

Pearson BTEC Level 5 Diploma in Innovation and Growth

BTEC Professional Combined Competence and
Knowledge qualification

Specification

First teaching October 2012

Issue 2

Edexcel, BTEC and LCCI qualifications

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This specification is Issue 2. Key changes are listed in the summary table on the next page. We will inform centres of any changes to this issue. The latest issue can be found on the Pearson website: qualifications.pearson.com

This qualification was previously known as:

Pearson BTEC Level 5 Diploma in Innovation and Growth (QCF)

The QN remains the same.

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ISBN 9781446957615

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Summary of Pearson BTEC Level 5 Diploma in Innovation and Growth specification Issue 2 changes

Summary of changes made between previous issue and this current issue	Page number
All references to QCF have been removed throughout the specification	
Definition of TQT added	1
Definition of sizes of qualifications aligned to TQT	1
TQT value added	3
GLH range removed and replaced with lowest GLH value for the shortest route through the qualification	3, 4
Guided learning definition updated	12
QCF references removed from unit titles and unit levels in all units	14-151

Earlier issue(s) show(s) previous changes.

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.

BTEC Professional qualification titles covered by this specification

Pearson BTEC Level 5 Diploma in Innovation and Growth

Qualifications eligible and funded for post-16-year-olds can be found on the funding Hub. The Skills Funding Agency also publishes a funding catalogue that lists the qualifications available for 19+ funding.

The qualification and unit codes will appear on learners' final certification documentation.

The QN for the qualification in this publication is: 600/6687/8

Pearson BTEC Level 5 Diploma in Innovation and Growth

This qualification title will appear on learners' certificates. Learners need to be made aware of this when they are recruited by the centre and registered with Pearson.

This qualification is accredited by Ofqual as being a stand alone qualification and also part of an apprenticeship.

Welcome to Pearson BTEC Level 5 Diploma in Innovation and Growth

We are delighted to introduce our new qualification, which will be available for teaching from January 2013.

Focusing on the Pearson BTEC Level 5 Diploma in Innovation and Growth

The Pearson BTEC Level 5 Diploma in Innovation and Growth has been approved as the combined competence and knowledge qualification component for the Higher Apprenticeship in Innovation and Growth.

This qualification is a nationally recognised, combined competence and knowledge qualification. The qualification has been developed in conjunction with employers and representatives from further and higher education to give learners flexible access to the apprenticeship from all backgrounds and sectors. As part of the Higher Apprenticeship Framework the qualification supports learners as it gives them career pathways for a variety of job roles, including product development officer/executive/manager, innovation scout, business development executive/officer/manager, project executive, research officer/manager.

This combined qualification will enable learners to apply their knowledge and skills to real business issues in the workplace and is relevant to public sector, private sector and 3rd sector business.

Engaging for everyone

Learners of all abilities flourish when they can apply their own knowledge, skills and enthusiasm to a subject. BTEC qualifications make explicit the link between theoretical learning and the world of work by giving learners the opportunity to apply their research, skills and knowledge to work-related contexts and case studies. These applied and practical BTEC approaches give all learners the impetus they need to achieve and the skills they require for workplace or education progression.

Recognition

BTECs are understood and recognised by a large number of organisations in a wide range of sectors. BTEC qualifications are developed with key industry representatives and Sector Skills Councils (SSC) to ensure that they meet employer and student needs – in this case Skills CFA. Many industry and professional bodies offer successful BTEC students exemptions for their own accredited qualifications.

All you need to get started

To help you off to a flying start, we've developed a specification that gives you all the information you need to start teaching BTEC. This includes:

- a framework of equivalencies, so you can see how this qualification compares with other Pearson vocational qualifications
- information on rules of combination, structures and quality assurance, so you can deliver the qualification with confidence
- explanations of the content's relationship with the learning outcomes
- guidance on assessment, and what the learner must produce to achieve the unit.

Don't forget that we're always here to offer curriculum and qualification updates, local training and network opportunities, advice, guidance and support.

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What are BTEC Professional qualifications?

BTEC Professional qualifications are qualifications at Level 4 to Level 8 that are designed to provide professional work-related qualifications in a range of sectors. They give learners the knowledge, understanding and skills that they need to prepare for employment. The qualifications also provide career development opportunities for those already in work. Consequently, they provide a course of study for full-time or part-time learners in schools, colleges and training centres.

On successful completion of a BTEC Professional qualification, learners can progress to or within employment and/or continue their study in the same or related vocational area.

Sizes of Professional qualifications

For all regulated qualifications, Pearson specify a total number of hours that it is estimated 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) that we estimate a centre delivering the 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. Guided learning includes the time required for learners to complete external assessment under examination or supervised conditions.

In addition to guided learning, other required learning directed by tutors or assessors will include 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 TQT, rounded to the nearest whole number.

TQT and credit values are assigned after consultation with users of the qualifications.

BTEC 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).

Other size references, such as Extended Diploma, may be used in a suite of qualifications depending on the specific needs of different sectors.

Pearson BTEC Level 5 Diploma

The Pearson BTEC Level 5 Diploma in Innovation and Growth offers an engaging programme for those who want to learn more about innovation and growth in business in either the public, private or 3rd sector. There is potential for the qualification to prepare learners for employment in a particular business sector and it is suitable for those who have decided that they wish to enter a specific area of work.

Key features of the Pearson BTEC Level 5 Diploma in Innovation and Growth

The Pearson BTEC Level 5 Diploma in Innovation and Growth has been developed to give learners the opportunity to:

- engage in learning that is relevant to them and which will provide opportunities to develop a range of skills and techniques, personal skills and attributes essential for successful performance in working life
- achieve a nationally recognised Level 5 vocationally-related qualification
- progress to employment in a particular vocational sector
- progress to related general and/or vocational qualifications.

Rules of combination

The rules of combination specify the credits that need to be achieved, through the completion of particular units, for the qualification to be awarded. All accredited qualifications have rules of combination.

Rules of combination for the Pearson BTEC Level 5 Diploma in Innovation and Growth

When combining units for the Pearson BTEC Level 5 Diploma in Innovation and Growth, it is the centre's responsibility to ensure that the following rules of combination are adhered to.

Pearson BTEC Level 5 Diploma in Innovation and Growth

1. The Total Qualification Time (TQT) for this qualification is 1200 hours
2. The Guided Learning Hours (GLH) for this qualification is 520.
3. Qualification credit value: a minimum of 120 credits.
4. Minimum credit to be achieved at, or above, the level of the qualification: 65 credits.
5. All credits must be achieved from the units listed in this specification.

Pearson BTEC Level 5 Diploma in Innovation and Growth

The Pearson BTEC Level 5 Diploma in Innovation and Growth is a 120–credit and 520 guided learning hour (GLH) qualification. It consists of 10 mandatory units (100 credits) **plus** optional units to provide an additional 20 credits.

Pearson BTEC Level 5 Diploma in Innovation and Growth			
Unit	Mandatory units	Credit	Level
1	Innovation and Growth in Organisations	10	4
2	Use of Financial Information for Planning Innovation and Growth	5	4
3	The Innovative Mindset	10	5
4	Principles of Researching and Testing Innovative Ideas	5	4
5	Developing Innovative Business Cases	10	5
6	Innovation in Action	15	4
7	Change Management for Innovation and Growth	10	5
8	Management Decision Making for Innovation and Growth	5	5
9	Developing an Innovative Idea	10	5
10	Implementing an Innovative Idea	20	5
Unit	Optional units		
11	Leading, Managing and Developing People for Innovation and Growth	5	4
12	Strategic Planning and Management	5	6
13	Managing Quality for Innovation and Growth	5	5
14	Marketing Innovative Ideas	10	4
15	Using Customer Relationship Management to support Innovation and Growth	5	4
16	How Technology Contributes to Innovation and Growth	5	5
17	Contribute to Fostering a Culture for Innovation and Growth	5	6
18	Financial Planning to Support Business Cases	5	4
19	Background to Business	15	4

Assessment

The overall grade for the qualifications is a 'pass'. The learner must achieve all the required units within the specified qualification structure.

To pass a unit the learner must:

- achieve **all** the specified learning outcomes
- satisfy **all** the assessment criteria by providing sufficient and valid evidence for each criterion
- show that the evidence is their own.

The qualifications are designed to be assessed:

- in the workplace or
- in conditions resembling the workplace, as specified in the assessment requirements/strategy for the sector, or
- as part of a training programme.

Assessment strategy for competence-based units

The assessment strategy for the competence units has been included in *Annexe E*. It has been developed by the named SSC in partnership with employers, training providers, awarding organisations and the regulatory authorities. The assessment strategy includes details on:

- criteria for defining realistic working environments
- roles and occupational competence of assessors, expert witnesses, internal verifiers and standards verifiers
- quality control of assessment
- evidence requirements.

Evidence of competence may come from:

- **current practice** where evidence is generated from a current job role
- a **programme of development** where evidence comes from assessment opportunities built into a learning/training programme whether at or away from the workplace
- the **Recognition of Prior Learning (RPL)** where a learner can demonstrate that they can meet the assessment criteria within a unit through knowledge, understanding or skills they already possess without undertaking a course of learning. They must submit sufficient, reliable and valid evidence for internal and standards verification purposes. RPL is acceptable for accrediting a unit, several units or a whole qualification
- a **combination** of these.

It is important that the evidence is:

Valid	relevant to the standards for which competence is claimed
Authentic	produced by the learner
Current	sufficiently recent to create confidence that the same skill, understanding or knowledge persist at the time of the claim
Reliable	indicates that the learner can consistently perform at this level
Sufficient	fully meets the requirements of the standards.

Types of evidence

To successfully achieve a unit the learner must gather evidence which shows that they have met the required standard in the assessment criteria. Evidence can take a variety of different forms including the examples below. Centres should refer to the assessment strategy for information about which of the following are permissible

- direct observation of the learner's performance by their assessor (O)
- outcomes from oral or written questioning (Q&A)
- products of the learner's work (P)
- personal statements and/or reflective accounts (RA)
- outcomes from simulation, where permitted by the assessment strategy (S)
- professional discussion (PD)
- assignment, project/case studies (A)
- authentic statements/witness testimony (WT)
- expert witness testimony (EWT)
- evidence of Recognition of Prior Learning (RPL).

Centres should also refer to the assessment strategy for competence based units and the assessment requirements/evidence requirements section within each individual unit.

The abbreviations may be used for cross-referencing purposes.

Learners can use one piece of evidence to prove their knowledge, skills and understanding across different assessment criteria and/or across different units. It is, therefore, not necessary for learners to have each assessment criterion assessed separately. Learners should be encouraged to reference the assessment criteria to which the evidence relates.

Evidence must be made available to the assessor, internal verifier and Pearson's appointed external examiner. A range of recording documents is available on the Pearson website: qualifications.pearson.com. Alternatively, centres may develop their own.

Qualification grade

Learners who achieve the minimum eligible credit value specified by the rule of combination will achieve the qualification at pass grade.

In the Pearson BTEC Level 5 Professional qualifications, each unit has a credit value which specifies the number of credits that will be awarded to a learner who has achieved the learning outcomes of the unit. This has been based on:

- one credit for those learning outcomes achievable in 10 hours of learning time
- learning time being defined as the time taken by learners at the level of the unit, on average, to complete the learning outcomes of the unit to the standard determined by the assessment criteria
- the credit value of the unit remaining constant regardless of the method of assessment used or the qualification to which it contributes.

Quality assurance of centres

Pearson's quality assurance system for all Pearson BTEC higher level programmes on the QCF at levels 4–7 will ensure that centres have effective quality assurance processes to review programme delivery. It will also ensure that the outcomes of assessment are to national standards.

The quality assurance process for centres offering Pearson BTEC higher level programmes on the QCF at levels 4–7 comprises three key components.

1) Approval process

Approval to offer the Pearson BTEC Level 5 Diploma in Innovation and Growth will vary depending on the status of the centre.

Centres that have a recent history of delivering Pearson BTEC qualifications at levels 4–7 and have an acceptable quality profile in relation to their delivery and assessment will be able to gain fast track qualification approval to offer Pearson BTEC Level 5 Diploma in Innovation and Growth through Edexcel Online.

Centres that do not have a recent history of delivering Pearson BTEC qualifications at levels 4 – 7 (ie in the last four years) will be required to seek approval to offer the Pearson BTEC Level 5 Diploma in Innovation and Growth through the existing Pearson qualification and centre approval process. Prior to approval being given, centres will be required to submit evidence to demonstrate that they:

- have the human and physical resources required for effective delivery and assessment
- understand the implications for independent assessment and agree to abide by these
- have a robust internal assessment system supported by 'fit for purpose' assessment documentation
- have a system to internally verify assessment decisions, to ensure standardised assessment decisions are made across all assessors and sites.

Applications have to be supported by the head of the centre (principal, chief executive etc) and include a declaration that the centre will operate the programmes strictly as approved and in line with Pearson requirements.

2) Monitoring of internal centre systems

Centres will be required to demonstrate ongoing fulfilment of the centre approval criteria over time and across all programmes. The process that assures this is external examination, which is undertaken by Pearson's appointed external examiners. Centres will be given the opportunity to present evidence of the ongoing suitability and deployment of their systems to carry out the required functions. This includes the consistent application of policies affecting learner registrations, appeals, effective internal examination and standardisation processes. Where appropriate, centres may present evidence of their operation within a recognised code of practice, such as that of the Quality Assurance Agency for Higher Education. Pearson reserves the right to confirm independently that these arrangements are operating to Pearson's satisfaction.

Pearson will affirm, or not, the ongoing effectiveness of such systems. Where system failures are identified, sanctions (appropriate to the nature of the problem) will be applied to assist the centre in correcting the problem.

3) Independent assessment review

The internal assessment outcomes reached for all Pearson BTEC higher level programmes are subject to an independent assessment review by a Pearson-appointed external examiner.

The outcomes of this process will be to:

confirm that internal assessment is to national standards and allow certification
or

make recommendations to improve the quality of assessment outcomes before certification is released

or

make recommendations about the centre's ability to continue to be approved for the qualifications in question.

Additional arrangements for all centres

Regardless of the type of centre, Pearson reserves the right to withdraw either qualification or centre approval when it deems there is an irreversible breakdown in the centre's ability either to quality assure its programme delivery or its assessment standards.

Quality assurance model for delivery of the qualification within a BTEC Higher Apprenticeship Framework

When delivered as part of a BTEC Higher Apprenticeship, the Pearson quality assurance model for the qualifications in this specification will be:

- a twice-yearly visit from an Pearson-appointed external examiner to sample internal verification and assessor decisions for competence-based and knowledge-based units and to review centre-wide quality assurance systems.

Quality assurance model for delivery of the qualification as a stand-alone qualification

When delivered as standalone qualifications, the Pearson quality assurance model for the qualifications in this specification will be:

- an annual visit from an Pearson-appointed external examiner to sample internal verification and assessor decisions for competence-based and knowledge-based units and to review centre-wide quality assurance systems.
- For further details, go to the UK BTEC Quality Assurance pages of the Pearson website: qualifications.pearson.com

Programme design and delivery

Mode of delivery

Pearson does not normally define the mode of delivery for Pearson BTEC Level 4 to Level 8 qualifications. Centres are free to offer the qualifications using any mode of delivery (such as full-time, part-time, evening only, distance learning) that meets their learners' needs. Whichever mode of delivery is used, centres must ensure that learners have appropriate access to the resources identified in the specification and to the subject specialists delivering the units. This is particularly important for learners studying for the qualification through open or distance learning.

Learners studying for the qualification on a part-time basis bring with them a wealth of experience that should be utilised to maximum effect by tutors and assessors. The use of assessment evidence drawn from learners' work environments should be encouraged. Those planning the programme should aim to enhance the vocational nature of the qualification by:

- liaising with employers to ensure a course relevant to learners' specific needs
- accessing and using non-confidential data and documents from learners' workplaces
- including sponsoring employers in the delivery of the programme and, where appropriate, in the assessment
- linking with company-based/workplace training programmes

- making full use of the variety of experience of work and life that learners bring to the programme.

Resources

Pearson BTEC Level 5 qualifications are designed to give learners an understanding of the skills needed for specific vocational sectors. Physical resources need to support the delivery of the programme and the assessment of the learning outcomes, and should therefore normally be of industry standard. Staff delivering programmes and conducting the assessments should be familiar with current practice and standards in the sector concerned. Centres will need to meet any specific resource requirements to gain approval from Pearson.

Where specific resources are required these have been indicated in individual units in the *Essential resources* sections.

Delivery approach

It is important that centres develop an approach to teaching and learning that supports the vocational nature of Pearson BTEC Level 5 qualifications and the mode of delivery. Specifications give a balance of practical skill development and knowledge requirements, some of which can be theoretical in nature. Tutors and assessors need to ensure that appropriate links are made between theory and practical application and that the knowledge base is applied to the sector. This requires the development of relevant and up-to-date teaching materials that allow learners to apply their learning to actual events and activity within the sector. Maximum use should be made of learners' experience.

Access and recruitment

Pearson's policy regarding access to its qualifications is that:

- they should be available to everyone who is capable of reaching the required standards
- they should be free from any barriers that restrict access and progression
- there should be equal opportunities for all wishing to access the qualifications.

Centres are required to recruit learners to BTEC qualifications with integrity. This will include ensuring that applicants have appropriate information and advice about the qualifications and that the qualification will meet their needs. Centres should take appropriate steps to assess each applicant's potential and make a professional judgement about their ability to successfully complete the programme of study and achieve the qualification. This assessment will need to take account of the support available to the learner within the centre during their programme of study and any specific support that might be necessary to allow the learner to access the assessment for the qualification. Centres should consult Pearson's policy on learners with particular requirements.

Centres will need to review the entry profile of qualifications and/or experience held by applicants, considering whether this profile shows an ability to progress to a higher level qualification.

Restrictions on learner entry

The Pearson BTEC Level 5 Diploma in Innovation and Growth is accredited for learners aged 18 and above.

Access arrangements and special considerations

Pearson's policy on access arrangements and special considerations for BTEC and Pearson NVQ qualifications aims to enhance access to the qualifications for learners with disabilities and other difficulties (as defined by the Equality Act 2010) without compromising the assessment of skills, knowledge, understanding or competence.

Further details are given in the policy document *Access Arrangements and Special Considerations for BTEC and Edexcel NVQ Qualifications*, which can be found on the Pearson website (qualifications.pearson.com). This policy replaces the previous Pearson policy (Assessment of Vocationally Related Qualifications: Regulations and Guidance Relating to Learners with Special Requirements, 2002) concerning learners with particular requirements.

Recognition of Prior Learning

Recognition of Prior Learning (RPL) is a method of assessment (leading to the award of credit) that considers whether a learner can demonstrate that they can meet the assessment requirements for a unit through knowledge, understanding or skills they already possess and so do not need to develop through a course of learning.

Pearson encourages centres to recognise learners' previous achievements and experiences in and outside the workplace, as well as in the classroom. RPL provides a route for the recognition of the achievements resulting from continuous learning.

RPL enables recognition of achievement from a range of activities using any valid assessment methodology. If the assessment requirements of a given unit or qualification have been met, the use of RPL is acceptable for accrediting a unit, units or a whole qualification. Evidence of learning must be sufficient, reliable and valid.

Further guidance is available in the policy document *Recognition of Prior Learning Policy*, which is on our website: qualifications.pearson.com

Unit format

All units in the Pearson BTEC Level 5 Professional qualifications have a standard format. The unit format is designed to give guidance on the requirements of the qualification for learners, tutors, assessors and those responsible for monitoring national standards.

Each unit has the following sections.

Unit title

This is the formal title of the unit that will appear on the learner's certificate.

Unit reference number

Each unit is assigned a unit reference number that appears with the unit title on the Register of Regulated Qualifications.

Level

All units and qualifications have a level assigned to them. The level assigned is informed by the level descriptors defined by Ofqual, the qualifications regulator.

Credit value

All units have a credit value. The minimum credit value that may be determined for a unit is one, and credits can only be awarded in whole numbers. Learners will be awarded credits for the successful completion of whole units.

Guided learning hours

Guided Learning Hours (GLH) are the number of hours that a centre delivering the qualification needs to provide. Guided learning means activities that directly or immediately involve tutors and assessors in teaching, supervising, and invigilating learners, for example lectures, tutorials, online instruction and supervised study.

Unit aim

The aim provides a clear summary of the purpose of the unit and is a succinct statement that summarises the learning outcomes of the unit.

Competency unit assessment guidance

This unit assessment guidance will appear in the units containing some competence learning outcomes in the qualification. It sets out how the unit should be assessed.

Unit introduction

The unit introduction gives the reader an appreciation of the unit in the vocational setting of the qualification, as well as highlighting the focus of the unit. It gives the reader a snapshot of the unit and the key knowledge, skills and understanding gained while studying the unit. The unit introduction also highlights any links to the appropriate vocational sector by describing how the unit relates to that sector.

Learning outcomes

The learning outcomes of a unit set out what a learner is expected to know, understand or be able to do as the result of a process of learning.

Assessment criteria

The assessment criteria of a unit specify the standard a learner is expected to meet to demonstrate that a learning outcome, or set of learning outcomes, has been achieved. The learning outcomes and assessment criteria clearly articulate the learning achievement for which the credit will be awarded at the level assigned to the unit.

Unit content

The unit content identifies the breadth of knowledge, skills and understanding needed to design and deliver a programme of learning to achieve each of the learning outcomes. This is informed by the underpinning knowledge and understanding requirements of the related National Occupational Standards (NOS), where relevant. The content provides the range of subject material for the programme of learning and specifies the skills, knowledge and understanding required for achievement of the unit.

Each learning outcome is stated in full and then the key phrases or concepts related to that learning outcome are listed in *italics* followed by the subsequent range of related topics.

Relationship between content and assessment criteria

The learner should have the opportunity to cover all of the unit content.

It is not a requirement of the unit specification that all of the content is assessed. However, the indicative content will need to be covered in a programme of learning in order for learners to be able to meet the standard determined in the assessment criteria.

Content structure and terminology

The information below shows the unit content is structured and gives the terminology used to explain the different components within the content.

- Learning outcome: this is shown in **bold** at the beginning of each section of content.
- Italicised sub-heading: it contains a key phrase or concept. This is content which must be covered in the delivery of the unit. Colons mark the end of an italicised sub-heading.
- Elements of content: the elements are in plain text and amplify the sub-heading. The elements must be covered in the delivery of the unit. Semi-colons mark the end of an element.

- Brackets contain amplification of content which must be covered in the delivery of the unit.
- 'eg' is a list of examples, used for indicative amplification of an element (that is, the content specified in this amplification could be covered or could be replaced by other, similar material).

Guidance

This section gives tutors additional guidance and amplification to aid understanding and a consistent level of delivery and assessment. It is divided into the following sections.

- *Delivery* – explains the content's relationship to the learning outcomes and offers guidance about possible approaches to delivery. This section is based on the more usual delivery modes but is not intended to rule out alternative approaches.
- *Assessment* – gives amplification about the nature and type of evidence that learners need to produce in order to achieve the unit. This section should be read in conjunction with the assessment criteria. For the units containing competency learning outcomes, this section will also detail the Annex for the Assessment Strategy/Assessment Requirements document applicable for the unit, which must be followed.
- *Essential requirements* – identifies any specialist resources needed to allow learners to generate the evidence required for each unit. The centre will be asked to ensure that any requirements are in place when it seeks approval from Pearson to offer the qualification.
- *Links to other BTEC units* – suggests other units in the qualification that the unit could link with for delivery and/or assessment purposes. This is not exhaustive, and is not intended to rule out alternative links.
- *Resources* – gives a list of learner resource material that benchmarks the level of study.

Units

Units

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Unit 1: Innovation and Growth in Organisations

Unit code: M/504/3770

Level 4: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

The aim of this unit is to enable learners to develop an understanding of the innovation process in organisations and the role of innovation in organisational development and growth.

Unit introduction

Innovation is the process of bringing products, processes, services, ideas and technologies to market. All organisations whether profit or not for profit, private or public sector, need to improve their performance to maintain their competitive advantage. Thriving economies depend on organisations being innovative and on encouraging an innovative and entrepreneurial culture. Organisations have a diversity of purposes and for some this is about making profits. But there are social purposes also such as the provision of education, health care and security which are not governed by the profit motive.

At the micro level, success depends on a variety of factors, including having the right products available in the market and being competitive. However, organisations have to operate efficiently in order to maintain and improve their competitive advantage. To do so requires them to be innovative. Customers, too, demand innovative products and services and organisations should be capable of meeting expectations. Many actively seek to innovate and have large research and development (R&D) budgets in the expectation of using established techniques for transforming inventions into marketable products. On a smaller scale, individuals might want to transform an idea into a commercial venture.

