



National  
Qualifications  
2022

---

# **2022 Business Management**

## **Advanced Higher**

### **Finalised Marking Instructions**

© Scottish Qualifications Authority 2022

These marking instructions have been prepared by examination teams for use by SQA appointed markers when marking external course assessments.

The information in this document may be reproduced in support of SQA qualifications only on a non-commercial basis. If it is reproduced, SQA must be clearly acknowledged as the source. If it is to be reproduced for any other purpose, written permission must be obtained from [permissions@sqa.org.uk](mailto:permissions@sqa.org.uk).



## General marking principles for Advanced Higher Business Management

*Always apply these general principles. Use them in conjunction with the detailed marking instructions, which identify the key features required in candidates' responses.*

- (a) Always use positive marking. This means candidates accumulate marks for the demonstration of relevant skills, knowledge and understanding; marks are not deducted for errors or omissions.
- (b) If a candidate response does not seem to be covered by either the principles or detailed marking instructions, and you are uncertain how to assess it, you must seek guidance from your team leader.

Marks will be awarded as follows for

### (i) Questions that ask candidates to 'Describe...'

Candidates must make relevant factual points, which may be characteristics and/or features, as appropriate to the question asked. These points may relate to a concept, process or situation.

Candidates may provide straightforward points or a smaller number of developed points, or a combination of these.

Up to the total mark allocation for this question:

- **1 mark** should be given for each relevant factual point
- **1 mark** should be given for any further development of a relevant point, including exemplification when appropriate.

### (ii) Questions that ask candidates to 'Explain...'

Candidates must make accurate relevant points that relate cause and effect and/or make the relationships clear. These points may relate to a concept, process or situation.

Candidates may provide a number of straightforward points of explanation or a smaller number of developed points, or a combination of these.

Up to the total mark allocation for this question:

- **1 mark** should be given for each relevant point of explanation
- **1 mark** should be given for a further development of a relevant point, including exemplification when appropriate.

### (iii) Questions that ask candidates to 'Compare...'

Candidates must demonstrate knowledge and understanding of the similarities and/or differences between things, methods or choices, for example. The relevant comparison points could include theoretical concepts.

Up to the total mark allocation for this question:

- **1 mark** should be given for each accurate point of comparison.

### (iv) Questions that ask candidates to 'Discuss...'

Candidates must make a number of points that communicate issues, ideas, or information about a given topic or context that will make a case for and/or against. It is not always necessary to give both sides of the debate in responses.

Up to the total mark allocation for this question:

- **1 mark** should be given for each accurate point of knowledge that is clearly relevant

- **1 mark** should be given for any further development of a relevant point, including exemplification or a conclusion when appropriate.

**(v) Questions that ask candidates to ‘Analyse...’**

Candidates must demonstrate the ability to identify/describe/explain relevant parts, and the relationship between the parts and/or the whole. Candidates should be able to draw out and relate any implications and/or analyse data.

Up to the total mark allocation for this question:

- **1 mark** should be given for each accurate point of analysis
- **1 mark** should be given for any further development of a relevant point, including exemplification when appropriate.

**(vi) Questions that ask candidates to ‘Evaluate...’**

Candidates must demonstrate the ability to make a reasoned judgement in terms of the effectiveness or usefulness of something based on criteria. Candidates should be able to determine the value of something within context.

Up to the total mark allocation for this question:

- **1 mark** should be given for each accurate point of evaluation
- **1 mark** should be given for any further development of a relevant point, including exemplification when appropriate.

**(vii) Questions that ask candidates to ‘Explore...’**

Candidates must demonstrate the ability to carry out a detailed examination or enquiry, or follow a process in order to find out something.

Up to the total mark allocation for this question:

- **1 mark** should be given for each accurate point
- **1 mark** should be given for any further development of a relevant point, including exemplification when appropriate.

