

OCR

Oxford Cambridge and RSA

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Level 4 Certificate in Management Consulting 10331

Unit 1 Understanding industry sectors and the drivers which impact them

MARK SCHEME

Duration: 1 hour

MAXIMUM MARK 50

Version: 3 Last updated: **30/03/2016**

(FOR OFFICE USE ONLY)

This document consists of 12 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.

Question	Answer/Indicative Content	Marks	Guidance
1	<p>Indicative content:</p> <ul style="list-style-type: none"> • identity/public profile • reputation • public confidence • public expectations • patronage • trustees • leadership • commercial acumen • sources of funding • sector trends in voluntary giving • effective networking. <p>Exemplar Response:</p> <p>Eg One of the business drivers of a third sector organisation is likely to be the public profile of its patrons (1). A well known patron, with a genuine passion for the objectives of the charity, will hopefully encourage the general public to give to the charity and support its cause (1).</p>	6	<p>One mark for a correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations.</p> <p>Drivers must be relevant to an organisation in the third sector.</p>
2	<p>Indicative content:</p> <ul style="list-style-type: none"> • benefit – specialisation, productive efficiency, speed, product knowledge, expertise, control, good communication, focus, customer loyalty. • drawback – duplication of effort, inefficiency, inflexibility, inconsistency across the organisation, lack of co-ordination, lack of functional expertise, product objectives may obscure corporate objectives, short-sighted decision-making. <p>Exemplar Response:</p> <p>Eg Benefit – Being organised by product allows Agri Foods plc to build</p>	4	<p>One mark for a correct identification of a benefit, plus a further one mark for explanation.</p> <p>Plus</p> <p>One mark for a correct identification of a drawback, plus a further one mark for explanation.</p>

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	<p>expertise in the manufacture of each type of food product in its range (1). This specialisation should increase productive efficiency (1).</p> <p>Eg Drawback – Being organised by product means that many of the support functions, for example administration, are likely to be duplicated (1), wasting company resources (1).</p>		
3	<p>Indicative content:</p> <ul style="list-style-type: none"> • to obtain goods, services or processes from an outside source • to buy-in rather than produce in-house • contracting out a business function to another business • to subcontract work to another organisation • outside (external) resourcing. 	1	For one mark.
4	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • impacts of corporate social responsibility • profitability • obtaining finance • debt collection • stakeholder interests • the supply (service) chain • accountability • waste • consumerism • fair trade • communication technologies • the green agenda • innovation • influence of multinationals • impact of external factors – economic, environmental, cultural, social, legal, political. 	8	<p>Levels of response</p> <p>Level 4 (7 – 8 marks) Candidate evaluates the extent to which corporate social responsibility is the most important challenge facing private sector organisations.</p> <p>Level 3 (5 – 6 marks) Candidate analyses corporate social responsibility and/or other important challenges facing private sector organisations.</p> <p>Level 2 (3– 4 marks) Candidate explains corporate social responsibility and/or other important challenges facing private sector organisations.</p>

Question	Answer/Indicative Content	Marks	Guidance
	<p>Exemplar response:</p> <p>Eg Corporate social responsibility involves improving the welfare of society, even if it increases business costs and does not lead to profit maximisation [L1]. Increased pressure from consumers, and society as a whole, requires businesses to take seriously their corporate social responsibility when making business decisions. Whether it be decisions at strategic, tactical or operation level, consideration needs to be given not only to how to minimise damage to society but also on how to improve it, especially for future generations [L2].</p> <p>However for many businesses, especially small or emerging businesses, decision-makers may simply be unable to afford to consider issues of corporate social responsibility. Such businesses need to concentrate on profit maximisation in order to make enough profit to satisfy shareholders or provide for business owners, without this the businesses may not survive [L3].</p> <p>For businesses that choose to trade on their ethical reputation they are likely to find that improving their corporate social responsibility goes hand-in-hand with greater custom and greater profit. For such businesses there is no conflict between profit and corporate social responsibility. However, for most businesses profitability and corporate social responsibility are conflicting objectives, and profitability remains the bottom line. Given that the current economic climate is both difficult and unstable, profitability rather than corporate social responsibility must be considered the greatest challenge currently facing most private sector businesses today [L4].</p>		<p>Level 1 (1–2 marks) Candidate identifies challenges facing private sector organisations.</p>
5	<p>Indicative content:</p> <ul style="list-style-type: none"> • trade off between quality and cost • obtain market information • imperfect knowledge • time 	6	<p>One mark for a correct identification up to a maximum of two identifications, plus a further one mark for each of two explanations and a further one mark for each of two analyses.</p> <p>Impacts can be positive or negative.</p>

Question	Answer/Indicative Content	Marks	Guidance
	<ul style="list-style-type: none"> • workload • bureaucratic procedures • process audits • accountability • better use of budget • provision of more services • enhanced reputation. <p>Exemplar response:</p> <p>Eg Providing best value services necessitates a trade off between quality of provision and cost (1). In contrast with some prestigious organisations in the private sector, a public sector organisation is unlikely to be able to provide the best service provision (1). However providing best value does mean that it can optimise its service provision, ensuring that those who are vulnerable, or rely on its service, receive the help which they need (1).</p> <p>Eg Constantly seeking for best value requires a great deal of time to be spent searching for best value sources (1). The cost implications of the time taken need to be factored into the best value calculation (1). Given that most public sector organisations have a duty to provide best value, this inevitably involves the development of accountability systems which may prove to be extremely bureaucratic (1).</p>		
6	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • size of business • power of business • business strategy. 	6	<p>Levels of response</p> <p>Level 2 (3–6 marks) Candidate explains how the size of the client's business affects its business strategy.</p> <p>Level 1 (1–2 marks) Candidate identifies the size of the client's business and how it affects the business.</p>

