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# Level 3 Certificate/Extended Certificate

## **APPLIED BUSINESS**

### **ABS4**

Unit 4 Managing and Leading People

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**Mark scheme**

January 2020

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Version: 1.0 Final

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 Examiner.

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](http://aqa.org.uk)

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## 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.

## SECTION A

The following list indicates the correct answers to be used in marking learners' responses to the multiple choice questions.

### KEY LIST

<b>01</b>	C – Preparing annual accounts	<b>[1 mark]</b>
<b>02</b>	B – A focus on people	<b>[1 mark]</b>
<b>03</b>	C – Statement 1 is true, statement 2 is false	<b>[1 mark]</b>
<b>04</b>	D – Statement 1 is false, statement 2 is true	<b>[1 mark]</b>

**0 5** Explain one reason why the company might use force field analysis to help to make this decision.

**[3 marks]**

**1 mark** for understanding of force field analysis (this may be implicit).

**1 mark** for stating a valid reason for using force field analysis to help to make a decision.

**1 mark** for putting the answer in the context of replacing a large number of employees with technology.

**0 6** Explain one reason why the management role of organising will be important when opening the new stores.

**[3 marks]**

**1 mark** for understanding of the management role of organising (this may be implicit).

**1 mark** for stating a reason for this role being important.

**1 mark** for putting the answer in the context of a supermarket opening new stores.

**0 7** Explain one reason why its managers may experience difficulty in responding to this external change.

**[3 marks]**

**1 mark** for understanding of external change (this may be implicit), accept an example.

**1 mark** for explaining why managers may find difficulty in responding to this change.

**1 mark** for putting the answer in the context of unexpected change.

- 0 8** Using the information above, analyse how Wasim’s decision to introduce a flat organisational structure to Mirpur Ltd might affect where decisions are made within the organisation.

[9 marks]

Level	Descriptor	Marks
3	Uses information to analyse the effects of introducing a flat organisational structure to Mirpur Ltd on where decisions are made.	9–7
2	Uses the information when describing the effect of introducing a flat organisational structure.	6–4
1	Demonstrates generic understanding of flat organisational structures and decision making.	3–1

Possible responses include:

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>A flat organisational structure:</p> <ul style="list-style-type: none"> <li>has fewer levels of hierarchy</li> <li>but works with wider spans of control.</li> </ul> <p>Business decisions can be taken:</p> <ul style="list-style-type: none"> <li>At all levels in the organisation.</li> <li>Strategic decisions are more likely to be taken by senior employees while junior employees may take day-to-day decisions.</li> </ul>	<p>Directors, such as Asif, will be busier as they will take over some tasks previously carried out by middle managers. The large increase in their span of control will increase their workload.</p> <p>Team leaders will enjoy an enhanced role as they pick up some of the middle managers’ duties.</p> <p>Liam’s role will also be enhanced. This will reduce his frustration and make his job more challenging and should motivate him more than in the past.</p> <p>Employees have not been given training for the new enhanced roles which may create problems.</p>	<p>Decision-making will shift down Mirpur Ltd’s organisational structure as a result of Wasim’s decision to introduce a flatter structure. Directors, such as Asif, will be too busy to take many of the more routine decisions that were previously taken by middle managers, but will continue to take the major long-term ones.</p> <p><b>Alternative approach:</b> This move will result in more decisions being taken lower down the organisational structure. For example, many routine decision-making powers will shift to the newly-appointed team leaders. In turn the team leaders will need the support of their members to make all decisions they need to take.</p>

L1 - 1 mark per bullet point.

L2 - 4-5 for describing the effect on one role (e.g. team leader. 6 marks for two roles.

**0 9** Using the information above, analyse the problems of using empowerment to improve the motivation of DC Ltd’s outlet-based employees.

**[9 marks]**

Level	Descriptor	Marks
3	Uses the information to analyse the problems of using empowerment to improve motivation of DC Ltd’s outlet-based employees.	9–7
2	Uses the information to describe the problems of using empowerment <b>or</b> factors that motivate employees at DC Ltd.	6–4
1	Demonstrates relevant generic understanding of empowerment/problems of empowerment/motivation.	3–1

**Possible responses include:**

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>Empowerment is giving employees greater control over their working lives, for example allowing them to take decisions – or more decisions – without reference to their line managers.</p> <p>Problems of empowerment might include:</p> <ul style="list-style-type: none"> <li>• reluctance of managers to give up control</li> <li>• unwillingness of employees to accept responsibility</li> <li>• difficulties in devolving power to junior employees.</li> </ul> <p>Motivation describes the range of factors that persuade people to behave in particular ways.</p>	<p>Many of the outlet-based employees at DC Ltd just work there for the money and because they can work the hours that suit them – just like Alastair who fits the work around being a student.</p> <p>Most of the managers at DC Ltd have been with the company a long time and have a lot of knowledge of the pizza business. Managers in this business may find it difficult to surrender control to subordinates.</p> <p>Outlet based employees are being given empowerment without training so may feel de-motivated.</p>	<p>Clive’s idea of empowering outlet-based employees is unlikely to motivate any employees at DC Ltd. The outlet-based employees are motivated by monetary factors and flexible hours. The introduction of empowerment will not affect these factors and so will be unlikely to improve the motivation of workers such as Alastair.</p>

L1 - 1 mark for understanding of empowerment/problems of empowerment/motivation

L2 - 4-5 marks for describing empowerment/motivation. 6 marks for both.