## Marking instructions for each question

### Section 1

Question	Expected response(s)	Max mark	Additional guidance
1.	<p><b>Reasons for</b></p> <ul style="list-style-type: none"> <li>• <u>executive pay</u> - highly-promoted employees may have increased salaries which can lead to greater motivation/job satisfaction <ul style="list-style-type: none"> <li>○ if executive pay is reduced because targets are not met then this could lower Shell's expenses</li> </ul> </li> <li>• <u>most systemic risk facing society</u> - may help Shell comply with government/environmental agendas eg Paris Agreement/UNFCCC/COP26 etc <ul style="list-style-type: none"> <li>○ may enable Shell to meet its environmental targets in advance</li> <li>○ avoiding future carbon tax costs/penalties etc</li> </ul> </li> <li>• <u>first supermajor to do this</u> - may attract high calibre candidates to apply for executive positions in Shell</li> <li>• <u>committed to cutting emissions</u> - less pollution in society/the environment <ul style="list-style-type: none"> <li>○ encourages executives to be eco-friendlier in their decision-making so Shell's sustainability targets are more likely to improve</li> <li>○ may motivate executives to work harder as meeting their targets reduces the impact on the environment (<b>1 mark max</b>)</li> </ul> </li> </ul> <p><b>Reasons against</b></p> <ul style="list-style-type: none"> <li>• <u>1,650 employees affected</u> - executives may be disgruntled if their pay is reduced due to targets not being met (<b>watch for flip without different development</b>) <ul style="list-style-type: none"> <li>○ executives may leave Shell for senior positions with a rival who do not link payment to carbon emissions</li> </ul> </li> <li>• <u>pressure from main investors</u> - not all investors may be on-board with the decision as they may worry their dividend could be negatively affected</li> </ul>	6	<p>Candidates' responses should be based on the information from the case study.</p> <p>Award <b>1 mark</b> for each valid evaluation.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>A maximum of <b>3 marks</b> to candidates who make general points on the impact of linking payment to targets without relating them to the case study.</p> <p>Accept any other suitable response.</p>

Question			Expected response(s)	Max mark	Additional guidance												
2.			<table><thead><tr><th>DRIVERS</th><th>RESISTORS</th></tr></thead><tbody><tr><td>shift in global energy supplies towards lower-carbon sources →</td><td>← continuous capital investment</td></tr><tr><td>gas market becoming over-supplied →</td><td>← competitive environment</td></tr><tr><td>greater use of electricity in the future →</td><td>← electricity traditionally delivers low returns</td></tr><tr><td>other supermajors are investing into electricity for example Total and Repsol →</td><td>← electricity yield is highly-regulated</td></tr><tr><td colspan="2"><b>Assets for Change</b><ul style="list-style-type: none"><li>• electricity generation will mostly come from gas which Shell specialise in</li><li>• invested in renewable energy and new energy technologies</li><li>• Shell's scale eg largest multinational firm in Europe</li><li>• strong knowledge of the global energy market</li></ul></td></tr></tbody></table>	DRIVERS	RESISTORS	shift in global energy supplies towards lower-carbon sources →	← continuous capital investment	gas market becoming over-supplied →	← competitive environment	greater use of electricity in the future →	← electricity traditionally delivers low returns	other supermajors are investing into electricity for example Total and Repsol →	← electricity yield is highly-regulated	<b>Assets for Change</b> <ul style="list-style-type: none"><li>• electricity generation will mostly come from gas which Shell specialise in</li><li>• invested in renewable energy and new energy technologies</li><li>• Shell's scale eg largest multinational firm in Europe</li><li>• strong knowledge of the global energy market</li></ul>		8	<p>Candidates' responses should be based on the information from the case study.</p> <p>Up to <b>4 marks</b> for a force field diagram:</p> <ul style="list-style-type: none"><li>• 1 mark for 2 drivers</li><li>• 1 mark for 2 resistors</li><li>• 1 mark for an asset for change</li><li>• 1 mark for differing arrows and headings</li></ul> <p>Award <b>1 mark</b> for each valid analysis point. Up to a maximum of <b>4 marks</b> for analysis.</p> <p>A maximum of <b>4 marks</b> for any one driver or resistor.</p> <p>A maximum of <b>1 mark</b> for an overall evaluation.</p> <p>A maximum of <b>4 marks</b> if there is no diagram.</p>
DRIVERS	RESISTORS																
shift in global energy supplies towards lower-carbon sources →	← continuous capital investment																
gas market becoming over-supplied →	← competitive environment																
greater use of electricity in the future →	← electricity traditionally delivers low returns																
other supermajors are investing into electricity for example Total and Repsol →	← electricity yield is highly-regulated																
<b>Assets for Change</b> <ul style="list-style-type: none"><li>• electricity generation will mostly come from gas which Shell specialise in</li><li>• invested in renewable energy and new energy technologies</li><li>• Shell's scale eg largest multinational firm in Europe</li><li>• strong knowledge of the global energy market</li></ul>																	

