Pearson BTEC Levels 4 and 5 Higher Nationals in Business

Contents

Unit 1: Business Environment

Unit code: Y/601/0546

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with an understanding of different organisations, the influence of stakeholders and the relationship between businesses and the local, national and global environments.

Unit abstract

Organisations have a variety of purposes that depend on why they were established. Some operate for profit, whilst others do not. Organisations structure themselves and operate in ways that allow their objectives to be met. Every organisation has a range of stakeholders whose interests need to be satisfied, but stakeholders have competing interests that may be hard to reconcile.

Businesses operate in an environment shaped by the government, competitors, consumers, suppliers, and international factors. Learners will understand that some influences on the business environment are direct and clear, for example taxation policies on corporate activities. Other influences are less clear, perhaps coming from the international arena and sometimes with only an oblique impact on the national business environment.

It is within this business environment that organisations function and have to determine strategies and a modus operandi that allow them to meet their organisational purposes in ways that comply with the relevant legal and regulatory frameworks. In addition, business markets take various forms and the structure of a market enables an understanding of how organisations behave. In this unit learners will consider how different market structures shape the pricing and output decisions of businesses, as well as other aspects of their behaviour.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the organisational purposes of businesses

2 Understand the nature of the national environment in which businesses operate

3 Understand the behaviour of organisations in their market environment

4 Be able to assess the significance of the global factors that shape national business activities.

Unit content

1 **Understand the organisational purposes of businesses**

Categories of organisation: legal structure; type e.g. private company, public company, government, voluntary organisation, co-operative, charitable; sector (primary, secondary tertiary)

Purposes: mission; vision; aims; objectives; goals; values; profits; market share; growth; return on capital employed (ROCE); sales; service level; customer satisfaction; corporate responsibility; ethical issues

Stakeholders: owners; customers; suppliers; employees; debtors; creditors; financial institutions (banks, mortgage lenders, credit factors); environmental groups; government agencies (central government, local authorities); trade unions

Responsibilities of organisations: stakeholder interests; conflict of expectations; power-influence matrix; satisfying stakeholder objectives; legal responsibilities e.g. consumer legislation, employee legislation, equal opportunities and anti-discriminatory legislation, environmental legislation, health and safety legislation; ethical issues e.g. environment, fair trade, global warming, charter compliance e.g. Banking Code

2 **Understand the nature of the national environment in which businesses operate**

Economic systems: the allocation of scarce resources; effective use of resources; type of economic system e.g. command, free enterprise, mixed, transitional

The UK economy: size (gross domestic product, gross national product); structure; population; labour force; growth; inflation; balance of payments; balance of trade; exchange rates; trading partners; public finances (revenues, expenditure); taxation; government borrowing; business behaviour e.g. investment, objectives, risk awareness; cost of capital; consumer behaviour; propensity to save; propensity to spend; tastes and preferences

Government policy: economic goals; fiscal policy: control of aggregate demand; central and local government spending; Public Sector Net Borrowing (PSNB) and Public Sector Net Cash Requirement (PSNCR); euro convergence criteria, monetary policy; interest rates; quantitative easing; private finance initiative (PFI); competition policy (up-to-date legislation including Competition Act 1998, Enterprise Act 2002); Competition Commission, Office of Fair Trading; Directorate General for Competition); European Commission); sector regulators e.g. Ofgem, Ofwat, Civil Aviation Authority; Companies Acts; regional policy; industrial policy; enterprise strategy; training and skills policy

3 **Understand the behaviour of organisations in their market environment**

Market types: perfect competition, monopoly, monopolistic competition, oligopoly, duopoly; competitive advantage, strategies adopted by firms; regulation of competition

Market forces and organisational responses: supply and demand, elasticity of demand; elasticity of supply; customer perceptions and actions, pricing decisions; cost and output decisions; economies of scale, the short run; the long run, multi-national and transnational corporations; joint ventures, outsourcing; core markets; labour market trends; employee skills, technology; innovation; research and development; core competencies; business environment (political, economic, social, technical, legal, environmental); cultural environment

4 **Be able to assess the significance of the global factors that shape national business activities**

Global factors: international trade and the UK economy; market opportunities; global growth; protectionism; World Trade Organisation (WTO); emerging markets (BRIC economies – Brazil, Russia, India, China); EU membership; EU business regulations and their incorporation in to UK law; EU policies e.g. agriculture (CAP), business, competition, growth, employment, education, economics and finance, employment, environment, science and technology, regional); labour movement; workforce skills; exchange rates; trading blocs (eg monetary unions, common markets; customs unions, free trade areas); labour costs; trade duties; levies; tariffs; customs dues; taxation regimes; international competitiveness; international business environment (political, economic, social, technical, legal, environmental); investment incentives; cost of capital; commodity prices; intellectual property; climate change e.g. Kyoto Protocol, Rio Earth Summit; third world poverty; the group of 20 (G-20); global financial stability

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the organisational purposes of businesses	1.1 identify the purposes of different types of organisation 1.2 describe the extent to which an organisation meets the objectives of different stakeholders 1.3 explain the responsibilities of an organisation and strategies employed to meet them
LO2 Understand the nature of the national environment in which businesses operate	2.1 explain how economic systems attempt to allocate resources effectively 2.2 assess the impact of fiscal and monetary policy on business organisations and their activities 2.3 evaluate the impact of competition policy and other regulatory mechanisms on the activities of a selected organisation
LO3 Understand the behaviour of organisations in their market environment	3.1 explain how market structures determine the pricing and output decisions of businesses 3.2 illustrate the way in which market forces shape organisational responses using a range of examples 3.3 judge how the business and cultural environments shape the behaviour of a selected organisation
LO4 Be able to assess the significance of the global factors that shape national business activities	4.1 discuss the significance of international trade to UK business organisations 4.2 analyse the impact of global factors on UK business organisations 4.3 evaluate the impact of policies of the European Union on UK business organisations.

Guidance

Links

This unit has links with other business and economics-focused units such as *Unit 3: Organisations and Behaviour*, *Unit 7: Business Strategy*, *Unit 35: European Business* and *Unit 45: Business Ethics.*

This unit also links to the Management and Leadership NOS as mapped in *Annexe B*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres can develop links with local employers. Many businesses look to employ learners when they finish their programmes of study and may provide information about the business environment which they operate in. They will have a view about the impact of the governmental and EU factors that shape how they behave.

Many learners are, or have been, employed and will be able to draw on their experience of employment and will have had experience of the nature of the business environment and the ways in which organisations respond to and determine the nature of that environment.

Unit 2: Managing Financial Resources and Decisions

Unit code: H/601/0548

QCF level: 4

Credit value: 15 credits

Aim

The unit aim is to provide learners with an understanding of where and how to access sources of finance for a business, and the skills to use financial information for decision making.

Unit abstract

This unit is designed to give learners a broad understanding of the sources and availability of finance for a business organisation. Learners will learn how to evaluate these different sources and compare how they are used.

They will learn how financial information is recorded and how to use this information to make decisions for example in planning and budgeting.

Decisions relating to pricing and investment appraisal are also considered within the unit. Finally, learners will learn and apply techniques used to evaluate financial performance.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the sources of finance available to a business

2 Understand the implications of finance as a resource within a business

3 Be able to make financial decisions based on financial information

4 Be able to evaluate the financial performance of a business.

Unit content

1 Understand the sources of finance available to a business

Range of sources: sources for different businesses; long term such as share capital; retained earnings; loans; third-party investment; short/medium term such as hire purchase and leasing; working capital stock control; cash management; debtor factoring

Implications of choices: legal, financial and dilution of control implications; bankruptcy

Choosing a source: advantages and disadvantages of different sources; suitability for purpose e.g. matching of term of finance to term of project

2 Understand the implications of finance as a resource within a business

Finance costs: tangible costs e.g. interest, dividends; opportunity costs e.g. loss of alternative projects when using retained earnings; tax effects

Financial planning: the need to identify shortages and surpluses eg cash budgeting; implications of failure to finance adequately; overtrading

Decision making: information needs of different decision makers

Accounting for finance: how different types of finance and their costs appear in the financial statements of a business; the interaction of assets and liabilities on the balance sheet and on international equivalents under the International Accounting Standards (IAS)

3 Be able to make financial decisions based on financial information

Budgeting decisions: analysis and monitoring of cash and other budgets

Costing and pricing decisions: calculation of unit costs, use within pricing decisions; sensitivity analysis

Investment appraisal: payback period; accounting rate of return; discounted cash flow techniques ie net present value; internal rate of return

Nature of long-term decisions: nature of investment importance of true value of money; cash flow; assumptions in capital investment decisions; advantages and disadvantages of each method

4 **Be able to evaluate the financial performance of a business**

Terminology: introduction to debit, credit, books of prime entry, accounts and ledgers, trial balance, final accounts and international equivalents under the International Accounting Standards (IAS)

Financial statements: basic form, structure and purpose of main financial statements i.e. balance sheet, profit and loss account, cash flow statement, notes, preparation not required; changes to reporting requirements under the International Accounting Standards (IAS) e.g. statement of comprehensive income, statement of financial position; distinctions between different types of business i.e. limited company, partnership, sole trader

Interpretation: use of key accounting ratios for profitability, liquidity, efficiency and investment; comparison both external ie other companies, industry standards and internal ie previous periods, budgets

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1	Understand the sources of finance available to a business	1.1	identify the sources of finance available to a business
		1.2	assess the implications of the different sources
		1.3	evaluate appropriate sources of finance for a business project
LO2	Understand the implications of finance as a resource within a business	2.1	analyse the costs of different sources of finance
		2.2	explain the importance of financial planning
		2.3	assess the information needs of different decision makers
		2.4	explain the impact of finance on the financial statements
LO3	Be able to make financial decisions based on financial information	3.1	analyse budgets and make appropriate decisions
		3.2	explain the calculation of unit costs and make pricing decisions using relevant information
		3.3	assess the viability of a project using investment appraisal techniques
LO4	Be able to evaluate the financial performance of a business	4.1	discuss the main financial statements
		4.2	compare appropriate formats of financial statements for different types of business
		4.3	interpret financial statements using appropriate ratios and comparisons, both internal and external.

Guidance

Links

This unit links with the following units within this specification *Unit 6: Business Decision Making, Unit 9: Management Accounting: Costing and Budgeting, Unit 10: Financial Accounting and Reporting, Unit 11: Financial Systems and Auditing and Unit 12: Taxation*.

This unit also covers some of the underpinning knowledge and understanding for the NVQ in Accounting as set out in *Annexe B*.

The unit covers financial topics essential for learners who would like a career in this field and wish to gain membership of a professional accounting body.

Essential requirements

Learners will require access to financial and company reports.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

www.businessbritainuk.co.uk	provides information about business in Britain and has extensive links to other business and business news sites.
www.fsb.org.uk	The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Unit 3: Organisations and Behaviour

Unit code: H/601/0551

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to give learners an understanding of individual and group behaviour in organisations and to examine current theories and their application in managing behaviour in the workplace.

Unit abstract

This unit focuses on the behaviour of individuals and groups within organisations. It explores the links between the structure and culture of organisations and how these interact and influence the behaviour of the workforce. The structure of a large multi-national company with thousands of employees worldwide will be very different from a small local business with 20 employees. The way in which an organisation structures and organises its workforce will impact on the culture that develops within the organisation. This system of shared values and beliefs will determine and shape the accepted patterns of behaviour of an organisations workforce. The culture in organisations that differ in size, for example, or are from different sectors of the economy can be very different.

The structure and culture of an organisation are key factors which contribute to motivating the workforce at all levels of the organisation. The Japanese were instrumental in developing a culture of 'continuous improvement through teamwork' in their manufacturing industry. This culture has now been exported around the world and encapsulates the way in which structure and culture contribute to patterns of behaviour in the workplace. This unit will develop learner understanding of the behaviour of people within organisations and of the significance that organisational design has on shaping that behaviour.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the relationship between organisational structure and culture

2 Understand different approaches to management and leadership

3 Understand ways of using motivational theories in organisations

4 Understand mechanisms for developing effective teamwork in organisations.

Unit content

1 Understand the relationship between organisational structure and culture

Types of organisation and associated structures: functional, product-based, geographically based, multi-functional and multi-divisional structures, matrix, centralisation and de-centralisation; organisational charts; spans of control; internal and external network structures; flexible working

Organisational culture: classification of organisational culture – power culture, role culture, task culture, person culture; cultural norms and symbols; values and beliefs; development of organisational culture

Diagnosing behavioural problems: concepts; principles; perspectives; methodology

Perception: definition; perceptual selection; perception and work behaviour; attitude; ability and aptitude; intelligence

Significance and nature of individual differences: self and self-image; personality and work behaviour; conflict

Individual behaviour at work: personality, traits and types; its relevance in understanding self and others

2 Understand different approaches to management and leadership

Development of management thought: scientific management; classical administration; bureaucracy; human relations approach; systems approach; contingency approach

Functions of management: planning; organising; commanding; coordinating; controlling

Managerial roles: interpersonal; informational; decisional

Nature of managerial authority: power; authority; responsibility; delegation; conflict

Frames of reference for leadership activities: opportunist; diplomat; technician; achiever; strategist; magician; pluralistic; transformational; change

3 Understand ways of using motivational theories in organisations

Motivation theories: Maslow's Hierarchy of Needs; Herzberg's Motivation – Hygiene theory; McGregor's Theory X and Y; Vroom and Expectancy theories; Maccoby, McCrae and Costa – personality dimensions

Motivation and performance: rewards and incentives; motivation and managers; monetary and non-monetary rewards

Leadership: leadership in organisations; managers and leaders; leadership traits; management style; contingency approach; leadership and organisational culture

Leadership and successful change in organisations: pluralistic; transformational; communications; conflict

4 **Understand mechanisms for developing effective teamwork in organisations**

Teams and team building: groups and teams; informal and formal groups; purpose of teams; selecting team members; team roles; Belbin's theory; stages in team development; team building; team identity; team loyalty; commitment to shared beliefs; multi-disciplinary teams

Team dynamics: group norms; decision-making behaviour; dysfunctional teams; cohesiveness

Impact of technology on team functioning: technology; communication; change; networks and virtual teams; global and cross-cultural teams

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand the relationship between organisational structure and culture	1.1	compare and contrast different organisational structures and culture
	1.2	explain how the relationship between an organisation's structure and culture can impact on the performance of the business
	1.3	discuss the factors which influence individual behaviour at work
LO2 Understand different approaches to management and leadership	2.1	compare the effectiveness of different leadership styles in different organisations
	2.2	explain how organisational theory underpins the practice of management
	2.3	evaluate the different approaches to management used by different organisations
LO3 Understand ways of using motivational theories in organisations	3.1	discuss the impact that different leadership styles may have on motivation in organisations in periods of change
	3.2	compare the application of different motivational theories within the workplace
	3.3	evaluate the usefulness of a motivation theory for managers
LO4 Understand mechanisms for developing effective teamwork in organisations	4.1	explain the nature of groups and group behaviour within organisations
	4.2	discuss factors that may promote or inhibit the development of effective teamwork in organisations
	4.3	evaluate the impact of technology on team functioning within a given organisation.

Guidance

Links

This unit links to the following units within this specification *Unit 21: Human Resource Management, Unit 22: Managing Human Resources, Unit 23: Human Resources Development and Unit 24: Employee Relations*.

This unit also links to the Management and Leadership NOS as mapped in *Annexe B*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide guest speakers, visit opportunities and information about the operation of their businesses.

Unit 4: Marketing Principles

Unit code: F/601/0556

QCF level: 4

Credit value: 15 credits

Aim

This unit aims to provide learners with understanding and skills relating to the fundamental concepts and principles that underpin the marketing process.

Unit abstract

This is a broad-based unit which gives learners the opportunity apply the key principles of marketing.

Firstly, the unit looks at the definitions of marketing, and what is meant by a marketing orientation and the marketing process.

Next, learners consider the use of environmental analysis in marketing and carry out their own analyses at both macro and micro levels. They will also investigate the importance of market segmentation and how this leads to the identification and full specification of target groups. Learners then consider buyer behaviour and positioning.

The unit looks at the main elements of both the original and the extended marketing mix. This includes an introduction to the concept of the product life cycle, new product development, pricing strategies, distribution options and the promotion mix.

Finally, learners will develop their own marketing mixes to meet the needs of different target groups. This includes considering the differences when marketing services as opposed to goods. A range of other contexts is examined including marketing to businesses instead of consumers and the development of international markets.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the concept and process of marketing

2 Be able to use the concepts of segmentation, targeting and positioning

3 Understand the individual elements of the extended marketing mix

4 Be able to use the marketing mix in different contexts.

Unit content

1 Understand the concept and process of marketing

Definitions: alternative definitions including those of the Chartered Institute of Marketing and the American Marketing Association; satisfying customer needs and wants; value and satisfaction; exchange relationships; the changing emphasis of marketing

Marketing concept: evolution of marketing; marketing orientations; societal issues and emergent philosophies; customer and competitor orientation; efficiency and effectiveness; limitations of the marketing concept

Marketing process overview: marketing audit; integrated marketing; environmental analysis; SWOT analysis; marketing objectives; constraints; options; plans to include target markets and marketing mix; scope of marketing

Costs and benefits: links between marketing orientation and building competitive advantage; benefits of building customer satisfaction; desired quality; service and customer care; relationship marketing; customer retention; customer profitability; costs of a too narrow marketing focus

2 Be able to use the concepts of segmentation, targeting and positioning

Macro environment: environmental scanning; political, legal, economic, socio-cultural, ecological and technological factors

Micro environment: stakeholders (organisation's own employees, suppliers, customers, intermediaries, owners, financiers, local residents, pressure groups and competitors); direct and indirect competitors; Porter's competitive forces

Buyer behaviour: dimensions of buyer behaviour; environmental influences; personal variables – demographic, sociological, psychological – motivation, perception and learning; social factors; physiological stimuli; attitudes; other lifestyle and life cycle variables; consumer and organisational buying

Segmentation: process of market selection; macro and micro segmentation; bases for segmenting markets, (geographic, demographic, psychographic and behavioural); multi-variable segmentation and typologies; benefits of segmentation; evaluation of segments and targeting strategies; positioning; segmenting industrial markets; size; value; standards; industrial classification

Positioning: definition and meaning; influence over marketing mix factors

3 Understand the individual elements of the extended marketing mix

Product: products and brands – features, advantages and benefits; the total product concept; product mix; product life cycle and its effect on other elements of the marketing mix; product strategy; new product development; adoption process

Place: customer convenience and availability; definition of channels; types and functions of intermediaries; channel selection; integration and distribution systems; franchising; physical distribution management and logistics; ethical issues

Price: perceived value; pricing context and process; pricing strategies; demand elasticity; competition; costs, psychological, discriminatory; ethical issues

Promotion: awareness and image; effective communication; integrated communication process (SOSTT + 4Ms); promotional mix elements; push and pull strategies; advertising above and below the line including packaging; public relations and sponsorship; sales promotion; direct marketing and personal selling; branding, internet and online marketing

The shift from the 4Ps to the 7Ps: product-service continuum; concept of the extended marketing mix; the significance of the soft elements of marketing (people, physical evidence and process management)

4 **Be able to use the marketing mix in different contexts**

Consumer markets: fast moving consumer goods; consumer durables; coordinated marketing mix to achieve objectives

Organisational markets: differences from consumer markets; adding value through service; industrial; non-profit making; government; re-seller

Services: nature and characteristics of service products (intangibility, ownership, inseparability, perishability, variability, heterogeneity – the 7Ps); strategies; service quality; elements of physical product marketing; tangible and intangible benefits

International markets: globalisation; cultural differences; standardisation versus adaptation; the EU; benefits and risks; market attractiveness; international marketing mix strategies

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the concept and process of marketing	1.1 explain the various elements of the marketing process 1.2 evaluate the benefits and costs of a marketing orientation for a selected organisation
LO2 Be able to use the concepts of segmentation, targeting and positioning	2.1 show macro and micro environmental factors which influence marketing decisions 2.2 propose segmentation criteria to be used for products in different markets 2.3 choose a targeting strategy for a selected product/service 2.4 demonstrate how buyer behaviour affects marketing activities in different buying situations 2.5 propose new positioning for a selected product/service
LO3 Understand the individual elements of the extended marketing mix	3.1 explain how products are developed to sustain competitive advantage 3.2 explain how distribution is arranged to provide customer convenience 3.3 explain how prices are set to reflect an organisation's objectives and market conditions 3.4 illustrate how promotional activity is integrated to achieve marketing objectives 3.5 analyse the additional elements of the extended marketing mix
LO4 Be able to use the marketing mix in different contexts	4.1 plan marketing mixes for two different segments in consumer markets 4.2 illustrate differences in marketing products and services to businesses rather than consumers 4.3 show how and why international marketing differs from domestic marketing.

Guidance

Links

Learners who have achieved a BTEC Higher Nationals in Business have, for many years, been given entry to and exemptions from some parts of the Chartered Institute of Marketing's professional examinations. Further information can be found in the *Professional Body Recognition* booklet available from the Edexcel website.

This unit forms the basis of the Higher National marketing pathway linking with other marketing units: *Unit 17: Marketing Intelligence*, *Unit 18: Advertising and Promotion in Business*, *Unit 19: Marketing Planning* and *Unit 20: Sales Planning and Operations*. There is also a link to *Unit 1: Business Environment* in relation to the areas of stakeholders, effects of demand elasticity on pricing and external market factors. The unit also provides links to *Unit 30: Internet Marketing* and *Unit 41: Contemporary Issues in Marketing Management*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

www.businessbritainuk.co.uk	provides information about business in Britain and has extensive links to other business and business news sites.
www.fsb.org.uk	The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Unit 5: Aspects of Contract and Negligence for Business

Unit code: Y/601/0563

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with an understanding of aspects of the law of contract and tort and the skill to apply them, particularly in business situations.

Unit abstract

The unit introduces the law of contract, with a particular emphasis on the formation and operation of business contracts. Learners are encouraged to explore the content of these agreements and then develop skills relating to the practical application of business contracts, including offer, acceptance, intention, consideration and capacity. Relevant case law examples will be covered. Learners will consider when liability in contract arises, the nature of the obligations on both sides of the contract, and the availability of remedies when a contract is not fulfilled in accordance with its terms.

Additionally, the unit will enable learners to understand how the law of tort differs from the law of contract and examine issues of liability in negligence relating to business and how to avoid it.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the essential elements of a valid contract in a business context

2 Be able to apply the elements of a contract in business situations

3 Understand principles of liability in negligence in business activities

4 Be able to apply the principles of liability in negligence in business situations.

Unit content

1 **Understand the essential elements of a valid contract in a business context**

Essential elements: offer and acceptance; intention to create legal relations; consideration; capacity; privity of contract **(note vitiating factors are included in *Unit 27: Further Aspects of Contract and Tort*)**

Types of contract: face to face; written; distance selling; impact

Types of terms: condition; warranty; innominate term; express; implied; exclusion clauses and their validity

2 **Be able to apply the elements of a contract in business situations**

Elements: application of relevant principles and case law to business scenarios

Specific terms: contents of standard form business contracts; analysis of express terms, implied terms and exclusion clauses in a given contract

Effect of terms: breach of condition, warranty and innominate terms; legality of exemption clauses; outline of remedies; damages

3 **Understand principles of liability in negligence in business activities**

Negligence: differences to contract; duty of care; breach of duty; damage – causation and remoteness of damage; personal injuries; damage to property; economic loss; occupier liability

Liability: employer's liability; vicarious liability; health and safety issues

4 **Be able to apply principles of liability in negligence in business situations**

Negligence: application of the legal principles of negligence and relevant statutory and case law to business scenarios including: personal injuries, damage to property, economic loss, occupier liability; defences; contributory negligence; remedies

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the essential elements of a valid contract in a business context	1.1 explain the importance of the essential elements required for the formation of a valid contract 1.2 discuss the impact of different types of contract 1.3 analyse terms in contracts with reference to their meaning and effect
LO2 Be able to apply the elements of a contract in business situations	2.1 apply the elements of contract in given business scenarios 2.2 apply the law on terms in different contracts 2.3 evaluate the effect of different terms in given contracts
LO3 Understand principles of liability in negligence in business activities	3.1 contrast liability in tort with contractual liability 3.2 explain the nature of liability in negligence 3.3 explain how a business can be vicariously liable
LO4 Be able to apply principles of liability in negligence in business situations	4.1 apply the elements of the tort of negligence and defences in different business situations 4.2 apply the elements of vicarious liability in given business situations.

Guidance

Links

This unit links with all the law units in the BTEC Higher Nationals in Business.

Essential requirements

Learners will require access to law reports and contractual documents, such as existing business standard form contracts.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide visit opportunities, guest speakers or information about their business and the local business context.

Unit 6: Business Decision Making

Unit code: D/601/0578

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to give learners the opportunity to develop techniques for data gathering and storage, an understanding of the tools available to create and present useful information, in order to make business decisions

Unit abstract

In business, good decision making requires the effective use of information. This unit gives learners the opportunity to examine a variety of sources and develop techniques in relation to four aspects of information: data gathering, data storage, and the tools available to create and present useful information.

ICT is used in business to carry out much of this work and an appreciation and use of appropriate ICT software is central to completion of this unit. Specifically, learners will use spreadsheets and other software for data analysis and the preparation of information. The use of spreadsheets to manipulate of numbers, and understanding how to apply the results, are seen as more important than the mathematical derivation of formulae used.

Learners will gain an appreciation of information systems currently used at all levels in an organisation as aids to decision making.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to use a variety of sources for the collection of data, both primary and secondary

2 Understand a range of techniques to analyse data effectively for business purposes

3 Be able to produce information in appropriate formats for decision making in an organisational context

4 Be able to use software-generated information to make decisions in an organisation.

Unit content

1 **Be able to use a variety of sources for the collection of data, both primary and secondary**

Primary sources: survey methodology; questionnaire design; sample frame; sampling methods; sample error

Secondary sources: internet research; government and other published data; by-product data

Storage: security of information; data protection issues; ethical issues

2 **Understand a range of techniques to analyse data effectively for business purposes**

Representative values: mean, median, mode; calculation from raw data and frequency distributions using appropriate software; using the results to draw valid conclusions

Measures of dispersion: standard deviation for small and large samples; typical uses (statistical process e.g. control, buffer stock levels)

Calculation: use of quartiles, percentiles, correlation coefficient

3 **Be able to produce information in appropriate formats for decision making in an organisational context**

Creation and interpretation of graphs using spreadsheets: line, pie, bar charts and histograms

Scatter (XY) graphs and linear trend lines: extrapolation for forecasting (reliability)

Presentations and report writing: use of appropriate formats; presentation software and techniques

4 **Be able to use software-generated information to make decisions in an organisation**

Management information systems: computers and information processing tools for operational, tactical and strategic levels of the organisation

Project management: networking and critical path analysis, Gantt and Pert charts

Financial tools: net present value; discounted cash flow; internal rates of return

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to use a variety of sources for the collection of data, both primary and secondary	1.1 create a plan for the collection of primary and secondary data for a given business problem 1.2 present the survey methodology and sampling frame used 1.3 design a questionnaire for a given business problem
LO2 Understand a range of techniques to analyse data effectively for business purposes	2.1 create information for decision making by summarising data using representative values 2.2 analyse the results to draw valid conclusions in a business context 2.3 analyse data using measures of dispersion to inform a given business scenario 2.4 explain how quartiles, percentiles and the correlation coefficient are used to draw useful conclusions in a business context
LO3 Be able to produce information in appropriate formats for decision making in an organisational context	3.1 produce graphs using spreadsheets and draw valid conclusions based on the information derived 3.2 create trend lines in spreadsheet graphs to assist in forecasting for specified business information 3.3 prepare a business presentation using suitable software and techniques to disseminate information effectively 3.4 produce a formal business report
LO4 Be able to use software-generated information to make decisions in an organisation	4.1 use appropriate information processing tools 4.2 prepare a project plan for an activity and determine the critical path 4.3 use financial tools for decision making.

Guidance

Links

This unit is should be linked to the other core units in the programme in particular: *Unit 1: Business Environment, Unit 2: Managing Financial Resources and Decisions; Unit 7: Business Strategy and Unit 8: Research Project*.

There are also links with the following specialist units: *Unit 9: Management Accounting: Costing and Budgeting, Unit 15: Managing Business Activities to Achieve Results, Unit 16: Managing Communications, Knowledge and Information; Unit 19: Marketing Planning and Unit 34: Operations Management in Business*.

This unit also links to the Management and Leadership NOS as mapped in *Annexe B*.

Essential requirements

It is essential that learners have access to computers and the internet and specialist packages for statistical analysis and network planning.

Employer engagement and vocational contexts

Centres should try to develop links with local businesses. Many businesses and chambers of commerce are keen to promote local business and are often willing to provide visit opportunities, guest speakers, information about business and the local business context.

Unit 7: Business Strategy

Unit code: Y/505/8182

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to give learners the knowledge and understanding of how a business unit can strategically organise and plan for likely future outcomes in order to be successful.

Unit abstract

One of the aims of this unit is to build on learners' existing knowledge of the basic tools of business analysis such as PESTLE and draw it together so that the learners think strategically.

Learners will be introduced to further analysis tools needed for the process of strategic planning. They will be able to assess the significance of stakeholder analysis and carry out an environmental and organisational audit of a given organisation.

Learners will learn how to apply strategic positioning techniques to the analysis of a given organisation and prepare and present a strategic plan based on previous analysis. They will also learn how to evaluate possible alternative strategies such as market entry, substantive growth, limited growth or retrenchment and then justify the selection of a strategy for a given organisation.

Finally, learners will assess the roles and responsibilities for strategy implementation and analyse estimated resource requirements for the implementation of a new strategy for a given organisation. Learners will then be able to evaluate the contribution of specific, measurable, achievable, realistic and time constrained (SMART) targets for the achievement of strategy implementation in a given organisation.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the process of strategic planning

2 Be able to formulate a new strategy

3 Understand approaches to strategy evaluation

4 Understand how to implement a chosen strategy.

Unit content

1 **Understand the process of strategic planning**

Strategic contexts and terminology: role of strategy; missions; visions; strategic intent; objectives; goals; core competencies; strategic architecture; strategic control

Strategic thinking: future direction of the competition; needs of customers; gaining and maintaining competitive advantage; Ansoff's growth-vector matrix; portfolio analysis

Planning systems: informal planning; top-down planning; bottom-up planning; behavioural approaches

Strategic planning issues: impact on managers; targets; when to plan; who should be involved; role of planning

Strategic planning techniques: BCG growth-share matrix; directional policy matrices; SPACE, PIMS

2 **Be able to formulate a new strategy**

Stakeholder analysis: stakeholder significance grid; stakeholder mapping

Environment auditing: political, economic, socio-cultural, technological, legal and environmental analysis (PESTLE); Porter's 5 force analysis; the threat of new entrants; the power of buyers; the power of suppliers; the threat of substitutes; competitive rivalry and collaboration

Strategic positioning: the Ansoff matrix; growth; stability; profitability; efficiency; market leadership; survival; mergers and acquisitions; expansion into the global marketplace

The organisational audit: benchmarking; SWOT analysis; product positions; value-chain analysis; demographic influences; scenario planning; synergy culture and values

3 **Understand approaches to strategy evaluation**

Market entry strategies: organic growth; growth by merger or acquisition; strategic alliances; licensing; franchising

Substantive growth strategies: horizontal and vertical integration; related and unrelated diversification

Limited growth strategies: do nothing; market penetration; market development; product development; innovation

Disinvestment strategies: retrenchment; turnaround strategies; divestment; liquidation

Strategy selection: considering the alternatives; appropriateness; feasibility; desirability

4 **Understand how to implement a chosen strategy**

The realisation of strategic plans to operational reality: communication (selling the concepts); project teams; identification of team and individual roles, responsibilities and targets; programme of activities; benchmark targets at differing levels of the organisation

Resource allocation: finance; human resources; materials; time

Review and evaluation: an evaluation of the benchmarked outcomes in a given time period in relation to corporate, operational and individual targets using SMART principles (specific, measurable, achievable, realistic and time constrained)

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand the process of strategic planning	1.1	assess how business missions, visions, objectives, goals and core competencies inform strategic planning
	1.2	analyse the factors that have to be considered when formulating strategic plans
	1.3	evaluate the effectiveness of techniques used when developing strategic business plans
LO2 Be able to formulate a new strategy	2.1	analyse the strategic positioning of a given organisation by carrying out an organisational audit
	2.2	carry out an environmental audit for a given organisation
	2.3	assess the significance of stakeholder analysis when formulating new strategy
	2.4	present a new strategy for a given organisation
LO3 Understand approaches to strategy evaluation	3.1	analyse the appropriateness of alternative strategies relating to market entry, substantive growth, limited growth or retrenchment for a given organisation
	3.2	justify the selection of a strategy
LO4 Understand how to implement a chosen strategy	4.1	assess the roles and responsibilities of personnel who are charged with strategy implementation
	4.2	analyse the estimated resource requirements for implementing a new strategy for a given organisation
	4.3	evaluate the contribution of SMART targets to the achievement of strategy implementation in a given organisation.

