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General Certificate of Education (A-level) Applied June 2013

Applied Business

BS12

(Specification 8611/8613/8616/8617/8619)

Unit 12: Managing People (External Test)

Final



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	Assessment Objectives
	The Assessment Objectives represent those qualities which can be demonstrated in students' work and which can be measured for the purposes of assessment.
AO1 Knowledge, skills and understanding	Students demonstrate knowledge and understanding of the specified content and relevant business skills.
AO2 Application of knowledge, skills and understanding	Students apply knowledge and understanding of the specified content and relevant business skills.
AO3 Research and analysis	Students use appropriate methods in order to obtain and select information from a range of sources to analyse business problems.
AO4 Evaluation	Students evaluate evidence to reach reasoned judgements.
Quality of Written Communication	The quality of written communication is assessed in all assessment units where students are required to produce extended written material. Students will be assessed according to their ability to:
	 select and use a form and style of writing appropriate to purpose and complex subject matter
	 organise relevant information clearly and coherently, using specialist vocabulary when appropriate
	• ensure that text is legible, and that spelling, grammar and punctuation are accurate, so that meaning is clear.
	The assessment of the quality of written communication is included in Assessment Objective 4 .

Total for this question: 26 marks

1 (a) Describe **two** benefits to Café Hebe of adopting a flatter organisational structure. (4 marks)

Level	Descriptor	Marks	Assessment Objective
2	Describes how the flatter structure may benefit Café Hebe.	4–3	AO2
1	Demonstrates understanding of the benefits of a flat structure.	2–1	AO1

The flatter structure may deliver benefits by:

- communication from Sally, as MD, to the staff and café managers should be faster
- the café managers should have more control and be able to try new ideas
- feedback from the shop front to management should be more detailed and direct which should help to address real problems experienced in the cafés
- there are less managers to pay.

1 (b)	Analyse why the introduction of the new organisational structure mig	ght make
	the café managers uncertain about their roles and responsibilities.	(8 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses why changing the organisational structure may make the café managers uncertain about their roles and responsibilities.	8–6	AO3
2	Explains how the café managers roles and responsibilities might be changed by changes to the organisational structure.	5–3	AO2
1	Demonstrates understanding of the roles and responsibilities of managers in general.	2–1	AO1

Relevant answers might include the following:

Knowledge and Application:

The impact of the new structure on café managers is that they:

- will not be sure what roles and responsibilities they should take on now that they do not have an area manager to guide them
- will not be used to working directly for an area director or Sally, as MD, and will be unsure what decisions they are allowed to make without asking senior management
- will not be sure how the new management structure will work.

Analysis:

This will have the effect of:

- making them uncertain about how to react until they get used to the new arrangements
- causing them anxiety about their own responsibilities and position as they will not want to upset senior management.

1 (c) Sally believes that the new organisational structure will improve the flow of information within Café Hebe.

To what extent do you agree with Sally? Use **Item A** to justify your answer. (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses how the new structure will affect the flow of information at <i>Café Hebe</i> .	7–6	AO3
2	Describes advantages and/or disadvantages of the new structure for the flow of information.	5–3	AO2
1	Demonstrates understanding of the factors which affect the flow of information in organisations.	2–1	AO1

Relevant answers might include the following:

Knowledge and Application:

The new organisational structure may have a range of impacts on the flow of information:

- it may make the flow of information faster and easier as there are less layers for information and decisions to pass through
- there are less people to explain decisions to and so it may allow more timely communication
- the area directors have very wide spans of control with 21 cafés each to oversee. This
 will make it hard for staff to contact them, and may leave café managers and staff feeling
 abandoned by management.

Analysis:

- the staff will feel uncertain initially about how the changes will work and this may make them reluctant to communicate information if they are unsure of who to talk to
- not all staff will respond in the same way to the changes and their individual response will have an impact on the flow of information as it will affect their willingness to use the new structures to communicate.

See next page for Evaluation.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses students' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the student orders and communicates his/her ideas.

Judgement is being made on whether Sally is correct in thinking that the new organisational structure will improve the flow of information at *Café Hebe*.

