

## Higher National Unit specification

### General information for centres

**Unit title:** Business Management: An Introduction

**Unit code:** F1RJ 34

**Unit purpose:** This Unit is designed to provide candidates with a basic knowledge and understanding of the meaning of management and management activities. The Unit also introduces the candidate to the concept of business financial management, human resource management and marketing within business organisations. The Unit is intended for candidates who are undertaking courses where an awareness of the way businesses operate and how they are managed is important.

On completion of the Unit the candidate should be able to:

- 1 Explain the main functions of management and describe the main activities associated with the role.
- 2 Explain the requirement for business financial management.
- 3 Explain the human resource management function.
- 4 Explain the role of marketing within business organisations.

**Credit points and level:** 1 HN credit at SCQF level 7: (8 SCQF credit points at SCQF level 7\*)

*\*SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

**Recommended prior knowledge and skills:** Access to this Unit is at the discretion of the centre. However, candidates would normally be expected to have competence in communication skills at Intermediate 2 (SCQF level 5).

**Core Skills:** There are opportunities to develop the following Core Skills Units/components within this Unit although there is no automatic certification of Core Skills Units or Core Skills components:

Communication at SCQF level 6

Planning and organising (a component of the Problem Solving Core Skill) at SCQF level 5

Working with numbers (a component of the Numeracy Core Skill) at SCQF level 5.

**Context for delivery:** If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

## Higher National Unit specification

### General information for centres (cont)

**Assessment:** The Unit could be assessed in various ways. Each Outcome could be assessed individually or all four Outcomes could be integrated and assessed by an open-book report of around 2,000 words or equivalent using a case study of a real or hypothetical organisation. Centres should ensure that the organisational detail in the case study will allow candidates to generate the necessary evidence or include supplementary questioning to cover gaps.

Alternatively, Outcomes 1, 3 and 4 could be integrated and again assessed by means of a case study on a real or hypothetical organisation. Outcome 2 could be assessed by a mixture of extended response and restricted response open-book questioning which would include horizontal and vertical analysis and interpretation of a profit and loss and balance sheet.

## **Higher National Unit specification: statement of standards**

**Unit title:** Business Management: An Introduction

**Unit code:** F1RJ 34

The sections of the Unit stating the Outcomes, Knowledge and/or Skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the Knowledge and/or Skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

### **Outcome 1**

Explain the main functions of management and describe the main activities associated with the role.

#### **Knowledge and/or Skills**

- ◆ Managerial activities
- ◆ Managerial roles
- ◆ Organisational effectiveness
- ◆ Managerial leadership

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain the application of the following managerial activities: planning, leading, organising and controlling
- ◆ describe the following managerial roles: interpersonal roles, informational roles and decisional roles
- ◆ explain how four different managerial activities can impact on organisational effectiveness
- ◆ explain how the application of two theories of leadership can be used to improve the way in which managers lead staff

#### **Assessment Guidelines**

The assessment for Outcome 1 could be by means of an open-book extended response questioning on a real or hypothetical organisation presented in a report format.

The assessment for all Outcomes could be combined if an open-book task was set using a real or hypothetical case study of an organisation and supplementary questioning to cover all Evidence requirements were used throughout the Unit. Centres should ensure that the organisational detail in the case study will allow candidates to generate the necessary evidence. A report of approximately 2,000 words in length or equivalent could act as a guide for the sufficiency of evidence for all Outcomes.

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Business Management: An Introduction

### **Outcome 2**

Explain the requirement for business financial management

#### **Knowledge and/or Skills**

- ◆ Financial planning and control
- ◆ Balance sheet and profit and loss account

#### **Evidence Requirements**

Candidates should provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ explain the financial planning and control process in relation to a small business or a department within a large organisation
- ◆ for a given set of data, complete a horizontal and vertical analysis on balance sheet and profit and loss account and interpret the results

#### **Assessment guidelines**

This Outcome could be assessed by means of an extended response, open-book assessment that includes analysis and interpretation of given data and a calculation for a balance sheet and profit and loss account.

