AQA

Level 3 Certificate/Extended Certificate

Applied Business

ABS4R

Unit 4 Managing and leading people

Mark scheme

January 2018

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Mark schemes are prepared by the Lead Assessment Writer and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation events which all associates participate in and is the scheme which was used by them in this examination. The standardisation process ensures that the mark scheme covers the students' responses to questions and that every associate understands and applies it in the same correct way. As preparation for standardisation each associate analyses a number of students' scripts. Alternative answers not already covered by the mark scheme are discussed and legislated for. If, after the standardisation process, associates encounter unusual answers which have not been raised they are required to refer these to the Lead Assessment Writer.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of students' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

Further copies of this mark scheme are available from aqa.org.uk

Level of response marking instructions

Level of response mark schemes are broken down into levels, each of which has a descriptor. The descriptor for the level shows the average performance for the level. There are marks in each level.

Before you apply the mark scheme to a student's answer read through the answer and annotate it (as instructed) to show the qualities that are being looked for. You can then apply the mark scheme.

Step 1 Determine a level

Start at the lowest level of the mark scheme and use it as a ladder to see whether the answer meets the descriptor for that level. The descriptor for the level indicates the different qualities that might be seen in the student's answer for that level. If it meets the lowest level then go to the next one and decide if it meets this level, and so on, until you have a match between the level descriptor and the answer. With practice and familiarity you will find that for better answers you will be able to quickly skip through the lower levels of the mark scheme.

When assigning a level you should look at the overall quality of the answer and not look to pick holes in small and specific parts of the answer where the student has not performed quite as well as the rest. If the answer covers different aspects of different levels of the mark scheme you should use a best fit approach for defining the level and then use the variability of the response to help decide the mark within the level, ie if the response is predominantly level 3 with a small amount of level 4 material it would be placed in level 3 but be awarded a mark near the top of the level because of the level 4 content.

Step 2 Determine a mark

Once you have assigned a level you need to decide on the mark. The descriptors on how to allocate marks can help with this. The exemplar materials used during standardisation will help. There will be an answer in the standardising materials which will correspond with each level of the mark scheme. This answer will have been awarded a mark by the Lead Examiner. You can compare the student's answer with the example to determine if it is the same standard, better or worse than the example. You can then use this to allocate a mark for the answer based on the Lead Examiner's mark on the example.

You may well need to read back through the answer as you apply the mark scheme to clarify points and assure yourself that the level and the mark are appropriate.

Indicative content in the mark scheme is provided as a guide for examiners. It is not intended to be exhaustive and you must credit other valid points. Students do not have to cover all of the points mentioned in the Indicative content to reach the highest level of the mark scheme.

An answer which contains nothing of relevance to the question must be awarded no marks.

Question	Guidance	Mark
01	B	**1**

Question	Guidance	Mark
02	D	**1**

| **03** | B | **1** |

| **04** | B | **1** |

| **05** | **Explain one way in which empowering employees might benefit a business suffering from poor communication.** | **3** |

- **1 mark** for relevant understanding of empowerment. Empowerment provides subordinates with the means to exercise control over their working lives.

- **1 mark** for explaining a benefit to a business that might arise from the use of empowerment. This is likely to centre on some aspect of motivational benefits, such as helping to meet employees' esteem needs (status, reputation) or act as a motivator (Herzberg).

- **1 mark** for placing argument in context of a business suffering from poor communication. An obvious line of argument is that giving more control to subordinates may benefit the business if the workforce is clearer about what is should do.

  Accept 'feasible' answers

| **06** | **Explain why planning is an important role for a manager in an expanding business.** | **3** |

- **1 mark** for understanding of the management role of planning – eg setting targets for the future.

- **1 mark** for explaining why this role is important – eg to allow managers to measure performance against targets.

- **1 mark** for putting in the context of an expanding business – eg will need to plan to acquire more resources at the right times.

Question	Guidance	Mark
07	**Explain one reason why the managers of a large business implementing strategic change may encounter resistance.** • Award **1 mark** for relevant understanding of strategic change. Strategic change is large-scale change that affects an entire business over the long-term. • Award **1 mark** for explaining why resistance to change may occur. This could be due to a range of factors including misunderstanding and lack of trust. • Award **1 mark** for a valid reason why such resistance is more likely in a large organisation. Examples may include a greater possibility of differing views of the organisation's performance or objectives emerging. Accept strategic change or resistance to change as knowledge base	**3**

Question	Guidance	Mark

| **08** | **Analyse how the use of force field analysis could help May Lai with her decision-making process.** | **9** |

Level	Descriptor	Marks
3	Uses information to analyse how force field analysis (by comparing drivers and resistors) may help May Lai to make a decision.	9−7
2	Uses the information when describing the possible drivers and/or resistors influencing the decision to be made by May Lai.	6−4
1	Demonstrates generic understanding of force field analysis.	3−1