**1 0** Using the information above, analyse how the availability of required resources may have affected the performance of Team E at ASA Ltd between 2017 and 2019.

**[9 marks]**

Level	Descriptor	Marks
3	Uses the information to analyse the reasons why team performance changed between 2017 and 2019 by bringing together causes <b>and</b> effects.	9–7
2	Uses the information when describing the change in team performance – considering causes <b>and/or</b> effects, but not linking them.	6–4
1	Demonstrates relevant generic understanding of factors affecting team performance.	3–1

**Possible responses include:**

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>The performance of a team can depend on a range of factors including the following:</p> <ul style="list-style-type: none"> <li>• business vision</li> <li>• organisational culture</li> <li>• employee skills</li> <li>• personality types</li> <li>• team member goals</li> </ul> <p>as well as the availability of required resources.</p>	<p>The company has not replaced its production line equipment and some of this is out-of-date which will have posed problems for employees especially when it is not working.</p> <p>The teams will have been short of employees at times as it has taken a long time to replace those who have left ASA Ltd.</p> <p>At times the teams will not have had the components they need to manufacture the equipment for customers.</p> <p>Team E's performance has declined between 2017 and 2019. In 2017 there was only one complaint from customers about its products but by 2019 this had increased to 13 showing customers were very unhappy. At the same time the number of units of equipment has fallen from 400 during 2017 to 320 in 2019 – this is a big reduction.</p>	<p>The performance of the team has declined significantly between 2017 and 2019 as is shown by the sharp fall in Team E's output from 400 units to 320 units – about 20% down. This change can be explained by the delays in components arriving from suppliers and a shortage of staff. If Team E does not have components, or is short of employees to produce the blood monitoring equipment it is likely to slow production. These resources are essential to smooth and high levels of production.</p> <p><b>Alternative approach:</b> In 2017 there was only a single complaint from Team E's customers about its products. By 2019 this had risen to 13 complaints about delays and poor quality. This very significant increase can be explained by a shortage of resources (labour and components) which would make it very difficult for the team to produce the blood</p>

		monitoring equipment on time. This time pressure may also explain why there are more faults as Team E's members have rushed to complete orders without too lengthy delays.
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L1 - 1 mark per bullet point.  
L2 - 4-5 for description of causes or effects. 6 marks for description of both.



- 1 1** Considering the information in Item A, evaluate whether the use of ADKAR or the use of legitimate power will be more effective in enabling Anya to implement this organisational change.

[20 marks]

Level	Descriptor	Marks
5	Uses <b>Item A</b> to develop a <b>balanced</b> analytical response. Analyses factors that will influence the effectiveness of using ADKAR and legitimate power in these circumstances.  Evaluation of which of the two factors will be the most effective for Stay Ltd with decision supported.	20–17
4	Uses <b>Item A</b> to develop an analytical response. Develops argument that links the effectiveness of the use of ADKAR or legitimate power to the implementation of this organisational change.  Judgement of the effectiveness of the single technique is supported by analysis.	16–13
3	Uses <b>Item A</b> to develop an explanatory response. Explains the advantages <b>and/or</b> disadvantages of using ADKAR <b>and/or</b> legitimate power in these circumstances.	12–9
2	Uses <b>Item A</b> to support the response. Describes ADKAR <b>and/or</b> legitimate power in context.	8–5
1	Demonstrates generic understanding of relevant subject matter such as ADKAR <b>and/or</b> power.	4–1

**Possible responses include:**

**Knowledge (L1):**

- Students would simply demonstrate knowledge and understanding of relevant topics from the specification - ADKAR, legitimate power (reward and coercive aspects) and implementing organisational change.
- The students would **not** make use of any aspect of the case study to develop their responses.

**Knowledge in Context (L2):**

- Students would select relevant elements from the case and describe what is happening in relation to the use of ADKAR or legitimate power. This is most likely to be historical in that it will address what has already happened.
- Students reaching the top of this level would describe **both** ADKAR and legitimate power.

**Explanation (L3):**

- Students would explain the advantages and disadvantages of the use of legitimate power or ADKAR in the context of this case study.

- The higher marks (11–12) in this level can be reached by explaining the advantages and disadvantages of one of these approaches or the advantages of one & the disadvantages of another.

**Analysis and Evaluation (L4):**

- Students will link their explanations on the advantages and disadvantages of ADKAR **or** legitimate power to its importance in the implementation of this organisational change.
- Analysis will involve looking forward to consider the effects of these techniques on the implementation of the proposed plan.
- Judgement at this level will be supported and based on the importance of ADKAR **or** legitimate power in implementing the proposed organisational change. The final mark at this level is reserved for this supported judgement. However, it will be a one-sided judgement in that both techniques are not analysed.

**Analysis and Evaluation (L5):**

- Here students will have to offer analysis of the importance of ADKAR **and** legitimate power in implementing the organisational change that Anya has proposed.
- Judgement at this level involves comparing the two factors in terms of importance – based on foregoing analysis – and reaching a supported decision.
- The top two marks at this level are reserved for this balanced judgement.

## ASSESSMENT GRIDS

### COVERAGE OF ASSESSMENT OUTCOMES

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			9	11
<b>Totals</b>	<b>12</b>	<b>18</b>	<b>18</b>	<b>12</b>

### 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	3	5	12	20
<b>Totals</b>	<b>18</b>	<b>20</b>	<b>22</b>	<b>60</b>