

# **Cambridge Technicals Business**

## **Unit 15: Change management**

Level 3 Cambridge Technical in Business  
**05837 & 05878**

## **Mark Scheme for June 2022**

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

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## MARKING INSTRUCTIONS

### PREPARATION FOR MARKING

#### TRADITIONAL

Before the Standardisation meeting you must mark at least 10 scripts from several centres. For this preliminary marking you should use **pencil** and follow the **mark scheme**. Bring these **marked scripts** to the meeting.

### MARKING

1. Mark strictly to the mark scheme.
2. Marks awarded must relate directly to the marking criteria.
3. The schedule of dates is very important. It is essential that you meet the traditional 40% Batch 1 and 100% Batch 2 deadlines. If you experience problems, you must contact your Team Leader (Supervisor) without delay.
4. If you are in any doubt about applying the mark scheme, consult your Team Leader by telephone or by email.

5. **Crossed Out Responses**

Where a candidate has crossed out a response and provided a clear alternative then the crossed out response is not marked. Where no alternative response has been provided, examiners must give candidates the benefit of the doubt and mark the crossed out response where legible.

**Multiple Choice Question Responses**

When a multiple choice question has only a single, correct response and a candidate provides two responses (even if one of these responses is correct), then zero should be awarded (as it is not possible to determine which was the first response selected by the candidate).

When a question requires candidates to select more than one option/multiple options, then local marking arrangements need to ensure consistency of approach.

**Contradictory Responses**

When a candidate provides contradictory responses, then no mark should be awarded, even if one of the answers is correct.

**Short Answer Questions** (requiring only a list by way of a response, usually worth only **one mark per response**)

Where candidates are required to provide a set number of short answer responses then only the set number of responses should be marked. The response space should be marked from left to right on each line and then line by line until the required number of responses have been considered. The remaining responses should not then be marked. Examiners will have to apply judgement as to whether a 'second response' on a line is a development of the 'first response', rather than a separate, discrete response. (The underlying assumption is that the candidate is attempting to hedge their bets and therefore getting undue benefit rather than engaging with the question and giving the most relevant/correct responses.)

**Short Answer Questions** (requiring a more developed response, worth **two or more marks**)

If the candidates are required to provide a description of, say, three items or factors and four items or factors are provided, then mark on a similar basis – that is downwards (as it is unlikely in this situation that a candidate will provide more than one response in each section of the response space.)

**Longer Answer Questions** (requiring a developed response)

Where candidates have provided two (or more) responses to a medium or high tariff question which only required a single (developed) response and not crossed out the first response, then only the first response should be marked. Examiners will need to apply professional judgement as to whether the second (or a subsequent) response is a 'new start' or simply a poorly expressed continuation of the first response.

6. Always check the pages at the end of the response (and any additional lined pages if present) in case any answers have been continued there. If the candidate has continued an answer there then add an annotation to confirm that the work has been seen.
7. Assistant Examiners may email a brief report on the performance of candidates to your Team Leader (Supervisor) by the end of the marking period. Your report should contain notes on particular strength displayed as well as common errors or weaknesses. Constructive criticism of the question paper/mark scheme is also appreciated.

## 8. Annotations

Annotation	Meaning
Tick	Valid point, mark awarded
Cross	Incorrect
Question mark	Response unclear
BOD	Benefit of doubt (mark awarded)
TV	Too vague (mark not awarded)
REP	Repetition (no additional marks awarded)
NAQ	Not answered question (incorrect focus)
<b>L1</b>	Level 1 response (identification)
<b>L2</b>	Level 2 response (explanation)
<b>L3</b>	Level 3 response (analysis)
L4	Level 4 response (evaluation)
CONT	Context (required for high L4 award only)

## 9. Subject-specific marking instructions

For Level of Response marked questions marked over 4 levels, the candidate can access at **L1** or **L2**. In either case, they can analyse the point made and proceed directly to **L3**.

