



Oxford Cambridge and RSA

**Monday 11 June 2018**

**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**

Mark Schemes have been issued on the basis of **one** copy per Assistant examiner and **two** copies per Team Leader.

**This document consists of 10 printed pages.**

Q	Answer	Marks	Guidance
1	<b>Indicative content:</b> <ul style="list-style-type: none"><li>• best value e.g. achieving the optimum quantity/quality at the lowest price, continuous improvement in service provision.</li><li>• commercial acumen e.g. thinking as a business person, understanding how business works, making smart business decisions.</li><li>• competitiveness e.g. quality or price good enough to gain sufficient custom, products/services or prices better than others, strong desire to beat other businesses.</li><li>• market intelligence e.g. insight into market trends, information relevant to the industry a business operates in.</li></ul>	4	<b>One</b> mark for each correct meaning.

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2	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• inspirational</li> <li>• improved motivation</li> <li>• workforce satisfaction</li> <li>• customer satisfaction</li> <li>• instils confidence of general public</li> <li>• secure potential investment</li> <li>• robust steering of the organisation</li> <li>• nurtures a loyalty to the organisation</li> <li>• clarity of decision-making</li> <li>• effective communication.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg Effective leadership usually creates a corporate culture that fosters loyalty <b>(1)</b>. This should minimise labour turnover and, therefore, recruitment costs within the organisation thus spending tax payers' money effectively <b>(CONT) (2)</b>.</p> <p>Eg One benefit to a public sector organisation of effective leadership is that the leader is likely to inspire the workforce <b>(1)</b>. This should lead to the workforce being motivated to work hard for the organisation <b>(1)</b>.</p>	6	<p><b>One</b> mark for a correct identification to a maximum of <b>two</b> identifications, plus up to <b>two</b> further marks for each of <b>two</b> explanations.</p> <p>In addition to the identification mark for each benefit:</p> <p>Award <b>two</b> marks for contextual explanation (public sector).</p> <p>Award <b>one</b> mark for non-contextual explanation.</p>

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3	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• <b>Benefits</b> e.g. systems more consistent, easier to implement common policies, prevents parts of business becoming too independent, easier to co-ordinate, tighter control, economies of scale, strong leadership, managers can focus on strategic decision making.</li> <li>• <b>Drawbacks</b> e.g. more bureaucratic, often more hierarchical, senior managers remote from junior staff/customers, reduced manager motivation, decisions made are remote from customer, less able to respond to local circumstances, customer service loses flexibility of local decision-making.</li> </ul> <p><b>Exemplar responses:</b></p> <p>Eg One benefit to a business of having a centralised structure is that procedures can be tightly controlled <b>(1)</b>. This allows practices across the organisation to be standardised <b>(1)</b> and in many areas leads to lower costs because of economies of scale <b>(1)</b>.</p> <p>Eg One drawback to a business of having a centralised structure is that senior managers may lose touch with the needs of customers <b>(1)</b> because it is the junior managers who deal with the customers on a daily basis<b>(1)</b>. This may lower the quality of customer service because the business is less responsive to change <b>(1)</b>.</p>	6	<p><b>One</b> mark for a correct identification of a benefit, plus a further <b>one</b> mark for explanation and a further <b>one</b> mark for analysis. <b>One</b> mark for a correct identification of a drawback, plus a further <b>one</b> mark explanation and a further <b>one</b> mark for analysis.</p> <p>In each case, the third marks must be analytical.</p>

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4	<p>Use levels of response criteria.</p> <p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• consultant knowledge of market</li> <li>• consultant insight</li> <li>• consultant contacts</li> <li>• consultant skills and abilities</li> <li>• time saving.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg The consultant's expertise is likely to mean that they have considerable knowledge of the industry <b>(L1)</b> and will be able to compare how this independent bakery operates in comparison with others <b>(L2)</b>. This should give the consultant significant insight into what needs to be changed, improving the quality advice that the bakery receives <b>(L3)</b>.</p> <p>In addition, the consultant's expertise should mean that the problems can be analysed more quickly <b>(L1)</b>, leading to solutions being tabled for discussion more quickly <b>(L2)</b>. This is beneficial to the bakery because the sooner its operational efficiency is improved, the sooner it should start to make higher profits <b>(L3)</b>.</p> <p>The greatest benefit to the bakery is likely to be how quickly the consultant can implement a solution. The sooner the business can create additional profit, the sooner it can afford to make further improvements which may make the bakery more competitive against the national chains <b>(L4)</b>.</p>	8	<p><b>Levels of response.</b></p> <p><b>Level 4 (7-8 marks)</b></p> <p>Candidate evaluates likely benefits to the bakery of the consultant's expertise.</p> <p><b>Level 3 (5-6 marks)</b></p> <p>Candidate analyses benefit(s) to the bakery of the consultant's expertise.</p> <p><b>Level 2 (3-4 marks)</b></p> <p>Candidate explains benefit(s) to the bakery of the consultant's expertise.</p> <p><b>Level 1 (1-2 marks)</b></p> <p>Candidate identifies benefit(s) to a business of a management consultant's expertise.</p>

