



Monday 19 January 2015

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

FINAL

**Version: 6 Last updated: 28/01/2015 – Post
Standardisation Version**

(FOR OFFICE USE ONLY)

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		<p>Indicative content:</p> <ul style="list-style-type: none"> assembles components/builds selling price greater than cost. <p>Exemplar response:</p> <p>Eg A business in the construction industry makes finished goods from component parts (1) and charges more for the output than the cost of the inputs (1).</p>	2	<p>One mark for a correct identification plus a further one mark for an explanation.</p> <p>For full marks the response must apply to construction industry rather than to manufacturing in general.</p> <p>Do not award examples.</p>

Question		Answer/Indicative content	Mark	Guidance
2		<p>Indicative content:</p> <ul style="list-style-type: none"> hierarchical structure – many layers, formal status relationships, long chain of command, narrow span of control ability to respond – speed, appropriateness, quality, formality, decision making. <p>Exemplar response:</p> <p>Eg A business with a hierarchical structure will have many status levels through which communication must pass (1) This may make decision making slow, thus affecting the business' ability to respond quickly to changes in the market (1).</p>	2	<p>One mark for a correct identification plus a further one mark for an explanation</p>

Question	Answer/Indicative content	Mark	Guidance
3	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • identity/public profile • reputation • public confidence/expectations • patrons • trustees • leadership • ethics • commercial acumen • sources of funding • sector trends in voluntary giving • effective networking. <p>Exemplar response:</p> <p>Eg One of the key business drivers for third sector organisations is the calibre and profile of its patronage (L1). A high profile patron can serve as a figurehead for the charity, helping to keep the interests of the charity in the public eye (L2). Finding a suitable patron is important for the charity as this can have a direct impact on the level of public confidence in the charity and, therefore, its ability to secure voluntary giving to support its cause. For this reason it should be factored into strategic planning (L3).</p>	6	<p>Levels of response</p> <p>Level 3 (5 - 6 marks) Candidate analyses business driver(s) which clients in third sector organisations need to consider when making strategic decisions.</p> <p>Level 2 (3 – 4 marks) Candidate explains business driver(s) which clients in third sector organisations need to consider.</p> <p>Level 1 (1 – 2 marks) Candidate identifies business driver(s) which clients in third sector organisations need to consider.</p> <p>Must be a driver rather than a challenge.</p>

Question	Answer/Indicative content	Mark	Guidance
4	<p>Indicative content:</p> <ul style="list-style-type: none"> • income maximisation rather than profit maximisation • emphasis on accountability • importance of reputation/public sensitivity • importance of ethics • funding issues. <p>Exemplar response:</p> <p>Eg Third sector organisations are faced with the constant challenge of securing enough income (1). Private sector organisations, on the other hand, strive to maximise profit (1). This means that the funding of third sector organisations is far more sensitive to changes in public opinion than a private sector organisation (1).</p>	6	<p>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</p> <p>Difference required.</p>

Question	Answer/Indicative content	Mark	Guidance
5	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • targets problems from many angles • interdepartmental/organisation-wide • thorough investigation • quantitative and qualitative assessment • focuses on solutions • lower risk • integrated planning • co-ordinated approach • accelerated time to achieve objectives • improved organisational performance • quality control • pro-active thinking • broader perspectives • external viewpoint • objectivity • avoidance of corporate politics • cost effective resource • consultant knowledge of best practice • consultant expertise • added value • time benefits • maintain focus • manage workload. <p>Exemplar response:</p> <p>Eg One benefit of hiring a management consultant is to get an objective view of the business' situation (L1). A consultant who uses a multi-functional approach should investigate the manufacturer's current market position from many angles before providing a detailed</p>	8	<p>Levels of response</p> <p>Level 4 (7 - 8 marks) Candidate evaluates likely benefits to the manufacturer of hiring a management consultant who uses a multi-functional approach.</p> <p>Level 3 (5 - 6 marks) Candidate analyses likely benefits to the manufacturer of hiring a management consultant who uses a multi-functional approach.</p> <p>Level 2 (3 – 4 marks) Candidate explains likely benefits to the manufacturer of hiring a management consultant who uses a multi-functional approach.</p> <p>Level 1 (1 – 2 marks) Candidate identifies likely benefits of hiring a management consultant.</p>

Question	Answer/Indicative content	Mark	Guidance
	<p>quantitative and qualitative assessment (L2). The thoroughness of the investigation, combined with the consultant's objectivity, should help to ensure that all options related to market development are considered (L3).</p> <p>A consultant should bring considerable experience and expertise to the situation (L1). Taking a multi-functional approach should identify the contribution required of each discipline within the organisation (L2). Such co-ordination should allow the firm to fully integrate its market development planning into its overall strategic plan (L3).</p> <p>The fashion accessory industry operates in a highly competitive and trend-setting market. In the fashion industry it is imperative that appropriate responses to changes in consumer demands and competitor behaviour are made as quickly as possible if the business is to survive. The greatest benefit to this manufacturer of hiring a management consultant who uses a multi-functional approach is, therefore, likely to be the consultant's specific knowledge of the current trends in this industry, allowing for a time effective implementation of the resulting market development plan (L4).</p>		