Guidance

Links

This unit should be linked with the other core units in the programme. It draws on the underpinning knowledge gained in the core and specialist units in the programme. Pre-requisites for this unit are core *Unit 1: Business Environment, Unit 2: Managing Financial Resources and Decisions, Unit 3: Organisations and Behaviour* and *Unit 4: Marketing Principles*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should try to develop links with local businesses. Many businesses and chambers of commerce are keen to promote local business and are often willing to provide visit opportunities, guest speakers and information about business and the local business context.

Unit 8: Research Project

Unit code: K/601/0941

QCF level: 5

Credit value: 20 credits

Aim

To develop learners' skills of independent enquiry and critical analysis by undertaking a sustained research investigation of direct relevance to their Higher Education programme and professional development.

Unit abstract

This unit is designed to enable learners to become confident using research techniques and methods. It addresses the elements that make up formal research including the proposal, a variety of research methodologies, action planning, carrying out the research itself and presenting the findings. To complete the unit satisfactorily, learners must also understand the theory that underpins formal research.

The actual research depends on the learner, the context of their area of learning, their focus of interest and the anticipated outcomes. The unit draws together a range of other areas from within the programme to form a holistic piece of work that will make a positive contribution to the learner's area of interest. Learners should seek approval from their tutors before starting their research project.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand how to formulate a research specification

2 Be able to implement the research project within agreed procedures and to specification

3 Be able to evaluate the research outcomes

4 Be able to present the research outcomes.

Unit content

1 **Understand how to formulate a research specification**

Research formulation: aims and objectives; rationale for selection; methodology for data collection and analysis; literature review; critique of references from primary sources e.g. questionnaires, interviews; secondary sources e.g. books, journals, internet; scope and limitations; implications e.g. resources

Hypothesis: definition; suitability; skills and knowledge to be gained; aims and objectives; terms of reference; duration; ethical issues

Action plan: rationale for research question or hypothesis; milestones; task dates; review dates; monitoring/reviewing process; strategy

Research design: type of research e.g. qualitative, quantitative, systematic, original; methodology; resources; statistical analyses; validity; reliability; control of variables

2 **Be able to implement the research project within agreed procedures and to specification**

Implement: according to research design and method; test research hypotheses; considering test validity; reliability

Data collection: selection of appropriate tools for data collection; types e.g. qualitative, quantitative; systematic recording; methodological problems e.g. bias, variables and control of variables, validity and reliability

Data analysis and interpretation: qualitative and quantitative data analysis – interpreting transcripts; coding techniques; specialist software; statistical tables; comparison of variable; trends; forecasting

3 **Be able to evaluate the research outcomes**

Evaluation of outcomes: an overview of the success or failure of the research project planning, aims and objectives, evidence and findings, validity, reliability, benefits, difficulties, conclusion(s)

Future consideration: significance of research investigation; application of research results; implications; limitations of the investigation; improvements; recommendations for the future, areas for future research

4 **Be able to present the research outcomes**

Format: professional delivery format appropriate to the audience; use of appropriate media

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand how to formulate a research specification	1.1 formulate and record possible research project outline specifications 1.2 identify the factors that contribute to the process of research project selection 1.3 undertake a critical review of key references 1.4 produce a research project specification 1.5 provide an appropriate plan and procedures for the agreed research specification
LO2 Be able to implement the research project within agreed procedures and to specification	2.1 match resources efficiently to the research question or hypothesis 2.2 undertake the proposed research investigation in accordance with the agreed specification and procedures 2.3 record and collate relevant data where appropriate
LO3 Be able to evaluate the research outcomes	3.1 use appropriate research evaluation techniques 3.2 interpret and analyse the results in terms of the original research specification 3.3 make recommendations and justify areas for further consideration
LO4 Be able to present the research outcomes	4.1 use an agreed format and appropriate media to present the outcomes of the research to an audience.

Guidance

Links

This unit may be linked to single or several units in the programme, depending on the research topic and the context of the area of learning. It can be linked to *Unit 49: Work-based Experience* and gives learners the opportunity to carry out research in the same organisation where they undertook their placement.

Essential requirements

Tutors will need to establish the availability of resources to support independent study before learners proceed with their proposal.

Employer engagement and vocational contexts

Centres should try to establish relationships with appropriate organisations in order to bring realism and relevance to learners' research projects.

Unit 9: Management Accounting: Costing and Budgeting

Unit code: R/601/0836

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with the understanding and ability to use cost information for budgeting and forecasting purposes in the management of business.

Unit abstract

This unit looks at the cost information, both current and future, of businesses. It looks at how cost data is collected, compiled and analysed, and processed into information that is useful for business managers. Learners will have the opportunity to apply these principles to practice.

The unit then deals with budgetary planning and control. It looks at how to prepare forecasts and budgets and to compare these to actual business results. Learners will again have practical experience of this.

Finally, the unit considers different costing and budgetary systems and the causes of resulting variances, together with the possible implications and the corrective action the business will need to take.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to analyse cost information within a business

2 Be able to propose methods to reduce costs and enhance value within a business

3 Be able to prepare forecasts and budgets for a business

4 Be able to monitor performance against budgets within a business.

Unit content

1 **Be able to analyse cost information within a business**

Types of costs and classification: materials; labour; overheads; direct and indirect; fixed; variable and semi-variable

Costing methods: job costing; batch costing; process costing; contract costing; service costing

Cost measurement: absorption and marginal costing; traditional overhead absorption and activity-based costing; stock valuation methods (FIFO, LIFO, AVCO, standard costing)

Costing as basis for pricing and stock valuation: cost plus pricing; market pricing; target costing

Data collection and analysis: sampling methods and purpose; presentation of data e.g. tabular, diagrammatical, graphical; index numbers

2 **Be able to propose methods to reduce costs and enhance value within a business**

Cost reports: preparation; comparison with other data; explanation and implication of variances

Performance indicators: monitor and assess to identify potential improvements

Quality and value: definitions and interaction; added value; total quality management

3 **Be able to prepare forecasts and budgets for a business**

The budgeting process: purpose; benefits; links with organisational objectives/strategy; the budget manual; budgets as planning, coordinating, motivation and control devices

Budget preparation: limiting or key factors; master, subsidiary and functional budgets; cash budgets; the preparation of sales budget, debtors' budgets, creditors' budgets, production costs, raw materials and finished goods budgets

Budgeting methods: incremental; zero-based; fixed and flexible

Behavioural consequences of budgets: padding the budget; spending to budget; creative budgets

4 **Be able to monitor performance against budgets within a business**

Variances: types; analysis; calculation; possible causes; corrective action

Reporting: operating statement; reconciliation of budgeted and actual results

Responsibility centres: relevance to budgeting; identification of responsibility for variances

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to analyse cost information within a business	1.1 classify different types of cost 1.2 use different costing methods 1.3 calculate costs using appropriate techniques 1.4 analyse cost data using appropriate techniques
LO2 Be able to propose methods to reduce costs and enhance value within a business	2.1 prepare and analyse routine cost reports 2.2 use performance indicators to identify potential improvements 2.3 suggest improvements to reduce costs, enhance value and quality
LO3 Be able to prepare forecasts and budgets for a business	3.1 explain the purpose and nature of the budgeting process 3.2 select appropriate budgeting methods for the organisation and its needs 3.3 prepare budgets according to the chosen budgeting method 3.4 prepare a cash budget
LO4 Be able to monitor performance against budgets within a business	4.1 calculate variances, identify possible causes and recommend corrective action 4.2 prepare an operating statement reconciling budgeted and actual results 4.3 report findings to management in accordance with identified responsibility centres.

Guidance

Links

The unit links with the following units within the specification: *Unit 2: Managing Financial Resources and Decisions, Unit 6: Business Decision Making, Unit 10: Financial Accounting and Reporting, Unit 11: Financial Systems and Auditing and Unit 12: Taxation*.

Additionally it covers some of the underpinning knowledge and understanding for NVQ in Accounting as mapped in *Annexe B*.

The unit covers topics essential to learners aiming for a career in management accounting and who would like to become members of professional accounting bodies.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 10: Financial Accounting and Reporting

Unit code: F/601/0864

QCF level: 4

Credit value: 15 credits

Aim

In this unit learners will prepare financial statements for different types of business, complying with relevant legal and regulatory provisions and the basic principles of group accounts. Learners will also develop tools for the interpretation of financial statements.

Unit abstract

It is essential for the success of any business that it has good financial control and record keeping. Lack of effective control, planning and recording can ultimately lead to poor financial results. Owners and managers need to be able to recognise the indications of potential difficulties and take remedial action when required.

The unit considers the current regulations governing financial reporting, the formats of financial statements and the purpose of these statements for different users.

Learners will use records to complete financial statements. They will consider various categories of business income and expenditure and use cash flow forecasts, monitoring and adjusting for the effective management of cash flow. They will measure financial performance using a profit and loss account and balance sheet and analyse the profitability, liquidity and efficiency of a business through the application of ratio analysis.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the regulatory framework for financial reporting

2 Be able to prepare financial statements from complete or incomplete records

3 Be able to present financial information in accepted formats for publication

4 Be able to interpret financial statements.

Unit content

1 **Understand the regulatory framework for financial reporting**

User groups: owners; managers; employees; suppliers; customers; lenders; government; potential investors; different needs from financial statements

User needs: profitability; liquidity; gearing; cash flow; job security; Accounting Standards Board (ASBs) statement of principles; International Accounting Standards Board (IASBs) framework for the presentation of financial statements

Legislation: current legislation including Companies Acts 1985, 1989 and 2006; Partnership Act 1890; European directives

Other regulations: International Accounting Standards (IASs); International Financial Reporting Standards and the main differences from UK Statements of Standard Accounting Practice (SSAPs) and Financial Reporting Standards (FRSs); The Accounting Standards Board (ASB)

2 **Be able to prepare financial statements from complete or incomplete records**

Statements: trial balance; assets, liabilities, income, expenses, capital; profit and loss accounts; balance sheet; cash flow statement; notes to the accounts; statement of recognised gains and losses; international equivalents under the International Accounting Standards (IAS)

Types of business: sole trader; partnership; limited company (public and private); manufacturing/service/retail, group of companies

Preparation: from trial balance with adjustments e.g. stock, prepayments, accruals, bad debts, depreciation; from incomplete records; basic consolidation of accounts; changes to reporting requirements under the International Accounting Standards (IAS) e.g. statement of comprehensive income, statement of financial position

3 **Be able to present financial information in accepted formats for publication**

Types of business: different formats for the businesses described in learning outcome 2 above; annual report

Formats: requirements of law and generally accepted accounting practice; changes to reporting requirements under the International Accounting Standards (IAS)

4 **Be able to interpret financial statements**

Ratios: calculate ratios to reflect profitability, liquidity, efficiency, gearing, investment; comparison of these ratios both externally (other companies, industry standards) and internally (previous periods); interpretation of results

Reporting: present findings in a format appropriate to users; weaknesses and limitations of analysis

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the regulatory framework for financial reporting	1.1 describe the different users of financial statements and their needs 1.2 explain the legal and regulatory influences on financial statements 1.3 assess the implications for users 1.4 explain how different laws/regulations are dealt with by accounting and reporting standards
LO2 Be able to prepare financial statements from complete or incomplete records	2.1 prepare financial statements for a variety of businesses from a trial balance, making appropriate adjustments 2.1 prepare financial statements from incomplete records 2.3 prepare a consolidated balance sheet and profit and loss account for a simple group of companies
LO3 Be able to present financial information in accepted formats for publication	3.1 explain how the information needs of different user groups vary 3.2 prepare financial statements in a form suitable for publication by a sole trader, partnership and limited company
LO4 Be able to interpret financial statements	4.1 calculate accounting ratios to assess the performance and position of a business 4.2 prepare a report incorporating and interpreting accounting ratios, including suitable comparisons.

Guidance

Links

The unit links with the following units within the specification: *Unit 2: Managing Financial Resources and Decisions, Unit 6: Business Decision Making, Unit 9: Management Accounting: Costing and Budgeting, Unit 11: Financial Systems and Auditing and Unit 12: Taxation*.

Additionally, the unit covers some of the underpinning knowledge and understanding for the NVQ in Accounting as mapped in *Annexe B*.

The unit covers topics essential for learners aiming to make a career in this field and who would like to become members of professional accounting bodies.

Essential requirements

Published financial reports of public limited companies are essential and are available from the companies themselves, or from the free online service provided by *The Financial Times*.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

www.businessbritainuk.co.uk	provides information about business in Britain and has extensive links to other business and business news sites.
www.fsb.org.uk	The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Unit 11:   Financial Systems and Auditing

Unit code: J/601/0901

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to enable learners to develop understanding and skills in the management of business accounting systems and the conduct and reporting of audits.

Unit abstract

In this unit learners will develop skills to evaluate the accounting systems of a business, using both computerised and manual records, and apply fundamental concepts. Learners will also analyse the management control systems of a business and evaluate their effectiveness, particularly in terms of controls and safeguards against error and fraud.

This unit will also enable learners to develop audit skills by contributing to the planning and performance of an audit and the preparation of an audit report.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the importance of keeping effective accounting systems within a business

2 Be able to analyse the management control systems of a business

3 Be able to contribute to the planning and conduct of an audit assignment

4 Be able to prepare audit reports.

Unit content

1 **Understand the importance of keeping effective accounting systems within a business**

Accounting records: books of prime entry (daybooks); accounts and ledgers (sales, purchases, nominal/general); trial balance; final accounts

Fundamental accounting concepts: accruals; prudence; consistency; going concern; materiality; business entity

Accounting systems: manual and computerised; effect of business size and structure

2 **Be able to analyse the management control systems of a business**

Business risk: types e.g. operational, financial, compliance; identification of risk and responsibility for risk management; influences on corporate governance e.g. Cadbury Code

Control: control systems and procedures within the business eg segregation of duties, authorisation

Fraud: types; implications; detection

3 **Be able to contribute to the planning and conduct of an audit assignment**

Regulatory environment: legal duties and status of auditors; liability of auditors; auditing standards and guidelines

Role of the auditor: internal and external audit and the relationship between the two; responsibilities of management as opposed to auditors

Audit planning: scope; materiality; risk

Audit testing: systems based (compliance) and substantive testing; sampling methods e.g. random, stratified, systematic; confidence intervals

Records: audit files and working papers; checklists and programmes; flow charts and questionnaires

4 **Be able to prepare audit reports**

Statutory reports: purpose; content (opinion of auditor), qualified and unqualified, types of qualification

Management letters: purpose and content

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the importance of keeping effective accounting systems within a business	1.1 explain the purpose and use of the different accounting records 1.2 assess the importance and meaning of the fundamental accounting concepts 1.3 evaluate the factors which influence the nature and structure of accounting systems
LO2 Be able to analyse the management control systems of a business	2.1 identify the different components of business risk 2.2 analyse the control systems in place in a business 2.3 evaluate the risk of fraud within a business suggesting methods for detection
LO3 Be able to contribute to the planning and conduct of an audit assignment	3.1 plan an audit with reference to scope, materiality and risk 3.2 identify and use appropriate audit tests 3.3 record the audit process in an appropriate manner
LO4 Be able to prepare audit reports	4.1 prepare a draft audit report 4.2 draft suitable management letters in relation to a statutory audit.

Guidance

Links

The unit links with the following units in the programme: *Unit 2: Managing Financial Resources and Decisions, Unit 6: Business Decision Making, Unit 9: Management Accounting: Costing and Budgeting, Unit 10: Financial Accounting and Reporting and Unit 12: Taxation*.

Learners should complete *Unit 10: Financial Accounting and Reporting before starting this unit*.

Additionally the unit covers some of the underpinning knowledge and understanding for the NVQ in Accounting as mapped in *Annexe B*.

The unit covers topics essential for learners aiming to make a career within finance and who would like to become members of professional accounting bodies.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

www.businessbritainuk.co.uk	provides information about business in Britain and has extensive links to other business and business news sites.
www.fsb.org.uk	The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Unit 12:   Taxation

Unit code: Y/601/0904

QCF level: 5

Credit value: 15 credits

Aim

This unit aims to give learners an understanding of the taxation of individuals and limited companies in the United Kingdom.

Unit abstract

Learners will understand the need for taxation and may already be familiar with the calculation and collection of income tax through the Pay as You Earn system applied to employees.

The unit introduces learners to the UK tax environment and explores the administration and collection of taxation in the UK and the duties of the tax practitioner.

The unit gives learners the skills needed to understand and compute the calculation of income tax for both individuals and businesses Learners will then consider the liability for and computation of corporation tax and capital gains tax.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the duties and responsibilities of the tax practitioner in the UK tax environment

2 Be able to calculate personal tax liabilities for individuals and partnerships

3 Be able to calculate corporation tax liabilities for companies

4 Be able to calculate capital gains tax payable for individuals and businesses.

Unit content

1 Understand the duties and responsibilities of the tax practitioner in the UK tax environment

UK tax environment: purpose and types of taxation (income tax, corporation tax, capital gains tax and inheritance); different methods of collection; tax legislation

Tax practitioner: dealing with the Inland Revenue; advising clients; calculating liabilities; implications for non-payment; respecting confidentiality and seeking advice when needed

2 Be able to calculate personal tax liabilities for individuals and partnerships

Sources of income: income from employment including benefits in kind; income from self-employment e.g. sole trader or partnership; income from investments

Tax computations: relevant and allowable expenses; charges on income; payments to charities; tax free allowances; tax rates and payment dates

Tax of the self-employed: bases of assessment; adjustment of profits and losses e.g. disallowed expenditure; tax losses; capital expenditure and allowances

Documentation: tax returns, P60, P45 and P11D

3 Be able to calculate corporation tax liabilities for companies

Bases of assessment: scope of corporation tax; accounting periods; chargeable profits; due dates

Computation: adjusted profits; treatment of losses; corporation tax rates; capital expenditure and allowances; treatment of income tax deductions

4 Be able to calculate capital gains tax payable for individuals and businesses

Incidence and administration of capital gains tax: chargeable persons; assets and disposals; payment dates

Computation: layout of computation; allowable expenditure; indexation allowance and taper relief; dealing with losses; allowances; rates/assets/disposals

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the duties and responsibilities of the tax practitioner in the UK tax environment	1.1 describe the UK tax environment 1.2 analyse the role and responsibilities of the tax practitioner 1.3 explain the tax obligations of tax payers or their agents and the implications of non-compliance
LO2 Be able to calculate personal tax liabilities for individuals and partnerships	2.1 calculate relevant income, expenses and allowances 2.2 calculate taxable amounts and tax payable for employed and self employed individuals and payment dates 2.3 complete relevant documentation and tax returns
LO3 Be able to calculate corporation tax liabilities for companies	3.1 calculate chargeable profits 3.2 calculate tax liabilities and due payment dates 3.3 explain how income tax deductions are dealt with
LO4 Be able to calculate capital gains tax payable for individuals and businesses	4.1 identify chargeable assets 4.2 calculate capital gains and losses 4.3 calculate capital gains tax payable.

Guidance

Links

This unit links to the other accounting units *Unit 9: Management Accounting: Costing and Budgeting, Unit 10: Financial Accounting and Reporting, and Unit 11: Financial Systems and Auditing and also core Unit 2: Managing Financial Resources and Decisions*

This unit also has links to the Accounting NOS as mapped in *Annexe B.*

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Unit 13: Personal and Professional Development

Unit code: T/601/0943

QCF level: 5

Credit value: 15 credits

Aim

This unit aims to help the learner become an effective and confident self-directed employee. This helps the learner become confident in managing own personal and professional skills to achieve personal and career goals.

Unit abstract

This unit is designed to enable learners to assess and develop a range of professional and personal skills in order to promote future personal and career development. It also aims to develop learners' ability to organise, manage and practise a range of approaches to improve their performance as self-directed learners in preparation for work or further career development.

The unit emphasises the needs of the individual but within the context of how the development of self-management corresponds with effective team management in meeting objectives.

Learners will be able to improve their own learning, be involved in teamwork and be more capable of problem solving through the use of case studies, role play and real-life activities.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand how self-managed learning can enhance lifelong development

2 Be able to take responsibility for own personal and professional development

3 Be able to implement and continually review own personal and professional development plan

4 Be able to demonstrate acquired interpersonal and transferable skills.

Unit content

1 Understand how self-managed learning can enhance lifelong development

Self-managed learning: self-initiation of learning processes; clear goal setting, e.g. aims and requirements, personal orientation achievement goals, dates for achievement, self-reflection

Learning styles: personal preferences; activist; pragmatist; theorist; reflector, e.g. reflexive modernisation theory; Kolb's learning cycle

Approaches: learning through research; learning from others, e.g. mentoring/coaching, seminars, conferences, secondments, interviews, use of the internet, social networks, use of bulletin boards, news groups

Effective learning: skills of personal assessment; planning, organisation and evaluation

Lifelong learning: self-directed learning; continuing professional development; linking higher education with industry, further education, Recognition of Prior Learning, Apprenticeships, Credit Accumulation and Transfer Schemes

Assessment of learning: improved ability range with personal learning; evidence of improved levels of skill; feedback from others; learning achievements and disappointments

2 Be able to take responsibility for own personal and professional development

Self-appraisal: skills audit (personal profile using appropriate self-assessment tools); evaluating self-management; personal and interpersonal skills; leadership skills

Development plan: current performance; future needs; opportunities and threats to career progression; aims and objectives; achievement dates; review dates; learning programme/activities; action plans; personal development plan

Portfolio building: developing and maintaining a personal portfolio

Transcripts: maintaining and presenting transcripts including curriculum vitae

3 Be able to implement and continually review own personal and professional development plan

Learning styles and strategies: types of styles; awareness of own personal style; impact of personal style and interactions with others

Learning from others: formal learning and training; observation; mentoring; supervision; tutorials; informal networks; team members; line managers; other professionals

Evaluation of progress: setting and recording of aims and objectives; setting targets; responding to feedback; re-setting aims and targets; establishing and recognising strengths and weaknesses; directions for change; cycles of activity (monitoring, reflecting and planning)

4   **Be able to demonstrate acquired interpersonal and transferable skills**

Transferable skills: personal effectiveness (ability to communicate effectively at all levels, initiative, self-discipline, reliability, creativity, problem solving)

Verbal and non-verbal communication: effective listening, respect for others' opinions; negotiation; persuasion; presentation skills; assertiveness; use of ICT

Delivery formats: ability to deliver transferable skills using a variety of formats

Working with others: team player; flexibility/adaptability; social skills

Time management: prioritising workloads; setting work objectives; using time effectively; making and keeping appointments; reliable estimates of task time

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand how self-managed learning can enhance lifelong development	1.1 evaluate approaches to self-managed learning 1.2 propose ways in which lifelong learning in personal and professional contexts could be encouraged 1.3 evaluate the benefits of self-managed learning to the individual and organisation
LO2 Be able to take responsibility for own personal and professional development	2.1 evaluate own current skills and competencies against professional standards and organisational objectives 2.2 identify own development needs and the activities required to meet them 2.3 identify development opportunities to meet current and future defined needs 2.4 devise a personal and professional development plan based on identified needs
LO3 Be able to implement and continually review own personal and professional development plan	3.1 discuss the processes and activities required to implement the development plan 3.2 undertake and document development activities as planned 3.3 reflect critically on own learning against original aims and objectives set in the development plan 3.4 update the development plan based on feedback and evaluation
LO4 Be able to demonstrate acquired interpersonal and transferable skills	4.1 select solutions to work-based problems 4.2 communicate in a variety of styles and appropriate manner at various levels 4.3 evaluate and use effective time management strategies.

Guidance

Links

The unit links with *Unit 47: Employability Skills*.

This unit also links to the Management and Leadership NOS as mapped in *Annexe B*.

Essential requirements

Activities carried out in this unit could be part of the mainstream academic activity and could be integrated into the whole programme of study. Learners would benefit from links with the learning outcomes of other units and if review meetings are held regularly.

A personal development portfolio or progress file should be put together, which contains all information and personal records 'owned' by the learner, including planning and monitoring progress towards the achievement of personal objectives. This could be web based, paper based or another format. Potentially this could form the basis of an extended record of a lifelong record of learning and achievement.

Tutors should be aware that textbooks are updated frequently and that they should use the latest editions where available. This is a practical unit and textbook materials should be used for reference purposes.

Unit 14: Working with and Leading People

Unit code: M/601/0908

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to develop the skills and knowledge needed for working with and leading others, through understanding the importance of recruiting the right people for the job.

Unit abstract

An organisation's success depends very much on the people working in it, and recruiting the right people is a key factor. Organisations with effective recruitment and selection processes and practices in place are more likely to make successful staffing appointments. In competitive labour markets this is a major advantage that well-organised businesses will have over their competitors. It is important, therefore, for learners to appreciate that the processes and procedures involved in recruitment and selection to meet the organisation's human resource needs are legal. This unit aims to develop learner knowledge and understanding of the impact of the regulatory framework on the recruitment process.

There are many benefits for both the individual and the organisation of working in teams for both the individual and the organisation, most importantly that the task is carried out better and more efficiently. An understanding of team development and the leadership function is crucial when working with others. A motivated workforce is more likely to be efficient and can contribute to the long-term profitability of the business. In this unit learners will examine these key areas and appreciate how an effective team leader can motivate and develop individuals within teams.

Sometimes when people work in teams they have their own types of communication, which can affect others and cause conflict or tension. In this unit learners will have the opportunity to develop their own leadership skills as well as building on the skills and knowledge needed to manage and lead people and teams in an organisation. Learners will explore ways to manage teams and individuals as well as motivating staff to perform better whilst meeting the aims of the organisation.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to use recruitment, selection and retention procedures

2 Understand the styles and impact of leadership

3 Be able to work effectively in a team

4 Be able to assess the work and development needs of individuals.

Unit content

1 **Be able to use recruitment, selection and retention procedures**

Legislation and requirements relating to recruitment and selection: internal and external recruitment processes; selection processes including job descriptions, person specifications, interviewing, use of CVs, assessment centres; diversity issues, including legal requirements and obligations and business and ethical cases regarding diversity; legislation and requirements relating to employment, workers' welfare and rights, health and safety, retention, succession planning

2 **Understand the styles and impact of leadership**

Theories, models and styles of leadership and their application to different situations: impact of leadership styles; theories and practices of motivation e.g. Maslow, McGregor, Herzberg; influencing and persuading others; influence of cultural environment within the organisation; differences between leadership and management; leadership power and control e.g. French and Raven; delegation; emotional intelligence e.g. Higgs and Dulewicz

3 **Be able to work effectively in a team**

Teamworking and development: flexible working practices; team formation e.g. Tuckman, structures and interactions e.g. Belbin's Team Role Theory, Adair's Action Centred Leadership model; benefits of team working; politics of working relationships; diversity issues; working cultures and practices; promotion of anti-discriminatory practices and behaviours; team building processes; conflict resolution; delegation and empowerment; coaching, support, mentoring; training, supervision, monitoring and evaluation

4 **Be able to assess the work and development needs of individuals**

Identifying development needs: learning styles and processes; supporting individual learning and encouraging lifelong learning; planning, recording, monitoring and evaluating; group development processes and behaviour

Planning, work orientation and job design: application of motivation theories and empowerment techniques; communication styles and techniques; delegation techniques and processes; supervision styles, working culture and practices, regulations and codes of practice, diversity issues

Performance monitoring and assessment: measuring effective performance; providing feedback; appraisal processes; benchmarking performance processes; mentoring and counselling; methods of correcting under-performance; legislation, codes of practice and procedures relating to disciplinary situations; diversity issues; management principles; promotions of anti-discriminatory practices and behaviours

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1	Be able to use recruitment, selection and retention procedures	1.1	prepare documentation to select and recruit a new member of staff
		1.2	assess the impact of legal, regulatory and ethical considerations to the recruitment and selection process
		1.3	take part in the selection process
		1.4	evaluate own contribution to the selection process
LO2	Understand the styles and impact of leadership	2.1	explain the skills and attributes needed for leadership
		2.2	explain the difference between leadership and management
		2.3	compare leadership styles for different situations
		2.4	explain ways to motivate staff to achieve objectives
LO3	Be able to work effectively in a team	3.1	assess the benefits of teamworking for an organisation
		3.2	demonstrate working in a team as a leader and member towards specific goals, dealing with any conflict or difficult situations
		3.3	review the effectiveness of the team in achieving the goals
LO4	Be able to assess the work and development needs of individuals	4.1	explain the factors involved in planning the monitoring and assessment of work performance
		4.2	plan and deliver the assessment of the development needs of individuals
		4.3	evaluate the success of the assessment process.

Guidance

Links

The unit links with the management and human resources units in this specification.

This unit also links to the Management and Leadership NOS as mapped in *Annexe B.*

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and visiting speakers. For this unit it would be useful for learners to investigate the recruitment and selection processes in different organisations, as well as the functions and performance of different types of team.

Unit 15:   Managing Business Activities to Achieve Results

Unit code: J/601/0946

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with the understanding and skills to manage their activities in the business workplace to improve their effectiveness and efficiency.

Unit abstract

This unit focuses on the effective and efficient planning and management of business work activities. It gives learners with understanding and skills needed to design and implement operational systems to improve their effectiveness and efficiency and achieve the desired results for the business.