Level	Descriptor	Marks	Assessment Objective
E3	Offers judgement with weighted justification. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	7–6	
E2	Offers judgement with supported justification. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	5–3	AO4 and Quality of written communication
E1	Offers limited judgement. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	2–1	

Points for Evaluation:

Sally's chances of success in improving the flow of information will depend on:

- Sally being able to convince staff that she not only wants their ideas but will act on them as well
- staff thinking that it is worth telling the café manager about issues or problems, they will need to believe the managers can take action quickly and effectively
- Sally and the area directors finding ways to make sure all café managers are communicated with regularly, the idea of six monthly meetings is good but six months is a long time to wait if there are problems to address
- the reaction of individual managers and staff, they are not likely to all respond in the same way.

Total for this question: 26 marks

2 (a) Explain why Jake's decision to open later in the evenings was both a tactical decision and a pro-active decision. (4 marks)

Level	Descriptor	Marks	Assessment Objective
2	Explains in context how the decision to open late was tactical and/or pro-active.	4–3	AO2
1	Demonstrates understanding of what is meant by tactical and/or pro-active decisions.	2–1	AO1

Jake's decision will be:

2

- pro-active because they are about trying a new idea which has not been tried before in anticipation of a positive response from the market
- tactical because it involves changing the way that the café is run to deliver a plan to increase sales.

2 (b)	Using Item B, analyse why Jake's actions have motivated the sta	ff working in
	his café.	(8 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses the ways in which Jake's approach to management have motivated the café staff.	8–6	AO3
2	Describes how Jake's actions have motivated the staff.	5–3	AO2
1	Demonstrates understanding of factors affecting staff motivation.	2–1	AO1

Relevant answers might include the following:

Knowledge and Application: The staff:

- have enjoyed the responsibility and the opportunity to try new ideas
- have enjoyed working in the evenings as they received good tips
- will like having been part of a successful trial which the MD, Sally, now wants to extend to other branches of *Café Hebe*
- will have received rewards in terms of pay, responsibility, advancement, self-esteem and self-actualisation, thus fulfilling most of the factors needed to motivate staff.

Analysis:

- Jake has shown faith in his staff and trusted them which is a motivator
- the staff will feel that they have some real control and input into the business and their role will thus be enhanced and it will become more than just a job.

Students can use motivational theory to support their answers.

2 (c) Sally believes that, having empowered the café managers and delivered the training event, all the other café managers will successfully implement late opening.

To what extent do you think that Sally is right? Use **Item B** to justify your answer. (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses how empowerment and/or training may help other managers to extend the trial.	7–5	AO3
2	Describes advantages and/or disadvantages of empowerment and training in relation to extending the trial to other cafés.	4–3	AO2
1	Demonstrates understanding of empowerment and training.	2–1	AO1

Relevant answers might include the following:

Knowledge and Application:

The trial in Birmingham succeeded because:

- Jake and his staff team were committed to the idea
- Jake encouraged the staff to help make it work by empowering them.

Training and empowerment may help the idea to be adopted in other cafés by:

- showing other managers how the trial worked and helping them to understand why it was successful in the trial site
- allowing managers in other cafés the freedom to try a new approach.

Analysis:

- one day of training and empowerment may not be enough on their own to get the managers to adopt the late opening approach and they may need more incentives, a direction to do so, or more support
- empowerment will allow the other managers to understand why it worked in one site, but they may think their site is different.

See next page for Evaluation.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses students' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the student orders and communicates his/her ideas.

Judgement is being made on whether the training events and empowering the café managers will be enough to successfully extend the late opening trial to the other cafés.

Level	Descriptor	Marks	Assessment Objective
E3	Offers judgement with weighted justification. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	7–6	
E2	Offers judgement with supported justification. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	5–3	AO4 and Quality of written communication
E1	Offers limited judgement. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	2–1	

Points for Evaluation:

Whether it is possible to replicate the success of the trial in the other cafés would depend on whether:

- Fred and Katrina do not seem to be very enthusiastic following the training event and without their support it will be hard to make it work successfully
- the other café managers did not believe their staff would like it as much as Jake's did, Katrina did not think her staff would want to open late
- the café managers accepted the training they received and believed they could implement the ideas at their sites
- managers such as Fred and Katrina can be convinced to try it
- other cafés have the same potential market for late night opening. Clearly some of the managers do not believe they have the same potential as their cafés are not in the right place
- the area directors encourage their café managers to make it work
- the staff in the other cafés are told about the benefits, empowered and gain benefits from the late opening.