Knowledge & Understanding (L1)	Application (L2)	Analysis (L3)
• Force Field Analysis recognises that situations are maintained by an equilibrium between forces that drive and resist change. • Forces supporting and resisting change can be listed and given values as part of a decision making process. • Forces driving or opposing change can arise internally or externally.	There are a number of forces that are driving a decision to expand the taxi business including a forecast rise in demand for taxis - 15% growth in the market – many of these passengers will be women. The local council is strongly committed to reducing pollution and all MLT Ltd's taxis are electric. One factor resisting expansion is that the market for taxis in the city is becoming more competitive. Some large firms such as Uber have entered the market and could take sales away from MLT Ltd.	Force field analysis can bring some structure to May Lai's decision-making process. Considering the factors that resist change, her research has only revealed increasing competition. This includes large and powerful rivals such as Uber and she can compare this to the forces driving change. Local people will be more likely to use the electric taxis and MLT Ltd may avoid any legal controls the Council might impose. By comparing the resistors and drivers that exist May Lai can make an informed decision.

N.B. L2 6 - 5 marks for resistors and drivers
        4 marks for resistors or drivers

Question	Guidance	Mark

| 09 | Analyse the factors that may have caused the new team to perform less successfully than Hydra Ltd's established teams. | |

Level	Descriptor	Marks
3	Uses information to analyse why Hydra Ltd's new team may have performed poorly in comparison to its established teams.	9−7
2	Uses the information when describing the possible factors influencing the performance of Hydra Ltd's new **or** its established teams.	6−4
1	Demonstrates generic understanding of factors influencing team performance.	3−1

Knowledge & Understanding (L1)	Application (L2)	Analysis (L3)	
• The correct balance of skills and personalities are important determinants of the performance of teams. • A team's performance depends on the resources that are available to it, for example finance and time. • Having a clear business vision or objective can affect the performance of teams.	The new team was appointed quickly making it less likely that they would work well together. The established teams have been together for many years and complement one another well. The new team was working to a definite timescale of two months. This team may have been unaware of Pauls Hills' vision regarding quality. Existing teams have been with the company for many years and are familiar with the business's vision regarding quality.	The new team was assembled with five recently-recruited employees. The skills and personality types of these new employees may not have been complementary and thus they may not have had the correct balance to operate effectively as a team. This is not the case with the existing teams who (according to Yasir) complement one another well. This enables them to have a balance of skills and personality types and to perform well. Another line of analysis may be that the new team was at a significant disadvantage concerning a clear vision or objective and having sufficient resources to fulfil the vision. They may have been unaware of the vision and this would be at odds with the requirement to complete the project within two months. Putting this type of pressure of a new team – while allowing more experienced teams more resources and clearer objectives – was likely to result in a relatively poor performance by the new team.	9

Question	Guidance	Mark

| **10** | **Analyse the reasons why the company's employees may have mixed views.** | |

Level	Descriptor	Marks
3	Uses information to analyse why Air Alba's policies have effects in meeting different employees' motivational needs.	9−7
2	Uses information to describe the effects of Air Alba's policies on employees' motivational needs.	6−4
1	Demonstrates generic understanding of motivational needs of employees.	3−1

Knowledge & Understanding (L1)	Application (L2)	Analysis (L3)
- Financial factors that can be used to motivate employees include salaries, hourly rates of pay, bonuses, piece-rate pay and profit sharing schemes. - Non-financial factors used by businesses to motivate employees include opportunities for promotion, empowerment, social needs and safe working conditions.	The airline's pilots would be motivated to receive a salary of over £80 000, especially when it is higher than that paid by most other airlines.	Employees may have thought this because it could be argued that the factors used by the company can motivate and demotivate. The airline's pay rates are comparatively high and will most likely have a positive effect on motivation levels. However, this will be offset by working conditions which could demotivate employees. In particular security needs are threatened by the use of temporary contracts and zero hours contracts. Thus employees held mixed views on the impact on motivation of the company's policies.
	Recently appointed cabin crew would be motivated to sell more items during flights as part of their pay is commission. To a lesser extent commission would also motivate longer-serving cabin crew.	Another line of analysis may be that having cabin crew on different types of contracts could be divisive and demotivate employees who are in less secure employment – or those who receive lower rates of commission for selling the same product. As some factors motivate and others demotivate, employees held mixed views of the impact on motivation of the company's policies. 2 roles analysed for 9.
	Recently appointed cabin crew are likely to be demotivated through the use of zero hours contracts. Their working hours and earnings are variable and this creates insecurity.	

Mark: **9**

Question	Guidance	Mark
11	**Considering the information in Item A, evaluate how Karen's use of referent power and her decision to use ADKAR might affect her ability to introduce the new technology successfully.**	**20**

Level	Descriptor	Marks
5	Uses **Item A** to develop a balanced analytical response. Analyses factors affecting the **use** of referent power **and** ADKAR when introducing the new technology to KPW Ltd. Evaluation supported by analysis.	20 – 17
4	Uses **Item A** to develop an analytical response. Analyses factors affecting the **use** of referent power **or** ADKAR when introducing the new technology to KPW Ltd. Judgement supported by analysis.	16 – 13
3	Uses **Item A** to develop a response. Describes possible **use** of referent power **and/or** ADKAR when introducing the new technology to KPW Ltd.	12 – 9
2	Uses **Item A** to support the response. Describes power and/or ADKAR in context.	8 – 5
1	Demonstrates generic understanding of power and/or ADKAR.	4 – 1

EXEMPLAR RESPONSES

Understanding (L1):
- **Referent power.** Referent power arises from a leader's charisma. Employees are more likely to follow orders from a leader who they like and/or admire. Some employees may use them as role models.
- **ADKAR.** ADKAR comprises five stages employees need to pass through to implement change successfully. They are: be Aware of need for change; Desire to participate and support change; Knowledge of how to change; Ability to use skills and behaviours required by the change; Reinforcement provided to sustain change.

