p>

Question	Answer/Indicative content	Mark	Guidance
	<p>Exemplar response:</p> <p>Eg The client's business is small. In addition to the owner it employs only twelve staff – two store managers, two assistant managers and eight sales assistants. Having only three tiers, the business has a relatively flat structure (L1). Such short channels of communication allow the business to respond to changes in its external environment both quickly and efficiently (L2). Such flexibility is of considerable benefit to this business as it needs to respond quickly to changes in the market if it is to maintain its operational efficiency and not lose out to the competition (L3).</p>		<p>Level 1 (1 – 2 marks) Candidate identifies features of channels of communication within a business.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative content	Mark	Guidance
9	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> · disposable income · standard of living · unemployment/employment · economic growth/GDP · inflation · interest rates · exchange rates · share price volatility · consumer confidence · recession/recovery/boom. 	8	<p>Levels of response</p> <p>Level 4 (7 - 8 marks) Candidate evaluates economic challenges currently facing their client's business.</p> <p>Level 3 (5 - 6 marks) Candidate analyses economic challenges currently facing their client's business.</p> <p>Level 2 (3 – 4 marks) Candidate explains economic challenges currently facing their client's business.</p>

Question	Answer/Indicative content	Mark	Guidance
	<p>Exemplar response:</p> <p>Eg Falling disposable income is a considerable challenge for my client (L1). High end fashion is a luxury good and when times are hard customers are forced to reprioritise their spending in favour of more essential purchases (L2). This necessitates additional marketing activity by my client in order to try and maintain footfall and revenue (L3). Another economic challenge that my client faces is that of exchange rate volatility (L1). The boutique sources the majority of its garments from abroad, mostly from Europe but some from further afield. Its cost of sales is, therefore, directly affected by the strength of UK sterling (L2). Constantly changing exchange rates affect buyer merchandising confidence as well as profit margins. Without adequate ranges of unique and unusual stock the business is likely to lose its competitive edge (L3). While the client remains in control of its purchasing decisions it is not in control of customer buying decisions. For this reason fall in levels of disposable income has to be the greatest challenge currently facing the client. However, given that many of its customers are extremely affluent, it is perhaps less affected in these poor economic times than many businesses; especially those which operate in less lucrative markets such as, for example, property developers, restaurateurs and confectioners (L4).</p>		<p>Level 1 (1 – 2 marks) Candidate identifies economic challenges currently facing organisations.</p> <p>Answer should be in the context of the learner's chosen client.</p>