

Mark Scheme (Results) Summer 2010

Principal Learning

Business, Administration and Finance
BA308 Responding to Change in Business

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General marking guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, ie if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question number	Answer	Mark
1	B	(1)

Question number	Answer	Mark
2	A	(1)

Question number	Answer	Mark
3	C	(1)

Question number	Answer	Mark
4	C	(1)

Question number	Answer	Mark
5	D	(1)

Question number	Answer	Mark
6(a)	<ul style="list-style-type: none"> • Cutting its Marketing budget (1) will lead to lower costs (1) but may see less demand (1) • Cutting its Training budget (1) will lead to lower costs (1) but may see less quality customer service (1) • Accept any relevant cost 	(3)

Question number	Answer
6 (b)(1)	<p>To a large extent:</p> <ul style="list-style-type: none"> • Changes in technology may change the pattern of demand and people may find it easier to download music (1). It has become cheap to download tracks (1). This leads to a fall in revenue as they do not buy CDs anymore (1). Illegal sharing of downloads also leads to a fall in revenue (1). <p>To a small extent:</p> <ul style="list-style-type: none"> • Not everyone has access to downloading from the Internet (1) therefore they will use traditional methods of buying CDs (1). The movement to downloads will depend on the market (1). It is likely that in the future it will be easier for people to access downloads (1). <p>Judgement should take into account extent and is fully justified for two marks.</p>

Level	Mark	Descriptor
	0	Non-rewardable material
1	1-2	Two basic reasons are given but not developed - on either or both sides
2	3-4	Reasons are developed; one mark per reason
3	5-6	Some judgements made. For full marks conclusion is fully justified.

Question number	Answer	
6 (b)(2)	<p>To a large extent:</p> <ul style="list-style-type: none"> • Artists are leaving EMI because they are unhappy with the conditions (1) and the artists it has retained may not be producing the same quality of output as the competition (1) so it may lose market share to its rivals such as Universal (1). EMI is making poor decisions on which artists to keep/attract (1). <p>To a small extent:</p> <ul style="list-style-type: none"> • The evidence suggests that it is the nature of demand that has changed i.e. downloads so this would mean that all music companies are facing difficulties (1), suggesting external rather than internal problems are causing the difficulties (1). This implies that the major influence is unlikely to be competition (1) but other external factors such as the economy also contribute (1). <p>Judgement should take into account extent and is fully justified for two marks.</p>	
Level	Mark	Descriptor
	0	Non-rewardable material
1	1-2	Two basic reasons are given but not developed - on either or both sides
2	3-4	Reasons are developed; one mark per reason
3	5-6	Some judgements made. For full marks conclusion is fully justified.

Question number	Answer	Mark
7	<p>Up to 3 marks are available for an advantage, and up to 3 marks for a disadvantage.</p> <p>Possible advantage:</p> <ul style="list-style-type: none"> • Opportunities to invest in under-utilised resources such as the music catalogue (1) this would help the business to improve its product range (1) and to provide products that consumers want. Changes in the money available, therefore, is extremely important in order to fund change (1). <p style="text-align: right;">(3)</p> <p>Possible disadvantage:</p> <ul style="list-style-type: none"> • EMI is heavily in debt (1), borrowing would increase gearing (1) this is a high-risk strategy (1). <p style="text-align: right;">(3)</p>	(6)

Question number	Answer	Mark
8 (a)	<p>1 mark for the identification of each reason, for example <i>EMI might try to involve the artists in the changes</i> (1).</p> <p>Possible ways to overcome resistance to change may include:</p> <ul style="list-style-type: none"> • Providing education and improving communication within the organisation • Involving workers in the decision-making process • Offering support through the change process • Involving workers in discussions about change to get their agreement for the nature <p>Accept any other relevant response.</p>	(1 x 1) (2)