Learners are encouraged to consider the importance and interrelationship of business processes and the implementation of operational plans, together with quality systems and health and safety, in achieving satisfactory results.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the importance of business processes in delivering outcomes based upon business goals and objectives

2 Be able to develop plans for own area of responsibility to implement operational plans

3 Be able to monitor appropriate systems to improve organisational performance

4 Be able to manage health and safety in the workplace.

Unit content

1 **Understand the importance of business processes in delivering outcomes based upon business goals and objectives**

Functions: interrelationships of functions, mission, aims, objectives and culture; interrelationship with processes

Processes: principles and models of effective process management; types of business process measures, output; quality gateways; how to evaluate suitability

2 **Be able to develop plans for own area of responsibility to implement operational plans**

Areas of responsibility: internal and external customers; customer orientation; market research; product development, principles and methods of short- to medium-term planning; designing plans; PERT; critical path analysis; work flow, prioritising workloads; how to develop SMART objectives; time management; how to analyse and manage risk; how to align resources with objectives; legal, regulatory and ethical requirements

Operational plans: product and service specifications and standards; meeting quality, quantity, time and cost objectives; systems e.g. Just-in-Time; value-added chains; statistical process control; coordinating activities; working within organisational constraints and limitations

3 **Be able to monitor appropriate systems to improve organisational performance**

Systems: Total Quality Management (TQM), TQM philosophy, principles, methods and techniques; quality systems, quality circles, ISO9000/EN29000 or subsequent current amendments, managing and monitoring quality

Organisational performance: principles of models which underpin organisational performance; types of performance measures and how to determine and set them; cost/benefit analysis; risk analysis; the value of a customer-focused culture; the importance of prevention rather than correction; importance of developing a continual improvement culture and how to involve others; planning, proposing, implementing and evaluating change; identifying wider implications of change within the organisation; Business Process Re-engineering (BPR)

4 **Be able to manage health and safety in the workplace**

Health and safety: legislation and regulations relating to health and safety at work; organisational policies and procedures regarding health and safety; risk assessment and monitoring; practical application of regulations; public attitudes and concerns relating to health and safety

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the importance of business processes in delivering outcomes based upon business goals and objectives	1.1 evaluate the interrelationship between the different processes and functions of the organisation 1.2 justify the methodology to be used to map processes to the organisation's goals and objectives 1.3 evaluate the output of the process and the quality gateways
LO2 Be able to develop plans for own area of responsibility to implement operational plans	2.1 design plans which promote goals and objectives for own area of responsibility 2.2 write objectives, which are specific, measurable, achievable, realistic and time-based to align people and other resources in an effective and efficient way 2.3 implement appropriate systems to achieve objectives in the most efficient way, on time, to budget and meeting organisational standards of quality 2.4 carry out work activities meeting the operational plan through effective monitoring and control
LO3 Be able to monitor appropriate systems to improve organisational performance	3.1 design systems to manage and monitor quality standards specified by the organisation 3.2 demonstrate a quality culture to ensure continuous monitoring, evaluation and development of the process 3.3 recommend improvements which align with the organisation's objectives and goals and which result in improvements 3.4 report on the wider implications of proposed changes within the organisation

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO4 Be able to manage health and safety in the workplace	4.1 carry out risk assessments as required by legislation, regulation and organisational requirements ensuring appropriate action is taken
	4.2 demonstrate that health and safety regulations and legislation applicable in specific work situations are correctly and effectively applied
	4.3 carry out a systematic review of organisational health and safety policies and procedures in order to ensure they are effective and compliant
	4.4 carry out practical application of health and safety policies and procedures in the workplace.

Guidance

Links

This unit links with all other management units within this specification.

This unit also links to the Management and Leadership NOS as mapped in *Annexe B*.

Essential requirements

Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of activities and processes.

Employer engagement and vocational contexts

Learners can generate evidence from a work placement or work experience. Some learners may have access to information from family owned and run businesses.

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 16: Managing Communications, Knowledge and Information

Unit code: L/601/0950

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to show how communications, knowledge and information can be improved within an organisation including making better use of IT systems.

Unit abstract

This unit recognises that communications do not automatically take place effectively in organisations and that both information and work-based knowledge is often insufficient when decisions are made. Learners will look at how managers can improve the planning of their communications processes as well as their communication skills. Learners will understand why managers need to adopt a more inclusive approach to stakeholders affected by the decisions they make and why they need to network on a more structured basis. The unit also looks at how managers can make the information and knowledge they gain accessible to other parts of the organisation.

The unit is designed to develop learner understanding of the interaction between communications, knowledge and information. It also covers how IT systems can be used as a management tool for collecting, storing, disseminating and providing access to knowledge and information.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand how to assess information and knowledge needs

2 Be able to create strategies to increase personal networking to widen involvement in the decision-making process

3 Be able to develop communication processes

4 Be able to improve systems relating to information and knowledge.

Unit content

1 **Understand how to assess information and knowledge needs**

Sources: internal and external, primary and secondary, formal and informal, team workers, customers and other stakeholders

Types: qualitative and quantitative, tacit and explicit, official and unofficial, policy and opinion

2 **Be able to create strategies to increase personal networking to widen involvement in the decision-making process**

Sources: stakeholders and useful contacts, internal and external

Methods: formal, informal

Strategies: formal and informal, direct or via media, relating and interacting, trust and confidentiality, forming business relationships, decision making and decision taking

3 **Be able to develop communication processes**

Types: meetings and conferences, workshops and training events, internet and email, written, telephone, video conferencing, one-to-one meetings

Approaches: structured and coordinated, planned, formal and informal

Strategy: advantages, disadvantages; informal, face-to-face, formal in writing, emotional, intelligence

4 **Be able to improve systems relating to information and knowledge**

Type: hard and soft, websites and mailings, access and dissemination

Style: trends and patterns, diagrams and text, consistent and reliable, current and valid; legal and confidential

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand how to assess information and knowledge needs	1.1	discuss the range of decisions to be taken
	1.2	examine the information and knowledge needed to ensure effective decision taking
	1.3	assess internal and external sources of information and understanding
	1.4	justify recommendations for improvement
LO2 Be able to create strategies to increase personal networking to widen involvement in the decision-making process	2.1	identify stakeholders for a decision-making process
	2.2	make contact with those identified and develop business relationships
	2.3	involve those identified in the decision making as appropriate
	2.4	design strategies for improvement
LO3 Be able to develop communication processes	3.1	report on existing processes of communication in an organisation
	3.2	design ways to improve appropriateness
	3.3	implement improvements to ensure greater integration of systems of communication in that organisation
	3.4	create a personal plan to improve own communication skills
LO4 Be able to improve systems relating to information and knowledge	4.1	report on existing approaches to the collection, formatting, storage and dissemination of information and knowledge
	4.2	carry out appropriate changes to improve the collection, formatting, storage and dissemination of information and knowledge
	4.3	implement a strategy to improve access to systems of information and knowledge.

Guidance

Links

This unit links with all other management units within this specification.

This unit also links with the Management and Leadership NOS. See *Annexe B* for a mapping.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 17:   Marketing Intelligence

Unit code: K/601/0955

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to enable learners to understand the purchase decision-making process and how marketing research techniques are used to contribute to the development of marketing plans.

Unit abstract

This unit explores buyer behaviour and how this is influenced by a range of factors and situations. Learners will explore the marketing research process and assess the importance of different types of information. The approach is practical and learners will learn how to prepare and present a research proposal, assess the reliability of market research findings, and use secondary sources of data.

Learners will then develop the skills needed to assess trends and carry out competitor analysis.

Finally, learners will consider customer relationship management and how to assess levels of customer satisfaction.

The unit seeks to combine a sound theoretical framework with the development of useful business skills.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand buyer behaviour and the purchase decision-making process

2 Be able to use marketing research techniques

3 Be able to assess market size and future demand

4 Be able to measure customer satisfaction.

Unit content

1 Understand buyer behaviour and the purchase decision-making process

Customers and markets: purchase decision-making process; buying situations and types of buying decision; dimensions of buyer behaviour

Buyer behaviour: influences on buyer behaviour; stimulus response model; models of purchase behaviour; diffusion and innovation; model unitary and decision-making units

Buying motives: psychological factors, socio-psychological factors, sociological factors, economic factors and cultural factors influencing customer behaviour; lifestyle and life-cycle factors; customer and prospect profiling

Branding: relationship between brand loyalty, company image and repeat purchase

2 Be able to use marketing research techniques

Market research: role and importance of marketing research; research process, objectives; issues relating to the use of primary and secondary data sources and methods; existing sources of primary and secondary market research; internal sources; external sources; competitor data and sources and customer data; ethics

Market research companies: benefits and limitations of use; cost; reliability and types

Research techniques: stages of the market research process; research proposals; qualitative and quantitative methods; surveys; sources of information; value and interpretation of data

Types: face to face, telephone/postal; data mining technique; focus groups; depth interviews; omnibus survey; psychological research; mystery shopper; sales, price and distribution research

Reliability of research: validity; sampling process; sample size; sample and interviewer bias; methods of recruitment

Researching developing and established markets: issues associated with researching the developing as well as the established consumer; industrial and service markets

Use of research data: research data supporting marketing planning; producing actionable recommendations; evaluating research findings for business decision making

3 Be able to assess market size and future demand

Measuring: defining the market; estimating total market size, value and volume; growth and trends; forecasting future demand

Competitive analysis: competitor analysis – market/product profiles of competition, brand and market share; characteristics of the competition – market innovator/follower; objectives of the competition; strategies of the competition; strengths and weakness of competition; future behaviour of the competition and their strategic intent

4 **Be able to measure customer satisfaction**

Measuring customer satisfaction: post-sale surveys; data mining – web behaviour analysis; guarantees; complaint handling and suggestion systems; mystery shopping; product placement; service agreements; customer follow-up

Customer care: customer relationship management programmes, objectives, use and value in data collection, customer relationship management as a means of adding value and influencing purchase/repeat purchase behaviour, customer retention

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand buyer behaviour and the purchase decision-making process	1.1 describe the main stages of the purchase decision-making process 1.2 explain theories of buyer behaviour in terms of individuals and markets 1.3 explain the factors that affect buyer behaviour 1.4 evaluate the relationship between brand loyalty, corporate image and repeat purchasing
LO2 Be able to use marketing research techniques	2.1 evaluate different types of market research techniques 2.2 use sources of secondary data to achieve marketing research objectives 2.3 assess the validity and reliability of market research findings 2.4 prepare a marketing research plan to obtain information in a given situation
LO3 Be able to assess market size and future demand	3.1 assess market size trends within a given market 3.2 plan and carry out a competitor analysis for a given organisation 3.3 evaluate an organisation's opportunities and threats for a given product or service
LO4 Be able to measure customer satisfaction	4.1 evaluate techniques of assessing customer response 4.2 design and complete a customer satisfaction survey 4.3 review the success of a completed survey.

Guidance

Links

This unit is part of the marketing pathway and forms a direct link with the other marketing units in the pathway – *Unit 18: Advertising and Promotion in Business*, *Unit 19: Marketing Planning* and *Unit 20: Sales Planning and Operations*.

The unit is also linked with *Unit 4: Marketing Principles and Unit 6: Business Decision Making*.

Essential requirements

Learners need access to market research and business information.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers, or assistance with case study material that could be used as a basis for the assignments for this unit.

Unit 18: Advertising and Promotion in Business

Unit code: J/601/1000

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with the understanding and skills for using advertising, promotion and marketing communications effectively. Learners will put this into practice by planning an integrated promotional strategy.

Unit abstract

The effective use of advertising and promotion is a fundamental requirement for any business seeking to succeed in the modern business world. As they progress through the unit, learners will build up their understanding of advertising and promotion, which they can use to plan an integrated promotional strategy for a business or product.

The unit introduces learners to the wide scope of marketing communications and how the communications process operates. It includes a study of current trends and the impact that ICT has had on marketing communications. Learners will explore the marketing communications industry and how it operates. They will also develop some knowledge of how the industry is regulated to protect consumers.

Advertising and the use of below-the-line techniques are core components in the development of an integrated communications strategy. This unit covers both in detail. Learners will be introduced to the theory, as well as the practice, that is fundamental to understanding advertising and below-the-line techniques and how they can be used to their greatest effect.

On completion of this unit learners will be able to plan an integrated promotional strategy for a business or product. This will include budget formulation, creative and media selection, and how to measure the effectiveness of their plan.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the scope of marketing communications

2 Understand the role and importance of advertising

3 Understand below-the-line techniques and how they are used

4 Be able to plan integrated promotional strategies.

Unit content

1 Understand the scope of marketing communications

Communication process: nature and components of marketing communications; models of communication; selection and implementation process; consumer buying decision-making process; influences on consumer behaviour: internal (demographics, psychographics, lifestyle, attitude, beliefs), external (cultural, social, environmental factors); response hierarchy/hierarchy of effects models; integration of marketing communications

Organisation of the industry: structure and roles of marketing communications agencies; (advertising agencies, marketing agencies, creative agencies, media planning and buying agencies); media owners; advertisers; triangle of dependence; types of agency (full service, à la carte, specialist agencies, media independents, hot shops and boutiques, media sales houses); other supporting services (public relations (PR), sales promotion, marketing research)

Regulation of promotion: Consumer Protection From Unfair Trading Regulations, Sale of Goods Act, Supply of Goods and Services Act, Distance Selling Regulations, Consumer Credit Act, Data Protection Act; statutory authorities (Trading Standards, Ofcom, the Office of Communications); self-regulation (Advertising Standards Authority (ASA), Committee of Advertising Practice (CAP)); ethics, consumerism and public opinion as a constraint

Current trends: media fragmentation and the decline the power of traditional media; ambient/out-of-home media e.g. product and brand placement, posters, stickers, car park tickets, till receipts, petrol pumps; new media e.g., texts, use of mobile phone, web-based media, pop-ups; brand proliferation; niche marketing/micro-marketing; media inflation; maximising media spend; increased sophistication and use of marketing research; responding to globalisation (global marketing, global brands, global media); ethical marketing e.g. fair trade, cause-related marketing; e-commerce; viral marketing; use of social networking websites; search engine optimisation; web optimisation

The impact of ICT: role of ICT, internet and on channels of communication; global media reach; cyber consumers; online shopping (interdependence, disintermediation, reintermediation); the use of customer relationship management (CRM); online security issues

2 Understand the role and importance of advertising

Role of advertising: definition, purpose and objectives of advertising; functions of advertising (remind, inform, persuade, sell); advantages and disadvantages of advertising; advertising process; role of advertising within marketing mix, within promotional mix; characteristics of advertising media (print, audio, moving image, ambient, new media)

Branding: definition, purpose, objectives, benefits and dimensions of branding; brand strategies (individual, blanket, family, multi-branding, brand extension, own brands, brand repositioning); brand image, personality and equity; brand value, brand evaluation techniques

Creative aspects of advertising: communication brief (positioning, targeting, messages, message-appeals); creative brief (advertisement design, visuals, copy writing, creative strategies and tactics testing); impact of ICT on advertisement design and dissemination; measuring advertising effectiveness; key media planning concepts (reach, duplication, frequency, flighting); principles in measuring media effectiveness (distribution, ratings, audience share, awareness, cost per thousand)

Working with advertising agencies: agency structures; role of account handler and account planner; process and methods of agency selection; agency appointment including contracts and good practice guidelines; agency/client relationships; remuneration (commission, fee, results), media planning; key account management and the stages in developing key account relationships

3 **Understand below-the-line techniques and how they are used**

Primary techniques: sales promotion; public relations; loyalty schemes; sponsorship; product placement; direct marketing; packaging; merchandising; for each of the techniques detailed (consideration of role, characteristics, objectives, advantages/disadvantages, appropriate uses, evaluation measures)

Other techniques: an overview of the role and uses of corporate communications; image and identity; exhibitions; word-of-mouth; personal selling; use of new media

4 **Be able to plan integrated promotional strategies**

Budget formulation: budget determination process; methods (percentage of sales, per unit, cost-benefit analysis, competitive parity, task, customer expectation, executive judgement); guidelines for budget allocation; overview of media costs; relative costs of various promotional techniques; comparing low and high-budget campaigns; new product considerations

Developing a promotional plan: situation analysis; objectives; communication goals, target audiences; creative strategy; promotional strategy and tactics; media selection; inter and intra-media decisions; scheduling; burst versus drip; budget allocation; evaluation measures; planning tools (AIDA, DAGMAR, SOSTT + 4Ms, SOSTAC, planning software)

Integration of promotional techniques: benefits; methods; role of positioning; positioning strategies; push and pull strategies; importance of PR; corporate identity and packaging in aiding integration; barriers to integration (company and agency organisational structures; cost); methods of overcoming these barriers; levels of integration; award-winning campaigns

Measuring campaign effectiveness: comparison with objectives; customer response; recall; attitude surveys; sales levels; repeat purchases; loyalty; cost effectiveness; degree of integration; creativity; quantitative and qualitative measures

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the scope of marketing communications	1.1 explain the communication process that applies to advertising and promotion
	1.2 explain the organisation of the advertising and promotions industry
	1.3 assess how promotion is regulated
	1.4 examine current trends in advertising and promotion, including the impact of ICT
LO2 Understand the role and importance of advertising	2.1 explain the role of advertising in an integrated promotional strategy for a business or product
	2.2 explain branding and how it is used to strengthen a business or product
	2.3 review the creative aspects of advertising
	2.4 examine ways of working with advertising agencies
LO3 Understand below-the-line techniques and how they are used	3.1 explain primary techniques of below-the-line promotion and how they are used in an integrated promotional strategy for a business or product
	3.2 evaluate other techniques used in below-the-line promotion
LO4 Be able to plan integrated promotional strategies	4.1 follow an appropriate process for the formulation of a budget for an integrated promotional strategy
	4.2 carry out the development of a promotional plan for a business or product
	4.3 plan the integration of promotional techniques into the promotional strategy for a business or product
	4.4 use appropriate techniques for measuring campaign effectiveness.

Guidance

Links

This unit links to other marketing units within the pathway – *Unit 17: Marketing Intelligence, Unit 19: Marketing Planning and Unit 20: Sales Planning and Operations.*

The unit is also linked with *Unit 4: Marketing Principles and Unit 6: Business Decision Making*.

Essential requirements

Learners must have access to the internet in order to carry out research. They will also require access to a range of current advertising and promotional media – print, audio, moving image, ambient and new media. Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors.

Employer engagement and vocational contexts

Learners can generate evidence from a work placement or work experience. Some learners may have access to information from family owned and run businesses.

Centres should develop links with local businesses such as – businesses that run advertising and promotional campaigns as part of their marketing strategy, and agencies that are involved with providing the creative and planning input for advertising and promotional campaigns. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Local Business Link organisations are another good source for employer engagement as they are in contact with a range of different businesses in different industries.

Unit 19:   Marketing Planning

Unit code: Y/601/1259

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with the understanding and skills to develop marketing plans that meet marketing objectives, and meet the needs of the target market.

Unit abstract

Effective planning is essential for any marketing activity to ensure that an organisation realises its marketing objectives. Without planning, marketing activity can be inappropriate and waste resources and opportunities.

This unit introduces learners to different ways of auditing, to looking at how internal and external factors can influence marketing planning for an organisation, in order to build up a picture of the marketplace.

Learners will gain an understanding of the main barriers to marketing planning, the effects of barriers, and how these can be avoided or overcome.

Ethical issues in marketing are important in terms of how an organisation and its products are perceived by customers and employees, and can affect the overall ethos and ultimate success of the organisation. This unit will enable learners to investigate and examine how exemplar organisations have been affected by ethical issues, how they deal with them, and how ethical issues should be taken into account when developing marketing plans.

On completion of this unit learners will be able to produce a marketing plan for a product, a service or an organisation that is realistic, in terms of objectives and resources, and effective in terms of the current situation in the marketplace.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to compile marketing audits

2 Understand the main barriers to marketing planning

3 Be able to formulate a marketing plan for a product or service

4 Understand ethical issues in marketing.

Unit content

1 **Be able to compile marketing audits**

Changing perspectives: changing perspectives in marketing planning; market-led strategic change

Assessment of capability: evaluate issues relating to aspects of competing for the future and balancing strategic intent and strategic reality

Organisational auditing: evaluating and coming to terms with organisational capability; balancing strategic intent and strategic reality; the determinants of capability e.g. managerial, financial, operational, human resource and intangible (brand) capability; approaches to leveraging capability; aspects of competitive advantage

External factors: approaches to analysing external factors that influence marketing planning; the identification and evaluation of key external forces using analytical tools e.g. PEST (Political, Economic, Social, Technological), PESTLE (Political, Economic, Social, Technological, Legal, Ethical), STEEPLE (Social, Technological, Economic, Environmental, Political, Legal, Ethical); the implications of different external factors for marketing planning; Porter's five forces analysis; identifying the organisation's competitive position and relating this to the principal opportunities and threats; market, product and brand lifecycles

2 **Understand the main barriers to marketing planning**

Barriers: objective/strategy/tactics confusion; isolation of marketing function; organisational barriers (organisational culture, change management, ethical issues, behavioural, cognitive, systems and procedures, resources); competitor strategy and activity; customer expectation

3 **Be able to formulate a marketing plan for a product or service**

The role of marketing planning in the strategic planning process: the relationship between corporate objectives, business objectives and marketing objectives at operational level; the planning gap and its impact on operational decisions

The strategic alternatives for new product development: an overview of the marketing planning process; SWOT analysis (Strengths, Weaknesses, Opportunities, Threats); objectives in differing markets, products and services; product modification through to innovation; evaluation of product and market match; use of Ansoff's matrix; product failure rates and implications for screening ideas against company capabilities and the market; product testing; test marketing; organisational arrangements for managing new product development; costs and pricing; encouraging an entrepreneurial environment; the importance of learning from failure

Pricing policy: price taking versus price making; the dimensions of price; approaches to adding value; pricing techniques (price leadership, market skimming, market penetration pricing, competitive market-based pricing, cost-based versus market-oriented pricing); the significance of cash flow; the interrelationships between price and the other elements of the marketing mix; taking price out of the competitive equation

Distribution: distribution methods; transport methods; hub locations, break-bulk and distribution centres; choice of distribution to point-of-sale; distribution and competitive advantage

Communication mix: evaluation of promotional mix to influence purchasing behaviour; media planning and cost; advertising and promotional campaigns; changes to advertising and promotional campaigns over the product lifecycle (PLC); sales planning

Implementation: factors affecting the effective implementation of marketing plans; barriers to implementation and how to overcome them; timing; performance measures (financial, non-financial, quantitative, qualitative); determining marketing budgets for marketing mix decisions included in the marketing plan; methods of evaluating and controlling the marketing plan; how marketing plans and activities vary in organisations that operate in a virtual marketplace

4 Understand ethical issues in marketing

Ethical issues in marketing: ethics and the development of the competitive stance; different perspectives on ethics in the global marketplace; ethical trade-offs; ethics and managerial cultures

Ethics of the marketing mix: management of the individual elements of the marketing mix

Product: gathering market research on products; identification of product problems and levels of customer communication; product safety and product recall

Price: price fixing; predatory pricing; use of loss leaders; deceptive pricing; price discrimination

Promotion: media message impact; sales promotion; personal selling; hidden persuaders; corporate sponsorship

Distribution: abuse of power e.g. restriction of supply; unreasonable conditions set by distributors

Counterfeiting: imitation (fakes, knock-offs); pirate and bootleg copies; prior registration and false use of trade names, brand names and domain names

Consumer ethics: false insurance claims; warranty deception; misredemption of vouchers; returns of merchandise; illegal downloads, copying and distribution (music, videos, film, software)

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to compile marketing audits	1.1 review changing perspectives in marketing planning 1.2 evaluate an organisation's capability for planning its future marketing activity 1.3 examine techniques for organisational auditing and for analysing external factors that affect marketing planning 1.4 carry out organisational auditing and analysis of external factors that affect marketing planning in a given situation
LO2 Understand the main barriers to marketing planning	2.1 assess the main barriers to marketing planning 2.2 examine how organisations may overcome barriers to marketing planning
LO3 Be able to formulate a marketing plan for a product or service	3.1 write a marketing plan for a product or a service 3.2 explain why marketing planning is essential in the strategic planning process for an organisation 3.3 examine techniques for new product development 3.4 justify recommendations for pricing policy, distribution and communication mix 3.5 explain how factors affecting the effective implementation of the marketing plan have been taken into account
LO4 Understand ethical issues in marketing	4.1 explain how ethical issues influence marketing planning 4.2 analyse examples of how organisations respond to ethical issues 4.3 analyse examples of consumer ethics and the effect it has on marketing planning.

Guidance

Links

This unit links to other marketing units within the pathway – *Unit 17: Marketing Intelligence, Unit 18: Advertising and Promotion in Business and Unit 20: Sales Planning and Operations*.

The unit is also linked with *Unit 4: Marketing Principles* and *Unit 6: Business Decision Making*.

Essential requirements

Learners must have access to the internet in order to carry out research. They will also require access to a range of case studies and exemplar material which illustrate the theories and practice covered in the learning outcomes.

Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors.

Employer engagement and vocational contexts

Learners can generate evidence from a work placement or work experience. Some learners may have access to information from family owned and run businesses.

Centres should develop links with local businesses such as businesses that are involved in marketing planning as part of their overall strategy. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers. Local Business Link organisations are another good source for employer engagement as they are in contact with a range of different businesses in different industries.

Unit 20: Sales Planning and Operations

Unit code: Y/601/1261

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with an understanding of sales planning, sales management, and the selling process, which can be applied in different markets and environments.

Unit abstract

Selling is a key part of any successful business, and most people will find that they need to use sales skills at some point in their working life – if only to persuade or win an argument. For anyone who is interested in sales as a professional career it pays to understand the basics of selling, to practice, and plan. This unit will introduce learners to the theory of selling and sales planning, and give them the opportunity to put their personal selling skills into practice.

The unit starts with an overview of how personal selling fits within the overall marketing strategy for a business. Learners will be taken through the main stages of the selling process, and be expected to put them to use. Once they are confident about the selling process, learners will investigate the role and objectives of sales management. This is knowledge that can be applied to a wide range of organisations.

Finally, learners will be able to start planning sales activity for a product or service of their own choice – this is another valuable skill that is transferable to many different situations learners may find themselves in as they move into employment or higher education.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the role of personal selling within the overall marketing strategy

2 Be able to apply the principles of the selling process to a product or service

3 Understand the role and objectives of sales management

4 Be able to plan sales activity for a product or service.

Unit content

1 **Understand the role of personal selling within the overall marketing strategy**

Promotion mix: personal and impersonal communication; objectives of promotional activity; push-pull strategies; integrating sales with other promotional activities; evaluating promotion; allocation of promotion budget

Understanding buyer behaviour: consumer and organisational purchase decision-making processes; influences on consumer purchase behaviour (personal, psychological, social); influences on organisational buyer behaviour (environmental, organisational, interpersonal, individual); purchase occasion; buying interests and motives; buyer moods; level of involvement; importance and structure of the DMU (Decision Making Unit); finding the decision-taker; distinction between customers and users

Role of the sales team: definition and role of personal selling; types of selling; characteristics for personal selling; product and competitor knowledge; sales team responsibilities (information gathering, customer and competitor intelligence, building customer databases, prospecting and pioneering, stock allocation, maintaining and updating sales reports and records, liaison with sales office); sales team communications; the role of ICT in improving sales team communications

2 **Be able to apply the principles of the selling process to a product or service**

Principles: customer-oriented approach; objective setting; preparation and rehearsal; opening remarks; techniques and personal presentation; need for identification and stimulation; presentation; product demonstration and use of visual aids; handling and pre-empting objections; techniques and proposals for negotiation; buying signals; closing techniques; post sale follow-up; record keeping; customer relationship marketing (CRM)

3 **Understand the role and objectives of sales management**

Sales strategy: setting sales objectives; relationship of sales, marketing and corporate objectives; importance of selling in the marketing plan; use of marketing information for planning and decision making (sources and collection methods); role of sales forecasts in planning; quantitative and qualitative sales forecasting techniques; strategies for selling

Recruitment and selection: importance of selection; preparing job descriptions and person specifications; sources of recruitment; interview preparation and techniques; selection and appointment

Motivation, remuneration and training: motivation theory and practice; team building; target setting; financial incentives; non-financial incentives; salary and commission-based remuneration; induction training; training on specific products; ongoing training and continuous professional development (CPD); training methods; preparation of training programmes; the sales manual

Organisation and structure: organisation of sales activities (by product, by customer, by customer type; by area); estimation and targeting of call frequency; territory design; journey planning; allocation of workload; team building; creating and maintaining effective working relationships; sales meetings; sales conferences

Controlling sales output: purpose and role of the sales budget; performance standards: performance against targets (financial, volume, call-rate, conversion, pioneering); appraisals; self-development plans; customer care

Database management: importance of database building; sources of information; updating the database; use of database to generate incremental business and stimulate repeat purchase; use of database control mechanisms; importance of ICT methods in database management; security of data; Data Protection Act

4 **Be able to plan sales activity for a product or service**

Sales settings: sales channels (retailers, wholesalers, distributors, agents multi-channel and online retailers); importance of market segmentation: business-to-business (BTB) selling; industrial selling; selling to public authorities; selling for resale; telesales; selling services; pioneering; systems selling; selling to project teams or groups

International selling: role of agents and distributors; sources, selection and appointment of agents/distributors; agency contracts; training and motivating agents/distributors; use of expatriate versus local sales personnel; role, duties and characteristics of the export sales team; coping in different cultural environments; the role of ICT in communicating with an international sales team

Exhibitions and trade fairs: role, types and locations of trade fairs and exhibitions; how trade fairs and exhibitions fit in with corporate strategy and objectives; setting objectives for participation in an exhibition; audience profile and measurement; qualification and follow-up of exhibition leads; evaluation of exhibition attendance; setting budgets; financial assistance for exhibition attendance; principles of stand design

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the role of personal selling within the overall marketing strategy	1.1 explain how personal selling supports the promotion mix
	1.2 compare buyer behaviour and the decision making process in different situations
	1.3 analyse the role of sales teams within marketing strategy
LO2 Be able to apply the principles of the selling process to a product or service	2.1 prepare a sales presentation for a product or service
	2.2 carry out sales presentations for a product or service
LO3 Understand the role and objectives of sales management	3.1 explain how sales strategies are developed in line with corporate objectives
	3.2 explain the importance of recruitment and selection procedures
	3.3 evaluate the role of motivation, remuneration and training in sales management
	3.4 explain how sales management organise sales activity and control sales output
	3.5 explain the use of databases in effective sales management
LO4 Be able to plan sales activity for a product or service	4.1 develop a sales plan for a product or service
	4.2 investigate opportunities for selling internationally
	4.3 investigate opportunities for using exhibitions or trade fairs.

Guidance

Links

This unit links to other marketing units within the pathway – *Unit 17: Marketing Intelligence, Unit 18: Advertising and Promotion in Business* and *Unit 19: Marketing Planning*.

The unit is also linked with *Unit 4: Marketing Principles* and *Unit 6: Business Decision Making*.

Essential requirements

Learners must have access to a suitable business teaching environment with access to the internet in order to carry out research. They also require access to a range of organisations that have active sales teams currently engaged in personal selling.

Tutors could consider building a bank of contacts and resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors.

Employer engagement and vocational contexts

Learners can generate evidence from a work placement or work experience. Some learners may have access to selling opportunities from family owned and run businesses.

There are numerous textbooks covering sales planning and operations. It is important that learners are directed to a balance of comprehensive theoretical texts and the more readable 'how to' books which provide an excellent source of practical exercises.

Marketing and sales journals are a good topical source for personal selling and sales management activities. A number of videos have been produced demonstrating good (and bad) sales techniques. Many of these form part of sales training programmes which can be purchased. Throughout the course of an academic year, topical programmes often appear on television for example, *Dragons' Den*.

Centres should develop links with local businesses such as businesses that have sales teams as part of their marketing strategy. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers. Local Business Link organisations are another good source for employer engagement as they are in contact with a range of different businesses in different industries.

Unit 21:   Human Resource Management

Unit code: K/601/1264

QCF level: 4

Credit value: 15 credits

Aim

This unit provides an introduction to the concepts and practices of human resource management within the United Kingdom and focuses on the management of recruitment, retention and employment cessation.

Unit abstract

Recruiting and retaining staff of the right caliber contributes to the achievement of organisational purposes. Staff must make a valued contribution to the work of the organisation. Eventually they will leave, more often than not because they find alternative employment or retire. Occasionally, however, employment has to be terminated. This unit considers how human resource management deals with these aspects of working. However, the focus of human resource management has moved beyond personnel management towards a more proactive approach that, in addition to the traditional roles associated with staff management, also considers how to get the best people and the best out of people so that they work in roles and ways that are closely aligned to organisational objectives. This often leads to the assertion by many senior managers that 'Our employees are our most valuable resource'.

