

L3 Lead Examiner Report 2001

January 2020

L3 Qualification in Business/Enterprise and Entrepreneurship

31588H – Unit 6/12: Principles of Management

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June 2019

Publications Code 31588H_2001_ER

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What is a grade boundary?

A grade boundary is where we set the level of achievement required to obtain a certain grade for the externally assessed unit. We set grade boundaries for each grade, at Distinction, Merit and Pass.

Setting grade boundaries

When we set grade boundaries, we look at the performance of every learner who took the external assessment. When we can see the full picture of performance, our experts are then able to decide where best to place the grade boundaries – this means that they decide what the lowest possible mark is for a particular grade.

When our experts set the grade boundaries, they make sure that learners receive grades which reflect their ability. Awarding grade boundaries is conducted to ensure learners achieve the grade they deserve to achieve, irrespective of variation in the external assessment.

Variations in external assessments

Each external assessment we set asks different questions and may assess different parts of the unit content outlined in the specification. It would be unfair to learners if we set the same grade boundaries for each assessment, because then it would not take accessibility into account.

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31588H – Unit 6/12 Principles of Management

Grade	Unclassified	Level 3			
		N	P	M	D
Boundary Mark	0	18	34	50	67

Introduction

Unit 31588H Principles of Management is a Mandatory unit in the Diploma and Extended Diploma in Business and the Extended Diploma in Enterprise and Entrepreneurship. This was the fifth opportunity for learners to take the external assessment set task for this unit. The assessment is based on a case study that is issued in the Part A pre-release one week before the supervised assessment. Part B contains two activities set on the case study and is issued at the start of the supervised assessment. The pre-release period gives learners time to identify and understand the management issues that face the company. It gives learners the opportunity to familiarise themselves with the issues, the organisation, and the relevant sector. The Part A pre-release case study involved a small concert and entertainment venue, Lilidays, with organisational information relating to attendance and capacity of their venues. The case study also included benchmarking information from a similar business (Clearway Theatre) relating to organisational change and the impact on employee and customer satisfaction. There are two activities in Part B. Activity 1 required learners to prepare a report on management and leadership functions at Lilydays Centre. It also required learners to make recommendations about appropriate actions required to improve the current functions of management and leadership. Activity 2, a presentation, required learners to focus on the how the introduction of different types of employment contract would impact on Lilydays goals and also to recommend improvements which would help Lilydays to maintain employee engagement with business culture after new employment contracts had been introduced. The assessment of the unit is based on 4 assessment focuses which are applied twice, once to the written report (Activity 1) and once to the presentation (Activity 2). Each activity is marked out of 44 marks, giving a total of 88 marks for the set task. The assessment focuses are:

- Information/ data analysis and interpretation – 12 marks
- Key principles of management – 12 marks
- Suggested alternative management approaches – 12 marks
- Structure and presentation – 8 marks

Learners completed the assessment using a computer. Scripts were submitted as hard copies or electronically on a USB memory stick.

A small number of centres submitted work without including signed authentication sheets and/or mark summary sheets. This causes a delay in marking while these documents are requested from centres.

Centres are advised to review the Administrative Support Guide for this unit which is available on the BTEC subject pages prior to submitting work to ensure that all administrative requirements are met.

Introduction to the Overall Performance of the Unit

Learners took different approaches to the assessment. The majority of learners answered the two activities and produced a written report on management and leadership functions and a presentation on employment contracts and employee engagement with business culture. However, some learners took an incorrect approach; having completed Activity 1 they then produced an analysis of the impact of different types of employment contract and proceeded to make recommendations on types of employment contract rather than employee engagement with business culture. This meant that some of the higher marks for Activity 2 were not available to these learners. Many learners completed Activity 1 using a word processing package such as Word and completed Activity 2 using presentation software, such as PowerPoint. A small number of learners produced a presentation using word processing software whilst others, having produced slides in presentation software, word processed their speaker's notes. Most learners had made an attempt to answer both activities. Some learners blended parts of Activity 1 with Activity 2 and vice versa which made it difficult for them to achieve higher mark bands. A major issue across both activities was that learners failed to apply their knowledge to the organisation and sector in the case study. Many learners spent a lot of time copying out the case study into their answers but then not exploring it in relation to Activities 1 and 2. Some learners re-iterated case study information and data, and commented on the issues they found without analysing the information in relation to the topics in the activities.