Innovation is not just about the development of new products or services. It also includes the improvement of existing goods or services. Innovation allows organisations to develop and grow, as products, processes and services are introduced or improved. Innovation has enabled new organisations to establish and then oust inefficient and uncompetitive competitors. For example, e-tailers have contributed to the demise of high street stores and travel agents: the process of creative destruction arising from innovation.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the innovation process in organisations	1.1 Identify sources of innovation 1.2 Analyse how innovative processes enable successful innovation in organisations 1.3 Evaluate new models of innovation in organisations
2 Understand how organisations' ownership and structure affect innovation and growth	2.1 Explain how the type of ownership of organisations may affect organisational innovation and growth 2.2 Analyse how the structure of different organisations may affect innovation and growth
3 Understand how innovation contributes to different types of organisational growth	3.1 Examine different types of organisational growth in different organisations 3.2 Explain how innovation can lead to different types of organisational growth 3.3 Evaluate how innovation can provide competitive advantage to achieve different types of organisational growth

Unit content

1 Understand the innovation process in organisations

Sources of innovation: Drucker's seven sources of innovation (unexpected events, incongruities, process needs, the industry market and its structures, demographic changes, changes in public perception, new technology and scientific findings); research and development (R&D); experimentation; inventions; improvements; suggestions; open sources; learning from failure; acquiring patents; acquiring licenses; market research; trade fairs; entrepreneurial individuals; convergent technologies

Innovation process: generation of innovative ideas; design; development; testing; implementation; monitoring; review; evaluation; modification; pilot programmes; training personnel; adoption of innovations; opinion leaders; diffusion of innovations; developing a culture of innovation

Models of innovation: Schumpeter's creative destruction; supplier driven innovation, end user driven innovation; lead user driven innovation; innovation capability

2 Understand how organisations' ownership and structure affect innovation and growth

Types of ownership: sole trader; partnership; co-operatives; private limited company; public limited company; joint ventures

Implications for innovation and growth: access to capital; access to technology; access to expertise; development of proprietary knowledge; access to personnel; attitude to risk; capacity to cope with failure

Organisational structure: hierarchical; matrix; flat; functional; product-based; geographically based; multi-functional; multi-divisional; centralised; de-centralised; organisational culture; attitudes to innovation; control/management spans

3 Understand how innovation contributes to different types of organisational growth

Types of organisational growth: business (internal, external); mergers, takeovers; acquisitions; sales growth; revenue growth; profit growth; increased margins; new markets (domestic, international); new products; new services; new processes; market share; employment; licensing; franchising; alliances; contribution to regional growth; contribution to national growth

Innovation: products; services; processes; purposes, eg novelty, change, competitive advantage; improvement to quality; new market creation; product/service range extension; replacement of products/services; labour cost reduction; improved production processes; reduced materials requirements and/or costs; sustainability; reduced energy consumption; conformance to regulations; maintenance and/or development of technological leadership

Competitive advantage: cost reduction; market share; market leader; reputation; customer base; expertise; proprietary knowledge; patent protection; trademarks

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 4: Principles of Researching and Testing Innovative Ideas Unit 6: Innovation in Action Unit 14: Marketing Innovative Ideas Unit 15: Using Customer Relationship Management to Support Innovation and Growth Unit 18: Financial Planning to Support Business Cases Unit 19: Background to Business	Unit 3: The Innovative Mind Set Unit 5: Developing Innovative Business Cases Unit 7: Change Management for Innovation and Growth Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 11: Leading, Managing and Developing People for Innovation and Growth Unit 13: Managing Quality for Innovation and Growth Unit 16: How Technology Contributes to Innovation and Growth	Unit 12: Strategic Planning and Management Unit 17: Contributing to Fostering a Culture for Innovation and Growth

Delivery

Learners will be self-motivated to enquire into the topics under discussion, to question theory and consider the link between theory and practice. The programme will be delivered using a range of methods such as lectures, tutorials, practical work, role play and discussion groups where ideas and practice can be shared and considered. Learners are encouraged to engage in social learning to work on case studies, to share ideas and to prepare reports for presentation. Online and library research will enable learners to investigate particular examples and cases of innovation and growth. Learners who are based in work will be expected to use their working context and roles to learn about the nature and importance of innovation and growth. Delivery should illustrate theory with practical examples, situations and cases. Centres should organise presentations from those who have experience of, and expertise in, innovation and its role in growth.

The delivery of learning outcome 1 could be achieved using different business examples to illustrate the range of sources of innovation and how organisations seek to embed innovation within the organisation. The business press provides contemporary examples of how organisations strive to innovate using a range of approaches.

The delivery of learning outcome 2, involves considering how the business ownership and structure of organisations affect innovation and growth. Public limited companies have access to capital and can fund systematic research to seek out innovative ideas to set up dedicated research facilities. Smaller organisations, when they innovate, may have to seek outside funding which may affect the structure and control of the organisation.

The delivery of learning outcome 3 requires examination of organisational growth in response to innovation. Examples should be chosen to show that innovation offers different routes to organisational growth. The business press, radio and television provide current examples and analyses of innovation and growth. Local entrepreneurs can be invited to make presentations and discuss the effect of innovation on organisational growth and the associated issues.

Delivery can be integrated across the three learning outcomes and, wherever possible and if it is realistic to do so, across different units.

Assessment

Learners are assessed against the learning outcomes and assessment criteria of the unit in order to display a combination of knowledge and understanding in respect of innovation and growth.

A range and combination of assessment instruments (assignments), can be used such as (but not confined to) practical work, presentations, projects, tests, examinations, displays, articles, diaries, reflective accounts, reports, proposals, plans, case studies, exercises and simulations. It is possible to assess oral and group work in presentations with the appropriate evidence and witness statements. Recognition of prior learning (RPL) is used when learners' previous achievements and experience are sufficient to demonstrate achievement of the learning outcomes when judged against the assessment criteria in the normal way. All assessment methods are acceptable provided the assessment enables the individual learner to produce the relevant evidence that can be judged against the assessment criteria.

Assessment needs to be based on a range of carefully selected and/or well developed simulated or real-life situations. Learners should be encouraged to use their own organisation's activities as a basis for their work where it is relevant and appropriate. They should also consider innovation in other organisations. A single assignment that integrates the assessment of the three learning outcomes can be used, as the requirements of the learning outcomes are inter-related. The work can be staged and presented to learners as a sequence of tasks spread over a period of time. Alternatively, if preferred, learners can be assessed on a set of discrete assignments rather than a single integrated assessment to allow a wider range of organisations to be considered. It is also possible to integrate assessment work across several units if it makes for a coherent assignment programme.

The evidence of achievement of the outcomes when judged against the assessment criteria should be collected in a portfolio (paper based or electronic) in which the evidence is mapped against the assessment criteria.

Resources

Books

Drucker P – *Innovation and Entrepreneurship* (Butterworth-Heinemann, 2007) ISBN: 978-0750685085)

Fagerberg J, Mowery D C and Nelson R R – *The Oxford Handbook of Innovation* (OUP Oxford, 2006) ISBN: 978-019928680

Hamel G – *Leading the Revolution: How to Thrive in Turbulent Times by Making Innovation a Way of Life* (Harvard Business School Press, 2002) ISBN: 978-1591391463

Harvard Business Review – *Harvard Business Review on Business Model Innovation* (Harvard Business School Press, 2011) ISBN: 978-1422162620

Johnson M W – *Seizing the White Space: Business Model Innovation for Growth and Renewal* (Harvard Business Press, 2010) ISBN: 978-1422124819

Porter M E – *Competitive Advantage* (Free Press, 2004) ISBN-13: 978-0743260879

Journals

The Economist (The Economist Group) has regular features on innovation and growth and an extensive archive with relevant articles

Websites

www.bis.gov.uk/publicsectorinnovation	The Department for Business Innovation and Skills
www.business.gov.au/BusinessTopics/Innovation/Pages/default.aspx	The Australian Government's information portal
www.ft.com/cms/s/0/c114f762-cc0e-11df-bd28-00144feab49a.html#axzz22x5Y9Ptv	The Financial Times has case studies on innovation
www.innovateuk.org/	The Technology Strategy Board
www.innovationexcellence.com/	Innovation Excellence has articles on innovation

www.managing-innovation.com

Managing Innovation has resources and case materials about innovation

managementhelp.org

A free on-line management library with materials on enterprise

Unit 2: Use of Financial Information for Planning Innovation and Growth

Unit code: T/504/3771

Level 4: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to enable learners to understand the different financial information relating to performance produced by organisations and how to cost proposed new projects. The unit also provides learners with the skills to assess this financial information.

Unit introduction

This unit gives learners the opportunity to understand financial information and develop skills to assess the financial impact of decisions. All decisions have a financial impact on an organisation, and it is important to be able to make optimal decisions based on available financial information and forecasts, especially for innovation and growth.

Organisations must understand their cost structure and this unit allows learners to understand the distinction between direct costs and indirect costs, as the way in which organisations treat their indirect costs (overheads) may have a significant impact on the profitability of the organisation and its projects. The unit also allows learners to understand the way in which different costs may vary relating to changes in activity levels.

Learners will research and identify all relevant costs for projects, and assess the behaviour of these costs when activity levels change. They will then produce a forecast for the projects, incorporating all relevant costs at different possible levels of activity.

Learners will evaluate the financial impact of projects on the organisation, looking at three key aspects of the organisation's financial position; the impact on profitability, the impact on cash position and the impact on financial strength and stability. They will then make appropriate and reasoned decisions about the suitability of proposed projects based on these costings and the forecast impact on the organisation.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand organisations' financial performance and position statements	1.1 Identify the constituent elements of financial performance and position statements 1.2 Evaluate the purpose of financial performance and position statements in different organisations
2 Understand costing methods in organisations	2.1 Explain the different types of costs incurred in organisations 2.2 Explain appropriate costing methods for an organisation
3 Be able to cost key elements of a project	3.1 Identify cost elements of a project 3.2 Analyse costs in line with changes in activity levels in organisations 3.2 Produce a cost statement at different activity levels for a given project 3.3 Make justified decisions about the impact of the project costings

Unit content

1 **Understand organisations' financial performance and position statements**

Organisations: eg private sector, public sector, 3rd sector, social enterprise

Financial performance and position statements: income statement (profit and loss account); statement of financial position (balance sheet); statement of cash flows; management accounts, eg budgets, income and expenditure variance statements

Constituent elements: assets (current, non-current); liabilities (current, non-current); income; expenditure; equity (shareholder funds); elements of budgets, eg financial forecasts, actual figures, variances

Purpose and use of financial performance and position statements: differences between internal (management) accounts and external (statutory) accounts; different users of financial information, eg shareholders, management, government, customers, suppliers, employees, general public; factors which make financial information useful (relevance, reliability, ease of understanding/ clarity, timeliness, completeness, consistency)

2 **Understand costing methods in organisations**

Different types of costs: classified according to type (direct, indirect); classified according to behaviour (variable, semi-variable, fixed, step)

Costing methods: appropriateness to the organisation, eg job costing, batch costing, process costing, full absorption costing, marginal costing, activity-based costing

3 **Be able to cost key elements of a project**

Key elements of a project: labour; materials; bought-in goods and services; overhead expenses; changes in working capital requirements

Changes in activity level: activity levels greater than forecast; activity levels lower than forecast

Justifications for decisions: financial (reduction in costs, increase in sales income, increase in profit)

Impact on the organisation: profitability; growth; cash position; financial strength and stability

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action Unit 19: Background to Business	Unit 3: The Innovative Mind Set Unit 5: Developing Innovative Business Cases Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 18: Financial Planning to Support Business Cases	Unit 12: Strategic Planning and Management

Delivery

This unit is an introductory financial unit. As some learners may not have a business background, this unit introduces the relevant financial statements used by different organisations and considers their purpose and the information they reveal. The unit then focuses on costing in order to provide the necessary skills for the later project units.

As this unit includes both an understanding of theory and the practical application of this theory, off-the-job delivery would usually be needed. This could be greatly enhanced through drawing from workplace experiences. It would be particularly beneficial for learners to spend time working with staff within the finance function of their organisation so that they can gain experience of how financial performance statements are produced and analysed by management.

For learning outcome 1, learners are likely to need structured delivery of the theory, whether through face-to-face delivery or through the use of learning materials. It would be useful for them to have the opportunity to review financial statements from a range of organisations so that they can compare and contrast them.

For learning outcome 2, there will also be the need for systematic delivery of the key theory and techniques involved. This again, could be face-to-face or through the use of learning materials. Learners would benefit from the opportunity to work on relevant case studies which enable them to check their understanding and consolidate their learning.

For learning outcome 3, learners could be given case studies of projects (if no suitable live projects are available in their workplace) and be required to produce cost estimates for each project to see if it/they are viable. Learners should also consider the factors which would inform a decision whether or not to proceed with a proposed course of action. It could be beneficial, initially, for learners to work in groups on case studies to discuss the financial and non-financial issues which could affect decision making.

Assessment

The assessment for this unit could be drawn from work undertaken in the course of the learner's performance of their role in the workplace or from case study material. The assessor can devise an assessment plan that fits the needs of learners and the opportunities available.

Learners could identify a relevant project from their workplace, or, if this is not possible use a realistic case study. They must provide evidence of researching relevant costs for the project, produce a financial cost forecast at different levels of activity, and make justified decisions about the impact of the costing. Therefore, assessors should ensure at the planning stage that the suggested project will provide sufficient opportunities for the learner to collect enough relevant evidence.

The evidence of achievement of the criteria should be collected in a paper-based or electronic portfolio in which the evidence is referenced against the assessment criteria.

Types of evidence include product evidence such as financial forecasts and supporting evidence, planning notes, visual aids or audio or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

Resources

Books

Drury Colin – *Management and Cost Accounting* (8th edition) (Cengage Learning EMEA, 2012) ISBN 978-1408064313

Glautier Michael, Underdown Brian, Morris Deigan – *Accounting: Theory & Practice* (8th edition) (FT Press, 2011) ISBN 978-0273693857

Parker R,H – *Understanding Company Financial Statements* (6th edition) (Penguin, 2007) ISBN 978-0141032719

Websites

www.accountingweb.co.uk

A virtual community for accountancy professionals

www.cimaglobal.com

Access the CIMA syllabus online in HD recorded lectures 24/7

Unit 3: The Innovative Mind Set

Unit code: A/504/3772

Level 5: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

The aim of this unit is to give learners an understanding of how entrepreneurship helps to create an innovative culture within an organisational context and the skills to develop an innovative mind set.

Unit introduction

An entrepreneurial spirit (one who takes risks) within the workforce can help to promote continual growth and enable an organisation to maintain a competitive edge within the marketplace. Innovation is also one of the key components to successful growth in any organisation.

Learners will gain an understanding of how entrepreneurial skills are developed and their importance. Creativity, innovative thinking, risk taking, decision making and self-management are typical traits of an entrepreneur.

Learners will consider intrapreneurship and how innovative ideas can impact on an organisation and what value they add to the organisation's objectives. As an 'internal' entrepreneur, the role of the intrapreneur is to develop opportunities for growth without the risks normally associated with entrepreneurial ventures. Learners will use theories to analyse the challenges of promoting an intrapreneurial culture and identify how this impacts on the organisation. They will assess an intrapreneurial project or activity within their own workplaces or an organisation they are familiar with.

Learners will demonstrate their understanding of successful intrapreneurship by developing a solution to an existing business problem and evaluating the effectiveness of this solution based on the audience's response.

Finally, learners will self-assess the development of their skills in acquiring an innovative mind set. This may include an appraisal from an employer or mentor. The assessment should be a reflective account of the learners' own skills. On completion of the self-assessment, learners will devise a development strategy to help maximise their innovative and entrepreneurial skills.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the skills required to be entrepreneurial	1.1 Examine the difference between being enterprising and being entrepreneurial 1.2 Analyse, using relevant theories, the main skills needed to be entrepreneurial
2 Understand how intrapreneurial activity affects an organisation	2.1 Explain how an organisation's objectives can be affected by intrapreneurship 2.2 Analyse, using appropriate theories and models, the challenges of developing an innovative intrapreneurial culture within an organisation 2.3 Investigate an intrapreneurial project or activity 2.4 Assess the impact on an organisation of an intrapreneurial project or activity
3 Be able to solve a business problem using intrapreneurial skills	3.1 Develop an intrapreneurial solution to a problem 3.2 Present a solution to stakeholders 3.3 Evaluate from stakeholder feedback whether implementation of the solution is feasible
4 Be able to assess the development of own innovative mind set	4.1 Critically evaluate own innovative mind set 4.2 Develop a strategy for self to achieve an innovative mind set

Unit content

1 Understand the skills required to be entrepreneurial

Skills: creative; risk taker; innovator; opportunist; uses initiative; self-disciplined; positive attitude; self-promoter; motivated to succeed; visionary; how enterprise and entrepreneurship differ, eg being enterprising means using a set of skills to create a culture of opportunity, creativity and risk taking; entrepreneurial means, eg using experience, existing skills and specialist knowledge to create a new business and bring it to market; influence of commercial and creative entrepreneurs, eg Alan Sugar, Richard Branson, Steve Jobs, Mark Zuckerberg

Theories of Entrepreneurship: models and theories, eg McClelland's Theory of Achievement Motivation, Peter Drucker's innovation and entrepreneurship, Bird's personality traits, Chandler and Jansen's proficient entrepreneur

2 Understand how intrapreneurial activity affects an organisation

Definition of intrapreneurship: innovation; creativity; internal entrepreneur; development opportunities; growth

Organisational objectives: eg strategic growth, corporate venturing, competitive advantage, product development

Theories and models: comparisons; Drucker; Kautz; Antoncic and Hisrich; Bessant and Tidd

Cultural impact: management style; employee motivation; creativity and innovation; empowerment; professional development; pursuit of own goals; entrepreneurial effectiveness; challenges

Intrapreneurial project activity: existing; impact of; advantages/disadvantages for business

3 Be able to solve a business problem using intrapreneurial skills

Intrapreneurial skills: identify opportunities, eg new product, increase market share, extend customer base, expand to new markets, partnership opportunities, acquisition of a new business venture, improve quality and standards, increase efficiency and cost advantage; assess resources required, eg materials, people, finance, promotional and marketing opportunities; solution; action plan for implementation

Evaluate the problem: review original aims and objectives; analyse performance; identify key performance indicators; review measures of success; negotiate a revised outcome, eg with managers, teams, customers, other stakeholders

Stakeholder feedback: benefits to the organisation; improvements in performance; expected outcomes; reflection of feedback; feasibility of implementation; negotiation; plan of action

4 **Be able to assess the development of own innovative mind set**

Evaluate own skills: eg skills audit, feedback from stakeholders, managers, team members; SWOT analysis; psychometric tests; skills gaps; self-assessment of entrepreneurial skills, (decision making, problem solving, negotiation, creativity, being enterprising); success of outcomes

Development strategy: eg setting goals, mentors, training courses, self-directed learning, company professional development

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action Unit 11: Leading, Managing and Developing People for Innovation and Growth	Unit 4: Principles of Researching and Testing Innovation Ideas Unit 5: Developing Innovative Business Cases Unit 7: Change Management for Innovation and Growth Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea	Unit 12: Strategic Planning and Management

Delivery

Part of this unit is practical and much of the delivery and assessment could be based on workplace experiences and materials. Learners should be encouraged to develop and apply entrepreneurial skills in a range of situations which can include role plays and scenarios if sufficient workplace opportunities are not available. These could include for example, sales pitching, presentations to colleagues and managers, meetings, appraisals, group and one-to-one feedback sessions. However it is also important to ensure that learners have sufficient relevant materials to cover the required criteria, so it may be necessary to provide case study materials to do this.

Learning outcome 1 focuses on developing the learner's understanding of enterprise and entrepreneurship and the skills required to be entrepreneurial. Learners should be encouraged to research a broad range of entrepreneurial theories and models and consider the skills of commercial and creative entrepreneurs, eg Steve Jobs, Richard Branson, Alan Sugar.

Learning outcome 2 looks specifically at intrapreneurship and how this affects an organisation. Learners should be given opportunities to research both the benefits and drawbacks of intrapreneurship and present a balanced analysis when formulating their conclusions. Learners should be encouraged to identify an appropriate intrapreneurial project within the workplace or an organisation they are familiar with. This may be an existing project such as development of a new product, market, system or idea, or learners may develop their own project relevant to the organisation. If nothing suitable exists, then a case study could be used.

Learning outcome 3 focuses on developing the learner's intrapreneurial skills in finding a solution to a problem. Learners should be encouraged to extend their skills in negotiation, research, development of relationships with a range of contacts, role models, experts, to find an appropriate solution. Learners may use an existing small problem or a small simulated problem in the workplace or organisation they are familiar with, which could include improving and existing practice. Learners may need some guidance in the setting objectives for the project ensuring the outcomes are not too big but achievable within the time allocated.

Learning outcome 4 focuses on the learner assessing their own development of an innovative mindset for example, taking risks and self belief. Learners can draw on feedback and research gathered from learning outcomes 1-3 to inform their self evaluation. Learners should be encouraged to seek support from managers, peers and colleagues to develop their strategy and if possible, to build this into their workplace appraisal system. Learners should be encouraged to set targets and goals as part of their strategy to be reviewed as part of their professional development.

Assessment

As this is partly a practical unit that assesses workplace competence, the assessment could be drawn from work undertaken in the course of the learner's performance of their role in the workplace. However, it may not be possible to provide a suitable range of presentation opportunities for the learner and so case studies, role play and simulation exercises can be used, for example, to provide an opportunity to demonstrate competence at presenting to an external audience, colleagues or fellow learners could play the role of the external audience. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available.

The evidence of achievement of criteria should be collected in a paper-based or electronic portfolio in which the evidence is referenced against the assessment criteria.

Types of evidence include product evidence such as planning notes, visual aids or audio or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

To achieve all the assessment criteria in full it will be necessary to draw evidence from several presentations.

For learning outcome 1, learners will need to demonstrate that they understand the difference between being enterprising and being entrepreneurial. This could be through examples identified in the workplace such as comparing job roles or specific tasks/projects. Learners will need to select relevant theories in their analysis of the main skills needed to be entrepreneurial. Learners may use examples of their own experiences or relate to specific entrepreneurs they are familiar with.

Learning outcome 2 requires learners to understand how intrapreneurial activity affects an organisation. They will need to use relevant theories and models to demonstrate both the benefits and drawbacks as well as assessing the impact on a specific project or activity.

For learning outcome 3, learners need to demonstrate that they have used a range of skills to find a solution. This may involve using a range of different research methods and contacts to illustrate that they have used skills such as using their initiative, risk taking, decision making. Evidence of implementation of the solution must be reported in a format appropriate to the situation.

For learning outcome 4, learners are required to carry out a reflective analysis of their own innovative mind set. To do this, learners can use feedback from peers, managers, customers, own log or diary to inform their self evaluation. A development strategy should include goals and targets that maybe reviewed as part of their professional development.

The evidence of achievement of the learning outcomes when judged against the assessment criteria should be collected in a portfolio (paper based or electronic) in which the evidence is mapped against the assessment criteria.

Resources

Books

Barringer B and Ireland D – *Entrepreneurship: Successfully Launching New Ventures* (Pearson Education Ltd, 2012) ISBN 9780273761402

Deakins D and Freel M – *Entrepreneurship and Small Firms* (McGraw Hill, 2012) ISBN 9780077136451

Minniti M – *Dynamics in Entrepreneurship* (Oxford University Press, 2011) ISBN 9780199580866

Mole K and Ram M – *Perspectives in Entrepreneurship, A Critical Approach* (Palgrave Macmillan, 2011) ISBN 9780230241107

Trump D and Kiyosaki R – *Midas Touch* (Plata Publishing, 2011) ISBN 9781612680958

Westhead P, McElwee G and Wright M – *Entrepreneurship, Perspectives and Cases* (Pearson Education Ltd, 2011) ISBN 9780273726135

Websites

www.bized.ac.uk	Business education website with resources and learning materials
www.businessballs.ac.uk	Free materials and resources on business and entrepreneurship

www.businesslink.gov.uk	Self-help portal of action-focused information for small and medium businesses, linking to all relevant ministries and departments
www.entrepreneur.com	Articles and advice for entrepreneurs
www.peterjones.tv	Peter Jones TV website and resources
www.sfedl.co.uk	Small Firms Enterprise Development Initiative

Unit 4: Principles of Researching and Testing Innovative Ideas

Unit code: L/504/3727

Level 4: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to enable learners to develop the understanding needed to research and test ideas by exploring the theories, practices and models that form the foundation for successful innovation.

Unit introduction

Thinking of an innovative idea can appear a daunting task and learners may look at other creative or innovative people and feel that they must possess a special gift that makes thinking of innovative ideas an easy and natural process for them. In truth, anyone can be an innovative thinker, ideas can be simple or complex and they do not necessarily involve a major change. A common myth is that innovative thinking involves developing new ideas, in reality innovative thinking is embedded in using current ideas and developing them to bring about change or create something new.

Innovative thinking is a driving force in any organisation and involves developing skills to generate and combine ideas from different industries, cultures and fields. The innovator will develop skills of confidence and persistence to see ideas through to fruition.

This unit gives learners a sound understanding of the tools and techniques to develop their ideas. It looks at the different methods available for researching ideas and the different data sources. It also looks at how to analyse the results of research, focusing on the importance of valid and reliable findings and how to recognise possible limitations.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand how to conduct research to give valid and reliable results	1.1 Discuss how to select an appropriate research idea 1.2 Discuss how to select appropriate primary and secondary research sources to research an idea 1.3 Analyse how to select appropriate research methods for different research requirements 1.4 Discuss the importance of both qualitative and quantitative data in research
2 Understand how to test innovative ideas	2.1 Explain the steps required to test innovative ideas 2.2 Evaluate the types of risk assessment that should be considered to successfully test innovative ideas 2.3 Explain the importance of continual evaluation to enable the management of risk associated with innovative ideas
3 Understand how to validate research findings	3.1 Explain methods used to evaluate research findings to determine validity and reliability 3.2 Discuss limitations to validating research findings

Unit content

1 Understand how to conduct research to give valid and reliable results

Research ideas: how to develop innovative ideas; factors to consider to determine success of ideas; research questions and hypotheses

Primary research: meaning; types of primary research (questionnaires, interviews, case studies, analysis of existing data sets, eg company accounts, government statistics); suitability for particular research question; advantages and disadvantages, eg addresses specific research issues, control, efficient spending for information, proprietary information, time consuming, feasibility

Secondary research: meaning; process of collecting data; external sources, eg refereed journal articles, marketing research reports, company reports, magazine articles, government reports, sales reports, accounting records; uses, eg to develop innovative ideas, research questions and hypotheses, to determine the success of a project; suitability for particular research question; advantages and disadvantages, eg ease of access, quality of researcher and research, validity and reliability of information, specificity to researcher needs, currency

Qualitative data: interpretation by researcher of information already obtained through appropriate methods, eg surveys, questionnaires, interviews; techniques for questioning, eg open and closed questions, structured and unstructured approaches; types of data that can be drawn from qualitative data, eg establishing themes and trends, personal views and feelings; advantages and disadvantages associated with qualitative data and analysis

Quantitative data: information gained through statistical or numerical sources; aim, eg establish truths and facts, objectivity; sources, eg questionnaires, surveys, attitude scales (Likert scales); use of statistical analysis, eg descriptive statistics, graphical representation of data, significance testing; advantages and disadvantages of using quantitative techniques and data analysis

2 Understand how to successfully test innovative ideas

Steps required to test innovative ideas: development of ideas and frameworks to test ideas eg models from theory (Stagegate model (bis.gov.uk)); consideration of aims, organisational structure and needs eg identification of an idea, market demand, feasibility of project in terms of organisational structure and expertise, timeframe, finance, human and other resources; thought showers; expert opinion; selection of evidence drawn from secondary and primary research; structured interviews, development and design, questionnaires, checklists, historical data; previous experience, testing, modelling and evaluating similar projects

Types of risk assessment: importance of conducting risk assessments eg keeping project on track, identifying problems, keeping to timeframes, finance, other resources, competition; development of specific models to enable appropriate risk assessments to be recorded eg models that record likelihood and impact (simple risk/tolerability matrix), adaptation of existing models, eg five-step risk assessment to record likelihood of occurrence (percentage of chance happening) and ways to reduce risks such as operational risks (failure to meet specification, costs or launch), commercial (competition), financial yield, debt/equity

Continual evaluation: importance of continually evaluating innovative ideas, eg changing market trends, organisational goals, identifying and addressing problems, previous failures, own professional development, ongoing feasibility

3 Understand how to validate research findings

Valid and reliable conclusions: strategies adopted to ensure conclusions drawn can be reproduced and relied on, eg other evidence, sample size, procedures used, relevant to what is being tested, provides specific information

Limitations to the validity: issues that affect the reliability of conclusions, eg position of researcher (whether they have already formed opinions before conducting the research), researcher effects (influence over respondents or project) presentation of research; issues of research based on reliable evidence gained, eg ethics, marketer's aims (promoting a product and inflates research or generalise statements made about a product by consumers)

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
	Unit 6: Innovation in Action Unit 7: Change Management for Innovation and Growth Unit 9 Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 14: Marketing Innovative Ideas	

Delivery

This unit focuses on ensuring that the learner understands the necessary theory to research, analyse and test ideas developed in a workplace environment. It aims to provide an understanding of how to undertake the types of research activity that needs to be conducted to establish the feasibility of an idea. The unit also aims to provide an understanding of how to test ideas using appropriate risk assessment strategies and then analyse results to test their validity. This unit is intended to provide the understanding for future research, testing and analysis in the later project units, and will be a good foundation for the first project unit — *Unit 6: Innovation in Action*.

