Pearson BTEC Level 7 Certificate, Diploma and Extended Diploma in Strategic Management and Leadership

Specification

BTEC Professional qualifications
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Issue 3

About Pearson

We are the world's leading learning company operating in countries all around the world. We provide content, assessment and digital services to learners, educational institutions, employers, governments and other partners globally. We are committed to helping equip learners with the skills they need to enhance their employability prospects and to succeed in the changing world of work. We believe that wherever learning flourishes so do people.

This specification is Issue 3. Key changes are summarised on the next page. We will inform centres of any changes to this issue. The latest issue can be found on our website.

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Summary of Pearson BTEC Level 7 Professional Qualifications in Strategic Management and Leadership specification Issue 3 changes

Summary of changes made between Issue 2 and this Issue 3	Page number
Correction of spelling (must) in Qualification summaries and key information tables.	5–6
Correction of spelling (work-force) in Unit 1, Unit content, Learning outcome A	15
Updated *Unit 1: Strategic Leadership and Management* contexts and challenges to strengthen coverage of sustainability, environmental and social responsibility, climate and regulatory risk, digital transformation, and hybrid and remote working.	15
Added explicit coverage of artificial intelligence and advanced technologies in Unit 1, including AI-enabled decision-making, forecasting, performance management, and ethical, legal and governance implications.	15
Expanded change-management content in Unit 1 to reflect technology-enabled and sustainability-driven change, including long-term impact and sustainability of outcomes.	16
Correction of spelling (outcome) in Unit 1 Assessment requirements Learning outcome A and grammar (removal of apostrophe) Learning outcome B.	18
Correction of spelling (these) in Unit 2, Unit introduction.	19
Updated *Unit 2: Strategic Change Management* to include sustainability-driven and technology-enabled change contexts, data and technology influences, and long-term sustainability of change outcomes.	21–22
Added references in Unit 2 to AI-enabled change management, including skills readiness, capability development and integration of AI tools.	21–22
Updated *Unit 3: Research Methods* to include digital and AI-supported research approaches, ethical and responsible use of data, data integrity, digital analysis tools, and sustainable research practice.	27–28
Added 'is' after 'There' in Unit 3, Assessment requirements, Learning outcome D.	32
Updated *Unit 4: Creativity, Innovation and Entrepreneurship* to strengthen coverage of digital and AI-enabled innovation, responsible innovation, and long-term organisational sustainability.	35–36
Added 'in' after applied in Unit 5 Learning outcomes and assessment criteria, D.	42
Removal of repeated bullet point, Unit 5, Learning outcome B.	43

Updated *Unit 5: Strategic Marketing Management* to reference digital and AI-supported tools, sustainability and ethical considerations within marketing strategy development.	43–44
Added 'in' after 'applied' to Learning outcome D.	45–47
Updated *Unit 7: Strategic Human Resource Management* to reflect emerging HRM trends including AI-enabled workforce planning, talent management, learning and development, ethical considerations and alignment with organisational strategy.	57
Correction of spelling (outcome) Unit 7, Assessment requirements, Learning outcome A.	60
Removal of apostrophe in Unit 8 Unit introduction.	61
Correction of spelling (long-term) in Unit 8, Assessment requirements, Learning outcome A and Learning outcome C.	67, 68
Updated *Unit 9: Strategic Supply Chain Management* to strengthen coverage of digital supply chains, blockchain, AI applications and benefits, automation, and sustainability considerations.	71–72
Correction of spelling (outcome) in Unit 9, Assessment requirements, Learning outcome A.	74
Updated *Unit 12: The Digital Business; Transformation and Optimisation* to expand coverage of artificial intelligence, algorithmic decision-making, sustainability, energy efficiency and environmental impact of digital technologies.	89–90
Correction of spelling (outcome) in Unit 12, Assessment requirements.	92
Updated *Unit 13: Organisational Culture and Communication* to reflect technology-mediated communication environments, digital transparency and technology's role in shaping culture and strategic communication.	97–98
Correction of spellings (outcome, managed) in Unit 13, Assessment requirements, Learning outcome A and Learning outcome C.	100

If you need further information on these changes or what they mean, contact us via our website at: qualifications.pearson.com/en/support/contact-us.html.

Welcome

With a track record built over 40 years of learner success, our BTEC qualifications are recognised by governments, industry and higher education.

What are BTEC Specialist and Professional qualifications?

These BTEC qualifications are available at Levels 1–3 (Specialist) and at Levels 4–7 (Professional).

BTEC Specialist and Professional qualifications give learners the understanding and skills they need to prepare for employment in a sector or job role. They also provide career development opportunities for those already in work.

They put learning into the context of the world of work, giving learners the opportunity to apply their learning in relevant and realistic work contexts. This applied, practical approach means that learners develop the knowledge and skills they need for career progression or further study.

Sizes of BTEC Specialist and Professional qualifications

For all regulated qualifications, Pearson specifies a total estimated number of hours that learners will require to complete and show achievement for the qualification – this is the Total Qualification Time (TQT). The TQT value indicates the size of a qualification.

Within the TQT, Pearson identifies the number of Guided Learning Hours (GLH) we estimate a centre delivering a qualification might provide. Guided learning means activities, such as lessons, tutorials, online instruction, supervised study and giving feedback on performance, that directly involve tutors and assessors in teaching, supervising and invigilating learners.

In addition to guided learning, other required learning directed by tutors or assessors includes private study, preparation for assessment and undertaking assessment when not under supervision, such as preparatory reading, revision and independent research.

As well as TQT and GLH, qualifications can also have a credit value – equal to one tenth of the TQT, rounded to the nearest whole number.

TQT and credit values are assigned after consultation with the employers and training providers delivering the qualifications.

BTEC Specialist and Professional qualifications are generally available in the following sizes:

- Award – a qualification with a TQT value of 120 or less (equivalent to a range of 1–12 credits)
- Certificate – a qualification with a TQT value in the range of 121–369 (equivalent to a range of 13–36 credits)
- Diploma – a qualification with a TQT value of 370 or more (equivalent to 37 credits and above).'

Collaborative development

These qualifications have been developed with input from higher education experts in the UK. We are grateful to all the individuals and organisations who generously shared their time and expertise to help us develop these new qualifications.

Contents

Introduction to Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership 1

Qualifications, sizes and purposes at a glance 2

Structures of the qualifications at a glance 3

1 Qualification purpose and progression 4

Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership 4

2 Qualification summaries and key information 5

3 Structure 7

Qualification structures 7

4 Units 9

Understanding your units 9

Index of units 11

Unit 1: Strategic Leadership and Management 13

Unit 2: Strategic Change Management 19

Unit 3: Research Methods 25

Unit 4: Creativity, Innovation and Entrepreneurship 33

Unit 5: Strategic Marketing Management 41

Unit 6: Project Management – the Strategic Perspective 49

Unit 7: Strategic Human Resource Management 55

Unit 8: Financial Principles and Techniques for the Strategic Manager 61

Unit 9: Strategic Supply Chain Management 69

Unit 10: Strategic Management of Quality and Operations 75

Unit 11: Small Business Management; a Strategic Overview 81

Unit 12: The Digital Business; Transformation and Optimisation 87

Unit 13: The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy 95

5 Programme delivery 101

6 Assessment **102**
Internal assessment 102
7 Administrative arrangements **104**
Introduction 104
Learner registration and entry 104
Access to assessment 104
Administrative arrangements for assessment 105
Dealing with malpractice in assessment 105
Certification and results 108
Additional documents to support centre administration 108
8 Quality assurance **109**
9 Appendix **111**

Introduction to Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership

This specification contains all the information you need to deliver the Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership.

These Level 7 qualifications have been designed with input from higher education practitioners.

The qualification titles and Qualification Numbers (QNs) are given below.

Pearson BTEC Level 7 Certificate in Strategic Management and Leadership	(603/5907/9)
Pearson BTEC Level 7 Diploma in Strategic Management and Leadership	(603/5908/0)
Pearson BTEC Level 7 Extended Diploma in Strategic and Leadership Management.	(603/5909/2)

This specification signposts the other essential documents and support that you need as a centre to deliver, assess and administer the qualifications, including the staff development required. A summary of all essential documents is given in *Section 7: Administrative arrangements*.

These qualifications are regulated in England by Ofqual[1].

The information in this specification is correct at the time of publication.

[1] The Office of Qualifications and Examinations Regulation

Qualifications, sizes and purposes at a glance

Title	Size and structure	Summary purpose
Pearson BTEC Level 7 Certificate in Strategic Management and Leadership	45 GLH 200 TQT hours 20 credits One mandatory unit.	This qualification is designed to provide a smaller bite-sized qualification focused on strategic management and leadership. It can be studied in combination with other qualifications or as training within a wide range of employment fields to introduce learners to essential knowledge and understanding of strategic management and leadership. It enables progression into larger sized qualifications both in this and other subject areas.
Pearson BTEC Level 7 Diploma in Strategic Management and Leadership	135 GLH 600 TQT hours 60 credits Three units, of which two are mandatory.	This qualification builds on the 45 GLH Certificate and is designed to provide a focused qualification on strategic management, leadership and change, with optional units that allow some specialisation. It prepares learners to work as strategic managers and leaders.
Pearson BTEC Level 7 Extended Diploma in Strategic Management and Leadership	270 GLH 1200 TQT hours 120 credits Six units, of which three are mandatory.	This qualification builds on the 135 GLH Diploma and is designed to provide a broad qualification on strategic management and leadership. It prepares learners to work as strategic managers and leaders with optional units in, for example, planning, creative and innovative management, and communication.

Structures of the qualifications at a glance

This table shows the units and the qualifications that they are part of. The full structures are shown in *Section 3: Structure*.

Key

M	**Mandatory units**
O	**Optional units**

Pearson BTEC Level 7 Professional Qualifications in Strategic Management and Leadership	**Unit size (GLH)**	**Certificate (45 GLH)**	**Diploma (135 GLH)**	**Extended Diploma (270 GLH)**
1 Strategic Leadership and Management	**45**	**M**	**M**	**M**
2 Strategic Change Management	**45**		**M**	**M**
3 Research Methods	**45**		**O**	**M**
4 Creativity, Innovation and Entrepreneurship	**45**		**O**	**O**
5 Strategic Marketing Management	**45**		**O**	**O**
6 Project Management – the Strategic Perspective	**45**		**O**	**O**
7 Strategic Human Resource Management	**45**		**O**	**O**
8 Financial Principles and Techniques for the Strategic Manager	**45**		**O**	**O**
9 Strategic Supply Chain Management	**45**		**O**	**O**
10 Strategic Management of Quality and Operations	**45**		**O**	**O**
11 Small Business Management; a Strategic Overview	**45**		**O**	**O**
12 The Digital Business; Transformation and Optimisation	**45**		**O**	**O**
13 The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy	**45**		**O**	**O**

1 Qualification purpose and progression

Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership

Who are these qualifications for?

The Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership are designed to provide focused and specialist vocational courses with a clear work-related emphasis. The qualifications provide the knowledge, understanding and skills required to manage people and resources in a strategic way in all sizes of organisation.

They are particularly suitable for learners who wish to follow a tailored programme of study that is directly related to their work in strategic management/leadership, or that is related to an aspect of employment they wish to move into in the future.

The 45 GLH Certificate is designed to provide a smaller bite-sized qualification focused on strategic management and leadership. It can be studied in combination with other qualifications or as training within a wide range of employment fields to introduce learners to essential knowledge and understanding of strategic management and leadership. It enables progression into larger sized qualifications both in this and other subject areas.

The 135 GLH Diploma builds on the 45 GLH Certificate and is designed to provide a focused qualification on strategic management, leadership and change, with optional units that allow some specialisation. It prepares learners to work as strategic managers and leaders.

The 270 GLH Extended Diploma builds on the 135 GLH Diploma and is designed to provide a broad qualification on strategic management and leadership. It prepares learners to work as strategic managers and leaders with optional units in, for example, planning, creative and innovative management, and communication.

What could these qualifications lead to?

BTEC Level 7 Professional qualifications in Strategic Management and Leadership support progression to further post-graduate study.

These qualifications support career progression. Learners who have completed a BTEC Level 7 Professional qualification in Strategic Management will be ready to work in the role of a strategic manager.

2 Qualification summaries and key information

Qualification title	Pearson BTEC Level 7 Certificate in Strategic Management and Leadership
Operational start date	01/01/2021
Entry requirements	This qualification is for learners aged 19 or above. There are no specific entry requirements however centres must ensure that learners have sufficient capacity and/or experiential learning to undertake this qualification. Please also refer to *Section 7 Administrative Arrangements*.
Guided Learning Hours (GLH)	45
Total Qualification Time	200 hours
Credit value	20
Assessment	The units are assessed using assignments that are set and marked by the centre.
Unit grading information	Pass
Qualification grading information	Pass

Qualification title	Pearson BTEC Level 7 Diploma in Strategic Management and Leadership
Operational start date	01/01/2021
Entry requirements	This qualification is for learners aged 19 or above. There are no specific entry requirements however centres must ensure that learners have sufficient capacity and/or experiential learning to undertake this qualification. Please also refer to *Section 7 Administrative Arrangements*.
Guided Learning Hours (GLH)	135
Total Qualification Time	600 hours
Credit value	60
Assessment	The units are assessed using assignments that are set and marked by the centre.
Unit grading information	Pass
Qualification grading information	Pass

Qualification title	Pearson BTEC Level 7 Extended Diploma in Strategic Management
Operational start date	01/01/2021
Entry requirements	This qualification is for learners aged 19 or above. There are no specific entry requirements however centres must ensure that learners have sufficient capacity and/or experiential learning to undertake this qualification. Please also refer to *Section 7 Administrative Arrangements*.
Guided Learning Hours (GLH)	270
Total Qualification Time	1200 hours
Credit value	120
Assessment	The units are assessed using assignments that are set and marked by the centre.
Unit grading information	Pass
Qualification grading information	Pass

3 Structure

Qualification structures

The structures for the qualifications in this specification are:

- Pearson BTEC Level 7 Certificate in Strategic Management and Leadership
- Pearson BTEC Level 7 Diploma in Strategic Management and Leadership
- Pearson BTEC Level 7 Extended Diploma in Strategic Management and Leadership.

Pearson BTEC Level 7 Certificate in Strategic Management and Leadership

Learners will need to meet the requirements outlined in the table below before the qualification can be awarded.

Pearson BTEC Level 7 Certificate in Strategic Management and Leadership			
Unit number	**Unit title**	**Credit**	**GLH**
Mandatory unit – learners must achieve Unit 1			
1	Strategic Leadership and Management	**20**	**45**

Pearson BTEC Level 7 Diploma in Strategic Management and Leadership

Learners will need to meet the requirements outlined in the table below before the qualification can be awarded.

Pearson BTEC Level 7 Diploma in Strategic Management and Leadership			
Unit number	**Unit title**	**Credit**	**GLH**
Mandatory units – learners must achieve both units			
1	Strategic Leadership and Management	**20**	**45**
2	Strategic Change Management	**20**	**45**
Optional units – learners must achieve one unit			
3	Research Methods	**20**	**45**
4	Creativity, Innovation and Entrepreneurship	**20**	**45**
5	Strategic Marketing Management	**20**	**45**
6	Project Management – the Strategic Perspective	**20**	**45**
7	Strategic Human Resource Management	**20**	**45**
8	Financial Principles and Techniques for the Strategic Manager	**20**	**45**
9	Strategic Supply Chain Management	**20**	**45**
10	Strategic Management of Quality and Operations	**20**	**45**
11	Small Business Management; a Strategic Overview	**20**	**45**

Pearson BTEC Level 7 Diploma in Strategic Management and Leadership			
Unit number	**Unit title**	**Credit**	**GLH**
Optional units (continued)			
12	The Digital Business; Transformation and Optimisation	**20**	**45**
13	The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy	**20**	**45**

Pearson BTEC Level 7 Extended Diploma in Strategic Management and Leadership

Learners will need to meet the requirements outlined in the table below before the qualification can be awarded.

Pearson BTEC Level 7 Extended Diploma in Strategic Management and Leadership			
Unit number	**Unit title**	**Credit**	**GLH**
Mandatory units – learners must achieve all units			
1	Strategic Leadership and Management	**20**	**45**
2	Strategic Change Management	**20**	**45**
3	Research Methods	**20**	**45**
Optional units – learners must achieve three units			
4	Creativity, Innovation and Entrepreneurship	**20**	**45**
5	Strategic Marketing Management	**20**	**45**
6	Project Management – the Strategic Perspective	**20**	**45**
7	Strategic Human Resource Management	**20**	**45**
8	Financial Principles and Techniques for the Strategic Manager	**20**	**45**
9	Strategic Supply Chain Management	**20**	**45**
10	Strategic Management of Quality and Operations	**20**	**45**
11	Small Business Management; a Strategic Overview	**20**	**45**
12	The Digital Business; Transformation and Optimisation	**20**	**45**
13	The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy	**20**	**45**

4 Units

Understanding your units

The units in this specification set out our expectations of assessment in a way that helps you to prepare your learners for assessment. The units help you to undertake assessment and quality assurance effectively.

Each unit in the specification is set out in a similar way. This section explains how the units work. It is important that all teachers, assessors, internal verifiers and other staff responsible for the programme review this section.

Section	Explanation
Unit number	The number is in a sequence in the specification. Where a specification has more than one qualification, numbers may not be sequential for all qualifications.
Unit title	This is the formal title that we always use, and it will appear on learners' certificates.
Level	All units and qualifications have a level assigned to them. The levels correspond with the levels used in the UK's Regulated Qualification Framework.
Unit type	This says if the unit is mandatory or optional for the qualification.
Guided Learning Hours (GLH)	Guided Learning Hours (GLH) is an estimate of the number of hours that will be needed for a typical learner to achieve the unit. Guided learning includes all training that involve centre staff in teaching and supervising learners, as well as all assessment activities.
Credit value	All units in this qualification have a credit value. The minimum credit value is 1 and credits can be awarded in whole numbers only.
Unit introduction	This summarises the content of the unit and how learners will benefit from taking it.
Learning outcomes and assessment criteria	The learning outcomes set out what a learner must know, understand or be able to do as the result of a process of learning. The assessment criteria specify the standard the learner is required to meet to achieve a learning outcome.
Unit content	This section sets out what needs to be taught. Content is compulsory except when it follows an 'e.g.'.
Essential information for assessors	This section gives information to support delivery and the implementation of assessment.
Suggested assessment approach	This gives suggestions for how to assess the learning outcomes.

Section	Explanation
Assessment requirements	This gives detailed information about what evidence learners are required to show in order to meet the assessment requirements.

Index of units

This section contains all the units developed for these qualifications. Please refer to *page 7* to check which units are available.