Question			Expected response(s)	Max mark	Additional guidance
			<p><b>Drivers</b></p> <ul style="list-style-type: none"> <li>• <u>shift in global energy supplies towards lower-carbon sources</u> - consumers are becoming more environmentally conscious and Shell's move into the electricity market will attract them to switch to Shell</li> <li>• <u>gas market becoming over-supplied</u> - may be forcing Shell's profit margins down to compete with other rivals who are contributing to an excess in gas supply</li> <li>• <u>greater use of electricity in the future</u> - demand will increase meaning there is sales revenue potential for Shell in the electricity market</li> <li>• <u>other supermajors are investing into electricity</u> - Shell should diversify now into the electricity market along with the other supermajors to remain competitive <ul style="list-style-type: none"> <li>○ avoid costly penetrative pricing strategies at a later time as it may be challenging to do so once its rivals have established themselves</li> </ul> </li> </ul> <p><b>Resistors</b></p> <ul style="list-style-type: none"> <li>• <u>continuous capital investment</u> - high investment for possibly little return initially</li> <li>• <u>competitive environment</u> - existing electricity providers, for example, Total and Repsol may force Shell to lower its prices of electricity in order to compete</li> <li>• <u>electricity traditionally delivers low returns</u> - may not be as profitable which can negatively impact on shareholders' dividends</li> <li>• <u>electricity returns are highly-regulated</u> - prices are controlled in some countries which can limit Shell's potential income</li> </ul> <p><b>Overall Evaluation</b></p> <ul style="list-style-type: none"> <li>• <b>Shell should continue into the electricity market</b> - investment costs are affordable for Shell and it has the scale to be able to compete in the electricity market therefore it should aim to become a leader in the electric market by 2030 as the demand for this energy type will eventually succeed its primary business of gas</li> </ul>		

Question			Expected response(s)	Max mark	Additional guidance
3.			<ul style="list-style-type: none"> <li>• <u>44,000 retail service stations worldwide</u> - increased choice of oil and gas vendors for Nigerian consumers</li> </ul> <p><b>Government Relationship</b></p> <ul style="list-style-type: none"> <li>• <u>seconded staff into ministries</u> - Shell may become aware of upcoming legislative changes so can take steps to comply in advance <ul style="list-style-type: none"> <li>○ may be able to influence government decision making in its favour</li> <li>○ may be more likely to receive permissions/incentives</li> </ul> </li> <li>• <u>payments to the military</u> - financial cost potentially associating Shell with bribery/corruption <ul style="list-style-type: none"> <li>○ <u>prevent protests</u> - allows Shell to continue its operation generating profit</li> </ul> </li> </ul> <p><b>Oil Infrastructure</b></p> <ul style="list-style-type: none"> <li>• <u>lack of investment/maintenance</u> - can lead to increased oil spills in the future so Shell will have to allocate resources for clean-up operations</li> <li>• <u>environmental damage</u> - can damage Shell's reputation through bad publicity/media reports which deter investment <ul style="list-style-type: none"> <li>○ can lead to customer boycott limiting sales revenue</li> </ul> </li> <li>• <u>18.7% operational spills</u> - increase in pollution threatening sea life/wildlife <ul style="list-style-type: none"> <li>○ Shell may increase its funding for risk management/training to prevent more spills</li> </ul> </li> <li>• <u>compensation due to spills</u> - Shell may be paying victims to silence negative press</li> </ul>	8	<p>Candidates' responses should be based on the information from the case study.</p> <p>Award <b>1 mark</b> for each valid explored point.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>A maximum of <b>4 marks</b> to candidates who make general points on the impact of Shell in Nigeria, without relating them to the case study.</p> <p>Impact can be on Shell, its stakeholders, rivals, economies or the environment.</p> <p>Accept any other suitable response.</p>