This unit includes learning about the theory of research and its practical application and analysis. Learners would therefore benefit from classroom delivery of the content for learning outcomes 1, 2 and 3. This could be complemented with opportunities to develop research ideas either around a specific topic set by the tutor or of the learner's own choosing, with which to conduct initial research. Learners could be encouraged to search for specific sources of primary and secondary research from the internet, library or other appropriate sources available to them. Classroom exercises could include discussing and evaluating research on the basis of validity and reliability, usefulness and likely outcomes.

Learners should be encouraged to share their experiences from their own workplaces and to reflect on the challenges they could face in developing ideas. This could be achieved in group/class discussion groups. This exercise will enhance learners' knowledge and understanding of theoretical concepts and how they apply in practice. It also provides for a collaborative opportunity with peers to generate ideas on how to refine research processes to become more effective in the techniques adopted.

Learners would benefit from practical experience of using qualitative and quantitative techniques for gaining information. This could be achieved through group work developing questionnaires, interviews and carrying out role play within the classroom environment. Learners could evaluate the advantages and disadvantages associated with using different techniques. Learners should be challenged to come up with innovative strategies to research a specific area. Topic areas could focus either on an area predefined by tutors, come from collaboration with peers or be of the learner's own choosing.

Formal classroom exercises where learners can understand the importance of risk assessment and the types of risk assessment they could adopt in developing innovative ideas will also be useful. Learners could either look at case studies or their own organisations. They could develop strategies for identifying and managing risk and bring them to classroom discussions to enhance their understanding on the management of risk.

Assessment

For learning outcome 1, learners could be given a range of topics by the tutor and then discuss how to select an appropriate research idea. Learners could be asked to research suggested reports and papers, and then create a report detailing how to select the most appropriate types of research and sources for this topic/idea, what evidence would be gained and how this would support their area of enquiry. Learners could then present the information gained in class/group discussion forums and gain feedback from peers and tutors on their findings. Presentations could be any format including power-point, flip-chart or poster presentation. This will enable learners to refine and develop their ideas through to the next stage.

Learners would analyse how to select appropriate methods to research the selected idea, focusing on one qualitative and one quantitative approach based upon their own selection. They could then justify the relevance and appropriateness of these methods and evaluate the effectiveness of using such models.

For learning outcome 2, learners could develop frameworks that contain the steps for testing their ideas. The frameworks should contain an evaluation of information on the types of risk assessment that should be considered to successfully test such ideas and an explanation of how the learner will continually evaluate the project. The learner could produce a step process to risk assessment to support evidence in continually evaluating a project. This framework could include information gathered from other learning outcomes. Learners could develop reflective accounts of their experiences and how they have managed risk. They could include information as to how project ideas have been developed throughout learning outcomes 1,2 and 3 and at each stage identify how conducting risk assessments has helped to keep project ideas on track, identify and resolve issues and say how this helps to support their own professional development.

For learning outcome 3, learners should develop an argument for the use of the techniques used and illustrate how they affect the validity and reliability of conclusions and also discuss any limitations with these approaches at both their own organisational level and a wider field. Additionally, learners should discuss the advantages and disadvantages associated with using and interpreting results from data particularly referring to their own involvement and influences.

Resources

Books

Ahmed P and Shepherd C. – *Innovation Management: Context, strategies, systems and processes* (Pearson Ltd, 2010) ISBN: 9780273683766

Bessant J and Tidd J – *Innovation and Entrepreneurship* (2nd edition) (John Wiley & Sons, 2011) ISBN: 9780470032695

Bragg M and Bragg A – *Developing New Business Ideas: A Step-by-step Guide to Creating New Business Ideas Worth Backing (Financial Times Series)* (Pearson Ltd, 2005) ISBN: 9780273663256

Collis J and Hussey R – *Business Research: A Practical Guide for Undergraduate and Postgraduate Students* (Palgrave Macmillan, 2009) ISBN: 9781403992475

Fisher C – *Researching and Writing a Dissertation: An Essential Guide for Business Students* (FT/Prentice Hall, 2010) ISBN: 9780273723431

Trott P – *Innovation Management and New Product Development* (5th edition) (Pearson Ltd, 2009) ISBN: 9780273686439

Websites

www.bis.gov.uk/files/file34902.pdf

DTI. (2006) 60 Minute Guide to Innovation. Turning Ideas into Profit

www.bis.gov.uk/innovation

Department for Business Innovation and Skills (BIS)

Unit 5: Developing Innovative Business Cases

Unit code: F/504/3773

Level 5: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

The aim of this unit is to provide learners with the understanding and skills to plan for success by providing the necessary understanding of business models and business cases required to underpin the creation and pitch of an innovative idea.

Unit introduction

In order to develop an innovative idea, learners will need to identify the necessary components of a successful business pitch and case.

In this unit learners will investigate new and innovative business models. They will then evaluate the impact of these on the planning process.

Learners will consider the part played in the development of business cases by planning, market research, marketing strategies, financial and human resource (HR) issues and their implications. They will then identify opportunities and markets for an idea.

To conclude the unit learners will pitch their own business idea to an appropriate audience. This will enable learners to demonstrate their understanding of successful entrepreneurship by developing and pitching an innovative idea, then evaluating the effectiveness of their skills in the pitch and the audience's response to it.

The pitch will include analysis of the current market and how their idea will fit within this market. They will demonstrate use of market research coupled with an idea of the marketing strategies they will use. The plan will show an understanding of the financial and HR implications for development. Learners will also evaluate their pitch, analysing their strengths and weaknesses.

This unit is an introductory unit, providing the understanding for the subsequent project units. It provides the opportunity to practise skills which will be required in the later project units.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand business models and what makes them innovative	1.1 Explain different business models 1.2 Analyse which models best encourage innovation 1.3 Evaluate the impact of new models on business planning and innovation
2 Understand the features of business cases	2.1 Explain the most important aspects of successful business cases 2.2 Analyse why business cases fail
3 Be able to create an entrepreneurial business case for an innovative idea	3.1 Develop a suitable innovative idea 3.2 Produce an entrepreneurial business case 3.3 Use feedback to evaluate the business case
4 Be able to pitch an innovative idea	4.1 Plan the pitch of an innovative idea 4.2 Pitch the innovative idea to internal stakeholders 4.3 Evaluate the pitch 4.4 Evaluate the audience response

Unit content

1 Understand business models and what makes them innovative

Business models: definition of business models; purpose and role; key components of business models, eg target customers, whether customer's needs are met, the offering, access, role of the business, profit; new business models, eg Joseph Sinfield and the business model canvas; theories, eg Joseph Schumpeter and creative destruction

Encouraging innovation: link between models and value creation; the need to create business model alternatives with variables rather than constants to enable growth; advantages of business model innovation; increasing efficiency; cost advantage; new product development; improved processes; increased revenue; changes to supply chains; outsourcing; price changes; rebranding; customer targeting

Evaluate new models: new business models eg Joseph Sinfield and the business canvas model with its emphasis on action and testing rather than analysis and writing; advantages and disadvantages to models for innovation; link between models and value creation; need to create business model alternatives with variables to enable growth; impact upon own organisation or that of competition, eg increased competition, new potential markets, increased revenue, ethics.

2 Understand the features of business cases

Aspects of successful business cases: feasibility of idea; market research; marketing; financial implications; human resource issues; procurement; importance of each issue and relevance to individual business cases

Why business cases fail: eg internal and external factors, lack of finance, poor market research/marketing, economic changes, legal constraints, environmental factors

3 Be able to create an entrepreneurial business case for an innovative idea

Develop an innovative idea: eg identify opportunities to create new products/services, develop markets for existing products/services, new processes

Produce a business case: use of headings eg background to proposal, eg objectives, purpose, summary of proposition, outline of rewards; risk to business; funding required; purpose timing of requirements, preferred sources; summary of markets and competition, eg local business environment, market research; any other evidence to support business case.

Evaluate business case: feedback from peers; potential customers; stakeholders; investors' use of market research as evaluation tool

4 Be able to pitch an innovative idea

Planning the pitch: design of presentation; venue; visual aids; presentation software; structure of presentation, eg introductions, outline of idea, logical order, preparation for questions

The pitch: personal presentation; dress; image; professional manner; confidence; honesty; enthusiasm; commitment to idea; knowledge of content; ability to answer questions

Evaluation: personal perception; honesty; ability to self-analyse; reflective comments; use of criticism to improve own future performance

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 4: Principles of Researching and Testing Innovative Ideas Unit 6: Innovation in Action	Unit 3: The Innovative Mind Set Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea	

Delivery

The first two learning outcomes of this unit provide underpinning knowledge and understanding and need to be delivered in a formal face to face classroom situation, probably off the job. This delivery could be enhanced through drawing on workplace experiences, or if this is not possible, by drawing on case study materials.

For learning outcome 1, learners should examine a range of different business models identifying similarities and differences focusing particularly upon how these could affect innovation. Learners need to be aware of how these differences affect issues such as finance, marketing or product/service development. Learners should look specifically at how changes in the business models could affect their workplace.

For learning outcome 2, learners need to understand the components of a business case. This will allow them to identify which parts are more important than others and how different components can affect different business cases. Learners will need to begin to gain an understanding of finance, the legal environment, HR and marketing. Learners should use their workplace to be able to apply the theory. It would be useful if guest speakers or colleagues could contextualise a recent business case. In order to achieve the second half of the learning outcome case studies will need to be used that highlight business cases that have been unsuccessful. Again it would be useful if guest speakers could be used to identify how some business cases failed.

For learning outcome 3, learners will need a mixture of their workplace and group activities with peers in order to maximise the opportunity to evaluate proposals. It would be beneficial for learners to work with others if possible to identify a range of business cases and identify a suitable innovative idea. The final business case should ideally be from the learners' workplace in order for them to contextualise it and utilise the expertise around them. In order to evaluate the proposal staff from the workplace should be engaged along with peers and tutors. Tutor support should be in the form of teaching learners the

format for presenting the business case ensuring professional delivery. The ideas should be generated by the learner.

In learning outcome 4, the learner is to pitch the innovative idea to a selected audience. This should include employers, tutors, peers and other potential stakeholders. The learners must ensure professional presentation and realistic content in order to maximise this learning opportunity. The audience must be engaged in the process and involved in the evaluation in order to highlight to the learner areas of strengths and weakness. The learners final evaluation should show how they have developed their skills and knowledge through this unit and show an understanding of the process they have completed including how to make positive improvements in future pitches.

Assessment

The assessment could be drawn from work undertaken in the course of the learner's performance of their role in the workplace or from case study materials. The assessor can devise an assessment plan that fits the needs of learners and the opportunities available.

Learning outcome 1 and 2 would be suited to written submissions that allow learners to achieve the grading criteria. The assessor should devise suitable assignments that allow this to take place.

Learning outcome 3 and 4 could be based on existing work place experience/ material or case study materials. Learners will need to produce a written business case to achieve outcome 3 along with an evaluation of the proposal. To achieve learning outcome 4 the learner must present the business case to a suitable audience selected from within the workplace and other potential stakeholders. Again this presentation must be supported by a thorough evaluation.

The evidence of achievement of the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria. A combination of written assignments, presentations, supporting notes and audience evaluations will be needed to achieve the learning outcomes. Suitable witness testimonies written by colleagues, managers and assessors would support the evidence generated.

Resources

Books

Branson R – *Screw it, Let's do it* (Virgin, 2006) ISBN 978-0753510995

Ford BR et al – *Business Plan Guide* (Wiley, 2007) ISBN 978-0470112694

Green J – *Starting Your Own Business* (How To Books, 2005) ISBN 1845280709

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Osterwalder A and Pigneur Y – *Business Model Generation* (John Wiley and Sons, New Jersey, 2010) ASIN B003UJLY3O

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Websites

www.businessmodelgeneration.com/book	Site to buy book on business models
www.slideshare.net/Alex.Osterwalder/what-is-a-business-model	Slides on business models
sloanreview.mit.edu/the-magazine/2012-winter/53214/how-to-identify-new-business-models/	Alternative approaches to value creation to allow companies to find new opportunities for growth

Unit 6: Innovation in Action

Unit code: J/504/3774

Level 4: BTEC Professional

Credit value: 15

Guided learning hours: 40

Unit aim

The aim of this unit is to give learners the opportunity to acquire the understanding and skills to develop and implement an innovative solution to a problem within an organisation.

Competency unit assessment guidance

This unit should be assessed predominantly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence that can be used.

Unit introduction

Learners will need to gain an understanding of current issues or problems facing a team or organisation. This may be the organisation/team they usually work in, or perhaps one they are working in on placement. This unit is suitable for use in public, private or 3rd sector organisations.

Learners will need research and analysis skills to gain an understanding of the nature of the organisation's internal and external environment and its stakeholders in preparation for, and to assist in, devising a solution to an existing issue or problem for the organisation.

Learners will think through what the challenges are and what potential solutions could address these issues. They will research these solutions before selecting one and putting together a plan for its implementation and review to ascertain whether the solution has been a success – bearing in mind that sometimes success will not be seen in the short term.

The innovative solution chosen to be implemented in the organisation will be a process innovation. Project-management methodology will underpin learners' articulation of their innovation via a project plan for the implementation of their project. This plan should be communicated appropriately to relevant stakeholders, which will most likely be managers and colleagues.

To achieve the stated aims of the innovative solution, learners will need to control timescales, budgets and resources whilst managing and reporting on their project progress in an appropriate manner. Learners will learn how to present their solution in a coherent and professional manner and review it, by considering feedback from stakeholders regarding its success, together with any economic, social or environmental impact it has had or may have.

This unit draws together understanding and skills developed in earlier units. It would be possible for learners to work in a group, but they would need to provide individual evidence of meeting the assessment criteria.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the external environment of an organisation	1.1 Explain the external environment in which a selected organisation operates 1.2 Explain an organisation's values, vision, aims and objectives 1.3 Analyse market trends within the chosen environment to show the current market position of a selected organisation
2 Be able to develop an innovative solution for an organisation	2.1 Identify through an internal and external audit an existing problem which may face an organisation 2.2 Examine the needs and expectations of an organisation's stakeholders 2.3 Research a solution to the existing problem 2.4 Prepare a project plan using appropriate methodologies 2.5 Present the innovative solution and plan to key stakeholders
3 Be able to implement an innovative solution	3.1 Complete the necessary tasks to implement the solution 3.2 Monitor effectively project progress 3.3 Demonstrate achievement of stated project objectives
4 Be able to review the implementation of an innovative solution	4.1 Inform stakeholders of the project implementation 4.2 Analyse the potential value of the project in economic, social or environmental terms 4.3 Make justified evaluations of project outcomes

Unit content

1 Understand the external environment of an organisation

Organisational environment: sector, eg private, public, third; competitive environment; economic environment; globalisation; market trends; consumer attitudes and requirements

Values, vision, aims and objectives: factors influencing values and vision, eg ownership, sector; mission model (purpose, aims, values and beliefs, strategy, standards and behaviour); factors influencing objectives eg social attitudes

Current market position: market trends; market description, eg geographical, consumer or industrial market; market share; portfolio analysis eg using BCG Matrix, perceptual/market mapping of products/services; strategic direction, eg Ansoff's matrix

2 Be able to develop an innovative solution for an organisation

Internal and external audit: size, legal status and age of the organisation; political factors and influences; social and cultural factors and influences; technological use and developments; internal audit, eg SWOT analysis

Stakeholder needs and expectations: interest and influence of stakeholders, eg employees, owners, shareholders, customers, suppliers, competitors, government and other outside agencies, local community; level of power/persuasion; expectations, eg profit maximisation, environmental concerns etc

Researching a solution: meeting with co-workers; creative thinking, eg mind mapping, six hat thinking; media sources of inspiration; competitor sources of inspiration; evaluation of ideas, eg cost versus benefit analysis to select an innovative solution in nature and scope

Project planning and presentation to key stakeholders: project specification and outcomes; project timescale and schedule; prioritisation of tasks; required financial, physical, technological and/or human resources; success risk factors/strategy, eg contingency planning; tools and techniques eg flow charts, Gantt charts, PRINCE2 software, critical path analysis; presentation to stakeholders, eg report, meetings, use of technology; analysis of stakeholder feedback

3 Be able to implement an innovative solution

Implementation of tasks: project agreed by key stakeholders; coordination of activities, resources and/or people; sequencing activities; performance of activities within project plan

Project monitoring and achievement: periodic review; milestone evaluation; budget/cash flow monitoring; motivating and managing human resources where relevant; identifying and fulfilling corrective actions where/if necessary; achieve deadlines within budget; demonstrate achievement of innovative solution appropriately

4 **Be able to review the implementation of an innovative solution**

Report on project progress/outcome: collate implementation data (qualitative and quantitative) for innovative solution, eg using tangible financial data, interviewing relevant stakeholders on innovative solution progress; produce a written report; present to relevant stakeholders, eg formal verbal presentation; stakeholder feedback collected, eg via use of appropriate technology

Economic, social and/or environmental impact and stakeholder feedback: total cost of project versus benefit derived; measuring economic, social and/or environmental success, eg via effect on revenue or profitability, impact on local community or customers, effect on local/national or international environment; success of innovation in action linked to organisational values, vision, aims and objectives; assessment of stakeholders' feedback, eg stakeholders views on project value in terms of economic, social and/or environmental factors; evaluate project outcomes, eg completion of milestones, budget constraints versus outcomes, success criteria, lessons learned, justification

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and growth in organisations Unit 19: Background to Business	Unit 3: The Innovative Mind Set Unit 4: Principles of Researching and Testing Innovative Ideas Unit 5: Developing Innovative Business Cases	Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Delivery

This unit is a practical unit and much of the delivery and assessment could be based in the workplace. However, learners will require some formal classroom delivery of the content for learning outcome 1 regarding analysis of the market trends in the environment in which the organisation operates.

Learners will also benefit from some project management methodology classroom based delivery for learning outcomes 1, 2, 3 and 4; followed crucially by the opportunity to implement their skills and innovative solution.

A range of teaching and learning methods would be appropriate; these could include lectures, seminars, workshops, presentations, research using the internet and/or library resources and real-life research into their team or organisation.

Learners are likely to draw heavily on their experience of learning about innovation, to date; particularly from *Unit 1: Innovation and Growth in Organisations*, *Unit 3: The Innovative Mind Set* and *Unit 5: Developing Innovative Business Cases*. Learners will have the opportunity to develop and showcase their innovative skills.

Assessment

This unit must be assessed in the workplace, or in conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth document must be followed; please see *Annexe E*.

As this is a practical unit which assesses workplace competence, the assessment could be drawn from activities undertaken in the course of planning and implementing the innovative solution. The assessor can devise an assessment plan that fits the needs of the learner, their innovative solution and the opportunities available in the workplace.

Evidence is likely to be in a variety of forms, including planning notes, records of meetings, reflective journals, photographs or other visual aids, records of observations made by the assessor and witness testimonies from colleagues and managers. Measurement of innovative solution outputs, out-takes and outcomes using qualitative and quantitative data may also form part of the evidence.

For learning outcome 1, learners should demonstrate understanding of the current position of the organisation or team in the wider environment the organisation operates in. This should include the values, vision and objectives of the team or organisation and market trends facing the organisation perhaps in light of the current economic climate, current technological developments or current social attitudes, and the impact of this on their market position.

For learning outcome 2, learners should be creative in their development of an innovative solution that can be realistically implemented in their team or organisation. Learners should draw upon project management methodology to present their solution plan, having researched stakeholder needs and audited the organisation's needs.

For learning outcome 3, learners should demonstrate the skills necessary to manage innovation in action, by implementing the solution, monitoring it effectively and achieving the project objectives.

For learning outcome 4, learners should feedback to stakeholders and analyse all aspects of economic, social and/or environmental effects, then make a justified evaluation. For example, the project may result in unexpected innovation to processes not necessarily predicted or the overall effects of the project may not be immediately seen but the progress to date can still be evaluated.

In order for learners to achieve all the assessment criteria in full and to prove competence it will be necessary to draw evidence from a range of actions completed whilst implementing their innovative solution.

The evidence of achievement of the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria.

Resources

Books

Barker, A – *Improve Your Communication Skills* (2nd Edition) (Kogan Page, 2010) ISBN 978-0749456276

Lock, D – *Project Management* (9th Edition) (Gower, 2007) ISBN 978-0566087721

Moules, J – *The Rebel Entrepreneur: Rewriting the Business Rulebook* (Kogan Page, 2012) ISBN 978 – 0749464820

Newton, R – *Brilliant Checklists for Project Managers* (2nd Edition) (Pearson, 2010) ISBN 978-0273740766

Websites

www.bis.gov.uk	Department for Business, Innovation and Skills
www.businessballs.com	Project management tool and tips, SWOT & PEST analysis methods, creative thinking and team working information etc.
www.entrepreneur.com	Entrepreneurial articles, blogs and information
www.ganttchart.com	Gantt Chart information and software.
www.projectsmart.co.uk	Project Management trends and developments including a methods and tools section

Unit 7: Change Management for Innovation and Growth

Unit code: L/504/3775

Level 5: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

The aim of this unit is to give learners an understanding of the management of change in organisations and the skills to engage in the process of proposing change in an organisational context, usually for innovation or growth.

Competency unit assessment guidance

This unit should be assessed partly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence that can be used.

Unit introduction

All organisations are in a state of flux, changing their focus, expanding or contracting their activities and rethinking their products and services. Many established organisations often look nothing like they did five years ago and it is highly likely that over the next five years, organisations will not look as they do today. Learners will understand that organisational change is often provoked by some major outside driving force, such as cuts in funding or competition. Organisations need to change to evolve and grow.

Learners will discover that successful organisations respond intelligently to regional, national and global factors which precipitate change. Economic climates, political trends, changes in consumer demands, management policy or structure, employment levels and financial resources have a constant impact on this.

Although the unit is underpinned by an exploration of the relevant theoretical models, the intention is that learners will apply their learning to specific organisations. This will enable learners to identify issues that require change and to use appropriate tools and techniques to develop a model for change in an organisation.

Learners will gain understanding that managers have to be able to introduce and manage change to ensure that the organisational objectives are met. They will learn that managers have to ensure that they gain the commitment of their people and that this may involve managing resistance to change, both during and after implementation. Often, at the same time, they also have to ensure that business continues as usual.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the factors which impact on change in organisations	1.1 Examine the need for change in an organisation 1.2 Evaluate factors that are driving the need for change in organisations 1.3 Explain issues which hinder the process of change
2 Understand the importance of change management in enabling innovation in organisations	2.1 Explain models of change management 2.2 Evaluate the relevance of models of change management in organisations 2.3 Examine the link between innovation and change
3 Be able to present planned models for change in an organisation to enable innovation and growth	3.1 Plan a model for implementing change in an organisation 3.2 Examine the resource requirements for implementing change in an organisation 3.3 Present the model to stakeholders 3.4 Evaluate stakeholder feedback on proposal presentation
4 Be able to prepare to manage the change process	4.1 Develop appropriate measures to monitor and evaluate the progress of change in an organisation 4.2 Create a strategy for managing resistance to change in an organisation

Unit content

1 Understand the factors which impact on change in organisations

The need for change: challenges of growth, especially global markets; challenges of economic downturns and difficult trading conditions; changes in strategy; technological changes; competitive pressures, including mergers and acquisitions; customer expectations, particularly shifting markets; new organisational behaviour and skills; government legislation/initiatives; budget pressures; organisation size; restructuring; new programmes, eg Top Quality Management

Factors that drive the need for change: return of investment; economics; employment levels; political factors; environmental; financial pressures; new markets; loss of markets; technological advances; funding cuts; competitiveness

Issues which hinder change: control, eg political, resources; new approaches; uncertainty; inconvenience; threat to status quo; competence; training and development; communication; economic implications; power structure; structural inertia; failure of previous innovations; rewards system; interpersonal relationships; direction; timescales; ownership; employee involvement; implementation.