Question number	Answer	
8 (b)	<p>The command word in the question is 'assess' so the emphasis in marking should be on identifying the evaluative skills demonstrated in the answer.</p> <p>Lewin's 'Force Field Analysis' looks at the forces for (driving forces) and against (restraining forces) making a decision. It allows the business to strengthen the forces in support of a decision whilst reducing the impact of opposition to that decision.</p> <p>Guy Hands could use the theory to: Stage 1: 'Unfreeze' - describe where EMI is now and where it wants to be. Unfreezing will help identify if the driving forces outweigh the restraining forces for change. Stage 2: take action to increase the driving factors, whilst decreasing the restraining factors. This will help to implement the change. Stage 3: 'Refreeze' - once changes have been made re-establish stability at EMI.</p>	
Level	Mark	Descriptor
	0	Non-rewardable material
1	1-3	One appropriate theorist will be selected and the learner will be able to show how this is used to manage the respond to change. At the top of the level there will tend to be an assumption that the method will help the organisation to respond to change without an assessment of the underlying assumptions. At the bottom of the level it is likely that just the way will be given with little more offered. As a result, any judgement will be simplistic at best in this level if it is present at all.
2	4-6	One appropriate way will be selected and the learner will show some understanding of how it is used to manage the response to the changes being made at BA. At this level there will be some weak evaluation of the extent to which this theory can help the organisation to respond to change and there may be an assumption that it will automatically do so without any recognition of the extent to which such a way might work. At the bottom of this level the argument will be weak with little attempt to justify the assumption.
3	7-10	One appropriate theory is selected and the candidate is able to show how it enables the organisation to respond to change. At the top of the level

	<p>the answer will clearly make reference to the <i>extent</i> to which the chosen theory will help the organisation to respond to change. The associated judgement will be well supported using the learner's own knowledge and any part of the evidence.</p> <p>At the bottom of the level there will be some hint at the extent to which the way will assess the impact accurately but the support will be weaker.</p>
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Question number	Answer	Mark
9 (a)	<p>1 mark for the identification of an advantage and 1 mark for identification of disadvantage, and 1 mark each for some development. There are other answers besides the ones suggested below, but the mark allocation will be similar to that indicated.</p> <p>Possible advantages include:</p> <ul style="list-style-type: none"> • Actual results allow a firm to see if they have met the targets set through the stated objectives (1). Without setting targets the firm will not have SMART figures to direct their objectives towards (1). <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> • Unless the targets are realistic they might be unachievable (1) this may have an adverse affect with a fall in motivation and morale making the targets less likely to be affected (1) <p style="text-align: right;">(2 x 2)</p>	(4)

Question number	Answer	Mark
9 (b)	<p>1 mark for the identification of an advantage and 1 mark for identification of disadvantage, and 1 mark each for some development. There are other answers besides the ones suggested below, but the mark allocation will be similar to that indicated.</p> <p>Possible advantages include:</p> <ul style="list-style-type: none"> • Information from staff will allow the firm to find out any problem areas highlighted by the workforce (1) this will allow EMI to utilise the experience and expertise of its own workforce (1) <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> • Demotivated staff might provide negative feedback (1) this may give a biased view of the real issues that are facing EMI (1) <p style="text-align: right;">(2 x 2)</p>	(4)

Question number	Indicative content
10	The choice made by the learner is largely irrelevant. The emphasis of the marking should be on the quality of the argument presented and the skills demonstrated.

		<p>Seeking opportunities to develop skills and experience: Increase the human capital (value) of the worker Provides the skills required to meet change Provides an advantage to the employee in a competitive environment, allowing the worker to stand out</p> <p>Monitoring stress levels and using stress reducing techniques if needed: Creates an understanding that stress exists Provides outlets for employees to cope with daily pressures of work Provides solutions to overcome these pressures</p> <p>Any other relevant answers</p>
Level	Mark	Descriptor
	0	Non-rewardable material
1	1-3	One appropriate way will be selected and the learner will be able to show how this is used to manage the response to changes. At the top of the level there will tend to be an assumption that the method will help the worker to manage the change without an assessment of the underlying assumptions. At the bottom of the level it is likely that just the way will be given with little more offered. As a result, any judgement will be simplistic at best in this level if it is present at all.
2	4-6	One appropriate way will be selected and the learner will show some understanding of how it is used to manage the response to the changes being made at EMI. At this level there will be some weak evaluation of the extent to which this way can manage change and there may be an assumption that it will automatically do so without any recognition of the extent to which such a way might work. At the bottom of this level the argument will be weak with little attempt to justify the assumption.
3	7-10	One appropriate way is selected and the candidate is able to show how it enables the worker to manage their response to change. At the top of the level the answer will clearly make reference to the <i>extent</i> to which the chosen way will help the worker to manage change. The associated judgement will be well supported using the learner's own knowledge and any part of the evidence. This may involve a comparison between the two ways given. At the bottom of the level there will be some hint at the extent to which the way will assess the impact accurately but the support will be weaker.

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