Unit 1: Strategic Leadership and Management 13

Unit 2: Strategic Change Management 19

Unit 3: Research Methods 25

Unit 4: Creativity, Innovation and Entrepreneurship 33

Unit 5: Strategic Marketing Management 41

Unit 6: Project Management – the Strategic Perspective 49

Unit 7: Strategic Human Resource Management 55

Unit 8: Financial Principles and Techniques for the Strategic Manager 61

Unit 9: Strategic Supply Chain Management 69

Unit 10: Strategic Management of Quality and Operations 75

Unit 11: Small Business Management; a Strategic Overview 81

Unit 12: The Digital Business; Transformation and Optimisation 87

Unit 13: The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy 95

Unit 1: Strategic Leadership and Management

Level: 7

Unit type: Mandatory

Guided learning hours: 45

Credit value: 20

Unit introduction

Leaders and managers at all levels of an organisation have important roles to play in supporting an organisation's ability to meet its strategic intentions, to remain sustainable and to grow in, more often than not, dynamic and evolving environments.

Building on an understanding and appreciation of contemporary and seminal theories, concepts and models, learners will examine the strategic challenges faced by senior members of an organisation ensuring a competitive advantage. This may be through 'business as usual' activities or through the implementation of change initiatives.

Learners will explore strategic leadership and management in practice where ethics, diversity and performance management are important considerations, especially during times of uncertainty and volatility in operating markets.

Using this knowledge as a basis for examining their own ability and capacity to undertake a strategic leadership and management role, learners will consider those qualities and traits exhibited by effective strategic leaders and managers before reflecting on and critiquing their own skills and behaviours. This will lead to the production of a logical and relevant professional development plan in which they identify appropriate actions for improvement.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the concept of strategic leadership and management	A.1	Critically examine contemporary and seminal theories, concepts and models related to strategic leadership and management
		A.2	Critically discuss the relationship between an organisation and strategic leadership and management
		A.3	Assess contemporary contexts and challenges for strategic leaders and managers
		A.4	Critically evaluate the role of strategic leaders and managers in delivering competitive advantage
B	Understand strategic leadership and management in practice	B.1	Critically discuss performance management as a strategic tool for leaders and managers
		B.2	Analyse the equality and diversity challenges presented to strategic leaders and managers
		B.3	Evaluate the impact of morals, ethics and organisational culture on the behaviour of strategic leaders and managers
C	Understand the role of strategic leadership and management in delivering organisational change	C.1	Discuss the relationship between organisational strategy and change
		C.2	Critically evaluate change as a process and as a concept
		C.3	Critically discuss current and emerging approaches to change implementation
D	Be able to review and develop own skills and behaviours as a strategic leader and manager	D.1	Critically discuss the qualities and traits of effective strategic leaders and managers
		D.2	Critically assess own qualities, traits, skills and behaviours related to strategic leadership and management
		D.3	Develop justified recommendations for developing own strategic leadership and management skills and behaviours

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Unit content

Learning outcome A: Understand the concept of strategic leadership and management

- *Current and seminal theories, concepts and models;* leadership – transformational leadership, servant leadership, followership, adaptive leadership, agile leadership, leader-member exchange theory, contingency leadership, strategic thinking; management – competition-based theory, resource-based theory, agency theory, game theory, strategic modelling.
- *The organisation and strategic leadership and management;* organisations – classical, scientific, administrative, bureaucratic, neo-classical, modern (open system); organisational structure, organisational behaviour – autocratic, custodial, supportive, collegial; levels of behaviour – individual, group and organisation.
- *Current contexts and challenges*; globalisation, emerging markets, environmental and social sustainability, climate and regulatory risk, digital transformation, hybrid and remote working, transparency, equal opportunity, risk management, employee engagement and retention, workforce diversity, professional development, state interventions, pace of change, changing demographics, changing stakeholder expectations, needs and interests.
- *Artificial intelligence and advanced technologies;* the role of AI, automation and data, analytics in supporting strategic leadership and management, AI-enabled decision-making, forecasting and performance management, ethical, legal and governance considerations' implications for leadership roles, managerial judgement, skills requirements, workforce planning and organisational culture.
- *Role of strategic leaders and managers in delivering strategic objectives;* strategy development, decision making, problem solving, entrepreneurs, visionary, financial management, predicting the future, creating the future, environmental assessments, delivering a sustainable business, delivering change.

Learning outcome B: Understand strategic leadership and management in practice

- *Performance management;* performance management systems (including technology-enabled and data-informed systems), strategic alignment of resources, employee motivation, recognition and reward, supervisor-subordinate relationship, performance management systems, talent management, talent development, empowerment and delegation, recruitment and selection.
- *Equality and diversity;* equal opportunities, national v international diversity management, organisational justice, corporate social responsibility, developing an ethical organisation, global diversity.
- *Morals, ethics and organisational culture;* ethical principles, ethical premises, openness, transparency, rational decision-making, confidentiality, public relations, stakeholder influence, trust, cultural conflicts, individual/group power and politics, Handy's cultural types (role, power, task, person).

Learning outcome C: Understand the role of strategic leadership and management in delivering organisational change

- *Organisational strategy and change:* strategic options (e.g. diversification, internationalisation), competitive strategies, interactive strategies, business models, deliberate and emergent strategies, strategic capabilities including those shaped by sustainability and environmental constraints.
- *Change as a process and as a concept:* the meaning of change, types of change (developmental, transitional, transformational), levels of change (alpha, beta, gamma), causes of change, reactive and proactive change, the psychology of change, barriers to change, Lewin's change management model, McKinsey's 7S model, Kotter's change management theory, Bridge's transition model.
- *Current and emerging approaches to change implementation:* planned change, emergent change, collaboration, the 'lens' of change, change through innovation, intrapreneurship, embracing technology (e.g. robotics and AI) as a driver of organisational change, environmental protection, sustainability.

Learning outcome D: Be able to review and develop own skills and behaviours as a strategic leader and manager

- *Qualities and traits of effective strategic leaders and managers:* articulate, strategic thinker, visionary, disciplined, accountable, responsible, high emotional intelligence, motivated, compassionate, open-minded, goal focused, hard decision maker, effective communicator, demonstrates integrity, inspirational.
- *Conducting an assessment:* 360-degree feedback, reflections on action, reflections in action including those arising from rapid technological and digital transformation, being critical, reflecting on decision-making in complex and technology-influenced environment, personal SWOT, reflective logs, reflective journals, Myers-Briggs Type Indicator, emotional intelligence assessment, DISC profiling.
- *Justifying recommendations:* think SMART, logically supported recommendations, recommendation statements, establishment of reasons for the recommendations, provide supporting evidence, indicate actions to take, suggested timeframes, consideration of long-term impact and sustainability, establishment of key performance indicators (KPIs), establishment of key success factors (KSFs).

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the concept of strategic leadership and management	An essay of approx. 4000 words to include a reference list. The reference list is not included in the word count.
B Understand strategic leadership and management in practice	
C Understand the role of strategic leadership and management in delivering organisational change	
D Be able to review and develop own skills and behaviours as a strategic leader and manager	Continuing Professional Development plan of no more than 1000 words or equivalent. To include a reference list if applicable and supported by valid evidence. The reference list is not included in the word count. Note: If self-analysis tools are used this word limit does not apply.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage in seminal and current literature where the focus is the broader contexts and principles of strategic leadership and management. It is expected that learners will engage with research which has a focus on how strategic leaders and managers operate at local, national and international levels considering both global and local contexts and challenges. Through case study analysis learners can explore the different ways in which strategic leaders and managers can support an organisation to achieve its strategic objectives. A learner's ability to critique arguments and premises identified in the literature and research is necessary if learners are to fully appreciate the strategic principles of both leadership and management in different contexts.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the practical aspects of being a strategic leader and manager. Again, through case study analysis, which could relate to local organisations which learners have direct access to, learners will be able to reach judgements on the effectiveness of performance management and equality and diversity polices and practice, whilst considering the cultural influences on and within an organisation. An ability to be critical is to be demonstrated.

Learning outcome C

Learners are more likely to appreciate the role of leaders and managers in delivering organisational change through a clear understanding of how change principles and practice is related to organisational strategy. Learners should explore different organisations who are engaged in strategic change, the influence of the type of strategy on change, and the approach used by the organisation. This exploration must show consideration of emerging approaches. Again, an ability to be critical is to be demonstrated.

Learning outcome D

This learning outcome can be divided into two parts. Firstly, an examination of the qualities and traits of effective leaders and managers particularly in different contexts. The contexts could be from experience, case study or a combination of both. Secondly, the learning outcome requires learners to develop justified recommendations for their own development as strategic leader. This is most likely to be in the form of a CPD plan, but this plan must be justified through the gathering of evidence. Evidence could be present in the form of performance feedback, peer feedback, a reflect journal and self-analysis tools. The plan must be SMART and indicate the KPIs and KSFs which the learner deems to be appropriate.

Unit 2: Strategic Change Management

Level: 7

Unit type: Mandatory, except in the 45 GLH Certificate

Guided learning hours: 45

Credit value: 20

Unit introduction

Leaders and managers at all levels of an organisation have important roles to play in delivering organisational change. Building on an understanding and appreciation of contemporary and seminal theories, concepts and models, learners will examine the role of leaders and managers as strategic agents for change where context, change types and change choices are key considerations.

Learners will explore different perspectives on strategic change where an appreciation of the relationships between organisational culture, power and internal politics, and organisational learning. Understanding these different perspectives will enable learners to explore, in greater depth, how strategic change management is applied in practice.

Once learners are able to examine the internal and external environments of organisations and how these influence organisational change, they will be in a position to design a change transition strategy where the conditions for change are effectively enabled. People can be both champions of, and resistors to change. As such, how they are managed is key to the success or otherwise of a change initiative. Learners will explore the role of leaders, managers and the human resources team as tools to engage with employees and establish the conditions which will facilitate a successful change and deliver required performance outcomes.

Using this knowledge as a basis learners will consider ways in which a change strategy should be approached before producing a change strategy for an organisation. This organisation could be real or contained within a case study.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the concept of strategic change management in an organisational context	A.1	Critically examine current and seminal theories, concepts and models related to strategic change management
		A.2	Critically discuss the role of leaders and managers as agents for change
		A.3	Analyse types and styles of organisational change
		A.4	Critically discuss how change context affects change choices
B	Understand different perspectives on change	B.1	Discuss change from an organisational culture perspective
		B.2	Discuss change from a power and politics perspective
		B.3	Discuss change from an organisational learning perspective
C	Prepare change management strategy in a given organisational context	C.1	Analyse the internal and external environments which influence organisational change
		C.2	Discuss, in consultation with others, how change transition is designed by strategic leaders and managers
		C.3	Critically evaluate ways in which strategic management enabled the conditions for organisational change in a given context
		C.4	Evaluate the importance of employee engagement to organisational change
D	Be able to design a change management strategy	D.1	Examine an approach to enabling successful change
		D.2	Produce justified change management strategy for an organisation

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Unit content

Learning outcome A: Understand the concept of strategic change management in an organisational context

- *Current and seminal theories, concepts and models;* John P Kotter's eight steps to successful change, Kubler-Ross five stages transition cycle, Prosci's five building blocks of awareness, desire, knowledge, ability, reinforcement (ADKAR), McKinsey's 7S (strategy, structure, systems, shared values, skills, style, staff) framework, Kurt Lewin's change management model (unfreeze – transition – refreeze, Burnes' framework of change, Burke-Litwin's causal change model, contingency theory, espoused theory, theory-in-use.
- *The role of leaders and managers;* visionary, facilitator, decision-maker, agile, change agent, team player, strategist, planner, co-ordinator, passionate, influencer, communicator, conflict avoidance, liaison, coach, advocate.
- *Types and styles of organisational change*; types – planned (proactive), unplanned (reactive), transformational, horizontal v vertical, remedial, incremental, organisational wide v functional specific, structural, people-centric, process and procedural, relocation, merger/acquisition, realignment to strategy; styles – pull (collaborative, consultative, educational), push (coercive, directive, punishment).
- *Change contexts*; top-down v bottom-up change, time, scope, capability, readiness, power, preservation, diversity, capacity, culture.

Learning outcome B: Understand different perspectives on change

- *Organisational culture perspective;* the informal organisation, organisational culture, change challenges to culture, individual and group perspectives, the emotions of change including responses to sustainability-driven and technology-enabled change, role of leaders, role of managers, external reality, interpretation, competing subcultures and identities, the evolving influence of cultural diversity.
- *Power and politics perspective;* types of power – legitimate, expert, reward, information, coercive, referent and the influence of information, data and technology on power relationships, tactical use of power by organisations and employees; politics – political pyramid, political interventions, resistance and barriers, scarcity and competition, existence of constituencies, interest conflicts, follow on effects; self-serving behaviours, organisations as a political entity, constraints and freedoms of organisational structure.
- *Organisational learning perspective;* characteristics of a learning organisation – systems thinking, personal mastery, mental models, shared vision, team learning; knowledge development, the dynamics of organisational learning including learning in technology-mediated and changing organisational environments as a product of organisational enquiry, learning cycles, reflecting on action, reflecting in action, communities of learning, the learning curve.

Learning outcome C: Prepare change management strategy in a given organisational context

- *Internal and external environment;* external analysis (PESTLE, STEEPLE), external reasons for change include – markets, economic, globalisation, legislation, demographics, new and emerging technologies (including AI), environmental and sustainability pressures, competitor behaviour; internal analysis (SWOT, TOWS), internal reasons for change include – merger/acquisition, change to vision/mission, change of leadership/management, financial pressures, restructuring capability and skills readiness for technological and sustainability-driven change; stakeholder identification and analysis (power – interest matrix).
- *Change transition;* alternative visions/missions, individual and organisational transitions, mobilising for change, sequencing change activities, barriers and resistance to change, stakeholder positioning, consideration of long-term impact and sustainability of change outcomes, resource and activity alignment, process/ procedure changes, learning and development, change through dialogue, reflective learning, consolidating gains.
- *Enabling conditions for organisational change;* senior management – rewriting the context, relational leadership, building credibility, leadership and management practices; middle management – as change intermediaries, leadership and management skills. 'two-faced approach'; role of human resource management – HR systems and processes, recruitment and selection, performance management, training and development, organisational development; diagnosing resistance – parochial self-interest, misunderstanding, lack of trust, identifying perceptions, levels of tolerance for change; dealing with resistance – education, communication, participation, involvement, facilitation, support, negotiation, agreement
- *Employee engagement;* the employee voice, developing trust, communication, organisational justice, rethinking resistance, the psychological contract, employee support, coaching and mentoring, the emotional challenges.

Learning outcome D: Be able to design a change management strategy

- *Enabling successful change;* establish a clear visions, leverage the change management timeline, plan carefully, be transparent, tell the truth, communicate, create a roadmap, support employees, provide training and consider the impact of technological and digital change, invite participation, manage expectations, monitor and measure, demonstrate strong leadership, ensure the sustainability of change outcomes, use an appropriate framework (e.g. McKinsey's 7S).
- *Implementation of AI in change management strategy:* Align job roles with AI capabilities, provide training and continuous development in AI, leverage AI in workflows.
- *Justifying recommendations;* recommendations must be logically supported, establish reasons for the strategy/change detail the strategic steps, provide supporting evidence, indicate actions to take, suggest timeframes, establish benchmarks and targets (SMART), establish responsibilities and consider the long-term impact and sustainability of the change strategy.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the concept of strategic change management in an organisational context	An essay of approx. 4000 words to include a reference list. The reference list is not included in the word count.
B Understand different perspectives on change	
C Prepare change management strategy in a given organisational context	
D Be able to design a change management strategy	A presentation of 15 mins duration supported by appropriate documents.

Assessment requirements

Learning outcome A

This learning outcome initially focuses on the concepts, theories and models of change management which will provide the foundation for a critical exploration of the unit's content. This learning outcome requires learners to extend their knowledge of the principles of leadership and management to examine the strategic aspect of change management in the context of types, styles and contexts of organisational change. Learners will be expected to make relationships between the topics contained within the assessment criteria and demonstrate an ability to be critical of the relevance of concepts, theories and models in differing contexts.

Learning outcome B

When exploring the subject of strategic change management, learners must understand and appreciate that different perspectives will have different influences and impact on how change is planned and implemented. These perspectives are typically grouped into organisational cultural, power and politics, and learning. In addition to recognising the individual influences and impacts, learners must demonstrate they understand the symbiotic relationships between them. Learners would benefit from analysing different case studies where the perspectives, individually and collectively, are put into context.

Learning outcome C

To understand how strategic change management is put into practice, learners must become familiar with the 'tool's which are used to help establish the environment, and their forces, in which the change initiative will take place. Only then will learners be able to consider how to design a change strategy where the choice of approach to the change transition is likely to determine success or otherwise. This learning outcome also requires learners to consider themselves, in the role of a strategic leader/manager, as being enablers of change. Learners must also understand and appreciate the role strategic enablers' play in securing the 'buy-in' from those affected by change, particularly employees. Evidence can be achieved through actual working experience or good quality case studies which provide examples of successful and unsuccessful change transitions based on the practice of change management.

Learning outcome D

This learning outcome draws together all learning which has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to the production of a change strategy. Ideally this would be based on an organisation the learner is familiar with, but a suitably in-depth case study could act as a substitute.

Unit 3: Research Methods

Level: 7

Unit type: Mandatory in the 270 GLH Extended Diploma, Optional in the 45 GLH Certificate

Guided learning hours: 45

Credit value: 20

Unit introduction

One of the key responsibilities of strategic managers is to make decisions. Working in any organisation could involve making different decisions regarding major capital investment projects, business finance, new product development, mergers and acquisitions, business location and workforce planning. The one factor that is common to all these decisions is that there will be different alternatives which will be presented to the strategic manager for a decision to be made. In many cases, each alternative will be supported by different members of the executive management team who will present well-argued cases for their preferred solution, based on their role and experience as well as other available management information.

Strategic managers must, therefore, develop a set of skills and a way of thinking that enables them to consider, review and evaluate the evidence presented to them, and to challenge strategic decisions with their own evidence-based knowledge and experience.

In this unit, learners will need to propose a unique research question related to an area of professional business practice that interests them and will contribute to their professional development. They will carry out a literature review on a topic, critically evaluating the literature's relevance to their research question.

Successful completion of the unit will contribute towards helping learners develop and improve their own critical and reflective skills by applying decision-making, problem-solving and other skills, including planning, research, critical thinking, analysis, synthesis, evaluation and presentation.