2 Understand the importance of change management in enabling innovation in organisations

Models of change management: eg Beckhard and Harris' Change Management Process, Michael Beer's Model of Change, William Bridges' Managing Transition, W. Warner Burke and George Litwin's Model of Organisation Performance and Change, John Kotter's Eight Steps to Successful Change, Elizabeth Kubler-Ross' Five Stages Transition Cycle, Kurt Lewin's Change Management Model, McKinsey's Seven S Framework, Prosci's Five Building Blocks ADKAR, Patricia Shaw's Change Model

The link between change and innovation: change triggers: external and internal; innovation as a response to a change trigger; properly executed innovation demands change, eg people (attitudes, expectations, perceptions, behaviour), structure (authority relationships, co-ordinating mechanisms, job redesign, spans of control), technology (work processes, work methods, equipment); a change initiative in order to succeed demands innovation

3 Be able to present planned models for change in an organisation to enable innovation or growth

Plan for change: importance of enabling and facilitating stakeholder (internal and external) involvement; organisation's current position; organisation vision; measurable aims and goals; timescales; communication

Model for change in an organisation: SWOT analysis (strengths, weaknesses, opportunities, threats); PESTEL analysis (political, economic, social, technological, environmental and legal); European Foundation for Quality Management model (EFQM); gap analysis; customer responsiveness and feedback; identification of issues; intrapreneurship; lateral thinking; visionary and problem solving techniques; cost benefit analysis; decision-making processes and styles; select best model

Resource requirements: human resources, eg redundancies, restructuring, job organisation, job transfer, interviewing and hiring, training, coaching, counselling; physical resources, eg machinery, equipment, vehicles, IT resources, buildings (new and refurbishment), transport; financial resources, eg capital expenditure, cash flow implications, profit and loss account and balance sheet, sources of financing, borrowing

Present the model: stakeholders, internal and external; presentation, verbal, written; appropriateness of format and content; presentation skills

Evaluate stakeholder feedback: importance of the involvement and support of stakeholders (internal and external); the establishment of measurable evaluation criteria; the needs and expectations of stakeholders; ways to elicit feedback from stakeholders, eg forums, workshops, meetings, presentations, education, use change champions; ways to evaluate stakeholder feedback; communicate the vision

4 Be able to prepare to manage the change process

Measures to monitor and evaluate the progress of change: measures, eg action planning, flow diagrams, task analysis, standards, performance tolerance, agreeing timescales, setting and measuring inputs and outcomes, feedback processes and systems, control loops, target revision, regular and exception reporting, surveys and interviews, iterative processes, formal and informal knowledge channels, quantitative and qualitative measures, 80/20 rule, disseminating awareness, sustainability, evaluation, eg goal-based, process-based

Strategy for managing resistance: education and open communication; participation and involvement; forums; listening to stakeholders; feedback; addressing needs; ownership of the change; change champions; support of all key power players; focus on the positives; delivering training programmes; negotiation and agreement; manipulation and co-option; implicit and explicit coercion; push-pull principle; exchange principle; communicating the vision

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action	Unit 4: Principles of Researching and Testing Innovative Ideas Unit 5: Developing Innovative Business Cases Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 11: Leading, Managing and Developing People for Innovation and Growth Unit 16: How Technology Contributes to Innovation and Growth Unit 3: The Innovative Mind Set	Unit 12: Strategic Planning and Management Unit 17: Contributing to Fostering a Culture for Innovation and Growth

Delivery

This unit is partly a practical unit and much of the delivery and assessment could be based in the workplace. However, learners may also benefit from some classroom delivery on the factors which impact on change in organisations and the importance of change management in enabling innovation in organisations. If all or part of the delivery is to be based in the workplace it would be helpful to use a checklist or to ensure that the learner has sufficient opportunities to explore all the different parts of the unit content.

Learning outcome 1 is the logical starting point for the delivery of this unit. Tutors should ensure that all learners have access to an organisation. This could be their place of work or an organisation where they have contacts and that could provide them with information on the need for change. It is likely that most employed learners would have experienced change on some scale in their workplace, so tutors should encourage learners to discuss and share their experiences of the need for change. Learners could identify and evaluate the factors that drive the need for change in their own workplaces or in case studies, disseminating their findings through learner presentations. A group discussion on the issues that hinder the process of change could generate idea-sharing. Learners could then examine the issues that hinder the process of change in their own workplaces.

For learning outcome 2, tutors could introduce learners to a range of theoretical models of change management. It would be useful if tutors use topical examples of organisations that have undergone change to enable innovation eg Virgin Media: the relaunch of the combined companies of NTL, Telewest and Virgin Mobile and Apple: the launch of the iPod, the iPad, iTunes and the iPhone to show how the models could apply. Each learner could compare two models in different change management situations, evaluate the relevance of them to their own workplace and present their findings to the rest of the group. This will broaden and deepen the group's learning. A group thought shower could be useful for generating ideas on the link between innovation and change.

For learning outcome 3, learners could benefit from a visiting representative from, for example, a university's innovation and entrepreneurship centre or an organisation's research and development unit to introduce them to methods of carrying out research in their own workplaces to identify an area for change to enable innovation and growth. It would be useful for the visiting speaker(s) to demonstrate to learners how their organisations involve stakeholders in the change process. Also important is how the stakeholder feedback is used to inform plans for change. Learners should understand that the perceptions of stakeholders provide only one set of data on the proposed change plan. These perceptions need to be synthesised with other data for example proposed business processes, outputs and outcomes as well as environmental factors. Tutors could provide opportunities for group discussion on how to plan a model for implementing change. Case studies are an effective way of developing group discussions on resource requirements for implementing change. Learners could also draw on their own experiences from their workplaces.

Learning outcome 4, focuses on learners developing measures to monitor and evaluate the progress of change in an organisation. Learners will require tutor input on a range of approaches and systems that are available for this purpose. Clear reference will need to be made to the importance of setting SMART objectives. Learners should be encouraged to draw on their experiences from their workplaces. Tutor support and guidance will be required as learners develop their own measures for monitoring and evaluating progress. Topical case studies are an effective way of introducing learners to resistance to change. From the case studies and tutor-led discussions, learners could identify why there is resistance to change. Each learner could create a strategy to manage the resistance based on one of the case studies they had analysed and present their strategy to their peers who could role play stakeholders, giving their feedback on the strategies presented.

Assessment

This unit must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed. Please see *Annexe E*.

As this is a practical unit which assesses workplace competence the assessment could be drawn from work undertaken in the course of the learner's performance of their role in the workplace. However, it may not be possible to provide a suitable range of presentation opportunities for the learner and in this case simulation exercises can be used, for example, to provide an opportunity to demonstrate competence at presenting to an external audience, colleagues or fellow learners could play the role of the external audience. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available in the workplace.

For assessment criteria 1.1, 1.2 and 1.3 learners need to demonstrate an understanding of the need for change in organisations. Learners may use their own organisation if appropriate or they may choose another organisation where they have access to sufficient information to make judgements on the need for change. Learners need to demonstrate their ability to evaluate the factors that drive the need for change. Their evaluation needs to begin with a description of the factors and then continue into analysis and evaluation. The basis of the evaluation needs to be clear and in context and will cover at least three factors. Learners will also need to explain the issues which hinder the process of change within organisations. Their explanation must include at least four issues.

For assessment criterion 2.1 learners need to show that they have an understanding of the different models of change management. They need to explain a minimum of three established models, highlighting the differences in approach.

For assessment criterion 2.2 learners need to evaluate the relevance of two models of change management using organisations that are undergoing change to enable innovation. They need to explain why models of change management are appropriate in their chosen examples.

For assessment criterion 2.3 learners will be expected to examine the link between innovation and change, applying this to organisations.

For assessment criterion 3.1 learners will need to conduct research to identify an area for change within their workplace which will enable innovation and growth. Learners need to provide evidence that the research informs the development of the plan.

Assessment criterion 3.2 needs to be based on the models of change management explained in assessment criteria 2.1 and 2.2. Learners need to plan a model for implementing change in an organisation to enable innovation and growth. The model needs SMART objectives which reflect the circumstances facing the organisation in terms of innovation and growth.

For assessment criterion 3.3 learners need to examine the resource requirements for implementing change in their organisation. Learners need to consider the physical, financial and human resources requirements. Learners are not expected to cost the resource requirements for the organisation.

For assessment criterion 3.4 the plan should demonstrate that it involves key stakeholders in the proposed change. Learners will need to identify appropriate methods to elicit feedback from stakeholders on the proposal presentation.

Learners will need to make judgements on the effectiveness of the feedback from stakeholders on the proposal presentation.

For assessment criterion 4.1 learners need to develop appropriate measures to monitor and evaluate the progress of change in the organisation once it is launched. It is important that learners recognise that putting a plan into practice is not an end in itself. The measures will need to be practical, workable and appropriate to the organisational context.

For assessment criterion 4.2 learners need to show that they recognise that resistance to change can reveal itself in different ways. If managed badly, resistance can become entrenched and spread throughout the organisation. Learners need to create a strategy which includes a clear plan, addressing the issues of resistance and providing a workable approach to overcoming the resistance appropriate to the organisational context.

The evidence for meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria. Types of evidence include product evidence such as planning notes, visual aids or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

To meet all the assessment criteria in full and to prove competence it will be necessary to draw evidence from several presentations.

Resources

Books

Cameron E and Green M – *Making Sense of Change Management*, 3rd Edition (Kogan Page, 2012) ISBN 978-0749464356

Davila T and Epstein M J – *Making — Innovation Work: How to manage it, measure it and profit from it* (FT/Prentice Hall, 2012) ISBN 978-0133092585

Drucker P F – *Innovation and Entrepreneurship* (Butterworth-Heinemann, 2007) ISBN 978-0750685085

Hughes M – *Managing Change A critical perspective*, 2nd Edition (CIPD Publishing, 2010) ISBN 978-1843982418

Nelson S – *Implementing for Results* (ALA Editions, 2009) ISBN 978-0838935798

Tidd J and Bessant J – *Managing Innovation*, 4th Edition (John Wiley and Sons, 2009) ISBN 978-0470998106

Journals

Academy of Management Perspectives (Academy of Management)

International Journal of Strategic Change Management (Inderscience)

Journal of Change Management (Routledge)

Journal of Organisational Change Management (Emerald)

Management Today (Haymarket Business Media)

People Management (Chartered Institute of Personnel and Development)

Websites

Events.kustar.ac.ae/EBTIC/ Technical%20Notes/slides/Session %202%20Apple.pdf	Apple innovation: a case study
www.12manage.com	Articles on the framework of change
www.bis.gov.uk	UK Department for Business, Innovation and Skills
www.businessballs.com	Change management articles and links
www.businesscasestudies.co.uk	The Times 100 Business Case Studies
www.businesslink.gov.uk	Business Link
www.change-management- toolbooks.com	Change management resources
www.changingminds.org	Useful articles on change management by leading theorists
www.cipd.co.uk	Chartered Institute of Personnel Development
www.entrepreneur.com/article/ 217944	Virgin relaunch case study – Virgin Media
www.innovateuk.org	UK's Innovation Agency, including case studies
www.managementhelp.org	Management library
www.managers.org.uk	Chartered Management Institute
www.mindtools.com	Lewin's Change Management Model
www.themanager.org/strategy/ change_agent.htm	Articles on phases in the change process
www.valuebasedmanagement.net	Articles on management, management models and management theories

Unit 8: Management Decision Making for Innovation and Growth

Unit code: R/504/3776

Level 5: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners an understanding of the information and processes required to make management decisions in relation to innovation and growth. It also aims to give learners the skills to be able to suggest improvements to the process to encourage innovation.

Unit introduction

This unit is about taking sound decisions based on a valid analysis of the best available information. The systematic identification, creation, development, capture, sharing and transfer of salient information and expertise across the organisation support responsiveness to the dynamic external environment.

Managerial decision making needs to promote and support innovation and growth to ensure that the organisation maintains its competitive advantage. Decision making involves being clear about how knowledge adds value to the organisation, putting in place strategies, systems and tools for knowledge management and to influence the culture of the organisation to be supportive of effective knowledge management.

Information and communications technology (ICT) has changed many aspects of the decision-making process. More information is now available and it can be organised and analysed in more complex ways to provide a clearer insight into an organisation's activities. Managerial decisions can be taken quickly and communicated instantly.

By considering decision making learners will understand how having efficient information management systems allows managers to act to ensure an organisation's continuing success in competitive business environments.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand how management decision making in organisations enables innovation and growth	1.1 Analyse how sources of information can support management decision making for innovation and growth in organisations 1.2 Explain how ICT systems can provide information to improve management decision making for innovation and growth
2 Understand a management decision making system used for innovation and growth in a business organisation	2.1 Examine a management decision-making system used in an organisation 2.2 Evaluate to what extent this management decision-making system is designed to enable innovation and growth 2.3 Analyse to what extent this management decision making system facilitates risk decisions
3 Be able to plan improvements to a management decision making system	3.1 Evaluate the strengths and weaknesses of different management decision-making systems 3.2 Recommend justified improvements to a management decision-making system to ensure innovation and growth are encouraged

Unit content

1 Understand how management decision making in organisations enables innovation and growth

Decision making: problem definition; information collection; problem analysis; information analysis; identifying objectives; identifying outcomes; alternative outcomes; unintended consequences; 'what if' scenarios; resources required; decision making techniques; decision making tools; making a decision by selecting from alternative courses of action; decision rationale; communicating decisions to stakeholders

Sources of information: primary sources; secondary sources; official sources; unofficial sources; information gathering; storage; retrieval; good information (organised, clear, accurate, relevant, consistent, timely, sufficient, complete, available, cost effective, fit for purpose); learning organisations; data; intellectual capital; knowledge (tacit, explicit); knowledge management

Innovation and growth: definitions – innovation (a change in the thought process for doing something to make it more useful); enterprise (showing initiative in an organisation); entrepreneurship (applying entrepreneurial skills within a larger organisation); creativity (generation of ideas); growth (through the search for competitive advantage); responding to customers; increasing market share; establishing new markets; improving quality and speed of service; expanding a product range; reducing costs; increasing revenue

Features of an innovative organisational climate: theories, eg Anderson and West's four-factor theory of group climate for innovation, vision, participative safety, task orientation and support for innovation, Goffee's common characteristics of businesses which deliver creativity – vision, common goals, leadership, range of communication channels, cross-functional co-ordination, cognitive conflict and fun; blocks to creativity, eg work of Burnside (1990), insufficient time, status quo, political problems, evaluation pressure, relationship between innovation and learning organisations, rewards and incentives for innovation, measures for managing risk to support innovation

Fostering innovation: eg promote incremental change, promoting an ideas culture, removing barriers, effective communication processes for ideas, effective procedure for managing innovation, open minded, clear objectives and feedback

ICT systems: eg networks (intranets, extranets), worldwide web; databases, communications, software, management information systems (MIS), decision support systems (DSS), data mining, data warehousing, integrated systems, systems connectivity

2 Understand a management decision-making system used for innovation and growth in a business organisation

Management decision-making systems: eg Executive Support System (ESS), Management information system (MIS), Decision-support systems (DSS), Knowledge Management Systems (KMS)

Innovation and growth audits: purpose; framework for innovation audit such as Doyle's Covering Climate; hard measures; new product development and success rates; customer satisfaction ratings; innovation/value portfolio analysis (Kim and Mauborgne 1998); policies and practices used to support innovation and growth; cognitive

styles of senior managers (Hurst et al 1989); selection and use of innovation audit tools; action planning to develop innovation in work groups

The decision making process: constraints on decision-making; quality of decision making; risk analysis; organisational processes, eg for the evaluation, selection and development of ideas

3 Be able to plan improvements to a management decision-making system

Strengths and weaknesses: investigate different decision-making systems; gather information; analyse performance (strengths, weaknesses); performance indicators; system evaluation; need for change; recommendations for change; evaluation

Improvements: identifying changes; costs; benefits; implementation (action plan, setting SMART objectives, timescales, negotiation, collaboration, commitment, participation); milestones; performance indicators; success criteria; monitoring mechanisms

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations	Unit 3: The Innovative Mind Set	Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Delivery

For this unit, learners will benefit from some formal classroom delivery of the content on management decision making theory for learning outcomes 1 and 2.

All of the learning outcomes in this unit can be delivered flexibly. No previous knowledge of managerial decision making is assumed and learners can use experiences from work that have involved making managerial decisions. Formal tutor input could identify some of the theoretical material but learners can work individually and in groups researching and gathering information about managerial decision making. Case studies, research, business simulations involving decision making, role play, discussions and practical work using business software all offer approaches to learning about managerial decision making. Using an organisation's own senior staff or a guest speaker can provide practical insights into the managerial decision-making process. Up-to-date materials are available on the internet and other material on managerial decision making is available from a number of organisations.

For learning outcome 1, learners will be introduced to how important it is that managers have good information from a range of sources to support them in their decision making. Case studies can be used to bring the unit 'to life' with examples of real situations where innovation has revitalised an organisation or of organisations that have always fostered an innovative culture.

Looking at unsuccessful decision making can help to identify the factors that lead to a poor decision and so highlight how such difficulties can be avoided. Learners can investigate the sources of information that are available in organisations using their own experiences of work.

Consideration could be given to the impact of ICT on decision making. Its main value has been to provide decision support. Examples and case studies could identify the technologies that are available, together with how organisations use the technology to improve their operations and their competitive positions in the market by enabling managers to take good decisions.

Examples of new businesses and new business models could also be examined to illustrate how management decision making has exploited ICT to develop online businesses. Learners could carry out practical work using software such as spread sheets and databases to help in the decision-making process, as both types of software incorporate rule definition that helps evaluate information and so assist decision makers.

Outcomes 2 and 3, require an evaluation of an actual management information system, an initial idea-sharing group discussion of ways of evaluating management information systems in the workplace could be of benefit. Also useful is analysis of relevant case studies where the effectiveness of decision-making systems in improving organisational efficiency and fostering innovation, growth and facilitating risk decisions, could be examined. Following on from the evaluation, learners would benefit from practice in planning justified improvements to management decision making systems. As well as evaluating suggested improvements and possible stakeholder reactions.

Assessment

For learning outcome 1, the assessment criteria require the learners to demonstrate an understanding of how management decision making in organisations enable innovation and growth, this should be illustrated by the use of a suitable range of examples analysing how sources of information can support innovation and growth in management decision making and how ICT supports the process.

For learning outcome 2, the learners should examine a management decision making system in use in the workplace. The learners should fully analyse and evaluate the system and how it should enable innovation, growth and risk decisions as required by the assessment criteria. The learners should demonstrate the ability to see issues from different points of view, research and weigh evidence from different sources and draw their discussions together into reasoned conclusions

In learning outcome 3, the learners can use the same workplace system used in learning outcome 2 to evaluate the strengths and weaknesses of the management decision making system in terms of encouraging innovation and growth and then recommend justified improvements to the system that would ensure innovation and growth are encouraged. The learners could seek feedback on their plans from stakeholders and then evaluate the potential improvements their plan might bring.

Resources

Books

Boyett J and Boyett J – *The Guru Guide: The Best Ideas of the Top Management Thinkers* (John Wiley and Sons, 2000) ISBN 978-0471380542

Drummond G, Ensor J and Ashford R – *Strategic Marketing: Planning and Control, 2nd Edition* (Butterworth Heinemann, 2001) ISBN 978-0750652360

Horibe F – *Creating the Innovation Culture* (John Wiley and Sons, 2001) ISBN 978-0471646280

Lissak M and Roos J – *The Next Common Sense: Mastering Corporate Complexity Through Coherence* (Nicholas Brealey Publishing, 1999) ISBN 978-1857882407

Magruder Watkins J and Mohr B J – *Appreciative Inquiry* (Jossey-Bass, 2001) ISBN 978-0787951795

Proctor T – *Creative Problem Solving for Managers: Developing Skills for Decision Making and Innovation* (Routledge, 2009) ISBN 978-0415551106

Wang C – *Managerial Decision Making Leadership* (John Wiley and Sons, 2010) ISBN 978-0470825259

Journals/newspapers

Academy of Management Perspectives (Academy of Management)

British Journal of Management (John Wiley and Sons)

Management Today (Haymarket Business Media)

Professional Manager (Chartered Management Institute)

RSA Journal (RSA)

The Economist (The Economist Newspaper Ltd) has articles on management decision making

The Sunday Times (Times Newspapers Ltd) has a specialist business section with management-related topics

Websites

www.cambridgestrategy.com	Business self-assessment audits
www.ccl.org	Centre for Creative Leadership – a non-profit educational institution offering research findings in areas of creative leadership
www.ico.gov.uk	The Information Commissioner's Office
www.managementhelp.org	Free management library with links to articles on decision making

Unit 9: Developing an Innovative idea

Unit code: Y/504/3777

Level 5: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

This is a project unit and it aims to give learners the understanding and skills needed to research and develop a substantial innovative entrepreneurial idea.

Competency unit assessment guidance

This unit should be assessed predominantly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

This unit builds on the theory, skills and knowledge acquired when undertaking *Unit 6: Innovation in Action*. However, it should not be regarded as an extension to the solution in Unit 6. New and original ideas should be forthcoming for this unit, which can then be taken forward and implemented in *Unit 10: Implementing an Innovative Idea*.

Learners are expected to carry out a piece of work with a high degree of originality that will have an impact on an organisation. An innovative idea or concept will be researched and developed. The innovative entrepreneurial idea could take numerous forms, for example a new product, service, system or procedure.

This unit starts with researching innovative ideas and discussing the various options with the relevant stakeholders. From this initial research learners can establish an innovative idea and undertake a feasibility study once the feasibility report has been agreed with the relevant stakeholders, learners will produce a project plan giving timescales, performance measures, risk assessment and contingency measures. The project to develop the innovative idea will culminate in a business case. The business case will be pitched to the stakeholders to gain their approval.

The assessment activities for this unit are work related and practical on completion of this unit, learners will have acquired understanding and skills to research and develop a substantial innovative entrepreneurial idea for an organisation.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should

Learning outcomes	Assessment criteria for pass
1 Be able to assess the validity of an innovative idea	1.1 Research suitable innovative ideas that will have an impact on a work-related area 1.2 Evaluate the ideas with relevant stakeholders 1.3 Select an innovative idea for development
2 Be able to research the feasibility of an innovative idea	2.1 Undertake initial field research to support the selected innovative idea 2.2 Analyse industry trends when researching innovative ideas 2.3 Use appropriate research techniques and strategies to test ideas against current market and industry trends 2.4 Evaluate the test results
3 Be able to assess the feasibility of an innovative idea	3.1 Cost all resources required for implementing the business idea 3.2 Undertake a cost-benefit analysis for the selected business idea 3.3 Produce a detailed feasibility report 3.4 Agree the feasibility report with the relevant stakeholders
4 Be able to present a business case acting on feedback for the innovative idea	4.1 Produce a business case for the selected innovative idea 4.2 Pitch the business case to the relevant stakeholders 4.3 Examine the impact the idea will have on a work-related area 4.4 Make necessary amendments to the business case 4.5 Agree the final business case with the stakeholders

Unit content

1 Be able to assess the validity of an innovative idea

Research innovative ideas: use of primary and secondary research; use of appropriate techniques and data; suitability for a work-related area; impact; establish need for product, service or process; define relevant product, service or process; identify added value of product, service or process; determine the impact for a given organisation; relationship to organisation's strategic objectives; sustainability; thinking systematically; prioritising

Relevant stakeholders: determine relevant stakeholders; stakeholder expectations; communicate with stakeholders; conduct meetings; record outcomes of meetings; awareness of constraints; evaluating; reviewing; balancing competing needs and interests; building consensus

Development of Idea: selection process; rationale for selection; risk awareness; establish aims and objectives; negotiating skills

2 Be able to research the feasibility of an innovative idea

Undertake initial field research: data collection; opinion surveys; vox pops; questionnaire/survey design; environmental analysis; SWOT analysis

Analyse industry trends: industry and societal issues; competitor orientation; competitor analysis; efficiency and effectiveness; environmental scanning; political, legal, economic, socio-cultural, ecological and technological factors (PESTLE); market research; using secondary data

Use of appropriate research techniques and strategies: to test ideas against current market and industry trends; benchmarking; competitor analysis; market research; analysis of target markets; risk analysis

Evaluate the test results: data analysis; interpret results; plot and interpret graphs and charts; forecasting from survey results; validity and reliability

3 Be able to assess the feasibility of an innovative idea

Costing resources: requirement for business idea; cost estimates; costing; budgets; cash flow; cost dimensions, eg labour, materials, training, supplies ; cost statements; cost margins; break-even; capital appraisal; future value of money (NPV and IRR); tangible and intangible costs

Cost-benefit analysis for the idea: added value; tangible and intangible benefits; Pareto improvement criteria; Hicks-Kalder test; willingness-to-pay test; internal and external constraints

Feasibility report: purpose of feasibility study; scope; format; defining the product, service or process; aims and objectives; timelines; action plan; flow charts; interim and deliverables; outline project plan; project phases; management methods; initial risk analysis; communication plan; reporting schedule

Agree feasibility report with the relevant stakeholders: present feasibility study; feasibility analysis; conduct meeting; formal meetings; meeting reporting; internal and external stakeholders

4 **Be able to present a business case acting on feedback for the innovative idea**

Business case for the selected innovative idea: business context for product, service or process; impact on organisation; strategic aims and objectives; goals; organisational benefits; change management; business operations; role of the business case; contents of a business case; rationale; how to write a business case

Pitch the business case: types of presentations; planning; design of presentation; visual aids; presentation software; use of digital media; venue; layout of venue; dress code; questions; clarity; relevant stakeholders

Impact of idea: work-related area; change management; Lean Six Sigma; Pareto; potential consequences; solutions; productivity; time and motion study; impact analysis; expected effects; cause and effect

Making necessary amendments to the business case: review process; constructive criticism; respond to changes; time management; meeting deadlines; review business needs

Agree the final business case with the stakeholders: meetings; formalise business case; produce final business case document

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 2: Use of Financial Information for Planning and Growth Unit 4: Principles of Researching and Testing Innovative Ideas Unit 6: Innovation in Action Unit 18: Financial Planning to Support Business Cases	Unit 5: Developing Innovative Business Cases Unit 8: Management Decision Making for Innovation and Growth Unit 14: Marketing Innovative Ideas	

Delivery

This unit is a practical unit and as learners are required to develop an innovative business idea for an organisation, much of the delivery and assessment should be based in the workplace. However, learners may also benefit from some formal classroom delivery of the content on market research; data analysis; project finance and costing; undertaking a feasibility study and writing a business case. Much of this understanding will have been delivered in the earlier knowledge units and practised with case study materials for those previous units. The evidence for this competence based project unit should be new evidence related to learners' work places.