Activity 1

For Activity 1, responses that reached the higher mark bands focussed on the issues of leadership and management styles and skills and the impact these had on motivation and performance relative to achievement of stated goals, using relevant information from the case study to support and justify arguments made. These responses also included relevant recommendations relating to improvements in the key issues with support from the case study data and relating to goals.

Many responses focussed on changing leadership styles and staff motivation, which were relevant to this case study. Most candidates limited their ability to access higher mark bands due to a lack of justification relating to business goals and a lack of balance in their conclusions.

Responses in lower mark bands re-iterated case study data and facts with little attempt to take an analytical approach and often with little reference to key

management principles (Please refer to specification). Some learners believed that the benchmarking research was carried out by Lilydays, when in fact it was from a similar business Clearway Theatre.

Activity 2

As in past series, many learners seem to spend too much time on Activity 1 and rush through Activity 2. As a result, many learners were not able to move into the higher mark bands, for Activity 2. Since marks are evenly split between Activity 1 and Activity 2, learners should aim to split their time more evenly between the two activities.

The tendency overall was for learners to present lots of slides and notes on the different types of employment contract with the advantages and disadvantages of each type. Most learners then provided a notes page for each slide which was often generic and largely theoretical.

The recommended changes were then provided, but a large number of learners made recommendations on the type of contract rather than on how to achieve employee engagement with business culture. This limited learners ability to reach the higher marks.

Overall there appeared to be quite strong knowledge and understanding of the theory of employment contracts in Activity 2 work. Responses overall showed understanding of the impact on individuals and on Lilydays of changes in contracts but failed to show an understanding of employee engagement with business culture. This led to poor performance in terms of the AF6 criterion.

Activity 1

Assessment Focus 1: Information/ data analysis and interpretation

The quality of the answers in this assessment focus varied in depth and relevance. Most learners made references to the case study and used this to support their analytical approach. Higher achieving learners included sustained references to the case study which were also fully relevant to the context. Some learners copied large amounts of the case study but did not use this to analyse the key issues for management. References to the case study, though often sustained, were not analysed, and this limited the number of marks achieved.

The example below is part of a response from the middle of mark band two. The learner used information from the case study which meant that the response was not generic but was unable to access the higher mark bands

because they made basic conclusions taken rather than demonstrating a detailed analytical approach which is required to progress to mark band three.

3: Discussion

The current situation is that Catherine is responsible for management and leadership roles, whereas, Alex is a Customer Service Manager. Tour promoters are very complimentary of Catherine in her management role and Lilydays has good customer and staff satisfaction. However, one of the big issues is that Catherine is busy running day-to-day operations (management role), and she has no time to develop a long-term strategy (leadership role). This is problematic, because if Lilydays has a lack of long-term strategy, this means the whole business has a lack of planning and organising and employees don't know the business vision. As a result, this can demotivate and cause stress as the profitability falls. Also, this is against the business values and culture, as Lilydays values are to work as a team and be family friendly (Paternalistic).

The tables of evidence on the total average capacity of each hall (Figure 1 and Figure 2) were often not analysed or applied to Lilydays and although many learners had drawn conclusions on the impact of changing employment contracts (Figure 2, 3 and 4) these were often wrongly attributed to Lilydays rather than Clearway Theatre. Learners who achieved marks in the lower mark bands tended to restate Figures 1- 4 in words without expanding on or relating these figures to Lilydays situation.

The example below is part of a response from the middle of mark band two. The learner has analysed the figures in Figure 1 by calculating changes and making comparisons between the two venues however there is little analysis of the issues or implications for the business / balanced conclusions.

In October – December 2016, there were 80 shows in the Hive and 50 shows in Burrow. However, during January – March, the number has dramatically decreased to 53 shows in the Hive and 36 shows in the Burrow. The management should've seen this dramatic change and done something about it. Although in April – June 2017, the shows in the Hive and Burrow increased, the average attendance decreased, showing that even though there were more shows being held, people weren't visiting enough. October – December 2017 were a good time for the business as the average attendance for the Hive was 79% and the average attendance for the Burrow was 80%. You can compare this change to April – June 2017, as in the Burrow, during that time; there were 46 shows, which were 6 more than the shows being held in October – December 2017. But even though they had six more shows, the average attendance was 50%. This shows how popular they were as they had 6 fewer shows but still had 30% more attendance than April – June 2017. You can definitely see the drop in customers during the last few months however. They went from 50 shows in the Hive and 42 shows in the Burrow during April – June 2019, to 31 shows in the Hive and 16 shows in the Burrow.