Question			Expected response(s)	Max mark	Additional guidance
			<b>Taxation Dispute</b> <ul style="list-style-type: none"> <li>• <u>share of \$20 billion in taxes</u> - this could reduce Shell's profit for the year figure after tax in future so less may be available for retaining <ul style="list-style-type: none"> <li>○ less profit may be available for distribution to shareholders in dividends</li> <li>○ Nigerian government could have more public funding for state services</li> </ul> </li> <li>• <u>delayed investment</u> - Shell is delaying the export potential of Nigeria <ul style="list-style-type: none"> <li>○ restricting the GDP of Nigeria</li> <li>○ impact negatively on the BOP if less is being exported</li> <li>○ preventing job opportunities in the development</li> </ul> </li> </ul>		
4.			<ul style="list-style-type: none"> <li>• <u>75 employee network groups</u> - more inclusive for staff who feel supported may mean Shell has better workforce morale/motivation</li> <li>• <u>network groups are only in 27/70 countries</u> - may create inflexibility in Shell's workforce as some employees may not transfer within the firm to other countries as there is a lack of diversity representation/support</li> <li>• <u>71% of Shell's workforce feel positive about inclusion at work</u> - allows for increased confidence in voicing ideas/opinions and contributing positively during the decision making process <ul style="list-style-type: none"> <li>○ <u>29% do not feel positive about inclusion at work</u> - could result in increased levels of absenteeism as staff may feel isolated/marginalised</li> </ul> </li> <li>• <u>HR policies reviewed</u> - less likely to discriminate which reduces the risk of disputes/legal action/compensation/fines</li> <li>• <u>ally and mentoring programmes engage senior management</u> - ambitious employees with protected characterises are more likely to be fairly treated when considering promotion <ul style="list-style-type: none"> <li>○ therefore less likely to leave Shell to work for a rival</li> </ul> </li> <li>• <u>education programmes</u> - may be costly/time consuming for Shell to run</li> </ul> <b>LGBT+</b> <ul style="list-style-type: none"> <li>• <u>Shell was the first company in South Africa to establish an LGBT+ network</u> - could enable Shell to win a diversity award in this country</li> <li>• <u>LGBT+ network mostly in Western countries</u> - Shell will struggle to support LGBT+ in some non-Western countries due to conflicts with legislation</li> </ul>	8	<p>Candidates' responses should be based on the information from the case study.</p> <p>Candidates must discuss at least <b>one</b> benefit and <b>one</b> challenge to gain full marks.</p> <p>Award <b>1 mark</b> for each valid discussed point.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>A maximum of <b>4 marks</b> to candidates who make general points on diversity in the workplace without relating them to the case study.</p> <p>Points must impact on Shell (the organisation).</p> <p>Watch for repetition.</p> <p>Accept any other suitable response.</p>



