



4. Conclusions

How external factors may affect XYZ Ltd in the future.

Notes for a sample response for D1

[Note: learners should *NOT* be expected to repeat the material they may already have included in the pass and merit criteria. To attract a distinction grade award, there should be a specified period of time, e.g. ‘in the next five years, XYZ Ltd may have to consider...’; and there should then follow a structured *evaluation* of how various external factors might cause XYZ Ltd to adopt a particular strategy, cause changes to the internal structure and have different implications for various stakeholders.]

Possible implications of changing external factors on:

XYZ Ltd

Strategy

XYZ Ltd might have to look for new markets, introduce new products, and introduce new production methods, new equipment. These naturally could lead to...

Internal structure

A restructuring of the business by de-layering or de-centralising; introduce a flatter structure; introducing new specialisms such as IT, or environmental officer, PR officer.

Stakeholder implications

Management shake-up affects senior staff including directors and shareholders.

Suppliers may be affected by loss or gain in sales.

All staff affected by restructuring, some lose job roles; some have to re-skill, some re-train.

The local authority will have concerns about job losses or increased traffic in the area.

The XXX Primary Care Trust

[Content structured as above]

GRADING COMMENTS

For P4 and P5, evidence will offer good descriptive outlines of the organisations in terms of their strategies and structures and of the external forces that influence their activities. There will be little or no analysis of these and no attempt to offer any evaluative forecast about future developments.

For M2, evidence will compare the functional areas of two contrasting organisations; and for M3, analysis of the impact of external factors on each organisation.

For D1, learners will be capable of forming their own judgements about which external factors are likely to have the greatest impact. Learners are likely to have been exposed to particular businesses-specific concerns about external factors, either through careful management of the whole group or by individual research and initiative.