



Rewarding Learning

**ADVANCED SUBSIDIARY (AS)
General Certificate of Education
2019**

Professional Business Services

Assessment Unit AS 1

assessing

Introduction to Professional Business Services

[SPB11]

WEDNESDAY 22 MAY, AFTERNOON

**MARK
SCHEME**

General Marking Instructions

Introduction

The main purpose of the mark scheme is to ensure that examinations are marked accurately, consistently and fairly. The mark scheme provides examiners with an indication of the nature and range of candidates' responses likely to be worthy of credit. It also sets out the criteria which they should apply in allocating marks to candidates' responses.

Assessment objectives

Below are the assessment objectives for **GCE Professional Business Services**.

Candidates should be able to:

- AO1** Demonstrate knowledge and understanding of terms, concepts, theories, methods and models used by professional business services firms and their client businesses.
- AO2** Apply knowledge and understanding of concepts, theories, methods and models used by professional business services firms and their client businesses.
- AO3** Investigate, analyse and evaluate concepts, theories, methods and models as used by professional business services firms and their client businesses.

Quality of candidates' responses

In marking the examination papers, examiners should be looking for a quality of response reflecting the level of maturity which may reasonably be expected of a 17- or 18-year-old which is the age at which the majority of candidates sit their GCE examinations.

Flexibility in marking

Mark schemes are not intended to be totally prescriptive. No mark scheme can cover all the responses which candidates may produce. In the event of unanticipated answers, examiners are expected to use their professional judgement to assess the validity of answers. If an answer is particularly problematic, then examiners should seek the guidance of the Supervising Examiner.

Positive marking

Examiners are encouraged to be positive in their marking, giving appropriate credit for what candidates know, understand and can do rather than penalising candidates for errors or omissions. Examiners should make use of the whole of the available mark range for any particular question and be prepared to award full marks for a response which is as good as might reasonably be expected of a 17- or 18-year-old GCE candidate.

Awarding zero marks

Marks should only be awarded for valid responses and no marks should be awarded for an answer which is completely incorrect or inappropriate.

Marking calculations

In marking answers involving calculations, examiners should apply the 'own figure rule' so that candidates are not penalised more than once for a computational error. To avoid a candidate being penalised, marks can be awarded where correct conclusions or inferences are made from their incorrect calculations.

Types of mark schemes

Mark schemes for tasks or questions which require candidates to respond in extended written form are marked on the basis of levels of response which take account of the quality of written communication. Other questions which require only short answers are marked on a point for point basis with marks awarded for each valid piece of information provided.

Levels of response

In deciding which level of response to award, examiners should look for the 'best fit' bearing in mind that weakness in one area may be compensated for by strength in another. In deciding which mark within a particular level to award to any response, examiners are expected to use their professional judgement.

The following guidance is provided to assist examiners.

- **Threshold performance:** Response which just merits inclusion in the level and should be awarded a mark at or near the bottom of the range.
- **Intermediate performance:** Response which clearly merits inclusion in the level and should be awarded a mark at or near the middle of the range.
- **High performance:** Response which fully satisfies the level description and should be awarded a mark at or near the top of the range.

Quality of written communication

Quality of written communication is taken into account in assessing candidates' responses to all tasks and questions that require them to respond in extended written form. These tasks and questions are marked on the basis of levels of response. The description for each level of response includes reference to the quality of written communication.

For conciseness, quality of written communication is distinguished within either three or four levels of response.

Where there are three levels of response, quality of written communication is distinguished as follows:

Level 1: Quality of written communication is basic.

Level 2: Quality of written communication is good.

Level 3: Quality of written communication is excellent.

In interpreting these level descriptions, examiners should refer to the more detailed guidance provided below:

Level 1 (Basic): The candidate makes only a limited selection and use of an appropriate form and style of writing. The organisation of material may lack clarity and coherence. There is little use of specialist vocabulary. Presentation, spelling, punctuation and grammar may be such that intended meaning is not clear.

Level 2 (Good): The candidate makes a reasonable selection and use of an appropriate form and style of writing. Relevant material is organised with some clarity and coherence. There is some use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are sufficiently competent to make meaning clear.

Level 3 (Excellent): The candidate successfully selects and uses the most appropriate form and style of writing. Relevant material is organised with a high degree of clarity and coherence. There is widespread and accurate use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of a sufficiently high standard to make meaning clear.

Where there are four levels of response, quality of written communication is distinguished as follows:

Level 1: Quality of written communication is basic.

Level 2: Quality of written communication is satisfactory.

Level 3: Quality of written communication is good.

Level 4: Quality of written communication is excellent.

In interpreting these level descriptions, examiners should refer to the more detailed guidance provided below.