Question			Expected response(s)	Max mark	Additional guidance
			<p><b>Gender Pay Gap</b></p> <ul style="list-style-type: none"> <li>• <u>overall females are paid 18.7% lower than men</u> - Shell may have to use positive discrimination to improve this statistic as females are under-represented</li> <li>• <u>women are still concentrated at the lower levels of Shell's organisation hierarchy</u> - a 'glass ceiling' can deter female staff applying for internal promotion</li> <li>• <u>lack of women in petroleum engineering and trading roles</u> - Shell may have to pay for marketing to attract females into the industry <ul style="list-style-type: none"> <li>○ may need to allow female staff time off to be STEM ambassadors</li> </ul> </li> <li>• <u>less than one third/30% of its senior leaders in the UK are female</u> - may not attract external female candidates in the recruitment process who may be higher skilled than some of their male counterparts and therefore Shell may miss out on higher calibre candidates</li> <li>• <u>globally, Shell employs twice as many men as women</u> - Shell does not have to comply with the Equality Act outside of the UK so it may be cheaper for Shell to employ women in countries where it can pay them less than men</li> </ul>		
5.			<p><b>Virtual Learning Environment</b></p> <ul style="list-style-type: none"> <li>• <u>reducing the need for field trips</u> - <b>HRM</b> requires less budget for training courses as costly geological trips are carried out electronically</li> <li>• <u>delivered more than 12,000 lessons</u> - <b>HRM</b> may be able to offer more training to the workforce than without the VLE <ul style="list-style-type: none"> <li>○ employees may gain new skills/experiences increasing the supply of suitable candidates available to <b>HRM</b> for internal promotions</li> </ul> </li> <li>• <u>automated feedback</u> - <b>HRM</b> may not have to recruit instructors/assessors at all for many of its training courses</li> </ul>	6	<p>Candidates' responses should be based on the information from the case study.</p> <p>Award <b>1 mark</b> for each valid explanation.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>Accept any other suitable response.</p>

Question			Expected response(s)	Max mark	Additional guidance
			<p><b>Yammer Communication</b></p> <ul style="list-style-type: none"> <li>• <u>employees kept up-to-date</u> - <b>HRM</b> can rapidly disseminate information on policies so employees may be less likely to resist changes <ul style="list-style-type: none"> <li>○ employees are therefore less likely to request <b>HRM's</b> assistance in taking out grievances/disputes <ul style="list-style-type: none"> <li>▪ reduced staff turnover may occur which reduces the need for <b>HRM</b> to carry out recruitment processes</li> </ul> </li> </ul> </li> <li>• <u>published 'how to' videos</u> - <b>HRM</b> benefits from peer-to-peer training which improves employees' skills without the need to run formal training courses</li> <li>• <u>global pandemic homeworking</u> - <b>HRM</b> may have issued new contracts to retain employees as full or partial homeworkers, now the IT is in place</li> </ul> <p><b>Online Graduate Recruitment</b></p> <ul style="list-style-type: none"> <li>• <u>100,000 applications</u> - <b>HRM</b> has more applications so increases the chances of employing the best candidates</li> <li>• <u>computerised selection process</u> - <b>HRM</b> saves time from running tests and carrying out interviews as this is all carried out online</li> <li>• <u>meets employees only once employed</u> - <b>HRM</b> may have to use a probation/trial period in case the candidate does not fit in well with the team in person</li> </ul> <p><b>Robotics</b></p> <ul style="list-style-type: none"> <li>• <u>work in remote/dangerous facilities</u> - <b>HRM</b> has to deal with less accidents at work leading to less compensation claims <ul style="list-style-type: none"> <li>○ less administration for <b>HRM</b> recording accidents</li> </ul> </li> <li>• <u>crawler robots during COVID</u> - less risk of staff gathering and spreading COVID may mean <b>HRM</b> had to arrange less cover as fewer staff become ill from the virus</li> <li>• <u>on average 10 times faster than a human inspector</u> - <b>HRM</b> may consider this in its workforce planning and not need to employ as many inspectors <ul style="list-style-type: none"> <li>○ may result in <b>HRM</b> having to offer redundancy packages to staff/begin redundancy processes as less staff are required</li> </ul> </li> </ul>		