Learners will present and justify their research findings to an invited audience using appropriate presentation software.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand how to prepare a research proposal	A.1	Systematically analyse a topic to formulate an appropriate research question
		A.2	Prepare a comprehensive research proposal
		A.3	Prepare a work schedule to a given timescale
B	Understand the principles of research methodology	B.1	Systematically analyse the contribution of relevant quantitative and qualitative data to research activities
		B.2	Critically evaluate the methods used to generate appropriate evidence used in research projects
		B.3	Comprehensively analyse the potential ethical considerations arising from relevant research activities
C	Understand how to select material from the outcome of research activities	C.1	Comprehensively analyse relevant statistical data drawn from research activities
		C.2	Interpret the results of a statistical analysis of research findings
		C.3	Critically evaluate literature used in a research project
D	Understand how to present the findings of a research project	D.1	Prepare a comprehensive and analytical formal research report
		D.2	Present a logically consistent justification of the findings of a research project
		D.3	Critically evaluate own skills and knowledge, with reference to the outcome of a research project

Unit content

Learning outcome A: Understand how to prepare a research proposal

- *Research question*: definition of a hypothesis; constructing a hypothesis; the functions of a hypothesis; testing of a hypothesis; types of hypothesis; aims and objectives of the research question; terms of reference; duration; rationale for selection; methodology for data collection and analysis (including digital and AI-supported approaches); type of research, e.g. qualitative, quantitative, systematic, original; methodology; resources; statistical analyses; validity; reliability; control of variables; literature review; implications, e.g. resources and sustainability; ethical issues.
- *Action plan*: rationale for research question or hypothesis; task dates; review dates; monitoring/reviewing process; strategy.
- *Preparation*: identifying ideas/topics/areas of investigation; research question(s); scope and feasibility; hypothesis; literature search (including digital and online sources); agreeing the process; targets; milestones; action plan; timetable and procedure; monitoring and revision.
- *Methodology*: literature search, e.g. library, internet, sector data sources; pure and applied research, developmental, longitudinal, survey, case study; research and development; concepts and theories; terminology; validity and reliability including data integrity and ethical use of digital and AI-enabled data.
- *Contents of a research proposal:* preamble/introduction; the research problem; objectives of the study; hypothesis to be tested; study design; testing; measurement procedures; ethical considerations; sampling; analysis of data, structure of the report; work schedule; budget.

Learning outcome B: Understand the principles of research methodology

- *Qualitative data analysis*: interpreting transcripts and records, coding techniques, categorisation, relationships, trends, processes, use of computers and digital tools; presentation of data and information.
- *Quantitative data analysis*: coding/values, manual/electronic methods, specialist software including digital and AI-supported analysis tools; presentation of data, e.g. bar/pie charts, graphs, statistical tables; comparison of variables, trends, forecasting.
- *Ethical considerations:* the concept of ethics; stakeholders in research activities; ethical issues, e.g. seeking sensitive information, maintaining confidentiality, collecting information, seeking informed consent, choosing research participants and conducting research responsibly and sustainably.
- *Research methodologies*: intervention, non-intervention, action research.
- *Implement:* according to research design and method; test research question/ hypotheses; considering test validity; reliability including data integrity and ethical use of digitally generated or analysed data.
- *Methodology for quantitative data*: questionnaires (type, layout, questions, distribution, original research data); interviews (selecting interviewees, bias, verification of data, time, place, style, preparation, format, recording); surveys (survey size; difference between a sample and a census).
- *Methodology for qualitative data*: case study; observation; interviews.

- *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.
- *Sampling methods:* advantages and disadvantages of different sampling methods, e.g. simple random sampling, systematic (interval) sampling, stratified sampling, multi-stage sampling, quota sampling.

Learning outcome C: Understand how to select material from the outcome of research activities

- *Statistical terminology and their application:* representative values, e.g. mean, median and mode; measures of dispersion, e.g. standard deviation and normal distribution; correlation coefficient; percentiles and quartiles, interpretation of digitally generated data.
- *Data analysis and interpretation*: qualitative and quantitative data analysis – interpreting transcripts; coding techniques; specialist software (including digital and AI-supported analysis tools); statistical tables; comparison of variables; trends; forecasting.
- *Literature review:* secondary research: books; journals; papers; conferences; library search; use of IT; internet and digital media.
- *Evaluation of literature:* credibility; validity; reliability; frequency of references and esteem in which publications are held; use and acceptance by others; responsible and sustainable use of research evidence.

Learning outcome D: Understand how to present the findings of a research project

- *Presentation*: e.g. formal written format, by *viva voce* or oral presentation, diagrammatic or graphical figures including digitally generated visualisations.
- *Methodology*: presentation, e.g. IT, audio, visual aids, time, pace; delivery critique of the methods used in the study, critical consideration of digitally or AI-supported analysis and presentation, recommendations, e.g. using the findings, recommendations for the future, areas for future research.
- *Evaluation*: planning, objectives, focus, benefits, difficulties; 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 considerations*: significance of research investigation; application of research results; implications; limitations of the investigation; improvements; consideration of long-term impact and sustainability; recommendations for the future, areas for future research.
- *Criteria*: purpose, editing, format, sequencing success, critical analysis, discussion of evidence and findings including consideration of the credibility and limitations of digitally supported outputs.
- *Format:* professional delivery format appropriate to the audience; use of appropriate media.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria. All the learning outcomes in this unit can be assessed within one research project activity once the unit content has been delivered.

The unit provides the opportunity to draw together a range of other content areas from the programme of study to form a holistic piece of work that makes a positive contribution to research on commercial practice.

Learning outcome	Suggested assessment approach
A Understand how to prepare a research proposal	A completed research project and presentation delivered for an audience that must contain a subject specialist. As a minimum, the audience must consist of the tutor-assessor who has supported the learner throughout the project. The tutor-assessor should decide whether to expand the audience to include other people, if appropriate and it is practical to do so. The audience could include other tutors, members of the community, representatives from employment sectors and other learners.
B Understand the principles of research methodology	
C Understand how to select material from the outcome of research activities	
D Understand how to present the findings of a research project	

Assessment requirements

Learners are required to identify, plan and manage a research project. Identifying and planning the research project requires learners to select a topic from an area within the field of strategic management and leadership that is related to professional business practice. They should conduct a literature review to help them narrow down the topic to a working title, which should be in the form of a question or problem.

Learners should prepare a project proposal form that should include objectives and a rationale for their choice of topic/title. It is essential that tutors monitor the development of individual research questions closely to ensure that learners are following the correct guidelines and working towards agreed objectives.

Learners should also identify the proposed activities that they will need to undertake, including background reading, conducting research, analysing information and drawing conclusions, writing up the project, checking and redrafting, evaluating the project and own learning, and preparing for the presentation. Plans should include the resources that they will require and an attempt to prepare for contingencies. Plans should be amended in the light of the research learners carry out.

Learners are expected to undertake research, collect evidence and select information using appropriate methodology. Learners should also use skills gained from the taught element of the unit to comment on the reliability and validity of sources, distinguishing between primary and secondary sources, as well as between facts, speculation and subjective opinion when evaluating the reliability of sources. They should be sensitive to the fact that particular sources will offer biased views.

Learners must interpret evidence, draw conclusions and write up the research project in an academically accepted format with correct referencing and bibliography details. Learners must plan and draft their work before producing the finished dissertation, which must include a conclusion summarising what has been found in relation to the original question or problem. It must also include recommendations, such as wider implications and suggestions for further work. Learners are required to suggest alternative interpretations or arguments, making use of relevant data and other researched information, including secondary literature they have researched to support their report findings and conclusions. Their assessment should be based on critical argument. The learner will also evaluate their strengths and weaknesses, and defending their own arguments against possible objections.

On completion of the project, the learner must prepare and deliver a presentation for an audience that must contain a subject specialist. As a minimum, the audience must consist of the tutor-assessor who has supported the learner throughout the project. The tutor-assessor should decide whether to expand the audience to include other people, if appropriate and it is practical to do so. The audience could include other tutors, members of the community, representatives from employment sectors and other learners. The presentation should be a succinct summary of the main features and an evaluation of the project. Learners should be prepared to answer questions from the audience after the presentation. The presentation may be produced and/or delivered by any suitable means. The learner may choose to use presentational aids, such as presentation slides, overhead transparencies (OHTs), wall displays and printed handouts. They may also use notes or prompt cards to help them. Learners may choose a different method of presenting, such as video, DVD or PowerPoint presentation.

However, they must still be ready to answer questions afterwards in a face-to-face session witnessed by the tutor-assessor.

Learning outcome A

To achieve learning outcome A, learners must identify a topic area and title that is well-defined and clearly focused. The project plan is clear and concise, with clear and detailed objectives and rationale. Learners must explain the factors that contribute to the process of successful research question selection and justify their choice of research question. This will require careful planning and preparation in relation to the selected research question, as well as consideration of alternative questions before the final selection. Learners should adopt a critical and realistic approach in this selection exercise and gain tutor support before progressing further.

All the main tasks to be completed are provided in an appropriate order and described in detail with an appropriate timespan allocated for each task. The plan includes information with realistic deadlines, showing how learners will organise their time in order to meet the project objectives. Potential problems are described and there are realistic and convincing ideas for how to overcome them. The learner shows a high level of organisational ability and time management skills when managing the project. The learner maintains clear and detailed records of activities undertaken during the project, including problems encountered and steps taken to overcome them. Progress is monitored against the original plan and adjustments made to the plan where necessary.

Learning outcome B

To achieve learning outcome B, learners must utilise a wide range of different types of source, which have been thoroughly investigated. Research sources are referenced appropriately and consistently and a bibliography is included, listing the sources in an appropriate and consistent format.

Information and resources relevant to the research question have been carefully selected. The information has been analysed and synthesised in reference to the research question posed. Clear, concise and detailed links have been established between the information used.

A thorough understanding of the complexities of the research question is shown. Learners have placed the research question into the wider context of the research area. The learner uses the distinction between fact, speculation and subjective opinion in evaluating the reliability of sources and does this effectively.

Learners produce a comprehensive analysis of the potential ethical issues that may arise when conducting research involving the analysis and evaluation of professional business practice in a work-based setting.

Learning outcome C

To achieve learning outcome C, learners must provide comprehensive evidence of the supporting information and statistical data used in their research project and present it in a structured and logically consistent format. Learners demonstrate a high level of involvement in, and a thorough understanding of, relevant statistical data that is subject to analysis and interpretation. Learners need to evaluate techniques used with quantitative and qualitative data in their research activities. This requires understanding of both types of data and the relevant techniques, and an evaluation of their appropriateness to the research question. Learners must undertake a critical review of

the key literature referenced in their research project. The review should be critical and consider the validity, credibility and esteem in which material is held as well as its use by other researchers, and its relevance to the current research question.

Learners need to evaluate appropriate research methodologies in terms of their research question, choose an appropriate methodology and justifying their choice for their research. This needs to include a thorough evaluation of all methodologies, with clear reference to the research question, from selection through to justification.

Learning outcome D

To achieve learning outcome D, learners must present a well structured project report that is well structured and carefully laid out with a clearly developed line of argument. There is consideration of, and response to, counterarguments. There is a clear conclusion that summarises the argument being presented. The presentation of the project report must be appropriate in format and content. It must conform to in an academically accepted format with correct referencing and bibliography details. It must show in-depth knowledge and understanding of the research and its context, and a critical analysis of its success and findings. The project report must include an evaluation of the successes, weaknesses and limitations of the project and highlight, with reasons, what could be done differently to improve the robustness of the conclusions drawn. The oral presentation is clearly and logically structured so that it is completely clear to the audience how the different parts link together and the learner shows a high level of ability to convey the main ideas. The learner handles questions confidently and answers them clearly and insightfully, exhibiting a good grasp of the subject knowledge.

Unit 4: Creativity, Innovation and Entrepreneurship

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

This unit enables learners to explore the characteristics associated with creativity and innovation in organisations. Learners will explore the traits of successful entrepreneurs and how these can be applied by strategic leaders.

At the heart of this approach to strategic leadership is the need to look for creative solutions to the challenges faced by an organisation and to understand how innovation can be promoted and supported in all aspects of an organisation's activities. This requires an organisational culture in which people are not afraid to take calculated risks to improve the effectiveness of systems and processes and develop new ways of doing things.

Implementing changes to an organisation's culture brings its own challenges. Learners will explore how to identify key goals and priorities to help persuade and communicate innovative ideas to stakeholders and to identify and address barriers to innovation.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the contribution of creative and innovative management to organisational development and performance	A.1	Systematically analyse the factors that influence innovation within organisations
		A.2	Investigate the impact of innovation on organisational development and performance
		A.3	Assess the factors that limit innovation in an organisation
B	Understand how entrepreneurial skills can enhance innovation within organisations	B.1	Critically analyse the qualities of entrepreneurship applied to strategic management
		B.2	Evaluate the influence of different leadership and management styles on the approach to innovation in an organisational setting
		B.3	Critically evaluate the influence of intrapreneurship in an organisational context
C	Understand the techniques used to generate support and commitment to innovation within an organisation	C.1	Evaluate the approaches used to promote innovation in organisational processes
		C.2	Comprehensively analyse techniques used to create creative solutions to strategic challenges
		C.3	Evaluate the impact of an entrepreneurial approach to workforce organisation and development
D	Apply an entrepreneurial approach in a strategic leadership role within a given organisational context	D.1	Prepare a strategy for promoting innovation in an organisational context
		D.2	Assess the impact of innovation in an organisation

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Unit content

Learning outcome A: Understand the contribution of creative and innovative management to organisational development and performance

- *Drivers of innovation*: application of Drucker's seven sources of innovation in different organisational contexts; organisational change and restructuring aimed at increasing efficiency, productivity, profitability and long-term sustainability; changes in the internal/external business environment, e.g. responding to changes in trends or technology including digital and AI-enabled innovation; to address changes in market conditions and customer needs; increased competition in the market*;* product development at different stages in the product life cycle; training and development of the workforce; collaboration and partnerships to promote innovation.
- *Leadership styles and behaviours*: strengths, adopting appropriate style for different circumstances; theory and practice of influencing and motivating and rewarding others; relationship between transformational and transactional change; decision-making processes including judgement in technology-enabled environments; influence of key stakeholders in supporting and challenging innovation in organisations.
- *Vision and mission*: influence of vision and mission; indicators of organisational performance; influence of an organisational strategic plan and business plan on innovation; methods; concept that policies and procedures are supported by a culture that reinforces consistently what the organisation is about.
- *Innovation, organisational development and performance improvement*: organisational development, e.g. identifying new and/or improved products and services to improve revenue and profit; implementation of new operational processes; providing technical and innovative leadership.
- *Performance improvement:* e.g. first to market, premium prices, large market share, increased shareholder return, increased employee motivation and morale, improved systems and processes; monopolisation through patents, licenses, copyrights, trademarks, intellectual property rights.
- *Factors that limit innovation*: risk, investment needed, continual change; expertise in organisation, technological and digital know-how; strategy – strengths and weaknesses; dealing with barriers to innovation, e.g. stakeholder engagement, organisational culture, resource implications.

Learning outcome B: Understand how entrepreneurial skills can enhance innovation within organisations

- *Key qualities of entrepreneurship:* e.g. problem solver, persuader, creative thinker, visionary, good communicator, team player, analytical and reflective; how qualities are used in different contexts, e.g. improving systems and processes, new product development, improving quality of product or service delivery to customer including innovation in digital and technology-enabled environments.

- *Leadership and management styles:* influence of different approaches to management and leadership on the development of an intrapreneurial culture within an enterprise*;* the characteristics of different types of leadership style; the potential impact on intrapreneurship of different leadership styles in dynamic and technology-driven organisational contexts.
- *Influence of strategic leadership in promoting changes in workplace practices:* e.g. monitoring current operational practices, looking for and identifying opportunities for change or improvement, exploring creative ways to address organisational issues and challenges, improving productivity, increasing the capacity of the business to respond to changes in the internal and external environment including digital, AI-enabled and sustainability-related change.
- *The concept of intrapreneurship:* features and characteristics; impact on organisational culture and leadership styles; delegated leadership; risk appetite; organisational practices to promote intrapreneurship, e.g. training and development, quality circles, teams, employee engagement, delegation and responsible innovation that supports long-term organisational sustainability.

Learning outcome C: Understand the techniques used to generate support and commitment to innovation within an organisation

- *Impact of creativity and innovation on teams and organisational structure:* organisational structure, e.g. functional and matrix, impact of organisational structures on innovation and creativity; relationship between effective workplace teams, intrapreneurial skills, innovation and the success of an enterprise.
- *Techniques for creative and innovative solutions*: theory and application of lateral thinking, visioning and problem-solving techniques; theory and use of analytical tools – SWOT (strengths, weaknesses, opportunities, threats), PESTLE (political, economic, social, technological, legal, environmental) analysis; cost-benefit analysis; decision-making processes and styles including judgement in digital, AI-enabled and sustainability-influenced contexts.
- *Organisational processes*: processes for the evaluation, selection and development of ideas; ideas – value chain, inside/outside, cross-pollination, selection, development, diffusion; role of incubation; need to be systematic including consideration of responsible innovation and long-term organisational sustainability.

Learning outcome D: Apply an entrepreneurial approach in a strategic leadership role within a given organisational context

- *The stages of innovation of a new product, service or process* : product/service idea, design, development, test, implement; market identification, size, segmentation, customer perceptions, market testing, promotion, and launch; process identification, analysis, design, testing and implementation; use of information technology, e.g. SMART technology, e-commerce, computer-aided design (CAD)/computer-aided manufacturing (CAM)/building information modelling (BIM), additive manufacturing, 3D printing, data mining and analysis, digital and AI-enabled technologies, internal and external integration of information systems; alignment and integration of new processes with established processes.