**L3** analysis is required before L4 can be accessed.

Question			Answer	Marks	Guidance
1	(a)	(i)	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• <u>rising</u> unemployment</li> <li>• recession (decline in economic growth/GDP)</li> </ul> <p><b>Exemplar response:</b> There has been an increase in unemployment (1), which means that customers are looking to spend less on fitness and exercise (1).</p> <p>The recession (1) has meant that people want to save money by cutting back on luxuries (1).</p>	2	<p>One mark for a correct identification plus one mark for explanation.</p> <p>“Employment/Unemployment” is too vague as a rewardable response. Reference to unemployment must be directional, e.g. employment has fallen, or unemployment has risen/increased.</p> <p>Driver required to award marks.</p>
1	(a)	(ii)	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• <u>an increase in</u> competition (more local business selling low-priced, budget brand, fitness equipment)</li> <li>• consumer trends (now prefer to go to local gyms rather than exercise at home)</li> </ul> <p><b>Exemplar response:</b> Increasing competition (1) means that <i>Maxi Exercise</i> is finding it difficult to retain its existing customers (1).</p> <p>Fewer people are exercising at home (1) which means that demand for equipment has fallen (1).</p>	2	<p>One mark for a correct identification plus one mark for explanation.</p> <p>“Competition” is too vague as a rewardable response. Reference to competition must be directional, e.g. increase or more.</p> <p>Practical actions and examples of a <b>changing</b> trend are awardable, e.g. <b>prefer</b> to go to gyms.</p> <p>Driver required to award marks.</p>
1	(b)		<p>Use levels of response criteria.</p> <p>Responses include:</p> <ul style="list-style-type: none"> <li>• leasing additional buildings</li> <li>• converting buildings (installing safe space for exercising, changing facilities and toilets)</li> <li>• advertising on local radio or in local publications</li> <li>• once trained, each fitness instructors will be paid £3 per hour more than the pay-rate for being a sales assistant</li> <li>• cost of recruiting and selecting fitness instructors</li> </ul>	16	<p><b>Levels of response</b></p> <p><b>Level 4 (13 - 16 marks)</b> Candidate evaluates likely impacts of the proposed change on <i>Maxi Exercise</i>'s profit.</p> <p><b>Level 3 (9 - 12 marks)</b> Candidate analyses impact(s) of the proposed change on cost/revenue/profit.</p>

Question	Answer	Marks	Guidance
	<ul style="list-style-type: none"> <li>• purchasing a new insurance policy</li> <li>• fitness classes provide an additional income stream (maximum daily revenue equals £675)</li> <li>• offering 20% discount might increase shop sales, but will reduce profit margins</li> <li>• hiring out the additional buildings on a weekend provides an additional source of income</li> <li>• larger increases in revenue may not be seen until the fitness classes become well-established</li> <li>• initial training for instructors</li> <li>• ongoing training for instructors (including for health &amp; safety)</li> <li>• Start-up Costs (Must be paid for prior to the start of exercise classes)</li> </ul> <p><b>Exemplar response:</b> Leasing additional buildings (L1) will increase cost (L3).</p> <p>Offering 20% discount vouchers (L1) might encourage customers to visit the shop (L2) which would increase revenue and profit (L3).</p> <p>Paying to train workers (L1) will reduce profits in the short term (L3).</p> <p>Offering 20% discount vouchers (L1) might encourage people to visit the shop (L2) which would increase revenue and profit (L3)</p> <p>Overall, I think this proposed change will have a significant impact on short-term profit which would fall significantly. This is because the cost of converting the leased buildings for fitness classes (CONT) will be significant and there will be a large increase in cost. However, in the long-term, profit will increase as this proposed change encourages several additional income streams, including 20% off which will attract customers to the shop to buy accessories,</p>		<p><b>Level 2 (5 – 8 marks)</b> Candidate explains impact(s) of the proposed change on cost/revenue/profit.</p> <p><b>Level 1 (1 – 4 marks)</b> Candidate identifies impact(s) of the proposed change on cost/revenue/profit.</p> <p><b>L1</b> – identification of a financial impact of the proposed change.</p> <p><b>L2</b> – any development of the financial impact of the proposed change (that stops short of being analytical).</p> <p><b>L3</b> – business-facing impact of L1/L2 point.</p> <p><b>L4</b> - evaluation – a justified decision as to how the proposed change will impact <i>Maxi Exercise's</i> profit.</p> <p><b>13 marks</b> – justification of how the proposed change will impact profit, with no reference to the context</p> <p><b>14 marks</b> – justification of how the proposed change will impact profit, with reference to the context</p> <p><b>15 marks</b> – justification of how the proposed change will impact profit, including consideration of short-term and long-term impact on profit but with no reference to the context</p> <p><b>16 marks</b> – justification of how the proposed change will impact profit, including consideration of short-term and long-term impact on profit, with reference to the context</p>