Question			Expected response(s)	Max mark	Additional guidance
6.			<ul style="list-style-type: none"> <li>• <u>total revenue by business group has decreased</u> - may have led to reduced <b>managers'</b> bonuses</li> <li>• <u>revenue by geographical area has decreased</u> - <b>governments</b> in each area will not have been able to claim as much in value added tax (VAT)</li> <li>• <u>purchases have decreased</u> - <b>suppliers</b> will have received less income</li> <li>• <u>a loss for the year was made</u> - <b>governments</b> will not have gained corporation tax in 2020 <ul style="list-style-type: none"> <li>○ <b>citizens</b> may see a decrease in state services as tax income was reduced</li> </ul> </li> <li>• <u>a loss for the year was made</u> - <b>employees</b> may face a pay freeze as less profit is available to retain for wage increases</li> <li>• <u>a loss for the year was made</u> - <b>customers</b> may see higher prices as Shell may increase the price of fuel to recover the loss it has made</li> <li>• <u>current ratio is not at its ideal of 2:1</u> - may reduce the chance for <b>banks/lenders</b> to be repaid by Shell in the short term</li> <li>• <u>Return on Equity Employed (ROEE) has decreased</u> - <b>shareholders</b> may receive lower dividends on their investment</li> </ul>	4	<p>Candidates' responses should be based on the information from the case study.</p> <p>Award <b>1 mark</b> for each valid description.</p> <p>Award <b>1 mark</b> for a valid development.</p> <p>Up to <b>3 marks</b> for describing disadvantages for any one stakeholder.</p> <p>Stakeholders <b>must</b> be labelled.</p> <p>Accept any other suitable response.</p>

## Section 2

Question			Expected response(s)	Max mark	Additional guidance
7.			<p><b>Monetary Policy</b></p> <ul style="list-style-type: none"> <li>• (Government encourages Bank of England to) lower interest rates on loans supplies cash to businesses at low cost <ul style="list-style-type: none"> <li>◦ encourages borrowing to stimulate growth/survival</li> </ul> </li> <li>• quantitative easing drives interest rates down encouraging borrowing and spending</li> </ul> <p><b>Fiscal Policy</b></p> <ul style="list-style-type: none"> <li>• reduced VAT can lower selling prices encouraging spending <ul style="list-style-type: none"> <li>◦ for example, VAT was cut from 20% to 5% on hospitality food and accommodation, and attractions in 2020</li> </ul> </li> <li>• reduced income tax can increase disposable income which encourages spending <ul style="list-style-type: none"> <li>◦ reduces the tax revenue available to fund support for firms</li> </ul> </li> <li>• reduced corporation tax will increase profit after tax</li> <li>• reduce other taxes, for example, stamp duty was cut in 2020 to encourage the sale of housing</li> </ul>	10	<p>Candidates must explore at least <b>2</b> methods to gain full marks.</p> <p>Award <b>1 mark</b> for each valid explored point.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>Up to a maximum of <b>5 marks</b> may be awarded for general descriptions of methods without exploring how they support organisations.</p> <p>Accept any other suitable response.</p>

Question			Expected response(s)	Max mark	Additional guidance
			<p><b>Support Schemes and Financial Assistance</b></p> <ul style="list-style-type: none"> <li>• funding in the form of grants can be issued, for example, over £2 billion made available in 2020 to support job creation and training <ul style="list-style-type: none"> <li>○ these are non-repayable/do not need to be paid back</li> </ul> </li> <li>• tax relief/exceptions can increase an organisation's profits</li> <li>• tax deferrals can support short-term liquidity problems</li> <li>• investments can be made into the Department for Work and Pensions, for example, in 2020 funding was made available to support careers advisors to help support people into jobs</li> <li>• 'Kickstart' scheme will pay employers to create new jobs for youths between the ages of 16-24 at risk of unemployment <ul style="list-style-type: none"> <li>○ the government will pay these young people's wages for 6 months</li> <li>○ the government will pay an amount which contribute to overhead costs</li> </ul> </li> </ul> <p><b>Legislation</b></p> <ul style="list-style-type: none"> <li>• an increase in the national minimum wage legislation could result in increased spending which generates sales revenue <ul style="list-style-type: none"> <li>○ this will however increase the wage expenses for firms</li> </ul> </li> </ul> <p><b>Accept methods used to support businesses during the Coronavirus lockdown periods for example:</b></p> <ul style="list-style-type: none"> <li>• 'Furlough' scheme</li> <li>• 'Eat Out to Help Out'</li> <li>• corporate insolvency changes etc</li> </ul>		