Human resource management takes place against a background of organisational needs, policies and procedures that are themselves shaped by legal and regulatory requirements. The unit therefore gives consideration to the national and European legislation that has, for example, seen the introduction of a range of anti-discriminatory legislation, the significance of which can be seen regularly in high profile and often very expensive court cases. Organisations with effective human resource management policies, processes and practices will have committed, skilled employees who contribute effectively to the organisation. In competitive business contexts this is a significant contribution to maintaining a competitive advantage.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the difference between personnel management and human resource management

2 Understand how to recruit employees

3 Understand how to reward employees in order to motivate and retain them

4 Know the mechanisms for the cessation of employment.

Unit content

1 Understand the difference between personnel management and human resource management

Personnel management and human resource management: development of personnel management; change in contexts leading to human resource management

Human resource management function: tasks (selection, recruitment, payroll administration, employee motivation, reward management, employment termination); training and development; performance management (planning, monitoring, recording, actioning); employee relations; working in partnership with functional areas; involvement of line managers (selection, recruitment, training, coaching, mentoring, appraisal, grievance, discipline, termination); ethical issues; equality of opportunity

Employment legislation: Sex Discrimination Act 1995/97; Race Relations Act 1992; Race Relations Amendment Act 2000; Equal Pay Act 1970; Disability Discrimination Acts 1995 and 2005; European Working Time Directive; Employment Act 2008; Employment Relations Act 2004; Work and Families Act 2006; national minimum wage; Data Protection Act 1998; employment tribunals

2 Understand how to recruit employees

Human resource planning: definition, links (organisational purposes, organisational strategy, senior management); purpose (increased volume of business, changes to the required skills sets, employee turnover; labour cost control); time horizon (short term, medium term, long term); internal planning factors (organisational needs, demand for products and services, new products and services, new markets, technological change, location of production); workforce profiles (age, gender, ethnicity, ability, skills); external planning factors (supply and demand for labour (local, national international); government policy; labour market competition; changing nature of work; impact of technology

Recruitment and selection: recruitment policies, recruitment procedures, aims and objectives of the selection process; job analysis, job description (e.g. purpose, standard formats, responsibilities, scope of post, education and qualifications, experience); person specification *(*purpose, standard formats, job title, location in management line; essential and desirable attributes); recruitment methods (advertising vacancies, application methods including web-based methods, agencies, head hunters); interviews; assessment centres; tests (psychological, psychometric, aptitude, practical); resumés (CV); letters of application; references

3 **Understand how to reward employees in order to motivate and retain them**

Motivation: theories of motivation e.g. F Taylor, E Mayo, A Maslow, F Herzberg, D McGregor, D McClelland, V Vroom; relationship between motivation theories and reward; employee involvement techniques; membership of work groups board, works councils, quality circles, intra-organisational groups (transnational, national, site specific); devolved authority and responsibility; open communications; organisational culture (ethos, values, mission); national accreditation (Investors in People (IIP), Charter Mark, International Standards Organisation (ISO)

Monitoring: probation; appraisal, feedback; performance indicators (achievement against targets); goal theory; SMART (specific, measurable, achievable, realistic, time-constrained) targets (sales, growth, financial, waiting times, pass rates, punctuality, attendance); benchmarking

Reward management: job evaluation; factors determining pay, reward systems; pay; performance-related pay; pension schemes; profit sharing; employee share options; mortgage subsidies; relocation fees; bonuses; company vehicles; loans/advances; child care; school fees; corporate clothes; staff discounts; flexible working; leave; health care; extended parental leave, career breaks; cafeteria incentive schemes; salary sacrifice schemes; contracts of employment

4 **Know the mechanisms for the cessation of employment**

Reasons: dismissal (wrongful, unfair, justified); termination of employment (resignation, retirement, termination of contract); redundancy; redeployment; retraining

Management of exit: procedures (retirement, resignation, dismissal, redundancy); legal and regulatory framework; counselling, training; employment tribunals (role, composition, powers and procedures)

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand the difference between personnel management and human resource management	1.1	distinguish between personnel management and human resource management
	1.2	assess the function of the human resource management in contributing to organisational purposes
	1.3	evaluate the role and responsibilities of line managers in human resource management
	1.4	analyse the impact of the legal and regulatory framework on human resource management
LO2 Understand how to recruit employees	2.1	analyse the reasons for human resource planning in organisations
	2.2	outline the stages involved in planning human resource requirements
	2.3	compare the recruitment and selection process in two organisations
	2.4	evaluate the effectiveness of the recruitment and selection techniques in two organisations
LO3 Understand how to reward employees in order to motivate and retain them	3.1	assess the link between motivational theory and reward
	3.2	evaluate the process of job evaluation and other factors determining pay
	3.3	assess the effectiveness of reward systems in different contexts
	3.4	examine the methods organisations use to monitor employee performance
LO4 Know the mechanisms for the cessation of employment	4.1	identify the reasons for cessation of employment with an organisation
	4.2	describe the employment exit procedures used by two organisations
	4.3	consider the impact of the legal and regulatory framework on employment cessation arrangements.

Guidance

Links

The unit links with other human resource units such as *Unit 3: Organisations and Behaviour, Unit 22: Managing Human Resources, Unit 23: Human Resources Development* and *Unit 24: Employee Relations*.

The unit also has links with the Management and Leadership NOS as mapped in *Annexe B*.

Essential resources

Access to business HR documentation, speakers and relevant legislation will be required.

Employer engagement and vocational contexts

Centres can develop links with local employers. Many businesses look to employ learners when they finish their programmes of study and may provide advice on recruitment, selection and employment practices. Colleges and universities will be responsible for all aspects of their own recruitment and selection so will have a human resources department on site that can provide first-hand information. Many learners are, or have been, employed and will be able to draw on their experience in employment and their dealings with the human resource management function.

Unit 22: Managing Human Resources

Unit code: F/601/1268

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to develop an understanding of the theory and practice of human resource management focussing on current human resources practice and the impact of topical issues and legislation.

Unit abstract

This unit sets the scene by looking at the different theoretical perspectives of human resource management and exploring the differences in these approaches. A variety of changes in the labour market, and the increasing demand from employees for a more manageable work-life balance, has seen the development of much more flexible working practices. This has been the case in all sectors of the economy and in all organisations irrespective of their size or the nature of their business. Some workers have a statutory right to flexible hours and all workers can ask their employer to accommodate their needs in terms of a more flexible pattern of working. This unit examines a variety of flexible working models and looks at practical methods that have evolved in many organisations to meet the needs of employers and employees.

Some elements of the unit require an awareness of the legislative framework which determines the nature and scope of human resources policies and practices. However, the unit does not require detailed knowledge of health and safety or equal opportunities legislation. It examines the practical impact of this legislation on human resources policies and practices. New approaches are explored, including the implications for human resources management of the shift from equal opportunities to managing diversity in the workplace.

The unit explores the different methods of performance management. It examines issues that may affect performance at work, such as ill health and absenteeism and will develop learner understanding of counselling and human resources practices that support employee welfare in the workplace.

lved

Unit content

1 **Understand the different perspectives of human resource management**

The different perspectives of human resource management (HRM): 'soft' and 'hard' human resource management, 'loose' and 'tight' human resource management ; models of Guest and Storey differences between HRM and IR and personnel practices; strategic approaches to HRM

2 **Understand ways of developing flexibility within the workplace**

Flexible working models: the core and periphery workforce model (Atkinson 1984); Handy's (1989) Shamrock Organisation

Types of flexibility: e.g. numerical, functional, temporal, locational, financial

Flexible working methods: e.g. employment of part-time and temporary staff, teleworking, homeworking, job sharing, zero hours contracts, annual hours, staggered hours, compressed hours

Labour market and the need for flexibility: labour market demographics, employment statistics, local, regional and national labour markets and the growing recognition of the importance of work-life balance

3 **Understand the impact of equal opportunities within the workplace**

Discrimination in employment: forms of discrimination, e.g. gender, ethnicity, religion, disability, age, sexual orientation, education

The legislative framework: direct and indirect discrimination; current legislation and proposed changes to the law e.g. age

Equal opportunities in employment: equal opportunities practices and initiatives in the workplace including initiatives such as Opportunity 2000 and positive action approaches, codes of practice, implementing policy, training within the law and monitoring; the move from equal opportunities to managing diversity

4 **Understand approaches to human resources practices in organisations**

Performance management: the role, purpose and types of appraisal, 360 degree feedback, the skills of carrying out appraisals and giving feedback, the link of appraisals to reward management

Counselling and employee welfare: the traditional welfare function – occupational health practices and policies, the management of ill health at work, costs and absenteeism, accidents at work (statistics), ergonomics, alcohol and drug abuse, HIV and AIDS, stress and stress management, workplace counselling

Health and safety legislation: Health and Safety at Work Act (1974) and the role of the Health and Safety Commission, European Community Directives e.g. Working Time Regulations (1998), Parental Leave (2009)

Other topical issues: e-recruitment, e-learning, flexible benefits, work-life balance, employee voice, changes to pension schemes

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the different perspectives of human resource management	1.1 explain Guest's model of HRM 1.2 compare the differences between Storey's definitions of HRM, personnel and IR practices 1.3 assess the implications for line managers and employees of developing a strategic approach to HRM
LO2 Understand ways of developing flexibility within the workplace	2.1 explain how a model of flexibility might be applied in practice 2.2 discuss the types of flexibility which may be developed by an organisation 2.3 assess the use of flexible working practices from both the employee and the employer perspective 2.4 discuss the impact that changes in the labour market have had on flexible working practices
LO3 Understand the impact of equal opportunities within the workplace	3.1 explain the forms of discrimination that can take place in the workplace 3.2 discuss the practical implications of equal opportunities legislation for an organisation 3.2 compare the approaches to managing equal opportunities and managing diversity
LO4 Understand approaches to human resources practices in organisations	4.1 compare different methods of performance management 4.2 assess the approaches to the practice of managing employee welfare in a selected organisation 4.3 discuss the implications of health and safety legislation on human resources practices 4.4 evaluate the impact of one topical issue on human resources practices.

Guidance

Links

This unit links with the other human resource units in such as: *Unit 21: Human Resource Management, Unit 23: Human Resources Development* and *Unit 24: Employee Relations*.

Essential requirements

Access to relevant theories, practices, models and legislation will be required.

Employer engagement and vocational contexts

Centres should develop links with local businesses as learners will need to carry out research into human resources practices in two local organisations. Many businesses and chambers of commerce want to promote local business and are often willing to provide guest speakers, visits opportunities and information about how their businesses operate.

Unit 23:   Human Resources Development

Unit code: J/601/1269

QCF level: 5

Credit value: 15 credits

Aim

This unit will develop the skills and understanding needed for planning and designing training and development, through understanding how people learn and the suitability of different training methods and initiatives.

Unit abstract

Human resource development contributes to the overall success of an organisation through providing learning, development and training opportunities to improve individual, team and organisational performance. Training and development affects everyone in the organisation and it is appropriate at every level from office junior to senior executive. Learning is complex and this unit explores the related theories and their contribution to the process of transferring learning to the workplace. It is important, therefore, for learners to appreciate that all staff should be encouraged to develop their skills and knowledge to achieve their potential and. in doing so, enable the organisation to meet its strategic objectives.

Learners need to appreciate that successful organisations recognise that their training programmes need to be planned and managed. All training has a cost to the organisation and managers need to be able to provide training programmes within their training budgets. Through planning and designing a training and development event, this unit aims to develop knowledge and understanding of these key areas. Learners will examine how to identify training needs across the organisation, as well as understand how government-led vocational and general training initiatives contribute to the emphasis on lifelong learning and continuous development. The outcomes of training programmes need to be evaluated. Managers need to devise appropriate ways of assessing or measuring the impact of staff training. The process of managing the training cycle is important to an organisation. If it is well managed, staff will have the correct of up-to-date skills and knowledge that will allow them to perform their jobs effectively.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand learning theories and learning styles

2 Be able to plan and design training and development

3 Be able to evaluate a training event

4 Understand government-led skills development initiatives.

Unit content

1 **Understand learning theories and learning styles**

Learning theories and learning styles: styles e.g. activists, reflectors, theorists, pragmatists, (Honey and Mumford 1986); Kolb's learning style inventory; Myers Briggs Type Indicator; learning theories e.g. behaviourist, cognitive, reinforcement, experiential, stimulus-response; requirements for effective learning; informal learning; workplace learning; self-managed learning; continuous learning and development; learning curve and transfer of learning to the workplace; impact of learning theories and styles when planning and designing a learning event

2 **Be able to plan and design training and development**

Plan and design approaches: the systematic approach (identify training needs, define the learning required, set objectives, plan and implement training, evaluate training), planning issues e.g. numbers, location, content, internal/external trainers, administration; training budget, training costs

Training and development methods: on/off-the-job; delivery methods (mentoring, coaching, action learning, assignments, projects, shadowing, secondments, training courses, conferences, seminars, e-learning and outdoor development)

3 **Be able to evaluate a training event**

Evaluation: the 'what, why, when, and who' of evaluation; planning; design; delivery; implementation; key stakeholders; achievement of objectives

Techniques: benefits and limitations of methods e.g. questionnaires, observation, trainer/trainee feedback, customer comments, training audits, achievements of awards by trainees; indicators, e.g. labour turnover, productivity measures, quality improvements, performance indicators (sales figures, customer service feedback)

4 **Understand government-led skills development initiatives**

General and vocational training schemes and initiatives: government approaches to training and development in the UK; QCDA and Ofqual; Learning and Skills Council (LSC); Sector Skills Councils (SSCs); Learndirect; Investors in People (IiP); National Skills Academies; apprenticeship schemes; New Deal; Train to Gain; NVQs; impact of the competency movement on the public and private sectors

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1	Understand learning theories and learning styles	1.1	compare different learning styles
		1.2	explain the role of the learning curve and the importance of transferring learning to the workplace
		1.3	assess the contribution of learning styles and theories when planning and designing a learning event
LO2	Be able to plan and design training and development	2.1	compare the training needs for staff at different levels in an organisation
		2.2	assess the advantages and disadvantages of training methods used in an organisation
		2.3	use a systematic approach to plan training and development for a training event
LO3	Be able to evaluate a training event	3.1	prepare an evaluation using suitable techniques
		3.2	carry out an evaluation of a training event
		3.3	review the success of the evaluation methods used
LO4	Understand government-led skills development initiatives	4.1	explain the role of government in training, development and lifelong learning
		4.2	explain how the development of the competency movement has impacted on the public and private sectors
		4.3	assess how contemporary training initiatives introduced by the UK government contribute to human resources development for an organisation.

Guidance

Links

The unit has links with the following HR units in this specification: *Unit 21: Human Resource Management, Unit 22: Managing Human Resources* and *Unit 24: Employee Relations*.

The unit also links with the Management and Leadership National Occupational Standards as mapped in Annexe B.

Essential Resources

Access to organisations, their documentation and speakers will be required.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers. For this unit it would be useful for learners to investigate the training and development programmes of different local organisations, including those both in the public and private sector.

Unit 24: Employee Relations

Unit code: F/601/1271

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to introduce learners to the importance of good employee relations for business success and the impact of changes which have affected employment relationships.

Unit abstract

The term 'employee relations' has replaced that of 'industrial relations' Industrial relations are generally recognised as relations between an employer and a collective workforce, typically through a recognised union. Employee relations means the relationship between an employee and employer, and this is largely controlled by legislation and is being revised and updated continuously. It is important for learners to appreciate how good employee/employer relations contribute to the success and effectiveness of a business. In this unit they will investigate how cooperation between employers and employees leads to the development of good working relations against a changing background.

The success of a business often relies on its relationships with its employees. Learners will investigate and explore different types of industrial conflict and the procedures for resolving this. It is important that learners are aware of change and keep up to date with developments in dispute procedures in relation to employment law.

Legislation and EU directives play a major role in employee relations and learners will examine how these are applied in organisations. It is important that organisations have procedures in place for collective bargaining, and learners will examine how these procedures are managed and implemented properly to avoid disputes. This unit will give learners the opportunity to study the most up-to-date employment legislation and investigate how employment involvement techniques affect human resource management.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the context of employee relations against a changing background

2 Understand the nature of industrial conflict and its resolution

3 Understand collective bargaining and negotiation processes

4 Understand the concept of employee participation and involvement.

Unit content

1 **Understand the context of employee relations against a changing background**

The role of the trade union: types of trade union, the Trades Union Congress, employer associations, trade union representatives

The history and development of trade unions: the rise of trade unionism; trade unions and the law; union growth and decline; changing business environment e.g. political, technological, social, legal and economic; relevance to industrial relations

The main players in employee relations: workers, managers, organisations, government agencies concerned with the workplace and work community

Theoretical perspectives: unitarist, pluralist, radical; review of perspectives by the stakeholders in employee relations

2 **Understand the nature of industrial conflict and its resolution**

The nature of industrial conflict: ideological framework, conflict and cooperation

Different types of dispute: collective disputes, strike action, strike statistics, ballots, no-strike agreements

Resolving conflict: dispute procedures, arbitration and the role of the Advisory, Conciliation and Arbitration Service (Acas)

3 **Understand collective bargaining and negotiation processes**

The nature and scope of collective bargaining: roles e.g. shop stewards, union officials employer associations and management

The collective bargaining process: institutional agreements for collective bargaining, local workplace bargaining, single-table bargaining

Negotiation processes: negotiation strategy, preparation for negotiation, conducting the case-settlement, disclosure of information

4 **Understand the concept of employee participation and involvement**

Consultation and employee participation: different forms of employee consultation and participation, joint consultation committees, communication channels

Industrial democracy and employee participation: European Works Councils (European Objectives), the social dimensions of the European Union and supervisory boards, national cultural differences in terms of democracy and employee participation

Employee involvement techniques: sharing information, consultation, financial participation, commitment to quality, developing the individual, involvement of other stakeholders

Empowerment: devolution of responsibility/authority to line managers/employees; the impact of human resource management; approach to employee relations (link to unitarist and pluralist perspectives)

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand the context of employee relations against a changing background	1.1	explain the unitary and pluralistic frames of reference
	1.2	assess how changes in trade unionism have affected employee relations
	1.3	explain the role of the main players in employee relations
LO2 Understand the nature of industrial conflict and its resolution	2.1	explain the procedures an organisation should follow when dealing with different conflict situations
	2.2	explain the key features of employee relations in a selected conflict situation
	2.3	evaluate the effectiveness of procedures used in a selected conflict situation
LO3 Understand collective bargaining and negotiation processes	3.1	explain the role of negotiation in collective bargaining
	3.2	assess the impact of negotiation strategy for a given situation
LO4 Understand the concept of employee participation and involvement	4.1	assess the influence of the EU on industrial democracy in the UK
	4.2	compare methods used to gain employee participation and involvement in the decision making process in organisations
	4.3	assess the impact of human resource management on employee relations.

Guidance

Links

The unit has particular links with the following units in this specification: *Unit 3: Organisations and Behaviour, Unit 21: Human Resource Management, Unit 22: Managing Human Resources, Unit 23: Human Resources Development* and *Unit 25: English Legal System*.

This unit links to the National Occupational Standards for Management and Leadership.

Essential requirements

Learners will need access to case books and legal texts on employee relations situations. Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of industrial conflicts.

Employer engagement and vocational contexts

Centres should develop links with local businesses that can provide visiting speakers on topics related to employee relations. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers. The centre, as an organisation, is a valuable resource for guest speakers and as a vehicle for learners to research employee relations. Learners can draw on their own experience through their part-time jobs and work placements.

Unit 25:   English Legal System

Unit code: R/601/1159

QCF level: 4

Credit value: 15 credits

Aim

The purpose of this unit is to provide learners with an understanding of the sources of English law, the courts and their personnel and the different legal business entities.

Unit abstract

The unit looks at the English legal system in detail. It will develop learners' understanding of the court structures, both civil and criminal. Court procedures, funding and legal personnel are evaluated, as are alternative methods of settling disputes.

The importance of the different sources of law, their development and interpretation are assessed and analysed. Finally, the unit considers the legal formalities required for the formation of the different business entities, their management and dissolution.

The unit seeks to enable learners to develop the ability to apply this understanding of the law in given situations.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the court system and its alternatives

2 Understand the finance of representation

3 Be able to evaluate the different sources of law

4 Be able to select an appropriate legal entity.

Unit content

1 **Understand the court system and its alternatives**

Criminal courts: classification of crimes and methods of trial; magistrates court (jurisdiction, personnel, procedure); Crown court (juries, their role and structure, jurisdiction, procedure); grounds for appeal: Court of Appeal: House of Lords: European Court of Justice

Civil courts: small claims court and jurisdiction; county court and High Court (jurisdiction of both, allocation of cases to tracks); grounds for appeal; Court of Appeal; House of Lords; European Court of Justice

Alternative dispute resolution: meaning; conciliation; mediation; arbitration; advantages and disadvantages; tribunals and enquiries

2 **Understand the finance of representation**

Legal advice and funding: sources of legal advice; duty solicitor scheme; funding; conditional fees

Legal personnel: solicitors and barristers; legal executives; paralegals; roles and training; the judiciary

3 **Be able to evaluate the different sources of law**

Sources of law: judicial precedent, statute, delegated legislation (meaning, how they operate, advantages and disadvantages); Rules of Statutory Interpretation; European law (types of law)

Differences between common law and equity: role of equity today

4 **Be able to select an appropriate legal entity**

Meaning and examples: sole traders; partnerships; limited liability partnerships; companies

Advantages and disadvantages: of types of legal business entity

Legal requirements: for the formation of sole traders, partnerships, and companies

Provisions: relating to the running/management of businesses e.g. rights/duties of partners, directors and creditors; dissolution of business entities

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the court system and its alternatives	1.1 explain the differences between criminal and civil law
	1.2 analyse the role of individual courts and assess their effectiveness within the court structure
	1.3 evaluate court roles in live cases/case study material and present findings
	1.4 explain the meaning of ADR and analyse its usefulness
LO2 Understand the finance of representation	2.1 explain sources of legal advice
	2.2 assess implications of changes in funding
	2.3 evaluate the role of solicitors, barristers and judges
LO3 Be able to evaluate the different sources of law	3.1 evaluate the current day importance of the sources of law
	3.2 analyse the application of the sources of law in live situations/a case study and present findings
	3.3 assess the effectiveness of the rules of interpretation
LO4 Be able to select an appropriate legal entity	4.1 evaluate the legal principles which influence choice of business entity in a given situation
	4.2 justify your choice of legal entity.

Guidance

Links

This unit is a useful foundation for all the other specialist law units within the specification.

Essential requirements

Learners must have access to a learning resource centre with a good range of legal text and case books. These must be supported by journal, statutes and law reports. Newspapers are also necessary because of the topical nature of law.

Employer engagement and vocational contexts

Learners will also benefit from visits to courts, and parliament. Crown courts are usually excellent in arranging tours and talks by resident judges. Magistrates, solicitors and barristers are usually willing to talk collectively to groups of learners.

Centres should develop links with local businesses particularly firms of solicitors and any local barrister's chambers. There will also be local courts, Citizens Advice Bureau, and a legal department in the local authority, who may provide speakers, or allow visits.

Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and guest speakers.

Unit 26:   Business Law

Unit code: R/601/1145

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide knowledge and application of the law relating to sale of goods, consumer credit, monopolies and intellectual property as it relates to business and its everyday dealings.

Unit abstract

Learners will recognise that a business operates within a diverse legal framework. Aspects such as anti-competitive practices through monopolies, mergers and the use of intellectual property rights are key, as are domestic consumer provisions and associated provisions within the EU.

Learners need to understand the penalties applicable for failure to comply with these areas of law that follow from the basic rules of contract and tort.

The best business practice is to avoid such liability. Learners need to understand potential liability and the expense involved in such liability needs to be appreciated.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to apply the main principles affecting the legal relationship between business organisations and their consumers

2 Be able to apply the legal rules on consumer credit agreements and agency

3 Understand the legal rules relating to monopolies, mergers and anti-competitive practices

4 Know key provisions relating to intellectual property rights.

Unit content

1 **Be able to apply the main principles affecting the legal relationship between business organisations and their consumers**

Sale of goods: statutory implied terms, transfer of property and possession, seller's remedies against the buyer, consumer's remedies against the seller; relevant legislation

Supply of services: statutory implied terms, seller's remedies, consumer's remedies

Product liability: defective goods, consumer remedies against the producer of defective goods; relevant legislation

2 **Be able to apply the legal rules on consumer credit agreements and agency**

Forms of consumer credit agreements: restricted use of credit, unrestricted use of credit, debtor-creditor supplier agreements, debtor-creditor agreements; relevant legislation

Other agreements: exempt agreements, small agreements, multiple agreements, linked transactions, cancellable agreements

Consumer credit licensing: general requirements, the issue of licences, termination of consumer credit agreements, early re-payment, right to terminate, termination statements, enforcement of consumer credit agreements, creditor's remedies, default notices; relevant legislation

Agency: definition, types of agent, authority of agent, rights and duties of agent and principal, agent's liability to third party, termination of agency; relevant legislation

3 **Understand the legal rules relating to monopolies, mergers and anti-competitive practices**

Monopolies and competition in the UK: relevant legislation e.g. on competition, and Fair Trading; scale monopolies, complex monopolies, restrictive trade practices, Director General of Fair Trading

Competition Commission: role of the Commission, appeals tribunal

Dominant positions within the EU: treaty provisions, the abuse of a dominant position and enforcement

Exemptions: treaty articles and definitions, individual and block exemptions

4 **Know the key provisions relating to intellectual property rights**

Protection of inventions: registration of patents, designs, trademarks and copyright, role of the Patent Office (UK), European Union Patent Office

Patents: patent legislation, patent rights, inventions, patents and employees

*Copyrigh*t: copyright legislation, ownership of copyright, duration of copyright, using copyright materials

Trademarks and business names: defining trademarks, applying to register a trademark, registering business names

Infringement of intellectual property rights: unauthorised use of intellectual property, patent hearings, copyright tribunal, passing off

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Be able to apply the main principles affecting the legal relationship between business organisations and their consumers	1.1 apply the legal rules on implied terms relating to the sale of goods and supply of services 1.2 apply the statutory provisions on the transfer of property and possession 1.3 evaluate the statutory provisions on buyer's and seller's remedies 1.4 apply product liability statutory provisions
LO2 Be able to apply the legal rules on consumer credit agreements and agency	2.1 differentiate between types of credit agreements 2.2 apply rules, termination rights and default notices in a given scenario 2.3 differentiate between the different types of agent 2.4 evaluate the rights and duties of an agent
LO3 Understand the legal rules relating to monopolies, mergers and anti-competitive practices	3.1 outline monopolies and anti-competitive practice legislation in the UK 3.2 explain the role of the Competition Commission within the context of monopolies and anti-competitive practices and the UK Office of Fair Trading 3.3 define dominant positions within the EU common market 3.4 consider the application of EU exemptions to potentially anti-competitive practices
LO4 Know the key provisions relating to intellectual property rights	4.1 identify differing forms of intellectual property 4.2 outline the principles relating to the protection of inventions through patent rights and their infringement in a given business scenario 4.3 describe the principles relating to copyright protection and their infringement in a given business scenario 4.4 compare and contrast the protection of trade marks and business names.

Guidance

Links

This unit links with all the other law units in the BTEC Higher Nationals in Business.

Essential requirements

A resource bank including a range of standard form contracts will be necessary.

Employer engagement and vocational contexts

Centres that have links with businesses may be able to work together to analyse the standard conditions of trading of the business and make suggestions for improvements. Where businesses do not use written contracts, the benefits of having a contract prepared should be considered. Sales staff can work with learners to ensure a full appreciation of the terms on which they are selling goods, and buyers can work in a similar manner.

Unit 27: Further Aspects of Contract and Tort

Unit code: Y/601/1132

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide further understanding and skills on the law of contract and tort as it relates to business.

Unit abstract

This unit develops coverage of the law of contract to include vitiating factors and discharge, including breach, and remedies. The unit also explores areas of tort such as defamation, nuisance, the rule in Rylands versus Fletcher, defences and remedies.

Businesses may have a potential liability or a claim for breach of contract which may not even be valid because, for example, of misrepresentation. In these cases there is the question of the available remedies, where the claim is for damages and how the amount is calculated.

Liability in tort extends across a range of activities. Awareness of potential liability or ability to claim and the overlap between different areas of tort is explored, as are the available defences and remedies.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to apply the vitiating factors that could impact on an otherwise legally binding contract

2 Be able to apply the law of discharge of contract

3 Be able to apply the specific torts other than negligence which impact on business activities

4 Be able to apply the possible defences against actions in tort.

Unit content

1 **Be able to apply the vitiating factors that could impact on an otherwise legally binding contract**

Identification of key vitiating factors: mistake; misrepresentation; duress; undue influence; illegality

2 **Be able to apply the law of discharge of contract**

Forms of discharge: agreement; frustration; performance; breach

Remedies: damages (liquidated and unliquidated), remoteness of damage, mitigation of loss; specific performance; injunctions; rescission

3 **Be able to apply the specific torts other than negligence which impact on business activities**

The nature and scope of particular torts: trespass to persons, land and goods; nuisance (public and private); rule in Rylands versus Fletcher; defamation (slander, libel); right to sue and who may be sued

4 **Be able to apply the possible defences against actions in tort**

General defences: volenti non fit injuria; statutory authority; necessity; Act of God; special defences against specific torts; contributory negligence

Remedies: compensatory and non-compensatory

Damages: calculation of and different forms of loss

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to apply the vitiating factors that could impact on an otherwise legally binding contract	1.1 explain the legal concepts of misrepresentation, mistake, duress, undue influence and illegality 1.2 apply the different vitiating factors in given business scenarios 1.3 apply appropriate remedies to contracts which have been the subject of vitiating factors
LO2 Be able to apply the law of discharge of contract	2.1 explain the legal consequences of discharge of contract 2.2 apply appropriate remedies to contracts which have been discharged by breach
LO3 Be able to apply the specific torts other than negligence which impact on business activities	3.1 explain the torts of trespass, nuisance, the rule in Rylands v Fletcher and defamation 3.2 explain who has the right to sue and who may be sued in the various torts 3.3 apply the different torts in given business scenarios 3.4 evaluate the law of tort's impact on business activities
LO4 Be able to apply the possible defences against actions in tort	4.1 apply appropriate defences to given situations in tort 4.2 apply appropriate remedies to given situations in tort.

Guidance

Links

This unit links with all the other Law units in the HN in Business specification. Completing the *Unit 26: Business Law* first would be helpful as a foundation in law.

Essential requirements

Learners will require access to law reports and contractual documents, such as existing business contracts.

Employer engagement and vocational contexts

Centres that have links with businesses may be able to work together to analyse the effect of the law of tort on business practice. Where businesses have not experienced problems relating to the torts covered in this unit, the possible situations that could give rise to liability and how that might be avoided could be considered. Facility mangers can work with learners to ensure a full appreciation of the dangers of nuisance, in particular arising from a business's operations.

Unit 28: European Law

Unit code: K/601/1118

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with knowledge and understanding of European law as it relates to the United Kingdom, business and individuals.

Unit abstract

Learners will recognise that European law has a significant impact on English law and issues of sovereignty. The institutions that create European law are explored so that the source and rationale behind it can be understood.

The effect of European law is then considered in the context of the free movement of goods, services and workers. This requires an examination of the EU legal rules which impact on persons seeking work in other member states and how business organisations are able to promote and set up branches of their business in other member states.

