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Unit Title:	**Understanding industry sectors and the drivers which impact them**
OCR unit number:	1
Credit value:	3
Level:	4
Guided learning hours:	28
Unit reference number:	K/504/1287

Unit aim and purpose

By completing this unit the learner will have a good understanding of drivers and challenges of public, private and third sector clients, be able to analyse a client's business and understand how a management consulting business adds value to its clients.

Learning Outcomes	Assessment Criteria	Teaching content
The Learner will:	**The Learner can:**	This may include:
1 Understand the business drivers and challenges for management consulting clients in public, private and third sector industries	1.1 Analyse key business drivers for clients in public, private and third sector industries	- public sector – best value, effective leadership, operational efficiency, sustainability, community benefit - private sector – market intelligence, meeting client expectations, effective networking, quality, speed of delivery/service, product range, location, competitiveness, operational efficiency - third sector – identity/reputation, public confidence/expectations, patrons, trustees, leadership, commercial acumen, sources of funding, sector trends in voluntary giving, effective networking - external factors – economic, environmental, cultural, social - impact of drivers

Learning Outcomes	Assessment Criteria	Teaching content
	1.2 Evaluate challenges facing public, private and third sector industries	- public sector – political agenda, changes in demographics, performance targets, cost reduction, transparency, energy consumption, sustainability - private sector – profitability, obtaining finance, debt collection, stakeholder interests, accountability, the service chain, legislation, waste, consumerism, fair trade, communication technologies, the green agenda, innovation, influence of multinationals corporate social responsibility - third sector – income maximisation, accountability, online communities, big society, ethics - external factors – economic, environmental, cultural, social, legal, political - impact of challenges

2 Understand management consulting clients' businesses	2.1 Analyse a client's organisational structure and that of its senior management team	This may include:
		
		• organisational structure:
		  - how structured e.g. by function or product
		  - hierarchical/flat
		  - centralisation
		  - formalisation
		  - interdependencies between departments
		  - channels of communication
		• senior management team:
		  - size
		  - composition
		  - key personnel
		  - appointment and monitoring procedures
		  - balance of power
		  - levels of authority, autonomy and accountability
		  - decision-making processes
		  - leadership style(s)
		• appropriateness to situation
		• ability to respond
		• impacts and consequences

Learning Outcomes	Assessment Criteria	Teaching content
	2.2 Explain what services and/or products a client provides and how it makes money	- provision of a service - buying and reselling - manufacturing - construction - extraction - breaking bulk - adding value
	2.3 Analyse the objectives and strategy of a client's business and its position in the market	- Position in market to include: - market structure - size and power of business - nature and power of competition - Objectives and strategy need to be: - appropriate to the business - appropriate to the market dynamics - specific - realistic - flexible - responsive to change - appropriate to short/medium/long term
3 Understand how a management consulting business can support the needs of clients	3.1 Assess the appropriateness of different approaches and types of work that a management consulting business can undertake to respond to challenges faced by a client	This may include: - Appropriateness: - client consultant relationship - the nature of the contract - timescales and resources - nature of problems under investigation - objectives and intended outcomes - Approaches: - expert - reflective - interventionist - facilitative - Types of work may include: - change management - strategy/systems development - operational improvement - financial analysis

Learning Outcomes	Assessment Criteria	Teaching content
		- market analysis/development - technological implementation - restructuring - recruitment - redundancy - redeployment - outsourcing - auditing

	3.2 Evaluate how management consulting can add value to clients and the benefits to both parties of providing services to a client	• Adds value by the provision of:
		  - an analytical framework
		  - hypothesis driven problem-solving
		  - an holistic viewpoint
		  - a multi-functional approach
		  - quality control
		• Benefits to clients of hiring a consultant include:
		  - cost effective resource
		  - engagement can be time limited/fixed cost
		  - perceived credibility
		  - consultant expertise
		  - an external viewpoint, broader perspectives
		  - objectivity, independence
		  - avoidance of corporate politics
		  - pro-active thinking
		  - specialisation economies of scale - knowledge of best practice across industrial sectors
		• Benefits to consultants of being hired by clients include:
		  - remuneration
		  - development of transferable skills and knowledge
		  - increased portfolio
		  - enhanced profile for consultant
		  - improved curriculum vitae for consultant
		  - professional development

Assessment

This unit is assessed by an OCR set and marked examination.

Sample assessment material is available on our website.

Additional information

For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications' (A850)* on the OCR website www.ocr.org.uk .