- *Risks:* risk analysis, risk management techniques.
- *Change models:* e.g. IDEAL model (initiating, diagnosing, establishing, acting and learning).
- *The decision-making process*: define/clarify the issue, gather facts, identify the range of solutions, consider advantages/disadvantages of the options, select best option, implement; decision-making models – rational, bounded rationality, intuitive, creative including decision-making in complex, technology-enabled and sustainability-influenced contexts.
- *Performance metrics:* e.g. financial, market performance, workforce motivation and productivity, quality, efficiency and costs and longer-term sustainability of performance outcomes.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the contribution of creative and innovative management to organisational development and performance	There are a number of approaches that can be taken to cover the learning outcomes in this unit. It is possible to assess all the learning outcomes in this unit within one assignment. Alternatively, different assignments can be used to cover individual learning outcomes, although care must be taken to ensure learners understand that innovation is a process and is therefore likely to draw on aspects from more than one learning outcome. It is therefore suggested that, if the learning outcomes are not assessed within one assignment, then an individual assignment should cover more than one learning outcome Learners must be given the opportunity to link theory to practice, for example by examining the relevance of Drucker's innovation model in an organisational context, and show the application of techniques used in the innovation process, for example SWOT and PESTLE analysis. Assignments can be based on tutor-devised case study scenarios, research studies involving specific organisations or a learner's own organisation. If case study scenarios are used care must be taken to ensure that learners have the opportunity to provide appropriate and sufficient evidence to meet all the assessment criteria. In the case of research studies, these can either be based on an organisation chosen by the tutor or self-selected by the learner. If either case studies or research studies are used, learners must be given the opportunity to analyse how creative and innovative management impacts on the prevailing organisational culture and how this
B Understand how entrepreneurial skills can enhance innovation within organisations	
C Understand the techniques used to generate support and commitment to innovation within an organisation	
D Apply an entrepreneurial approach in a strategic leadership role within a given organisational context	

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Learning outcome	Suggested assessment approach
	culture promotes creativity within the workforce. Not all innovations are successful and case studies and research studies can be based on a comparative analysis of both successful and unsuccessful innovations with learners required to identify the critical factors that impacted on the final outcome. In those instances where the learner is required to consider their own organisation, there are two possible approaches that can be taken. Firstly, the learner could investigate how a specific innovation was introduced into the organisation and analyse the way in which the innovation was supported, the challenges that needed to be addressed to implement the innovation and an evaluation of the impact of the innovation on organisational performance. The second approach is based on an 'active research' approach involving the identification and diagnosis of a problem or a weakness in an organisational process and then proposing creative solutions to address the problem or weakness. The advantage of this approach is that learners would need to assess their own creative and entrepreneurial skills and to work with managers and team leaders to successfully implement the innovation process. Whichever approach is taken, learners must be aware that innovation is not solely concerned with new product development or the utilisation of technology. Creativity and innovation can also be applied to organisational processes with the aim to promote efficiencies and reduce costs. Hence, in this unit, organisational functions such as procurement, recruitment, communication systems and organisational structure can all form the basis of an assignment programme. Learner presentations could be used to present a strategy for promoting innovation in an organisation highlighting the strategic objectives, the main issues to be addressed, recommendations, the lessons learned and the implications for strategic leaders and managers drawn from a detailed risk analysis.

Assessment requirements

Learning outcome A

To achieve learning outcome A, learners must provide evidence to show that they can analyse the influences that impact on the approach to innovation taken by an organisation. This can be evidenced in either a service sector organisation or a manufacturing organisation. Learners must apply theoretical models of the innovation process in a specific organisational context. Learners must clearly identify how leadership influences the approach to innovation in an organisation and how innovation impacts on the achievement of an organisation's strategic aims and objectives and its vision and mission. The evaluation of organisational performance must incorporate both quantitative and qualitative performance measures. Learners must analyse the factors that limit organisational innovation and assess their impact on innovation within an organisation.

Learning outcome B

To achieve learning outcome B, learners must identify the application of entrepreneurial skills in a specific organisation and show how these skills can be applied in different contexts, both in terms of strategic leadership and across the organisation as a whole. This can be evidenced in terms of product innovation or improving organisational processes. Learners must analyse how different leadership styles can influence innovation.

Learning outcome C

To achieve learning outcome C, learners must analyse the impact of the measures implemented by an organisation to promote the development of intrapreneurial skills within its workforce. The analysis must include the impact of intrapreneurial practices on organisational systems and procedures, workforce structure, organisational culture and performance. Learners must apply both SWOT and PESTLE analysis in a specific context and provide an analysis of the implications on the proposed innovation. The implications must be presented to include both the costs and benefits of the proposed innovation.

Learning outcome D

To achieve learning outcome D learners must show how a strategic change model could be applied to develop a strategy for promoting innovation in an organisation and help prepare it for implementing an innovation. Learners must provide evidence of how an entrepreneurial mind set and associated skills can influence and promote the development of the strategy. The strategy must be supported by a realistic operational plan which show the stages involved in the innovation process and clearly identifies and justifies priorities, targets, actions and management responsibilities. The strategy must include a detailed risk analysis and management plan. Targets should be identified for performance improvements in specific areas of the organisation and include both quantitative and qualitative performance targets.

Unit 5: Strategic Marketing Management

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is therefore a critical organisational function. An organisation's strategic position, and the positioning of its products and services, depends on creating and implementing intelligent and well-informed strategic marketing plans.

Marketing management seeks to get the business to produce what the customer wants and align all marketing activities to meet customer needs. This unit explores the role of marketing management in setting marketing goals, applying business models to establish a marketing strategy and utilising marketing instruments that contribute towards an organisational approach to marketing.

In order to remain competitive, it is important that organisations focus on establishing, developing and adjusting their strategic marketing plans.

A strategic marketing strategy combines product development, promotion, distribution, pricing, relationship management and other elements of marketing. The strategy identifies an organisation's strategic marketing goals, and explains how they will be achieved within a designated timeframe.

Learners will investigate how marketing plans are designed to contribute towards an organisation's mission and strategic objectives. They will consider the management decisions that have to be taken when implementing different elements of the marketing mix (product, price, people and place) and how marketing plans can be monitored and controlled to maximise the benefits to the organisation and its stakeholders.

This unit requires that learners have access to the marketing management function in an organisation, or they must be provided with a detailed case study.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the processes involved in marketing management	A.1	Analyse the marketing goals that may be set by an organisation
		A.2	Analyse the processes involved in marketing management
		A.3	Critically analyse the contribution of marketing management to the achievement of corporate objectives
B	Understand the tools used to develop a strategic marketing strategy	B.1	Analyse the processes involved in strategic marketing
		B.2	Critically analyse the relationship between marketing management and strategic marketing
		B.3	Investigate the models used in setting strategic marketing objectives
C	Understand how marketing managers use strategic marketing techniques and tactics	C.1	Investigate the strategic marketing techniques that can be applied by an organisation
		C.2	Investigate the application of the 7P marketing mix
		C.3	Evaluate the effectiveness of strategic marketing tactics applied in different organisations
D	Understand how marketing management is applied in an organisational context	D.1	Analyse the role and functions of marketing management in an organisational context
		D2	Critically evaluate the appropriateness of strategic marketing objectives in a given context
		D.3	Evaluate the effectiveness of marketing management in a given organisational context

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Unit content

Learning outcome A: Understand the processes involved in marketing management

- *Marketing goals:* strategic goals, e.g. growth, diversification, market share, market development; economic goals, e.g. sales costs, profitability, contribution margin, margins; psychographic goals, e.g. awareness of brand; image; overall customer satisfaction rates; customer loyalty; SMART objective setting based on key principles– content, extent, time and market segment.
- *Role of marketing management:* marketing as a specialist business function and as a set of organisational processes encompassing all functional areas coordinated by a marketing manager.
- *The application of marketing management processes:* GOSPA (Goals, Objectives, Strategies, Plans and Tactics) corporate performance management process applied to the marketing management function; determining marketing goals, formulating a marketing strategy, applying marketing tools (which may include digital or AI-supported tools where appropriate) and establishing control processes to monitor key performance indicators including ethical and sustainability considerations, implementing any required remedial action and providing feedback to key decision-makers in the organisation.
- *Corporate strategy:* the nature of strategy and marketing links to corporate strategy, e.g. Michael Porter; links to mission statement, organisational structure, corporate responsibility and ethics including sustainability and responsible use of digital technologies; dynamic strategy (Carpenter and Sanders); knowledge management systems.

Learning outcome B: Understand the tools used to develop a strategic marketing strategy

- *Strategic marketing*: key definitions from the Chartered Institute of Marketing and key authors, e.g. Hugh Davidson, Peter Doyle, Philip Kotler, Malcolm McDonald*;* role and importance of strategic marketing in an organisation; concepts; systematic approach; sequencing and scheduling of activities; integration of activities; resource requirements; timescales; monitoring and control elements.
- *Processes:* strategic marketing planning processes, e.g. Peter Doyle, Malcolm McDonald's strategic marketing analysis, marketing strategy objective setting, perceptual mapping, factor analysis, option evaluation, choice, formulation, implementation and control.
- *Marketing strategy typologies*: e.g. Porter's generic strategies (focus, cost leadership and quality leadership); core competences (G Johnson and K Scholes, G Hamel and C K Prahalad); competitive advantage (H Davidson, M Porter); investment opportunity evaluation (D F Abell and J S Hammond); General Electric model; Shell directional policy matrix; inside-out planning model (Schultz, Tannenbaum and Lauterborn).

- *Strategic options*: market leadership; market dominance strategies; market leader, market challenger, market follower, market niche; innovation strategies (including digitally enabled or sustainability-led innovation); market pioneer; close followers, late followers; offensive, defensive and value-based marketing strategies.
- *Marketing tools and models:* organisation, industry and market environment situation analysis; Porter's Five Forces model; competitor analysis; SWOT (strengths, weaknesses, opportunities, threats) analysis, STEEPLE (social, technological, economic, environmental, political, legal, ethical) analysis including digital and sustainability drivers, PEST (political, economic, social, technological) analysis, marketing audit, the 5C model. AI tools for advanced analytics, forecasting market trends and customer behavior, and providing data driven insights.
- *Marketing analysis techniques:* e.g. BCG matrix, product life cycle model, Ansoff matrix.
- *Marketing policies:* product policy; price policy; distribution policy; communication policy including digital communication channels and sustainability messaging where relevant.

Learning outcome C: Understand how marketing managers use strategic marketing techniques and tactics

- *Marketing techniques:* setting marketing objectives and marketing strategy, targeting markets; segmenting markets, e.g. geographic, demographic, psychographic, behaviour; profiling markets, e.g. revenue potential, market share potential, profitability potential, positioning segmented markets, e.g. market leader or product line extension, mass marketing or niche marketing, direct or indirect sales; customer relationship marketing (CRM) features and implications for business strategies; market pioneer; close followers, late followers; offensive, defensive and value-based marketing strategies.
- *The extended marketing mix*: the 7P model (product, place, price, promotion, people, processes, physical evidence); marketing strategies for product/service, pricing, distribution, promotion, e.g. advertising, sales promotion, personal selling, direct marketing, public relations, people, e.g. internal, intermediaries, customer service, processes and physical evidence, e-marketing strategy; resource requirements, e.g. financial, people, marketing, sustainability and digital capability considerations.
- *Marketing tactics:* pricing tactics, e.g. skim pricing, penetration pricing, cost price, market price, price discrimination.
- *Promotion tactics*: push strategies, e.g. the promotional mix, customer loyalty schemes, product sampling, dealer loaders, extended credit, point of sale (POS) materials.
- *Place tactics:* pull strategies, e.g. distribution channels, online channels and smart technology, efficiency and sustainability considerations in distribution and logistics, transport management, stock and handling, run through times, terms of delivery.
- *Communication tactics:* e.g. print, promotions, branding, the marketing message (content of the communication); ethical, sustainability and digital reputation considerations; role and importance of social media.

Learning outcome D: Understand how marketing management is applied in an organisational context

- *Emerging themes in an organisational context*: e.g. product portfolio, organisational structure and culture, impact of globalisation, the strength or weakness of competitors, importance of environmental factors including sustainability considerations, changes in the political environment, the state of the economy, economic indicators, influence of social media.
- *Organisational responses to changes in in the external environment*: shift from supply to demand environment; fashionisation of markets; micro-markets; rising expectations; technological change including digital and AI-enabled developments; competition; globalisation; importance of customer service; commoditisation; erosion of brands; new constraints.
- *Strengths and weaknesses of marketing management in an organisational context*: focus of marketing objectives, links to corporate strategy, speed of new product developments, ability to customise, ability to handle information to gain competitive advantage; e-marketing position, core focus, target markets, nature and potential of key market segments, partnerships with customers and other stakeholders, organisational structure, innovation strategies, timescales, resource requirements, budgets, monitoring, review and control mechanisms.
- *Impact analysis*: economic and psychographic impact, e.g. sales volume and value, costs, profitability, margins, shareholder value, brand recognition, customer loyalty and retention; sustainability-related impacts, digital marketing metrics, e.g. page views, bounce rate, exit rate, conversion rate, click through rate, new visitors, and average length of session.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the processes involved in marketing management	The assessment may comprise two assignments. The first assignment should focus on the processes and tools involved in strategic marketing management, whilst the second could involve learners in the application and impact of strategic marketing management in an organisational context. In both assignments learners could select a specific organisation, which could either be their own workplace or another organisation they may be familiar with. Tutors should ensure that, whatever organisations are chosen by learners, learners are able to access sufficient information to meet the requirements of the assessment criteria. It is also acceptable for both assignments to be conducted using a comparative analysis approach, enabling learners to identify the approaches to strategic marketing management taken in different markets and organisational contexts. In the first assignment learners should to pull together the links between strategic marketing and corporate strategy. This will involve learners identifying the corporate objectives of an organisation and then analysing the links between these objectives and the various elements of the organisation's marketing strategy. Learners need to exhibit a good knowledge of the range of models that are available and make an assessment of the value of the models used in strategic marketing planning. Learners are therefore expected to analyse the application of different theoretical marketing models and marketing analysis techniques and how far
B Understand the tools used to develop a strategic marketing strategy	

Learning outcome	Suggested assessment approach
	these models and techniques may have influenced the development of an organisation's marketing strategy. The assignment should include an analysis of the possible strategic options that may have been considered by the organisation. This should involve the application of the GOSPA (Goals, objectives, strategies, plans and tactics) corporate management process. The assignment must give learners the opportunity to evaluate the usefulness of the theoretical marketing models and techniques in an organisational context.
C Understand how marketing managers use strategic marketing techniques and tactics	The second assignment requires learners to explore the link between strategic positioning, strategic management techniques and marketing tactics. Learners will need to apply the principles of strategic marketing and analyse the use of strategic marketing techniques in a selected market. The assignment can be based on the learners' own workplaces or job role or require them to undertake in-depth research into an organisation. It would be useful for learners to choose an organisation that is operating in an environment that requires it to refocus its marketing strategy and associated tactics. For example, this could include an organisation's response to stakeholder pressure including the need to address socio-economic imperatives such as climate change and social issues, as well as the impact of technology on both product design and the changing nature of customer relationship management. The assignment must require learners to undertake an impact analysis of the effectiveness of an organisation's marketing strategy and the tactics it has used to achieve its strategic objectives.
D Understand how marketing management is applied in an organisational context	

Assessment requirements

Learning outcome A

To achieve learning outcome A, learners must identify the specific marketing goals of an organisation and how these goals contribute to the organisation's strategic objectives and overall mission statement. Learners must show how the GOSPA corporate performance management process could be applied to marketing management processes in a specific organisational context and analyse how these processes are coordinated across different functional areas within a business. Learners must provide evidence that shows that they have a good understanding of the processes involved in marketing management, including the feedback loop to corporate decision-makers.

Learning outcome B

To achieve learning outcome B, learners must show a good understanding of the application of strategic marketing models in an organisational context and how marketing activities are coordinated and scheduled to maximise their effectiveness in terms of such aspects as product innovation, pricing decisions and marketing communications. Learners should provide appropriate examples to show that they understand the difference between marketing management and strategic marketing. Learners must analyse how marketing analysis techniques may have influenced an organisation's marketing strategy. Learners must provide evidence of a market analysis, using appropriate models and marketing analysis techniques, based on an organisation operating in a specific market. The analysis should be accompanied by an overview of the implications of the learner's own analysis for the organisation's marketing strategy and how far these match those of the organisation's marketing strategy.

Learning outcome C

To achieve learning outcome C, learners must produce a report that provides a range of evidence showing how strategic marketing techniques have been applied by organisations operating in the same or different market sectors. This could cover aspects such as market segmentation and profiling and the link with different marketing strategies. Learners must show a good understanding of the application of marketing tactics applied in each of the components of the 4P marketing model and how the extended 7P marketing model influences and impacts on an organisation's marketing tactics, including its corporate communications strategy.

Learning outcome D

To achieve learning outcome D, learners must identify how changing factors within an organisation's external environment have impacted on its marketing tactics. Learners must evaluate the effectiveness and appropriateness of an organisation's response to the changing nature of its external environment. The evaluation should be based on an in-depth analysis of the strengths and weaknesses of its marketing management strategy and its associated marketing tactics.

Learners must evaluate the effectiveness of an organisation's marketing tactics using appropriate performance indicators mapped against an organisation's corporate objectives and, where possible, its own performance targets.

Unit 6: Project Management – the Strategic Perspective

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Strategy is often defined in organisational terms as putting an organisation in a specific position through improving its competitive advantage. One approach that organisations adopt to achieve and/or increase their competitive advantage is through the use of strategic projects.

These projects can be contextualised, for example, in manufacturing, financial services and research and development. However, whatever the context, all projects must be aligned to the organisation's strategic aims and objectives.

Through the establishment of appropriate governance structures, ensuring sufficient resources are in place, and through effective leadership, planning and control, project managers are able to implement and deliver a project's aims and objectives.

In this unit, learners will explore the key theories, concepts and models that underpin effective project management from a strategic perspective. This exploration will support consideration of the key strategic requirements of governance, leadership, planning and control before using this knowledge to critically analyse a contemporary project.

The project can be one that the learner is carrying out, or one that the tutor has made available for analysis. Assessment for this unit can be carried out alongside learning.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand current theories, concepts and models that apply to the field of project management	A.1	Critically evaluate the contexts in which contemporary projects operate
		A.2	Critically review contemporary project management theories, concepts and models
		A.3	Critically discuss the importance of managing projects within a project management framework
B	Understand project governance and management	B.1	Analyse appropriate project structures, hierarchies, roles and responsibilities
		B.2	Critically review project management processes and protocols
		B.3	Evaluate techniques to manage stakeholder interest, influence and engagement
C	Understand project leadership and management	C.1	Critically assess approaches to providing visionary leadership to project teams
		C.2	Critically review the tools and techniques project leaders could use to develop and establish individual and team objectives
		C.3	Critically analyse current insights into the management of conflict within project teams
		C.4	Analyse techniques a project manager could use to communicate and negotiate with stakeholders
D	Understand project planning and control	D.1	Discuss the role of a consolidated management plan for a project
		D.2	Evaluate methods for managing project costs and budgets
		D.3	Critically review why and how to manage project costs and budgets
		D.4	Critically evaluate responses to risks and issues to minimise threats and maximise opportunities
E	Be able to review the implementation of a project	E.1	Review the governance and management of a project
		E.2	Critically assess the extent to which project management and leadership effectively supported the implementation of a project
		E.3	Critically review the financial and risk management of a project
		E.4	Develop justified recommendations for how the governance, management and implementation of a project could be improved

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Unit content

Learning outcome A: Understand current theories, concepts and models that apply to the field of project management

- *The contexts in which contemporary projects operate:* external environment (PESTLE), internal environment (SWOT), types of project including manufacturing (e.g. new product development), health (e.g. new hospital), infrastructure (e.g. upgrading a rail network), transportation (e.g. building an oil tanker), and services (e.g. introducing new software systems).
- *Contemporary project management theories, concepts and models:* projects as a process, the project life cycles (linear and hybrid), project management as a concept and as a process, project scope, time, resources, quality, project risk, agile, lean, scrum, Kanban, waterfall.
- *Project management framework*: processes, tasks, tools, key components for planning, managing and governing, basic elements including initiation, planning, execution, control and closure.

