



General Certificate of Education

Applied Business 8616/8619

BS12 Managing People

Mark Scheme

2009 examination - January series

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' 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.

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	Assessment Objectives
	The Assessment Objectives represent those qualities which can be demonstrated in candidates' work and which can be measured for the purposes of assessment.
AO1 Knowledge, skills and understanding	Candidates demonstrate knowledge and understanding of the specified content and relevant business skills.
AO2 Application of knowledge, skills and understanding	Candidates apply knowledge and understanding of the specified content and relevant business skills.
AO3 Research and analysis	Candidates use appropriate methods in order to obtain and select information from a range of sources to analyse business problems.
AO4 Evaluation	Candidates evaluate evidence to reach reasoned judgements
Quality of Written Communication	<p>The quality of written communication is assessed in all assessment units where candidates are required to produce extended written material. Candidates will be assessed according to their ability to:</p> <ul style="list-style-type: none"> • 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. <p>The assessment of the quality of written communication is included in Assessment Objective 4.</p>

1**Total for this question: 22 marks**

<i>(a) (i) Explain what is meant by the term 'flat organisational structure'.</i>	<i>(2 marks)</i>
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Relevant answers might include the following:

- a flat organisational structure is one without lots of layers of management
- it has a few managers with wide spans of control and most staff on the same level.

1 mark for identification and 1 mark for explanation.

<i>(a) (ii) Using Item A, explain how a flat organisational structure assists communications within FF Ltd.</i>	<i>(4 marks)</i>
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Level	Descriptor	Marks	Assessment Objective
2	Explains how the flat organisational structure affects communications within <i>FF Ltd.</i>	3–4	AO2
1	Describes advantage(s) of a flat organisational structure to communications.	1–2	AO1

A flat organisational structure:

- has fast communications between staff and managers allowing decisions and feedback to be actioned quickly
- means messages are transmitted clearly as there is no chance of misunderstanding due to several stages in the chain.

(b) Using **Item A**, explain how feedback from the staff helps Jane and Shona to manage the business more effectively. (6 marks)

Level	Descriptor	Marks	Assessment Objective
3	Uses Item A when explaining the benefit(s) to Jane and Shona of gaining feedback on performance.	5–6	AO3
2	Uses Item A when describing why staff feedback would be useful.	3–4	AO2
1	Describes a general benefit(s) of employee feedback.	1–2	AO1

Relevant answers might include the following:

- the staff are involved in the day-to-day operation of the business and thus have first hand understanding of the performance
- the business would gain new ideas from staff and this would help to improve performance
- involvement in providing feedback would make the staff feel valued and secure which reduces staff turnover
- they would also have their self-esteem needs met.

(c) Using **Item A**, analyse the factors which motivate the staff at FF Ltd. Use motivational theory to support your analysis. (10 marks)

Level	Descriptor	Marks	Assessment Objective
3	Uses motivational theory and Item A when analysing factors motivating staff at FF Ltd.	7–10	AO3
2	Uses Item A when explaining why staff are motivated at FF Ltd.	3–6	AO2
1	Describes factor(s) which motivate employees in general.	1–2	AO1

Relevant answers might include the following:

- the staff are well treated which makes them feel valued
- their ideas are listened to
- the staff get training
- the managers listen to problems and support staff
- use of appropriate motivational theory to support answers.

2

Total for this question: 24 marks

(a) Explain the type of decision which Bricks n Mortar plc is making in deciding to relocate the staff at FF Ltd. (3 marks)

Level	Descriptor	Marks	Assessment Objective
2	Explains, in context, the type of decision involved.	2–3	AO2
1	Identifies the type of decision involved.	1	AO1

Relevant answers might include the following:

- the change is major and not one that is made every day
- relocating 45 staff would also involve significant one-off costs and changes to how the business is run
- it is, therefore, a long-term, non-routine and strategic, pro-active decision for them as it will not be easy to go back on it and it will have major implications for the future.

(b) Using **Item B**, analyse the type of power which the FF Ltd managers can use in negotiations with Bricks n Mortar plc. (7 marks)

Level	Descriptor	Marks	Assessment Objective
3	Uses Item B to analyse factors influencing the type of power that could be used.	5–7	AO3
2	Uses Item B to explain how the type of power could be used.	3–4	AO2
1	Describes a valid type of power.	1–2	AO1

Relevant answers might include the following:

- the staff at FF Ltd have expert power as they know how to run the business and will think that this makes them valuable to the company
- their experience in the business will make it hard to replace them if they decide to leave
- customers may also transfer allegiance if the staff decide to set up a new business as they will like dealing with people they know and trust
- the staff's power is therefore based on their importance and experience in being able to make a success of the business in the future.