Question			Expected response(s)	Max mark	Additional guidance
8.	(a)		<ul style="list-style-type: none"> <li>• <b>Employees</b> are believed to:               <ul style="list-style-type: none"> <li>○ avoid responsibility</li> <li>○ shy from work/lazy</li> <li>○ adopt a blame culture</li> <li>○ resist change</li> <li>○ not creative</li> </ul> </li> <li>• suggests a classical management approach where employees are viewed as machines</li> <li>• assumes autocratic leadership style/little to no involvement in decision making</li> <li>• believes employees need to be controlled and directed</li> <li>• may be threatening and intimidating with an emphasis on discipline</li> <li>• considers finance as the key motivator               <ul style="list-style-type: none"> <li>○ bonuses/piece-rate are effective in increasing motivation/productivity</li> </ul> </li> <li>• suggests a traditional hierarchical structure with a narrow span of control</li> <li>• rarely used in modern business practice in isolation as a combination is used to achieve an effective management approach</li> </ul>	4	<p>Award <b>1 mark</b> for each valid description.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>Accept any other suitable response.</p>
	(b)		<p><b>TASK</b></p> <ul style="list-style-type: none"> <li>• employees undertaking creative work - require a free reign to stop stifling staff creativity</li> <li>• manufacturing and factory work - will be suited to elements of autocratic/scientific leadership where tasks are routine and repetitive and productivity is the driving force</li> <li>• where piece rate payment used - a high level of supervision is required to ensure products are meeting the correct standard of quality, a more classical leadership approach is appropriate</li> <li>• service sector organisations - use a more decentralised approach to work planning to empower employees and delegate decision making</li> </ul>	6	<p>Candidates must explain the influence of at least <b>2</b> factors to gain full marks.</p> <p>Award <b>1 mark</b> for each valid explanation.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>Award <b>1 mark</b> for a description of contingency leadership.</p> <p>Accept any other suitable response.</p>

Question			Expected response(s)	Max mark	Additional guidance
			<p><b>PEOPLE</b></p> <ul style="list-style-type: none"> <li>• where the manager is well established and respected and knows work will get done - a laissez faire approach may be suited to teams where all members are working to a common goal</li> <li>• new staff or unskilled staff - may need a more directed approach than experienced ones <ul style="list-style-type: none"> <li>○ a bureaucratic structure where roles and expectations are clearly defined will be more appropriate than giving employees freedom of action</li> </ul> </li> <li>• where conflict exists in a team - then an autocratic approach can minimise arguments as direction is clear with no room for discussion</li> <li>• a charismatic leader - may use a more participative/persuasive style to ensure employees achieve their targets</li> <li>• larger teams - may need more decentralised/democratic leadership to organise sub-groups</li> </ul> <p><b>ENVIRONMENT</b></p> <ul style="list-style-type: none"> <li>• autocratic approach is appropriate in a crisis - where there is no time for consultation</li> <li>• traditional organisations use a bureaucratic approach for example local councils - as there are many layers of management <ul style="list-style-type: none"> <li>○ the army use an autocratic leadership style to conform to the militant culture where obedience of command is required</li> </ul> </li> <li>• organisations which combine production and service - may need to adopt different approaches in each area for example a restaurant may have a kitchen where everyone does what they are told by the head chef but are allowed flexibility to welcome diners and respond to customer requests</li> </ul>		