The assessment for all Outcomes could be combined if an open-book task was set using a real or hypothetical case study of an organisation and supplementary questioning to cover all Evidence requirements were used throughout the Unit. Centres should ensure that the organisational detail in the case study will allow candidates to generate the necessary evidence. A report of approximately 2,000 words in length or equivalent could act as a guide for the sufficiency of evidence for all Outcomes.

### **Outcome 3**

Explain the human resource management function

#### **Knowledge and/or Skills**

- ◆ Human resource management
- ◆ Human resource management activities
- ◆ Current employment legislation

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Business Management: An Introduction

### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ identify four objectives of human resource management
- ◆ explain four activities of human resource management
- ◆ explain one contractual, one discrimination and one other piece of current employment legislation that impacts on the human resource management function

### **Assessment Guidelines**

The assessment for Outcomes 3 could be by means of open-book, extended response questioning on a real or hypothetical organisation presented in a report format.

The assessment for all Outcomes could be combined if an open-book task was set using a real or hypothetical case study of an organisation and supplementary questioning to cover all Evidence requirements were used throughout the Unit. Centres should ensure that the organisational detail in the case study will allow candidates to generate the necessary evidence. A report of approximately 2,000 words in length or equivalent could act as a guide for the sufficiency of evidence for all Outcomes.

## **OUTCOME 4**

Explain the role of marketing within business organisations

### **Knowledge and/or Skills**

- ◆ Marketing Orientation
- ◆ Marketing Mix
- ◆ Marketing Research

### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ define and explain the term marketing
  - explain how marketing differs from selling and advertising
  - explain the benefits which can be derived from adopting a marketing approach
  - distinguish between the marketing approach and other business philosophies
- ◆ identify and explain the elements of the marketing mix
- ◆ explain the importance of marketing research
- ◆ distinguish between different types of marketing research
  - describe primary and secondary data

## **Higher National Unit specification: statement of standards (cont)**

**Unit title:** Business Management: An Introduction

### **Assessment Guidelines**

The assessment for Outcomes 4 could be by means of open-book, extended response questioning on a real or hypothetical organisation presented in a report format.

The assessment for all Outcomes could be combined if an open-book task was set using a real or hypothetical case study of an organisation and supplementary questioning to cover all Evidence requirements were used throughout the Unit. Centres should ensure that the organisational detail in the case study will allow candidates to generate the necessary evidence. A report of approximately 2,000 words in length or equivalent could act as a guide for the sufficiency of evidence for all outcomes.

## Administrative Information

**Unit code:** F1RJ 34

**Unit title:** Business Management: An Introduction

**Superclass category:** AA

**Original date of publication:** August 2007

**Version:** 01

### History of changes:

Version	Description of change	Date

**Source:** SQA

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## **Higher National Unit specification: support notes**

### **Unit title: Business Management: An Introduction**

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

### **Guidance on the content and context for this Unit**

#### **Outcome 1**

Candidates should be able to describe the distinctive features of managerial work and the activities which managers undertake. They should also be able to identify different factors, which impact on managerial effectiveness and appreciate the overlap between, theories of leadership and approaches to management. Candidates should be able to explain how theories of leadership can be used to improve the way in which managers lead staff. Some of the following may be useful for this Outcome:

Roles and activities of managers as described by researchers, Mintzberg and Fayol.

Managerial behaviour and organisational effectiveness: Theory X, Theory Y, Theory Z (Ouchi), Blake and Mouton. Management by objectives. Basic managerial philosophies (Mullins).

Action-centred leadership. Leadership styles, autocratic, democratic, laissez-faire. Contingency theory. Transformational leadership.

#### **Outcome 2**

Candidates should have a broad understanding of financial accounts and their use in a business. They should also be able to understand the important role financial budgeting plays throughout the business planning process.

#### **Outcome 3**

This Outcome gives a broad introduction to the human resource function. It is not intended that the subject matter be taught in detail. What is important is that candidates understand the range of activities carried out by Human Resource Management, and how these contribute to organisational success. Some of the following may be useful for this Outcome:

Definition of Human Resource Management and the important role it plays at a strategic level. Long term, proactive, strategic, integrated role.

Objectives: Staffing, performance, change management, administration.