Learning outcome B: Understand project governance and management

- *Project management processes and protocols:* reliable and valid information; managing and recording project deviations and risks; compliance with legal and regulatory requirements, configuration management systems, change control processes, impact of change, trend analysis.
- *Managing stakeholder interest, influence and engagement:* project stakeholders (e.g. client, project management office), stakeholder analysis techniques (e.g. power/influence matrix, salience model, RACE model).

Learning outcome C: Understand project leadership and management

- *Approaches to providing visionary leadership:* ethics, collaboration, inspiration, diversity, empowerment, high performance teams, trust, confidence.
- *Establishing individual and team objectives:* SMART objectives, skills/gap analysis, individual support, team support, performance management, feedback, responding to concerns, the development cycle, motivation.
- *Current insights into the management of conflict:* emotional intelligence, impartiality, objectivity, situational and contextual awareness; resolution strategies, equality and inclusivity.
- *Communicate and negotiate with stakeholders:* strategic communication, communication management plan, internal negotiation, external negotiation.

Learning outcome D: Understand project planning and control

- *Consolidated management plan:* components of a plan (to include scope, schedule, resource requirements, budgets, anticipated risks, opportunities and threats, quality requirements), balancing components with the project's requirements, monitoring the plan, adjusting the plan, input from a range of sources.

- *Manage project costs and budgets:* cost tracking tools, cashflow and cashflow forecasting, establishing cost trends, financial performance monitoring, cost analysis and cost adjustments; budget allocations and reviews.
- *Responses to risks and issues:* quantitative and qualitative analysis of risks and issues, recording risks and issues, responding to risks and issues, reviewing how risks and issues were resolved.

Learning outcome E: Be able to review the implementation of a project

- *Conducting a review:* relationship between theory and practice, use of project governance, effectiveness of leadership, effective and efficient planning, change control measures, realistic aims and objectives, adequate provision of resources.
- *Justifying recommendations:* recommendations must be logically supported, state the recommendations, establish reasons for the recommendations, provide supporting evidence, suggest timeframes if relevant.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the teacher. Exceptionally the learner will be able to draw on their workplace experience to devise their own project. However this should be done with the guidance of the tutor. This assignment should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand current theories, concepts and models that apply to the field of project management	A management report of approximately 5000 words to include a reference list. The reference list is not included in the word count.
B Understand project governance and management	
C Understand project leadership and management	
D Understand project planning and control	
E Be able to review the implementation of a project	

Assessment requirements

Learning outcome A

This unit begins with a learning outcome that requires learners to engage with seminal and current literature where the focus is the broader contexts and principles of project management. It is expected that learners will engage with research that has a more national bias to gain greater insight into how the concepts, theories, models and frameworks apply to different types of project in different sectors. A learner's ability to critique arguments and premises identified in the literature and research is necessary if they are to fully appreciate the principles of project management.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the key strategic issue of project governance. Through consideration of a number of case studies/examples, learners should be able to demonstrate an understanding of the relationships between governance and management, and how these have a symbiotic relationship with a project's stakeholders. Learners should demonstrate they recognise the influence of stakeholders, based on their relationship with an organisation, on how a project is governed within the context of national and international regulations/legislation. Learners need to demonstrate an ability to be critical.

Learning outcome C

To support the learner's ability to meet this outcome they could be directed to the knowledge gained from *Unit 1: Strategic Leadership and Management*.

Whist the underlying principles of strategic leadership and management relate to this learning outcome, learners must contextualise these to project management. Learners must be able to isolate specific aspects of leadership and management as they apply to different aspects and stages of a project. Learners should focus on the 'how' and 'why' of project management so they can demonstrate a deep understanding of the subject. This knowledge will be reinforced through examinations of different projects and how they were governed. Learners need to demonstrate an ability to be critical.

Learning outcome D

Planning, managing costs and risk and issue management are significant and key aspects of a project that could determine its success or failure. Learners must demonstrate that they appreciate the importance of each of these aspects as well as an appreciation of the symbiotic relationship between them. Exploring a number of projects/case studies will deepen a learner's understanding, which will support their ability to be critical.

Learning outcome E

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying learner knowledge and understanding, alongside their ability to critique, to an organisation's implementation of a project.

The project can be real where the learner is embedded in the project or where the learner is an outside observer. However, if this is not possible a case study will need to be provided.

Unit 7: Strategic Human Resource Management

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Human resource management (HRM), as a concept, function and process, is fundamental to the delivery of an organisation's strategy. Without effective workforce planning it is unlikely that an organisation will have the right people, in the right place, at the right time to succeed.

Learners will examine the HR challenges that those responsible for strategic HRM will be presented with, in the context of an organisation exposed to changing national and international environments.

Learners will explore strategic HRM in practice as well as important considerations for a strategic HR manager, such as ethics, diversity and performance management.

Using this knowledge as a basis for examining current and emerging trends, learners will be able to critically analyse an organisation's approach to strategic HRM before making appropriate recommendations for improvement.

The unit draws to a close through the review an organisation's strategic management of its human resources function.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand strategic issues in human resource management (HRM)	A.1	Assess current contexts and challenges for strategic HRM
		A.2	Critically discuss the relationship between an organisation's strategic objectives, organisational change and HRM
		A.3	Critically analyse the impact of globalisation on HRM
B	Understand strategic HRM in practice	B.1	Analyse the value of effective workforce planning to an organisation
		B.2	Evaluate the ethical and diversity challenges that can arise in strategic HRM
		B.3	Critically discuss performance management as a strategic HRM tool
		B.4	Analyse legal and regulatory requirements on HRM practice
C	Understand the role of strategic HRM in delivering organisational strategies	C.1	Evaluate the value of an HR strategy to an organisation
		C.2	Analyse the relationship between organisational strategy and HR strategy
		C.3	Critically evaluate current and emerging HRM trends which could influence HR and organisational strategies
D	Be able to review an organisation's management of its human resources	D.1	Critically review the HRM context of an organisation
		D.2	Critically evaluate the extent to which an organisation's human resources are being strategically managed
		D.3	Develop justified recommendations for how an organisation could improve its strategic HRM for both current and future requirements

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Unit content

Learning outcome A: Understand strategic issues in human resource management (HRM)

- *Current contexts and challenges for HRM*: HRM roles and responsibilities, organising the HRM function, modelling HRM, relationship between HRM and organisational performance, relationship between HRM and other organisational functions, changing nature of work, changes to management practice, evolution of strategic HRM.
- *The organisation, organisational change and HRM:* organisational structures, content versus process of change, types of change, the change process, change tools, role of HR in the delivery of change, models of change, communication during change.
- *Globalisation and HRM*: multinational enterprises and HRM, localisation versus standardisation, global challenges to HRM, global and emerging markets.

Learning outcome B: Understand strategic HRM in practice

- *Workforce planning*: intelligent workforce planning, employee engagement, recruitment and selection, training and development, international deployments, strategic forward thinking, changing demographics, importing knowledge and skills.
- *Ethics and diversity:* equal opportunities, strategic HRM and diversity management, national versus international diversity management, organisational justice, corporate social responsibility, developing an ethical organisation, global diversity.
- *Performance management:* reward strategies and systems, pay policy and HRM, fairness in reward, total reward, employee motivation, supervisor-subordinate relationship, performance management systems, talent management, HR development processes.
- *Laws and regulation:* the growth and impact of laws/legislation, trade unions, bargaining and negotiation, professional bodies, national and international laws/legislation, key health and safe working laws/legislation.

Learning outcome C: Understand the role of strategic HRM in delivering organisational strategies

- *HR strategy:* content issues, process issues, implementation issues, power and influence of the HR professional, universal approaches to strategic HRM, contingency approaches to strategic HRM, resource-based view (RBV), knowledge management.
- *Organisational strategy:* strategic options (e.g. diversification, internationalisation), competitive strategies, interactive strategies, business models, deliberate and emergent strategies, strategic capabilities.
- *Current and emerging HRM trends:* remote working, employer branding, employee experiences, learning management systems, talent acquisition, digital HR, HR analytics, use of short-term contracts and freelancers (GIG workers), agile workforce.

- *Artificial intelligence in strategic HRM:* impact on HR decision-making, workforce planning, talent management, learning and development, ethical considerations, power and influence of HR, and alignment with organisational strategy.

Learning outcome D: Be able to review an organisation's management of its human resources

- *Conducting a review:* relationship between theory and practice, application of HRM methods and tools, delivering organisational value, impact of globalisation, strategic relationships, compliance.
- *Justifying recommendations:* recommendations must be logically and fully supported, state the recommendations, establish reasons for the recommendations, provide supporting evidence, suggest timeframes if relevant.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand strategic issues in human resource management (HRM)	An essay of approximately 4000 words to include a reference list. The reference list is not included in the word count.
B Understand strategic HRM in practice	
C Understand the role of strategic HRM in delivering organisational strategies	
D Be able to review an organisation's management of its human resources	A management report of approximately 1000 words to include a reference list. The reference list is not included in the word count.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage with seminal and current literature where the focus is the broader contexts and principles of strategic HRM. It is expected that learners will engage with research that focuses on the broader, global HRM issues before investigating the issues faced by different sectors and organisations in their home country. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the strategic principles and issues in a HRM context.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the wider issues that impact on the practice of HR managers. It is anticipated that learners will explore each of the key considerations mentioned in this learning outcome, which could be supported through the use of an external analysis (such as PESTLE) and internal analysis (such as SWOT). Learners should be able to demonstrate an understanding of national as well as international regulations/laws that impact the management of human resources, using specific regulations/laws as part of their critical arguments.

Learning outcome C

To support the learner's ability to meet this outcome they could be directed to the knowledge gained from *Unit 1: Developing Strategic Management and Leadership*.

This learning outcome requires learners to focus on an organisation's strategy and how HRM strategies support the achievements of strategic objectives. It is anticipated that learners will explore the development of HR strategies in light of current and emerging trends and how any changes to a HR strategy could have a positive or negative effect on an organisation's achievement of its strategic objectives. Learners need to demonstrate an ability to be critical.

Learning outcome D

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to critique, to an organisation's strategic management of its human resources.

The organisation can be real, or one supplied through a case study. Learners are advised to develop their response to the assessment for this learning outcome as they progress through the unit's other learning outcomes. As with all other learning outcomes, learners need to demonstrate an ability to be critical.

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Unit 8: Financial Principles and Techniques for the Strategic Manager

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

The goal of strategy is to place an organisation in a sustainable position supported by adequate resources. One of the key functions of strategic managers is to make long-term decisions that will contribute towards the achievement of an organisation's strategic objectives. Strategic managers rely on both quantitative and qualitative management information to ensure that the decisions they take are robust and take account of the potential benefits and risks to the organisation.

Strategic decision-makers will have acquired specialist skills and knowledge that will be linked to organisational functions. A team of strategic managers, therefore, could include specialists in areas such as finance, marketing, human resources and digital technology. Strategic leaders will need to understand, interpret and make use of financial data and other information, whatever their specialist skills and knowledge area. Financial data is processed as part of an organisation's management information system (MIS). Strategic managers need to be able to apply financial techniques and tools to analyse the organisation's management information, and to make firm decisions for different organisational reasons.

This unit focuses on the financial data and management information that strategic managers use when making financial decisions. These decisions will be about the planning and allocation of resources based on the financial models and financial statements prepared and presented by the organisation's management accountants and financial accountants.

Successful completion of this unit will enable learners to analyse these financial models and financial statements to assess and evaluate an organisation's financial performance, determine the reasons for underperformance, and set challenging financial performance targets in relation to revenue, costs, liquidity, financial returns, efficiency and overall profitability. Achievement of these targets will enable an organisation to improve its position in a competitive market and meet the needs and interests of its stakeholders.

This unit does not require any prior knowledge of financial or management accounting but learners should be confident in the application of numerical skills in data analysis to assist in management decision-making and formulating organisational strategies.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the contribution of the finance functions to strategic decision making	A.1	Analyse the relationship between cost accounting, management accounting and financial accounting
		A.2	Critically analyse the application of financial, cost and management accounting in an organisational context
		A.3	Critically evaluate the contribution of management information to organisational financial decision making
B	Understand the strategic management decision-making process in the allocation of organisational resources	B.1	Analyse the functions of organisational budgets
		B.2	Systematically analyse the relationship between budget planning and operational and strategic planning
		B.3	Evaluate the contribution of budgetary control to the achievement of operational and strategic objectives
C	Understand the financial tools used by strategic managers in relation to financial decision making	C.1	Investigate the factors that impact on financial decision making
		C.2	Critically analyse the short-term financial decision-making process relating to price, costs and output
		C.3	Critically analyse the long-term financial decision-making process relating to capital investment decisions
D	Understand the financial techniques applied to evaluate organisational performance	D.1	Comprehensively analyse the financial statements of a business
		D.2	Critically assess the financial performance of a business
		D.3	Critically evaluate a set of decisions designed to improve the financial performance of an organisation

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Unit content

Learning outcome A: Understand the contribution of the finance functions to strategic decision making

- *The classification of costs and sources of business finance*: cost classification by element, function and behaviour; fixed and variable costs, semi-variable costs and step costs; the application of opportunity costs; relevant costs; sunk costs; incremental costs avoidable costs; the effect of time on cost behaviour; the advantages and disadvantages of short- and long-term methods of business finance.
- *The relationship between cost, management and financial accounting*: the meaning and purpose of cost accounting; the different functions of financial accounting and management accounting; organisational budgets; key financial performance indicators relating to profitability; efficiency and liquidity; the triple-bottom line and its impact on financial decision making
- *The main financial statements of a business*: the main information contained within the statement of comprehensive income; statement of financial position; cash flow statement; financial terminology used in relation to the main financial statements; how the financial statements contribute to the needs and interests of stakeholders.
- *Management information systems:* purpose of a management information system; the importance of management information in financial planning and decision making; the differences between data and management information; sources of management information; features of a management accounting system – information identification, information recording, information analysis; information reporting; the contribution of management information systems to 'what if?' scenarios and sensitivity analysis; the financial aspects of risk management plans, e.g. identification; evaluation; potential impact; contingency and recovery planning: communicating financial management information to internal and external stakeholders.

Learning outcome B: Understand the strategic management decision-making process in the allocation of organisational resources

- *Organisational budgets*: the purpose of a budget; the contribution of budgets to management functions, e.g. planning and resource allocation, coordination, control, identification of problems; the limiting factor concept; budget preparation and the budget-setting process; functional budgets, e.g., revenue, production, direct labour, materials, cash; the master budget; analysis of the components of the master budget, e.g. cash budget, inventory budget, cash flow forecast; alternative approaches to traditional budgeting, e.g. zero-based budgeting, rolling/incremental budgets, activity-based budgeting; the role and functions of responsibility centres (cost centre, revenue centre, profit centre, investment centre), human behavioural aspects of budgeting, e.g. management participation, authority, performance evaluation.
- *Budgetary planning*: how budgets link with strategic plans and objectives; time horizons of plans and budgets; the contribution of budgets to operational and strategic planning.

- *Budgetary control:* use of budgets to identify problem areas and recommend appropriate action; variance analysis in relation to materials; labour and fixed overheads; reasons for adverse variances in costs; investigating variances; addressing costs and efficiency variances; identifying management actions to address adverse variances; identifying reasons for favourable variances, e.g. unplanned revenue streams; unplanned efficiency savings; poor budget setting; management by exception; role of corporate governance in financial control; the different functions and responsibilities of internal and external audits.

Learning outcome C: Understand the financial tools used by strategic managers in relation to financial decision making

- *The contribution of financial and management accounting to strategic and operational decisions:* factors taken into account in financial decision making, e.g. costs; financial returns; contribution towards short-term operational objectives and long-term strategic objectives; financial and organisational risks; stakeholder engagement and views.
- *Short-term financial decision making*: break-even analysis, analysis of a break-even chart; margin of safety; impact of changes in costs and price on the break-even point; contribution – benefits and limitations; using contribution to make decisions – marginal analysis, e.g. pricing/assessing opportunities to enter contracts; limitations of break-even analysis; maximising the contribution of the limiting factor; factors to take into account in 'make or buy' decisions.
- *Long-term financial decision making* :capital and revenue expenditure; the characteristics of non-current assets; the contribution of non-current assets to strategic objectives; factors to consider when making long-term investment decisions, e.g. costs and benefits; risks: purpose of capital investment appraisal; application of financial tools used in investment appraisal, e.g. discounted cash flow, internal rate of return and net present value.
- *Factors to take into account when undertaking investment appraisal:* e.g. past costs, future cost movements (inflation), opportunity costs, taxation, interest lost and interest payments, assumptions made in forecasting models, risks, associated costs of investment (training, maintenance, depreciation); importance of management information in investment appraisal decisions.

Learning outcome D: Understand the financial techniques applied to evaluate organisational performance

- *Statement of comprehensive income* :uses of a statement of comprehensive income to business decision-makers and stakeholders, e.g. assessing business performance, identifying trends and patterns in profitability and performance, setting future business targets, assessing the viability of the organisation, making comparisons with other organisations, highlighting potential problems of the business: components of a statement of comprehensive income; analyse a statement of comprehensive income; extract relevant data from a statement of comprehensive income to calculate profitability ratios, e.g. gross and net profit margins.

- *Statement of financial position:* uses of a statement of financial position to business decision-makers and stakeholders, e.g. can the business pay its day-to-day expenses; implications of long-term indebtedness; business viability; sufficiency of cash reserves; investment potential; components of a statement of financial position; analyse a statement of financial position; working capital management; extraction of relevant data from a statement of financial position to calculate liquidity ratios – current ratio, acid test ratio, return on capital employed (ROCE).
- *Analysing and interpreting financial statements:* key financial performance indicators, the performance of business competitors and industry benchmarks; identify potential issues and opportunities in financial statements over time that may impact on the achievement of an organisation's strategic objectives; analyse the possible reasons for financial under-performance.
- *Make financial decisions:* use the outcome of an analysis of an organisation's financial statements to determine the response to financial underperformance and set appropriate key financial performance objectives using SMART target setting principles; best practice in communicating financial information to key stakeholders, e.g. the workforce, shareholders and financial institutions.