For learning outcome one, learners need to be able to generate ideas for a product, service or process that will have an impact on an organisation. The various ideas will be assessed for validity and one will be selected for implementation. Learning outcome two requires learners to research the feasibility of the selected idea. For learning outcome three learners will undertake costings and a cost benefit analysis followed by a detailed a feasibility report for the selected idea. Finally for learning outcome three learners must develop a business case for the selected idea and pitch it to the relevant stakeholders. After the pitch amendments to the business case must be made and agreed with the stakeholders.

Assessment

This unit must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed; please see *Annexe E*.

As this is a practical unit which assesses the learner's ability to undertake a feasibility study and then present a business case for an innovative idea that will be based on an organisation, it is expected that the workplace should be used in this process. However, it may not be possible to use the workplace in which case an innovative idea for a product, service or process could be generated for the centre/college. This will require careful monitoring by the assessor to ensure that the feasibility study and business case are real and that product, service or process will have an impact on the centre/college. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available in the centre/college.

It is recommended that one assignment is devised to cover all four learning outcomes. Task 1 (for learning outcome 1) would be to undertake initial field research to ascertain a suitable innovative idea. Task 2 (for learning outcomes 2 and 3) would be to analyse the feasibility of the innovative idea and produce a feasibility report. Task 3 (for learning outcome 4) would be to produce a business case and pitch the case to the relevant stakeholders.

Types of evidence could include planning notes; agenda and minutes of meetings; feasibility report; project budget and other financial data; visual aids used in the pitch; audio visual recording of the presentation by the learner to pitch business case; draft business case; formal business case.

Resources

Books

Barker S & Cole R – *Brilliant Project Management: What the Best Project Managers Know, Do and Say* (Pearson Business, 2009) ISBN 978-0273722328

Borros P – *The Pocket Pitching Bible* (CGW Publishing, 2012) ISBN 978-1908293121

Brace R – *Questionnaire Design: How to Plan, Structure and Write Survey Material for Effective Market Research* (Koogan, 2008) ISBN: 978-0749450281

Maddock G M, Uriarte C & Brown P B – *Brand New: Solving the Innovation Paradox — How Great Brands Invent and Launch New Products, Services, and Business Models* (John Wiley & Sons, 2011) ISBN 978-0470643594

Peberdy D & Hammersley J – *Brilliant Meetings: What to Know, Say and Do to Have Fewer, Better Meetings* (Pearson Business, 2009) ISBN 978-0273721826

Reis E – *The Lean Startup: How Constant Innovation Creates Radically Successful Businesses* (Portfolio Penguin, 2011) ISBN 978-0670921607

Taylor N – *Brilliant Business Writing: How to Inspire, Engage and Persuade Through Words* (Prentice Hall, 2011) ISBN 978- 0273744580

Websites

www.apm.org.uk

Association of Project Management

www.mindtools.com

Project management and creativity tools:

Unit 10: Implementing an Innovative Idea

Unit code: D/504/3778

Level 5: BTEC Professional

Credit value: 20

Guided learning hours: 50

Unit aim

This is a project unit, the aim of which is to give learners the understanding and skills to implement and launch a substantial innovative idea.

Competency unit assessment guidance

This unit should be assessed predominantly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

This unit builds on the theory, skills and knowledge acquired in *Unit 6: Innovation in Action*.

This unit builds on and follows on from *Unit 9: Developing an Innovative Idea*, which is a pre-requisite for this unit.

Learners are expected to carry out a substantial piece of work for this project unit, with a high degree of originality that will have an impact on an organisation. An innovative idea or concept will be developed from the business case through to the launch. The innovative entrepreneurial idea could take numerous forms, and will wherever possible follow on from the idea developed in Unit 9 as the business case will already be in place and agreed by stakeholders.

The project plan will be implemented, followed by a formal launch of the innovative idea and learners will be expected to select the most appropriate media and venue. The final part of the unit is about post-project activities such as evaluating the extent to which the outcomes have been met, ensuring that the final costs are reconciled, evaluating the launch and making recommendations for similar projects.

The assessment activities for this unit are work-related and practical and on completion of the unit learners will have acquired understanding and skills to implement and launch a substantial innovative entrepreneurial idea.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Be able to plan a project for an innovative idea	1.1 Create an appropriate strategy for the implementation of the project 1.2 Agree the project plan for the implementation of the project 1.3 Complete a risk assessment for the implementation of the project 1.4 Develop appropriate performance measures to monitor the progress of the project
2 Be able to implement a project for an innovative idea	2.1 Implement the project in accordance with the project plan 2.2 Monitor the progress of the project using the established performance measures 2.3 Implement contingency measures to ensure the project is completed within the planned timeline 2.4 Use appropriate media to launch the completed project 2.5 Present the outcomes of the project 2.6 Undertake a formal handover of the completed project
3 Be able to evaluate the project results	3.1 Evaluate the extent to which the project outcomes have been met 3.2 Ensure that the final project costs are reconciled 3.3 Evaluate performance in launching an innovative idea 3.4 Make justified recommendations for future projects of this type

Unit content

1 Be able to plan a project for an innovative idea

Create an appropriate strategy for the implementation of the project: define success criteria; establish ways of working; working within agreed timescales; project execution strategy; appropriate techniques to generate solutions; project management strategy; SMART objectives; management systems and establishing reporting protocols

Agree timescales for the implementation of the project: project phases; outline project plan; interim and final deliverables; resources; communications plan; checklists; activity lists; project work plan; action plan; milestones; task dates, review dates; dependencies; critical paths; responsibilities; work breakdown structure (WBS); project management software

Complete a risk assessment for the implementation of the project: risk assessment documentation; risk definition; likelihood and severity of risk; contingency plans; categorise risk, eg low, medium high; risk mitigation

Develop appropriate performance measures to monitor the progress of the project: monitoring/review process; setting up quality monitoring procedures; reporting mechanisms; progress and quality data collection methods; Total Quality Management (TQM); quality chain

2 Be able to implement a project for an innovative idea

Implement the project: communicate project plan; adhere to project plan; set SMART objectives; allocate budgets; set up relevant systems, eg financial accounting, procurement, quality monitoring etc; check understanding; project personnel; team roles; build team

Monitor the progress of the project: use established performance measures; comparison of progress with work plan; monitor critical path; monitor dependencies as priority areas; feedback to team members and stakeholders; cost performance analysis; budgeted cost for work performed (BCWP); actual cost for work performed (ACWP); cost performance indicators; other performance indicators; statement of work for tasks

Implement contingency measures: ensure project is completed within the planned timeline; remedial actions; adapting project plan where necessary; dealing with project creep; implementation of contingency plans; reviewing allocation of responsibilities; reviewing task schedule; reassign priorities; corrective measures

Launch the completed project: appropriate launch media; formal report; oral presentation; PowerPoint; Prezzi; web-based reporting; social media, eg Facebook, Twitter; visual aids; graphics; publicity materials; launch venue

Present the outcomes of the project: communication needs of stakeholders; content of presentation; content of project report; format of presentation; format of project report; venue

Formal handover of the completed project: delivery of product, service or product: delivery/handover method; demonstration of product, service or process; installation; training; handling queries; testing; post-project service

3 Be able to evaluate the project results

Project outcomes: comparison of results against original objectives; identification of added value/benefits; feedback from stakeholders; feedback from project team; evaluation of any outstanding outcomes

Reconciliation of final project costs: final project cost records; comparative cost records for future projects; project balance sheets; variances; presentation of final project accounts

Performance in launching idea: evaluation/analysis of performance quality; overview of success or failure of the project; limitations and difficulties encountered

Recommendations for future projects: improvements; lessons learned; training/resource needs identified; justifications

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 2: Use of Financial Information for Planning and Growth Unit 6: Innovation in Action Unit 18: Financial Planning to Support Business Cases	Unit 8: Management Decision Making for Innovation and Growth Unit 14: Marketing Innovative Ideas	

Essential requirements

Learners should have achieved Unit 6: *Innovation in Action* and Unit 9: *Developing an Innovative Idea* prior to starting this unit.

Delivery

This unit is a practical unit and as learners are required to implement an innovative business idea for an organisation, much of the delivery and assessment should be based in the workplace. However, learners may also benefit from some formal classroom delivery of the content on project planning, project management, launching an innovative idea and project closure. Much of this understanding will have been delivered in the earlier knowledge units and practised with case study materials for those previous units. The evidence for this competence based project unit should be new evidence related to learners' work places.

For learning outcome 1, learners need to plan a project which involves agreeing timescales, assessing the risk and developing performance measures to monitor the project. Learning outcome 2 requires learners to undertake and monitor the project, to implement contingency measures if necessary and to launch the project using the most appropriate media. Learning outcome 3 requires learners to evaluate the project results, ensure costs are reconciled then make recommendations for future projects.

Assessment

This unit must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed; please see *Annexe E*.

As this is a practical unit that assesses the learner's ability to implement an innovative idea that will have an impact on an organisation, it is expected that the workplace should be used in this process. However, it may not be possible to use the workplace, in which case an innovative idea for a product, service or process could be implemented for the centre/college. This will require careful monitoring by the assessor to ensure that the project is real and the product, service or process being launched will have an impact on the centre/college. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available in the centre/college.

It is recommended that two assignments are devised. Assignment 1 would deal with the planning, implementation, launch and handover of the project. Assignment 2 would deal with the project closure and evaluation.

Types of evidence could include Gantt charts showing project time lines, for example MS Project outputs; a planning document which includes a risk assessment and performance measures to monitor the project; a project monitoring check list for example MS Project tracking outputs; an analysis of on-going project costs and resource issues for example, Excel spread sheets or MS Project output; an audio visual recording of the launch of the innovative idea; a project evaluation and final project accounts, for example Excel spread sheets.

Resources

Books

Barker S & Cole R — *Brilliant Project Management: What the best project managers know, do and say* (Pearson Business, 2009) ISBN 978-0273722328

Locke D – *Project Management* (Gower Publishing Ltd, 2007)
ISBN 978-0566087721

Young T L — *Successful Project Management: Apply Tried and Tested Techniques Develop Effective PM Skills and Plan Implement and Evaluate* (Kogan, 2010) ISBN 978-0749456634

Websites

www.apm.org.uk Association of Project Management

www.mindtools.com Project management and creativity tools

Unit 11: Leading, Managing and Developing People for Innovation and Growth

Unit code: H/504/3779

Level 4: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners an understanding of the leadership and management skills needed to develop individuals and teams and encourage innovation and growth as a culture in an organisation. Learners will also develop an understanding of how an organisation is currently structured to create innovation and growth.

Competency unit assessment guidance

This unit should be assessed partly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

The success of an organisation depends very much on the people working in it. An understanding of team development and the leadership function is crucial when working with others. A motivated workforce is more likely to be efficient and contribute to the growth and profitability of an organisation. In this unit learners will understand how the skills and attributes needed for leadership can motivate and develop individuals within teams. Learners will need to critically evaluate different ways of motivating teams and assess the benefits to the organisation in terms of innovation and growth.

Learners will evaluate how the organisational structure impacts on team working and communication and whether it causes conflict or tension. Learners will have the opportunity to develop their own leadership skills and build on the knowledge and skills needed to manage and lead people and teams in an organisation. They will be able to explore ways to manage individuals through planning, monitoring and assessment of individual work performance. Motivating staff to perform better will aid the organisation to be innovative and enable growth.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the contribution of leadership and management to innovation and growth in organisations	1.1 Analyse which skills and attributes of leaders and managers encourage team working for innovation and growth
2 Be able to demonstrate leadership and management skills to aid innovation and growth	2.1 Demonstrate skills which allow respect for the promotion of other's ideas 2.2 Support others to encourage their motivation
3 Understand the work and development needs of individuals in innovative organisations	3.1 Assess how the development needs of individuals can be supported to facilitate innovation and growth 3.2 Evaluate how improvements to work and development processes for individuals will benefit innovation and growth in an organisation

Unit content

1 Understand the contribution of leadership and management to innovation and growth in organisations

Leadership and management style: eg autocratic, charismatic, persuasive, participative; influences on style, eg organisational culture, beliefs and values of leader/manager; emotional leadership styles, eg Goleman, Hay and McBer, Dulewicz and Higgs; Blake and Mouton managerial grid

Teamworking: characteristics of successful business teams, eg participative leadership, loyalty, trust, open communication, shared goals and objectives, shared responsibility, shared vision, common purpose, cooperation between members, motivation; Belbin's team role theory; differences between team roles; strengths and weaknesses; contribution of team roles to the team; balanced teams

Personal skills: effective communication through body language; active listening; questioning; assertiveness; stress management; handling conflict; delegation; effective decision making

Leadership attributes and skills: deliver results; integrity; courage; sensitivity; commitment; communicating the vision clearly; encouraging and supporting others; application of leadership behaviours and styles to work teams/groups; theories of leadership qualities, eg Adair, Peters, Kantor, Mintzberg

2 Be able to demonstrate leadership and management skills to aid innovation and growth

Respect for ideas: establishing relationships; reliability; adaptation; human resources; openness to change; participative decision making; team briefings; meetings; building inter- and intra-team organisational relationships; communication through goals; communication through knowledge; data sharing; win-win theory; synergy; groupthink; meetings

Motivating team members: importance of motivation; importance of negotiation and bargaining skills for motivation; theories of motivation, eg McGregor's Theory X and Theory Y, Herzberg's Motivation-Hygiene theory, Maslow's Hierarchy of Needs, Vroom's Expectancy theory, Alderfer's ERG theory, Deci and Ryan's Self Determination theory; factors that motivate people to achieve, eg praise, encouragement, recognition, clear goals, formative feedback, development opportunities and transactional change; decision-making processes; key stakeholders in organisations and how to influence them

3 Understand the work and development needs of individuals in innovative organisations

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

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

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

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 19: Background to Business	Unit 5: Developing Innovative Business cases Unit 9: Developing an Innovative idea Unit13: Managing Quality for Innovation and Growth	Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Delivery

This unit is a practical unit and some of the delivery and assessment could be based in the workplace. However, learners may also benefit from some formal classroom delivery of the content on leadership, managerial and motivation theories plus work place assessment systems followed by opportunities to practise, for example with group exercises, simulation and case studies. If all or part of the delivery is to be based in the workplace it would be helpful to use a checklist or to ensure that the learner has sufficient opportunities to explore all the different parts of the unit content.

Assessment

This unit must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed, please see *Annexe E*.

As this is a practical unit which assesses workplace competence the assessment should be drawn from work undertaken in the course of the learner's performance of their role in the workplace. Practical skills and competence are required for learning outcome 2, so learners will need evidence of this, such as detailed witness statements and supporting evidence. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available in the workplace.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria

Types of evidence include product evidence such as reports generated from the workplace, planning notes, visual aids or audio or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

In order to achieve all the assessment criteria in full and to prove competence it will be necessary to draw evidence from several presentations.

Resources

Books

Adair J – *The Inspirational Leader* (Kogan Page, 2005) ISBN 978-0749444563

Gold G, Thorpe R and Mumford A – *Leadership and Management Development* (Chartered Institute of Personnel and Development, 2010)
ISBN 978-1843982449

Hall, R – *Brilliant Presentation* (3rd edition) (Prentice Hall, 2011)
ISBN 978-0273762461

Huczynski, A A, Buchanan, D A – *Organizational Behaviour* (7th edition)
(Pearson Education, 2010) ISBN 978-027372822-1

Leigh A – *The Charisma Effect* (Prentice Hall, 2008) ISBN 978-0273717218

Tidd, J, Bessant J – *Managing Innovation Integrating Technological Market and Organizational Change* (4th Edition) (J Wiley & Sons Ltd, 2009)
ISBN 978-0470998106

Journals

Management Today (Haymarket Business Media)

People Management (Chartered Institute of Personnel and Development)

Professional Manager (Chartered Management Institute)

Websites

www.cipd.co.uk

Chartered Institute of Personnel and
Development

www.leadershipnow.com

Online resource for articles and blogs on
leadership challenges

Unit 12: Strategic Planning and Management

Unit code: A/504/3741

Level 6: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

This aim of this unit is to give learners an understanding of how strategic planning and management can support innovation and growth in an organisation.

Unit introduction

In developing and supporting an appropriate culture for innovation and growth in an organisation, it is important that all planning, including planning at strategic level, reflects the priority to be given to innovative practices, processes and outcomes.

This unit will introduce learners to the principles of strategic planning and management and their use as a tool for guiding the future direction of the organisation. All aspects of learning and assessment will relate closely to the establishment of appropriate conditions for innovation and growth. Learners will develop an understanding of how the processes of strategic planning and management can contribute to an organisational environment that supports innovation and growth. They will explore how this can be achieved through setting clear business objectives and priorities that enable – rather than inhibit innovation and growth. Innovation is inherently strategic, and organisations that can foster and support innovation will be best able to grow and to achieve competitive advantage.

Learners will gain an understanding of how managers need to take a proactive, rather than a reactive, stance to change, and in so doing can ensure that the conditions within which innovation and growth can prosper are established. Learners will also gain skills in communicating and implementing strategy in ways that enable innovation and growth, and in influencing stakeholders in support of innovation and growth.

This unit allows learners to develop an understanding of how strategic planning and management can operate in practice in an organisation. This will require learners to have access to organisational plans and to senior managers who are implementing them. Throughout this unit, strategic management will not be treated separately from innovation and growth, but as an essential part of the organisational scene setting within which innovation can flourish and the organisation grow.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand how models of strategic planning relate to innovation and growth in organisations	1.1 Explain different models of strategic planning used as analytical tools 1.2 Evaluate the importance of strategic planning to an organisation 1.3 Evaluate how an organisation's strategic planning can influence innovation and growth
2 Understand how strategic management links with strategic planning to achieve strategic decision making for innovation and growth	2.1 Explain the differences between strategic planning and strategic management 2.2 Evaluate different models of strategic management 2.3 Evaluate how an organisation's strategic decision making for innovation and growth can be influenced by strategic planning and management

Unit content

1 Understand how models of strategic planning relate to innovation and growth in business organisations

Models and concepts in strategic planning: strategic analysis including environmental analysis, strategic choice, strategic implementation; strategic thinking; tools used for analysis including SWOT (strengths, weaknesses, opportunities, threats) analysis, PESTLE (political, economic, social, technical, legal, environmental) analysis, Porter's Five Forces, value chains, stakeholder analysis; creating visions and missions; strategic concepts, eg drift, diversification, gap analysis

Benefits of a strategic approach: understanding of the external environment; taking a long-term view; anticipating and planning for change; use of appropriate tools to review business plans and strategies and ensure their fitness for purpose; securing involvement and commitment

Strategic planning for innovation and growth: roles of innovation and growth in strategic plans; designing organisations for innovation; creativity and design thinking; vision and mission design for innovation; specific organisational strategies related to innovation and growth

2 Understand how strategic management links with strategic planning to achieve strategic decision making for innovation and growth

Strategic planning versus strategic management: critiques of strategic planning; strategic management as continuous and integrated process; customer-focused positioning and value-added delivery in strategic management; skills of strategic managers; role of planning within strategic management

Models of strategic management: strategy and competitive performance; competitive advantage; positioning; generic strategies (cost leadership, differentiation, focus); balanced scorecard; learning organisations; importance of innovation and growth within strategic management

Strategies for innovation and growth: designing an innovative organisation; organisational values and their importance in supporting innovation and growth; creative destruction; design science (fluidity, integrity, energy); institutional entrepreneurship

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations	Unit 7: Change Management for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 11: Leading, Managing and Developing People for Innovation and Growth	Unit 17: Contribute to Fostering a culture for Innovation and Growth

Delivery

It is recommended that centres use a wide range of teaching and learning methods to enable learners to achieve the learning outcomes. Learners will benefit from formal classroom delivery of the content on strategic planning and strategic management followed by opportunities to apply the theories to practical situations in their own and other workplaces. Delivery could include lectures, seminars, workshops, presentations, discussions with senior managers with strategic responsibilities, project work, research using the internet and/or library resources and the use of personal and/or workplace experience.

Delivery should revolve around real-life situations and case studies. Centres are encouraged to organise talks from key managers responsible for planning and for scanning the business environment. It is important that learners are given the opportunity to review different examples of strategic statements (vision, mission, values, statements of aims etc.) and to discuss how these are developed, implemented, reviewed and evaluated.

Learning outcome 1 could be delivered using simulated or real-life case studies or real-life situations. It is important that learners have an opportunity to compare a range of planning statements and to assess how these relate to innovation and growth in an organisation. Learners should have access to such documents from their own organisation, and should be encouraged to evaluate these in respect of their promotion of innovation and growth. Within this context, one or more managers with planning responsibilities could be invited to explain to learners about planning processes and actual documents in use in the organisation and, importantly, to answer learners' questions. Learners should be required to prepare a range of pertinent questions in advance of the talk.

Learning outcome 2, could be delivered using simulated or real-life case studies or real-life situations. It is important, however, that all aspects of the delivery of this outcome are closely related to innovation and growth in the learner's own organisational setting and/or the industry within which the organisation operates. Learners' experiences of developing and implementing innovative ideas in other units might help them to understand how the strategies and plans of an organisation can enable – or inhibit – innovation and growth. Learners could be asked to analyse their own experience and whether they were supported or constrained by the strategies of the organisation.

Assessment

Assessment needs to be based on carefully selected and well developed simulated or real-life situations. Learners should be encouraged to use their own organisation's activities as a basis for assessment where appropriate. The assessment method needs to be selected to provide suitable opportunities for the learners to evaluate both theory and organisational practice, as required by the assessment criteria. This could be through a combination of a written assignment and a presentation. If a presentation is used, evidence should be collected in the form of an observation record, sufficiently detailed to enable internal verification and external examination to take place. This should be supported by other evidence such as the learner's notes or visual aids.

For learning outcome 1 it is important that the learners show a clear understanding of the structure of an organisation to identify staff who play a role in strategic planning. They should include an analysis of how strategic plans are developed and delivered — this analysis should be in-depth and broad ranging from the inception of the plan and the processes for involvement of key stakeholders to the review and evaluation processes involved. Learners are also required to evaluate an organisation's current plan (or part of that plan), and to assess how this contributes to innovation and growth in the organisation.

For learning outcome 2 learners must analyse and evaluate, in-depth, the importance of innovation and growth within the strategic management process of their own organisation. This could include the relationship between the development and implementation of an innovative idea in other units and how these were influenced by the declared strategies of the organisation. The idea to be selected must be agreed with the tutor in advance or given by the tutor to the learner. Finally, learners must evaluate the current strategy of the organisation to assess how effectively it promotes innovation and growth.

Resources

Books

Clegg S et al – *Strategy: Theory and Practice* (Sage, 2011)
ISBN 978-1849201513

Johnson G, Scholes K and Whittington R – *Exploring Strategy, 9th Edition*
(Financial Times/Prentice Hall, 2010) ISBN 978-0273737025

Kaplan R and Norton D – *The Strategy-focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment* (Harvard Business School Press, 2000) ISBN 978-1578512508

Mintzberg H – *The Rise and Fall of Strategic Planning* (Financial Times/Prentice Hall, 2000) ISBN 978-0273650379

Mintzberg H, Ahlstrand B and Lampel J – *Strategy Safari: Your Complete Guide Through the Wilds of Strategic Management, 2nd Edition* (Financial Times/PrenticeHall, 2008) ISBN 978-0273719588

Stacey R D – *Strategic Management and Organisational Dynamics, 6th Edition* (Financial Times/Prentice Hall, 2010) ISBN 978-0273725599

Websites

www.mintzberg.org	Henry Mintzberg
www.s-as-p.org	Strategy as Practice
www.sps.org.uk	Strategic Planning Society
www.strategytube.net	Strategy tube (relevant videos)

Unit 13: Managing Quality for Innovation and Growth

Unit code: Y/504/3780

Level 5: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners an understanding of the concept and current theories of quality management. The unit also aims to give learners skills needed to embed quality management into the culture of an organisation for innovation and growth.

Unit introduction

Innovation is critical for organisational survival and growth. In today's highly competitive business world, to meet the increasing demands of customer satisfaction, organisations realise they cannot rely on innovation alone for business success. This is too risky and there are many critical success factors involved.

Over the years a whole range of quality-focused tools and techniques have evolved, which managers have available to achieve long-term success. However, the current challenges of innovation and growth for an organisation require systems that can integrate discrete models and methods.

This unit is designed to introduce learners to the concepts and theories of quality management and their compatibility and relevance for necessary innovation and growth. Innovation management involves staff at every level in contributing to the creativity needed for all aspects of work activities.