The unit will also allow learners to identify anti-competitive practices and how these can impact on business organisations and the individual.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the EU institutions

2 Understand the sources of EU law and issues of sovereignty

3 Understand the European legal principles concerned with the free movement of workers

4 Understand the European provisions relating to the free movement of goods, services and establishment of businesses.

Unit content

1 Understand the EU institutions

Community institutions: Council, Commission, Parliament, European Court of Justice

Constitutional principles: European citizenship, federalism and subsidiarity

2 Understand the sources of EU law and issues of sovereignty

Sources of European law: treaty provisions, regulations, directives, decisions

General principles of European law: direct and indirect effect of EU legal rules

Sovereignty issues: supremacy of EU law over domestic legislation

3 Understand the European legal principles concerned with the free movement of workers

Sources: relevant treaty articles, regulations and directives

Community citizenship: political and social rights

Defining workers: treaty articles, regulations and directives

Equal treatment of European nationals: right of entry, right of residence, and right to remain

Derogations from free movement of workers: the grounds of public policy, public security, public health

4 Understand the European provisions relating to the free movement of goods, services and establishment of businesses

Free movement of goods: cases, treaty articles, regulations and directives, discriminatory taxation and quantitative restrictions

Free movement of services: cases, treaty articles, regulations and directives

Free movement of establishment: recognition of qualifications, right to establish and residence rights of non-workers

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand the EU institutions	1.1	describe the function and operation of the European Union institutions
	1.2	explain the constitutional principles underlying the European Union
LO2 Understand the sources of EU law and issues of sovereignty	2.1	explain the sources of European law
	2.2	illustrate the general principles of European law
	2.3	evaluate the sovereignty issues arising from supremacy of European law over domestic legislation
LO3 Understand the European legal principles concerned with the free movement of workers	3.1	explain the concept of the 'worker'
	3.2	analyse provisions relating to equal treatment for European nationals
	3.3	evaluate the application of worker rights and derogations to those rights
LO4 Understand the European provisions relating to the free movement of goods, services and establishment of businesses	4.1	explain discriminatory practices which member states may use to curtail free movement of goods and the provision of services
	4.2	analyse the freedom to receive goods and services
	4.3	evaluate the application of residence rights of workers and non-workers.

Guidance

Links

This unit links with other law units within the specification.

Essential requirements

A resource bank including a range of EU legal material is needed.

Employer engagement and vocational contexts

Centres that have links with businesses who operate in Europe may be able to work together to analyse the problems that have arisen and the solutions used. Centres with European partner institutions may find it useful to develop links to assist delivery, or deliver the unit on an exchange basis.

Unit 29: The Internet and E-Business

Unit code: J/601/1109

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to give learners an understanding of the internet and how e-business can be used in organisations.

Unit abstract

This unit introduces learners to the scope of e-business and the benefits it offers to an organisation through the different business models. It enables sufficient understanding of internet technology for learners to appreciate the potential, and the limitations, of using the internet for business. The features of good website design are also covered.

Learners new to studying e-business may already be familiar with e-business through having dealt with them as buyers and/or sellers. One of the aims of this unit is to help learners build on these experiences and look at them more objectively as viable and productive business organisations.

Learners will examine the scope of e-business and the inherent models it can follow. The unit will give learners the ontology of the internet and business requirements for usable website design. They will have an in-depth knowledge of the technology behind the HCI of e-business.

By studying online business environments learners will gain insight into how business is evolving within the virtual marketplace in order to remain competitive; how the development of a global marketplace impacts on all businesses; and how businesses can take advantage of these opportunities whilst meeting customer expectations.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the scope of e-business

2 Understand how the internet works

3 Be able to use different e-business models

4 Be able to use good website design.

Unit content

1 Understand the scope of e-business

Definitions: the internet; the worldwide web (www); intranets; extranets; the distinction between e-business and e-commerce; stakeholder transaction types e.g. business-to-consumer (B2C), business-to-business (B2B), customer-to-customer (C2C), customer-to-business (C2B)

Benefits to businesses of e-business: why a company should have a web presence e.g. 24/7 trading, global marketplace; overt and covert information collection; how the use of internet technology can reduce transaction costs

Barriers to businesses caused by e-business: set-up costs; impact of staff; difficulty of changing processes; ongoing maintenance e.g. lack of skill, security and protection concerns; managing a 24/7 global marketplace response e.g. language, demand, logistics; the importance of trust for e-business transactions

Security and legislation: methods and role of physical security in e-business e.g. passwords, access; methods and role of electronic security in e-business e.g. firewalls, digital signatures, digital certificates, anti-virus software; impacts of national and international legislation e.g. staff training, taxation

Mode of communication: devices to communicate online, fixed and portable; business communications e.g. shopping cart, FAQs, customer follow-up

2 Understand how the internet works

Internet technology: the importance of agreed non-proprietary standards; how messages are transferred across the global communications network using packet switching e.g. TCP/IP; internet protocols e.g. FTP, HTTP, SHTTP, IMAP; and the role of URLs; bandwidth as a measure of capacity; why this is an important consideration

Introduction to HTML: the main features of HTML as the language of the www, defines format of the information and how it is presented, but not its content as in EDI; (elements (<Tags>) – head, body, title, break, headings, forms, paragraphs, lists, tables, links and images); highlight the number of software packages available to users who can now build pages without learning HTML; brief overview of XML and XTML

Clients, servers and browsers: the functions of servers and clients and use of two-tier and three-tier architectures; the nature and role of search engines; the role of the browser in interpreting the HTML and presenting the data to fit the user's device screen

Intranets and extranets: the differences between the use of the internet; an intranet and an extranet; explain how they can improve security and efficiency within business communication

3 **Be able to use different e-business models**

Business models: the different ways in which the internet may be used to generate revenue by supporting the sale of a product e.g. CDs; by charging per transaction for the provision of a service e.g. airline booking; by supplying electronic media information or services e.g. music downloads; by subscription-based information services eg consumer advice; advertising revenue e.g. from linked websites, suppliers; by the growing provision of individualised customer-centric products and services requiring customer interaction e.g. auction sites, photographic services

4 **Be able to use good website design**

Structure of web-pages: the elements of a web page that may be used by search engines comprising head/title; description; keywords; metatags; body; navigation; download considerations e.g. images

Effective web pages: the design features to engage the visitor i.e. site stickiness; consistent page layout; corporate colour scheme; consistent with image of the business (brand) and customer expectation; pictures and links; clear; intuitive; informative; builds trust; encourages visitor to return; repeat business

Website usability: stakeholder accessibility by meeting the needs of different audiences e.g. parents, children; multi-sensory access e.g. visually impaired, colour blind; legal responsibilities e.g. discrimination legislation

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the scope of e-business	1.1 describe the environment in which e-business is conducted and business transaction types
	1.2 explain the benefits and barriers to businesses considering an online presence
	1.3 assess the security and legislative issues facing an online business organisation
	1.4 state the modes of communication available to an e-business and their applications
LO2 Understand how the internet works	2.1 explain the internet technologies and their importance in making an e-business successful
	2.2 explain the main features of HTML
	2.3 analyse the functions of client servers and browsers, and the role of the search engine
	2.4 evaluate the use of intranets and extranets within business communication
LO3 Be able to use different e-business models	3.1 illustrate the different e-business models that can be used to generate revenue for a business
	3.2 analyse each model in terms of its capacity to generate revenue
	3.3 report on future developments in e-business models
LO4 Be able to use good website design	4.1 use the key elements of good web design structure
	4.2 evaluate the impact of a well designed website to an e-business
	4.3 report on the issues concerning website usability.

Guidance

Links

This unit links with Unit 30: Internet Marketing and *Unit 31: E-Business Operations*. Aspects of this unit also link with the following units: *Unit 1: Business Environment, Unit 3: Organisations* and *Behaviour and Unit 7: Business Strategy*.

Essential requirements

Texts must be supported by the use of websites and case studies, for example www.bized.ac.uk which provides business case studies.

For part-time learners working in business, their work experience must be used in comparing the approaches that are adopted.

Employer engagement and vocational contexts

It would be useful for learners to engage with a local business that has an online presence or is considering one. How the business decided on a certain layout would help learner understanding.

It might also be useful to consider a cross-curricular approach with, perhaps, an IT-based unit to create a website for a real or fictitious business, or to support an enrichment activity within the centre.

Unit 30: Internet Marketing

Unit code: D/601/1102

QCF level: 5

Credit value: 15 credits

Aim

This unit provides learners with an understanding of internet marketing so they can develop the skills to use the internet for promotion, advertising, interactive communications, market research, developing customer relationships and an internet marketing plan.

Unit abstract

Internet marketing refers to the application of marketing principles and techniques via electronic media and more specifically the internet. The purpose of this unit is to develop learner understanding of, and skills in, the use of the complex interactive digital media which comprise the tools of internet marketing. This area of study is subject to rapid rates of change with an immense array of continually developing technology converging and impacting on how e-business operates.

Internet marketing encompasses all the activities a business conducts via the worldwide web with the aim of attracting new business, retaining current business and developing its brand identity. Being able to use the internet for promotion is a core skill and this is covered in detail through search engine marketing. The topic of public relations through the internet is outlined as is the concept of the internet as a community.

This unit also addresses the utility and importance of the internet for market research. Data from customer relationship management can be used to support internet market research. This research can, in turn, lead to improvements in customer relations by enabling the company to supply better products and services. An understanding of these areas is therefore required.

To be able to research and design an internet marketing plan is an essential skill and learners will explore, the steps involved in drawing up these plans. This activity will bring together the skills covered in this unit.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand marketing through the internet

2 Be able to use the internet for promotion using digital marketing communications

3 Be able to produce market research to support customer relationship management

4 Be able to design an internet marketing plan.

Unit content

1 **Understand marketing through the internet**

The elements of internet marketing: definition of digital marketing; definition of e-commerce and e-business; the internet micro- and macro-environment; benefits of internet marketing e.g. reach, scope, immediacy, interactivity, targeting; adaptive and closed loop marketing

The internet marketing mix: product and branding; place e.g. channels, virtual organisations; price e.g. auctions; promotions; people; processes; physical evidence; digital marketing tools/e-tools; the online marketing matrix including business and consumer markets; the online customer

Interactive order processing: choosing a supplier; selecting a product; check stock availability; placing order; authorisation of payment; input of data; data transfer; order processing; online confirmation and delivery information; tracking of order; delivery; data integrity and security systems; technology e.g. three-tier architecture (client-server-database); webforms

2 **Be able to use the internet for promotion using digital marketing communications**

Search engine marketing (SEM): definition of SEM, definition of search engine optimisation (SEO); advantages and disadvantages of SEO; best practice in SEO; paid search engine marketing, pay per click advertising (PPC); landing pages; long tail concept; geo-targeting e.g. Google AdWords; opt in email and email marketing

Online public relations (OPR): definition; advantages and disadvantages; best practice in OPR; online partnerships and affiliation; interactive display advertising; mobile commerce; viral marketing; using offline techniques to support online media

The internet as a community: customer 'ownership' of sites via interactivity, instant messaging (IM); chatrooms; discussion groups; blogs; portals e.g. yahoo; social media networks e.g. Facebook; file sharing sites e.g. YouTube; Flickr, Twitter; how businesses can use these media; online reputation management tactics

3 **Be able to produce market research to support customer relationship management**

Market research: secondary research data e.g. published surveys and reports, online research communities; Google insights and trends; blogs; government information e.g. census; types of research e.g. researching customer needs; types of information required e.g. quantitative data or qualitative data; primary market research methods e.g. online surveys; open and closed questions; focus groups; listening labs

Steps in online market research: establish the project goals eg secondary research – background to a business problem, primary research – new product for existing customers; determine your sample; choose research methodology e.g. survey sent via email or advertised online; create your questionnaire e.g. www.surveymonkey.com; pre-test the questionnaire; conduct interviews; enter data; analyse data; produce the reports

Relationship marketing: benefits of relationship marketing e.g. loyalty, lower costs, easier targeting; electronic customer relationship marketing (eCRM); operational CRM; analytical CRM and data mining e.g. Amazon past purchase suggestions – collaborative filtering; web analytics; conversion optimisation; segmenting customers e.g. by value, by loyalty; eCRM technology e.g. SalesForce software; implementing eCRM eg attracting new and existing customers, incentivising customers, embrace, capturing information; collaborative CRM; maintaining dialogue online and offline; vendor relationship management VRM

Security and trust issues: 'permission marketing'; value of orders; lead times; payment authorised in advance; consumer trust; transaction security e.g. data, financial details; UK Data Protection Act

4 **Be able to design an internet marketing plan**

The internet marketing plan: situational analysis, key performance indicators in internet marketing e.g. click through rates, churn rates, sessions; SWOT e.g. examination of business strengths e.g., customer data, weaknesses, opportunities e.g. opt in email campaigns, threats; environmental analysis; competitors analysis; channel analysis e.g. texting; set objectives; target markets e.g. segmenting by channel; decide media e.g. pay per click; control; feedback

Creating an online pay per click campaign: preplanning e.g. online and offline analysis of the business (as above); customer demographics; the industry and competitors; goal definition e.g. branding campaigns; set budget, Cost Per Action (CPA) and targets; keyword research; copywriting; bidding; measure; analysing; testing; optimising

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand marketing through the internet.	1.1 explain the elements of internet marketing 1.2 evaluate the internet marketing mix 1.3 compare internet marketing tools – e-tools 1.4 examine interactive order processing
LO2 Be able to use the internet for promotion using digital marketing communications	2.1 demonstrate the mechanics of search engine marketing 2.2 write the copy for a suitable opt-in email marketing newsletter 2.3 follow guidelines for best practice in online public relations 2.4 demonstrate how businesses can use new digital media communities, e.g. file-sharing sites
LO3 Be able to produce market research to support customer relationship management	3.1 conduct secondary market research 3.2 design an online survey 3.3 demonstrate the use of electronic customer relationship marketing
LO4 Be able to design an internet marketing plan	4.1 produce an outline internet marketing plan 4.2 create a presentation on pay per click advertising.

Guidance

Links

This unit links with Unit 1: Business Environment and follows on from *Unit 29: The Internet and E-Business*. Aspects of this unit link with the following units: *Unit 3: Organisations and Behaviour, Unit 7: Business Strategy, Unit 17: Marketing Intelligence* and *Unit 18: Advertising and Promotion in Business*. There are also links with *Unit 31: E-Business Operations*.

Essential requirements

Access to the web in class to illustrate the required topics is required.

Tutors must build a bank of case studies and other resource materials to ensure there is a sufficient supply of relevant information across a range of the elements of the internet marketing mix. Textbooks must be supported by website examples and case studies.

For part-time learners working in business, their experience of work must be used in comparing the approaches adopted.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and guest speakers. Local businesses may also be interested in being the subject of an assignment for example 'develop an online marketing plan for High St Car Hire' and therefore learners can gain advice from the business.

Unit 31:   E-Business Operations

Unit code: Y/601/1101

QCF level: 4

Credit value: 15 credits

Aim

This unit provides learners with an understanding of e-business operations so they can develop the skill to use internet and electronic processes for supply chain activities and other business applications.

Unit abstract

The purpose of this unit is to develop learner understanding and skills in the complex processes and transactions which support e-business operations. An e-business infrastructure comprises a large number of business processes that are exposed through web and electronic services.
E-business operations concern how technologies are used to manage the procurement of products/services, supply and transport, handling of goods and the fulfilment function. This area of study is subject to rapid rates of change with an immense array of continually developing technology converging and impacting on how e-businesses operate.

The unit considers the difference in transactions between business and consumers (b2c) and business to business (b2b), which is necessary in order to understand required operations.

It then looks at Electronic Data Interchange (EDI) which has been instrumental in the development of e-business over the internet, electronic marketplaces, networks and instruments for the electronic transfer of funds and payment systems.

E-business operations processes can be implemented through an entire industry supply chain linking suppliers with manufacturers, assemblers, distributors and customers. This interactive relationship between customers and suppliers has many benefits and learners will need to analyse the supply chain and its components.

Other essential topics in the study of this area include quality, trust and security, the use of the internet for recruitment and the development of internet communities.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand how business and consumer purchase transactions differ

2 Understand EDI and electronic transactions

3 Be able to demonstrate the benefits of electronic transactions to supply chain management

4 Understand issues in e-business including quality, recruitment and security.

Unit content

1 **Understand how business and consumer purchase transactions differ**

The purchase process: b2c (business to consumer) purchasing transactions – information search (e.g. via search engines), comparisons and evaluation of alternatives, purchase decision and purchase sequences e.g. input of data, credit card information, post-purchase communications; b2b (business to business) buying transactions – problem recognition, requisition, supplier search (e.g. via Virtual Private Network), review of quotations, negotiate contract, place purchase order, delivery, goods receiving, quality check, receive invoice, buyer approves payment, payment authorised by accounts and payment made via e.g. Electronic Fund Transfer (EFT)

Activities of professional buyers: contracts between buyer and supplier organisations; high proportion of business costs; large budgets; negotiation of contract includes products and services, quantities, delivery dates, prices and payment terms

Variables in purchasing: items purchased (services, supplies); high/low value items; lead times; wide range of items; different types of purchase; MRO items (maintenance, repair and operating supplies); strategic materials and capital equipment purchases; risk and perceived risk; the concept of e-procurement

2 **Understand EDI and electronic transactions**

Electronic transactions: electronic architecture to include hardware and software for functions including websites, web server farms, middleware, applications servers and business processes execution platforms; comparison of paper-based transactions with electronic transactions; benefits of electronic transactions including simplification, saves time, reduces costs and delays; need to keep records (transaction logs)

Electronic Data Interchange (EDI): definitions and applications; EDI technology; standardisation and EDI; VAN (value added network); services of VAN; benefits of using a VAN; growth of WebEDI e.g. XML extranets, AS2; EDI outsourcing providers; advantages and limitations of EDI

Electronic Payment Systems: definition; type of payment systems; online payment systems; pre-paid e-payment system; post-paid e-payment system; electronic fund transfer system; digital token; digital wallets; e-cash; mobile payment; smart card; credit card and emerging financial instruments; Payment Service Providers (PSP) e.g. Paypal, Worldpay; Electronic Bill Presentment and Payment (EBPP); Models of EBPP e.g. consolidation, biller direct, direct email delivery; requirement metrics of a payment system

3 **Be able to demonstrate the benefits of electronic transactions to supply chain management**

Components of supply chain management: order processing; e-procurement of products/services; logistics including supply and transport; handling of goods and the fulfilment function; scope of cooperation between firms in the supply chain includes e.g. product development, forecasting and planning, production, transportation and logistics

E-procurement: buyers or sellers may specify costs or invite bids; types of e-procurement; web-based ERP (Enterprise Resource Planning); e-MRO (Maintenance, Repair and Overhaul); e-sourcing; e-tendering; web auctions; e-reverse auctioning or e-auction; e-informing;
e-marketsites

Logistics services and international trade: role of logistics services; use of internet to communicate information (availability, delivery, invoices); the flow of demand information to back up the supply chain; Tracking and Radio Frequency Identification (RFID); return mechanisms; perishable items; timed deliveries; additional information needed to support international trade; use of the internet (forwarding, customs, transport and shipping, bills-of-lading or airway-bills and payment)

Evaluate the benefits of electronic processes in the integration of supply chain management: benefits e.g. volume discounts, automation of transactions, reduction in overheads, improve manufacturing cycles, cost reductions, lowering transaction costs, just-in-time deliveries, increased efficiencies, responsive supply chains

Trends in supply chain management: supply chain integration including order management;
E-procurement integrated into Purchase-to-Pay (P2P) value chain; SCM 2.0

4 **Understand issues in e-business including quality, recruitment and security**

Quality control in e-business operations: importance of correct data and identify quality degradations as well as their causes; web analytics; how businesses define qualitative and quantitative metrics based on e.g. data on purchase orders; total quality management (TQM); certification e.g., ISO 9000

Trust and security: secure systems for business on the internet; security policy; procedures and practices; transaction security; impacts of delays and deferrals on trust between organisations; certification authority; cryptology; digital signatures; security protocols

Recruitment and employee communication: advertising vacancies on the internet; process online application forms; services offered by recruitment-agencies; career planning; job searches; preparing CVs; newsgroups; networking sites e.g. LinkedIn; head hunting; use of intranet and extranet by organisations to communicate with employees; internal vacancies; policies; procedures; newsletters; staff development; knowledge management and transfer, e-learning e.g. Riverdeep

Industry networks, portals and industry trends: b2b; b2c; the concept of web-communities; development of industry networks either through extranets or portals for research reports; new product developments; knowledge dissemination; industry trends; trading marketplaces; vertical portals or vortals; innovations include cloud computing, Service Oriented Architecture (SOA) e.g. travel search sites; Service as a Software (SaaS) e.g. Gmail, digital supply chain for media delivery; mash ups of converging technologies; Web 2.0, social network sites, blogging, file sharing sites e.g. YouTube, increasing use of broadband, wireless and mobile technologies, smart phones and iphone applications

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand how business and consumer purchase transactions differ	1.1 describe the purchasing process used in b2b and b2c 1.2 explain how use of professional buyers affects the buying process 1.3 analyse variables in purchasing
LO2 Understand EDI and Electronic transactions	2.1 explain how electronic transactions can reduce paperwork and delay 2.2 examine how EDI has developed and laid the foundations for b2b e-business 2.3 evaluate the use of different Electronic Payment Systems
LO3 Be able to demonstrate the benefits of electronic transactions to supply chain management	3.1 create a diagram for an e-business supply chain 3.2 write a report on the advantages of e-procurement 3.3 present an analysis on the flow of information in a typical logistics operation 3.4 demonstrate the benefits of electronic processes in integration of supply chain management
LO4 Understand issues in e-business including quality recruitment and security	4.1 explain how the issues of trust and security apply to supply chain management and other e-business operations. 4.2 evaluate how the internet can be used for communication with prospective/current employees 4.3 assess the issue of quality for an e-business 4.4 review the development of the internet technologies on b2b industry networks and b2c markets.

Guidance

Links

This unit links to *Unit 29: The Internet and E-Business* and *Unit 30: Internet Marketing*.

This unit also links to the Business Administration NOS as mapped in *Annexe B*.

Essential requirements

There must be access to the web in class to illustrate the required topics.

Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of elements of the supply chain. Texts must be supported by website examples and case studies.

For part-time learners working in business, their work experience must be used in comparing the approaches adopted.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and guest speakers. Local businesses may also be interested in being the subject of an assignment for example; 'develop an online payment system for High St Pizza' and therefore learners can gain advice from the business.

Unit 32:   Quality Management in Business

Unit code: R/601/1100

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to enable learners to understand the concept of quality and quality management and define it in the context of business and service operations.

Unit abstract

Quality has a wide range of meanings and is a term that can be used in a variety of contexts, as a result it is hard to define. 'Total Quality Management' seeks to ensure that all processes relating to the production of goods and services are of the highest quality. Quality control is concerned with maintaining quality standards by monitoring and taking action when quality falls below those standards. 'Quality assurance' is a term used where a supplier guarantees the quality of goods and allows the customer access during the production period.

Customer satisfaction is at the heart of quality management, but this, in itself, implies a different concept of quality. Customers are becoming more sophisticated and more demanding, requiring superior performance from goods or services and quicker responses from suppliers. Quality has been defined as 'fitness for purpose' but needs to be aimed at the needs of the consumer, driven by what the consumer wants and will pay for.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the different approaches to quality management appropriate to commercial operations

2 Understand the benefits of quality management in a business and services context

3 Understand a range of quality controls and how service to the customer can be improved

4 Be able to apply the principles of quality management to improve the performance of an organisation.

Unit content

1 **Understand the different approaches to quality management appropriate to commercial operations**

Define quality: identifying customer needs and providing systems to meet/exceed expectations, notion of self-assessment to establish the current position of an organisation

Inspection and assurance: mass production and mass inspection, the early years of quality control, quality systems and accreditation, the race for awards e.g. BS 5750, ISO 9002, EN 29000, EFQM, Qest, Chartermark, Citizen's Charter, Investors in People, the middle years of quality assurance

Approaches: the works of Deming, Juran, Feigenbaum, Crosby, Ishikawa, etc, quality planning, quality control and continuous quality improvement through teams and facilitators, measurements as an aid to rational decision making, self-assessment, costs and benefits of quality, communication channels, macro issues of theory and prescription

Similarities and differences: structure of schemes, applications, costs, implementation periods, use of documentation, application of standards, identification of actions required, assessment methodology, orientation towards customer/staff or organisation, effectiveness as a means to improve service quality

2 **Understand the benefits of quality management in a business and services context**

Customer satisfaction: the voice of the customer, customer needs and expectations, understanding the customer, responding to customer demand, meeting or exceeding expectations, value for money, added value and repeat custom

Continuous improvement: from customer needs to customer needs and expectations, quality gaps, internal and external customers, moving quality into the service sector and its associated problems, the mature years of continuous quality improvement.

Added values: lower costs, reduced waste, saving time, reducing need for support activities, customer loyalty

Improved customer information: opening times, location, price lists, promotional material, raising awareness, creating true image, targeting all groups, value for money?

3 **Understand a range of quality controls and how service to the customer can be improved**

Measurement of quality: systems documentation, procedures for all operations, evaluating own procedures, comparisons with past performance/future plans (business aims and objectives), competitors, industry standards, priorities for action, benchmarking, emphasis of approach e.g. statistical quality control, quality circles, TQM, Six-sigma

User and non-user surveys: profile of users and non-users, visit regularity, facilities used, likes, dislikes, preferences, suggestions, expectations/perceptions of service, barriers to access, action required, encouraging and converting non-users

Consultation: questionnaires (distributed internally/externally), suggestion schemes, complaints procedures, focus groups, open meetings, direct approach to group leaders and groups

Complaints: distribution of forms (send out/collect), internal/external, framing questions, customer friendly/IT friendly, easy to analyse, areas for improvement, response time, period for remedial action, communication with complainants, measurement of customer satisfaction

4 **Be able to apply the principles of quality management to improve the performance of an organisation**

Self-assessment: validity of self-assessment, e.g. subjective, bias, one dimensional; judgement based on current practice, comparison, e.g. with past performance of organisation, against competition, against benchmarks for future; comparisons with similar organisations/industry standards

Communication and record keeping: importance of communication across whole organisation (vertical/horizontal), establishing agreement through consultation, notifying actions required, currency, accuracy and relevance of records kept, comparison with historical data, similar organisations elsewhere, industry standards, record keeping

Staff consultation: setting the scene, explaining rationale (objective of quality scheme), processes involved, requirements and commitment from staff, communication and reporting mechanisms, keeping team updated and engaged, implementation, feedback and review

Service improvements: application of concepts, documentation, administrative processes for communication, applying standards, monitoring, action on improvements, performance indicators, response times, feedback and review

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the different approaches to quality management appropriate to commercial operations	1.1 discuss definitions of quality in terms of business and services provision 1.2 illustrate the processes of inspection and assurance 1.3 discuss a range of approaches to quality management 1.4 explain the similarities and differences between the different methods
LO2 Understand the benefits of quality management in a business and services context	2.1 discuss what is meant by customer satisfaction 2.2 explain the meaning of continuous improvement 2.3 illustrate the type of added values to be gained. 2.4 describe the types of information made available to customers and the importance given to effective marketing
LO3 Understand a range of quality controls and how service to the customer can be improved	3.1 explain how quality management can be measured 3.2 evaluate the benefit of user and non-user surveys in determining customer needs 3.3 list the methods of consultation employed in one quality scheme to encourage participation by under-represented groups 3.4 identify the value of complaints procedures and analyse how they may be used to improve quality
LO4 Be able to apply the principles of quality management to improve the performance of an organisation	4.1 report on the role of self assessment in order to determine an organisation's current 'state of health' 4.2 evaluate the importance of communication and record keeping 4.3 follow guidelines on the stages of staff consultation necessary for effective implementation of a quality scheme 4.3 propose new systems or modifications to existing systems that could improve service quality.

Guidance

Links

This unit links with the management pathway units, especially: *Unit 15: Managing Activities to Achieve Results; Unit 16: Managing Communications, Knowledge and Information*; and it also links to *Unit 34: Operations Management in Business*.

Essential requirements

Quality management manuals, policies and strategies will be needed to support learners' work.

The use of case studies at this level will need careful preparation and management. There are numerous examples of case studies focusing on business excellence in the public domain, often in appropriate journals.

Learners must read the trade and specialist press and associated websites regularly.

Employer engagement and vocational contexts

Centres should try to develop links with local businesses. Many businesses and chambers of commerce are keen to promote local business and are often willing to provide visit opportunities, guest speakers, and information about business and the local business context.

Unit 33:   Small Business Enterprise

Unit code: H/601/1098

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to give learners the opportunity to focus on the processes involved, through change management, of reviewing and improving the performance of a small business enterprise.

Unit abstract

This unit is designed primarily for learners who are interested in small business enterprises and looks at the development and expansion of these businesses. The unit will be particularly appropriate for learners currently working in a small business enterprise. The unit is also appropriate for learners who have had work placements or work experience in small businesses and for learners who wish to pursue careers in the small business sector of the economy.

The government's vision is for more people in the UK to have the opportunity, aspiration and motivation to use their talent and initiative to be enterprising, and to have an increased proportion of people starting a business. The Department for Business, Innovation and Skills is responsible for small business and enterprise policy. Statistics from the Federation of Small Businesses website show that there are almost 5 million small businesses in the UK, almost 14 million people are employed in small- and medium-sized enterprises and over half a million people start up their own businesses every year. The small business sector provides employment and career opportunities which may appeal to many learners not attracted to a career in large organisations.

The unit draws together many of the topics covered in other units and allows learners to practise the business skills needed in reviewing and managing the performance of a small enterprise.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to investigate the performance of a selected small business enterprise

2 Be able to propose changes to improve management and business performance

3 Be able to revise business objectives and plans to incorporate proposed changes

4 Be able to examine the impact of change management on the operations of the business.

Unit content

1 **Be able to investigate the performance of a selected small business enterprise**

Business profile: components of the business, objectives of the business, internal and external factors affecting business performance, performance measures, constraints and restrictions on business, responsibilities and liabilities of owner-manager

Comparative measures of performance: comparisons with other similar-sized businesses in same geographical area, comparisons with businesses in same or similar industry, comparisons with industry averages; comparisons should cover all areas (financial, production, marketing, sales, human resources, use of technology)

Analysis of business information: analysis of past and current business information (financial, marketing information, sales, production, human resource efficiency, management effectiveness) using ratios, budget information, market research results, SWOT analysis, business reports e.g. production efficiency

2 **Be able to propose changes to improve management and business performance**

Overcoming weaknesses: problem-solving strategies, sources and availability of professional advice in appropriate areas, finding solutions and alternatives, availability and use of outsourcing for specific functions e.g. payroll, debt collection

Maintaining and strengthening existing business: maintaining appropriate performance records, building on business strengths, maintaining market share/position, importance of good customer/supplier/adviser relationships

New opportunities: identifying areas for expansion e.g. niche markets and export opportunities where appropriate, research techniques, evaluating projects, assessing project requirements, costing and finding finance for new projects, risk assessment

Evaluation of management and personnel: skills audit, self-evaluation, development of self and associated personnel, assessing costs and benefits of self and staff development

3 **Be able to revise business objectives and plans to incorporate proposed changes**

Business objectives: structure of business objectives, assessment of business objectives in the light of current performance, making changes to business objectives, impact of changes on business plans

Business plans: structure of integrated business plans (financial, sales and marketing, production/output, personnel), use of business plans, evaluation of plans against business objectives, incorporating changes to plans, budgeting for changes, preparation of business forecasts

Action plans: plans to implement changes, systems to manage, monitor and evaluate changes, performance measures, milestones, setting deadlines

4 **Be able to examine the impact of change management on the operations of the business**

Impact of change: effects of change on all areas of business (finance, workloads, morale, job roles, physical aspects e.g. office space, production methods); use of technology, anticipating possible obstacles/problems

Management of change: monitoring effects of change, maintaining systems and records to evaluate impact of change, appropriate revision of plans in response to actual results

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1	Be able to investigate the performance of a selected small business enterprise	1.1	produce a profile of a selected small business identifying its strengths and weaknesses
		1.2	carry out an analysis of the business using comparative measures of performance
LO2	Be able to propose changes to improve management and business performance	2.1	recommend with justification, appropriate actions to overcome the identified weaknesses in the business
		2.2	analyse ways in which existing performance could be maintained and strengthened
		2.3	recommend with justification, new areas in which the business could be expanded
LO3	Be able to revise business objectives and plans to incorporate proposed changes	3.1	produce an assessment of existing business objectives and plans
		3.2	revise business plans to incorporate appropriate changes
		3.4	prepare an action plan to implement the changes
LO4	Be able to examine the impact of change management on the operations of the business	4.1	report on the impact of the proposed changes on the business and its personnel
		4.2	plan how the changes will be managed in the business
		4.3	monitor improvements in the performance of the business over a given timescale.