Level 1 (Basic): The candidate makes only a basic selection and use of an appropriate form and style of writing. The organisation of material may lack clarity and coherence. There is little use of specialist vocabulary. Presentation, spelling, punctuation and grammar may be such that intended meaning is not clear.

Level 2 (Satisfactory): The candidate makes a satisfactory selection and use of an appropriate form and style of writing. Relevant material is organised with some degree of clarity and coherence. There is some use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of a satisfactory standard to make meaning evident.

Level 3 (Good): The candidate makes a good selection and use of an appropriate form and style of writing. Relevant material is organised with good clarity and coherence. There is good use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of a good standard to make meaning clear.

Level 4 (Excellent): The candidate successfully selects and used the most appropriate form and style of writing. Relevant material is organised with a high degree of clarity and coherence. There is widespread and accurate use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of the highest standard to make meaning absolutely clear.

1 (a) AO1

Responses may include:

- PWC (Price Waterhouse Cooper)
- CITI (Business Change Management Consultancy)
- Baker & McKenzie
- Neueda
- Grant Thornton
- Deloitte
- Accenture
- KPMG
- EY
- Santander

All valid responses will be given credit
(1 × [3])

[3]

(b) AO1

Responses may include:

The quaternary sector consists of those industries providing knowledge based or technological services.

Examples:

- Computing
- ICT (Information and Communication Technologies)
- Consultancy (offering advice to businesses)
- R&D (research and development, particularly in scientific fields)

All valid responses will be given credit

[1] explanation of quaternary production

[2] explanation of quaternary production with one example

[3] explanation of quaternary production with two examples

[3]

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2 AO1, AO2, AO3

Responses may include:

- Culture – a code of conduct can reflect the culture of the client's business, whereas external regulations are generic and a legal requirement.
- Commitment – a code of conduct can show a commitment by the client's business to deliver high standards beyond the external requirements they face from regulations.
- Confidence – a code of conduct can give the client's customers a greater confidence about the quality of service provided. External regulation will also increase customer confidence but with greater power of enforcement.
- Costs – a code of conduct is less likely to increase costs significantly for the client. Whereas external regulation can be costly to implement.
- Time – a code of conduct takes no time whereas external regulation can take time to respond to changes in the business environment. This can leave clients exposed to standards that will not regulate firms until the legal framework is brought up to date.

All valid responses will be given credit

[1] identification of benefit

[2] identification of benefit with explanation

[3] identification of benefit with explanation and application to Moore and

- Proctor Solicitors
- [4] identification of benefit with explanation and application to Moore and Proctor Solicitors. Analysis and evaluation are basic
- [5] identification of benefit with explanation and application to Moore and Proctor Solicitors. Analysis and evaluation are good
- (2 × [5]) [10]

AVAILABLE
MARKS

10

3 AO1, AO2, AO3

Responses may include:

Market penetration – Existing product – existing market

- Volvo is increasing the brand loyalty of customers.
- Encouraging consumers to purchase Volvo cars rather than their competitors.
- Implementation of pricing strategies, e.g. price reduction.
- Promotional strategies, e.g. increased advertising.

Product development – New product – existing market

- Volvo to use electric motors in all cars from 2020.
- From 2020 Volvo will only make three types of cars: pure-electric, plug-in hybrids and so called mild hybrids.
- Volvo was taken over by a Chinese car maker Geely in 2010. These new owners have proven to be a catalyst in the race to electrify its model.

Market development – Existing product – new market

- Volvo has stated that it plans to have sold a total of 1 m electrified cars by 2025.
- Geely is the only Chinese-owned car maker producing vehicles for the US.
- The market for pure-electric cars is small, accounting for less than 1% of sales in 2016, but is growing quickly.

Diversification – New product – new market

- By 2020 no new Volvo cars will be sold without an electric motor, as internal combustion cars are 'gradually phased out'.
- Candidates may provide examples of diversification from product/market development combined.

All valid responses will be given credit

- [1] Identification of strategy
- [2] Identification of strategy with explanation
- [3] Identification and explanation of strategy with basic examples for Volvo
- [4] Identification and explanation of strategy with good examples for Volvo
- [5] Identification and explanation of strategy with excellent examples for Volvo
- (2 × [5]) [10]

10

4 (a) AO1

Responses may include:

A market segment is a small unit within a market comprising consumers with similar characteristics. One market segment is distinct from other segments. Individuals from the same segment respond in a similar way to fluctuations in the market.

- [1] basic definition of the term market segment
- [2] good definition of the term market segment [2]

(b) AO1, AO2, AO3

**AVAILABLE
MARKS**

Benefits may include:

- Increased sales/profits – Successful market segmentation should allow PD Sports to sell more sportswear products overall and perhaps increase profits.
- Understanding customers – By identifying different market segments, PD Sports should understand their customers better. Greater knowledge about their customers will allow PD Sports to vary their products to suit customer needs.
- Differentiation – It might allow PD Sports business to better market a wider range of differentiated products, tailoring their products to the needs/wants of each segment.
- Targeted promotion – It might enable PD Sports to target particular groups with particular products PD Sports using a range of promotion methods.
- Cost efficiency – It can help PD Sports business to prevent products being promoted to the wrong people. This would be wasteful of resources and might possibly lead to losses.
- Brand Loyalty – Development of customer loyalty for PD Sports.