Learners will explore the importance of empowering both individuals and teams in developing quality management systems and processes. Successfully embedding a quality ethos into the culture of an organisation will be investigated, and learners can apply their understanding through planning and monitoring the implementation of a quality improvement.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the relationship between quality management and innovation and growth	1.1 Evaluate theories of quality management 1.2 Explain how the measuring of quality management benefits organisations 1.3 Assess whether quality management encourages innovation and growth
2 Understand how to develop a culture of quality improvement in organisations	2.1 Explain how quality improvement is achieved in different organisations 2.2 Analyse the techniques needed to embed continuous quality improvement into the culture of an organisation
3 Be able to apply the principles of quality management for innovation and growth	3.1 Plan how a quality process in an organisation could be improved to promote innovation and growth 3.2 Evaluate how stakeholder feedback contributes to the promotion of innovation and growth

Unit content

1 Understand the relationship between quality management and innovation and growth

Theories of quality management: eg Deming, Juran, Feigenbaum, Crosby, Ishikawa, Taguchi; encouraging innovation and growth

Measuring quality management: definitions of quality; what is quality; ways to measure, eg ISO 9000 Series, carbon measurement standard ISO 14064; key performance indicators; objectives (quality, speed, dependability, flexibility, cost); balanced scorecard; Total Quality Management (TQM); quality costs

Benefits of quality management: improving business profile and reputation; increasing efficiency; managing growth; customer response; sustained competitive advantage; encouraging creativity; relationship between quality management and innovation and growth

2 Understand how to develop a culture of quality improvement in organisations

Achieving quality improvement: through employee empowerment at all levels; promoting teamwork and innovation; leadership and followership; training and development; setting targets

Establishing a quality culture: promoting quality through values, traditions, procedures; corporate social responsibility

Techniques: project management techniques; facilities; workforce; machinery; transportation; technology; quality systems; quality circles; TQM; aligning resources with objectives; resource constraints

3 Be able to apply the principles of quality management for innovation and growth

Planning for improvement: identifying improvement needs; developing strategies for growth, eg internal growth, external growth; gap analysis; setting aims and objectives; justification; prioritising activities; identifying constraints; success criteria; review; networking; approaches to improvement eg TQM, lean, business process re-engineering (BPR), Six Sigma

Evaluation of stakeholder feedback: stakeholders eg customers, staff, sponsors, trade associations, professional bodies, government support; communicating feedback; monitoring and evaluation techniques; action learning; self-assessment, eg quality reviews, audits; validity of self-assessment; business performance indicators; effect on sales and profit; promoting innovation and growth

Guidance

Links to other BTEC units

The learning outcomes associated with this unit are closely linked with.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action	Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea	Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Delivery

For this unit it is likely that the theoretical concepts in learning outcomes 1 and 2 will benefit from some formal classroom delivery. It is important that learners demonstrate that they can put theory into practice, showing that they are able to plan the improvement of a quality process to promote innovation and growth in a business.

For learning outcome 1, learners need to understand the importance of managing quality in an organisation and the benefits. Learners could assess quality management in their own organisations or use case studies. Appropriate guest speakers could provide a range of perspectives and opening discussion, particularly focusing on how quality impacts on innovation and growth in a business. Learners may also benefit from some formal classroom delivery of the content on theories of quality management, followed by opportunities to apply learning to suitable case studies.

Presentations by the tutor of content for learning outcome 2, such as techniques which are used to develop a quality culture can be supplemented by further reading to clarify the content, providing strong understanding without undue repetition. To understand how quality improvement is achieved in different businesses, learners may benefit from sharing ideas, working in small groups and feeding back to the class.

Learners will need to work independently to identify a quality issue and plan its improvement. The terms of reference for the improvement may be suggested by learners, supported by the tutor and/or employer. Alternatively, tutors may provide different quality issues for learners to choose from, for example around an innovation such as a new product launch or aspects of business growth such as entering global markets. Learners should be aware of the different stakeholders involved in the business and can consider how stakeholder feedback contributes to the promotion of innovation and growth.

Assessment

As this is a partly practical unit, assessment could be drawn from work undertaken by learners in their workplace. However, it may not be possible to provide a suitable range of presentation opportunities for the learner and case study materials and exercises can be used. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria.

For learning outcome 1, assessment could involve a case study where the organisation is considering implementing a quality management system. Learners could act as business quality consultants and present a report with a rationale for introducing quality management, including any of their own relevant workplace experiences. They are not expected to discuss all the theories, it is sufficient to compare and contrast two theories in a given situation.

Assessment for learning outcome 2, needs to show that learners understand how quality improvement is achieved in different organisations. A case study approach, developed from that used in learning outcome 1, could ask learners to advise on embedding a quality culture in an organisation, drawing on their own relevant experiences.

For learning outcome 3, learners are expected to include a clear explanation of the quality process to be examined, focusing on how it will promote innovation and growth. Learners should then plan the proposed improvement activity, showing how stakeholder feedback will be used to help inform the improvement gained.

Resources

Books

Aikens C H – *Quality Inspired Management* (Prentice Hall, 2010)
ISBN 978-0131197565

Bourne, M – *Balanced Scorecard (IMC)* (Hodder Education, 2007)
ISBN 978-0340946497

Goetsch D L and Davis S B – *Quality Management for Organisational Excellence, Introduction to Total Quality* 7th Edition (Pearson, 2012)
ISBN 978-0132558983

Hambleton, L – *Treasure Chest of Six Sigma Growth Methods, Tools, and Best Practices: a Desk Reference Book for Innovation and Growth (Six Sigma for Innovation and Growth)* (Prentice Hall, 2000) ISBN 978-0132300216

Hoyle, D – *ISO 9000 Quality Systems Handbook* 6th edition (Butterworth-Heinemann, 2009) ISBN 978-1856176842

Journals

International Journal of Quality & Reliability Management (Emerald Group Publishing Ltd) – online journal

TQM Magazine (Emerald Group Publishing Ltd)

Websites

www.bis.gov.uk	Department for Business, Innovation and Skills – advice and support on business growth and innovation
www.businessballs.com	Quality management tools, theories and case studies
www.businesslink.gov.uk	Advice on setting a vision for growth through applying quality management standards
www.fsb.org.uk	Federation of Small Businesses pressure group offering advice and services to protect the interests of the self employed and small business owners
www.sfedl.co.uk	UK Sector Skills Body for Enterprise

Unit 14: Marketing Innovative Ideas

Unit code: T/504/3785

Level 4: BTEC Professional

Credit value: 10

Guided learning hours: 50

Unit aim

The aim of this unit is to give learners the understanding and skills relating to the application of marketing principles and concepts for innovation and expansion into new markets.

Competency unit assessment guidance

This unit should be assessed in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

Marketing needs to be a driver for innovation not only for expansion into new markets but also for new ways of looking at current markets through segmentation and targeting. A knowledge and understanding of marketing principles to enable meeting and anticipating customer needs is needed by today's marketing innovators.

The application of marketing principles and techniques are crucial tools in helping organisations achieve their aims and objectives. In this unit learners will examine how marketing principles are used for the organisational expansion goals of a business. Having a business vision is essential for innovation and growth and learners will recognise that in today's consumer driven markets a vision helps motivate against forces of resistance.

Learners will understand how buyer behaviour is influenced by a range of factors and situations. Examining the marketing research process and assessing the importance of different types of information will help learners to prepare and present a research plan for innovation and growth, as well as assessing the reliability of market research findings.

This unit will enable learners to appreciate the innovative approaches that organisations can use for the marketing mix when developing proposals for growth and expansion including internationally, together with the resource implications and different strategies involved.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the role of marketing in achieving innovation or growth in organisations	1.1 Explain how marketing principles can be used to achieve innovation or growth in organisations 1.2 Analyse the contribution of marketing principles in a given organisation to the achievement of innovation or growth
2 Understand the impact of the business environment when developing an innovative marketing strategy	2.1 Explain how current environmental factors can influence marketing strategies 2.2 Evaluate the impact of social media on marketing strategies
3 Be able to develop strategies to expand an existing product/service into a new market	3.1 Select a market segment in a new consumer market 3.2 Create a strategy for implementation of the new marketing mix 3.3 Propose new positioning for an existing product/service in the current business environment 3.4 Justify recommendations for the new positioning 3.5 Assess the issues that international marketing to a global audience creates for the marketing mix for a product/service

Unit content

1 Understand the role of marketing in achieving innovation or growth in organisations

Marketing principles: definitions; marketing audit; integrated marketing; marketing strategy, setting objectives; constraints; options; plans to include target markets and marketing mix; e-marketing strategy; types of market, eg B2B (business to business) and B2C (business to consumer) marketing

Achieving innovation or growth: role of marketing in process; marketing methods used to achieve innovation or growth, eg guerrilla marketing, promotional events, innovative delivery channels

2 Understand the impact of the business environment when developing an innovative marketing strategy

Environmental factors: environmental analysis; macro-environment analysis eg SWOT analysis (strengths, weaknesses opportunities, threats), PESTLE (political, economic, socio-cultural, technological, legal, and ecological factors; micro-environment factors, eg stakeholders (organisation's own employees, suppliers, customers, intermediaries, owners, financiers, local residents, pressure groups and competitors); direct and indirect competitors; Porter's competitive forces; influence on marketing strategies

Impact of social media: use of social networking websites, eg Facebook, Twitter, LinkedIn, YouTube; blogs; development of SMART phone technology; impact on marketing, eg promotional campaigns, product launch; advantages and disadvantages of using social media ; impact on marketing strategies

3 Be able to develop strategies to expand an existing product/service into a new market

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

Strategies: current marketing situation; internal growth, eg new product development, international expansion, market penetration, brand extension, outsourcing; key market factors; external growth, eg mergers and acquisitions, licensing, strategic alliances and joint ventures; franchising; advantages and disadvantages of internal and external growth strategies; corporate social responsibility; marketing ethics; buyer behaviour; strategies for 4Ps (product, price, place, promotion); significance of the 7Ps

Positioning: definition and meaning; influence over marketing mix factors; justification of positioning

International marketing: globalisation; cultural differences; standardisation versus adaptation; the European Union; benefits and risks; market attractiveness; international marketing mix strategies; use of internet to help achieve objectives, eg global reach, 24 hour marketing, mass customisation, more information; trading environment impact on marketing mix, eg global recession or growth, environmental disasters, international conflicts, trading regulations

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action	Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea	

Delivery

This unit is a practical unit and the assessment should be based in the workplace. However, learners may also benefit from some formal classroom delivery of the content on marketing principles followed by opportunities to practise. It would be helpful to use a checklist to ensure that the learner has sufficient opportunities to explore all the different parts of the content of the unit.

Delivery should emphasise that the marketing concept underpins the marketing process and strategies need to be evaluated to assess their suitability for market expansion and growth. Current trends, issues and innovations should be used to identify the application of marketing principles and techniques. The learners should be encouraged to apply their learning to a range of contemporary current marketing problems taken from their workplace. Examples from different business sectors, small businesses, consumer and business markets and international markets should be used throughout the unit.

For learning outcome 1, learners could analyse the different approaches to innovative marketing shown by three or four different businesses and so build their understanding of the marketing principles and the benefits and costs of using an innovative marketing approach.

For learning outcome 2, exposure to the work of marketing professionals in a fast moving product and/or proposition development role would be most valuable. Ideally learners could interview marketing professionals about the impact of the business environment on the development of a range of products for different segments of the market. The impact of social media on marketing strategies also needs evaluating.

Learning outcome 3 includes many key tactical marketing principles and the delivery should be linked at all times to current examples. Learners may be tasked with finding such examples, or bringing examples to class which can then be discussed. The implications of the move towards international marketing through use of the internet and the impact on distribution, marketing communications and price competition should be explored. There may be an opportunity to exploit links a centre may have with centres in other countries.

Assessment

This unit must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed, please see *Annexe E*.

As this is a practical unit which assesses workplace competence the assessment could be drawn from work undertaken in the course of the learner's performance of their role in the workplace. The assessor can devise an assessment plan that fits the needs of the learner and the opportunities available in the workplace.

For all outcomes the achievement of the criteria should be through the learners' application of the theory to carefully selected organisations with which learners are familiar. Using local organisations can provide opportunities for developing links with businesses and helps to engage the learners' interest. Using organisations for which analysis can be acquired on the internet or other sources should be avoided.

For learning outcome 1, assessment could involve an approach where an organisation wants to look at ways it can use innovative marketing activities and principles, focusing on growth. The evidence produced by the learners could be in the form of a consultancy report or presentation materials.

The assessment criteria for learning outcome 2, would be best achieved using one common context which has the potential to enable learners to achieve all the criteria for this outcome. This approach can be developed from learning outcome 1 with learners examining the business environment and the impact of social media on the marketing strategy. The evidence could be in the form of a part of a marketing plan.

For outcome 3, learners are required to fully explain all aspects of the marketing mix as applied to a selected product or service. Learners must apply techniques to generate a marketing mix for a targeted segment in a consumer market; the marketing mix should be designed by each learner and they should show that all elements are complementary and the reasons why they are thought to appeal to the target group should be clearly stated. This outcome should be based on an expansion scenario with the evidence being produced in the form of a feasibility study for the expansion of a business into new markets.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria. Types of evidence include product evidence such as planning notes, visual aids or audio or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

In order to meet all the assessment criteria in full and to prove competence it will be necessary to draw evidence from several presentations.

Resources

Books

Bodnar K and Cohen J – *The B2B Social Media Book: Become a Marketing Superstar by Generating Leads with Blogging, LinkedIn, Twitter, Facebook, Email, and More* (John Wiley & Sons, 2012) ISBN 978-1118167762

Kotler P, Keller K – *Marketing Management 14th Edition* (Pearson Education, 2011) ISBN: 978-0273753360

Zarella D – *The Social Media Marketing Book 1st edition* (O'Reilly Media, 2009) ISBN 978-0596806606

Journal

Journal of Marketing Management (Westburn Publishers)

Websites

www.cim.co.uk	Chartered Institute of Marketing – professional body for marketers with resources and toolkits for members
www.knowthis.com	Online resource for marketing tutorials and articles
www.marketingteacher.com	Resources on marketing principles and international marketing
www.marketingweek.co.uk	Marketing Week (Centaur Media plc) – online marketing magazine
www.smmmagazine	Social media magazine online

Unit 15: Using Customer Relationship Management to support Innovation and Growth

Unit code: M/504/3784

Level 4: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners an understanding of the importance of customer relationship management and how it can be a source of innovation and growth to organisations.

Competency unit assessment guidance

This unit should be assessed in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

This unit explores the different approaches to customer relationship management in relation to innovation and growth. Learners will develop an understanding of the main stages of customer relationship management and practise the communication, networking and negotiation skills needed to deal effectively with customer relationships.

The unit will give learners an understanding of best practice in customer relationship management. Learners will develop an understanding of what constitutes customer satisfaction and deal with the privacy and ethical issues relating to data collection and application that concern customers.

Customer research and analysis are essential for customer-led innovation and new product development. Retaining and developing new customers leads to consolidation and growth in market share. Customer relationship management includes both these elements and should play an integral part in the development and implementation of innovation and growth strategies.

Customer relationship management is subject to continual development, particularly in relation to technology. Learners will look at the current technology available to support customer relationships and how information management techniques enhance the customer relationship process.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand how customer relationship management contributes to innovation and growth	1.1 Examine the customer base of an organisation 1.2 Explain the main approaches to customer relationship marketing 1.3 Evaluate the suitability of approaches to customer relationship management for an innovative project
2 Understand the impact of ICT on customer relationship management	2.1 Analyse how ICT can support relationships with customers for innovation and growth 2.2 Assess the extent to which ethical and privacy issues in customer relationships limit organisations' innovation and growth
3 Understand how relationships with customers can be a source of innovation and growth to organisations	3.1 Evaluate the importance of customer relationships as a source of innovation and growth to an organisation
4 Be able to develop innovative customer relationship management strategies	4.1 Manage relationships with customers by implementing innovative strategies 4.2 Make justified recommendations to improve innovative customer relationship management

Unit content

1 Understand how customer relationship management contributes to innovation and growth

Customer base: type of customer; customer value; customer research; customer buying behaviour; customer loyalty, loyalty programmes; customer satisfaction; segmentation and targeting

Relationship management: characteristics of relationships, eg promise, trust, commitment, satisfaction; quality, eg quality in all functions philosophy; customer value; customer defections; customer communication, networking and negotiation skills

Approaches to customer relationships: customer lifetime value; customer life cycle, eg attracting, retaining, and growing customers; lifetime customer value (LCV); customer equity; RFM model, eg recency, frequency, monetary value; customer profitability analysis; differences between customer retention and acquisition

Customer relationship management: rise of relationship management; purposes of relationship management; strategic, operational, analytic CRM; criteria for relationship management; the six markets framework

Projects: CRM approaches for an innovative project; cost; resources implications; suitability; criteria, implications, choice; instruments to establish build and leverage customer relationships; new and innovative marketing strategies

2 Understand the impact of ICT on customer relationship management

ICT support for customer relationship management: traditional and emerging ICT tools in customer relationship marketing, eg direct mail, electronic mail, mobile telecommunications

Impact of ICT on customer relationship management: automation, eg sales force, marketing, service; information management; customer research and analysis; developing, managing and using customer related data bases; data integration, warehousing, access and interrogation; data marts

Privacy issues in customer relationships: definitions of privacy; legal responsibilities; professional bodies codes of conduct; importance to CRM industry, eg trust, reputation, social responsibility

Privacy constraints: confidentiality; costs of compliance: how privacy issues limit innovation and growth

Professional ethics in customer relationship marketing: definitions of ethics and morality; personal values and principles, eg honesty, accuracy, judiciousness, responsiveness, respect; legal responsibilities; professional bodies codes of conduct; importance to CRM industry; duties and responsibilities, eg to self, organisation, clients, profession, society

Ethical constraints: cost; conflict of interest; personal conflicts; how ethical issues limit innovation and growth

3 Understand how relationships with customers can be a source of innovation and growth to organisations

Customers as a source of innovation and growth: fresh perspective; diverse source of ideas, needs and wants; open environment; new product development process, customers as source of new ideas for product modification, cost reduction or line extensions; customer research, eg quantitative and qualitative research; marketing concept

4 Be able to develop innovative customer relationship management strategies

Purpose of developing customer relationship management: stressing needs of all stakeholders', eg internal and external customers, agency, sub-contractors; provides reliable time and budget estimates; includes risk management

Developing customer relationship management: planning for relationship management at the earliest project stage; developing key goals, scheduling; internal marketing; communication, cooperation, networking skills; partnering to build customer relationships

Improving customer relationship management: developing benchmarks; measuring customer satisfaction, eg analysing customer complaints, defections; assessing the ways to improve CRM; the role of service in building relationships, eg segmentation of service, measurement of service quality; monitoring of customer relationship programmes, eg feedback, evaluation, reformulation, implementation

Implementation customer relationship management projects: organisation; staffing, training, motivation; resourcing; control

Guidance

Links to other BTEC units

The learning outcomes associated with this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 4: Principles of Researching and Testing Innovative Ideas Unit 6: Innovation in Action	Unit 3: The Innovative Mind Set Unit 5: Developing Innovative Business Cases Unit 7: Change Management for Innovation and Growth Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative idea Unit 10: Implementing an Innovative idea Unit 11: Leading, Managing and Developing People for Innovation and Growth Unit 16: How Technology contributes to Innovation and Growth	

Delivery

It is recommended that centres use a wide range of teaching and learning methods in order to meet all of the learning outcomes in the unit. These could include lectures, seminars, workshops, presentations, project work, research using the internet and/or library resources and the use of personal and/or industry experience. Delivery should revolve around real-life situations. Centres are encouraged to arrange talks from key stakeholders.

In learning outcome 1, learners cover the context in which customer relationship management is used in organisations. Learners could discuss the approach to customer relations management within their own organisations and suggest reasons for introducing a new approach. It may also be interesting for the learners to interview professionals working in customer relations management to highlight the challenges and requirements of customer relations management projects.

For learning outcome 2, learners could discuss the impact of ICT on customer relationship management evidencing ways in which information technology is used to support relationships with customers for innovation and growth and the ethical and privacy issues that may arise to limit innovation and growth.

For learning outcome 3, learners could look at cases of customer relationship management projects to analyse the ways in which customer relationships can be a source of innovation and growth to an organisation.

For learning outcome 4, learners could plan and recommend the implementation of a customer relationship project for their organisation (on their own or as part of a team). As this is a competence unit, the learning outcomes need to use real life scenarios to enable learners to develop the range of skills required and the confidence to demonstrate their competence for assessment.

Assessment

This unit is a competence unit and must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed; please see *Annexe E*.

If this unit is delivered alongside *Unit 16: How Technology contributes to Innovation and Growth*, there may be opportunity for cross-mapping in assessment.

Assessment criteria for learning outcomes 1, 2 and 3 could be combined and evidenced by the development of a workplace guide or briefing paper, providing other staff or learners with an understanding of how CRM contribute to innovation and growth and the impact of ICT on CRM with relevant examples of how customers can be an important source of innovation and growth in organisations.

Assessment criteria 1.1, 1.2, and 1.3 could be evidenced by a description of the customer base of a business, an explanation with examples of the main approaches to customer relationship marketing and a discussion of the suitability of these approaches for an innovative project. The guide could continue with an analysis of the ways in which ICT can support relationships with customers (assessment criterion 2.1) and an assessment of the extent to which ethical and privacy issues in customer relationships limit innovation and growth (assessment criterion 2.2). It could conclude with an evaluation of the

importance of customer relationships as a source of innovation and growth (assessment criterion 3.1.)

As this is a practical unit which assesses workplace competence the assessment should be drawn from work undertaken in the course of the learner's performance of their role in the workplace. However, it may not be possible to provide a suitable range of opportunities for the learner and in this case the demonstration of competence at presenting ideas that would improve customer relationship management by developing a project to manage and implement a customer relationship management programme would be suitable for assessment criteria 4.1 and 4.2.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria.

Resources

Books

Buttle F – *Customer Relationship Management*, (2nd Edition) (Elsevier Publishing, 2009) ISBN 978-1856175227

Dyche J – *The CRM Handbook: A Business Guide to Customer Relationship Management*, (Addison-Wesley, 2002) ISBN 9780321143051

Heppell M – *Five Star Service: How to Deliver Exceptional Customer* (Pearson, 2010) ISBN 9780273734383

Kumar V, and Reinartz W – *Customer Relationship Management: Concept, Strategy, and Tools* (John Wiley & Sons, 2012) ISBN 9783642201301

Kumar V, and Reinartz W – *Customer Relationship Management: A Database Approach* (John Wiley & Sons, 2005) ISBN 9780471271338

Peppers D, Rogers M – *Managing Customer Relationships: A Strategic Framework* (John Wiley & Sons, 2011) ISBN 9780470423479

Prahalad C K – *Harvard Business Review on Customer Relationship Management*, (Harvard Business School Press, 2001) ISBN 9781578516995

Reynolds J – *A Practical Guide to CRM*, (CMP Books, 2002) ISBN 9781578201020

Websites

www.destinationcrm.com/articles/Editorial/Magazine-Features/Where-Does-Innovation-Come-From-60585.aspx	CRM and innovation
www.expertmanage.com/index.php?option=com_content&view=article&id=89&Itemid=135	Different approaches to CRM
www.youtube.com/watch?v=g-OP8xZmAJM&feature=fvwrrel	CRM video site
www.zdnet.com/blog/crm	CRM Blog

www.mindovercorp.com/CRM_Revenue_Part1.pdf	Using CRM Technology to Generate New Revenue and Manage Resulting Business Growth
faculty.darden.virginia.edu/wilcoxr/pdf_docs/choicemodels.pdf	Different approaches to CRM
na.sage.com/crm	CRM Solutions from Sage
www.ehtc.com/blog/bid/84514/	The-Latest-Innovations-in-CRM-Technology-Spring-2012
www.zdnet.com/blog/crm	CRM Blog

Unit 16: How Technology Contributes to Innovation and Growth

Unit code: K/504/3783

Level 5: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners an understanding of the importance of today's technology to innovation. The unit also gives learners the associated skills required to promote innovations using new and emerging technologies.

Competency unit assessment guidance

This unit should be assessed partly in the workplace. Please see *Annexe E*. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

Innovation is the process of bringing products, processes, services, ideas and technologies to market. Much innovation arises from the management of new technology to gain competitive advantage through innovation. Emerging technologies and novel uses of technology are bringing about significant changes to the way in which all organisations large and small operate.

Technology increases efficiency. As the industrial landscape changes, heavy industries such as shipbuilding decline and technology based industries such as broadcast media grow.

Advances in technology have enabled organisations to locate where production or staff costs are lowest and to switch the location of production as local market efficiencies change. This means the supply chain can be efficiently controlled, and organisations can have a global reach irrespective of where they are based.

Innovations can be significantly large but nudge theory suggests that modest changes have consequences for growth. Technology supports innovation thereby contributing to growth and wider economic prosperity.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand how technology contributes to innovation and growth in organisations	1.1 Explain the role of technology in innovation and growth in organisations 1.2 Evaluate the importance of recent technologies to innovation and growth in organisations
2 Be able to plan an innovation using technology in an organisation	2.1 Propose an innovation that uses technology and will make a contribution to the organisation 2.2 Select an appropriate technology which can contribute to an innovation in an organisation 2.3 Specify the resources required to make an innovation using this technology
3 Be able to evaluate an innovation using technology in organisations	3.1 Carry out a cost-benefit analysis for an innovation that uses this technology 3.2 Evaluate the contribution of the proposed innovation to improved performance 3.3 Make reasoned recommendations for improvements, taking account of stakeholder feedback

Unit content

1 Understand how technology contributes to innovation and growth in organisations

Role of technology: new products; new services; new processes; change products; change services; change processes; new markets; expand markets; increase market share; functional areas affected benefiting from technology, eg customer relationship management, marketing, production, finance, administration; management information systems; retailing; banking; entertainment; location of production; supply chain management and logistics; sustainability; control systems; automation; miniaturisation

Technologies: computing; communications; software, eg operating systems, applications; networks (wide area network (WAN), land area network (LAN), wireless, wired); global positioning system (GPS), eg for managing and locating out workers; use of cookies, eg for insight into customers' activities/interests; touch screen technologies; internet; converging technologies; integrated software; data warehousing; data mining; artificial intelligence; cloud computing; mobile computing; robotics; collaborative manufacturing; additive manufacturing; remote working; networking (social, professional); crowd sourcing

2 Be able to plan an innovation using technology in an organisation

Technology: hardware (computer, communications, network, telecommunications, storage); software (operating system, applications, bespoke)

Planning innovation: identify innovation; contribution of technology and information management; technology resources; physical resources; human resources; information and knowledge resources

3 Be able to evaluate an innovation using technology in organisations

Evaluation: cost benefit analysis; evaluation; evaluation techniques; performance indicators; impact of innovation; measuring changed performance; stakeholders' views; performance review; conclusions; recommendations for improvement; rationale for recommendations; specifying targets for future action with specific, measurable, achievable, realistic, time-constrained (SMART) targets

Guidance

Links to other BTEC units

The learning outcomes associated with this unit are closely linked with the following units in the qualification:

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 4: Principles of Researching and Testing Innovative Ideas Unit 6: Innovation in Action Unit 14: Marketing Innovative Ideas Unit 15: Using Customer Relationship Management to Support Innovation and Growth Unit 18: Financial Planning to Support Business Cases Unit 19: Background to Business	Unit 3: The Innovative Mind Set Unit 5: Developing Innovative Business Cases Unit 7: Change Management for Innovation and Growth Unit 8: Management Decision Making for Innovation and Growth Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea Unit 11: Leading, Managing and Developing People for Innovation and Growth Unit 13: Managing Quality for Innovation and Growth	Unit 12: Strategic Planning and Management Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Delivery

Delivery will use a range of methods such as lectures, tutorials, practical work, role play, discussion groups where ideas and practice can be shared and considered. Learners are encouraged to engage in social learning to work on case studies, to share ideas and to prepare reports for presentation. On-line and library research will enable learners to investigate particular examples and cases of technology contributing to innovation and growth. Learners will be expected to use their working context and roles to learn about the nature and importance of technology's contribution to innovation and growth. Delivery should illustrate theory with practical examples, situations and cases. Centres should organise presentations from those who have experience of and expertise in using technology and its role in innovation and growth.