Essential information for assessors

Essential resources

Learners will need access to sets of good quality case study material relating to different organisations' decisions based, in part, on analysing financial data and other finance-related information.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the contribution of the finance functions to strategic decision making	An assignment based on a learner's own organisation or good quality case study of an organisation.
B Understand the strategic management decision-making process in the allocation of organisational resources	
C Understand the financial tools used by strategic managers in relation to financial decision-making	A report on the financial performance of a given organisation over time.
D Understand the financial techniques applied to evaluate organisational performance	

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Assessment requirements

Learning outcomes A and B can be assessed with reference to a learner's own organisation or by an internally-set case study. Whichever option is chosen the assignment should require the learner to clearly differentiate between the specialist financial functions with an organisation and their contribution to both operational and strategic decision making. The assignment should give the learner the opportunity to describe the budget-setting process in an organisational context and the relationship between budget parameters and the organisation's strategic objectives. The case study should require learners to analyse the effectiveness of an existing budget-setting process.

Budget monitoring and forecasting should be based on the application of variance analysis and learners should analyse the reasons for both adverse and favourable budget variances and recommend the management decisions that should be taken to address budget variances.

The case study should also allow learners to analyse the contribution of a management information system (MIS) to the operation of an effective finance function and the associated decision-making process. This could involve analysing the management reports generated by MIS, including the main financial statements and how the information contained in these statements is communicated to the organisation's main stakeholder groups.

Learning outcome A

To achieve learning outcome A, learners must show that they understand the difference between financial accounting, cost accounting and management accounting and how each of these specialist finance functions contributes towards the decision-making process in both the short and long-term. Learners must be able to use financial terminology in appropriate contexts, in particular learners need to show a clear understanding of the behaviour of different classifications of cost over time and how this behaviour impacts on short-term operational decisions and long-term strategic decisions. Learners must be able to analyse how an effective management information systems generates the financial information used to inform management decisions involved in the strategic planning process. Learners must also be able to analyse the needs and interests of different stakeholder groups and how these can be addressed by an analysis of the main financial statements.

Learning outcome B

To achieve learning outcome B, learners must show a clear understanding of the relationship between the budget-setting process and an organisation's strategic objectives. Learners must critically evaluate budget-setting parameters in relation to an organisation's functional budgets and the overall strategic objectives of the organisation. Learners should analyse an organisation's budget-setting process, including the role of corporate governance, and evaluate its appropriateness and effectiveness in relation to an organisation's strategic objectives and operational priorities, making appropriate management recommendations for any changes and improvements.

Learners must show a good understanding of the application of variance analysis, including both adverse and favourable variances in different operational budgets such as cash and inventory budgets. Learners must analyse how such variances may have occurred and recommend appropriate control measures that could be put in place to address the implications of these variances.

A good quality case study could be used to assess learning outcomes C and D. The case study can focus on one organisation or can involve a comparative case study of two organisations. The case study must give the learner the opportunity to compare financial performance in two different time periods or situations. The case study should involve learners in making both short-term and long-term management decisions using appropriate business tools and models. Short-term decision making should be assessed using break-even analysis whilst long-term decisions could be taken in respect of investment appraisal. In both cases learners are required to present a rationale for their decisions as well as a risk analysis.

The case study should give learners the opportunity to analyse and evaluate an organisation's financial performance based on its financial statements. This will involve a consideration of an organisation's financial performance over more than one time period so that learners can compare year-on-year performance. The case study should require learners to use ratio analysis to evaluate organisational performance, identify reasons for underperformance and recommend a long-term performance improvement strategy with associated operational priorities and responsibilities.

Learning outcome C

To achieve learning outcome C, learners must show a good understanding of the use of break-even analysis in short-term decision making relating to cost, price and output variables. Learners should prepare a well-argued case for the decisions they recommend in the short term, which should include a well-formulated risk analysis. Long-term decisions should be made with reference to capital investment decisions that require learners to show a good understanding of different investment appraisal techniques. Learners should prepare a well-argued case for the decisions they recommend in the long-term, including an evaluation of the contribution of the proposed capital investment to the organisation's strategic objectives. The recommendation made in respect of a capital investment project must include a well-formulated risk analysis.

Learning outcome D

To achieve learning outcome D, learners must show a good understanding of an organisation's financial statements in relation to its financial performance over a time period of more than one year, or a comparison of two organisations over the same time period. Learners must apply relevant ratio analysis to evaluate financial performance in respect of profitability, liquidity and efficiency and draw appropriate conclusions for management decision making based on the outcome of their analysis. The conclusions presented by the learner must relate to a set of management recommendations that address underperformance and show how their recommendations provide the basis for sustainable long-term improvement in an organisation's financial performance.

Unit 9: Strategic Supply Chain Management

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Supply chains are often lengthy and complex, and require those managers responsible for them to have a good level of understanding and awareness of the organisational context, the supply chain concept, and the strategic management of that supply chain.

The assumption behind this unit is that learners are seeking to develop a strategic level of understanding that will enable them to either operate within a supply chain function or consider the strategic management of a supply chain when developing their corporate strategies.

Learners will explore key concepts in supply chain management, including integrated supply chains, the global context for supply chains, and the role supply chains play in delivering customer value.

In addition, the use of technology to add value for an organisation and its customer base in its supply chains is an important topic to understand.

Before learners engage in a critical analysis of a supply chain, they must consider the supply chain of the future, with a particular focus on sustainability, technological developments and other emerging global trends.

Learners need access to an organisation or to a case study enabling them to carry out a strategic analysis of an organisation's supply chain management.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the contexts and key principles of supply chain management	A.1	Analyse the contexts in which current supply chains operate
		A.2	Critically review current principles relating to supply chain management
B	Understand how to strategically manage a supply chain	B.1	Critically assess key features of an integrated supply chain
		B.2	Critically assess the challenges presented to strategic supply chain managers
		B.3	Critically discuss the impact of globalisation on local and national supply chains
		B.4	Critically analyse ways in which a strategic supply chain manager could deliver value added to an organisation and its customer base
C	Understand the role of technology in supply chains	C.1	Analyse technological software and systems that support the management of a supply chain
		C.2	Assess the value of integrating advanced manufacturing into an organisation's supply chain
		C.3	Critically discuss the value of digital supply chains to an organisation
D	Understand the supply chain of the future	D.1	Discuss the importance, to an organisation, of creating a sustainable supply chain
		D.2	Critically evaluate emerging trends in supply chain management
E	Be able to review an organisation's management of its supply chain	E.1	Assess the context in which an organisation's supply chain is located
		E.2	Discuss the extent to which a supply chain is being strategically managed
		E.3	Develop justified recommendations for how an organisation could improve its supply chain for both current and future requirements

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Unit content

Learning outcome A: Understand the contexts and key principles of supply chain management

- *The contexts of supply chain management:* logistics as part of a supply chain, the changing competitive environment, the supply chain and competitive advantage, supply chain and the value chain, supply chain and project management, the global and technological perspectives.
- *Key principles of supply chain management:* delivering customer value, cost drivers, trade-offs, supply chain networks, improving processes (e.g. through lean and six sigma), structuring supply chain projects, market driven supply chains.

Learning outcome B: Understand how to strategically manage a supply chain

- *Key features of an integrated supply chain:* matching supply with demand, integrated manufacturing, the responsive supply chain, strategic lead-time management, the synchronous supply chain, the role of partners within the supply chain, reverse supply chains.
- *Challenges presented to strategic supply chain managers:* network/chain complexity, resource availability, partner responsiveness, product push versus demand pull, forecasting, lead-time gap, measuring the performance of a supply chain, managing risk, sustainable supply chains.
- *Globalisation:* global pipelines, financing global chains, thinking global – acting local, global sourcing, global cultures/attitudes/practices.
- *Ways in which a strategic supply chain manager could deliver value to an organisation:* utilisation of the marketing and logistics interface, delivering customer value, improve customer service, adopt market driven supply chains, defining customer service objectives, setting service standards.

Learning outcome C: Understand the role of technology in supply chains

- *Technological software and systems:* software includes chain modelling and business intelligence software, systems include warehousing management, transport management, demand planning, materials requirement planning, labour management, customer relationship management, supplier relationship management.
- *Application of AI software and benefits:* AI software for predicting inventory needs, AI algorithms for efficient delivery, automating documents and tracking, AI tools to reduce carbon footprint.
- *Integrating advanced manufacturing into a supply chain:* avoiding obsolescence, capitalise on advance manufacturing, use of automation, unmanned and autonomous vehicles.
- *Digital supply chains:* digitalising products and services, integrated planning, sharing data using blockchain technologies, artificial intelligence, internet of things.

Learning outcome D: Understand the supply chain of the future

- *Sustainable supply chains:* triple bottom line, environmental impact of supply chains, carbon footprints, reduce/reuse/recycle, impact of congestion, environmentally friendly manufacturing and distribution.
- *Emerging trends in supply chain management:* shifting centres of gravity, emerging nations (e.g. China, India), shifting trading blocs, role of the WTO and World Bank, governance and compliance, waste in the supply chain, structural flexibility, the need for adaptability, availability of resources.

Learning outcome E: Be able to review an organisation's management of its supply chain

- *Conducting a review:* relationship between theory and practice, use of integration, delivering value, impact of globalisation, use of technology, sustainability, future proofing.
- *Justifying recommendations:* recommendations must be logically supported, state the recommendations, establish reasons for the recommendations, provide supporting evidence, suggest timeframes if relevant.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the contexts and key principles of supply chain management	A management report of approximately 4000 words to include a reference list. The reference list is not included in the word count.
B Understand how to strategically manage a supply chain	
C Understand the role of technology in supply chains	
D Understand the supply chain of the future	
E Be able to review an organisation's management of its supply chain	A presentation of 15 minutes duration supported by appropriate documents.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage with seminal and current literature where the focus is the broader contexts and principles of supply chain management. It is expected that learners will engage with research that has a more national bias to gain greater insight into supply chains at the national, regional and/or local levels. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the principles of supply chain management.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the wider issues that impact on a manager's ability to strategically manage a supply chain. Learners should be able to demonstrate an understanding of causal relationships between the wider supply chain context and an organisation and its supply chain. Again, learners need to demonstrate an ability to be critical.

Learning outcome C

The utilisation of technology can be found in the majority of supply chains whether they are global, national or local. This learning outcome requires learners to consider the types of technology that could be used in a supply chain and, from a critical perspective, how digital technology is developed and implemented so that it adds value to a supply chain.

Learning outcome D

Future proofing a supply chain is vital for it to remain effective, efficient and relevant. To achieve this learning outcome, learners need to investigate current issues relating to the strategic management of a supply chain. It is expected that learners will consider both national and global dilemmas through a critical viewpoint.

Learning outcome E

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to critique, to an organisation's strategic management of its supply chain. The organisation can be real, or one supplied through a case study. Learners are advised to develop their response to the assessment for this learning outcome as they progress through the unit's other learning outcomes.

Unit 10: Strategic Management of Quality and Operations

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Quality and operations are closely linked and have a strong impact on an organisation's ability to deliver its strategy. It is therefore important that these key aspects of an organisation are managed at a strategic level.

By engaging in both seminal and current research, learners will explore key theories, concepts and models relating to quality and operations management, which will provide the foundation for developing their understanding of quality and operations management from a strategic perspective.

Key considerations such as the role of leadership and evolving approaches to quality and operations management will also be examined, to enable learners to understand the significance of these concepts within the broader strategy context.

Another important aspect of the unit is to encourage learners to examine quality and operations policies and processes, which will support their ability to analyse an organisation's ability to effectively manage quality and operations from a strategic viewpoint.

Learners need access to an organisation or a detailed, current case study to fulfil the requirements of this unit.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand current theories, concepts and models that apply to the field of quality and operations management	A.1	Critically review seminal and current quality management theories, concepts and models
		A.2	Critically review current operations management theories, concepts and models
		A.3	Critically analyse evolving approaches to quality and operations management
B	Understand quality management planning and processes from a strategic perspective	B.1	Discuss key aspects of quality management planning
		B.2	Critically review quality management processes and protocols
		B.3	Analyse techniques to manage the performance of a quality management system
		B.4	Critically evaluate stakeholder relationships in the context of quality management
C	Understand strategic operations management	C.1	Critically evaluate strategic options that inform strategic operations
		C.2	Discuss how human resources could be utilised and developed in strategic operations
		C.3	Critically analyse different perspectives on product and service development
		C.4	Examine the components of a strategic operations process
D	Be able to review the strategic management of quality and operations	D.1	Critically review the quality and operations management of a project
		D.2	Critically review the relationship between an organisation's strategic leadership and its management of quality and operations
		D.3	Critically evaluate an organisation's human and technical capacity to improve the capability and capacity of its quality and operations
		D.4	Develop justified recommendations for how an organisation could improve its management of quality and operations

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Unit content

Learning outcome A: Understand current theories, concepts and models that apply to the field of quality and operations management

- *Quality management theories, concepts and models:* quality management principles, quality management and competitiveness, quality in all functions, quality control, quality assurance, Total Quality Management (TQM), quality chains, quality improvement.
- *Operations management theories, concepts and models:* strategic resonance, customer-centric provision, operations strategy matrix, substitutes for strategy, scaling, globalisation, supply networks, quality/speed/dependability.
- *Evolving approaches to quality and operations management:* continuous improvement, lean, six sigma, Tagugi, quality management systems.

Learning outcome B: Understand quality management planning and processes from a strategic perspective

- *Aspects of quality management planning:* policy, strategy, integrating TQM, global outsourcing, Just-in-Time, design, design process, innovation, collaboration, specifications and standards, supply chains.
- *Quality management processes and protocols:* process management vision, flow charting, business process redesign (BPR), quality management systems, ISO9001, continuous improvement, the DRIVER framework.
- *Techniques to manage the performance of a quality management system*: performance management frameworks, self-assessment, audits, benchmarks, Capability Maturity Model (CMM), frameworks for organisational change.
- *Stakeholder relationships:* stakeholder analysis, power/influence, stakeholder communications, integrating stakeholders into operations, supply chains, internal challenges.

Learning outcome C: Understand strategic operations management

- *Strategic options that inform strategic operations:* strategy and mission, future state, operations capabilities, purchasing and supply strategy, process and technology strategy, competitive advantage, inventory management.
- *Operation's human resource utilisation and development in strategic operations:* human resource management, performance mapping, training, development, capacity building, resource scheduling.
- *Perspectives on product and service development:* innovation, design, creativity, market requirements, customer satisfaction, capacity and capability, competitive factors, operations tasks.
- *Components of a strategic operations process:* formulation, monitoring, control, components, including audit, option generation, option selection, strategy implementation.

Learning outcome D: Be able to review the strategic management of quality and operations

- *Conducting a review:* relationship between theory and practice, role of senior management and leadership, organisational policies and processes – development and implementation, use of quality and operations systems, effectiveness of leadership, effective and efficient planning, change control measures, stakeholder analysis, adequate provision and development of resources.
- *Justification of recommendations:* logic of recommendations supported, reasons provided for recommendations, supporting evidence, timeframes (if relevant).

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand current theories, concepts and models that apply to the field of quality and operations management	An essay of approximately 4000 words to include a reference list. The reference list is not included in the word count.
B Understand quality management planning and processes from a strategic perspective	
C Understand strategic operations management	
D Be able to review the strategic management of quality and operations	A management report of approximately1000 words to include a reference list. The reference list is not included in the word count.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage with seminal and current literature where the focus is the broader contexts and principles of quality management. It is expected that learners will engage with research that has a more national bias to gain greater insight into the management of quality at the national, regional and/or local levels where different regulations and legislation may apply. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the principles of quality management.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the wider issues that impact on a manager's ability to strategically manage quality within an organisation. Learners should be able to demonstrate an understanding of the relationships between planning, process and use of quality management techniques. Learners should also demonstrate that they recognise the influence of stakeholders, based on their relationship with an organisation, on the strategic management of quality. Learners need to demonstrate an ability to be critical.

Learning outcome C

To support the learner's ability to meet this outcome they could be directed to the knowledge gained from *Unit 2: Strategic Change Management.*

This learning outcome requires learners to make the connection between an organisation's strategy and its operational function(s). Learners should be able to take a high-level and critical view of the contribution operations management strategies make to achieving organisational goals and objectives. Learners should focus on the 'why' of operations management rather than the 'how'. Learners need to demonstrate an ability to be critical.

Learning outcome D

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to critique, to an organisation's strategic management of quality and operations.

The organisation can be real, or one supplied through a case study. Learners are advised to develop their response to the assessment for this learning outcome as they progress through the unit's other learning outcomes. As with all other learning outcomes, learners need to demonstrate an ability to be critical.

Unit 11: Small Business Management; a Strategic Overview

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

Learners will first explore the concept of entrepreneurship and how this supports small business success, with a focus on ethics, integrity and social responsibility. They will also examine ways an entrepreneur could establish a new business venture and the different factors they need to consider.

Without adequate and sustainable financial input, small businesses will rarely succeed. Learners will be introduced to the options for raising finance, which entrepreneurs must consider, as well as the challenges faced by entrepreneurs when trying to secure business start-up funding. Learners will also look at the need for effective financial management to make sure that the business will grow.

Learners will gain an understanding of the value of customers to a small business, how and why the customer (as the key stakeholder) should be the focus when developing the product and/or service, and how pricing strategies help to increase revenue and attract and keep customers.

Learners will also examine how the small business entrepreneur can develop and grow a business by being an effective leader, managing the business's resources effectively, including the management of risk – a key factor in small business development and growth.

Having developed an understanding of key issues that relate to small business management, learners will produce a business plan and present this plan to relevant stakeholders.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the role of entrepreneurship in establishing a small business	A.1	Discuss the fundamental concepts relating to entrepreneurship
		A.2	Critically discuss the concepts of integrity, ethics and social responsibility in the context of entrepreneurship
		A.3	Critically evaluate ways in which an entrepreneur could establish and grow a small business
B	Understand how small businesses are funded for creation and growth	B.1	Evaluate current sources of finance for a new small business
		B.2	Assess the challenges presented to entrepreneurs when trying to secure start-up funding
		B.3	Evaluate the importance of effective financial management to small business success
C	Understand the importance of the customer to a small business	C.1	Critically discuss the value of building customer relationships to a small business
		C.2	Critically examine the relationship between product and/or service development and customers
		C.3	Critically discuss pricing as a strategy to attract customers
D	Understand how small businesses manage growth	D.1	Critically discuss leadership and management in relation to small business development
		D.2	Evaluate how to manage the resources of small businesses
		D.3	Evaluate how to manage the operations of small businesses
		D.4	Evaluate ways in which to manage risks that could affect small businesses
E	Be able to produce an effective business plan for a small business	E.1	Critically examine why a small business needs a business plan
		E.2	Carry out a feasibility study for a new product and/or service
		E.3	Develop an appropriate business plan for a small business
		E.4	Present an organised business plan to stakeholders

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Unit content

Learning outcome A: Understand the role of entrepreneurship in establishing a small business

- *Fundamental concepts relating to entrepreneurship:* benefits and challenges of free enterprise, taking the long view, entrepreneurial qualities, competitive edge, entrepreneurial legacy, motivation, innovation versus invention, creativity.
- *The concepts of integrity, ethics and social responsibility:* challenges and benefits of acting with integrity, foundations of integrity, ethical decision making, ethical organisational cultures, social responsibility as a continual trend, social responsibility and the triple bottom line, the natural environment, green ventures.
- *Ways in which an entrepreneur could establish a small business:* innovative thinking, the business environment, broad based strategies, fixed strategies, franchising, family business, buyouts, buying an existing business, joint venture.