Description (L2):
- **Referent power**. Karen has used her referent power to carry through a series of major decisions which have been implemented successfully. One example was moving the location of the company's factory.
- **ADKAR.** Karen plans to use this model to help managers to understand the needs of employees during what she thinks is a major period of change.

N.B. L3 – If both sides 11 – 12 marks

11 cont.

Explanation (L3):
- **Referent power**. Employees are used to Karen using her referent power to carry through major decisions and they will probably support this. Last year she persuaded the employees to move to a new site, even though it was further away.
- **ADKAR.** The use of this model might help Karen to introduce this change. She will not simply be relying on her interpersonal skills, which could be risky in this case. She will be looking to put a structure in place to support employees during this major period of change.

Analysis (L4 & L5):
- **Referent power**. Karen may be able to use her charisma to persuade the employees that this change is a positive move, although the potential loss of 25 jobs will make this more difficult, especially given that employees have been loyal and long serving.
- **Referent power** can be highly effective and it has worked within this company in the past, even when making changes (such as the move of the factory) which may not be in the employees' interests. However, this is a major change which involves the introduction of technology and is an area in which Karen has little expertise – a fact that even a junior employee recognises.
- **ADKAR.** ADKAR has the potential to help to make this a decision that will have a successful outcome as it will affect the tasks carried out by all employees within the business. Using ADKAR will help to persuade employees of the need for change and to gain their support. This will enable employees to identify the knowledge and skills needed and to connect the training that is promised to need for change.
- **AKDAR.** It will also help with the question of ability as the company's employees have very different skills and all may not be suited to the use of technology in production. This might enable Karen to identify those employees who are no longer required and/or to target training more effectively and to identify those employees who are no longer required and/or to target training more effectively.

Judgement (L4):
- **Referent power.** This has been an effective means of Karen gaining support for decisions that could be unpopular. She was able to use her charisma and popularity to persuade employees to work at a factory 20 miles away. However, this was part of a decision associated with growth. This may be more difficult to achieve this time as jobs will be lost and Karen clearly has no expert knowledge (and thus power) in the area of technology. Even a junior employee recognises this.
- **ADKAR.** This could be a useful model and framework in these circumstances as the change affects all employees – probably in different ways – and they will need new skills. The use of ADKAR will also help to overcome Karen's reliance on charisma and persuasion and will support the company's intention to invest in training to support this change. However, Karen's managers were obviously surprised by this decision and do not think it suitable.

| 11 cont. | **Evaluation (L5):**
• A key point here is that the use of ADKAR might help to overcome some of the weaknesses of Karen's previous reliance on referent power to carry through major changes in the workplace. A different approach here is needed because job losses will accompany this change and this is the first time this has occurred. Using ADKAR gives an important and starting role to creating an awareness of the need for change and Karen can use her charisma to drive this message and to generate a desire for change. This will be vital if the change is successful in strengthening the company's position in the market.
• The use of referent power is sensible. KPW's workforce is used to her approach and has supported it in the past, though she needs to make sure that she is carrying her managers with her – there seems some doubt on the use of ADKAR – and managers will play a vital role in implementing the ADKAR model. There may need to be some negotiation over the three-month timescale as this is very short for such a major change and the more complex method of introducing it.
• Although the company has a culture which is based on power – with Karen taking most decisions – this does not preclude the use of ADKAR as some managers appear to believe. It is an approach to gaining their support, focussing training in the right places (which will be important for KPW Ltd). It would also assess employees' abilities to take on new, and very different, roles as well as reinforcing the message. | |

Assessment outcomes coverage

Assessment outcome	Marks available in Section A	Marks available in Section B	Total mark
AO1	12 marks (20%)	0 marks (0%)	12
AO2	18 marks (30%)	0 marks (0%)	18
AO3	9 marks (15%)	9 marks (15%)	18
AO4	1 mark (2%)	11 marks (18%)	12
Total	**40 marks**	**20 marks**	**60**

Question	AO1	AO2	AO3	AO4
1	1			
2	1			
3	1			
4			1	
5			3	
6			3	
7				3
8	9			
9		9		
10		9		
11			11	9
Totals	**12**	**18**	**18**	**12**

Assessment objectives coverage

Question	Knowledge & understanding	Application	Analysis & evaluation	Total
1		1		1
2	1			1
3	1			1
4			1	1
5	1	2		3
6	1	2		3
7	1	2		3
8	3	3	3	9
9	3	3	3	9
10	3	3	3	9
11	4	4	12	20
Totals	**18**	**20**	**22**	**60**