Q	Answer	Marks	Guidance
5	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• dominant characters</li> <li>• expertise</li> <li>• interests</li> <li>• preferences</li> <li>• balance of power</li> <li>• influence on others.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg My client is a high-end international supermarket chain. Its senior management team comprises seven directors. However two of these directors have dominant personalities <b>(1)</b>. They both have a strong desire to penetrate the American market <b>(1)</b> and use their position to coerce others on the team <b>(1)</b>. Despite there being five other directors in the senior management team, strategic decisions almost always go the way of the two directors with dominant personalities <b>(1)</b>.</p>	4	<p><b>One</b> mark for each correct point of explanation up to a maximum of <b>four</b> such points, but allow development.</p> <p>Answer <b>must</b> be in the context of the learner's chosen client.</p>

Q	Answer	Marks	Guidance
6	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• wastage</li> <li>• recycling</li> <li>• pollution</li> <li>• energy consumption</li> <li>• clean energy</li> <li>• carbon emissions</li> <li>• global warming</li> <li>• air miles</li> <li>• congestion.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg One environmental factor that drives the success of my client's business is the reduction in food miles <b>(1)</b>. Where possible my client sources local produce for its stores <b>(1)</b>. This is not easy to do for an international business, it demands exceptional organisational skills, logistics and supply chain management <b>(1)</b>.</p>	6	<p><b>One</b> mark for a correct identification up to a maximum of <b>two</b> identifications, plus a further <b>one</b> mark for each of <b>two</b> explanations and a further <b>one</b> mark for each of <b>two</b> analyses.</p> <p>In each case, the third marks <b>must</b> be analytical.</p> <p>Answer <b>must</b> be in the context of the learner's chosen client.</p>

Q	Answer	Marks	Guidance
7	<b>Indicative content:</b> <ul style="list-style-type: none"><li>• intra-country cultural differences</li><li>• cross country cultural differences</li><li>• diversity</li><li>• equality</li><li>• integration</li><li>• need for cultural sensitivity</li><li>• need for local market knowledge</li><li>• implications for marketing</li><li>• implications for product/service development.</li></ul>	<b>2</b>	<b>One</b> mark for a correct identification, to a maximum of <b>two</b> identifications.



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8	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• improved decision-making</li> <li>• change of strategic direction</li> <li>• change in pricing policy</li> <li>• market re-positioning</li> <li>• non-price competition</li> <li>• improved reputation</li> <li>• organic growth</li> <li>• inorganic growth e.g. merger or buy-out</li> <li>• increased flexibility</li> <li>• improved marketing.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg My client could improve its position in the market by changing its pricing policy <b>(1)</b>. If it decided to offer a core selection of products price-matched to the big four supermarkets <b>(1)</b> it is likely to encourage more customers to visit the store, improving its market share <b>(1)</b>.</p>	6	<p><b>One</b> mark for a correct identification to a maximum of <b>two</b> identifications, plus up to a further <b>two</b> marks for each of <b>two</b> explanations.</p> <p>Answer <b>must</b> be in the context of the learner's chosen client.</p>

Q	Answer	Marks	Guidance
9	<p>Use levels of response criteria.</p> <p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• expert approach</li> <li>• reflective approach</li> <li>• interventionist approach</li> <li>• facilitative approach</li> <li>• nature of change to be managed</li> <li>• timescales and resources</li> <li>• objectives and intended outcomes.</li> </ul> <p><b>Exemplar response:</b></p> <p>Eg One approach that I could use to help my client manage change is an expert approach (<b>L1</b>). This is a consultant led approach where I prescribe what needs to be done (<b>L2</b>). This is not really appropriate for my client because my client has far more knowledge of the grocery market than I do (<b>L3</b>). Instead I would consider using a facilitative approach (<b>L1</b>). This is a client led approach where I focus on teaching them the methodology of change (<b>L2</b>). This seems more appropriate because my expertise is in change management and my client's expertise is in the grocery industry, combining these strengths should lead to significant benefits for my client (<b>L3</b>).</p> <p>However, on my previous engagement with this client the business tended to prefer a more hands-on approach. Therefore I suggest that it might be best for me to use a reflective approach when helping my client manage change. This approach is towards the facilitative end of the continuum but is likely to please my client better because it offers a more structured and focused approach, especially during the research phase (<b>L4</b>).</p>	8	<p><b>Levels of response.</b></p> <p><b>Level 4 (7-8 marks)</b></p> <p>Candidate evaluates possible approaches that they could use to help their client manage change.</p> <p><b>Level 3 (5-6 marks)</b></p> <p>Candidate analyses possible approaches that they could use to help their client manage change.</p> <p><b>Level 2 (3-4 marks)</b></p> <p>Candidate explains possible approaches that they could use to help their client manage change..</p> <p><b>Level 1 (1-2 marks)</b></p> <p>Candidate identifies possible approaches that a management consultant can use.</p> <p>Answer <b>must</b> be in the context of the learner's chosen client.</p>
			[Total: 50]