Guidance

Links

This unit links with other management units within this specification.

The unit also links with the Management and Leadership NOS.

Essential requirements

Some learners will be able to use their own experience of small business as a basis for their work in this unit. Other learners will need to be given realistic case studies.

Local government reports and statistics relating to small businesses are available in most public libraries and will be needed.

Employer engagement and vocational contexts

Learners will be encouraged to use their own organisation for research. Learners will require access to research facilities and the internet. Guest speakers with experience of small business management can provide valuable input to support the underpinning knowledge and understanding of the unit.

Unit 34: Operations Management in Business

Unit code: R/505/8181

QCF level: 5

Credit value: 15 credits

Aim

To provide learners with an understanding of the role and importance of operations management (OM) in the efficient and effective production of goods and services.

Unit abstract

Operations management is the area of business activity concerned with the production of goods and services. It includes the responsibility of ensuring that all business/organisational operations are efficient in terms of minimising costs by using as few resources as possible, and effective in terms of maximising quality and meeting customer requirements. It is concerned with managing the transformational processes that convert inputs (in the form of materials, labour and energy) into outputs (in the form of goods and services).

It is important therefore that learners seeking employment in the business world realise that the 'proper' organisation of productive systems, and their interfaces with internal as well as external customers and suppliers, is essential if goods/services are to be produced on time, to cost and within the law.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the nature and importance of operations management

2 Understand the link between operations management and strategic planning

3 Understand how to organise a typical production process

4 Be able to apply relevant techniques to the production of an operational plan for an organisation.

Unit content

1 **Understand the nature and importance of operations management**

Operations management: a definition of Operations Management (OM) and its key elements; importance of OM for all organisations; impact on OM of changes in the business environment

Operations function: the management of resources for the production and delivery of goods or services; the role of OM in achieving strategic objectives; activities of core functional areas and their interrelationships; differences and similarities between services and products; impact of environmental issues; impact of ethical behaviour; role of the supply chain;

Processes: input-transformation-output process; processes hierarchy; characteristics of operations processes e.g four Vs – volume, variety, variation, visibility; business process modelling, lean management techniques, integration of supply chain e.g. Just in Time (JIT);

2 **Understand the link between operations management and strategic planning**

The 3 Es: economy; efficiency and effectiveness

Operational efficiency and strategic operations: time, resources, budgets; external analysis, e.g. PESTLE; links and differences between operations management and strategic planning

The paradox: efficiency (thrift) versus effectiveness (quality)

The five OM performance objectives: cost; dependability; flexibility; quality and speed; internal and external benefits of excelling in each performance objective; trade-offs between objectives

3 **Understand how to organise a typical production process**

Techniques: Linear programming - definition and applications in planning and production; Critical Path Analysis; flow charts, network planning

Operational planning and control: activities involved in capacity planning; inventory planning; project management and quality assurance/control

4 **Be able to apply relevant techniques to the production of an operational plan for an organisation.**

Operational plan: using planning techniques, e.g. Critical Path Analysis, meeting the requirements

Outcome determination: the five performance objectives

Monitoring and control: quality assurance and quality control mechanisms (Q.A.C); fish bones; quality circles; variance analysis, six sigma, product quality and service quality, benchmarking; best practice; self-assessment; vision; continuous improvement; quality characteristics; importance of quality

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the nature and importance of operations management	1.1 explain why operations management is important for organisations 1.2 analyse the operations functions of a selected organisation 1.3 evaluate, by using a process model, the operations management of a selected organisation
LO2 Understand the link between operations management and strategic planning	2.1 appraise the importance of the 'Three Es' to organisations 2.2 assess the impact of the tension between cost minimisation and quality maximisation in organisations 2.3 evaluate the significance of the five performance objectives that underpin operations management to organisations
LO3 Understand how to organise a typical production process	3.1 assess how linear programming adds value to a given production process 3.2 evaluate critical path analysis and network planning 3.3 justify the need for operational planning and control in a selected production process
LO4 Be able to apply relevant techniques to the production of an operational plan for an organisation.	4.1 produce a set of clearly defined operational outcomes for a selected organisation 4.2 produce a network plan indicating the resultant critical path 4.3 justify how quality management techniques are applied to improve operations in a selected organisation

Guidance

Links

This unit has links with all the other management units in the HNs in Business.

Essential requirements

Learners will need access to project management software and to flow chart templates – for illustrative purposes.

Unit 35: European Business

Unit code: F/601/1089

QCF level: 5

Credit value: 15 credits

Aim

To provide learners with an understanding of the importance of international trade and in particular UK trade with the European Union.

Unit abstract

As an open economy the UK not only engages in international trade, its very survival depends on it. Despite having a sophisticated and highly productive agricultural sector we can feed only approximately 50 per cent of our population.

It is important, therefore, that learners seeking employment in the business world realise that if we do not export sufficient goods or services we can not afford to import the food and raw materials we need to maintain our economic wellbeing.

The first part of the unit focuses on international trade in general and the balance of payments as a monitoring device, whilst the second part concentrates on the EU and the economic theories that underpin its creation. The unit then examines the role and significance of the main EU institutions, particularly in relation to their policy-making and implementation functions. Finally, the unit requires learners to research a particular area of economic activity and then apply the discipline of action planning to a hypothetical UK company seeking to begin operating within the EU.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the significance of international trade and the balance of payments to open economies such as the UK

2 Understand the economic rationale underpinning the European Union (EU)

3 Understand the role of the major EU institutions

4 Be able to develop an action plan for a specific UK company wishing to trade within the EU.

Unit content

1 **Understand the significance of international trade and the balance of payments to open economies such as the UK**

International trade: imports and exports; visibles and invisible; open and closed economies; comparative and absolute advantage; the terms of trade; exchange rates

Balance of payments: structure – current account; capital account; visible trade balance; invisible trade balance; current account balance; capital transfer balance; balancing items; equilibrium; surplus and deficit; the significance of long term deficits

2 **Understand the economic rationale underpinning the European Union (EU)**

Exchange rates: fixed and floating

Single currency: arguments for and against the Euro; The Euro Zone/Area (EMU)

Free trade versus protectionism: tariffs, quotas, competition, regulation/deregulation

Factor mobility: geographic and occupational mobility of labour and capital/funds

3 **Understand the role of the major EU Institutions**

Institutions: the European Parliament, the Council of the European Union, the European Council, the European Commission, The European Court of Justice, The European Court of Auditors. The European Central Bank, The Presidency

Policy outcomes: European Directives and European Funding e.g. European Regional Development Fund (ERDF), European Social Fund (ESF), the Cohesion Fund

4 **Be able to develop an action plan for a specific UK company wishing to trade within the EU**

The EU as a trading bloc: composition, size, infrastructure, The Euro Zone/Area (EMU)

Barriers to trade: linguistic, cultural, logistical and environmental

EU Directives: policy initiatives and directives relevant to the chosen company

EU funding streams: EU funding streams that may be available to the chosen company

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the significance of international trade and the balance of payments to open economies such as the UK	1.1 explain the importance of international trade to an open economy such as the UK 1.2 assess the significance of comparative advantage, absolute advantage, the terms of trade and exchange rates 1.3 describe the structure of the balance of payments 1.4 explain the terms 'surplus' and 'deficit' and the significance of long-term deficits to open economies
LO2 Understand the economic rationale underpinning the European Union (EU)	2.1 explain the role played by exchange rates in international trade 2.2 analyse the advantages attributed to the adoption of a single European currency 2.3 explain the difference between free trade and protectionism and the role played by tariffs, quotas and deregulation within the EU 2.4 evaluate the importance of geographic and occupational mobility in wealth creation
LO3 Understand the role of the major EU Institutions	3.1 explain the role of the main EU institutions in determining and legitimising policy 3.2 assess the role played by EU directives 3.3 evaluate the structure and purpose of the main EU funding streams such as the ERDF and the ESF
LO4 Be able to develop an action plan for a specific UK company wishing to trade within the EU	4.1 produce a profile of the EU as a trading bloc 4.2 evaluate the significance of linguistic, cultural, logistical and environmental barriers to EU operations 4.3 carry out an audit of possible EU funding streams that may be available and relevant directives 4.4 produce an action plan which lists the actions necessary to begin such a venture.

Guidance

Links

This unit links with other units within this specification relating to European Business

Essential requirements

Learners will need access to a large map of the European Union, a chart indicating the main EU institutions and their interconnection and UK National Accounts such as the Blue Book.

Unit 36: Employment Law

Unit code: A/601/1088

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide the learner with an understanding of the law on employment, and the skills to apply those legal provisions which are concerned with the employment relationship and individual employment rights

Unit abstract

In this unit learners will develop the understanding and skills required to analyse the law relating to employment relationships and individual employment rights.

Both UK and European sources of employment law are examined, along with the institutions and systems concerned with law enforcement. Learners will develop an understanding of the nature and scope of the employment relationship in its legal and business context. There will be a particular focus on the creation, content, application and termination of employment contracts.

The unit also considers the impact on the employment relationship of the developing law in the areas of discrimination, human rights and data protection.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the sources, institutions and enforcement systems for individual employment rights

2 Understand the nature and scope of the employment relationship in its legal and business context

3 Be able to apply the legal provisions concerned with discrimination and health and safety in a legal and business context

4 Understand the impact on the employment relationship of the developing law in the areas of human rights and data protection legislation.

Unit content

1 **Understand the sources, institutions and enforcement systems for individual employment rights**

Sources of employment law: UK primary and secondary legislation; European Union (EU) directives and regulations; decided cases

Institutions and enforcement systems: courts and tribunals; ACAS; Equality and Human Rights Commission (EHRC) available remedies for individuals to enforce their rights

2 **Understand the nature and scope of the employment relationship in its legal and business context**

Employees and independent contractors: tests used to make this distinction; vicarious liability, cases illustrating problem areas

The contract of service: content and layout; basic contractual principles and the difference between express and implied terms; the nature and scope of these terms for both employer and employee

Impact of EU legislation: working time; time off rights, and protection of wages; appropriate policies and procedures for employers

Termination: reasons other than dismissal; notice periods

Dismissal: wrongful, unfair and constructive; redundancy

3 **Be able to apply the legal provisions concerned with discrimination and health and safety in a legal and business context**

Discrimination: the continuing development of anti-discrimination law; groups who are protected by law and those who remain disadvantaged; direct and indirect discrimination; the issue of positive promotion of equal opportunities and diversity in the workplace

Health and safety: common law; statutory provisions

4 **Understand the impact on the employment relationship of the developing law in the areas of human rights and data protection legislation**

The impact of human rights issues on the employment relationship: respect for private life and freedom of belief and expression; data protection principles and the rights of data subjects

It is important to always refer to the latest legislation, directives and regulations.

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the sources, institutions and enforcement systems for individual employment rights	1.1 explain the sources of employment law 1.2 evaluate the institutions and enforcement systems for individual employment rights
LO2 Understand the nature and scope of the employment relationship in its legal and business context	2.1 differentiate between employees and independent contractors 2.2 explain the nature and scope of employment contracts 2.3 evaluate the effect of European Union legislation on the employment relationship 2.4 compare and contrast reasons and methods of terminating the relationship
LO3 Be able to apply the legal provisions concerned with discrimination and health and safety in a legal and business context	3.1 apply the legal provisions on discrimination to particular cases 3.2 produce an assessment of the relationship between the developing law on discrimination and human resource management practices 3.3 produce an evaluation of health and safety practice in a given organisation and compare to best practice
LO4 Understand the impact on the employment relationship of the developing law in the areas of human rights and data protection legislation	4.1 discuss the impact on the employment relationship of the legal provisions on human rights 4.2 evaluate the application of the data protection principles and the rights of data subjects in a given organisation.

Guidance

Links

There are links between this unit and the human resources units within this specification

Essential requirements

Learners need access to a specialist law library for key texts and law reports. The use of texts should be supported by reference to broadsheet newspapers, relevant journals, specialist publications and electronic databases.

Information can also be obtained from institutions such as the Equality and Human Rights Commission and ACAS.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide visit opportunities, guest speakers or information about their business and the local business context.

Unit 37: Company Law

Unit code: M/601/1069

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with a knowledge and understanding of the law on companies and the skill to apply the rules particularly in business situations.

Unit abstract

In this unit learners develop an understanding of the different types of company, company formation and the required documentation. The unit then considers capital, the creation of shares and the rights of shareholders. It also looks at directors and their powers and duties. Finally, the unit examines the winding up a company.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the nature of a company

2 Be able to draw up the constitution of a company

3 Understand share capital and capital maintenance

4 Understand about shareholders, directors, charges and insolvency.

Unit content

1 Understand the nature of a company

Classification: corporations and of registered companies; separate legal personality – advantages and disadvantages; lifting the veil; civil/criminal responsibility; promoters and pre-incorporation contracts; registration and re-registration; commencement of trading

2 Be able to draw up the constitution of a company

Constitution: the memorandum of association; the articles of association; alteration; doctrine of *ultra vires* and its effect; prospectus and listing particulars

3 Understand share capital and capital maintenance

Capital: types of capital; issue of shares; membership; class rights; transfer and disclosure requirements; dividends; capital maintenance; insider dealing

4 Understand about shareholders, directors, charges and insolvency

Shareholders and directors: types of meetings and resolutions; powers of directors; management of the company; duties of directors; statutory regulation; minority protection; rights of shareholders and debenture holders; fixed and floating charges and their registration; compulsory liquidation; voluntary winding up; assets and liabilities in liquidation

It is important that learners use the most up-to-date textbooks and legislation – currently The Companies Acts 1985 and 2006.

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the nature of a company	1.1 explain the concept of corporate personality and lifting the veil
	1.2 analyse the advantages and disadvantages of incorporation
	1.3 describe the law on promoters and pre-incorporation contracts
	1.4 explain the requirements for registration and commencement of trading
LO2 Be able to draw up the constitution of a company	2.1 apply the requirements for the memorandum to a given scenario
	2.2 draw up the articles of association in a given scenario
	2.3 evaluate the doctrine of ultra vires and its effect
	2.4 explain the contents of a prospectus and listing particulars
LO3 Understand share capital and capital maintenance	3.1 explain the different types of capital
	3.2 assess the law on issue of shares, class rights and dividends
	3.3 discuss the law applicable to capital maintenance and insider dealing
LO4 Understand about shareholders, directors, charges and insolvency	4.1 describe the duties and powers of directors
	4.2 explain the rules on the different types of meetings
	4.3 discuss the law on minority protection
	4.4 evaluate the rights of shareholders and debenture holders
	4.5 discuss rights on liquidation.

Guidance

Links

This unit has links with the other law units within this specification.

Essential requirements

Learners will require access to a library which contains key texts and materials relating to company law.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide visit opportunities, guest speakers or information about their business and the local business context.

Unit 38: Business Events Management

Unit code: Y/601/1048

QCF level: 4

Credit value: 15 credits

Aim

The aim of this unit is to provide learners with a knowledge and understanding of different administrative functions and roles and to provide them with the skills to organise events and activities.

Unit abstract

This unit allows learners to develop and practise their knowledge, understanding and skills as administrators or managers by examining the administrative functions within organisations. The unit is about preparing and coordinating operational plans and managing time effectively and developing self to meet the needs of an organisation. The unit investigates the roles and responsibilities of key people within the organisation helping to meet its objectives.

Learners will find out to how to manage events or activities. They will have the opportunity to investigate and participate in the running of an event in which they will take a major role in managing a range of key resources. This is a practical unit which will prepare learners for a management role in any organisation whether large, medium or small.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to plan an event or project

2 Be able to effectively administer an event or project

3 Be able to organise teamwork when managing an event or project

4 Be able to use a range of business communication systems in managing the event or project.

Unit content

1 Be able to plan an event or project

Identification of the event or project to be run: kind of event, key people involved, objectives and constraints, costs, likely problems, time required for event or project

Preparing: pre-planning meeting to discuss proposals, flexibility, contingency plans, allocating tasks and roles, critical path identification, estimating completion date

Monitoring: reviewing plans at appropriate times so that they can be updated to meet changes in the working environment or to the objectives

Documentation despatch, storage and retrieval: internal and external, letters, memos, notes, emails, advertising, agendas, reports and feedback, working notes, Data Protection Act

Resourcing: financial, human and physical, including refreshments, travel and accommodation

2 Be able to effectively administer an event or project

Setting-up tasks: responsibilities, coordination, negotiation, methods of communication

Estimating completion dates: available planning techniques and tools and how to choose those which are appropriate to the situation, importance of realistic schedules and how to identify them

Time management and prioritisation: planning- and time-management aids, how to deal with interruptions, how to identify and prioritise outcomes

Proactivity: how to take the initiative, the importance of delegation, how to delegate effectively

Supporting: the importance of communicating clearly, and of involving other people and listening to their opinions and concerns

Supervising and monitoring: how to obtain valid and relevant information and assess whether it is sufficient to monitor a project or event accurately

Evaluating: the need to assess progress, the range of corrective actions which can be taken, and the importance of continuously seeking opportunities for improvements and how to do so

3 Be able to organise teamwork when managing an event or project

Size of teams: optimum size needed for the task and method of working

Leadership: the importance of effective coordination and clear communication both orally and on paper, how to identify the actions and resources needed to achieve agreed outcomes

Prior knowledge and skills of team members: how to identify roles and responsibilities appropriately amongst relevant people

Group cohesion: ability to work together cohesively, team building

Conflict: how to diffuse anger, the importance of responding to criticism positively and how to do so

Liaison with external teams or individual: methods and regularity of communication, team meetings

4   **Be able to use a range of business communication systems in managing the event or project**

Business documentation: letters, memos, reports, agendas, minutes

Information technology: internet, emails, video links, mobile phones, applications software

Producing information: method, type of production and regularity

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1	Be able to plan an event or project	1.1 carry out an identified event or project within an agreed timescale
		1.2 write appropriate documentation
		1.3 organise resources to carry out the event or project.
		1.4 perform regular reviews and evaluations including the methods and resources
LO2	Be able to effectively administer an event or project	2.1 set up the project, choose the completion date and allocate responsibilities
		2.2 demonstrate leadership, effective time management and skills of prioritising and delegating
		2.3 support and monitor the project
		2.4 take corrective action if necessary to keep the project on schedule
LO3	Be able to organise teamwork when managing an event or project	3.1 choose the appropriately sized team with the knowledge and abilities required for the project
		3.2 demonstrate team-building skills and how to diffuse anger
		3.3 show the importance of effective co-ordination and clear communication when liaising with the team
		3.4 plan the actions and resources needed to achieve the success of the event or project
LO4	Be able to use a range of business communication systems in managing the event or project	4.1 create clear records of communication both internal and external and of team meetings
		4.2 demonstrate good use of information technology where applicable
		4.3 produce information regularly and on time.

Guidance

Links

This unit links to the National Occupational Standards for Management and Leadership.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 39: Financial Investment Opportunities

Unit code: T/601/1042

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide the learner with an understanding of the stock exchange and the range of financial investment opportunities available to individuals living in the UK.

Unit abstract

Investment savings and financial planning are essential, but often overlooked, skills in managing personal financial affairs.

This unit considers the range of investment opportunities available to individuals living in the UK. Learners will learn how to identify investor needs and how UK taxation works in so far as it affects investment decisions. They will discover the range of investment products available from banks, building societies, insurance companies and national savings.

Learners will also understand how the stock exchange functions, the range of investments available and how to manage a portfolio of investments.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the range of investments available to individuals

2 Understand how the UK system of taxation affects investment decisions

3 Understand investors' needs

4 Understand the working of the stock exchange and the range of investments available.

Unit content

1 Understand the range of investments available to individuals

Differences: between investing and gambling; why some financial products termed investments are actually gambling e.g. spread betting

Risk: of different investments; individual attitudes to risk/reward

Range: outline of the full range of investments available to individuals in the UK

Products: different 'safe' investment products of banks, building societies, insurance companies, friendly societies and national saving

Portfolios: construction; low risk or safe investments for different people

2 Understand how the UK system of taxation affects investment decisions

Income tax: rates and allowances

Tax-free investments: examples to include ISAs

Calculation of income tax: payable by different people to include income from dividends and interest on deposits

Tax saving strategies: e.g. married couples who transfer assets from a higher rate payer to a standard rate or non-tax paying spouse

Capital gains tax: calculations; rate and exemptions

Inheritance tax: calculations; rate; exemptions; how to avoid it

Tax avoidance and tax evasion: meanings; legality; differences

3 Understand investors' needs

Different needs: individuals of different ages, domestic commitments and tax rates

Portfolios: construction of; financial investments available in the UK for different individuals

Financial advisers: what they do; how to choose one; how they get paid

Remedies: investors' rights and protection

Regulation: the FSA and the Ombudsman

4 Understand the working of the stock exchange and the range of investments available

Stock exchange: evolution; how it works; how share prices are determined

Securities: range available

Financial Times: how to read the financial pages; how the figures are calculated; what they mean

Collective investments: investment and unit trusts; open ended investment companies; ISAs

Bonds: income and growth; gilt edged or Treasury bonds issued by the UK government

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the range of investments available to individuals	1.1 assess the attitude of individuals to risk when evaluating the suitability of investments
	1.2 evaluate a range of investments available from banks, building societies, insurance companies and national savings
	1.3 analyse the suitability of these products for different people
LO2 Understand how the UK system of taxation affects investment decisions	2.1 calculate income tax payable for various individuals and couples, including income from dividends and interest
	2.2 calculate capital gains tax liabilities in different situations
	2.3 evaluate tax-free investments and their importance to different tax payers
LO3 Understand investors' needs	3.1 identify the needs of different investors
	3.2 design portfolios of investments for different individuals
	3.3 explain the functions of financial advisers and how to select one
	3.4 explain investors' rights and the protection available to them
LO4 Understand the working of the stock exchange and the range of investments available	4.1 explain the information in the financial pages of *The Financial Times*
	4.2 calculate stock exchange ratios and be able to explain what they mean
	4.3 describe and evaluate collective investments, e.g. investment and unit trusts OEICs and bonds.

Guidance

Links

This unit links to *Unit 12: Taxation,* within this specification.

Essential requirements

Arnold: *The Financial Times Guide to Investing*. The latest edition is essential and is a good basic text.

Taxation guides from *Which* and the *Daily Telegraph* are updated annually after the Finance Act is amended.

A good daily newspaper along with the weekend money and finance sections as found in *The Times* and *The Daily Telegraph.*

Investors Chronicle every Friday is invaluable for tutors and learners.

There are also monthly journals such as *What Investment* and *Money Observer* which will be topical and up to date.

Unit 40: Business Work Experience

Unit code: T/601/1039

QCF level: 5

Credit value: 15 credits

Aim

This unit will develop the skills and knowledge of work practices in industry through the learner undertaking work experience and producing a management report examining a work-based issue.

Unit abstract

In this unit learners will have an opportunity to develop first-hand experience of all aspects of business operations. The production of a management report is the outcome of the learning, and learners must be able to undertake suitable activities to investigate a work-based issue or problem for the work experience organisation. This unit aims to develop knowledge and understanding of how businesses operate and the skills and abilities managers draw upon when faced with everyday issues or problems. It is important, therefore, for learners to appreciate and analyse the relationships between different parts of the host organisation.

A minimum of 40 hours work placement experience is required for successful completion of this unit. Learning will complement the learning and understanding gained for other units on the programme, and also allows further opportunities for gaining evidence. Learners will research a suitable host organisation and arrange their work experience through preparing for interview. They will identify and agree a suitable issue or problem to be investigated with the organisation and tutor, setting aims, objectives and targets. The report should be supported by evidence learners collect and demonstrate an in-depth knowledge of working practices and a broad knowledge of how the organisation operates.

Learners will monitor their progress against an action plan of the agreed aims and objectives, and review the effectiveness of achievement of the targets and their own performance. The management report can be presented in any suitable format.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand ways to arrange appropriate industry experience

2 Be able to agree aims and objectives of work based project with others

3 Be able to monitor and evaluate progress of work based project

4 Be able to present report on work based project.

Unit content

1 Understand ways to arrange appropriate industry experience

Methods: personal skills audit e.g. negotiation, action planning, CV, interview techniques; research company background, shortlist potential organisations, letter, email, interview, personal recommendation

Management report: issues, problems e.g. teamworking, leadership, interpersonal skills, operational/technical skills, customer care, communication, networking, action planning, problem-solving, ICT/computer literacy, flexibility

Industry context: business sector e.g. finance, banking, law, management, human resources, marketing, type e.g. local, national, global

2 Be able to agree aims and objectives of work-based project with others

Aims, objectives and targets: personal/career development; work-related eg job competences, roles and responsibilities, operational, practical, technical, people-related, learning and development, quality, health and safety, equal opportunities; benefit to the learner/organisation; review/achievement dates

Research project: negotiation, action planning, strategy development, objective setting, creative, innovative, problem solving, methods of achieving aims, objectives and targets, time scale, resources, intended outcomes

3 Be able to monitor and evaluate progress of work-based project

Monitor: reflective practice journal; gathering, recording and reviewing information, collecting evidence

Evaluate: measuring using supportive evidence; aims, objectives, targets; activities undertaken, e.g. teamwork, decision making, learning, self-development, assertiveness, meeting needs and requirements of the job role; benefits, difficulties, effectiveness, timescale, reach and justify conclusions

Relevant sources: personnel e.g. mentor, supervisor, line manager, colleagues, members of the public; reference materials, the internet, training manuals, computer help-screens, induction handbook

4 Be able to present report on work-based project

Presentation format: report e.g. contents/index, bibliography, acknowledgements, referencing, visual presentations of data including statistics; verbal presentation skills e.g. communicating effectively, developing and presenting a reasoned case, responses to questions

Colleagues: managers, mentors, employees, peers, external stakeholders

Recommendations: e.g. changes, amendments, resources, roles, responsibilities

Justification: efficiency, effectiveness, costs, benefits, innovation, creativity

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand ways to arrange appropriate industry experience	1.1 select a suitable host organisation 1.2 explain the structure of the host organisation and the sector in which it operates 1.3 explain how the industry experience would support the development of an appropriate management report
LO2 Be able to agree aims and objectives of work-based project with others	2.1 negotiate appropriate aims, objectives and targets for the work-based project task 2.2 evaluate how the aims, objectives and targets will benefit both the organisation and self
LO3 Be able to monitor and evaluate progress of work-based project	3.1 research suitable information to inform the work-based activity 3.2 maintain a reflective practice journal to monitor progress 3.3 assess how the development of skills and behaviours improved own knowledge of working practices, making recommendations for improvement
LO4 Be able to present report on work-based project	4.1 develop conclusions to meet the aims, objectives and targets 4.2 present results to colleagues in a suitable format 4.3 evaluate how industry experience supported the development of skills and knowledge of work practices.

Guidance

Links

The unit links with the National Occupational Standards in Management and Leadership.

Essential requirements

To complete this unit, learners will need suitable placements with appropriate host organisations who are willing to provide projects requiring the investigation of a host organisation issue or problem.

Employer engagement and vocational contexts

The selection of a suitable work placement organisations is essential. Centres should develop links with organisations who are willing to provide work experience in terms of agreeing appropriate and challenging work activities for learners to complete a management report. Ideally, the host organisation should have enough functions to cover all aspects of the business operation, and be able to provide support and guidance for learners.

Unit 41: Contemporary Issues in Marketing Management

Unit code: K/601/1037

QCF level: 5

Credit value: 15 credits

Aim

This unit will introduce learners to some current issues within the marketing industry including relationship marketing, customer relationship management, marketing in non-traditional contexts, marketing services and the increasing concern with ethical and social considerations.

Unit abstract

The role of marketing as a business function is increasingly viewed as an integral constituent of overall corporate strategy as organisations have become more aware of the need to develop long-term relationships with their customers.

The marketing industry has widened its scope to include non-traditional organisations such as those in the public and voluntary sectors. In this unit learners will examine how marketing theory is applied in not-for-profit organisations.

Services management, and therefore marketing, has been recognised separately since the 1970s. This unit also looks at the special approaches that service industry businesses need to adopt in a rapidly changing environment.

Ethical and social considerations have become increasingly important to all businesses and learners will investigate the impact this is having on marketing.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the importance of relationship marketing in a contemporary business context

2 Understand the role of marketing in non-traditional contexts

3 Understand the importance of applying the extended marketing mix in the service sector

4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing.