3

Total for this question: 28 marks

3 (a) Identify and explain **two** management skills that Jas might need to develop to manage RRF successfully. Use **Item C** to support your answer. (6 marks)

Level	Descriptor	Marks	Assessment Objective
3	Explains two management skills that Jas will need to manage <i>RRF</i> .	6–5	AO2
2	Explains one management skill that Jas will need to manage <i>RRF</i> .	4–3	AUZ
1	Demonstrates understanding management skill(s).	2–1	AO1

Relevant answers might include the following:

The skills Jas needs are:

- communication skills so that she communicates effectively with the drivers (which
 appears to be a potential problem) and also to communicate effectively with customers
- interpersonal skills so that the drivers feel comfortable with her as the manager, this may take time as it was a shock to them when she took over and she did not get off to a good start
- she will also need organisational and technical/expertise skills to manage the business, but unless she addresses her communication and interpersonal skills it is unlikely these alone would be sufficient to manage the business successfully.

3 (b) Using **Item C**, analyse why the drivers might be unhappy with Jas's leadership style. (8 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses how Jas's leadership style may demotivate the drivers.	8–7	AO3
2	Describes how Jas's leadership style may make the drivers unhappy.	6–4	AO2
1	Demonstrates understanding of leadership styles.	3–1	AO1

Relevant answers might include the following:

Knowledge and Application:

Jas's leadership style:

- is leaning towards autocratic as she believes she needs to control the routes the drivers use and the breaks they take to manage the business effectively and efficiently
- this would make the drivers unhappy because controlling the drivers very closely, as she intends to do by monitoring them constantly using satellite tracking technology, will mean that they have no freedom to plan their own work
- this is a highly controlling style of leadership which is an autocratic style where all decisions, even minor ones such as which road to take, are controlled by the manager
- her style will affect the drivers' motivation as they are not allowed to make any decisions despite them being experienced.

Analysis:

Her leadership style may:

- reduce the driver's self-esteem
- the drivers will feel that they have no control over their work and this will be a shock as their previous boss allowed them lots of freedom to plan how they worked, even if they accept it in the long term they will be concerned about change and a perceived loss of control in the short term.

3 (c) How might Jas successfully manage the introduction of the new satellite tracking system at RRF? Use **Item C** to justify your answer. (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses how Jas could change her approach to management to introduce the new system.	7–5	AO3
2	Explains why/how Jas may need to change her approach to management.	4–2	AO2
1	Identifies features of managing staff.	1	AO1

Relevant answers might include the following:

Knowledge and Application:

- Jas needs to slow down and consult on her changes so that it does not appear to be a complete revolution in the way the company is managed, particularly in the first few days after she has unexpectedly taken over when the drivers will still be feeling unsettled by Del's departure
- Jas needs to learn how to communicate effectively with the drivers which, given that they have been driving for many years, means listening to their ideas and experience when introducing the satellite tracking system
- Jas must explain clearly how the approach she proposes will produce benefits for the drivers (eg job security, pay and conditions) and not just for the customers and *RRF* so that the drivers feel motivated to adopt them.

Analysis:

- Jas needs to accept that she needs to understand the motivations and concerns of the drivers as she needs their support to implement change
- Jas needs to take into account the realities of driving in the UK by using the drivers to help decide how the satellite tracking system could help them as well as the company perhaps by giving them traffic updates
- the new system could make the drivers more efficient and could be successful for the company and the staff. However, she has failed to communicate this to the drivers and, unless she can do more to convince them of the benefits, this approach is likely to be resented and fail.

See next page for Evaluation.

For **AO4**, you should award marks using the scheme below.

Note that AO4 also assesses students' quality of written communication. When deciding on the AO4 level to be awarded, consider the degree to which the student orders and communicates his/her ideas.

Judgement is being made on how Jas may need to change her approach to successfully introduce the new satellite tracking system at *RRF*.

Level	Descriptor	Marks	Assessment Objective
E3	Offers judgement with weighted justification. Ideas are communicated in a coherent structure with consistent and appropriate use of technical terms. There are few errors in accepted conventions of written communication.	7–6	
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E1	Offers limited judgement. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	2–1	

Points for Evaluation:

- in theory, tracking lorries should help to improve decision-making and thus efficiency but only if staff support the objectives and do not try to buck the system
- unless Jas makes the benefits clear to drivers they are likely to try to stop the new system
- if Jas communicates more, involves the drivers in the decision and makes sure there are benefits for them, she will improve her chances of success with the new satellite tracking system.