Learners in most cases managed to identify some key issues from the case study and this was generally covered well. Those learners accessing higher mark bands used the case study well and used the benchmarking in context with Lilidays Centre and linked these to the overall business goals. Analysis in a lot of cases was weak in this AF, lacking detail and balanced conclusion. Some learners carried out additional research and included this in their reports, e.g. some looked at the overall entertainment market, compared Lilidays to Vue Cinemas, but this research could not be counted in the final marks as it was not in context with the case study.

Many learners did not give clear links to the case study which were relevant and in context and in some cases, references were fleeting and not in any great depth. As a result of lack of linkage, learners were not able to give detailed analysis or balanced conclusions. Where higher mark bands were accessed learners used the case study well and references were sustained and frequent throughout the report. This helped learners to analyse the situation at Lilydays by using the information they had been given which ultimately led them to give balanced and relevant conclusions to their report. The majority of learners understood the issues faced by Lilydays and the need for the organisation to change. They also managed to highlight the main points such as Catherine had a paternalistic leadership style and was transactional rather than transformational and that Catherine needed to become a more strategic leader with a more democratic style which could support delegation. Most learners also identified issues with excess capacity and motivation linking this to high costs and low profit. There were some instances where learners used benchmarking material from other sources. It is not a requirement for learners

to carry out any additional research for this unit and therefore, research of this nature is not awarded marks. At lower levels, the work included generic comments which in some cases were not related to Lilydays.

Assessment Focus 2: Key principles of management

There were a range of potential management principles that could be addressed for management and leadership functions in context for Activity 1. Learners who did not address the focus of the question did not achieve marks higher than mark band 1. The more applied responses were able to identify the key principles of management, in context and linked in to the business goals, achieving marks in mark bands three and four. Weaker responses lacked further development in this area. The majority of learners developed their responses by identifying management and leadership issues, linking this to achievement of goals and recommending appropriate solutions in context. Most learners indicated that the business was not achieving its profit goal because of a lack of strategic management capacity and were able to make appropriate suggestions to address this. Some learners discussed the possible impact of restructuring the management and leadership functions and linked this to the achievement of Lilydays other stated goals with reasonable accuracy.

The example below gained marks at the bottom of mark band two. The work contained relevant themes associated with management principles e.g. 'paternalism', 'business culture', 'customer satisfaction' and although there is a clear attempt to link these to the stated business goals development is very limited.

By Catharine taking up her new job role as CEO it means that she will have a much stronger leadership role within the business, by doing this it enables her to further embed her ethos of paternalism within the company and further encourage one of the company's main goals which is to maintain a positive business culture with high satisfaction rates. This will also help with achieving higher levels of customer satisfaction which is one of the businesses main goals as by Catharine having this more powerful position she will be able to make more important decisions and carry one having her employees best interest in mind. Catharine will also be able to have more of an input on how the business will be able to achieve other goals such as the achieving 5% net profit margin as she plans on introducing different types of contracts within the business which could potentially help the business

There were some learners who discussed motivational theories and leadership styles, with a few incorrectly identifying Catherine's leadership style as autocratic.

The majority of learners correctly identified that Catherine was a highly transactional leader and gave some good examples which supported this theory, using the case study. Many learners gave very detailed information concerning different types of leadership styles, but much of this was theoretical and not in context with the case study or the business goals. Some learners mentioned theorists, e.g. Maslow, Herzberg, Taylor etc. and where there was a clear understanding as to how these theories related to Lilydays and how they could help to improve the situation this was done well. However, in some cases, these theorists were sprinkled around the report with no clear understanding of the underlying issue, therefore, limiting the mark band that learners could achieve. Where learners provided relevant, clear management principles which were clearly linked to the context of the case study and the overall business goals the organization was trying to achieve, these learners achieved the higher mark bands.

The range of key management principles tended to include motivation/motivators, management styles, transactional vs transitional leadership and some benchmarking.

Some learners included work on External factors which was not rewardable as this is not part of the requirements for this unit.