Question	Answer/Indicative content	Mark	Guidance
6	<p>Indicative content:</p> <ul style="list-style-type: none"> • degree of competition • barriers to entry • ability to meet goals • change of direction • change of emphasis • change of time frame • change of target • flexibility. <p>Exemplar response:</p> <p>Eg Being a major national supermarket chain my client operates in an oligopolistic market (1). The activity of any of its major competitors has a direct impact on my client (1). Goals frequently have to be revised in the light of changes in the competitive behaviour of one of the other leading supermarket chains (1). Because of this, non-price competition has now become one of my client's primary objectives (1).</p>	4	<p>One mark for each correct point of explanation up to a maximum of four such points, but allow development.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative content	Mark	Guidance
7	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • expert approach • interventionist approach • reflective approach • facilitative approach • client consultant relationship • nature of problems/contract • timescales and resources • objectives and intend outcomes. <p>Exemplar response:</p> <p>Eg A reflective approach to management consulting is one where the consultant strives to help the organisation identify and solve its own problems but intervenes when it is believed that the organisation is on the wrong track or taking the wrong course of action (L1). Such an approach would allow my client to develop its own expertise in identifying problems and providing solutions but with minimal risk due to the constant supervision and guidance of the consultant (L2). Such an approach is particularly suitable for a large organisation which has the management expertise to carry out the project (L3). On the face of it this seems an ideal approach for my client – the national supermarket chain has a great deal of management expertise. However, because I have been hired to update the technology used within the organisation, an expert approach is actually more suitable. The supermarket chain does not have the necessary in-house IT expertise and, due to the technical nature of the engagement, it needs a more prescriptive approach (L4).</p>	8	<p>Levels of response</p> <p>Level 4 (7 - 8 marks) Candidate assesses the appropriateness of using a relective approach with their chosen client.</p> <p>Level 3 (5 - 6 marks) Candidate analyses management consulting approach(es) which could be used with their chosen client.</p> <p>Level 2 (3 – 4 marks) Candidate explains management consulting approach(es) which could be used with their chosen client.</p> <p>Level 1 (1 – 2 marks) Candidate identifies management consulting approach(es).</p> <p>Answer must be in the context of the learner’s chosen client.</p>

Question		Answer/Indicative content	Mark	Guidance
8		<p>Indicative content:</p> <ul style="list-style-type: none"> • appointment procedure(s) • best person? • degree of transparency • timescales • number of stages involved • number of people involved • time taken/speed of appointment • dominant personnel • power differentials • conflicts of interest. <p>Exemplar response:</p> <p>Eg The CEO of my client's organisation has the final say on all senior management team appointments (1). This means that the procedure is not always impartial (1). Personal preference could lead to a candidate with ground-breaking ideas on how to move the supermarket chain forward being overlooked (1).</p>	6	<p>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</p> <p>For full marks the response must link to the organisation's future success.</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"> • cost reduction • other financial issues – income maximisation, profit maximisation, obtaining finance • functional issues, eg marketing/sales/production • operational issues • environmental issues • economic issues 	8	<p>Levels of response</p> <p>Level 4 (7 - 8 marks) Candidate evaluates whether cost reduction is the greatest challenge currently facing their client.</p> <p>Level 3 (5 - 6 marks) Candidate analyses challenge(s) currently facing their client.</p> <p>Level 2 (3 – 4 marks)</p>

Question	Answer/Indicative content	Mark	Guidance
	<ul style="list-style-type: none"> • cultural and social issues • legal issues • political issues • ethical issues • technological issues • consumerism • innovation • corporate social responsibility • profile/reputation • accountability/transparency. <p>Exemplar response:</p> <p>Eg All private sector organisations must keep an eye on costs as this directly affects profit levels (L1). The supermarket industry is no different, keeping costs down allows my client to maintain its profit margins without having to increase the price it charges to its customers (L2). This is especially important to my client as it operates in a price sensitive market. If the company raised its average prices above that of competing supermarkets, it is likely to lose a considerable amount of custom to the competition (L3). Notwithstanding the importance of cost reduction in a price sensitive market, there appears to be an even greater challenge for my client: a challenge arising from the fact that it operates in an oligopolistic market. Unable to compete on price without starting a price war which might possibly drive it out of business, my client must focus on non-price competition. Devising effective non-price competition strategies in such a price sensitive market is the greatest challenge facing my client today. Without high volumes of sales my client would be unable to make sufficient profit to satisfy its shareholders (L4).</p>		<p>Candidate explains challenge(s) currently facing their client. Level 1 (1 – 2 marks) Candidate identifies challenges currently facing organisations.</p> <p>Answer should be in the context of the learner’s chosen client.</p>

