



Level 3 Certificate/Extended Certificate

APPLIED BUSINESS

ABS4

Unit 4 Managing and Leading People

Mark scheme

June 2023

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

Copyright information

AQA retains the copyright on all its publications. However, registered schools/colleges for AQA are permitted to copy material from this booklet for their own internal use, with the following important exception: AQA cannot give permission to schools/colleges to photocopy any material that is acknowledged to a third party even for internal use within the centre.

Copyright © 2023 AQA and its licensors. All rights reserved.

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

01	C – Delegation	[1 mark]
02	D – Narrow spans of control	[1 mark]
03	A – Both statements are true	[1 mark]
04	B – Both statements are false	[1 mark]

0 5 Explain one reason why decentralisation might improve the performance of its employees.

[3 marks]

1 mark for understanding of decentralisation. Understanding may be implicit.
eg a business allows decisions to be made by managers and subordinates further down the hierarchy.

1 mark for explaining why decentralisation might improve the performance of the business's employees.
eg employees will be able to take a greater role in decision making.

1 mark for putting the answer in the context of a business with a skilled workforce.
eg a skilled workforce will have the qualifications and knowledge to have the ability to make decisions.

0 6 Explain one reason why this new leader might make use of the Johnson and Scholes cultural web.

[3 marks]

1 mark for understanding of the Johnson and Scholes cultural web/culture. (This understanding may be implicit and shown, for example, by identifying an element of the cultural web).
eg the cultural web is a tool used to understand organisational culture **OR** Rituals and routines are one element of the cultural web.

1 mark for one reason why this technique might be used.
eg the cultural web can help managers to analyse culture and to highlight specific practices and beliefs.

1 mark for putting the answer in the context of a new leader (who had previously worked elsewhere) at a business.
eg the new leader will be able to decide what if any cultural changes need to be made.

Only award marks 2 and 3 if the candidate has achieved the first mark.

0 7

Explain one reason why this effective organisational culture might influence the performance of the company's employees.

[3 marks]

1 mark for understanding of organisational culture. Understanding may be implicit.

eg

- 'ideas, attitudes and beliefs'
- 'way we do things round here'
- 'way the business is run'

1 mark for explaining how organisational culture might influence the performance of the company's employees.

eg employees are motivated to perform to a higher standard.

1 mark for putting the answer in the context of an effective organisational culture.

eg employees share the same ethics and values.

0 8 Use force field analysis and the information above to analyse why AES plc decided not to use organic ingredients in manufacturing its ready meals.

[9 marks]

Level	Descriptor	Marks
3	Uses information and force field analysis to analyse the reasons why AES plc decided not to use organic ingredients in its ready meals.	9–7
2	Uses information and force field analysis when describing AES plc's decision not to use organic ingredients in its ready meals. [6 marks only available for description including driving and/or resisting force(s)].	6–4
1	Demonstrates generic understanding of the use of force field analysis.	3–1

Possible responses include:

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>Force Field Analysis as a decision-making tool.</p> <p>Force Field Analysis compares the forces for change (driving forces) with those against change (resisting forces).</p> <p>Forces for and against change can be given values (often between 0 and 5) to assess their importance.</p> <p>If the two sets of forces are in equilibrium, then there is no impetus for change.</p> <p>External forces can include economic, social, and ethical, technological, legal and political.</p>	<p>One resisting force is that organic ingredient costs are forecast to be 25% higher than non-organic ingredients and shoppers at supermarkets want low prices as incomes are rising only slowly.</p> <p>Another resisting force is that governments of many countries have been unable to agree common rules on what makes a product organic, and this is expected to lead to uncertainty over future organic supplies.</p> <p>A driving force is that demand for organic products is rising much more quickly than for non-organic products as consumers are taking more ethical decisions.</p>	<p>Force field analysis considers the driving and resisting forces affecting a decision. If the resisting forces are stronger than the driving forces, this is why the directors decided not to use organic ingredients. In this case the resisting forces were more significant as there were two factors to the one driving force, and this is why the board of directors decided not to use organic ingredients.</p>

0 9 Using the information above, analyse how the decision by the managers at Chiedozie Ltd to move to a matrix organisational structure might affect communication within the company.