(c) *Bricks and Mortar plc uses an autocratic leadership style. Discuss the likelihood of success of using this leadership style to manage the FF Ltd staff.* (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses the appropriateness of the leadership style to manage <i>FF Ltd</i> staff.	5–7	AO3
2	Explains how <i>FF Ltd</i> staff might react to the leadership style adopted.	3–4	AO2
1	Describes a feature(s) of the leadership style.	1–2	AO1

Relevant answers might include the following:

- the autocratic style will cause problems because it is such a large change from the previous owners
- the leadership style is very directive and has set the staff an ultimatum
- the staff will feel very demotivated by the change in style as it will be seen as negative for them
- they will feel as though their empowerment, self-esteem and decision making have all been removed
- they will also feel that their basic needs are not being met or their safety needs as they will feel threatened, uncertain about the move and concerned at the impact that it may have on them and their families.

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

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

Level	Descriptor	Marks	Assessment Objective
E3	Evaluates the likelihood of success of using this leadership style to manage the <i>FF Ltd</i> staff. 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.	6–7	AO4 and Quality of written communication
E2	Judges, with some justification, the likelihood of success of using this leadership style to manage the <i>FF Ltd</i> staff. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges, using limited evidence, the likelihood of success of using this leadership style to manage the <i>FF Ltd</i> staff. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	

3**Total for this question: 34 marks**

(a) Using Item C , describe one management role which Jill would need to fulfil to manage the operation of SFM. (6 marks)
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Level	Descriptor	Marks	Assessment Objective
2	Describes a management role Jill would need to manage SFM.	3–6	AO2
1	Describes a relevant management role.	1–2	AO1

Relevant answers might include the following:

- identifies a management role: forecasting, co-ordinating/controlling, monitoring and evaluation and reporting
- explains how this role relates to Jill's managing the co-operative: Jill needs to plan the overall business, eg machinery sharing
 - co-ordination of the different businesses (organising)
 - monitoring, eg cost reduction etc.

(b) *If SFM were to be formed, discuss the most important management skills that Jill would need when encouraging the members of the co-operative to work together effectively. (14 marks)*

Level	Descriptor	Marks	Assessment Objective
3	Analyses how the management skills could assist Jill in encouraging the members of the co-operative to work together.	6–7	AO3
2	Explains how the management skill(s) would help Jill manage SFM.	3–5	AO2
1	Describes a relevant management skill(s).	1–2	AO1

Relevant answers might include the following:

Jill would need management skills in:

- technical management, eg which machines to use for which job, machinery selection and maintenance
- communication skills to enable her to liaise with all the farmers and suppliers
- organisational skills to plan how to use the shared machines effectively
- interpersonal skills to manage the relationships in the group especially at times of stress.

Jill would need to demonstrate that she can:

- address both day-to-day and longer term issues by using her skills to keep all the functions of SFM operating and all the members of the co-operative happy.

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

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

Level	Descriptor	Marks	Assessment Objective
E3	Evaluates how the management skill(s) would help Jill to encourage members of the co-operative to work together effectively. 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.	6–7	AO4 and Quality of written communication
E2	Judges, with justification, how the management skill(s) would help Jill to encourage members of the co-operative to work together effectively. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges, using limited evidence, how Jill might encourage members of the co-operative to work together effectively. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	

(c) To what extent would Critical Path Analysis (CPA) be an appropriate decision-making technique for Jill to use when managing the operation of SFM? (14 marks)

Level	Descriptor	Marks	Assessment Objective
3	Analyses the ability of CPA to assist in the management of SFM.	6–7	AO3
2	Explains how CPA relates to the management of SFM.	3–5	AO2
1	Identifies some features of CPA.	1–2	AO1

CPA:

- breaks complex projects into a series of linked manageable tasks
- it helps to manage time, cost and quality
- it allows re-planning and deadlines to be set for each task.

It may be suitable because:

- SFM will have many jobs (tasks) which need to be completed using the same resources
- CPA would allow the interdependencies between tasks to be managed.

It may not be suitable because:

- weather, breakdowns and unforeseen events may make the estimates incorrect
- it is complex to use and would make SFM very dependent on CPA and Jill's expertise.

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

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

Level	Descriptor	Marks	Assessment Objective
E3	Evaluates the appropriateness of CPA in managing the operation of SFM. 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.	6–7	AO4 and Quality of written communication
E2	Judges, with justification, the appropriateness of CPA in managing the operation of SFM. Ideas are communicated using a logical structure, with some appropriate technical terms. There are occasional errors in accepted conventions of written communication.	3–5	
E1	Judges, using limited evidence, the appropriateness of CPA. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	1–2	