Assessment Focus 3: Suggested alternative management approaches

Responses that were awarded higher marks focused on three or four alternative approaches to management that were in context and related these to the business goals of the organisation. Some learners listed more alternative approaches, then struggled to apply them all in context, which limited the number of marks awarded. Some of these approaches were generic, not applied to the context of Lilydays, and some were unrealistic, such as attracting a wider target audience by hiring other venues or paying staff higher salaries. These were considered to be 'unrealistic in the context of the scenario' and so marks were limited to mark bands one and two (see mark grid). Some learners used the results of the management meeting as their recommendations, e.g. Alex and Catherine moving positions, creating a flexible work force and Catherine changing her job title which had already been decided and were not new recommendations. Where higher marks were awarded, recommendations were fully justified and in the context of the case study and business goals. Examples included, speaking and networking more closely with stakeholders, adding more interesting and diverse shows to the programme and training for staff, particularly those in new positions.

The recommendations given by learners were varied and linked mainly to the key management principles learners wrote about in AF2, being generally realistic and appropriately linked to the case study.

The example below shows a generic recommendation which is not always in context and lacks direct links with the business goals. This example achieved marks at the bottom of mark band 2.

Core vs Peripheral Workers

Lilidays Centre could also consider having Core workers, which are those who are employed on full-time, permanent contracts and peripheral workers are those who are contracted differently on a part-time or flexible working basis. You might consider the core workers to be the hub of the business and peripheral workers as cogs who keep the wheels turning but that can be increased or decreased as necessary according to business needs. HR's planning strategy for employing peripheral workers has changed over recent years by shifting the balance between full- and part-time employees or those with flexible working arrangements. With the trend towards dedicated HR departments that are specialists in resource management, businesses have found ways of becoming more cost effective by employing people to meet the demands on the workforce only when they are required.

Overall, learners clearly understood the context and applied their arguments within this context and were able to move into the higher mark bands for this assessment focus. Learners who took a more generic approach were limited in their ability to gain marks. Whilst developing the principles raised, they did not really consider the context, which therefore lacked relevance and balance. This led to generic or unrealistic recommendations.

Assessment Focus 4: Structure and presentation

Overall, the structures of the reports were generally good. Most had a natural flow, paragraphs and in some cases, headings separated key areas and most had a conclusion. Marks were lost on this assessment focus mainly for lack of relevant management principles and/or concepts and lack of management terminology. Many learners started the set task with introductions giving a clear statement of the purpose of the report and in many cases referring to the case study to set the scene.

Example introduction layout:

Introduction

In this report I will be writing to inform you of my understanding of the ways management and leadership functions have been carried out at Lili days centre and the impact on achieving its business goals. I will also be recommending the actions to be taken by Lili days centre to improve the current functions of management and leadership.

Management and leadership functions at Lili days

What went well:

Management at Lili Days is very friendly and encouraging. In the case study it mentions one manager Catherine Emile. It says that the owner and the staff know she is a highly organised, motivational manager and that she delegates responsibility well and spends time to help those who need it. This is good for the company because that means that they will feel more appreciated and that they are respected at the job which will better the work efficiency of the business.

Example conclusion layout:

Recommendations and actions

The business current strategy:

I feel as if Lili days are currently using Maslow's hierarchy motivational theory to conduct their work, I feel this because in the case study it tells me how the company's managers are motivational towards their staff and that they're always there to help them if they're struggling with certain tasks. I believe that if they carry on using this it is fine but they need to be approached some of their employees a bit more sternly so if the employee is not doing as good as they should be or what they are capable of the managers should let them know without being approached by them employee just so the employee don't feel like they can get away with doing nothing.

There were instances where learners incorporated their recommendations within their conclusions which helped to pull all the issues raised in the report together. A number of learners spent time on producing front covers and contents pages for their reports. These did not add to the structure of the reports so therefore did not gain any additional marks. Overall, the structure and presentation of learner's reports were of a good standard with main points covered throughout their writing. Structure in the majority of reports was good with a small number of reports containing major communication errors.