Question		Answer	Marks	Guidance
		as well as income from the fitness classes ( <b>CONT</b> ) and hiring the facility out at the weekend ( <b>L4</b> ).		<p><b>CONT</b> (fitness classes, consultation, changing facilities) <b>NOT</b> <i>Maxi Exercise</i>. 'Shop' too vague.</p> <p>NB: evaluation may refer to significance of impact (e.g. most, biggest, largest, negligible, none, least) or direction of impact (e.g. up or down) or whether impact is positive or negative or be comparative (e.g. one bigger than the other).</p>
1	(c)	<p>Use levels of response criteria.</p> <p>Responses include:</p> <ul style="list-style-type: none"> <li>• lack of employee engagement (Amit has lost interest already)</li> <li>• lack of agreement on the need for change (Kai thinks that the chain should sell cheaper equipment instead)</li> <li>• employee routines are well-established and difficult to change (Amit might need to travel between the three locations)</li> <li>• staff inertia (Amit wishes he had not suggested the change)</li> </ul> <p><b>Exemplar response:</b> There is a lack of agreement on the need for change (<b>L1</b>) which may lead to a fall in labour productivity (<b>L3</b>).</p> <p>Some staff will be frustrated that this change will affect their well-established routines and habits (<b>L1</b>) as a result of needing to travel to deliver the fitness class (<b>L2</b>). These staff may leave the business which would increase recruitment costs (<b>L3</b>).</p> <p>Overall, a lack of agreement on the need for change is likely to have the greatest impact on <i>Maxi Exercise</i>. This is because workers may not prioritise the change or they may attempt to work against or resist the change meaning the fitness classes may be unsuccessful (<b>CONT</b>). On the other hand, staff that are worried about their routines may leave the business and these staff can at least be replaced with staff who support the change (<b>L4</b>).</p>	16	<p><b>Levels of response</b></p> <p><b>Level 4 (13 - 16 marks)</b> Candidate evaluates which poorly managed barrier is likely to have the greatest impact on <i>Maxi Exercise</i>.</p> <p><b>Level 3 (9 - 12 marks)</b> Candidate analyses impact of barrier(s) to change at <i>Maxi Exercise</i>.</p> <p><b>Level 2 (5 – 8 marks)</b> Candidate explains impact of barrier(s) to change.</p> <p><b>Level 1 (1 – 4 marks)</b> Candidate identifies barrier(s) to change.</p> <p><b>L1</b> – identification of barrier to change.</p> <p><b>L2</b> – explains impact of barrier to change.</p> <p><b>L3</b> – analyses impact of barrier to change at <i>Maxi Exercise</i>.</p> <p><b>L4</b> - evaluation – a justified decision as to which poorly managed barrier will have the greatest impact on <i>Maxi Exercise</i>.</p>



Question		Answer	Marks	Guidance
				<p><b>13 marks</b> – a <u>justified evaluation</u> of which barrier will have the greatest impact on <i>Maxi Exercise with no context</i>.</p> <p><b>14 marks</b> – a <u>justified evaluation</u> of which barrier will have the greatest impact on <i>Maxi Exercise</i> with context.</p> <p><b>15 marks</b> – a <u>justified evaluation</u> of which barrier will have the greatest impact on <i>Maxi Exercise</i> with no context, including reference to why another barrier was not chosen.</p> <p><b>16 marks</b> – a <u>justified evaluation</u> of which barrier will have the greatest impact on <i>Maxi Exercise</i> with context, including reference to why another barrier was not chosen.</p> <p>Barrier must be from Resource 1 of the research brief.</p> <p><b>CONT</b> (fitness classes, consultation, changing facilities, weights, rowing machines, exercise bikes, fitness instructor) <b>NOT</b> <i>Maxi Exercise</i>. 'Shop' too vague.</p>
1	(d)	<p><b>Responses include:</b></p> <ul style="list-style-type: none"> <li>• <u>improves</u> communication</li> <li>• <u>keeps</u> the change on track</li> <li>• <u>increases</u> marketing of the change</li> <li>• <u>improves</u> employee engagement</li> <li>• <u>overcomes</u> barriers to change</li> <li>• <u>gains</u> an understanding of stakeholder power/influence</li> </ul>	2	<p>One mark for a correct identification of a benefit up to a maximum of two identifications.</p> <p>Responses <b>must</b> be relational or directional to be awardable (e.g. overcoming, improving, gaining, developing).</p>