Learning outcome B: Understand how small businesses are funded for creation and growth

- *Current sources of finances:* debt finance or equity finance or both, banks, venture capitalists, share issue, savings, family, business angels, asset-based lenders, crowd funding, government grants and loans.
- *Challenges when trying to secure start-up funding:* age of business, adequate cashflow, interest rates, dividend rates, payback periods, economic conditions, type of product/service, levels of market demand, strength of business plan.
- *Financial management:* forecasting cashflow and profitability, setting budgets, pricing strategies, taxation, VAT, return on capital employed (ROCE), return on investment (ROI), creditor and debtor management, the balance sheet, profit and loss statements, fixed and variable costs.

Learning outcome C: Understand the importance of the customer to a small business

- *The value of building customer relationships:* customer relationship management (CRM), technology and CRM, customer service, customers as decision-makers, physiological and psychological influences on customers.
- *The relationship between product and/or service development and customers:* the 'to grow or not to grow' question, product life cycle, the total product and/or service strategy, the supply chain, legal considerations.
- *Pricing as a strategy:* pricing systems, setting a price, pricing as part of the marketing mix, penetration pricing, price skimming, service pricing, variable pricing, offering credit and the credit process, discounts and incentives, above the line and below the line promotions.

Learning outcome D: Understand how small businesses manage growth

- *Leadership and management:* leadership qualities, the entrepreneurial leader, leadership styles, ethical leadership, the professional manager, management processes, managerial responsibilities e.g. planning, controlling and delegation, personal time management, external management support.
- *Small business resources:* human resources (recruitment, selection, training and development), remuneration, incentives, asset management, tangible and non-tangible assets, technological resources, customers as advocates, finance (working capital, accounts receivable, accounts payable), suppliers as partners.
- *Small business operations:* the legal structure, business contracts, patents and intellectual property, the operations process, inventory management, quality management (e.g. TCM, six sigma, ISO 9001), purchasing strategies, lean and agile operations, production to distribution chain, location and facilities.
- *Risk management:* why and how to manage risk, personal risk, property risks, liability risks, brand/image risks, process of risk management, insuring against risk, strategic risks.

Learning outcome E: Be able to produce an effective business plan for a small business

- *Reasons for a business plan:* provide direction, raising capital, an operations guide, provide market insights (e.g. trends, competitor activity and pricing), develop a business model.
- *Conducting a feasibility study;* environmental scanning (e.g. PESTLE, SWOT), product/service feasibility, market and industry feasibility, financial feasibility.
- *Developing a business plan:* a plan should include executive summary, mission, vision, aims of the business, description of the business, opportunity analysis, marketing research and strategy, management team, critical risks, operationalising the plan, consideration of digital channels and technologies, sustainability considerations where relevant, financial analysis and projections, exit strategy.
- *Presenting a business plan to stakeholders:* stakeholder mapping and analysis, determining impact and influence of stakeholders, stakeholder communications, face-to-face (e.g. formal presentation), written communication (e.g. formal written plan), using a presentation to support a written plan.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the role of entrepreneurship in establishing a small business	A management report of approximately 3000 words to include a reference list. The reference list is not included in the word count.
B Understand how small businesses are funded for creation and growth	
C Understand the importance of the customer to a small business	
D Understand how small businesses manage growth	
E Be able to produce an effective business plan for a small business	A business plan of no more than 1000 words to include a reference list (if appropriate). The reference list is not included in the word count. Plus, a presentation of 15 minutes duration supported by appropriate documents.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage with seminal and current literature where the focus is entrepreneurship, entrepreneurial qualities and ways in which a small business could be established. It is expected that learners will engage with research that has a more local bias, perhaps researching the role of local support groups such as a chamber of commerce. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the principles of entrepreneurship. Learners could use this learning outcome to begin developing the strategies that will be included in the business plan (see learning outcome E).

Learning outcome B

Learners will need to understand the financial aspects of establishing and running a small business. Through this learning outcome, learners will need to determine which sources of finance are relevant to different types of small business and consider the challenges a small business will be presented with when seeking business finance. One key aspect of managing a small business is a good understanding of finance. Whilst learners will not be required to produce all types of financial statements, a cash flow forecast and break-even analysis will be required to support the business plan (see learning outcome E). It is, however, very important that the wider financial aspects of managing a small business are explored.

Learning outcome C

Reaching a target market is vital if a small business is to succeed. This fundamental principle forms the basis for this learning outcome. The learning outcome requires learners to view customers as assets where they can help inform the development of a product and/or service and inform a small business's approach to pricing. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the concepts relating to this learning outcome.

Learning outcome D

To achieve this learning outcome, learners need to consider, from a critical perspective, the role leadership and management plays in running a small business. It is expected that learners will focus on leadership styles and attributes with an entrepreneurial bias. Learners are likely to focus on the acquisition of resources at a local level given that the unit focuses on small businesses. Similarly, consideration of operational matters is likely to be informed by national policies, practices and legislation. Whilst the concept of risk should be explored more widely, again it is likely learners will focus on risks at a local/national level.

Learning outcome E

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to produce a business plan for a small business. The business could be one that will come into existence or one which already trades. However, it is not necessary for either of this instances to be in place providing the concepts, principles and approaches are employed in developing a realistic plan.

Unit 12: The Digital Business; Transformation and Optimisation

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

The use of electronic tools, systems, devices and resources by businesses is constantly evolving: digital technology is now a key driver of business change and growth. It is, therefore, vital that strategic leaders and managers have an insight into how digital technologies can transform all aspects of a business's operations, and why they should.

Learners will examine the differing roles technology can play in supporting business transformation by digitalising its operations to support its overarching strategies. Learners will also consider the challenges a business could face when designing and implementing a digital strategy to fit with its overall organisation strategy.

Learners will consider how business leaders can make sure that the business's digital strategy is most effective by ensuring it is sufficiently agile, sustainable and innovative. This leads learners to an investigation of digital technologies of the future, with artificial intelligence (AI) a key consideration.

Using this knowledge as a basis, learners will review a business's strategic use of digital technology, before making appropriate recommendations for improvement.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the importance of digital strategies to businesses	A.1	Assess current digital technology concepts, frameworks and contexts
		A.2	Critically discuss the relationship between business strategy, organisational change and digital technology
		A.3	Critically evaluate the impact of digital technology on business strategy
B	Understand digital transformation challenges to businesses	B.1	Critically discuss the concept of digital transformation
		B.2	Assess ethical, cultural, legislative and regulatory considerations when using digital technology
		B.3	Critically discuss the process requirements of digital transformation
		B.4	Critically analyse the impact of digital technology transformation on business operations
C	Understand how businesses can sustain an effective digital strategy	C.1	Critically examine the value of having a digital strategy to businesses
		C.2	Discuss the relationship between agility, leadership and innovation when shaping a digital strategy
		C.3	Critically discuss the challenges faced by businesses when optimising and sustaining a digital strategy
D	Understand digital technologies of the future	D.1	Discuss the impact of converging technologies on business operations and strategy
		D.2	Critically evaluate the role of artificial intelligence as a tool to support business growth
		D.3	Critically review the impact of the evolving power of digital intelligence on businesses
E	Be able to review an organisation's development and implementation of a digital strategy	E.1	Critically review the digital technology context of a business
		E.2	Critically review the extent to which a business's digital technology is being strategically managed
		E.3	Develop justified recommendations for how a business could improve its digital strategy to meet current and future challenges and opportunities

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Unit content

Learning outcome A: Understand the importance of digital strategies to businesses

- *Digital technology concepts, frameworks and contexts:* digital data, software, hardware, networks, cyberspace/security, cloud computing, energy efficiency and environmental impact of digital technologies, multimedia, digital design, the digital age, internet of things, rise of the machine, artificial intelligence, robotics.
- *Organisational change:* new product development, building digital capabilities, mobilising the business, framing the digital challenge, reinventing business models.
- *Integrating AI:* Importance of integrating AI strategies and the use of AI tools to reduce inefficiencies, automate workflows, add value and enhance customer experience.
- *Impact of digital technology on business strategy:* human/digital interfaces and interaction, communication, research, information overload, currency and legitimacy, new breed of influencers, impact on stakeholders, impact on supply chains, competitive advantage.

Learning outcome B: Understand digital transformation challenges to businesses

- *The concept of digital transformation:* five dimensions of customer, competition, data, innovation and value, algorithmic decision-making, turning data into assets, disruptive business models, governing the transformation, exploiting the power of core operations.
- *Ethical, cultural, legislative and regulatory considerations:* job displacement, health issues, data manipulation, 'fake news', environmental impact of digital technologies, employee (mis)perceptions, collaboration, employee-leadership disconnect, legislation/regulation that cover e.g. technology, health and safe working, data protection, communications
- *The process of digital transformation:* types of transformation (e.g. to business models, to business process, to business domain, to business culture), process stages including identify transformation objectives, study technology enablers, envision the future, master the digital lifecycle, organise for digital innovation, execute an agile approach.
- *The impact of digital technology on a business's operations:* impact on costs, security, communication, productivity, collaboration and outsourcing, impact on functional areas such as marketing, production, research and design and public relations.

Learning outcome C: Understand how businesses can sustain an effective digital strategy

- *Digital strategy*: improved customer engagement and stakeholder interaction, encourages innovation and adaptation, eliminate missed opportunities, differentiate through digitalisation, support strategic direction, improved return on investment, automate manual processes.

- *Agility, leadership and innovation:* changing how digital technology is created, changing how digital technology supports product/service development, dynamic systems development, visionary leadership, flexible leadership, leading digital change, employee engagement, leadership as a challenge, adapt and evolve, changing the digital landscape, machine to machine communication.
- *Making an effective and sustaining a digital strategy:* combining digital expertise and sustainability, the digital transformation lifecycle, commercial focus, reflective leadership, continual strategic alignment, leaders 'fluent in digital', enhance engagement with employees.

Learning outcome D: Understand digital technologies of the future

- *Converging technologies:* blockchain, cloud computing, mobile technologies (e.g. smartphones), social media, home technologies, smart TV, internet of things, operating on different media/technology platforms, multipronged approaches, multi-tasking.
- *Artificial intelligence:* capability-based classifications (e.g. reactive machines, limited-memory systems, theory-of-mind and self-aware AI); current and emerging applications including learning, reasoning, planning, speech recognition, autonomous systems and robotics.
- *The evolving power of digital intelligence:* the digital revolution (e.g. predictive analysis, machine learning algorithms), the power of the computer, optimising assets, the digital twin, energy optimisation and resource efficiency, rise of the 'super job', speed superintelligence.

Learning outcome E: Be able to review an organisation's development and implementation of a digital strategy

- *Conducting a review:* relationship between theory and practice, application of digital technology and tools, delivering digital transformation, impact on operations, optimising digital technology, sustainability and long-term value creation, transformational and optimising challenges.
- *Justifying recommendations:* recommendations must be logically supported, state the recommendations, establish reasons for the recommendations, provide supporting evidence, suggest timeframes if relevant.

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Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the importance of digital strategies to businesses	A management report of approximately 4000 words to include a reference list. The reference list is not included in the word count.
B Understand digital transformation challenges to businesses	
C Understand how businesses can sustain an effective digital strategy	
D Understand digital technologies of the future	
E Be able to review an organisation's development and implementation of a digital strategy	A presentation of 15 minutes duration supported by appropriate documents.

Assessment requirements

Learning outcome A

This learning outcome requires learners to explore the ways in which digital technologies are framed and used by businesses, particularly when in the context of organisational change. Learners need to consider how digital technology is strategically used to deliver organisational change. This context is different to that for business as usual operations where the impact of technology is likely to be specific to different functions. Learners should be able to demonstrate they can differentiate between programmes of change and their digital requirements and the day-to-day use of technology to support operations. Learners will need to consider these issues in the context of different businesses to support a critical understanding of the importance, to a business, of effective digital strategies.

Learning outcome B

Having understood the importance of digital strategies in both change and business-as-usual contexts, learners must demonstrate that they recognise the challenges presented to a business when attempting to develop and implement a digital strategy. It is important that businesses used as case studies to support this learning outcome are those affected by national and international regulations/legalisation. Learners must demonstrate an appreciation of the ethical considerations that impact on the use of digital technologies where there is regulation/legislation in place to enforce an ethical approach. Learners need to demonstrate an ability to be critical.

Learning outcome C

This learning outcome requires learners to make the connection between a business's adopted digital strategy and its ability to develop this in a sustainable way. Learners must show they appreciate why a business has a digital strategy and how this is developed through effective and visionary leadership. The need for leaders and businesses to be able to adopt an agile approach to digital strategies will be reinforced by exposing learners to different case studies. Learners could consider how different organisations and their strategies/approaches to digital technology have evolved within the context of their operating sectors to support their critical views.

Learning outcome D

In addition to a business's approach to current technologies, strategic managers must be forward thinking. This is especially the case in an environment where changes to technology, and the impact it has, are constantly evolving, often at a fast pace. The relationships between emerging technologies, as they apply in a commercial context, must be explored. As with other learning outcomes in this unit, this could be achieved through a critical examination of different case studies where the focus is not on the use of current technology but on how businesses are preparing themselves for the implementation of emerging technologies.

Learning outcome E

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to critique, to an organisation's development and implementation of a digital strategy. The organisation can be real, or one supplied through a case study.

Learners are advised to develop their response to the assessment for this learning outcome as they progress through the unit's other learning outcomes. As with all other learning outcomes, learners need to demonstrate an ability to be critical.

Unit 13: The Role of Organisational Culture and Communication in the Delivery of an Organisation's Strategy

Level: 7

Unit type: Optional

Guided learning hours: 45

Credit value: 20

Unit introduction

An organisation's success in dealing with its key internal and external stakeholders is, in part, the result of its culture and values, and the way these are communicated. Behind that communication there is likely to be a complex communication strategy.

Communication is typically viewed as nothing more than a necessary process supporting the organisation's behaviour. In one way this is correct, however, it is necessary to understand the underlying theories and models of communication that guide the strategic organisation so that its messages, based on its culture, are clearly understood, actionable, and directed to the correct stakeholder group.

Learners will explore current theory and practice in relation to strategic communication, before considering how strategic communicators should operate so that an organisation's strategy, based on its culture, is effectively supported for the continuing success of the organisation.

Learners will examine how an organisation's culture is influenced by national and global values and perceptions. They will also consider how an individual's personality and perspective might influence how an organisation behaves.

The unit draws to a close through an examination of an organisation's use of strategic communication and its understanding of the cultural influences that affect its strategic aims.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand theories, concepts and models that apply to the fields of strategic communication and organisational culture	A.1	Evaluate current insights and debate relating to strategic communication
		A.2	Evaluate current insights and debate relating to organisational culture
		A.3	Critically evaluate the relationship between strategic communication and organisational culture
B	Understand strategic communication in practice	B.1	Critically assess the role of strategic communicators in organisations
		B.2	Critically evaluate the value of strategic communication to organisations
		B.3	Analyse techniques used by strategic communicators to develop and implement a strategic communication plan
C	Understand factors that influence organisational culture	C.1	Analyse the influence of national culture on organisational culture
		C.2	Critically evaluate the influence of personality and individual perspectives on organisational culture
		C.3	Critically evaluate the influence of leadership and management on organisational culture
		C.4	Critically evaluate the influence of organisational structure, power and politics on organisational culture
D	Be able to review an organisation's approach to organisational culture and its strategic communication	D.1	Critically review an organisation's strategic communication plan
		D.2	Critically review the extent to which an organisation understands the influence of its culture on individual, group and corporate behaviours
		D.3	Develop justified recommendations for how an organisation's culture could be improved by improving its strategic communication plan

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Unit content

Learning outcome A: Understand theories, concepts and models that apply to the fields of strategic communication and organisational culture

- *Theories, concepts and models include:* communication – co-creation metatheory, integrative communication, triple context environment (people, planet, profit), value creation, two-way asymmetrical model, public information model; culture – configuration model, Schein's model of organisation culture, labelled hierarchy, individualist, fatalist, egalitarian, hermitic, elements of organisational culture (symbols, language, norms, values, artefacts).
- *Current insights and debate relating to strategic communication:* communication as a concept and as a process, the value of communication, relationship to organisational strategies, ethical communication, stakeholder communication (internal and external), communication plans, communication methods, society, social change and strategic communication, change and crisis communication, media relations.
- *Current insights and debate relating to organisational culture:* diagnosing culture, structure of culture, major culture types, macro-cultures, micro-cultures, embedding and transmitting culture, effects of growth on culture, impact of change on culture, leadership and culture.

Learning outcome B: Understand strategic communication in practice

- *The role of strategic communicators:* communicating vision, strategic role of persuasion, global and national contexts, communication and business acumen, corporate communication (e.g. governance and financial reporting), communication and employee relations, brand management, value creation, technology-mediated communication environments, communication data analytics.
- *The value of strategic communication to organisations:* reputation management, stakeholder leadership, customer relationship management, corporate social responsibility, effective negotiation, enabling change.
- *Techniques used by strategic communicators to develop and implement a strategic communication plan:* communication strategies, informants of a plan (stakeholder group, objectives, message, method, timing), communication audits, reflecting on actions.

Learning outcome C: Understand factors that influence organisational culture

- *National culture:* religious background, ecological factors, high and low context culture, Hofstede's dimensions of culture, universalism versus particularism, individualism versus communitarianism, other theorists including Trompenaars and Schien.
- *Personality and individual perspectives:* cross cultural psychology, personality traits (openness, conscientiousness, extraversion, agreeableness, and neuroticism), values, beliefs, race, gender, environment, family, interpersonal relations, theorists include Charles Handy and Johnson & Scholes.

- *Leadership and management:* shaping culture, consistent behaviour in relation to corporate values, emotional intelligence, establishing appropriate systems and processes, technology-mediated transparency, openness and transparency.
- *Organisational structure, power and politics:* organisational values and climate, influence of structure (e.g. hierarchical, flat) on behaviours and attitudes, organisations as political structures, the political pyramid, organisations as power structures, power relations, coalitions, unconscious collusions.