The delivery of learning outcome 1, could be achieved using business examples to illustrate the role of technology in innovation and growth in organisations focusing in particular on the importance of recent technologies to innovation and growth in organisations. Some organisations have transformed through the application of technology and in other instances entire new organisations such as Amazon and Facebook have been created. Local business people can be invited to talk about the application of technology as an engine for innovation and growth. The business press provides contemporary examples of how organisations strive to innovate using a range of approaches.

The delivery of learning outcome 2, has a practical focus and involves planning how an innovation using technology can contribute to business growth. Under guidance from tutors, learners have to plan an innovation by selecting an appropriate technology which can contribute to growth in an organisation and to consider how the innovation can be developed and implemented.

The delivery of learning outcome 3, requires the use of a cost-benefit analysis to make the business case for the innovation. Learners will use feedback from stakeholders on the proposed innovation and will use the feedback to make reasoned changes to their proposals for innovation. If learners are at work then they can use cases and examples from their workplace upon which to base their ideas.

The delivery can be integrated both across the three learning outcomes and also if appropriate and realistic so to do across different units.

Assessment

This unit is a competence unit and must be assessed in the workplace, or conditions resembling the workplace. The Assessment Requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed; please see *Annexe E*.

A range of assessments can be used such as (but not confined to) practical work, presentations, projects, displays, articles, diaries, reflective accounts, reports, proposals, plans, professional discussions, observations, testimony, and debriefings on investigative activities.

Assessment needs to be based on carefully selected and/or well developed real-life situations. Learners should be encouraged to use their own organisation's activities as a basis for their work. The focuses in outcomes two and three are practical and learners must demonstrate that they can select technologies, specify resources and carry out cost-benefit analyses when considering the use of technology for innovation and growth for organisations. In addition, learners must be able to evaluate the proposals they make for using technology for innovative purposes by taking account of the views of stakeholders. A single assignment that integrates the assessment of the three learning outcomes can be used as the requirements of the learning outcomes are closely inter-related. The work can be staged and presented to students as a sequence of tasks spread over a period of time. It is also possible to integrate assessment work across several units if it makes for a coherent assignment programme.

The evidence of meeting the outcomes when judged against the assessment criteria, should be collected in a portfolio (paper based or electronic) in which the evidence is mapped against the assessment criteria.

Resources

Books

Chesbrough H W – *Open Innovation: The New Imperative for Creating and Profiting from Technology* (Harvard Business School Press, 2003)
ISBN: 978-1578518371

De Kare-Silver M – *e-shock 2020: How the Digital Technology Revolution Is Changing Business and All Our Lives* (Palgrave Macmillan, 2011)
ISBN: 978-0230301306

Manwani S – *IT-Enabled Business Change: Successful Management* (British Computer Society, 2008) ISBN: 978-1902505916; Kindle edition ASIN: B004G8QZVK

Naughton J – *From Gutenberg to Zuckerberg: What You Really Need to Know About the internet* (Quercus, 2012) ISBN: 978-0857384256

Journals

The Economist (The Economist Group) has regular features on innovation and an extensive archive with relevant articles

Websites

www.bis.gov.uk/publicsectorinnovation	The Department for Business Innovation and Skills
www.business.gov.au/BusinessTopics/Innovation/Pages/default.aspx	The Australian Government's information portal
www.economicstoolbox.com/	Economics Toolbox has case studies and materials on technology and innovation
www.innovateuk.org/	The Technology Strategy Board
www.innovationexcellence.com/	Innovation Excellence has articles on innovation

Unit 17: Contribute to Fostering a Culture for Innovation and Growth

Unit code: H/504/3782

Level 6: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

This aim of this unit is to give learners the understanding to appreciate how business culture affects opportunities for successful innovation and growth in new markets. The unit also gives learners the opportunity to develop the skills to recommend changes to encourage innovation and growth.

Unit introduction

Smaller organisations have the opportunity and agility to respond to market conditions, seizing opportunities to innovate and grow in situations often missed by larger organisations. To foster a culture of innovation and growth, managers need to be risk-tolerant and encourage employees to improvise and experiment. If the management in an organisation is rigid and opposed to change, employees will not be innovative. It takes effort to foster a work environment that encourages the contribution of new ideas, suggestions and strategies from everyone in the organisation. An organisation which fosters a culture for innovation and which champions change will have the potential to grow.

In this unit, learners can focus on their own organisation's business culture, in order to develop the understanding and skills to support successful innovation and growth in a new market, possibly international or global if appropriate. Learners will first consider the cultural influences within organisations that affect innovation and growth. They will focus on identifying the cultural influences in specific organisations using relevant illustrative examples. They will discuss how organisational structures can impact on a culture of innovation and analyse how the growth of specific organisations have been affected by cultural influences.

Learners will then report to stakeholders, recommending changes that will foster a culture of innovation and allow growth. There is scope to focus on their own organisations if desired. They will then review current organisation and stakeholder relationships and organisational structures affecting innovation and growth. They will recommend changes to improve current business culture and critically evaluate the findings of their review.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria for pass
1 Understand the cultural influences within organisations that affect innovation and growth	1.1 Explain what makes up an organisation's culture 1.2 Assess the influences on the culture of an organisation 1.3 Explain how organisational structures can impact on a culture of innovation 1.4 Analyse how the growth of specific organisations have been affected by cultural influences
2 Be able to contribute to fostering a culture of innovation and growth in organisations	2.1 Analyse the current culture in an organisation in relation to its openness to innovation 2.2 Recommend changes to facilitate and open up the culture of an organisation for innovation and growth 2.3 Critically evaluate the feedback on the proposed changes

Unit content

1 Understand the cultural influences within organisations that affect innovation and growth

Organisational culture and cultural influences: business purpose and type eg product range, product life cycle, market share, functional areas, customers, suppliers, investors, resources; work environment, eg teams, management styles, leadership, information availability, networks, physical environment, conflict management; work design, eg required skills, tasks, role breadth, autonomy, complexity, job demands, resources; organisational, eg climate, resource allocation, human resource management and recruitment, training programmes, brainstorming activities, performance management, rewards and incentives; employees, eg personality characteristics, motivation, cognition, knowledge, experience; how cultural influences affect innovation in an organisation, eg whether ideas and risk taking are encouraged/discouraged; how cultural influences affect the growth of an organisation, eg management and investment

Organisational structure: eg hierarchical, tall, flat, centralised, decentralised, matrix; size (local, national, global); advantages and disadvantages of each; impact of different structures on innovation

2 Be able to contribute to fostering a culture of innovation and growth in organisations

Fostering innovation: definition; business objectives; scale of changes (minor, major); barriers; risks

Openness to innovation: inhibitors and catalysts, eg visions and values, business strategies, working practices, assumptions, beliefs, management and leadership styles, employee attitudes; response to external environmental factors, eg competition, customer expectations, regulations, legislation, suppliers, emerging trends, technological developments; change management initiatives

Feedback: management response to the recommendations for change; overall practicality of the suggestions; potential impact on functional areas, eg operations, resources, financial, human resources, marketing, sales, customer service, research and development, administration and IT

Guidance

Links to other BTEC units

The learning outcomes associated with this unit are closely linked with:

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 6: Innovation in Action	Unit 7: Change Management for Innovation and Growth Unit 11: Leading, Managing and Developing People for Innovation and Growth	

Delivery

For this unit, learners may benefit from some formal classroom delivery of the content on cultural influences and organisational structures.

The assessor should ensure that the learners' choice of organisations to consider for learning outcome 1 and 2 are suitable.

Normally the learner will use their own organisation for learning outcome 2, but if this is not practical they might want to consider other organisations they have contact with, for example, suppliers, B2B customers, market leaders and also businesses adversely affected by recession. However care should be taken before a selection is made, that the chosen organisation will be able to meet the requirements of assessment criterion 2.2 and provide the learner with feedback related to the unit content within a realistic time frame, in order to enable assessment criterion 2.3 to be addressed. If necessary, case studies can also be used to support the evidence.

The learners will probably need guidance for assessment criterion 2.1 on their approach to the analysis of a specific organisation's current culture and openness to innovation, before they recommend changes to facilitate a more innovative attitude in the organisation in assessment criterion 2.2.

If all or part of the delivery is to be based in the workplace it would be helpful to use a checklist or to ensure that the learner has sufficient opportunities to explore all the different parts of the unit content.

Assessment

The overall approach to the assessment of this unit should be holistic. For assessment criterion 1.1 the learner must explain what makes up an organisation's culture and then assess the cultural influences which influence the organisation for assessment criterion 1.2. For assessment criterion 1.3 the learner must explain how organisational structures can impact on a culture of innovation. For assessment criterion 1.4 an analysis is required that assesses how the growth of specific organisations has been affected by the cultural influences discussed in assessment criterion 1.2.

Learning outcome 2 criteria require the learner to focus on one organisation, and in most cases this will be their own organisation, although an alternative could be used if necessary. In assessment criterion 2.1 learners must carry out an analysis of the chosen organisation's current culture and relate this to its openness to innovation. They will then build on the analysis and make recommendations to the organisation's stakeholders, for changes which could facilitate and open up the culture for innovation and growth, assessment criterion 2.2.

It is essential that the selected organisation's stakeholders agree to provide feedback on the recommendations in order for the learner to complete the unit with a critical evaluation of their feedback on the proposals to complete assessment criterion 2.3. It is anticipated that management will have provided most of the feedback to the learner, but where appropriate other staff in specific job roles, could be asked to contribute.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria.

Resources

Books

Bodell Lisa – *Kill the Company: End the Status Quo, Start an Innovation Revolution* (Bibliomotion Incorporated, 2012) ISBN: 978-1937134020

Gaynor Gerard H (Gus) – *Doing Innovation: Creating Economic Value — Book 3: Fostering an Innovation Culture* (IEEE-USA 2012) (Kindle edition Amazon Media EU S.à r.l. ASIN: B008D4ROFO)

Heskett James – *The Culture Cycle: How to Shape the Unseen Force That Transforms Performance* (Financial Times/ Prentice Hall, 2011) ISBN 978-0132779784

Neumeier Marty – *The Designful Company: How to Build a Culture of Nonstop Innovation* (Peachpit Press, 2008) ISBN 978-0321580061

Websites

www.creativeendeavorsconsulting.com/articles/CECP%20Strategy/GES_FosteringInnovativeCulture.pdf	Deloitte article on fostering an innovative culture
www.innovationforgrowth.co.uk/Blog/?p=861	Article — 50 ways to foster innovation and Growth
www.nesta.org.uk/library/documents/characteristics-behaviours-interim-summary.pdf	Literature review on Characteristics & Behaviours of Innovative People in Organisations

Unit 18: Financial Planning to Support Business Cases

Unit code: D/504/3781

Level 4: BTEC Professional

Credit value: 5

Guided learning hours: 30

Unit aim

The aim of this unit is to give learners the understanding and skills they need to prepare, analyse and evaluate budgeted financial statements and ratios for their own entrepreneurial business case.

Competency unit assessment

This unit should be assessed predominantly in the workplace Please see Annexe E. Observation, witness testimony, questioning, professional discussion, written and product evidence are all sources of evidence which can be used.

Unit introduction

Innovative business concepts and ideas need to be supported with sound and rigorous financial planning. Furthermore, thorough analysis and evaluation of financial plans are crucial so that managers and directors can use them to make informed, reliable and realistic decisions.

This unit is designed to build on the introduction to financial planning in *Unit 2: Use of Financial Information for Planning Innovation and Growth*. Learners will examine costs and budgets in more depth by preparing their own statements for an innovative business project and subsequent business plan.

Learners will examine the main budgets needed for a business case. They will also consider the importance of breakeven analysis in making financial decisions for innovation and growth. Learners will calculate the costs associated with a business project and then compile budget statements from them. They will also carry out breakeven analysis and communicate the results to key stakeholders.

Learners will analyse their budgets and data through ratio calculation and report on the implications. Finally, learners will use all their financial information and calculations to analyse and evaluate the likely success of an innovative business idea.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand budgeted financial statements for a business case	1.1 Explain the purpose of different financial budgets in relation to financial planning for a business case
2 Be able to prepare budgeted financial statements for a business case	2.1 Calculate accurate costs for a business case 2.2 Produce a budget for a business case 2.3 Calculate breakeven for a business case 2.4 Report budgeted financial statements to relevant stakeholders for a business case
3 Be able to interpret budgeted financial statements for a business case	3.1 Report on calculated financial ratios for a business case 3.2 Evaluate budgeted financial statements for a business case

Unit content

1 Understand budgeted financial statements for a business case

Purpose of different financial budgets: start up budget; cash budget; master budgets (budgeted profit and loss and balance sheet); role: in operational planning (short term), management planning (medium term) and strategic planning (long term); benefits and drawbacks both financial and non-financial; use of variance analysis in monitoring and controlling budgets

2 Be able to prepare budgeted financial statements for a business case

Calculate accurate costs: identification of main costs; categorise into fixed and variable costs, capital expenditure (assets), revenue expenditure (running costs or overheads)

Produce accurate budget: produce start-up budget for business case; include contingencies; financing of initial expenditure (share capital, loans, grants); distinguish cash and non-cash expenditure, eg depreciation, payments in arrears; produce monthly cash budget including budgeted receipts (capital, loans, sales, other revenues), budgeted payments (assets, running costs), opening balance, net cash flow, closing balance

Calculate breakeven: definition and main purpose; how costs cover revenue; what point the product or service makes a profit; identify and calculate main types of cost, fixed, variable and semi-variable; use formula and graphical method to produce breakeven point; use of breakeven for decisions on target profit, costs, sales volume, revenues and margin of safety; benefits and drawbacks of breakeven analysis; use in financial planning ('what if' scenarios eg what if price is raised, what if costs go down)

Report accurate financial statements to stakeholders: identify main stakeholder groups (directors, managers, shareholders, local community, employees, banks); compile written financial plan (all budgets and breakeven calculations); analysis of main findings and implications

3 Be able to interpret budgeted financial statements for a business case

Report on calculated financial ratios: profitability ratios: gross profit margin, net profit margin, return on capital employed; liquidity ratios: current ratio, acid test ratio, gearing ratio, payback ratio

Make justified evaluations: report summarising results; analyse and evaluate all financial budgets, breakeven and ratio calculations; reasoned judgements and recommendations for the potential financial success of the business case

Guidance

Links to other BTEC units

The learning outcomes associated with this unit are closely linked with the following units in the qualification:

Level 4	Level 5	Level 6
Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 19: Background to Business	Unit 5: Developing Innovative Business Cases Unit 9: Developing an Innovative Idea Unit 10: Implementing an Innovative Idea	

Delivery

Most learners' prior experience of financial and management accounting is likely to vary considerably. Wherever possible delivery should include a variety of different cases and practice exercises so that learners develop an understanding of how and why budgeted financial statements are produced. There may be learners in the group who have experience of accounting and financial planning in their current job role and it is important to draw on this experience for the benefit of others within the group. Real life case studies can be used to encourage debate and discussion.

This is a practical unit so the assessment should take place as part of the learner's innovative business idea in their workplace. Learners should, wherever possible, investigate budgeting and cost accounting in their own place of work so that they understand the format required for their own business case.

For learning outcome 1, tutors could encourage learners to research and review the approach to budgeting and cost accounting adopted in their own organisations. This could then be compared to other organisations within the group. This is particularly useful where the group consists of a mix of learners from different organisations such as profit making, non profit, private sector, public sector, service and manufacturing industries. Tutors should provide some basic templates for the budgets required and use them in practice class exercises.

For learning outcome 2, tutors should provide plenty of practice case studies and exercises so that learners can produce the budgets needed for a business case. Wherever possible, these should build up to one or two case studies which require the budgets to be produced as well as a breakeven calculation so that learners can see how the financial information links together for one overall business case. Finally, learners should understand that accurate budgeted information can be reported in a variety of ways; for example written report, spread sheets, oral presentation, PowerPoint, charts and graphs and so on.

For learning outcome 3, it is vital that learners are confident about calculating the ratios and about evaluating and reporting on them. All too often, learners simply learn the different types of ratios and their formulae without any real understanding of how they can be used by the organisation to analyse likely financial success. Plenty of time should be given to all the relevant accounting terminology including liquidity, payback, and gearing. Learners need to be given plenty of practice exercises as well as a formula sheet since accounting textbooks often have slight formula variations. Exercises should be designed such that learners can calculate, review and evaluate the ratios effectively.

Assessment

This unit must be assessed in the workplace. The assessment requirements for Level 5 Diploma in Innovation and Growth (QCF) document must be followed. Please see *Annexe E*.

Evidence is likely to be in a variety of forms, written and numerical. The financial statements could include records of draft and actual budgets, breakeven and ratios. They could then be presented using spread sheets with linked formulae, charts and graphs. The reports and evaluation could be given in a formal written report and/or an oral presentation supported by a suitable witness statement and PowerPoint slides. Other types of evidence could prove useful in support of the overall unit such as records of meetings, draft calculations, records of observation of an oral presentation.

For learning outcomes 1 and 2, learners should explain how the financial statements have been compiled, including what costs and revenues apply to their business case and why. These costs, while estimated, should be as accurate and realistic as possible and entirely relevant to their own business case. There is a wealth of up to date estimated costs (particularly start up) on some websites (see section on resources).

For learning outcome 3, learners should present the ratios in a way which is easy for the reader to understand; perhaps presenting them in a table. The calculations and formulas used could then be put into a clearly labelled appendix.

A final report should analyse and evaluate all the financial statements and ratios from learning outcomes 2 and 3. It should include recommendations for the business case.

Resources

Books

Brookson S – *Managing Budgets* (Dorling Kindersley, 2000)
ISBN 9768-0751307719

Secrett M – *Brilliant Budgets and Forecasts* (Pearson Business, 2010)
ISBN 978-0273730910

Cox D and Fardon M – *Management of Finance* (Osborne Books, 1997)
ISBN 978-1872962238

Websites

allianceleicestercommercialbank.co.uk/bizguides

excellent sections on estimated costs and industry specific guides – use the 'cost calculator' tool.

businesslink.gov.uk

good section on '*business budgeting*'.

Unit 19: Background to Business

Unit code: D/504/3733

Level 4: BTEC Professional

Credit value: 15

Guided learning hours: 60

Unit aim

The aim of this unit is to give those learners who have not previously studied business, a background understanding of the business environment

Unit introduction

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

Businesses operate in an environment shaped by the government, competitors, consumers, suppliers, international and global factors. Some influences on the business environment are direct and clear, for example taxation policies on corporate activities. Other influences are less clear coming from the international or global domain and sometimes with only an oblique impact on the national business environment.

It is against this business environment that organisations function and have to determine strategies that allow them to meet their organisational purposes and comply with the regulatory frameworks. Business markets take various forms and the structure of the market provides an understanding of how organisations behave.

It is important to consider the ways that organisations can obtain finances and funding both for start up and growth, and this unit introduces these aspects.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the purposes of different organisations	1.1 Discuss the extent to which organisations meet the objectives of a range of stakeholders 1.2 Explain the responsibilities of different organisations
2 Understand the nature of the national, international and global business environments within which organisations operate	2.1 Explain how economic systems attempt to allocate resources effectively 2.2 Assess the impact of fiscal and monetary policy on organisations and their activities 2.3 Discuss the significance of international trade to UK organisations 2.4 Analyse the impact of global factors on UK organisations
3 Understand the behaviour of organisations in their market environment	3.1 Explain how market structures determine the pricing and output decisions of organisations 3.2 Illustrate the way in which market forces shape organisational responses
4 Understand the sources of finance available to organisations	4.1 Examine the sources of finance available to organisations for start ups 4.2 Evaluate the sources of finance and funding available to organisations to enable growth

Unit content

1 Understand the purposes of different organisations

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

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

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

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

2 Understand the nature of the national, international and global business environments within which organisations operate

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

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

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

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

Earth Summit; developing world poverty; the group of 20 (G-20); global financial stability

3 Understand the behaviour of organisations in their market environment

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

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

4 Understand the sources of finance available to organisations

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

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

Choosing a source: advantages and disadvantages of different sources; suitability for purpose, eg matching of term of finance to term of project

Guidance

Links to other BTEC units

The learning outcomes in this unit are closely linked with the following units in the qualification.

Level 4	Level 5	Level 6
Unit 1: Innovation and Growth in Organisations Unit 2: Use of Financial Information for Planning Innovation and Growth Unit 6: Innovation in Action Unit 18: Financial Planning to Support Business Cases	Unit 14: Marketing Innovative Ideas Unit 15: Using Customer Relationship Management to Support Innovation and Growth	

Delivery

As this unit is an overview of the business sector as a whole, delivery should be off-the-job. This can be either through traditional delivery to a group of learners or through the use of learning materials with appropriate opportunities for learners to discuss and interact with others. Learners would benefit from contact with business professionals who have a range of experiences from across the sector. Learners should seek to gain a broad view and understanding of the sector. Peer engagement with other learners and colleagues in different organisations will be important. Learners working in large organisations should try to spend time in different departments.

Learning outcome 1 starts with understanding the purposes of different organisations. Learners will find there are various interpretations and definitions and there may be no right or wrong answers, so a tutor-led debate would be an appropriate way of exploring different ideas. For other aspects of the learning outcome learners need to consider objectives, stakeholders and responsibilities and a systematic approach, with use of case studies, is recommended.

For learning outcome 2, learners need to understand the nature of the national, international and global business environments within which organisations operate. This will best be presented with a formal classroom delivery, followed by individual research on case studies and group discussions.

For learning outcome 3, selected case studies could be used to illustrate an understanding of the behaviour of organisations in their market environment. It will be useful for learners to use their own organisations here, but case studies could be used if information is not available or accessible from their own employment.

For learning outcome 4, learners need to understand the sources of finance available to organisations. Guest speakers, case studies, group discussions and research will all be useful for this learning outcome.

Learners need to provide evidence to meet all the assessment criteria.

Assessment

It is likely that several assignments would be used for this unit rather than one large assignment. Assessment methods could include written assignments, presentations and professional discussions. Where oral assessment is used, evidence could be collected through recordings or in the form of a detailed observation record which should be supported by evidence such as the learner's notes or visual aids.

For learning outcome 1, learners need to understand the purposes of different organisations and provide evidence for the two assessment criteria.

For learning outcome 2, learners need to understand the nature of the national, international and global business environments within which organisations operate and provide evidence for the four related assessment criteria.

In learning outcome 3, learners should understand the behaviour of organisations in their market environment and evidence this with explanations and illustrations as required by the two assessment criteria.

For learning outcome 4, learners need to understand the sources of finance available to organisations and examine and evaluate relevant sources for specific organisations to enable innovation and growth.

The evidence of meeting the criteria should be collected in a paper based or electronic portfolio in which the evidence is referenced against the assessment criteria

Types of evidence include product evidence such as planning notes, visual aids or audio or audio visual recordings of presentations made by the learner, a reflective journal, records of observations made by the assessor and witness testimonies written by colleagues and managers.

In order to meet all the assessment criteria in full and to prove competence it will be necessary to draw evidence from several presentations.

Resources

Books

A & C Black Publishers Ltd – *Whitaker's Almanack 2010*, 142nd revised edition (A & C Black Publishers Ltd, 2009) ISBN: 9781408113646

Begg D – *Foundations of Economics*, 4th edition (McGraw-Hill Higher Education, 2009) ISBN: 9780077121884

Dyson J R – *Accounting for Non-Accounting Students* (Financial Times/Prentice Hall, 2007) ISBN: 9780273709220

Morrison J – *International Business Environment: Global and Local Marketplaces in a Changing World* (Palgrave Macmillan, 2006) ISBN: 9781403936912

Sawyer M (ed) – *The UK Economy: A Manual of Applied Economics*, 16th edition (OUP Oxford, 2004) ISBN: 9780199266517

Journals

Harvard Business Review (Harvard Business Publishing)

The Economist (The Economist Newspaper Ltd)

The broadsheet newspapers have daily business sections. Many business stories will appear in the news sections.

The financial and mainstream press can provide useful background reading, and can also be a useful source of case studies and financial information. Copies of published financial reports are available from companies themselves, or via *The Financial Times* (a free online ordering service is available).

Websites

www.ac777.dial.pipex.com/bes/index.html	Online journal for <i>British Economy Survey</i>
www.bbc.co.uk/news/business/	the BBC web site's business section
www.bized.co.uk/	Bized provides a selection of teaching and learning resources
www.competition-commission.org.uk/	Competition Commission's website - regulates competition between companies in the UK by conducting in-depth inquiries
www.economicsnetwork.ac.uk/journals	is a directory of materials that can be used for teaching and covers a broad spectrum of business and economics
www.ofgem.gov.uk/Pages/OfgemHome.aspx	is the web site of the Office of the Gas and Electricity Markets. Each industry regulator has a similar site
http://europa.eu/index_en.htm	The website of the European Union
www.thetimes100.co.uk	includes a number of business and economics oriented case studies
www.aat.co.uk	The Association of Accounting Technicians. The professional accounting bodies all have websites with lots of useful information and links.
www.ft.com	<i>The Financial Times</i>
www.businessbritainuk.co.uk/	provides information about business in Britain and has extensive links to other business and business news sites.
www.fsb.org.uk/	The Federation of Small Businesses provides information, support and guidance about small businesses in the UK

Videos

Television news, current affairs and business programmes also provide useful additional and up to date material on business and the economy often with special features on particular business environment subjects. Many programmes are archived and can be viewed on demand.