[9 marks]

Level	Descriptor	Marks
3	Uses the information to analyse how the move to a matrix structure might have altered communication within the business.	9–7
2	Uses the information to describe communication within a hierarchical organisation structure or a matrix structure. [4 marks only for a basic description].	6–4
1	Demonstrates generic understanding of matrix and hierarchical structures and/or communication. [1 mark for each of matrix structures, hierarchical structures, and communication].	3–1

Possible responses include:

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>Hierarchical structures Hierarchical structures are relatively centralised and often 'tall' with narrow spans of control. It gives all employees clearly defined roles.</p> <p>Matrix organisational structure A matrix organisational structure exists when a business is decentralised with teams of multi-skilled employees created to carry out specific tasks.</p>	<p>The hierarchical organisational structure at Chiedozie Ltd makes communication and decision making difficult because messages have to pass through nine levels of hierarchy.</p> <p>A matrix structure will allow people from all levels to get together to work in teams in designing IT systems for specific customers, so employees understand each other and exchange opinions and ideas.</p>	<p>The move to a matrix structure will improve the direction and quality of communication.</p> <ul style="list-style-type: none"> The move to a matrix structure will result in a flatter organisation with fewer levels of hierarchy for communication to pass through. Communication will become upward and horizontal as well as downward eg allowing IT experts such as Pat to have more direct contact with all parts of the business. This means messages are less likely to be distorted or lost, which may have become worse as the company has grown. The use of teams to complete tasks will encourage employees to speak with one another eg allowing more junior employees such as Kasey

		<p>the opportunity to communicate with those at different levels in the business. Overall, this change should result in more and better-quality communication throughout the organisation.</p> <p>Alternative approach: This change could lead to employees fulfilling very different roles within the organisation. For example, Kasey might be working with teams of people and on tasks with which he is not familiar. This could lead to some uncertainty about who to communicate with, especially if there is insufficient training. This could reduce the quality of communication within the company.</p>
--	--	--

1 0 Using the information above, analyse the implications of Ramon’s use of power on his ability to lead his team.

[9 marks]

Level	Descriptor	Marks
3	Uses the information to analyse the implication of Ramon's use of power on his ability to lead his team.	9–7
2	Uses the information to describe Ramon’s use of power and/or his ability to lead his team. [4 marks only for a basic description. Must include use of power for 6 marks].	6–4
1	Demonstrates generic understanding of power and/or leadership. [Award max 2 marks if power or leadership discussed].	3–1

Possible responses include:

Knowledge and Understanding (L1)	Application (L2)	Analysis (L3)
<p>Reward power Reward power is based on a leader’s ability to give subordinates rewards such as improved pay or promotion.</p>	Ramon makes extensive use of reward power by praising his staff and ensuring recognition in the College’s monthly newsletter.	<p>Ramon’s use of power has an entirely positive effect on his ability to lead his team.</p> <ul style="list-style-type: none"> • He relies upon the use of more positive forms of power such as reward and referent power eg given that his team members are skilled, experienced, and highly qualified, his subordinates are much more likely to respond positively to the use of these types of power. • Unlike many other team leaders in the college, he avoids the use of coercive power which has many drawbacks, eg it tends to reduce communication between staff. By not using coercive power Ramon’s leadership is highly effective as shown by the performance of his team.
<p>Referent power Referent power derives from a leader’s personality. Charismatic people can become good leaders as subordinates like and admire them.</p>	By using referent power Ramon is liked and admired by his team of lecturers and they respond well to his work requests.	
<p>Expert power A leader can gain expert power from having specialist knowledge and skills and being regarded as an ‘expert’.</p>	Ramon is respected for his knowledge of the subjects taught by his team and of educational theory. This gives him expert power.	
<p>Coercive power Coercive power is the use of criticism and threats of sanctions to create power.</p>	Ramon does not use coercive power such as threatening not to renew temporary contracts or criticising people.	

SECTION B

- 1 1** Considering the information in Item A, evaluate the extent to which Jan’s use of empowerment will enable her to overcome all the factors resisting the organisational change she has planned.