Question			Expected response(s)	Max mark	Additional guidance
9.	(a)		<ul style="list-style-type: none"> <li>members may struggle to agree/compromise (1 mark max)</li> <li>challenging authority as members of the group raise concerns over who has been chosen to lead the group</li> <li>negative behaviours and attitudes from team members where some members of the group may not wish to be a member and act up               <ul style="list-style-type: none"> <li>some members may have a negative opinion of group work and refuse to participate and interact</li> </ul> </li> <li>unresolved issues from the past between members of the group may arise</li> <li>resistance to take on or accept roles/tasks allocated</li> <li>sub-groups may form which creates a clique culture</li> <li>members of the group may feel that there are not enough resources for example finance limitations or not enough staff to complete the task</li> <li>where change conflicts with existing company culture staff may resist</li> <li>some members of the group have personalities that naturally clash</li> </ul>	4	<p>Candidates must describe at least 2 conflicts to gain full marks.</p> <p>Award 1 mark for each valid description.</p> <p>Award 1 mark for each valid development.</p> <p>Accept any other suitable response.</p>
	(b)		<ul style="list-style-type: none"> <li>individual job descriptions can be made - so each member knows their role               <ul style="list-style-type: none"> <li>specific outcomes and targets can be set for each member</li> </ul> </li> <li>hold group meeting - to allow issues to be raised, aired and resolved</li> <li>request external counselling - to deal with specific conflict issues between members</li> <li>hold a social event - to build better cohesion in the group</li> <li>identify loyal sub-team leaders - who will help lead smaller groups within the main group and ensure group cohesion towards the main objective</li> <li>lead by example - the leader must demonstrate through their actions and behaviours what cultural norms will be accepted in the group</li> <li>create reporting structures and a chain of command - so everyone in the group knows who they report to and can ask for help if they have any problems</li> <li>hold meetings with each individual member of the group - this will allow issues to be discussed and conflicts resolved</li> <li>remove members from the group - who are unwilling to accept the outcome of the norming stage</li> </ul>	6	<p>Candidates must explore at least 2 measures to gain full marks.</p> <p>Award 1 mark for each valid exploration point.</p> <p>Award 1 mark for each valid development.</p> <p>Accept any other suitable response.</p>



Question			Expected response(s)	Max mark	Additional guidance
10.			<p><b>GANTT CHART</b></p> <ul style="list-style-type: none"> <li>identifies the various activities so that decisions as to what resources are required can be made</li> <li>visually shows a project on a chart, which marks progress with a today line, making it easier to track/meet deadlines</li> <li>helps to show how long each activity is scheduled to last so that efficient timetabling of resources/inventory/deliveries can be carried out</li> <li>identifies where activities overlap with other activities and by how much so that a manager can plan how to divide the firm's resources <ul style="list-style-type: none"> <li>bottlenecks and delays can be better avoided</li> </ul> </li> <li>identifies the 'Critical Path' which will allow the manager to work out the most efficient timescale of the project</li> </ul> <p><b>FORCE FIELD ANALYSIS (FFA)</b></p> <ul style="list-style-type: none"> <li>used to decide whether or not to undertake a change to avoid a rash/hasty decision</li> <li>drivers are factors that force change to happen and knowing their relative strength will help increase a strategy's chance of success</li> <li>resistors are factors that hinder change and knowing their relative weighting can avoid risky decisions being made</li> <li>assets for change are identified which can resource/support a decision</li> </ul>	10	<p>Candidates must evaluate the use of at least <b>2</b> techniques to gain full marks.</p> <p>Award <b>1 mark</b> for each valid evaluation.</p> <p>Award <b>1 mark</b> for each valid development.</p> <p>A maximum of <b>5 marks</b> to candidates who make general descriptions of analytical techniques without relating them to improving decision making.</p>

Question			Expected response(s)	Max mark	Additional guidance
			<p><b>CRITICAL PATH ANALYSIS (CPA)</b></p> <ul style="list-style-type: none"> <li>allows a manager to work out the quickest way to complete a project by identifying the best order to perform all the necessary tasks</li> <li>plans in advance all the individual activities that make up a project, which means the manager will reduce the chance of unforeseen problems that may affect decision making</li> <li>shows the order in which activities should be undertaken, which allows the manager to decide on the necessary materials and employees required <ul style="list-style-type: none"> <li>saves on wasted resources and time</li> </ul> </li> <li>shows which activities can only take place once other activities have been completed, so decision as to which activities can be prioritised</li> <li>allows the manager to decide which activities can be undertaken simultaneously thereby reducing the overall time taken to complete the project</li> <li>decisions can be made about when certain resources will be needed for example a crane to be hired for a building site and this will reduce such costs as they will not be needed for the length of the entire project</li> </ul> <p><b>Accept other suitable analytical techniques for example:</b></p> <ul style="list-style-type: none"> <li>Ratio analysis</li> <li>PESTEC</li> <li>SWOT</li> <li>Boston Matrix</li> </ul>		

[END OF MARKING INSTRUCTIONS]