Activities: Employee resourcing — Recruitment, Selection, HR Planning, Personnel record keeping. Employee development — Training and development. Employee relations — Grievance and discipline handling, legal advice, employee welfare. Employee reward — Pay and remuneration

Current legislation: Contract of employment, Equal Opportunities, Health and Safety at Work, Dismissal and Redundancy, Industrial Relations.

### **Higher National Unit specification: support notes (cont)**

## **Unit title:** Business Management: An Introduction

### **Outcome 4**

This Outcome introduces the candidate to marketing. Marketing is an integral part of all organisations and as such it should be possible to make the Outcome relevant to any client group. Where possible the theory of marketing should be related to situations that are relevant to the specific group of candidates.

Some of the following may be useful for this Outcome:

Marketing philosophy, customer focus, marketing environment, target market.

Marketing mix: Total product model, product life cycle, pricing policies, promotion mix, just-in-time distribution.

Marketing research: Primary and secondary data collection; qualitative and quantitative research methods.

### **Guidance on the delivery and assessment of this Unit**

All assessments for all Outcomes could be integrated. Such an approach would be possible if a real or hypothetical case study of an organisation and supplementary questioning to cover all Evidence requirements were used throughout the Unit. Delivering centres should ensure that the chosen organisation details are suitable to meet all of the assessment tasks and, where possible, provide a business scenario from the candidate's chosen field of study. An open-book report with some supplementary questioning could be produced in the candidates' own time.

It is recommended that the candidate be given at least four weeks for research and preparation and a further week to submit his/her report. The report should be approximately 2,000 words in length.

### ***Opportunities for developing Core Skills***

There are opportunities to develop the Core Skill Communication at SCQF level 6 and the Core Skills component 'planning and organising' of the Core Skill Problem Solving and the Core Skills component 'working with numbers' of the Core Skill Numeracy, both at SCQF level 5 in this Unit although there is no automatic certification of Core Skills or Core Skills components.

Communication, both oral and written will be undertaken during lecturer led and class based discussion surrounding Unit topics. The Unit also requires some degree of problem solving and use of number to evaluate and carry out calculations regarding the solvency of a given organisation.

The availability of suitable software packages to support accuracy and professional presentation of written work could be advantageous.

### **Open learning**

The Unit could be delivered by distance learning. However, it would require planning by the Centre to ensure the sufficiency and authenticity of candidate evidence. For further information and advice please refer to the SQA guide: *Assessment and Quality Assurance for Open and Distance Learning* (A1030, February 2001).

### **Higher National Unit specification: support notes (cont)**

## **Unit title:** Business Management: An Introduction

## **Candidates with disabilities and/or additional support needs**

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering alternative Outcomes for Units. Further advice can be found in the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* ([www.sqa.org.uk](http://www.sqa.org.uk)).

## **General information for candidates**

### **Unit title: Business Management: An Introduction**

This Unit enables you to acquire basic business skills and a basic knowledge of the business world. Most college graduates will finish their careers with some measure of business responsibility and an awareness of the various topics covered in this Unit is invaluable.

This Unit introduces you to the study of Business Management. The Unit examines the roles of managers and the differing styles of management and discusses the relationship between managerial behaviour and an effective organisation. You will also look at the importance of leadership as part of the management process.

By the end of the Unit you should also be able to understand the important role financial budgeting plays throughout the business planning process. The Unit also gives a broad introduction to the human resource function. It is not intended that the subject matter be taught in detail but that you will understand the range of activities carried out by Human Resource Management and how these contribute to organisational success.

The Unit will give you a flavour of the challenges of employing people, marketing goods or services and also financial management.

The assessment for this Unit is likely to be through a case study of a real or hypothetical organisation. You will be required to answer questions and produce a report of around 2,000 words. You will also be required to analyse a balance and profit and loss account and interpret the results

There are opportunities to develop the following Core Skills Units/components within this Unit although there is no automatic certification of Core Skills Units or Core Skills components:

Communication at SCQF level 6

Planning and organising (a component of the Problem Solving Core Skill) at SCQF level 5

Working with numbers (a component of the Numeracy Core Skill) at SCQF level 5.