Question	Answer/Indicative Content	Marks	Guidance
	<p>Exemplar response:</p> <p>Eg For many years my client has owned a chain of 25 budget branded hotels in England and Wales. Recently it bought out an existing chain of 8 budget hotels in Scotland. Whilst the acquisition of the 8 budget hotels has led to some internal economies of scale, it has also led to some logistical problems for the company [L1].</p> <p>Despite now owning 33 hotels my client is not in a dominant market position. An increase in size of my client's business has therefore had only a limited effect on its business strategy. With limited market power, my client must continue to set prices for each individual hotel in line with, or slightly below, other hotels in the area in order to secure sufficient custom to make a profit. If my client were to purchase a far larger number of hotels then this may mean that they could challenge the market leaders using non-price competition, however at the current time this is unlikely [L2].</p>		<p>Answer must be in the context of the learner's chosen client.</p> <p>Candidate can argue that the size of the business has a significant, limited or no effect.</p>
7	<p>Indicative content:</p> <ul style="list-style-type: none"> • balance of power • key personnel • decision-making process • impact on future success. <p>Exemplar response:</p> <p>Eg The founder of my client's business is a dominant character and his opinions hold significant sway over the other two members of the senior management team (1) This unequal balance of power has meant that the founder always gets his way at senior management team meetings, even when decisions are taken to a vote (1). The founder, being resistant to change in his advancing years, may have a negative impact on the future success of the business because he fails to embrace the importance of innovation and modernisation (1).</p>	3	<p>One mark for a correct identification plus up to two further marks for explanation.</p> <p>Impacts can be positive or negative.</p> <p>For full marks the explanation must link to the future success of the business.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative Content	Marks	Guidance
8	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • expert approach • client consultant relationship • nature of problems/contract • timescales and resources • objectives and intend outcomes • interventionist approach • reflective approach • facilitative approach. <p>Exemplar response:</p> <p>Eg An expert approach is prescriptive in nature and requires the consultant to instruct the business on what to do. [L1]. Such an approach does not allow an organisation much leeway for using or developing its own expertise [L2]. The approach can be particularly suitable for a small/medium organisation which might lack management expertise and needs to rely heavily on the management consultant for direction [L3]. My client engagement requires me to concentrate on the modernising and developing of back of house systems including the more efficient use of ICT. Since the systems which the company is currently using are very out of date, and the management appear to have very limited expertise in this area, an expert approach which is consultant led is by far the best choice of approach to use with my client. This enables my client to benefit from my technical expertise and specialist knowledge which the hotel chain currently lacks. If, on the other hand, I had been engaged to consider the market development of the hotel chain then an expert approach would be far less suitable. A more reflective approach would be far more suitable since the client knows the market far better than I [L4].</p>	8	<p>Levels of response</p> <p>Level 4 (7–8 marks) Candidate assesses the appropriateness to their client of using an expert 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	Marks	Guidance
9	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • remuneration • development of transferable skills • gaining of knowledge • experience of sector • increased portfolio • enhanced reputation • networking opportunities • enhanced consultant profile • improved curriculum vitae • professional development. <p>Exemplar response:</p> <p>Eg Being hired by my client has allowed me to develop my expertise in systems development [L1]. Such experience has helped me develop skills which I can use in future engagements [L2]. This improves my chances of being hired by other organisations that require their systems improving or modernising [L3].</p> <p>I have received payment for the work I did for the hotel chain [L1]. However, the financial returns for me from this engagement were modest because I was an apprentice working under the direction of a senior consultant [L2]. Nevertheless the remuneration is useful because it means that I need to borrow less money to fund my study, and consequently will have less to repay once I am fully qualified [L3].</p> <p>I think that the greatest value of this consulting engagement is likely to be the enhancement of my curriculum vitae, allowing me to gain further engagements. This is especially important because, as an apprentice I find securing clients difficult because of my limited experience.</p>	8	<p>Levels of response</p> <p>Level 4 (7–8 marks) Candidate evaluates benefits to themselves, as a management consultant, of being hired by their chosen client.</p> <p>Level 3 (5–6 marks) Candidate analyses benefits to a management consultant of being hired by their chosen client.</p> <p>Level 2 (3–4 marks) Candidate explains benefits to a management consultant of being hired by a client.</p> <p>Level 1 (1–2 marks) Candidate identifies benefits to a management consulting of being hired by a client.</p> <p>Answer must be in the context of the learner's chosen client.</p>

Question	Answer/Indicative Content	Marks	Guidance
	Enhancing my curriculum vitae should lead to more remuneration in the long term, not only because of the number of engagements I can secure, but because I should be able to charge higher fees in future as my experience builds [L4] .		