Unit content

1 **Understand the importance of relationship marketing in a contemporary business context**

Marketing evolution: from production, transactions, consumer relationship marketing (CRM) ethos, internal and external relationships, supply chain relationships, increasing importance of customer retention rather than acquisition, value chain analysis

Benefits of relationship marketing: maximising customer equity, lifetime value of customer, competitive environment, how the marketing mix supports relationships – brand recognition – reference groups – consumer behaviours in relation to corporate identity; issues of credibility, trust and commitment in relationships with stakeholders

IT requirements in relationship marketing: range of ICT tools, loyalty cards, research capabilities, production online, access to customers; monitoring and controlling projects and marketing plans, IT used in planning, scheduling and resourcing activities within the plan

CRM: grown out of relationship marketing approach, what CRM systems can do, limitations and possibilities, integration with traditional methods, maximising value for customer and organisation, how internet and digital technologies can be used to enhance communications and relationships within channels and between B2B partners, increasing social CRM, use of social media e.g. YouTube, Twitter

Knowledge management: the growing importance of knowledge management as a key tool in gaining and sustaining competitive advantage, analytical CRM

2 **Understand the role of marketing in non-traditional contexts**

Public sector: importance of growth of marketing concepts in the public sector, mix of private, voluntary and public sector activity, public sector objectives, marketing as satisfaction of customer needs at maximum levels of efficiency, criticisms of marketing in public sector e.g. expense of branding initiatives, use of resources

Voluntary sector: types of voluntary sector organisations, role of marketing – customers, donors and beneficiaries of voluntary sector organisations; budgeting and performance in voluntary sector organisations, use of different marketing techniques e.g. direct methods, intervention marketing, virtual marketing

Customer identification: the nature of relationships with customers in not-for-profit organisations, nature of message and methods of communication, customer benefit and recognition, stakeholders in not-for-profit organisations, prioritising stakeholder needs e.g. power/interest grid

Virtual organisations: the importance of the e-commerce revolution, online purchasing and production, particular aspects of relationships with customers in virtual organisations, e-marketing mix, trends in virtual/real mix of activities

3 Understand the importance of applying the extended marketing mix in the service sector

Extended marketing mix: people, processes, physical evidence; the development of services management and marketing as a separate discipline

Service/product mix: nature of services as intangibles, services as added value to product mix, services within relationship marketing, service sector growth, increasing importance of services in developed economies, globalisation of services provision

Managing the process of service marketing: perishability and heterogeneity of services, particular marketing approaches in service industries

Managing the quality of services provision: customer perceptions of quality, measurement of customer satisfaction levels, importance of customer retention

Role of ICT: how ICT can be used to manage the process of marketing in the services industry e.g. customer databases, capacity analysis, dynamic pricing, internal marketing research

4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing

Corporate social responsibility (CSR): corporate reputation, economic, legal, ethical and philanthropic social responsibilities; impact on brand reputation

Societal marketing: development in the evolution of marketing

Ethical considerations: business ethics, globalisation, international marketing ethics, pressure group activity, environmental/ecological issues, international protocols, sustainable marketing; ethics and responsibility in marketing research

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the importance of relationship marketing in a contemporary business context	1.1 explain the concept of knowledge management and its role in relationship marketing 1.2 explain the ways that ICT can support the customer relationship management process in a particular organisation 1.3 describe the benefits of customer relationship management in a selected organisation 1.4 make justified recommendations for the improvement in customer relationship management for a selected organisation
LO2 Understand the role of marketing in non-traditional contexts	2.1 carry out a stakeholder analysis for a voluntary sector and a public sector organisation 2.2 describe the nature of the relationships with customer within two selected not-for-profit organisations 2.3 compare methods used in marketing within the public, private and voluntary sectors 2.4 explain the key issues involved in marketing in a selected virtual organisation
LO3 Understand the importance of applying the extended marketing mix in the service sector	3.1 describe the use of the extended marketing mix in a selected service sector businesses 3.2 explain how the product/service mix can be used to enhance value for the customer and organisation 3.3 explain how difficulties peculiar to the marketing of services can be overcome with reference to a particular organisation 3.4 explain the role of IT in services marketing management in a selected organisation

Learning outcomes	Assessment criteria for pass	
On successful completion of this unit a learner will:	The learner can:	
LO4 Understand the reasons for the increasing emphasis on ethics and social responsibility in marketing	4.1 explain some of the current issues of ethical and social concern to marketers in a particular industry	
	4.2 explain the concept of CSR with reference to a particular organisation	
	4.3 evaluate the role played by a selected pressure group in influencing ethical and social marketing policies for a selected organisation	
	4.3 evaluate the role played by published or broadcast media in influencing ethical and social marketing policies for a selected organisation.	

Guidance

Links

This unit links with all the other marketing units in the specification.

Essential requirements

Learners must have access to a learning resource centre with a wide range of marketing texts. Texts must be supported by use of journals, company reports and government statistics. Case studies, videos and documented examples of organisations and their marketing, auditing and planning techniques must be used to illustrate the topical nature of this unit. The contemporary nature of this unit requires the use of current material that can be accessed through professional institutes' publications and websites.

Employer engagement and vocational contexts

Employer involvement in delivery of this unit would enhance relevance and currency. Employers could contribute by explaining their customer relationship management systems and/or by explaining how their marketing is affected by the contemporary issues covered in this unit. Access to marketing plans or data would also be useful.

Unit 42: Project Management for Business

Unit code: H/601/1036

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to provide the learner with understanding and skills relating to project management principles, methodologies, tools and techniques that are used in business.

Unit abstract

Learners will develop an understanding of what constitutes a project and the role of a project manager. They will develop the skills needed to plan the activities required to carry out the project, including how to set up a project, how to control and execute a project, and how to carry out project reviews. Learners will also understand how the project fits into the business or other organisational environment. Organisational and human resource factors are also included.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand project management principles

2 Be able to manage a project's human resources

3 Be able to apply project processes and procedures.

Unit content

1 Understand project management principles

Project management: principles; role of the project manager e.g. management of change, understanding of project management system elements and their integration, management of multiple projects; project environment and the impact of external influences on projects; identification of the major project phases and why they are required; an understanding of the work in each phase; the nature of work in the lifecycles of projects in various industries

Success/failure criteria: the need to meet operational, time and cost criteria, and to define and measure success e.g. develop the project scope, product breakdown structure (PBS), work breakdown structure (WBS), project execution strategy and the role of the project team; consideration of investment appraisal e.g. use of discount cash flow (DCF) and net present value (NPV); benefit analysis and viability of projects; determine success/failure criteria, preparation of project definition report, acceptance tests

Project management systems: procedures and processes; knowledge of project information support (IS) systems; how to integrate human and material resources to achieve successful projects

Terminating the project: audit trails; punch lists; close-out reports and post-project appraisals; comparison of project outcome with business objectives

2 Be able to manage a project's human resources

Organisational structure: functional, project and matrix organisational structures e.g. consideration of cultural and environmental influences; organisational evolution during the project lifecycle; job descriptions and key roles e.g. the project sponsor, champion, manager, integrators; other participants e.g. the project owner, user, supporters, stakeholders

Control and co-ordination: the need for monitoring and control e.g. preparation of project plans, planning, scheduling and resourcing techniques; use of work breakdown structure to develop monitoring and control systems; monitoring performance and progress measurement against established targets and plans; project reporting; change control procedures

Leadership requirements: stages of team development e.g. Belbin's team roles, motivation and the need for team building; project leadership styles and attributes; delegation of work and responsibility; techniques for dealing with conflict; negotiation skills

Human resources and requirements: calculation, specification and optimisation of human resource requirements; job descriptions

3 **Be able to apply project processes and procedures**

Project management plans: the why, what, how, when, where and by whom of project management e.g. contract terms, document distribution schedules, procurement, establishing the baseline for the project

Project organisation: the product breakdown structure (PBS) and the work breakdown structure (WBS), project execution strategy and the organisation breakdown structure (OBS) eg preparation of organisation charts, task responsibility matrix, statement of work (SOW) for project tasks

Scheduling techniques: relationship between schedules, OBS and WBS, bar charts, milestone schedules, network techniques, resourcing techniques, computer-based scheduling and resourcing packages, project progress measurement and reporting techniques, staff-hours earned value and progress 'S' curves, critical path analysis and reporting, milestone trending

Cost control: cost breakdown structure e.g. types of project estimate, resources needed, estimating techniques, estimating accuracy, contingency and estimation, bid estimates, whole-life cost estimates, sources of information, cost information sensitivity, computer-based estimating

Techniques: allocation of budgets to packages of work, committed costs, actual costs, cash flow, contingency management

Performance: cost performance analysis e.g. budgeted cost for work scheduled (BCWS) budgeted cost for work performed (BCWP); concept of earned value, actual cost of work performed (ACWP), cost performance indicators

Change control: the need for formal control of changes e.g. impact of changes on the project, principles of change control and configuration management; changes to scope, specification, cost or schedule; change reviews and authorisation, the formation of project teams, project initiation and start-up procedures

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand project management principles	1.1 describe the background and principles of project management
	1.2 appraise the viability of projects, developing success/failure criteria
	1.3 explain the principles behind project management systems and procedures
	1.4 explain the key elements involved in terminating projects and conducting post-project appraisals
LO2 Be able to manage a project's human resources	2.1 identify the most appropriate organisational structure, roles and responsibilities of participants within a project
	2.2 control and co-ordinate a project
	2.3 assess project leadership requirements and qualities
	2.4 plan and specify human resources and requirements for a project
LO3 Be able to apply project processes and procedures	3.1 prepare project plans and establish the project organisation
	3.2 apply project scheduling, estimating and cost control techniques
	3.3 analyse the methods used to measure project performance
	3.4 explain project change control procedures evaluate the completed project.

Guidance

Links

This unit could be studied in parallel with, and complement, all the units in the specification, in particular, *Unit 8: Research Project*. It also has links to the Management and Leadership NOS.

Essential requirements

Appropriate software packages must be used to demonstrate project control and reporting techniques. Packages include:

● time and cost scheduling packages

● documentation and procurement control packages

● spreadsheet packages

● graphic presentation packages.

Other packages for items such as risk analysis, project accounting and procurement control must be used to illustrate particular techniques in specific industries.

Access to real project data in electronic spreadsheet form is also necessary.

Unit 43: Administrative Services

Unit code: L/601/1032

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to give learners the understanding and skills to develop, implement, monitor, maintain and improve administrative services.

Unit abstract

The provision of effective administrative services is key to the success and efficiency of every business, large or small. It is therefore crucial that learners are aware of the different services, which may be required in a business, and of how to develop specifications for these. Learners will have experience of working in an office but this unit will increase their knowledge and allow them to work at a higher level.

This unit gives the learner the understanding and skills to develop and provide the administrative services that allow an organisation to function effectively. Learners need to understand how to develop and design specifications for administrative services. When these are in place, learners need to show how they can be implemented and monitored to ensure they are maintained and improved.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand how the different administrative services operate

2 Be able to review ways for developing specifications for administrative services

3 Understand the skills and knowledge required in the design and implementation of an administrative service

4 Be able to investigate the procedures necessary for the monitoring of the chosen administrative service.

Unit content

1 **Understand how the different administrative services operate**

Differing services: e.g. secretarial, reception or property management, users of these services in the organisation

Importance of these services: how they affect the operation of the business

Decision makers: levels of management and lines of communication

Legal and regulatory requirements: e.g. relevant current legislation on data protection, health and safety, equal opportunities

2 **Be able to review ways for developing specifications for administrative services**

Consultation: importance of and how to consult effectively to identify requirements for administrative services

Advice: sources of advice available when developing specifications for administrative services

Specifications: importance of detailed specifications and their development

Record keeping: need to keep full and accurate records of specifications

Organisational policies, objectives and constraints: what these are and how they are relevant to developing administrative services

3 **Understand the skills and knowledge required in the design and implementation of an administrative service**

Design options: production to meet agreed specifications, consultation with relevant people, conforming with legal and regulatory requirements and organisational policies, objectives and constraints

Presentation: putting in a form and style that will help users and decision makers to understand the strengths and weaknesses

Sufficient information: presentation of final design

Record keeping: reports, letters, emails, minutes of meetings, detailed final design specification

Implementation: negotiating and agreeing the plans for implementation, ensuring that those involved in the implementation understand the implications for their work, minimising disruptions to work output and the working environment during the implementation

Support: providing support to enable users to use the administrative services and the systems and procedures that support them correctly e.g. individual and team, manuals, instructions, help facility

4 **Be able to investigate the procedures necessary for the monitoring of the chosen administrative service**

Checking: methods of checking regularly that the administrative services and the systems and procedures that support them are being used correctly

Corrective action: types and methods of taking action e.g. rewriting manuals, procedures and instructions, further training

Consultation: methods to encourage users to comment on the effectiveness of administrative services and the systems and procedures that support them and to suggest how they could be improved e.g. questionnaires, focus groups, interviews

Evaluation: collection of valid and reliable information which is sufficient to evaluate the effectiveness and efficiency of the administrative services e.g. observations, service agreements, charters, complaints procedures, quality procedures

Improvements: methods of identifying, decision making on what is within the limits of your authority and in line with legal and regulatory requirements and what needs to be recommended to relevant people, means of communication e.g. meetings with team members, job description, remit, data protection, health and safety, reporting procedures, verbal or written reports

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand how the different administrative services operate	1.1 evaluate at least three services and the users of these services
	1.2 explain the importance of these services and their effect on the business
	1.3 analyse the decision makers in an organisation and the lines of communication
	1.4 examine the relevant legal and regulatory requirements
LO2 Be able to review ways for developing specifications for administrative services	2.1 demonstrate the importance of effective consultation to identify requirements for administrative services
	2.2 report on the different sources of advice available when developing specifications
	2.3 develop and produce a detailed specification and follow guidelines on record keeping
	2.4 examine the organisation's policies objectives and constraints and their relevance to developing administrative services
LO3 Understand the skills and knowledge required in the design and implementation of an administrative service	3.1 discuss the design options and the consultation process involved to meet agreed specifications and the need to meet all legal, regulatory and organisational requirement
	3.2 assess whether the presentation is in a form and style to help the user to understand the strengths and weaknesses and includes sufficient information
	3.3 illustrate the methods of recording which are necessary
	3.4 review the implementation plan and the support put in place

Learning outcomes	Assessment criteria for pass	
On successful completion of this unit a learner will:	The learner can:	
LO4 Be able to investigate the procedures necessary for the monitoring of the chosen administrative service	4.1	carry out regular checking that the administrative services, systems and procedures are being used correctly taking appropriate corrective action if necessary
	4.2	encourage the users of the service to comment on the effectiveness of the service and the systems and procedures
	4.3	evaluate the effectiveness and efficiency of the administrative service
	4.4	recommend any identified improvements.

Guidance

Links

This unit links to the National Occupational Standards for Management and Leadership.

Essential requirements

Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of administrative services and sectors.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 44:   Business Psychology

Unit code: F/601/1027

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to develop an understanding of the contribution that psychology makes to the investigation of human behaviour in the workplace and how it is used in key aspects of management.

Unit abstract

This unit builds on some of the psychological aspects of *Unit 3: Organisations and Behaviour*. Firstly, learners will explore the major theoretical approaches to the study of human behaviour and how this body of knowledge has been developed through the use of psychological enquiries.

Learners will then study the different types of individual differences and how the tools are used in the workplace to assist in selecting and developing staff.

Learners will explore the impact of change on individuals in the workplace and how change can be managed to reduce negative impact on the organisation and the staff.

The remaining topic is a study of organisational culture and climate and the impact of both on individual and organisational performance.

Overall the unit seeks to combine theoretical study with the application of learning to business organisations.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the different perspectives in occupational psychology

2 Understand the role of psychology in the assessment of individual differences in the workplace

3 Be able to apply knowledge of impact of change in business

4 Understand the impact of culture and climate on performance.

Unit content

1 **Understand the different perspectives in occupational psychology**

Major theoretical approaches in the study of human behaviour: behaviourist, cognitive, humanistic; their application in the development of occupational psychology

The contribution of other disciplines: e.g. sociology and of developments in social psychology is also recognised

Methods used in psychological enquiry: key terms: theory, hypothesis, scientific methods, surveys and interviews, participant observation, role play and simulation, methods to be considered with reference to validity and control

2 **Understand the role of psychology in the assessment of individual differences in the workplace**

Application of assessment of individual differences: specifically to understanding of learning, memory, attitudes, personality and ability testing

Use of psychometric testing in assessment and selection: reliability and validity of psychometric instruments

Emotional intelligence in assessment and development of staff: reliability and validity, use of tools

3 **Be able to apply knowledge of impact of change in business**

Impact of organisational change on individuals: reactions of individuals to change, process model e.g. John Fisher or Kubler Ross, reasons for individual resistance to change, individual variations in responses to change

Methods of managing change: e.g. unfreezing, moving, refreezing (Lewin), resistance to change, actions to overcome resistance, methods of managing change

Attitudes: importance of attitudes amongst employees, customers and other stakeholders, attitude formation, attitude change

4 **Understand the impact of culture and climate on performance**

Culture: culture as shared values, practices and customs, definition of organisational culture, culture at ascending levels, sub-cultures, professional cultures, organisational culture, industry culture, national culture, models of culture e.g. Trompenaars' Implicit-Explicit factors, Schein's three levels

Organisational culture: models of organisational culture, e.g. Handy's power, role, person and task cultures, Johnson and Scholes cultural web, impact of organisational culture on behaviour, culture change programmes

Climate: how climate is defined, difference between culture and climate, key aspects of organisational climate e.g. flexibility, responsibility, standards, rewards, clarity, team commitment, impact of management practices on climate, characteristics of a healthy climate, impact of climate on efficiency and effectiveness, methods of improving climate

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the different perspectives in occupational psychology	1.1 describe the major theoretical approaches 1.2 assess the contribution of a scientific approach to investigating workplace behaviour 1.3 assess strengths and limitations of quantitative and qualitative approaches to understanding workplace behaviour
LO2 Understand the role of psychology in the assessment of individual differences in the workplace	2.1 describe the type of individual differences which have been the subject of assessment 2.2 assess the usefulness of psychometric instruments with particular reference to reliability and validity 2.3 make justified recommendations for the use of two types of measures of individual differences in making business decisions
LO3 Be able to apply knowledge of impact of change in business	3.1 use theory to explain human reactions to change 3.2 make justified recommendations for implementing change in a selected organisation 3.3 make justified recommendations for achieving attitude change amongst a group of stakeholders in a selected organisation
LO4 Understand the impact of culture and climate on performance	4.1 explain how culture influences performance in a selected organisation 4.2 evaluate the climate for a selected work group 4.3 make justified recommendations for improving performance for a selected work group.

Guidance

Links

This unit develops some aspects of *Unit 3: Organisations and Behaviour* further and there are also links with the units in the management pathway.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Contact with an occupational psychologist or with a specialist in any of the areas covered by the learning outcomes.

Unit 45:   Business Ethics

Unit code: M/601/1024

QCF level: 5

Credit value: 15 credits

Aim

The aim of this unit is to introduce learners to the concept of business ethics and to examine its relevance when considering business objectives and responsibilities.

Unit abstract

Most businesses today are concerned about the impact of their activities on the business environment. Ethical concerns and greater consumer awareness have resulted in many businesses promoting their social values to ensure competitive advantage. Business ethics embraces corporate social responsibility and ethics relating to accounting practices, marketing, human resource management, and production.

In this unit learners will examine the theoretical roots to the background and growth of business ethics. They will look at the different types of ethical issues a business needs to consider and how the development of ethical values impacts on business behaviour. It is important for learners to appreciate how taking an ethical stance affects businesses both internally and externally, including the effects on stakeholders. Learners will explore the social implications of business ethics for a wide range of business activities that affect the organisation itself and the external environment. This will include the ethical stance behind topical issues such as whistle blowing, employment practices, advertising to children, environmental awareness and using new technologies such as genetic modification of food.

Learners will also examine how an individual's ethical stance impacts on the moral relationship between employer and employee, as well as considering the contractual responsibilities of both parties. This unit will give learners the opportunity to research how a business responds to ethical concerns and assess the extent to which its activities affect its behaviour, whilst ensuring business objectives are met.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand different ethical perspectives in business

2 Understand business objectives from an ethical perspective

3 Understand ethics in workplace relationships

4 Be able to assess a current ethical issue in a business.

Unit content

1 Understand different ethical perspectives in business

Ethical perspectives: deontological and teleological ethical theory; developments from these early approaches e.g. utilitarianism and other consequential approaches; early contributions of Kant and Mill; absolute and relative ethics; Institute of Business Ethics

Operational activities: definitions of business ethics; ethical activities; values of businesses; professional ethics

Ethical issues: corporate governance; corporate social responsibility; environment; sustainability; human rights; corruption; trading fairly; legal and regulatory compliance; business practices; working conditions; individual ethical responsibilities

2 Understand business objectives from an ethical perspective

Objectives: corporate governance; corporate social responsibility; environment; sustainability; human rights; corruption; trading fairly; legal and regulatory compliance; business practices; communicating ethical code

Stakeholders: stakeholders (owners, employees, customers, suppliers, competitors, citizens); conflicts of interest between stakeholder groups e.g. shareholders versus environmentalists

Implications: adapting business behaviour; responding to ethical pressures; implementing ethical practices; influence of stakeholders and pressure groups; impact on competitiveness; reputation; public image; ethical trade; value-added; complying with relevant legislation and codes of practice e.g. UK law, EU law; UN Declaration on Human Rights; UN Global Compact; economic activity e.g. location

3 Understand ethics in workplace relationships

Working relationships: contractual responsibilities; moral obligations in employer/employee relationships; whistleblowing; the psychological contract; good practice in equal opportunities employment; organisational integrity; working conditions; individual ethical responsibilities; individual ethical behaviour

4 **Be able to assess a current ethical issue in a business**

Issues: corporate social responsibility; globalisation; cultural imperialism; ecology; environment; fair trade; corruption; animal testing; child labour; carbon footprint; sources of timber; outsourcing; personal attitudes; whistle blowing; contribution of business to the community; ethics in sales and marketing e.g. spamming, shills, product placement, green washing; ethics in intellectual property e.g. software piracy, counterfeiting, peer-to-peer file sharing

Implications: global e.g. environment; corporate e.g. legal and regulatory compliance, policies and practices; individual (employee, consumer)

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand different ethical perspectives in business	1.1	explain the background and development of theoretical ethical approaches
	1.2	compare and contrast absolute and relative ethics
	1.3	explain the ethical issues which can affect the operational activities of a business
LO2 Understand business objectives from an ethical perspective	2.1	explain how business objectives are affected by ethical considerations
	2.2	evaluate the implications for a business and its stakeholders to operate ethically
LO3 Understand ethics in workplace relationships	3.1	assess the role of the company acting as moral agent
	3.2	analyse the development of mechanisms for achieving employee involvement and empowerment
LO4 Be able to assess a current ethical issue in a business	4.1	research a current ethical issue affecting a selected business
	4.2	report on how the business could improve the ethics of their operations whilst meeting objectives and ensuring good employer/employee relationships
	4.3	design a suitable ethical code.

Guidance

Links

There are links between this unit and the management units within this specification.

The unit also links with the National Occupational Standards in Management and Leadership.

Essential requirements

For this unit learners must select an organisation and research its approach to ethical issues. They will require access to websites, newspaper articles and journals in order to conduct their research. Topical case studies will be needed to facilitate group work and discussions.

Employer engagement and vocational contexts

Centres should develop links with organisations such as local businesses, pressure groups and charities that can provide guest speakers to talk on various aspects of business ethics. The centre as an organisation can be a valuable resource both for guest speakers and as a vehicle for topical case studies related to ethical issues. Learners may be able to access information from their part-time jobs related to the organisation's ethical policies.

Unit 46:   Corporate Environmental and Social Management

Unit code: Y/601/1017

QCF level: 5

Credit value: 15 credits

Aim

In this unit learners will find that businesses have to do more than make a profit for their owners. They will develop an understanding of sustainable development including the 'triple bottom line' of balancing economic, social and environmental issues and the effects this has on business management.

Unit abstract

Businesses are increasingly realising that they need to go beyond, within the law, performance of their main functions. This realisation has been given impetus by increased worldwide emphasis on sustainable development.

This unit, after exploring the interactions between human activity and the environment and the development of concepts of sustainable development, allows learners to develop an understanding of the advantages of a proactive response to social and environmental issues and how this can be managed effectively within the organisation.

Learning outcomes

On successful completion of this unit a learner will:

1 Know the development of global, European and national policies relating to sustainability

2 Understand the commercial case for considering social and environmental matters in business management

3 Understand that it may be necessary to reconcile the sometimes conflicting expectations of stakeholders with respect to social and environmental issues

4 Understand how businesses can manage their environmental and social performance.

Unit content

1 **Know the development of global, European and national policies relating to sustainability**

Human impacts on the environment: population, resource depletion, pollution, inequalities

Global policies: Montreal Protocol, Brundland report, definitions of sustainable development including Triple Bottom Line, Rio Earth Summit agreements, climate change agreements, UN Environment Programme, Millennium Development Objectives, fair trade

European policies: evolution of the EU from its original trading block status, EU Environmental Action Programmes, EU Social Agenda, conflicts between economic and environmental/social policies

National policies: This Common Inheritance and 1994 Sustainable Development Strategy, initial Labour Government approach, principles within Securing the Future

2 **Understand the commercial case for considering social and environmental matters in business management**

Marketing: presenting a positive image to stakeholders such customers, investors and the wider community; increased loyalty and customer retention

Cost savings: identification of opportunities for waste reduction, energy savings, more efficient processes, reduced insurance premiums, less chance of fines for environmental offences, ability to sell carbon credits

Compliance with legislation: nature of environmental law, regulators, concepts in environmental regulation, enforcement policy, examples of environmental law

Being ahead of the field: having systems in place before they become a legal requirement, opportunity to market expertise gained

3 **Understand that it may be necessary to reconcile the sometimes conflicting expectations of stakeholders with respect to social and environmental issues**

Customers: are they really prepared to pay extra for dealing with a socially responsible supplier?

Shareholders: role of ethical investment, to what extent are investors prepared to sacrifice short-term dividends for long-term business improvements?

Pressure groups: their power as an enemy of business, working with them (sponsorship, promotions, etc)

4 **Understand how businesses can manage their environmental and social performance**

Peer guidance: initiatives including Business Charter for Sustainable Development and Centre for Tomorrow's Company

Degree of commitment: management involvement, policy setting, formal and informal management systems

Environmental management: ISO14001, EMAS, their essential components and integration with wider management systems, waste and energy management

Environmental Life Cycle Assessment and Environmental Labelling: ISO14020 and ISO14040 series, EU ECO labelling scheme

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Know the development of global, European and national policies relating to sustainability	1.1 outline the background to changing attitudes of the public, politicians and business to the environment since the Second World War
	1.2 state the Brundland definition of 'sustainable development'
	1.3 outline the evolving international and UK policies to sustainable development since the Earth Summit of 1992
	1.4 describe the 'triple bottom line' approach to sustainable development
LO2 Understand the commercial case for considering social and environmental matters in business management	2.1 discuss the role that stakeholders have in persuading business to adopt policies that consider social and environmental matters
	2.2 explain that there may be cost savings as a result of adopting an environmentally aware approach
	2.3 illustrate with an example the advantage to a business of considering its environmental or social effects
LO3 Understand that it may be necessary to reconcile the sometimes conflicting expectations of stakeholders with respect to social and environmental issues	3.1 discuss the conflict arising from customers who say that they are concerned about the environmental or social aspects of a product or service they are purchasing, but are not prepared to pay a premium
	3.2 discuss whether shareholders are prepared to sacrifice short term dividends for developing products or services that have longer-term beneficial social or environmental advantages
	3.3 discuss the extent to which it is possible to collaborate with pressure groups that seek to change the approach of the business to social and environmental matters

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO4 Understand how businesses can manage their environmental and social performance	4.1 evaluate sources of guidance available to help businesses improve their social and environmental performance
	4.2 review appropriate strategies for management of environmental performance in businesses of different type
	4.3 discuss approaches to environmental life cycle assessment and the use of the results in product labelling.

Guidance

Links

The unit has links with *Unit 41: Contemporary Issues in Marketing Management* and Unit *45: Business Ethics*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres can develop links with local employers. In the context of this unit, it is suggested that contact is established with organisations that have a policy on corporate social responsibility or that have introduced an environmental management policy.

Unit 47:   Employability Skills

Unit code: A/601/0992

QCF level: 5

Credit value: 15 credits

Aim

This unit provides learners with the opportunity to acquire honed employability skills required for effective employment.

Unit abstract

All learners at all levels of education and experience require honed employability skills as a prerequisite to entering the job market. This unit gives learners an opportunity to assess and develop an understanding of their own responsibilities and performance in, or when entering, the workplace.

It considers the skills required for general employment, such as interpersonal and transferable skills, and the dynamics of working with others in teams or groups including leadership and communication skills.

It also deals with the everyday working requirement of problem solving which includes the identification or specification of the 'problem', strategies for its solution and then evaluation of the results through reflective practices.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to determine own responsibilities and performance

2 Be able to develop interpersonal and transferable skills

3 Understand the dynamics of working with others

4 Be able to develop strategies for problem solving.

Unit content

1 Be able to determine own responsibilities and performance

Own responsibilities: personal responsibility; direct and indirect relationships and adaptability, decision-making processes and skills; ability to learn and develop within the work role; employment legislation, ethics, employment rights and responsibilities

Performance objectives: setting and monitoring performance objectives

Individual appraisal systems: uses of performance appraisals e.g. salary levels and bonus payments, promotion strengths and weaknesses, training needs; communication; appraisal criteria e.g. production data, personnel data, judgemental data; rating methods e.g. ranking, paired comparison, checklist, management by objectives

Motivation and performance: application and appraisal of motivational theories and techniques, rewards and incentives, manager's role, self-motivational factors

2 Be able to develop interpersonal and transferable skills

Effective communication: verbal and non-verbal – awareness and use of body language, openness and responsiveness, formal and informal feedback to and from colleagues; ICT as an effective communication medium; team meetings

Interpersonal skills: personal effectiveness; working with others; use of initiative; negotiating skills; assertiveness skills; social skills

Time management: prioritising workload; setting work objectives; making and keeping appointments; working steadily rather than erratically; time for learning; reliable estimate of task time

Problem solving: problem analysis; researching changes in the workplace; generating solutions; choosing a solution

3 Understand the dynamics of working with others

Working with others: nature and dynamics of team and group work; informal and formal settings, purpose of teams and groups e.g. long-term corporate objectives/strategy; problem solving and short-term development projects; flexibility/adaptability; team player

Teams and team building: selecting team members e.g. specialist roles, skill and style/approach mixes; identification of team/work group roles; stages in team development e.g. team building, identity, loyalty, commitment to shared beliefs, team health evaluation; action planning; monitoring and feedback; coaching skills; ethics; effective leadership skills, e.g. setting direction, setting standards, motivating, innovative, responsive, effective communicator, reliability, consistency

4 **Be able to develop strategies for problem solving**

Specification of the problem: definition of the problem; analysis and clarification

Identification of possible outcomes: identification and assessment of various alternative outcomes

Tools and methods: problem-solving methods and tools

Plan and implement: sources of information; solution methodologies; selection and implementation of the best corrective action e.g. timescale, stages, resources, critical path analysis

Evaluation: evaluation of whether the problem was solved or not; measurement of solution against specification and desired outcomes; sustainability

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Be able to determine own responsibilities and performance	1.1	develop a set of own responsibilities and performance objectives
	1.2	evaluate own effectiveness against defined objectives
	1.3	make recommendations for improvement
	1.4	review how motivational techniques can be used to improve quality of performance
LO2 Be able to develop interpersonal and transferable skills	2.1	develop solutions to work based problems
	2.2	communicate in a variety of styles and appropriate manner at various levels
	2.3	identify effective time-management strategies
LO3 Understand the dynamics of working with others	3.1	explain the roles people play in a team and how they can work together to achieve shared goals
	3.2	analyse team dynamics
	3.3	suggest alternative ways to complete tasks and achieve team goals
LO4 Be able to develop strategies for problem solving	4.1	evaluate tools and methods for developing solutions to problems
	4.2	develop an appropriate strategy for resolving a particular problem
	4.3	evaluate the potential impact on the business of implementing the strategy.

Guidance

Links

This unit links with the *Personal and Professional Development*, the *Work-Based Experience* and *Research Project* units. It also links with the following Asset Skills cross-sectoral Employability Matrix:

- B2.4: Plan and manage time, money and other resources to achieve goals

- B3.3: Find and suggest new ways to achieve goals and get the job done and achieve goals

- B4.5: Plan for and achieve your learning goals

- C1.1: Understand the roles people play in a group and how you can best work with them

- C1.7: Lead or support and motivate a team to achieve high standards

- C2.6: Find new and creative ways to solve a problem.

Essential requirements

Access to a range of work-related exemplars (for example, appraisal and development systems, team health checks, job descriptions, action plans, communication strategies) will help in delivering this unit. Case studies based on relevant sectors, workshops, career talks or work-based mentors will also be useful in the teaching and learning aspect of the unit.

Learners should generate assessment evidence through a range of possible activities including individual work placements, project management, research reports, development of case studies, working with others (for example employee-supervisor roles, teamwork, group work) and everyday communication within the workplace.

Unit 48:   Project Design Implementation and Evaluation

Unit code: L/601/0995

QCF level: 5

Credit value: 20 credits

Aim

To develop learners' skills of independent enquiry by undertaking a sustained investigation of direct relevance to their vocational, academic and professional development.

Unit abstract

This unit provides opportunities to develop skills in decision making, problem solving and communication integrated with the skills and knowledge developed in many of the other units within the programme to complete a realistic project.