[20 marks]

Level	Descriptor	Marks
5	Uses Item A to analyse the arguments of Jan’s use of empowerment. Evaluate the extent to which this will overcome all factors resisting organisational change.	20–17
4	Uses Item A to develop an analytical response. Analyses how empowerment might affect Jan’s ability to overcome resisting factors. Judgement of the effectiveness of the single technique is supported by analysis.	16–13
3	Uses Item A to develop an explanatory response. Explains benefits of empowerment and/or implications of factors resisting organisational change on the business.	12–9
2	Uses Item A to support the response. Describes the possible use of empowerment and/or the possible effects of factors resisting organisational change in context.	8–5
1	Demonstrates generic understanding of relevant subject matter such as empowerment and/or factors resisting organisational change.	4–1

Characteristics of different levels of answers:

Level 1:

- At this level students would simply demonstrate knowledge and understanding of relevant topics from the specification – empowerment and factors resisting organisational change.
- The students would not make use of any aspect of the case study to develop their responses.
- Award a max of 2 marks if only understanding of empowerment or factors resisting change.

Level 2:

- Students reaching this level would select relevant elements from the case and describe what is happening in relation to the use of empowerment or factors resisting organisational change. This is most likely to be historical in that it will address what has already happened.
- Students reaching the top 2 marks of this level would describe **both** empowerment and factors resisting organisational change.

Level 3:

- At Level 3 students would explain the benefits of the use of empowerment in the context of this case study. This would not be linked to the factors resisting change.
- Also at Level 3, the student could explain the implications of factors resisting change for TH Ltd and the effects they might have on the business.
- The higher marks (11–12) in this level can be reached by explaining the benefits of the use of empowerment **and** the implications of factors resisting change for the company.

Level 4:

- At this level analysis will be seen when students bring together the effects of empowerment and link them to the factors that will resist change set out in the case study. They can be expected to argue that empowerment will – or will not – overcome the particular resisting factor that they are discussing.
- Judgement here will be of the empowerment will work/empowerment will not work variety.

Level 5:

- Here the candidate will address the question fully and will make and support a judgement on the extent to which the use of empowerment will overcome the factors resisting change in these circumstances.
- A student might be awarded 17–18 for an unbalanced response. Empowerment will overcome most resisting factors because...
- We will reserve 19–20 for a more balanced evaluation which considers factors that will and will not be overcome and makes some evaluation on the extent to which it will work as a consequence.

Level 1	Level 2	Level 3	Level 4
<p>Knowledge</p>	<p>Knowledge in context As Level 1 but describes empowerment and/or the factors resisting organisational change in context:</p>	<p>Explanation As L2 but explains the benefits of empowerment and/or implications of factors resisting organisational change on the business:</p>	<p>Analysis As L3 but provides analysis how empowerment might affect Jan's ability to overcome resisting factors:</p>
<p>Empowerment</p> <ul style="list-style-type: none"> Empowerment means giving employees greater control over their working lives. Grants employees increased authority to organise their own work and to make decisions without reference to managers. 	<ul style="list-style-type: none"> Employees will be consulted and involved in how to implement organisational change eg how to make jobs more interesting and production efficiency. 	<ul style="list-style-type: none"> TH plc's employees have complained about their suggestions being ignored. Empowerment will allow employees to feel like they are being listened to eg how to improve production efficiency, and so will help to improve motivation. 	<ul style="list-style-type: none"> Empowerment together with the training offered may help reduce the levels of low motivation by giving employees more control over the changes that are going to be implemented. They can make decisions on production that will affect their future and they may feel that empowerment might lead to outcomes being better than they have been in the past, making this change different from what they've been promised in the past. In turn, this may make the employees more accepting of the organisational change that is currently proposed.
<p>Factors resisting organisational change.</p> <ul style="list-style-type: none"> Organisational change is a process in which a business changes its strategies or working methods with the aim of improving the business' performance. Employees may resist such change for a variety of reasons including their own self-interest or because of a lack of trust of management. 	<ul style="list-style-type: none"> Employees don't trust Jan to implement organisational change such as promised pay rises. 	<ul style="list-style-type: none"> TH plc's employees such as Mousa have little trust in the managers and they are expected to resist the change because they think that they will not benefit from it, eg previous pay rise promises and proposed changes have not happened and made them worse off. 	<ul style="list-style-type: none"> Empowerment of the workforce may help to build trust amongst the employees as it is meeting some of the criticisms of previous senior managers. However, as significant pay rises won't be implemented until 2026 and then only if production targets are met, so if employees won't believe promised improvements will happen then they are still going to resist organisational change.

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		1	9	10
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	3	5	12	20
Totals	18	20	22	60