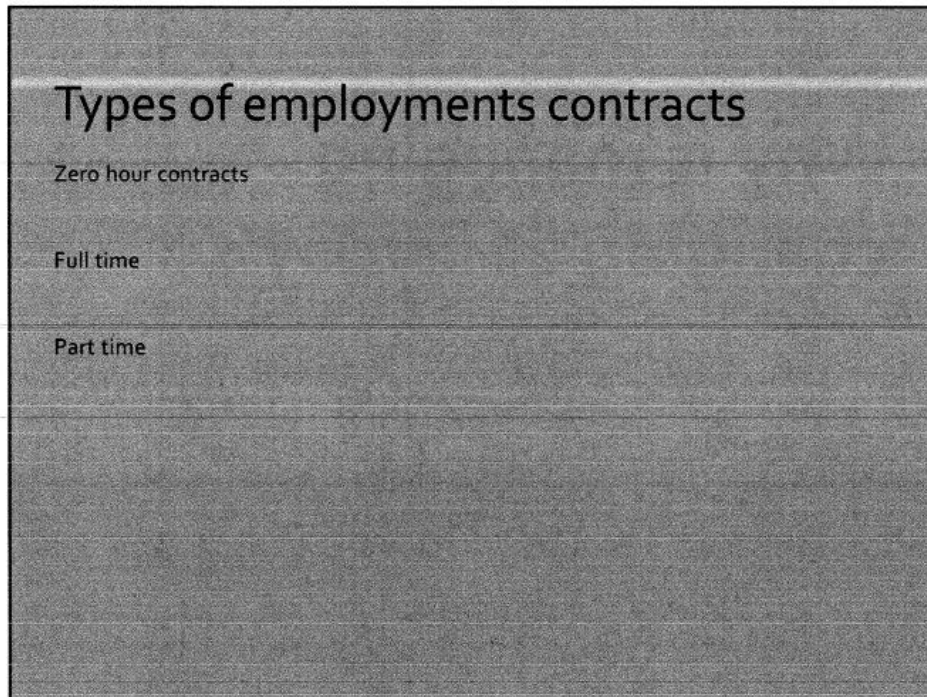
Activity 2

Assessment Focus 5: Information/data analysis and interpretation

Coverage of and reference to the case study within the presentation was inconsistent across most learners. Where references were made, they were relevant, but lacked analysis and in many cases were generic. The majority of learners identified different types of contract that Lilidays were currently using, but in some cases misunderstood that zero-hour contracts had not yet been introduced.

Some learners used the benchmarking data given within the case study, but this was not done consistently well. In some cases, there was confusion that the data belonged to Lilidays when in fact it was Clearway Theatre's data and should only be used to compare rather than explain what is happening now. Most learners produced speaker notes within their presentation, but the amount of analysis was limited and there was a sense that insufficient time had been allocated to Activity 2 overall.

The example below shows a piece of work that achieved the top of mark band two since it is relevant to the context and is using an analytical approach to come to balanced conclusions e.g. 'have no zero hours contracts'. However the work lacks sufficient detail as it focuses mainly on zero hours contracts



Zero hour contracts are a type of contract between an employer and a worker, where the employer is not obliged to provide any minimum these aum working hours, while the worker is not obliged to accept any work offered. They're good for the business because contracts is flexibility. For any organisation, it is invaluable to be able to respond quickly and effectively to business fluctuations. Engaging people on zero hours contracts allows employers: to deal with an unforeseen event. I believe that lily days should have no zero contract employees because it will ruin their strategy because all of the people that work their work in teams so that means they are a family. So if people come in random times that could ruin the teams and even make the zero hour employee not feel comfortable. Also zero hour contract employees are not as motivated as full time because they feel like they are just there to do that particular job when they're needed not when they're wanted.

Assessment Focus 6: Key principles of management

The majority of learners gave a reasonable account of different types of employment contract and their uses but very often the evidence given was generic, very theoretical and not relevant to the case study, particularly in relation to the business goals.

Where higher marks were awarded, learners correctly identified the impact on motivation, retention, business performance and absenteeism. Many learners approached the task by outlining the advantages and disadvantages of different contracts but failed to acknowledge the negative impact of zero hours contracts on employee commitment and motivation. Many learners provide speaker notes but these were often very limited and did little to expand on bullet points provided in the slides.

Example shows very brief speaker notes which did little to improve on the information provided on the slide.

1. introducing different types of contracts will open up the opportunities for employees to work different shifts at different times, this could be more interesting for them.
2. the company will save money due to the fact that less staff will be needed for certain shifts. For example; if its a quiet day with nothing happening then staff would ordinary be wasted and be costing the company money for doing nothing, you could reduce staff number at a time.
3. staff will feel more fulfilled if they are called in, as they will feel they are needed and will actually have something to do.
4. staff will be more motivated as they will be called in to work when they are needed and won't just be there doing nothing.
5. cutting down on colleague hours will reduce wages prices out of the overall profits.