Learning outcome D: Be able to review an organisation's approach to organisational culture and its strategic communication

- *Conducting a review:* relationship between theory and practice, development and implementation of a strategic communication plan, review of individual, group and corporate behaviours and their symbiotic relationships including technology-mediated communication practices where relevant.
- *Justifying recommendations:* recommendations must be logically supported, state the recommendations, establish reasons for the recommendations, provide supporting evidence, suggest timeframes if relevant.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand theories, concepts and models that apply to the fields of strategic communication and organisational culture	An essay of approximately 4000 words to include a reference list. The reference list is not included in the word count.
B Understand strategic communication in practice	
C Understand factors that influence organisational culture	
D Be able to review an organisation's approach to organisational culture and its strategic communication	A management report of approximately 1000 words to include a reference list. The reference list is not included in the word count. The organisation can be real, or one supplied through a case study.

Assessment requirements

Learning outcome A

This learning outcome requires learners to engage with seminal and current literature where the focus is the broader contexts and principles of communication and organisational culture. It is expected that learners will engage with research that focuses on how communication and organisational culture is used, and viewed by, internal and external stakeholders. Learners need to be able to critique arguments and premises identified in the literature and research if they are to fully appreciate the strategic principles of both communication and organisational culture.

Learning outcome B

Building on the knowledge and understanding gained through learning outcome A, learners will explore the wider issues that impact on a manager's ability to strategically manage an organisation's internal and external communication. Learners should be able to demonstrate an understanding of the relationship between the role of strategic communication in developing and enhancing an organisation's value to all stakeholders. Learners should also demonstrate that they understand how communication techniques could be used to develop, implement and support a strategic communication plan. Learners need to demonstrate an ability to be critical.

Learning outcome C

This learning outcome requires learners to focus on organisational culture based on the conceptual understanding gained through learning outcome A. It is anticipated that learners will explore each of the key cultural influences stated in this learning outcome before determining how they are related, how they collectively influence organisational culture and how they can be strategically managed to help ensure internal and external communication is effective and adds value. Again, learners need to demonstrate an ability to be critical.

Learning outcome D

This learning outcome draws together all learning that has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to critique, to an organisation's strategic management of communication where culture is a significant influencer.

The organisation can be real, or one supplied through a case study. Learners are advised to develop their response to the assessment for this learning outcome as they progress through the unit's other learning outcomes. As with all other learning outcomes, learners need to demonstrate an ability to be critical.

5 Programme delivery

Centres are free to offer these qualifications using any mode of delivery that meets learners' needs. This might include full-time or part-time direct instruction in classrooms, distance learning and independent study.

Centres must make sure that learners have access to the identified resources and to the subject specialists delivering the units.

Those planning the programme should aim to enhance the vocational nature of the qualifications by:

- developing up-to-date and relevant teaching materials that make use of scenarios or case studies that are relevant to the sector
- giving learners the opportunity to apply their learning in realistic practical activities, for example creating business documentation or performing role plays
- developing projects with input from employers

Where legislation is taught, centres must ensure that it is up to date.

6 Assessment

To achieve a pass for these qualifications, the learner must achieve all the units required in the qualification structures.

Internal assessment

All units in these qualifications are internally assessed. This means that centres set and mark the assessments, which are then subject to external standards verification by a Pearson standards verifier.

Assessment using assignments

For all units, the format of assessment is an assignment taken after the content of the unit has been delivered. An assignment may take a variety of forms, including practical and written. Assignments are separate from teaching, practice, and other activities that learners complete with input from teachers. Assignments must be completed independently by learners, which means they work on their own without input from other learners or teachers.

An assignment needs to be issued to learners as an assignment brief that includes a start date, a completion date and clear requirements for the evidence that they need to provide. Assignments should be set within a specific organisational context. Assignments can be divided into tasks and may require several forms of evidence, including written tasks and observations.

Teachers will set the assignments. These must allow learners to generate the evidence required to meet the assessment criteria and the *Essential information for assessors* for the unit.

Issuing assessment decisions and feedback

Once the assessor has completed the assessment process for an assignment, the outcome is a formal assessment decision. This is recorded formally and reported to learners.

The information given to the learner:

- must show the formal decision and how it has been reached, indicating how or where criteria have been met
- may show why achievement of assessment criteria has not been demonstrated
- must not provide feedback on how to improve evidence
- must be validated by an internal verifier before it is given to the learner.

Resubmissions and retakes

Learners who do not successfully pass an assignment are allowed one opportunity to resubmit evidence for this assignment. If they still do not reach the required standard, they should be given one opportunity to retake a different assignment that covers the same learning outcome(s).

7 Administrative arrangements

Introduction

This section focuses on the administrative requirements for delivering a BTEC qualification. It is of particular value to Quality Nominees, Lead IVs and Programme Leaders.

Learner registration and entry

Shortly after learners start the programme of learning, you need to make sure that they are registered for the qualification. You need to refer to the *Information Manual / International Information Manual* for information on making registrations for the qualification.

Learners can be formally assessed only for a qualification on which they are registered. If learners' intended qualifications change, for example if a learner decides to choose a different pathway specialism, then the centre must transfer the learner appropriately.

Centres will need to review the entry profile for qualifications and/or experience held by applicants, considering whether this profile shows ability to progress to a higher-level qualification. A typical entry profile would consist of Level 5 or Level 6 qualifications or at least five years' work experience in a strategic management and/or leadership environment, along with demonstration of numeracy skills and oral and written competence in the English language.

Access to assessment

Assessments need to be administered carefully to ensure that all learners are treated fairly, and that results and certification are issued on time to allow learners to progress to their chosen progression opportunities.

Pearson's *Equality Policy* requires that all learners should have equal opportunity to access our qualifications and assessments, and that our qualifications are awarded in a way that is fair to every learner. We are committed to making sure that:

- learners with a protected characteristic are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic
- all learners achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

Further information on access arrangements can be found in the Joint Council for Qualifications (JCQ) document *Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational Qualifications*.

Administrative arrangements for assessment

Records

You are required to retain records of assessment for each learner. Records should include decisions reached and any adjustments or appeals. Further information can be found in the *Information Manual / International Information Manual*. We may ask to audit your records, so they must be retained as specified.

Reasonable adjustments to assessment

To ensure that learners have fair access to demonstrate the requirements of the assessments, a reasonable adjustment is one that is made before a learner is assessed. You are able to make adjustments to internal assessments to take account of the needs of individual learners. In most cases, this can be achieved through allowing the use of assistive technology or adjusting the format of evidence. Any reasonable adjustment must reflect the normal learning or working practice of a learner in a centre or working within the occupational area. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable. You need to plan for time to make adjustments if necessary.

Further details on how to make adjustments for learners with protected characteristics are given on our website, in the document *Supplementary guidance for reasonable adjustment and special consideration in vocational internally-assessed units*.

Appeals against assessment

Your centre must have a policy for dealing with appeals from learners. These appeals may relate to assessment decisions being incorrect or assessment not being conducted fairly. The first step in such a policy could be a consideration of the evidence by a Lead IV or other member of the programme team. The assessment plan should allow time for potential appeals after assessment decisions have been given to learners. If there is an appeal by a learner, you must document the appeal and its resolution. Learners have a final right of appeal to Pearson but only if the procedures that you have put in place have not been followed. Further details are given in the document *Enquiries and appeals about Pearson vocational qualifications and end point assessment policy*.

Dealing with malpractice in assessment

Malpractice means acts that undermine the integrity and validity of assessment, the certification of qualifications and/or may damage the authority of those responsible for delivering the assessment and certification.

Pearson does not tolerate actual or attempted actions of malpractice by learners, centre staff or centres in connection with Pearson qualifications. Pearson may impose penalties and/or sanctions on learners, centre staff or centres where malpractice or attempted malpractice has been proven.

Malpractice may occur or be suspected in relation to any unit or type of assessment within a qualification. For further details on malpractice and advice on preventing

malpractice by learners, please see Pearson's *Centre Guidance: Dealing with Malpractice*, available on our website.

The procedures we ask you to adopt vary between units that are internally assessed and those that are externally assessed.

Centres are required to take steps to prevent malpractice and to investigate instances of suspected malpractice. Learners must be given information that explains what malpractice is for internal assessment and how suspected incidents will be dealt with by the centre. The *Centre Guidance: Dealing with Malpractice* document gives full information on the actions we expect you to take.

Pearson may conduct investigations if we believe a centre is failing to conduct internal assessment according to our policies. The above document gives further information and examples, and details the penalties and sanctions that may be imposed.

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

Learner malpractice

The head of centre is required to report incidents of suspected learner malpractice that occur during Pearson qualifications. We ask centres to complete JCQ Form M1 (www.jcq.org.uk/malpractice) and email it with any accompanying documents (signed statements from the learner, invigilator, copies of evidence, etc.) to the Investigations Processing team at candidatemalpractice@pearson.com. The responsibility for determining appropriate sanctions or penalties to be imposed on learners lies with Pearson.

Learners must be informed at the earliest opportunity of the specific allegation and the centre's malpractice policy, including the right of appeal. Learners found guilty of malpractice may be disqualified from the qualification for which they have been entered with Pearson.

Failure to report malpractice constitutes staff or centre malpractice.

Teacher/centre malpractice

The head of centre is required to inform Pearson's Investigations team of any incident of suspected malpractice (which includes maladministration) by centre staff, before any investigation is undertaken. The head of centre is requested to inform the Investigations team by submitting a JCQ M2 Form (downloadable from www.jcq.org.uk/malpractice) with supporting documentation to pqsmalpractice@pearson.com. Where Pearson receives allegations of malpractice from other sources (for example Pearson staff, anonymous informants), the Investigations team will conduct the investigation directly or may ask the head of centre to assist.

Pearson reserves the right in cases of suspected malpractice to withhold the issuing of results/certificates while an investigation is in progress. Depending on the outcome of the investigation, results and/or certificates may not be released or they may be withheld.

We reserve the right to withhold certification when undertaking investigations, audits and quality assurance processes. You will be notified within a reasonable period of time if this occurs.

Sanctions and appeals

Where malpractice is proven, we may impose sanctions or penalties, such as:

- mark reductions for affected external assessments
- disqualification from the qualification
- debarment from registration for Pearson qualifications for a period of time.

If we are concerned about your centre's quality procedures we may impose sanctions such as:

- working with centres to create an improvement action plan
- requiring staff members to receive further training
- placing temporary blocks on the centre's certificates
- placing temporary blocks on registration of learners
- debarring staff members or the centre from delivering Pearson qualifications
- suspending or withdrawing centre approval status.

The centre will be notified if any of these apply.

Pearson has established procedures for centres that are considering appeals against penalties and sanctions arising from malpractice. Appeals against a decision made by Pearson will normally be accepted only from the head of centre (on behalf of learners and/or members or staff) and from individual members (in respect of a decision taken against them personally). Further information on appeals can be found in the JCQ Appeals booklet (https://www.jcq.org.uk/exams-office/appeals).

Certification and results

Once a learner has completed all the required components for a qualification, the centre can claim certification for the learner, provided that quality assurance has been successfully completed. For the relevant procedures, please refer to our *Information Manual / International Information Manual*.

Additional documents to support centre administration

As an approved centre, you must ensure that all staff delivering, assessing and administering the qualifications have access to the following documentation. These documents are reviewed annually and are reissued if updates are required.

- *Pearson International Quality Assurance Handbook*: this sets out how we will carry out quality assurance of standards and how you need to work with us to achieve successful outcomes.
- *Information Manual / International Information Manual*: this gives procedures for registering learners for qualifications, transferring registrations and claiming certificates.
- *Regulatory policies*: our regulatory policies are integral to our approach and explain how we meet internal and regulatory requirements. We review the regulated policies annually to ensure that they remain fit for purpose. Policies related to this qualification include:
    - adjustments for candidates with disabilities and learning difficulties, access arrangements and reasonable adjustments for general and vocational qualifications
    - age of learners
    - centre guidance for dealing with malpractice
    - recognition of prior learning.

This list is not exhaustive and a full list of our regulatory policies can be found on our website.

8 Quality assurance

Centre and qualification approval

As part of the approval process, your centre must make sure that the resource requirements listed below are in place before offering the qualifications.

- Centres must have access to appropriate physical resources (for example equipment, IT, learning materials, teaching rooms) to support the delivery and assessment of the qualification.
- Staff involved in the assessment process must have relevant expertise and/or occupational experience.
- There must be systems in place to ensure continuing professional development for staff delivering the qualification.
- Centres must have in place appropriate health and safety policies relating to the use of equipment by learners.
- Centres must deliver the qualification in accordance with current equality and diversity legislation and/or regulations.

Continuing quality assurance and standards verification

On an annual basis, we produce the *Pearson International Quality Assurance Handbook*. It contains detailed guidance on the quality processes required to underpin robust assessment and internal verification.

The key principles of quality assurance are that:

- a centre delivering BTEC programmes must be an approved centre, and must have approval for the programmes or groups of programmes that it is delivering
- the centre agrees, as part of gaining approval, to abide by specific terms and conditions around the effective delivery and quality assurance of assessment; the centre must abide by these conditions throughout the period of delivery
- an approved centre must follow agreed protocols for standardisation of assessors and verifiers, for the planning, monitoring and recording of assessment processes, and for dealing with special circumstances, appeals and malpractice.

The approach of quality-assured assessment is through a partnership between an approved centre and Pearson. We will make sure that each centre follows best practice and employs appropriate technology to support quality-assurance processes, where practicable. We work to support centres and seek to make sure that our quality-assurance processes do not place undue bureaucratic processes on centres. We monitor and support centres in the effective operation of assessment and quality assurance.

The methods we use to do this include:

- making sure that all centres complete appropriate declarations at the time of approval
- undertaking approval visits to centres
- making sure that centres have effective teams of assessors and verifiers who are trained to undertake assessment
- assessment sampling and verification, through requested samples of assessments, completed assessed learner work and associated documentation
- an overarching review and assessment of a centre's strategy for delivering and quality assuring its BTEC programmes, for example making sure that synoptic units are placed appropriately in the order of delivery of the programme.

Centres that do not fully address and maintain rigorous approaches to delivering, assessing and quality assurance cannot seek certification for individual programmes or for all BTEC programmes. An approved centre must make certification claims only when authorised by us and strictly in accordance with requirements for reporting.

Centres that do not comply with remedial action plans may have their approval to deliver qualifications removed.

9 Appendix

Glossary for Pearson BTEC Level 7 Qualifications in Strategic Management and Leadership

This glossary is a set of acceptable descriptors at Level 7. It describes the assessment demand defined by each learning outcome and assessment criterion (that is, the learning that should take place in each unit and the evidence that needs to be produced)

Not every assessment criterion requires the learner to operate at Level 7. However, cumulatively for each unit the learner is expected to reach Level 7 in terms of the evidence produced for assessment.

The glossary terminology is taken from the FHEQ[2] Masters-level descriptors and Ofqual's RQF[3] national level descriptors for Level 7 qualifications and assessments.

Glossary terms to describe assessment evidence required	**Definition** **(The learner needs to show this evidence of …)**
Analyse	Present the outcome of methodical and detailed examination (of known facts) by: • breaking down a theme, topic or situation to interpret and study the interrelationships between the parts and/or • interpret and study key trends and interrelationships from data or information.
Comprehensively or systematically analyse	As above, however the learner will also present the outcome of any examination in as much detail as is reasonable, based on own research. The analysis should be systematised and logical.
Ability to use established techniques in their field	Use of appropriate qualitative and quantitative management techniques e.g. Six Sigma, PEST, SWOT.
Assess	Offer a reasoned judgement of the standard/quality of a situation or a skill, informed by relevant facts.
Critically assess	Use specialist knowledge and understanding to make reasoned judgements that may be new and/or based on broad research.
Can deal with complex issues systematically and creatively	Clear, organised use of English set in relevant context, and using appropriate styles to present evidence; finds new, dynamic ways to make points

[2] The Framework for Higher Education Qualifications of Degree-Awarding Bodies in England, Wales and Northern Ireland

[3] https://www.gov.uk/guidance/ofqual-handbook/section-e-design-and-development-of-qualifications

Glossary terms to describe assessment evidence required	Definition (The learner needs to show this evidence of …)
Can make and communicate sound judgements to a range of audiences	Able to communicate appropriately to different audiences.
Comprehensive understanding	Wide-ranging ideas reflecting wide reading and other research.
Conceptual understanding in the field/context	Can demonstrate understanding of concepts and ideas in the discipline of strategic management.
Context	Ideas presented in appropriate local and global settings.
Critical awareness	Analysis and evaluation of different viewpoints.
Critically analyse	Separate information into components, identify characteristics with depth and justify those characteristics.
Critically evaluate [current concepts]	Make a judgement taking into account different factors, and using available knowledge/ experience/evidence so that the judgement is supported in depth.
Critical evaluation [of current methodologies and techniques]	Able to select and use methodologies and techniques critically in own analyses and can justify the analyses.
Critically examine	Look questioningly at a position, research evidence, other work or product, and be prepared to draw (original) conclusions.
Critically review	Make an in-depth formal assessment of research, argument or activity produced (by others) to help form own opinion.
Develop …. justified [arguments, reasons]	Grow or progress a plan, ideas, skills, knowledge or understanding and give reasons for any conclusions drawn.
Discipline	The academic field of study.
Discuss	Consider different aspects of a theme or topic, how they interrelate, and the extent to which they are important.
Critically discuss	Discuss in depth, and bring (new) ideas, or different aspects of a theme or topic to the discussion; thinking about how they might interrelate and how they might be important.

Glossary terms to describe assessment evidence required	Definition (The learner needs to show this evidence of …)
Evaluate	Draw on varied information, themes or concepts to consider aspects such as: • strengths or weaknesses • advantages or disadvantages • alternative actions • relevance or significance. Research should lead to a supported judgement showing relationship with the context. (This may be a conclusion.)
Interpret	State the meaning, purpose or qualities of something through the use of images, words or other expression.
Investigate	Conduct an enquiry or study into something to discover and examine facts and information.
Justify	Give reasons or evidence to: • support an opinion • prove something is right or reasonable.
New insights	Original ideas, argued and evidenced.
Original ideas in own field	Ideas based in the discipline and/or relevant context.
Prepare … comprehensive [information or data]	Make something (a piece of work) ready for submission, in some detail, and based on a wide range of sources and/or research
Present	Deliver information or data (to an audience of one person or more)
Review	Make a formal assessment of work produced. The assessment allows learner to: • judge existing information or earlier events • reconsider information with the intention of making changes, if necessary.
Systematic understanding	Reflecting ordered ideas/views; can reformulate concepts to support an argument Examples of wording: • Examine/discuss systematically • Explain/discuss critically.

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