All valid responses will be given credit

[0] is awarded for a response not worthy of credit

Level 1 ([1]–[4]) Basic

- Basic knowledge and understanding of the benefits of market segmentation.
- Application is basic with limited or no relevant application to PD Sports.
- Analysis is basic.
- The quality of the candidate's written communication is basic.

Level 2 ([5]–[8]) Satisfactory

- Satisfactory knowledge and understanding of the benefits of market segmentation.
- Application is satisfactory with reasonable reference to PD Sports.
- Analysis is satisfactory.
- The quality of the candidate's written communication is satisfactory.

Level 3 ([9]–[12]) Good

- Good knowledge and understanding of the benefits of market segmentation.
- Application is good with appropriate reference to PD Sports.
- Analysis is good.
- The quality of the candidate's written communication is good.

Level 4 ([13]–[16]) Excellent

- Excellent knowledge and understanding of the benefits of market segmentation.
- Application is excellent with clear reference to PD Sports.
- Analysis is appropriate, clear and logical.
- The quality of the candidate's written communication is excellent. [16]

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5 AO1, AO2, AO3

Responses may include:

For negotiation to be successful in the changing of work patterns an agreement must be reached which satisfies all parties concerned, in this case the employees and the partners of ABC Engineering.

- Problem Analysis – the professional business service consultant must have the skills to analyse a problem to determine the interests of the employees and the partners of ABC Engineering in the negotiation. A detailed problem analysis identifies the issue which is the work shift pattern, the interested parties and the outcome goals. Identifying the issues for both sides can help to find a compromise for all parties.
- Preparation – before entering the negotiating meeting, the professional business service consultant prepares for the meeting. Preparation includes determining goals, areas for discussion and alternatives to the stated goals. In addition, negotiators study the history of the relationship between the employees and the partners of ABC Engineering to find areas of agreement and common goals.
- Active Listening – the professional business service consultant acts as the negotiator and they have the skills to listen actively to the employees and the partners of ABC Engineering during the discussion. Active listening involves the ability to read body language as well as verbal communication. It is important to listen to the other party to find areas for compromise during the meeting.
- Emotional Control – it is vital that the professional business service consultant has the ability to keep their emotions in check during the negotiation. A negotiation on contentious issues can be frustrating, allowing emotions to take control during the meeting can lead to unfavourable results. Employees negotiating work practices may become too emotionally involved to accept a compromise with the partners of ABC Engineering and take an all or nothing approach, which breaks down the communication between the two parties.
- Verbal Communication – the professional business services consultant must have the ability to communicate clearly and effectively to the other side during the negotiation. Misunderstandings can occur if the negotiator does not state their case clearly. During the meeting, an effective negotiator must have the skills to state their desired outcome as well as their reasoning.
- Collaboration and Teamwork – negotiation is not necessarily a one side against another arrangement. Effective negotiators like the professional business service consultant must have the skills to work together as a team and foster a collaborative atmosphere during negotiations. Those involved in a negotiation on both sides of the issue must work together to reach an agreeable solution.
- Problem Solving – the professional business services consultant with negotiation skills has the ability to seek a variety of solutions to problems. Instead of focusing on their ultimate goal for the negotiation, the individual with skills can focus on solving the problem, which may be a breakdown in communication, to benefit both sides.
- Decision Making – Ability leaders with negotiation skills have the ability to act decisively during a negotiation. It may be necessary during a bargaining arrangement to agree to a compromise quickly to end a stalemate.
- Interpersonal Skills – effective negotiators like the professional business services consultant have the interpersonal skills to maintain a good working relationship with those involved in the negotiation. Negotiators with patience and the ability to persuade others without using manipulation can maintain a positive atmosphere during a difficult negotiation.
- Ethics and Reliability – ethical standards and reliability in an effective negotiator like the professional business service consultant promote a trusting environment for negotiations. Both sides in a negotiation must trust that the other party will follow through on promises and agreements.

All valid responses will be given credit

[0] is awarded for response not worthy of credit

Level 1 ([1]–[4]) Basic

- Basic knowledge and understanding of how negotiation can be used to influence others.
- Application is basic with limited or no relevance to ABC Engineering.
- Analysis is basic.
- The quality of the candidate's written communication is basic.

Level 2 ([5]–[8]) Satisfactory

- Satisfactory knowledge and understanding of how negotiation can be used to influence others.
- Application is satisfactory with reasonable reference to ABC Engineering.
- Analysis is satisfactory.
- The quality of the candidate's written communication is satisfactory.