Question		Answer	Marks	Guidance
2	(a)	<p>Use levels of response criteria.</p> <p>Responses include:</p> <ul style="list-style-type: none"> <li>• classes are competitively priced (Ms D)</li> <li>• classes are offered in modern facilities (Ms D)</li> <li>• Amit is a knowledgeable trainer/cares about fitness (Mrs R)</li> <li>• reported accidents are significantly lower than for competitors (one per month compared to three per month)</li> <li>• actual customer complaints are lower than expected (half as many; two per week expected compared to one per week actual)</li> <li>• a lower percentage of classes are cancelled than the competition (3.6 percentage points lower; 4.5% compared to 0.9% of <i>Maxi Exercise's</i> classes)</li> </ul> <p><b>Exemplar response</b></p> <p>The data shows that 0.9% of classes are cancelled (<b>L1</b>), which means that the majority of classes are offered to customers (<b>L2</b>). This may result in customers sharing their experiences on social media which will give Maxi Exercise a good reputation for the service that it offers (<b>L3</b>).</p> <p>The fitness classes at Maxi Exercise are competitively priced (<b>L1</b>) which will help Maxi Exercise increase its number of customers in the future (<b>L3</b>).</p> <p>Overall, only cancelling 0.9% of the classes is the most important aspect of the change. This is because the majority of customers will be satisfied and will want to attend another fitness class (<b>CONT</b>). The competitive price is not as important as this because customers may not attend sessions if they are too expensive, regardless of how reliable they are or how many are cancelled (<b>L4</b>).</p>	16	<p><b>Levels of response</b></p> <p><b>Level 4 (13 - 16 marks)</b> Candidate evaluates aspects of the change that have gone well.</p> <p><b>Level 3 (9 - 12 marks)</b> Candidate analyses aspect(s) of the change that have gone well.</p> <p><b>Level 2 (5 – 8 marks)</b> Candidate explains aspect(s) of the change that have gone well.</p> <p><b>Level 1 (1 – 4 marks)</b> Candidate identifies aspect(s) of the change that have gone well.</p> <p><b>13 marks</b> – a justification of which aspect that has gone well is most important to the business(justification non-contextual).</p> <p><b>14 marks</b> – a justification of which aspect that has gone well is most important to the business (justification contextual).</p> <p><b>15 marks</b> – a justification of which aspect that has gone well is most important to the business, including why another is less important (justification non-contextual).</p> <p><b>16 marks</b> – a justification of which aspect that has gone well is most important to the business, including why another is less important (justification contextual).</p>

Question		Answer	Marks	Guidance
2	(b)	<p><b>Indicative content:</b></p> <ul style="list-style-type: none"> <li>• unfreeze</li> <li>• change</li> <li>• refreeze</li> </ul> <p><b>Exemplar response:</b></p> <p>Phase: Unfreeze (1) Hold a staff meeting to convince the staff that fitness classes must be offered because customers can no longer afford to buy their own fitness equipment (CONT) to use at home (1).</p> <p>Phase: Unfreeze (1) Hold a staff meeting to convince employees why this change is essential (0).</p> <p>Phase: Change (1) Send a daily newsletter to the fitness instructors (CONT) to share information about the success of the weekend fitness classes (1).</p> <p>Phase: Change (1) Communicate with employees to let them know whether the change is on track (0).</p> <p>Phase: Refreeze (1) Give certificates to the fitness instructors (CONT) to thank them for supporting weekend fitness classes (1).</p> <p>Phase: Refreeze (1) Introduce a praise and recognition scheme to thank employees for their support (0).</p>	6	<p>One mark for each correct identification of a stage up to a maximum of three identifications, plus one mark for each of three contextual actions.</p> <p>The stages do <b>not</b> need to be in order.</p> <p>The action must be contextual and allow that stage <b><u>to be achieved</u></b>.</p> <p>Actions for unfreezing must be <u>pre-change</u>.</p> <p>Actions for change must be related to the <u>implementation</u> of the change.</p> <p>Actions for refreezing must be <u>post-change</u>.</p> <p>Explanation requires specific context (e.g. fitness instructor, fitness equipment) but <b>not</b> <i>Maxi Exercise</i>, fitness class or weekend as these are simply taken from question. 'Shop' and 'fitness' too vague.</p> <p>Reference to fitness classes or weekend does not constitute valid context as these are offered in the question.</p> <p>NB. There is no requirement for candidates to present the three phases in any specific order. However, the action <b><u>MUST</u></b> be linked to the specific phase provided by the candidate.</p>

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