Learners should ensure that they read all aspects of the Set Task questions carefully as the assumption that AF7 recommendations were based solely on the AF5 and 6 analysis meant that learners did not correctly respond to this activity and were unable to achieve higher mark bands.

Assessment Focus 7: Suggested alternative management approaches

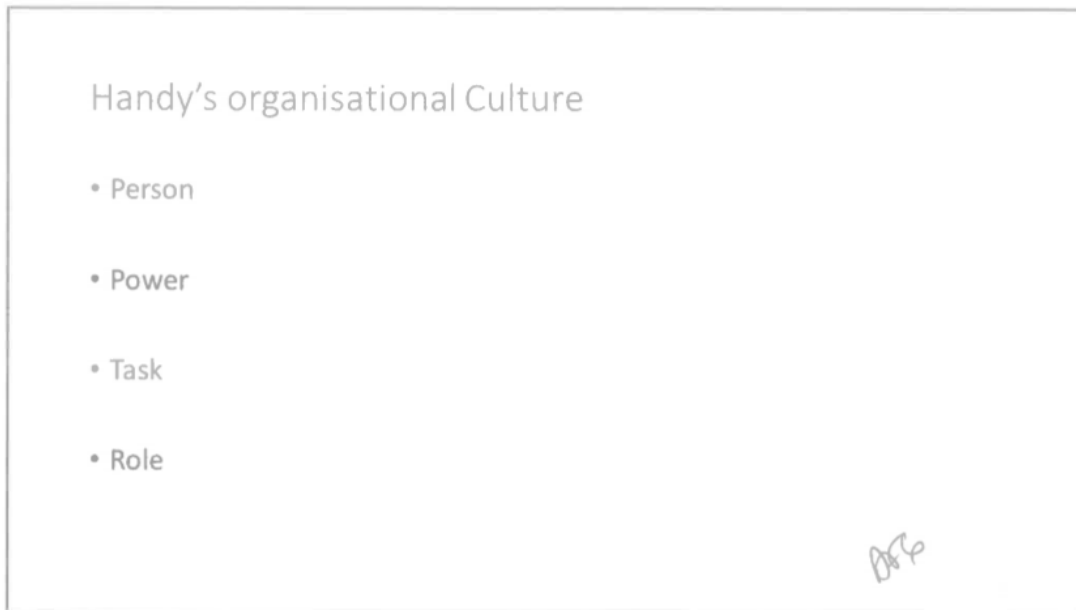
The majority of learners included some form of suggestion or recommendation, however, because the theme was not always understood, these were sometimes unrealistic and generic. Many learners misunderstood the question in terms of business culture and employee engagement and the impact on the organisations business goals and spoke only about employment contracts. Therefore, this limited the mark band that could be awarded.

Where higher mark bands were awarded, recommendations were in relation to employee engagement with business culture after the introduction of the new employment contracts. Learners who had addressed this activity correctly also tended to make appropriate and relevant suggestions which were relevant to the case study with balanced justifications although these were often not linked to goals.

Justifications for the recommendations could be improved by most learners.

Stronger work focused on fewer alternative approaches to employee engagement and business culture and analysed benefits and drawbacks to make a balanced conclusion and access the higher mark bands.

The example below shows an example of management principles relating to business culture and employee engagement:



Handy's organisational culture theory consists of four factors that may affect Lilidays Centre: Person, Power, Task and Role.

Within a business, the power is usually at the top of the hierarchy which means all decision making takes place by people with the higher positions in the business. This will affect Lilidays Centre as they will be distributing the power amongst employees across the hierarchy. So instead of having a tall organisational structure there will be a flat structure where all employees work at similar levels. This maintains a positive business culture and high staff satisfaction as everyone is treated equally.

Assessment Focus 8: Structure and presentation

Presentations generally used a similar format which followed the first task set out in the question paper but largely ignored the second. The presentations in general had a logical structure with few communication and spelling errors. The majority of learners followed a similar format with an introduction, issues, recommendations, and a conclusion. Management terminology was appropriate in the majority of responses. Presentations varied in length, but most had a start, middle and end, and showed a logical structure. This approach enabled learners to access marks in mark bands 2 and 3. There were

few communication errors in the majority of presentations. On some occasions work was submitted without speaker notes; this limited the mark band which could be awarded due to the lack of development of the concepts discussed in the presentation. Learners should make sure to include speaker notes with their presentations and centres must ensure when printing hard copies of work to print the speaker notes as well as the slides.



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