It requires the learner to select, plan, implement and evaluate a project and finally present the outcomes, in terms of the process and the product of the project. It also allows learners to develop the ability to work individually and/or with others, within a defined timescale and given constraints, to produce an acceptable and viable solution to an agreed brief.

If this is a group project, each member of the team must be clear about their responsibilities at the start of the project and supervisors must ensure that everyone is accountable for each aspect of the work and makes a contribution to the end result.

Learners must work under the supervision of programme tutors or work-based managers.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to formulate a project

2 Be able to implement the project within agreed procedures and to specification

3 Be able to evaluate the project outcomes

4 Be able to present the project outcomes.

Unit content

1 Be able to formulate a project

Project selection: researching and reviewing areas of interest; literature review; methods of evaluating feasibility of projects, initial critical analysis of the outline specification, selection of project option, initiating a project logbook/diary, estimating costs and resource implications, identifying goals and limitations; value of project, rationale for selection, agree roles and allocate responsibilities (individually with tutor/supervisor and within project group if appropriate)

Project specifications: developing and structuring a list of requirements relevant to project specifications e.g. costs, timescales, scale of operation, standards, legislation, ethics, sustainability, quality, fitness-for-purpose, business data, resource implications

Procedures: planning and monitoring methods; operating methods; lines of communication; risk analysis; structure of groups and collaborative working e.g. learner groups or roles and responsibilities within a work-based project; targets and aims

Project plan: production of a plan for the project including timescales, deliverables, milestones, quality assurance systems and quality plans; monitoring progress

2 Be able to implement the project within agreed procedures and to specification

Implement: proper use of resources, working within agreed time scale, use of appropriate techniques for generating solutions, monitoring development against the agreed project plan, maintaining and adapting project plan where appropriate

Record: systematic recording of relevant outcomes of all aspects and stages of the project to agreed standards

3 Be able to evaluate the project outcomes

Evaluation techniques: detailed analysis of results, conclusions and recommendations; critical analysis against the project specification and planned procedures; use of appropriate evaluation techniques; application of project evaluation and review techniques (PERT); opportunities for further studies and developments

Interpretation: use of appropriate techniques to justify project progress and outcomes in terms of the original agreed project specification

Further consideration: significance of project; application of project results; implications; limitations of the project; improvements; recommendations for further consideration

4   **Be able to present the project outcomes**

Record of procedures and results: relevant documentation of all aspects and stages of the project

Format: professional delivery format appropriate to the audience; appropriate media

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Be able to formulate a project	1.1 formulate and record possible outline project specifications 1.2 identify the factors that contribute to the process of project selection 1.3 produce a specification for the agreed project 1.4 produce an appropriate project plan for the agreed project
LO2 Be able to implement the project within agreed procedures and to specification	2.1 match resources efficiently to the project 2.2 undertake the proposed project in accordance with the agreed specification 2.3 organise, analyse and interpret relevant outcomes
LO3 Be able to evaluate the project outcomes	3.1 use appropriate project evaluation techniques 3.2 interpret and analyse the results in terms of the original project specification 3.3 make recommendations and justify areas for further consideration
LO4 Be able to present the project outcomes	4.1 produce a record of all project procedures used 4.2 use an agreed format and appropriate media to present the outcomes of the project to an audience.

Guidance

Links

This unit is suitable for use in all sectors and should utilise the full range of skills developed through study of other units in the programme. These include planning, practical work, data handling and processing, analysis and presentation skills. The knowledge applied may link to one particular unit or to a number of other units.

Essential requirements

The required resources will vary significantly with the nature of the project. The identification of the equipment and materials required, and their availability, is a vital part of the planning phase. Learners should therefore have access to a wide variety of physical resources and data sources relevant to the project. Tutors should ensure that learners do not embark on work that cannot succeed because of lack of access to the required resources.

Employer engagement and vocational contexts

Centres must establish relationships with appropriate organisations in order to bring realism and relevance to the project.

Unit 49:   Work-based Experience

Unit code: D/601/0998

QCF level: 5

Credit value: 15 credits

Aim

This unit aims to enable learners to experience the scope and depth of learning which may take place in a work-based context by planning, monitoring and evaluating the work experience.

Unit abstract

A significant amount of learning can be achieved by carrying out practical activities in a workplace. Learning may be enhanced by taking a more formal approach to work-based activities – by planning, carrying out the activities and reflecting on the benefits of the activities to the business and to the learner.

This unit is designed to allow flexibility of study for part-time and full-time learners. It is expected that learners will be supervised in the workplace in addition to the supervision provided by their academic supervisor.

Learners will have the opportunity, supported by their supervisors, to negotiate and perform activities which will allow them to fulfil the assessment criteria for this unit. They will recognise the scope of what they have achieved by recording evidence from carrying out the activities. They will also gain maximum benefit by reflection on and evaluation of the work they undertake.

Learning outcomes

On successful completion of this unit a learner will:

1 Be able to negotiate industry experience

2 Understand the specific requirements of the placement

3 Be able to undertake work experience as identified

4 Be able to monitor and evaluate own performance and learning.

Unit content

1 Be able to negotiate industry experience

Suitable organisation and location: types of establishments for placement e.g. industry-related work for a client brief at college, existing work environment, different departments within current employer's business

Negotiation: methods of contacting organisations; methods of undertaking negotiations

Nature of duties: type of undertaking e.g. routine duties and tasks, project work, development of new procedures/protocol

Supervisors: roles and responsibilities of academic and industrial mentors

Expectations of learning: aims e.g. proficiency in new tasks and procedures, time-management and problem solving skills, reflection, discuss progress with others, teamwork

Business constraints: consideration of possible limitations e.g. need to be fully trained, adherence to quality systems, health and safety considerations, supervision time, workload, customer satisfaction, limited staffing, cost of materials

2 Understand the specific requirements of the placement

Tasks: details of activities e.g. specific hourly, daily, weekly routine and non-routine tasks; breakdown of a project into stages; new procedures/protocol

Prioritise: reasons for rationalisation of the order of tasks; methods of prioritising work

Plan for the work experience: methods used to develop detailed plan with schedule of tasks, proposed dates for reviews, expected input from supervisors

Benefits to organisation and learner: advantages to business e.g. allowing more routine tasks to be carried out, allowing procedures/techniques to be developed, increasing responsiveness, identifying cost saving measures; advantages to learner e.g. understanding how a business operates, understanding importance of teamwork, learning new techniques, development of problem-solving and time-management skills

3 Be able to undertake work experience as identified

Carry out the planned activities: realisation e.g. carrying out tasks and project work according to relevant legislation, training and codes of practice; developing new procedures or protocol

Record activities in the appropriate manner: systematic and appropriate recording of relevant activities e.g. logbook, diary, portfolio, spreadsheets, data bases; list of resources

Revise the initial plan as required: methods used to review activities at the appropriate time to see if they meet requirements, make alterations as needed

4 **Be able to monitor and evaluate own performance and learning**

Evaluation of the quality of the work undertaken: meeting industry standards and evaluating own performance against original proposal; comments/testimony from supervisors

Account of learning during the work experience: details of experience gained e.g. new procedures, interpersonal skills, time management, problem solving, teamwork; details of evidence e.g. portfolio of evidence, scientific report, management report

Recommendations on how the learning experience could have been enhanced: alternative ideas e.g. different location, different brief, different time period, more/less support, better time management, better preparation

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to negotiate industry experience	1.1 research and evaluate suitable organisations that could provide industry experience 1.2 negotiate with work and academic supervisors a proposal for the work experience 1.3 recognise the business constraints on the work experience offered
LO2 Understand the specific requirements of the placement	2.1 agree and prioritise the tasks and responsibilities involved in the work experience 2.2 produce a plan for the work experience 2.3 analyse the benefits of the proposed activities to the business and the learner
LO3 Be able to undertake work experience as identified	3.1 fulfil specified requirements of placement conforming to all related codes of practice 3.2 produce systematic records of work undertaken 3.3 revise the initial plan as required 3.4 make suggestions for improvement and review these with appropriate supervisor
LO4 Be able to monitor and evaluate own performance and learning	4.1 monitor progress against original proposal 4.2 evaluate the quality of own performance 4.3 analyse the learning which has taken place during the work experience using suitable reflections 4.4 make recommendations on how the experience could have been enhanced.

Guidance

Links

This unit has possible links with all units in the programme, especially the *Personal and Professional Development* and *Employability Skills* units.

This unit has links to the Management and Leadership NOS.

Essential requirements

Given the work-based nature of this unit, the majority of resources will be those available to the learner in the workplace. The work will normally be planned to be achievable within the resource constraints of the employer. Therefore knowledge of company structures and daily routines and expectations are essential. Learners should also have access to a wide range of research facilities including careers library and/or careers services.

Tutor support and guidance are essential. Learners should remain in touch with tutors during the work experience – email is often the best way but some colleges may have access to a virtual learning environment where learners can share information and experiences with each other and the tutor.

Unit 50:   Management Accounting

Unit code: F/504/2624

QCF level: 5

Credit value: 15

Aim

The aim of this unit is to provide learners with an understanding and ability to use cost and budgeted information to support the management decision process within an organisation.

Unit abstract

In this unit learners will study how cost data is collected, analysed and processed in to information to support the management decision making process. Learners will also consider different costing and budgeting systems and budgetary planning and control. Learners will look at how to prepare budgets and then compare budgeted figures to actual business results. Once variances have been identified, learners will recommend corrective action to be taken.

Learners will explore, assess and decide upon alternative cost and volume proposals in order to identify maximum profit level.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the budgeting process

2 Understand how to use cost information to improve business performance

3 Be able to prepare budgets for a business

4 Be able to monitor performance against budgets within a business

5 Be able to carry out cost-volume-profit analysis for a business

Unit content

1 **Understand the budgeting process**

Purpose of the budgeting process: benefits of budgeting

Nature of the budgeting process: links with organisational objectives and strategy; the budget manual; budgets as planning, coordinating, motivation and control devices; behavioural consequences of budgets; padding the budget; spending to budget; creative budgets.

2 **Understand how to use cost information to improve business performance**

Different types of costs and classification: materials; labour; overheads; direct costs; indirect costs; fixed, variable and semi-variable costs.

Costing methods: methods e.g. marginal costing, absorption costing, job costing, batch costing, process costing, contract costing, service costing

Calculation of costs: techniques e.g. absorption costing, marginal costing, overhead absorption, activity based costing, stock valuation methods

Analysis of cost data: data collection for analysis and presentation; preparation of contribution per unit statements; analysis of different scenarios e.g. make or buy-in products for sale, special orders with a fixed buying price

Cost assessment to maximise profitability: assessment of how to maximise profit against limiting factors such as restricted output, labour hours

3 **Be able to prepare budgets for a business**

Budgeting methods: incremental, zero based; fixed; flexible

Budget preparation: limiting key factors; master, subsidiary and functional budgets; preparation of sales budget; debtors' budget; creditors' budget, production cost, raw materials and finished goods budgets

Cash budget: composing a cash budget from subsidiary budgets (Receipts and Payments);handling cash deficits through revised payment and receipt arrangements.

4 **Be able to monitor performance against budgets within a business**

Variances: types; analysis; calculation; possible causes e.g. variances in materials used, materials purchased, price of materials, amount of labour used, payment of labour, efficiency of labour

Corrective action: relevant to business, to the context

Operating statement: identification of favourable or adverse variances against budget leading to the compilation of a Cost Reconciliation Statement

Reporting findings: identification of favourable or adverse variance from planned expenditure

5 **Be able to carry out cost-volume-profit analysis for a business**

Alternative cost and volume proposals: higher costs; lower costs; higher sales volume; lower sales volume

Break-even analysis: calculation of break-even point; margin of safety; target profit setting; use of graphs; use of break-even formula

Recommending action to improve financial performance: actions to improve profitability e.g. raise price, lower costs

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the budgeting process	1.1 Explain the purpose of the budgeting process
	1.2 Explain the nature of the budgeting process
LO2 Understand how to use cost information to improve business performance	2.1 Classify different types of cost behaviour in relation to output.
	2.2 Evaluate alternative methods of costing when preparing a profit statement.
	2.3 Calculate costs using a justified choice of technique
	2.4 Analyse cost data using appropriate techniques
	2.5 Assess costs to maximise profitability
LO3 Be able to prepare budgets for a business	3.1 Select appropriate budgeting methods for the needs of a selected business
	3.2 Prepare budgets for the selected business according to the chosen budgeting method
	3.3 Prepare a cash budget for the selected business
	3.4 Assess any changes which should be made to the budget in order to smooth out cash flow variances.
LO4 Be able to monitor performance against budgets within a business	4.1 Calculate variances for a selected business
	4.2 Analyse possible causes of any variances
	4.3 Recommend corrective action for identified variances
	4.4 Prepare an operating statement reconciling budgeted and actual results
	4.5 Report findings to management in accordance with identified responsibility centres
LO5 Be able to carry out cost-volume-profit analysis for a business	5.1 Analyse the effect of alternative cost and volume proposals on profit levels using break-even analysis
	5.2 Recommend justified appropriate action to improve the financial performance of a business

Guidance

Links

This unit links with the following units within the specification, *Unit 2: Managing Financial Resources and Decisions* and *Unit 6: Business Decision Making*.

This unit is a barred combination with the level 4 units - *Unit 9: Management Accounting: Costing and Budgeting and Unit 10: Financial Accounting and Reporting*.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many business and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and the local business context and guest speakers.

Unit 51:   International Marketing

Unit code: R/602/6079

QCF level: 4

Credit value: 15

Aim

The aim of this unit is to provide learners with the knowledge and skills required to plan, implement and control international marketing campaigns.

Unit abstract

This Unit develops learners' understanding of marketing in an international context. Learners will explore methods used for identifying foreign markets beyond domestic and EU borders and the importance of identifying and choosing appropriate distribution channels for foreign market entry.

Learners will also consider the process of international marketing planning and apply this to a specific product range.

Finally, learners will investigate the practical and ethical aspects of international marketing decision making.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the concept of international marketing for potential foreign markets

2 Understand how to make export channel and distribution decisions

3 Be able to present a marketing plan for a foreign market

4 Understand control methods for international marketing.

Unit content

1 Understand the concept of international marketing for potential foreign markets.

Changing perspectives from domestic to foreign markets: the world trade scene; free market forces and trading relationships; stages of moving to exporting; the 'C' factors (countries, currency, competitors); the PEST factors (political, economic, social, technological); free trade initiatives

Understanding international customers: international marketing research; cultural aspects of international marketing; market research agency selection and briefing: using marketing research to identify foreign target markets

2 Understand how to make export channel and distribution decisions.

International distribution decisions: alternative market entry and development channels; functions of 'middlemen'; importance of channel decision making; selection criteria for market entry channels

Indirect exporting: export merchants; confirming houses; manufacturers' export agents; the specialist export manager; international trading companies; UK buying offices; 'piggy-back' exporting

Direct exporting: selling direct to foreign customers; foreign international trading companies; agencies; distributors; stockists; branch offices; marketing subsidiary abroad

Joint ventures: licensing; franchising; contract manufacturing; management contracts

Manufacture abroad: the investment decision; the location decision; assembly operations; joint manufacturing and marketing decisions

3 Be able to present a marketing plan for a foreign market

Communicating to foreign target markets: advertising media; internet portals; corporate image; public relations; personal selling; trade fairs and exhibitions; international promotional campaign decisions; using digital media technology

International marketing planning: the international marketing mix; budgetary considerations; factors effecting the implementation of international marketing plans; product and pricing decisions; SMART international marketing objectives

Ethical and legal issues: counterfeiting; international copyrights; 'passing off'; fair trade foundation; consumer groups; ethical market entry decisions; counter-corruption and bribery policies; environmental auditing

4 **Understand control methods for international marketing.**

Monitoring and control of international marketing: budgetary considerations; key performance indicators; factors affecting the implementation of marketing plans; overcoming barriers to implementation of the plan

International marketing planning management: key personnel and how to support and retain them; networking; communicating with personnel; monitoring SMART international marketing objectives

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the concept of international marketing for potential foreign markets.	1.1 Explain why firms develop international marketing. 1.2 Analyse a foreign market in terms of PEST 1.3 Evaluate international marketing research techniques as part of a product launch. 1.4 Evaluate a foreign target market for identified products
LO2 Understand how to make export channel and distribution decisions.	2.1 Explain how channels evolve in distributing identified products to an export market. 2.2 Describe reliable export channels for products. 2.3 Evaluate export distribution channels 2.4 Analyse how foreign manufacturing and investment decisions are made.
LO3 Be able to present a marketing plan for a foreign market.	3.1 Produce international marketing objectives 3.2 Create plans to enter identified foreign markets 3.3 Identify the international marketing mix in planning for the international market 3.4 Review relevant ethical and environmental issues in international marketing.
LO4 Understand control methods for international marketing.	4.1 Explain why international marketing planning should be monitored 4.2 Analyse ways of controlling export channels 4.3 Describe barriers to international marketing 4.4 Evaluate methods of communication with key international marketing personnel.

Guidance

Links

This unit forms a direct link with the other marketing units in the programme including *Unit 51: Exporting and Importing Documentation and Procedures*. The unit is also linked with *Unit 4: Marketing Principles, Unit 18: Advertising and Promotion in Business, Unit 8: Research Project, Unit 49: Work Based Experience*.

Essential Requirements

For this Unit learners require access to the internet and eBooks. The Unit involves linking international marketing theory to real and simulated examples from these resources.

Access to the Chartered Institute of Marketing's Information and Library Service provides information on host and overseas markets.

For this unit learners will require access to INTRASTAT.

Employer engagement and vocational contexts

The Centre has developed links with a foreign university, foreign businesses and also with regional employers involved in international trade. Many of these businesses benefit the learners by providing placements where international marketing techniques can be practised

Access to external agencies including Business Link, the foreign university, and other information sources provide a vocational context and suitable information sources.

Unit 52: Exporting and Importing Documentation and Procedures

Unit code: T/602/6088

QCF level: 4

Credit value: 15

Aim

The aim of this unit is to enable learners to understand and practise the completion of import and export documentation and procedures required for international trade.

Unit abstract

This Unit explores the procedures to follow for the export and import of goods within and beyond the EU.

Learners will explore the economics behind international trade and the international trade organisations that influence global markets. The approach is practical and specific emphasis is placed on the actual events that lead to the export of goods to overseas destinations and the process for importing products into the domestic market. The customs procedures, import duties and shipping documentation requirements are examined along with the need to consult appropriate government agencies such as customs and international trade advisory bodies. The practical aspects of packaging and labelling are also investigated.

The unit seeks to combine a sound theoretical framework with the development of useful exporting management skills.

Learning outcomes

On successful completion of this unit a learner will:

1 Understand the world import and export trade in the context of the EU

2 Understand of the role of relevant British government agencies in importing

3 Be able to complete shipping documentation

4 Be able to assess the importance of packaging for an export market.

Unit content

1 Understand the world import and export trade in the context of the EU.

The industry in context: World Trade Organisation (WTO); how international trade is controlled; regulatory bodies and trade relationships; the UK, its neighbours (France, Ireland, Germany) and the EU in world trade context; world trade with developing countries; fair trade issues

The import/export process: scale and economics of international trade; preferential trade agreements; export department functions; export structures and organisation; preliminary desk research; EU trade statistics (INTRASTAT) and obtaining import data; identifying potential importers and distributors, generating the sales enquiry to final dispatch

Import/Export orders: creating a process for export enquiries and sales leads; commodity codes; using trade terms to your advantage; trade preferences

2 Understand of the role of relevant government agencies in importing.

Roles of Customs and Excise: the role of relevant government agencies; duty and VAT Liabilities when importing or exporting.

Customs procedures: import entry procedures on arrival; warehousing; paying import duty and VAT; tariff classifications

Freight forwarders: role of freight forwarders and identifying a local one; freight forwarder associations

Practical advice: UK trade Invest; Business Link; Institute of Export; relevant revenue and customs agencies; British International Freight Association (BIFA); European Freight Forwarder's Association (EFFA); International Federation of Freight Forwarders Associations (FIATA)

Container Ports: explanation of location and access within the UK and EU and their services

3 Be able to complete shipping documentation.

Export administration: import duties; taxes; tax rebates; reliefs; licences and special conditions such as prohibitions; assessing the best method of payment for your transactions

Compliance: host country regulations; discovering destination country regulations; tariff quotas and other quotas; import licences; export licences; prohibitions and restrictions

Shipping documentation: guide to the main forms: EUR1; Single Administrative Document (SAD); Standard Shipping Note (SSN); ATA carnets, C88, Bill of Lading

International commercial shipping terms (Incoterms): the revised Incoterms; importance of Incoterms in export negotiation; determining the best Incoterms in different situations

4 **Be able to assess the importance of packaging for an export market.**

Preparing goods for overseas markets: physical packaging; cultural aspects, protection, costs, perishables, and infestation

Promotional opportunities: design; branding identification; forgeries; purchase motivations.

Label regulations: dangerous goods, label approvals, label information, language

Ease of handling: contents identification, convenience, size of packs, warning notices

NCTS: the New Computerised Transit System

Learning outcomes and assessment criteria

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO1 Understand the world import and export trade in the context of the EU.	1.1 Analyse world trade organisations and their role in international trade 1.2 Compare the scale and context of world trade with that of the EU 1.3 Explain the mechanisms for measuring world trade in the context of being an EU member country 1.4 Evaluate the procedures for processing import and export orders in the context of being an EU member country.
LO2 Understand of the role of relevant government	2.1 Explain the roles of relevant government agencies in the context of importing products 2.2 Analyse customs documentation and procedures in order to ensure compliance 2.3 Evaluate sources of practical advice to importers and exporters within the EU 2.4 Evaluate the role of freight forwarding in importing to meet customer requirements.
LO3 Be able to complete shipping documentation.	3.1 Apply import and export administration procedures for a specific product 3.2 Simulate the import of a consignment using appropriate shipping documentation 3.3 Review compliance procedures in host countries to avoid documentation mistakes 3.4 Demonstrate the use of international commercial shipping terms (INCOTERMS) so that goods are correctly shipped.
LO4 Be able to assess the importance of packaging for an export market	4.1 Prepare goods appropriately for transportation 4.2 Assess labelling requirements in an overseas market 4.3 Demonstrate how to obtain transport insurance to safeguard shipments 4.4 Explain how computerised systems are used to identify and track packages.

Guidance

Links

This unit forms a direct link with the other marketing units in the programme. The unit is linked with U*nit 4: Marketing Principles, Unit 18: Advertising and Promotion in Business, Unit 8: Research Project, Unit 52: International marketing* and *Unit 49: Work Based Experience*.

Essential Requirements

For this unit learners require access to the internet and email. The unit involves a simulated export negotiating exercise and so the exchange of emails will take place with an overseas trader either simulated or real.

Access to the Chartered Institute of Marketing's Information and Library Service provides information on host and overseas markets.

Employer engagement and vocational contexts

Access to external government agencies and professional associations provides a vocational context and useful information sources.

Unit 53: Study and Communication Skills for Business

Unit code: A/505/5226

QCF level: 4

Credit value: 15

Aim

The aim of this unit is to provide learners with an understanding of the academic skills required to function effectively in a UK university environment, with particular focus on language skills and terminology for the study of Business.

Unit abstract

This unit focuses on the development of Academic study and communication skills which will enable learners to prepare effectively for university study. In addition to understanding business terminology, learners will develop the ability to read critically and synthesise their ideas in their writing. Learners will also be required to complete a series of reflective tasks and will understand the importance of becoming an independent learner.

The unit will include several key components: academic writing; academic reading; listening and note-taking; language for seminars; presentation skills; academic vocabulary development; grammar for academic and business purposes. Materials used in the unit will provide learners with support in skills for the other units in the course.

Learning outcomes

On successful completion of this unit a learner will:

1. Understand how to develop reading strategies to evaluate business sources and materials

2. Understand techniques to listen effectively and critically to business focused materials and develop note-taking skills.

3. Be able to produce a written analysis of a business case study.

4. Be able to communicate effectively in business situations using appropriate presentation techniques.

Unit content

1 **Understand how to develop reading strategies to evaluate business sources and materials**

Reading strategies: key arguments; specific information; discrimination between fact and opinion; supporting examples e.g. company reports, financial times

Text structure: identify complex text structure; follow an argument and supporting evidence; key sections

Independent learning: note-taking; summarising; vocabulary development; analysis; critical thinking; learning journal(s)

2 **Understand techniques to listen effectively and critically to business focused materials and develop note-taking skills**

Listening techniques: understanding main points; inference; prediction; signposting; following instructions

Listening skills: lectures; broadcasts; note-taking; paraphrasing; summarising; listening critically and actively

3 **Be able to produce a written analysis of a business case study**

Writing process: genre; focus; outline; brainstorming; planning; structure; layout

Academic writing structure: writing introductions and conclusions; definitions; paragraphing; topic sentences

Referencing: recording sources; in-text citation; paraphrasing; avoiding plagiarism; reference list

Independent learning: evaluating relevance of ideas; editing; proofreading; personal goals

4 **Be able to communicate effectively in business situations using appropriate presentation techniques.**

Seminar skills: expressing opinion; agreeing and disagreeing; interrupting politely; leading discussion; turn-taking

Presentation skills: research; structure; signposting; key points; body language; intonation; audience rapport; visual aids

Independent learning: critical self-reflection; peer evaluation; group evaluation; roles; personal goals and objectives.

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand how to develop reading strategies to evaluate business sources and materials.	1.1	take notes and summarise information in text from business sources
	1.2	compare and contrast fact and opinion demonstrating critical analysis skills using separate business sources
	1.3	evaluate key arguments and supporting evidence from separate business sources using effective reading strategies
LO2 Understand techniques to listen effectively and critically to business focused materials and develop note-taking skills.	2.1	analyse the content of different types of recorded business material to include lectures and radio broadcasts
	2.2	produce accurate summary notes of the recorded materials
	2.3	demonstrate comprehension of complex recorded business materials
LO3 Be able to produce a written analysis of a business case study.	3.1	discuss genre and focus through the analysis of a complex task
	3.2	develop a structured written argument with supporting evidence to a non – routine business problem
	3.3	describe cause and effect relationships
	3.4	use academic hedging and caution
	3.5	reference accurately according to the Harvard system
	3.6	accurately proofread and edit a written business text

Learning outcomes	Assessment criteria for pass
On successful completion of this unit a learner will:	The learner can:
LO4 Be able to communicate effectively in business situations using appropriate presentation techniques.	4.1 Participate effectively in business situations and working groups 4.2 Give others the opportunity to contribute their ideas and opinions 4.3 Demonstrate ability to assimilate information communicated by others. 4.4 Demonstrate appropriate presentation skills and non-verbal communication skills during a business presentation 4.5 Direct discussions to achieve objectives 4.6 Reflect on personal performance to set future learning goals and objectives

Guidance

Links

This unit can be used to support learners in the study of other subject modules.

Essential requirements

There are no essential or unique resources required for the delivery of this unit.

Unit 54: Business Skills for Proposals and Pitches

Unit code: Y/505/5248

QCF level: 4

Credit value: 15

Aim

The aim of this unit is to provide learners with an understanding of the concepts and skills involved in the development and implementation of a business idea through the practical application of relevant theories.

Unit abstract

This is a broad-based unit which focuses on the application of business concepts in a practical context. Learners will understand the academic and business skills involved in researching a market, analysing data and making informed decisions. In this unit, learners will consolidate understanding of the concepts developed in units 1–4, for example management and leadership theories and the elements of the marketing mix.

Firstly, learners will be required to develop a business idea by identifying a gap in the market. Through this process, learners will practice and further develop skills in market research and data analysis. Learners will then consider the market environment for their chosen product/service using a variety of business tools, for example PESTEL analysis and Porter's Five Forces.

Next, learners will understand how to critically evaluate a number of business ideas in a formal context and assess their feasibility. Learners will also, therefore, develop an understanding of how to conduct a business meeting, in addition to enhancing communication and debating skills. Finally, learners will consider the elements of the marketing mix and prepare a pitch for their chosen business idea.

Learning outcomes

On successful completion of this unit a learner will:

1. Understand ways of researching and analysing a market.

2. Be able to apply analytical tools when assessing the feasibility of a business proposal.

3. Be able to participate in formal business meetings.

4. Be able to participate in a group business pitch using verbal and visual methods.

Unit content

1 **Understand ways of researching and analysing a market**

Business sectors: food and drink; leisure; media & technology; travel; fashion; beauty and health; finance; product; service; country of operation

Market research: market share; growth; market trends; market reports; industry profiles

Analysis of business information: current tends in markets; strengths and weaknesses of products and services; SWOT analysis; production; competitors

2 **Be able to apply analytical tools when assessing the feasibility of a business proposal**

Macro-environment: PESTEL analysis; political; economic; social; technological; environmental; legal; external factors; market potential

Target market: market segmentation (geographic, demographic, psychographic and behavioural); positioning

Micro-environment: Porter's Five Forces; barriers to entry; supplier power; buyer power; threat of substitution; threat of new entry; competitive rivalry

Business proposal: factors to consider for robustness; competitors: direct; indirect market share; strengths and weaknesses; research and analysis of proposal

3 **Be able to participate in formal business meetings**

Preparation for a business meeting: drawing up an agenda; allocation of roles; communication of information; methods of communication; format of communication; pre and post meeting documentation; timings; attendance; invitees

Conducting a business meeting: taking minutes; role of the chair; turn-taking; debating skills; recording decisions; critical evaluation; making judgements

4 **Be able to participate in a group business pitch using verbal and visual methods**

Verbal communication: presentation skills; time management; teamwork; effective business communication; language of persuasion; evaluation of pitch and group work

Visual communication: graphics; presentation slides; promotional video; advertising (leaflets); body language and gestures

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:	
LO1 Understand ways of researching and analysing a market	1.1	conduct market research through the use of appropriate online resources including market and industry reports
	1.2	evaluate current trends in a market
	1.3	analyse the strengths and weaknesses of a potential product/service
LO2 Be able to apply analytical tools when assessing the feasibility of a business proposal	2.1	analyse the macro-environment through the use of a PESTEL analysis
	2.2	select a target market for a specific business proposal through the process of market segmentation
	2.3	analyse the micro-environment for this proposal through the use of the Porter's Five Forces
	2.4	select a robust business proposal based on research and analysis
LO3 Be able to participate in formal business meetings	3.1	document a formal business meeting effectively, including pre and post meeting communications
	3.2	participate effectively in a business meeting
	3.3	present a business proposal at a meeting
	3.4	critically evaluate meeting outcomes
LO4 Be able to participate in a group business pitch using verbal and visual methods	4.1	demonstrate effective team working and time management skills in preparation for the pitch
	4.2	communicate effectively in a formal presentation, both verbally and visually
	4.3	use language of persuasion effectively
	4.4	evaluate the success of the pitch in meeting the business objectives.

Guidance

Links

This unit has links with other business units such as *Unit 4: Marketing Principles.*

Essential requirements

Learners individually research a proposal, which they then individually present at a meeting. One suggested approach is for the meeting then to decide which proposal to take forward, this is then the proposal that the group take forward and pitch.

There are no essential or unique resources required for the delivery of this unit, although it may be beneficial to use a video camera to record the pitch.

Db240114G:\WORDPROC\LT\PD\HIGHER NATIONALS\9781446911358_BTEC_HNS_L45_BUS_ISSUE_6\UNITS\
BTEC_HNS_L45_BUS_UNITS_ISSUE_6.DOC.1–298/0

296   Pearson BTEC Levels 4 and 5 Higher Nationals specification in Business
                                                                       – Units – Issue 6 – January 2014 © Pearson Education Limited 2014