Further information and useful publications

To get in touch with us visit our 'Contact us' pages:

- Edexcel, BTEC and Pearson Work Based Learning contact details: qualifications.pearson.com/en/support/contact-us.html
- books, software and online resources for UK schools and colleges: www.pearsonschoolsandfecolleges.co.uk

Key publications:

- *Adjustments for candidates with disabilities and learning difficulties, Access and Arrangements and Reasonable Adjustments, General and Vocational qualifications* (Joint Council for Qualifications (JCQ))
- *Supplementary guidance for reasonable adjustments and special consideration in vocational internally assessed units* (Pearson)
- *General and Vocational qualifications, Suspected Malpractice in Examination and Assessments: Policies and Procedures* (JCQ)
- *Equality Policy* (Pearson)
- *Recognition of Prior Learning Policy and Process* (Pearson)
- *UK Information Manual* (Pearson)
- *BTEC UK Quality Assurance Centre Handbook*

All of these publications are available on our website.

Publications on the quality assurance of BTEC qualifications are also available on our website: qualifications.pearson.com

Our publications catalogue lists all the material available to support our qualifications. To access the catalogue and order publications, please visit our website: qualifications.pearson.com

Additional resources

If you need further learning and teaching materials to support planning and delivery for your learners, there is a wide range of BTEC resources available.

Any publisher can seek endorsement for their resources and, if they are successful, we will list their BTEC resources on our website: qualifications.pearson.com.

How to obtain National Occupational Standards

To obtain the National Occupational Standards relating to the units in this qualification please contact:

Skills CFA
6 Graphite Square
Vauxhall Walk
London SE11 5EE

Telephone: 020 7091 9620
Email: info@cfa.uk.com
Website: www.skillscfa.org/

Professional development and training

Pearson supports UK and international customers with training related to BTEC qualifications. This support is available through a choice of training options offered on our website.

The support we offer focuses on a range of issues, such as:

- planning for the delivery of a new programme
- planning for assessment and grading
- developing effective assignments
- building your team and teamwork skills
- developing learner-centred learning and teaching approaches
- building in effective and efficient quality assurance systems.

The national programme of training we offer is on our website. You can request centre-based training through the website or you can contact one of our advisers in the Training from Pearson UK team via Customer Services to discuss your training needs.

BTEC training and support for the lifetime of the qualifications

Training and networks: our training programme ranges from free introductory events through sector-specific opportunities to detailed training on all aspects of delivery, assignments and assessment. We also host some regional network events to allow you to share your experiences, ideas and best practice with other BTEC colleagues in your region.

Regional support: our team of Curriculum Development Managers and Curriculum Support Consultants, based around the country, are responsible for providing advice and support in centres. They can help you with planning and curriculum developments.

To get in touch with our dedicated support teams please visit our website: qualifications.pearson.com

Your Pearson BTEC support team

Whether you want to talk to a sector specialist, browse online or submit your query for an individual response, there's someone in our Pearson support team to help you whenever – and however – you need:

- **Subject Advisors:** find out more about our subject advisor team – immediate, reliable support from a fellow subject expert
- **Ask the Expert:** submit your question online to our Ask the Expert online service and we will make sure your query is handled by a subject specialist.

Please visit our website at: qualifications.pearson.com/en/support/contact-us.htm.

Annexe A

The Pearson/BTEC qualification framework for the innovation and growth sector

Progression opportunities within the framework.

Level	General qualifications	BTEC full vocationally-related qualifications	BTEC professional/specialist courses	NVQ/occupational
8				
7			Pearson BTEC Level 7 Award/Certificate/Diploma/Extended Diploma in Strategic Management and Leadership	Pearson Edexcel Level 7 Diploma in Management
6				
5		Pearson BTEC Level 5 HND Diploma in Business	Pearson BTEC Level 5 Award/Certificate/Diploma in Management	Pearson BTEC Level 5 Diploma in Innovation and Growth Pearson Edexcel Level 5 Diploma in Management
4		Pearson BTEC Level 4 HNC Diploma in Business		

Level	General qualifications	BTEC full vocationally-related qualifications	BTEC professional/specialist courses	NVQ/occupational
3	Edexcel GCE in Applied Business Edexcel GCE in Business Studies	Pearson BTEC Level 3 National Certificate/Subsidiary Diploma/90-credit Diploma/Diploma/Extended Diploma in Business	Pearson BTEC Level 3 Award/Certificate in Management Pearson BTEC Level 3 Certificate in Principles of Marketing Pearson BTEC Level 3 Certificate in Marketing	Pearson Edexcel Level 3 NVQ in Business and Administration Pearson Edexcel Level 3 Certificate in Management Pearson Edexcel Level 3 NVQ Diploma in Marketing
2	Edexcel GCSE in Applied Business Edexcel GCSE in Business Studies	Pearson BTEC Level 2 First Certificate/Extended Certificate/Diploma in Business	Pearson BTEC Level 3 Certificate in Principles of Marketing Pearson BTEC Level 2 Certificate in Marketing	Pearson Edexcel Level 2 NVQs in Business and Administration Pearson Edexcel Level 2 NVQ Certificate in Marketing Pearson Edexcel Level 2 Certificate in Team Leading
1	Edexcel GCSE in Applied Business Edexcel GCSE in Business Studies			Pearson Edexcel Level 1 NVQ in Business and Administration

Annexe B

Wider curriculum mapping

Pearson BTEC Level 5 qualifications give learners opportunities to develop an understanding of spiritual, moral, ethical, social and cultural issues as well as an awareness of citizenship, environmental issues, European developments, health and safety considerations and equal opportunities issues.

Spiritual, moral, ethical, social and cultural issues

Throughout the delivery of these qualifications learners will have the opportunity to actively participate in different kinds of decision making. They will have to consider fair and unfair situations and explore how to resolve conflict. Working in small groups they will learn how to respect and value others' beliefs, backgrounds and traditions.

Citizenship

Learners undertaking these qualifications will have the opportunity to develop their understanding of citizenship issues.

Environmental issues

Developing a responsible attitude towards the care of the environment is an integral part of this qualification. Learners are encouraged to minimise waste and discuss controversial issues.

European developments

Much of the content of the qualification applies throughout Europe, even though the delivery is in a UK context.

Health and safety considerations

Health and safety is embedded within many of the units in this qualification. Learners will consider their own health and safety at work, how to identify risks and hazards and how to minimise those risks.

Equal opportunities issues

There will be opportunities throughout this qualification to explore different kinds of rights and how these affect both individuals and communities, for example learners will consider their rights at work and the rights of employers and how these rights affect the work community.

Annexe C

Level 2 Functional Skills mapping

The following grids identify potential opportunities for development of Level 2 Functional Skills.

KEY

✓ indicates partial coverage of the NVQ unit

a blank space indicates no coverage of the underpinning knowledge

Mandatory units

Level 2 Functional Skill	1	2	3	4	5	6	7	8	9	10
English – Speaking, Listening and Communication										
Make a range of contributions to discussions in a range of contexts, including those that are unfamiliar, and make effective presentations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
English – Reading										
Select, read, understand and compare texts and use them to gather information, ideas, arguments and opinions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
English – Writing										
Write a range of texts, including extended written documents, communicating information, ideas and opinions, effectively and persuasively	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mathematics – Representing										
Understand routine and non-routine problems in familiar and unfamiliar contexts and situations		✓		✓						
Identify the situation or problems and identify the mathematical methods needed to solve them		✓		✓						
Choose from a range of mathematics to find solutions		✓		✓						
Mathematics – Analysing										
Apply a range of mathematics to find solutions		✓		✓		✓			✓	✓
Use appropriate checking		✓		✓		✓			✓	✓

Level 2 Functional Skill	1	2	3	4	5	6	7	8	9	10
procedures and evaluate their effectiveness at each stage										
Mathematics – Interpreting										
Interpret and communicate solutions to multistage practical problems in familiar and unfamiliar contexts and situations		✓		✓		✓			✓	✓
Draw conclusions and provide mathematical justifications		✓		✓		✓			✓	✓
ICT – Using ICT										
Plan solutions to complex tasks by analysing the necessary stages		✓		✓		✓	✓	✓	✓	✓
Select, interact with and use ICT systems safely and securely for a complex task in non-routine and unfamiliar contexts		✓		✓	✓	✓	✓	✓	✓	✓
Manage information storage to enable efficient retrieval	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ICT – Finding and Selecting Information										
Use appropriate search techniques to locate and select relevant information	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Select information from a variety of sources to meet requirements of a complex task	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ICT – Developing, presenting and communicating information										
Enter, develop and refine information using appropriate software to meet requirements of a complex task	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Use appropriate software to meet the requirements of a complex data-handling task		✓			✓	✓	✓	✓	✓	✓
Use communications software to meet requirements of a complex task							✓	✓	✓	✓
Combine and present information in ways that are fit for purpose and audience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Evaluate the selection, use and				✓	✓	✓	✓	✓	✓	✓

Level 2 Functional Skill	1	2	3	4	5	6	7	8	9	10
effectiveness of ICT tools and facilities used to present information										

Optional units

Level 2 Functional Skill	11	12	13	14	15	16	17	18	19
English – Speaking, Listening and Communication									
Make a range of contributions to discussions in a range of contexts, including those that are unfamiliar, and make effective presentations	✓	✓	✓	✓	✓	✓	✓	✓	✓
English – Reading									
Select, read, understand and compare texts and use them to gather information, ideas, arguments and opinions	✓	✓	✓	✓	✓	✓	✓	✓	✓
English – Writing									
Write a range of texts, including extended written documents, communicating information, ideas and opinions, effectively and persuasively	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mathematics – Representing									
Understand routine and non-routine problems in familiar and unfamiliar contexts and situations				✓				✓	
Identify the situation or problems and identify the mathematical methods needed to solve them				✓		✓		✓	
Choose from a range of mathematics to find solutions				✓		✓		✓	
Mathematics – Analysing									
Apply a range of mathematics to find solutions				✓		✓		✓	✓
Use appropriate checking procedures and evaluate their effectiveness at each stage				✓		✓		✓	✓
Mathematics – Interpreting									
Interpret and communicate solutions to multistage practical problems in familiar and unfamiliar contexts and situations				✓		✓		✓	
Draw conclusions and provide mathematical justifications				✓		✓		✓	✓

Level 2 Functional Skill	11	12	13	14	15	16	17	18	19
ICT – Using ICT									
Plan solutions to complex tasks by analysing the necessary stages					✓	✓			✓
Select, interact with and use ICT systems safely and securely for a complex task in non-routine and unfamiliar contexts					✓	✓			✓
Manage information storage to enable efficient retrieval				✓	✓	✓	✓	✓	✓
ICT – Finding and Selecting Information									
Use appropriate search techniques to locate and select relevant information	✓	✓	✓	✓	✓	✓	✓	✓	✓
Select information from a variety of sources to meet requirements of a complex task	✓	✓	✓	✓	✓	✓	✓	✓	✓
ICT – Developing, presenting and communicating information									
Enter, develop and refine information using appropriate software to meet requirements of a complex task	✓	✓	✓	✓	✓	✓	✓	✓	✓
Use appropriate software to meet the requirements of a complex data-handling task	✓	✓	✓	✓	✓	✓		✓	✓
Use communications software to meet requirements of a complex task									
Combine and present information in ways that are fit for purpose and audience	✓	✓	✓	✓	✓	✓	✓	✓	✓
Evaluate the selection, use and effectiveness of ICT tools and facilities used to present information					✓	✓			

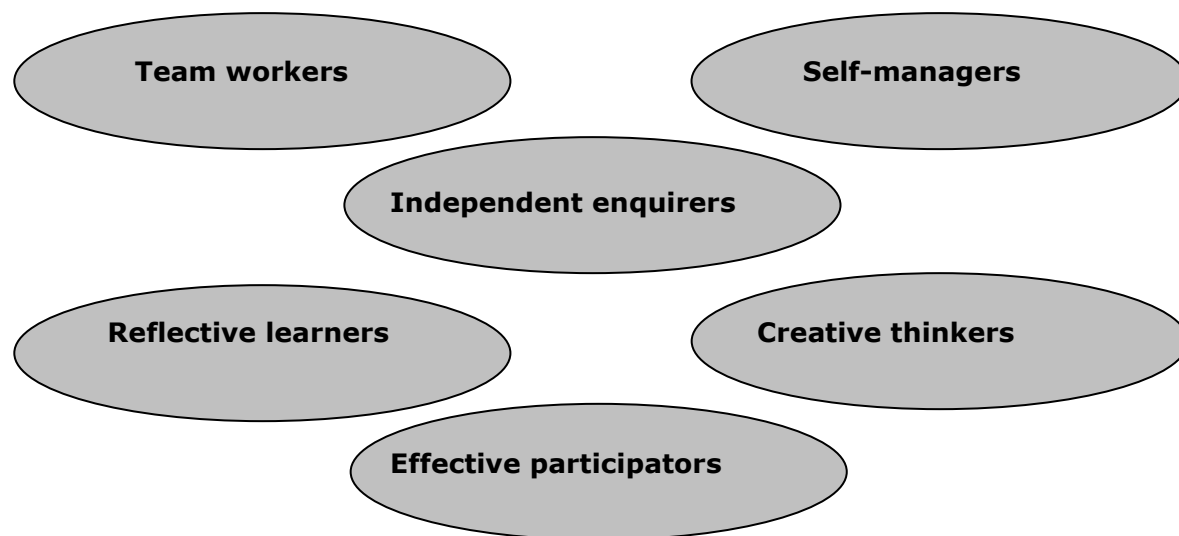
Annexe D

Personal, learning and thinking skills mapping

A FRAMEWORK OF PERSONAL, LEARNING AND THINKING SKILLS 11–19 IN ENGLAND

The framework comprises six groups of skills that are essential to success in learning, life and work. In essence, the framework captures the essential skills of: managing self; managing relationships with others; and managing own learning, performance and work. It is these skills that will enable learners to enter work confident and capable.

The titles of the six groups of skills are set out below.



For each group, there is a focus statement that sums up the range of skills. This is followed by a set of outcome statements that are indicative of the skills, behaviours and personal qualities associated with each group.

Each group is distinctive and coherent. The groups are also interconnected. Learners are likely to encounter skills from several groups in any one learning experience. For example, an independent enquirer would set goals for their research with clear success criteria (reflective learner) and organise and manage their time and resources effectively to achieve these (self-manager). In order to acquire

and develop fundamental concepts such as organising oneself, managing change, taking responsibility and perseverance, learners will need to apply skills from all six groups in a wide range of learning contexts.

The skills

Creative thinkers

Focus:

People think creatively by generating and exploring ideas, making original connections. They try different ways to tackle a problem, working with others to find imaginative solutions and outcomes that are of value.

Creative thinkers:

- ◇ generate ideas and explore possibilities
- ◇ ask questions to extend their thinking
- ◇ connect their own and others' ideas and experiences in inventive ways
- ◇ question their own and others' assumptions
- ◇ try out alternatives or new solutions and follow ideas through
- ◇ adapt ideas as circumstances change.

Independent enquirers

Focus:

People process and evaluate information in their investigations, planning what to do and how to go about it. They take informed and well-reasoned decisions, recognising that others have different beliefs and attitudes.

Independent enquirers:

- ◇ identify questions to answer and problems to resolve
- ◇ plan and carry out research, appreciating the consequences of decisions
- ◇ explore issues, events or problems from different perspectives
- ◇ analyse and evaluate information, judging its relevance and value
- ◇ consider the influence of circumstances, beliefs and feelings on decisions and events
- ◇ support conclusions, using reasoned arguments and evidence.

Reflective learners

Focus:

People evaluate their strengths and limitations, setting themselves realistic goals with criteria for success. They monitor their own performance and progress, inviting feedback from others and making changes to further their learning.

Reflective learners:

- ◇ assess themselves and others, identifying opportunities and achievements
- ◇ set goals with success criteria for their development and work
- ◇ review progress, acting on the outcomes
- ◇ invite feedback and deal positively with praise, setbacks and criticism
- ◇ evaluate experiences and learning to inform future progress
- ◇ communicate their learning in relevant ways for different audiences.

Team workers

Focus:

People work confidently with others, adapting to different contexts and taking responsibility for their own part. They listen to and take account of different views. They form collaborative relationships, resolving issues to reach agreed outcomes.

Team workers:

- ◇ collaborate with others to work towards common goals
- ◇ reach agreements, managing discussions to achieve results
- ◇ adapt behaviour to suit different roles and situations, including leadership roles
- ◇ show fairness and consideration to others
- ◇ take responsibility, showing confidence in themselves and their contribution
- ◇ provide constructive support and feedback to others.

Self-managers

Focus:

People organise themselves, showing personal responsibility, initiative, creativity and enterprise with a commitment to learning and self-improvement. They actively embrace change, responding positively to new priorities, coping with challenges and looking for opportunities.

Self-managers:

- ◇ seek out challenges or new responsibilities and show flexibility when priorities change
- ◇ work towards goals, showing initiative, commitment and perseverance
- ◇ organise time and resources, prioritising actions
- ◇ anticipate, take and manage risks
- ◇ deal with competing pressures, including personal and work-related demands
- ◇ respond positively to change, seeking advice and support when needed.

Effective participators

Focus:

People actively engage with issues that affect them and those around them. They play a full part in the life of their school, college, workplace or wider community by taking responsible action to bring improvements for others as well as themselves.

Effective participators:

- ◇ discuss issues of concern, seeking resolution where needed
- ◇ present a persuasive case for action
- ◇ propose practical ways forward, breaking these down into manageable steps
- ◇ identify improvements that would benefit others as well as themselves
- ◇ try to influence others, negotiating and balancing diverse views to reach workable solutions
- ◇ act as an advocate for views and beliefs that may differ from their own.

Summary of the PLTS coverage throughout the programme

This table shows where units support the development of personal, learning and thinking skills.

Key:

- ✓ indicates opportunities for development
- a blank space indicates no opportunities for development

Mandatory units

Unit	Personal, learning and thinking skills					
	Independent enquirers	Creative thinkers	Reflective learners	Team workers	Self-managers	Effective participants
1	✓	✓	✓	✓	✓	✓
2	✓	✓	✓	✓	✓	✓
3	✓	✓	✓	✓	✓	✓
4	✓	✓	✓	✓	✓	✓
5	✓	✓	✓	✓	✓	✓
6	✓	✓	✓	✓	✓	✓
7	✓	✓	✓	✓	✓	✓
8	✓	✓	✓	✓	✓	✓
9	✓	✓	✓	✓	✓	✓

10	✓	✓	✓	✓	✓	✓
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Optional units

Unit	Personal, learning and thinking skills					
	Independent enquirers	Creative thinkers	Reflective learners	Team workers	Self-managers	Effective participators
11	✓	✓	✓	✓	✓	✓
12	✓	✓	✓	✓	✓	✓
13	✓	✓	✓	✓	✓	✓
14	✓	✓	✓	✓	✓	✓
15	✓	✓	✓	✓	✓	✓
16	✓	✓	✓	✓	✓	✓
17	✓	✓	✓	✓	✓	✓
18	✓	✓	✓	✓	✓	✓
19	✓	✓	✓	✓	✓	✓

Annexe E

Skills CFA – Innovation and Growth Assessment Requirements

Diploma in Innovation and growth

August 2012

1 Introduction

- 1.1 The Innovation and Growth Assessment Requirements are designed to provide awarding organisations with a robust and flexible approach to deliver assessment for the Level 5 Diploma in Innovation and Growth (QCF).

2 External quality control

- 2.1 Awarding organisations will provide quality assurance that supports the delivery to all Level 5 Diploma in Innovation and Growth (QCF) assessment centres, in line with regulatory requirements in England, Scotland, Wales and Northern Ireland.
- 2.2 Awarding organisations will regularly carry out standard risk assessments in each Level 5 Diploma in Innovation and Growth (QCF) qualification assessment centre and manage all identified risks appropriately.
- 2.3 Awarding organisations will consistently apply external verification processes at all Level 5 Diploma in Innovation and Growth (QCF) assessment centres, underpinned by standard risk assessment and risk management processes.
- 2.4 Awarding organisations will supply Skills CFA with quarterly reports on: Registration and achievement for the Level 5 Diploma in Innovation and Growth (QCF), at unit level where available

3 Assessing performance

- 3.1 The Level 5 Diploma in Innovation and Growth (QCF) includes both competence and knowledge units, as identified in Annex 1. Assessment of all competence units of the Level 5 Diploma in Innovation and Growth (QCF) qualification must be based on either candidate performance at work or through simulation, as necessary (See Section 4 below).
- 3.2 Assessment of knowledge units of the Level 5 Diploma in Innovation and Growth (QCF) may be assessed however the awarding organisation sees fit, but must be in-line with regulatory requirements in England, Scotland, Wales and Northern Ireland. Assessment of the knowledge units must be evidenced separately from the competence units.

- 3.3 Evidence of achievement of knowledge learning outcomes and assessment criteria must not be inferred whilst assessing competence.

4 Simulation of competence

- 4.1 Simulation must not be used, except in exceptional circumstances where natural work evidence is unlikely to occur. Agreement must be gained from the awarding organisation for the use of any simulated evidence. If simulation is used, it should be used sparingly and should only form a small part of the evidence for the qualification.

5 Occupational expertise to assess performance, and moderate and verify assessments

- 5.1 Assessment and Verification must be carried out in line with relevant National Occupational Standards, as follows:
- a) Assessors must carry out assessment to the National Occupational Standards for Learning and Development (March 2010) Standard 9.
 - b) Internal verifiers or moderators must carry out internal quality assurance to the National Occupational Standards for Learning and Development (March 2010) Standard 11.
 - c) External verifiers or moderators must carry out external quality assurance to the National Occupational Standards for Learning and Development (March 2010) Standard 12.
- 5.2 Assessors, internal moderators or verifiers that are working towards achievement of the appropriate qualifications for assessment and internal quality assurance must have their assessment decisions counter-signed by occupationally competent and suitably qualified assessors, internal moderators or verifiers, respectively.
- 5.3 Candidates work achievements must be assessed, moderated or verified at work by:
- a. **Assessors, moderators or verifiers** who have achieved, or are working towards achievement of, the appropriate regulatory body approved qualifications for assessment, moderation or verification;
OR
 - b. A **trainer, supervisor or manager**, elected by an employer, who must either:
 - 1. Have achieved, or be working towards achieving, appropriate regulatory body approved unit qualifications for assessment, moderation or verification;
OR
 - 2. Seek guidance and approval from their awarding organisation to demonstrate that the:
 - o Organisation has appropriate processes in place to facilitate assessment, moderation or verification functions

- Trainer, supervisor or manager is able to map their assessment, moderation or verification skills and knowledge 100% to the NOS upon which the assessment, moderation or verification qualifications are based.
- 5.4 **Assessors (including trainers, managers and supervisors, where they are involved in assessment)** must be occupationally competent to make Innovation and Growth assessment judgements about the level and scope of individual candidate performance at work; and occupationally competent to make assessment judgements about the quality of assessment and the assessment process.
- 5.5 **External Moderators/Verifiers or Internal Moderators/Verifiers (including trainers, managers and supervisors, where they are involved in moderation or verification)** must be occupationally competent to make Innovation and Growth moderation and verification judgements about the quality of assessment and the assessment process.
- 5.6 Awarding organisations will supply information on the requirements for internal and external moderation/verification activities to Level 5 Diploma in Innovation and Growth (QCF) assessment centres.
- 5.7 Skills CFA and awarding organisations requires all assessors, moderators and verifiers to maintain current Innovation and Growth competence to deliver these functions. Skills CFA recognises this can be achieved in many ways but must be recorded in individual continual professional development (CPD) records that are maintained in Level 5 Diploma in Innovation and Growth (QCF) assessment centres.

Annex 1:

Group A – Mandatory Units			Credit	Level	GLH	Knowledge/ Competence	Unit Owner
Unit 1	M/504/3770	Innovation and Growth in Organisations	10	4	50	K	Pearson Education
Unit 2	T/504/3771	Use of Financial Information for Planning Innovation and Growth	5	4	30	K	Pearson Education
Unit 3	A/504/3772	The Innovative Mind Set	10	5	50	K	Pearson Education
Unit 4	L/504/3727	Principles of Researching and Testing Innovative Ideas	5	4	30	K	Pearson Education
Unit 5	F/504/3773	Developing Innovative Business Cases	10	5	50	K	Pearson Education
Unit 6	J/504/3774	Innovation in Action	15	4	40	C	Pearson Education
Unit 7	L/504/3775	Change Management for Innovation and Growth	10	5	50	C	Pearson Education
Unit 8	R/504/3776	Management Decision Making for Innovation and Growth	5	5	30	K	Pearson Education
Unit 9	Y/504/3777	Developing an Innovative Idea	10	5	50	C	Pearson Education
Unit 10	D/504/3778	Implementing an Innovative Idea	20	5	50	C	Pearson Education

Group B – Optional Units			Credit	Level	GLH	Knowledge/ Competence	Unit Owner
Unit 11	H/504/3779	Leading, Managing and Developing People for Innovation and Growth	5	4	30	C	Pearson Education
Unit 12	A/504/3741	Strategic Planning and Management	5	6	30	K	Pearson Education
Unit 13	Y/504/3780	Managing Quality for Innovation and Growth	5	5	30	K	Pearson Education
Unit 14	T/504/3785	Marketing Innovative Ideas	10	4	50	C	Pearson Education
Unit 15	M/504/3784	Using Customer Relationship Management to Support Innovation and Growth	5	4	30	C	Pearson Education
Unit 16	K/504/3783	How Technology Contributes to Innovation and Growth	5	5	30	C	Pearson Education
Unit 17	H/504/3782	Contribute to Fostering a Culture for Innovation and growth	5	6	30	K	Pearson Education
Unit 18	D/504/3781	Financial Planning to Support Business Cases	5	4	30	C	Pearson Education
Unit 19	D/504/3733	Background to Business	15	4	60	K	Pearson Education

December 2017

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