

Overview

What this Unit is about

This Unit is about making sure you have a clear and up-to-date picture of the environment in which your organisation operates and can produce information which could be used for planning and operational purposes. The environment includes the 'external' operating environment — for example, customers and their needs, market trends, new technologies and methods, legislation, and the activities of competitors and partners. It also includes the 'internal' operating environment — for example, resources available to and the culture of the organisation.

For the purposes of this Unit, an 'organisation' can mean a self-contained entity such as a private sector company, a charity or a local authority, or a significant operating unit, with a relative degree of autonomy, within a larger organisation.

Who is the Unit for?

The Unit is recommended for senior managers.

Links to other Units

This Unit is linked to Units **B3. Develop a strategic business plan for your organisation**, **B4. Put the Strategic business plan into action** **D2. Develop productive working relationships with colleagues and stakeholders** and **E4. Promote the use of technology within your organisation** in the overall suite of National Occupational Standards for Management and Leadership.

If your organisation is a small firm, you should look at Unit *A1 Review the business*, which has been developed by the Small Firms Enterprise and Development Initiative (SFEDI) specifically for small firms and which **may** be more suitable to your needs. You can obtain information on the Unit from SFEDI on tel. 0114 241 2155 or at the SFEDI website (www.sfedi.co.uk).

Skills

Listed below are the main generic 'skills' that need to be applied in mapping the environment in which your organisation operates. These skills are explicit/implicit in the detailed content of the Unit and are listed here as additional information.

- ◆ Thinking strategically
- ◆ Networking
- ◆ Analysing
- ◆ Decision-making
- ◆ Communicating
- ◆ Consulting
- ◆ Monitoring
- ◆ Evaluating
- ◆ Scenario-building
- ◆ Information management
- ◆ Presenting information

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operates

**Performance
Criteria**

*You must be able
to:*

- 1 Obtain information on customers and competitors from a wide variety of sources and actively use the information to support planning and decision-making.
- 2 Monitor and evaluate trends and developments inside and outside your organisation.
- 3 Identify good practice and benchmark your organisation's performance and practices with comparable organisations in your sector and other sectors, both nationally and internationally.
- 4 Identify and prioritise the strengths and weaknesses of your organisation and opportunities and threats in your organisation's external environment.
- 5 Explore and assess a range of future scenarios within the environment in which your organisation operates.
- 6 Consult with all relevant colleagues and other key stakeholders on future market and organisational development in order to inform and support organisational decisions.
- 7 Organise information and knowledge in a way that supports effective planning.

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operates

Behaviours

You will exhibit the following behaviours:

- 1 You recognise changes in circumstances promptly and adjust plans and activities accordingly.
- 2 You analyse and structure information to develop knowledge that can be shared.
- 3 You develop systems to gather and manage information and knowledge effectively, efficiently and ethically.
- 4 You identify strengths, weaknesses, opportunities and threats to current and future work.
- 5 You identify systemic issues and trends and recognise their impact upon current and future work.
- 6 You anticipate likely future scenarios based on realistic analysis of trends and developments.
- 7 You articulate the assumptions made and risks involved in understanding a situation.

Knowledge and Understanding

You need to know and understand:

General knowledge and understanding

- 1 Different sources of information on customers and competitors and how to use them effectively.
- 2 How to measure and review organisational performance.
- 3 How to analyse organisational culture.
- 4 How to carry out benchmarking to identify good practice in relation to an organisation's performance and practices.
- 5 How to undertake a strengths, weaknesses, opportunities and threats (SWOT) analysis.
- 6 How to undertake an analysis of the political, economic, social, technological, legal and environmental (PESTLE) factors in the external environment.
- 7 How to analyse stakeholder interests.
- 8 How to build future scenarios and assess their implications.

Knowledge and Understanding

You need to know and understand:

Industry/sector specific knowledge and understanding

- 1 Sources of information on trends and developments in your sector, including those at a global level and how to access these.
- 2 Current and emerging trends and developments in your sector internationally, nationally and locally.
- 3 Legal, regulatory and ethical requirements in your sector.

Knowledge and Understanding

You need to know and understand:

Context specific knowledge and understanding

- 1 Relevant factors in the international, national and local market in which your organisation works.
- 2 Your organisation's actual and potential customer base.
- 3 The needs and expectations of your actual and potential customers and other key stakeholders.
- 4 Your actual and potential competitors, including their activities and relative performance levels.
- 5 Your actual and potential partners, including their activities and relative performance levels.
- 6 Your organisation's structure.
- 7 Your organisation's culture.
- 8 Your organisation's performance and the factors that influence this.

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Evidence Requirements

PC	Evidence of Performance Criteria: ♦ possible examples of evidence	Behaviours	Knowledge and Understanding		
			General	Industry specific	Context specific
	Information on customers and competitors that you have collected, analysed and used in plans				
PC4 PC5 PC6	♦ statistical analyses of sales and customer feedback data to calculate trends, seasonal fluctuations and other variation	1, 2, 3, 5, 6, 7	1, 2	1, 2	1, 2, 3, 4, 8
	♦ summaries or reports of feedback from and discussions with sales personnel, customer service staff and other colleagues	1, 2, 3, 5, 6, 7	1, 2	1, 2, 3	1, 2, 3, 4, 6, 8
	♦ reports on competitor activity	1, 2, 3, 5, 6, 7	1, 2	1, 2, 3	1, 2, 3, 4, 8
	♦ proposals for commissioning market research	3	1, 2	1, 2, 3	1, 2, 3, 4, 5, 6, 7, 8
	♦ summaries or reports of market research and economic, market and industry analyses	1, 2, 4, 5, 7	1, 2, 3	1, 2, 3	1, 2, 3, 4, 8
	♦ sales forecasts, business or operational plans and budgets	1, 2, 5, 6, 7	1, 2	1, 2, 3	1, 2, 3, 4, 8
	Organisational and environmental strategic reviews, analyses and forecasts that you have participated in, evaluated and used in plans:				
PC3 PC4	♦ SWOT, PESTLE, BCG Matrix, Anzoff Matrix, 'what if' and other, similar, current and future scenario analyses	2, 4, 5, 6, 7	1, 2, 3, 4, 5, 6, 7, 8	1, 2, 3	1, 2, 3, 4, 8
	♦ time series and regression analyses of quantitative data	1, 2, 3, 5, 7	1, 2, 8	1, 2	1, 2, 3, 4, 8
	♦ sales forecasts, business or operational plans and budgets	1, 2, 6, 7	1, 2, 8	1, 2, 3	1, 2, 3, 4, 8
	♦ benchmark and best practice studies	2, 3, 7	1, 2, 3, 4, 5, 7	1, 2, 3	1, 2, 3, 4, 5, 6, 7, 8