Level 3 ([9]–[12]) Good

- Good knowledge and understanding of how negotiation can be used to influence others.
- Application is good with appropriate reference to ABC Engineering.
- Analysis is good.
- The quality of the candidate's written communication is good.

Level 4 ([13]–[16]) Excellent

- Excellent knowledge and understanding of how negotiation can be used to influence others.
- Application is excellent with clear reference to ABC Engineering.
- Analysis is appropriate, clear and logical.
- The quality of the candidate's written communication is excellent. [16]

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6 AO1, AO2, AO3

Responses may include:

Phase 1 – Entry

- Key phase – lays foundations for future phases. Professional Business Services firm works closely with Roe Valley Solutions to establish a relationship.
- Professional Business Services firm starts work with Roe Valley Solutions. This includes: first contacts, details of what Roe Valley Solutions want, how the Professional Business Services firm might help, clarifications of roles, preparation of an assignment plan, negotiation and agreement of the consulting contract.
- In this phase, the Professional Business Services firm will try to identify unique solutions or other attractive ideas to set their proposal apart from other competitors in order to win the contract from Roe Valley Solutions.

Phase 2 – Diagnosis

- In-depth diagnosis – consultant and Roe Valley Solutions identify changes required.
- Detailed definition of the purposes to be achieved and assessment of Roe Valley Solutions performance, resources, needs and perspectives.
- Clarify the change required to address the problem, which is technological.
- Professional Business Services firm should be aware of the attitude to change in Roe Valley Solutions and if change will be welcomed or resisted.
- The results of the diagnostic phase will inform action proposals so that the real problems are resolved and the desired purposes achieved for Roe Valley Solutions.
- Some possible solutions for Roe Valley Solutions may start emerging during this phase.

- Fact-finding and fact diagnosis will predetermine the relevance and quality of the solutions for Roe Valley Solutions that will be proposed, but the Professional Business Services firm should know these are often neglected.

Phase 3 – Action planning

- Aimed at solving the problem for Roe Valley Solutions.
- Includes work on one or several alternative solutions, evaluation of alternatives, elaboration of a plan for implementing changes for Roe Valley Solutions.
- Action planning requires imagination and creativity, as well as a rigorous and systematic approach to identify and explore feasible alternatives, eliminate proposals that could lead to unnecessary changes, and propose a solution to adopt for Roe Valley Solutions.
- Develop strategy and tactics to implement changes for Roe Valley Solutions.
- Anticipate human resource issues to overcome resistance to, and gain support for, change within Roe Valley Solutions.

Phase 4 – Implementation

- In this phase, the proposals developed by the Professional Business Services firm and Roe Valley Solutions are implemented, testing their relevance and feasibility.
- Unforeseen new problems and obstacles may arise and false assumptions or planning errors may be uncovered in Roe Valley Solutions.
- The original design and action plan may need correction, monitoring and managing implementation are key as it is not possible to predict the effects of planned changes in Roe Valley Solutions.
- Professional Business Services firms prefer to be associated with the implementation of the changes they have helped to identify and plan for the business.
- Some businesses do not appreciate that an excellent report does not guarantee that a new scheme will actually work.

Phase 5 – Termination

- This is the final phase.
- An evaluation will be carried out by the Professional Business Services firm and Roe Valley Solutions. This may include an evaluation of the Professional Business Services firms performance, approach taken, any changes made and results achieved for Roe Valley Solutions.
- Final reports will be presented discussed.
- Any follow-up required between the Professional Business Services firm and Roe Valley Solutions will be agreed.
- The consulting project is terminated by mutual agreement.

All valid responses will be given credit

[0] is awarded for response not worthy of credit

Level 1 ([1]–[5]) Basic

- Basic knowledge and understanding of the consultancy process.
- Application is basic with limited or no relevant application to the consultancy process.
- Analysis is basic.
- The quality of the candidate's written communication is basic.

Level 2 ([6]–[10]) Satisfactory

- Satisfactory knowledge and understanding of the benefits of the consultancy process.
- Application is satisfactory with reasonable reference to the consultancy process.

- Analysis is satisfactory.
- The quality of the candidate's written communication is satisfactory.

Level 3 ([11]–[15]) Good

- Good knowledge and understanding of the consultancy process.
- Application is good with appropriate reference to the consultancy process.
- Analysis is good.
- The quality of the candidate's written communication is good.

Level 4 ([16]–[20]) Excellent

- Excellent knowledge and understanding of the consultancy process.
- Application is excellent with clear reference to the consultancy process.
- Analysis is appropriate, clear and logical.
- The quality of the candidate's written communication is excellent.

[20]

Total

**AVAILABLE
MARKS**

20

80