

<b>Unit Title:</b>	<b>Understanding the management consulting industry</b>
OCR unit number:	3
Credit value:	3
Level:	4
Guided learning hours:	23
Unit reference number:	H/504/1305

## Unit aim and purpose

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By completing this unit the learner will develop their understanding of the management consulting industry. They will understand how a consulting business operates and the implications of operating ethically. The learner will also have the opportunity to examine how relationships are managed between a consulting business and its clients.

Learning Outcomes	Assessment Criteria	Teaching Content
<p><b>The Learner will:</b></p> <p>1 Understand how a management consulting business operates</p>	<p><b>The Learner can:</b></p> <p>1.1 Analyse the structure of a management consulting business and that of its senior management team</p>	<p>This may include:</p> <ul style="list-style-type: none"> <li>• organisational structure               <ul style="list-style-type: none"> <li>- function or product</li> <li>- hierarchical / flat</li> <li>- centralisation / de-centralisation</li> <li>- formalisation</li> <li>- interdependencies between departments</li> <li>- channels of communication</li> </ul> </li> <li>• senior management team               <ul style="list-style-type: none"> <li>- size</li> <li>- composition</li> <li>- key personnel</li> <li>- appointment and monitoring procedures</li> <li>- balance of power</li> <li>- levels of authority, autonomy and</li> <li>- accountability</li> <li>- decision-making processes</li> <li>- leadership styles</li> </ul> </li> <li>• appropriateness to situation</li> <li>• ability to respond</li> <li>• impacts and consequences</li> </ul>

Learning Outcomes	Assessment Criteria	Teaching Content
	<p>1.2 Explain the services and/or products a management consulting business provides and how it makes money</p> <p>1.3 Analyse the objectives and strategy of a management consulting business and its position in the market</p>	<ul style="list-style-type: none"> <li>• provision of a service <ul style="list-style-type: none"> <li>- management consulting</li> <li>- added value</li> </ul> </li> <li>• The management consulting cycle <ul style="list-style-type: none"> <li>- research</li> <li>- diagnosis</li> <li>- planning</li> <li>- proposal of solution</li> <li>- implementation</li> <li>- feedback and review</li> <li>- continuous improvement</li> </ul> </li> <li>• position in the market <ul style="list-style-type: none"> <li>- market structure</li> <li>- size and power of business</li> <li>- nature and power of competition</li> </ul> </li> <li>• objectives and strategy need to be: <ul style="list-style-type: none"> <li>- appropriate to the business</li> <li>- appropriate to the market dynamics</li> <li>- specific</li> <li>- realistic</li> <li>- flexible</li> <li>- responsive to change</li> <li>- provide an appropriate analytical framework</li> </ul> </li> </ul>
<p>2 Understand how relationships are managed between a management consulting business and its clients</p>	<p>2.1 Explain an employer's and client's role and responsibilities on a project</p> <p>2.2 Explain the contractual obligations that apply to a consulting engagement</p>	<p>This may include:</p> <ul style="list-style-type: none"> <li>• limits of authority/boundaries</li> <li>• communications and reporting</li> <li>• the consulting project life-cycle</li> <li>• milestones and review processes</li> <li>• evaluation and continuous improvement</li> <li>• agreeing the terms of the contract</li> <li>• product/services liability</li> <li>• penalty clauses</li> <li>• fees</li> </ul>

Learning Outcomes	Assessment Criteria	Teaching Content
	2.3 Explain how to manage management consulting clients' expectations	<ul style="list-style-type: none"> <li>• agreeing achievable objectives</li> <li>• being realistic about potential 'blockages'</li> <li>• regular communications and reporting</li> <li>• relationship-building – rapport and trust</li> <li>• adopting the most appropriate consulting style</li> <li>• client-centric consulting</li> </ul>
3 Understand the implications of operating ethically	<p>3.1 Explain what operating ethically means in a business context</p> <p>3.2 Explain the implications for a business and its stakeholders of operating ethically</p>	<p>This may include:</p> <ul style="list-style-type: none"> <li>• more than a legal requirement</li> <li>• ethical behaviour</li> <li>• honesty and integrity</li> <li>• management consultant's codes of practice</li> </ul> <ul style="list-style-type: none"> <li>• advantages and disadvantages</li> <li>• stakeholders <ul style="list-style-type: none"> <li>- shareholders</li> <li>- potential investors</li> <li>- company executive</li> <li>- creditors</li> <li>- customers</li> <li>- employees</li> <li>- government</li> <li>- general public</li> <li>- trade unions</li> <li>- pressure groups</li> </ul> </li> </ul>

## Assessment

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This unit is assessed by an OCR set and marked examination.

Sample assessment material is available on our [website](#).

## Additional information

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For further information regarding administration for this qualification, please refer to the OCR document 'Admin Guide: Vocational Qualifications' (A850) on the OCR website [www.ocr.org.uk](http://www.ocr.org.uk).