



Higher National Unit specification: general information

Unit title: Management: Strategic Change

Unit code: H1S6 35

Superclass: AG

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Unit purpose

The purpose of this Unit is to enable candidates to contribute to the strategic management of an organisation. It enables them to acquire the knowledge and skills needed to analyse the current strategic position of an organisation and, on the basis of this analysis, identify and evaluate options for strategic change available to the organisation. It emphasises the different approaches to strategy and, as a result, gives candidates a solid theoretical basis for their analysis and evaluation.

The Unit is aimed at candidates who have current experience of working in a position with management responsibilities or who are returning to management after a break. It is also suitable for those who do not presently have current management experience but have undertaken previous study of management and have realistic aspirations of taking up a management role in the future. Successful completion of this Unit will provide a foundation for further study of management at SCQF level 8 or above.

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

- 1 Analyse the strategic position of an organisation.
- 2 Assess options for strategic change.

Recommended prior knowledge and skills

It is recommended that candidates undertaking this Unit possess good communication skills to a level equivalent to at least SCQF level 6. It would be beneficial also if candidates had some knowledge of management and business principles. This could be evidenced by achievement of HN Units in *Management* at SCQF level 7 and SCQF level 8 such as the HN Units *Management: Leadership at Work* and *Management: Plan, Lead and Implement Change*.

General information (cont)

Credit points and level

1 Higher National Unit credit at SCQF level 8: (8 SCQF credit points at SCQF level 8*)

**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.*

Core Skills

Opportunities to develop aspects of Core Skills are highlighted in the Support Notes of this Unit specification.

There is no automatic certification of Core Skills or Core Skill components in this Unit.

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.

The assessment exemplar for this Unit provides assessment and marking guidelines that exemplify the national standard for achievement. It is a valid, reliable and practicable instrument of assessment. Centres wishing to develop their own assessments should refer to the assessment exemplar to ensure a comparable standard. Assessment exemplars are available on SQA's secure website.

Higher National Unit specification: statement of standards

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

Please refer to *Knowledge and/or Skills for the Unit* and *Evidence Requirements for the Unit* after the Outcomes.

Outcome 1

Analyse the strategic position of an organisation.

Knowledge and/or skills

- ◆ Strategy paradigms
- ◆ External environment of the organisation
- ◆ Internal environment of the organisation
- ◆ Strategic drift

Outcome 2

Assess options for strategic change.

Knowledge and/or skills

- ◆ Strategic options
- ◆ Strategic objectives
- ◆ Success criteria

Evidence Requirements

Candidates will need to provide evidence to meet all Knowledge and/or Skills items of both Outcomes. Candidates will be expected to relate their evidence to a specific organisation although the organisation may be real or hypothetical.

The analysis of the strategic situation of the organisation should be based on recognised paradigms of strategic management and should make explicit reference to:

- ◆ models which can be used to evaluate the external environment of an organisation
- ◆ approaches which can be used to assess the strategic capability of the organisation's internal environment
- ◆ the influence of strategic drift on the organisation

Higher National Unit specification: statement of standards (cont)

Unit title: Management: Strategic Change

Candidates would be expected to reach a reasoned, justified conclusion on the current strategic situation of the organisation. On the basis of this conclusion they should identify, and assess the strategic options currently available to the organisation.

In order to do this, candidates should:

- ◆ provide a reasoned justification which explicitly demonstrates that the strategic options are consistent with the current strategic situation of the organisation and its strategic objectives
- ◆ identify and justify success criteria which are valid and practicable and can be used by the organisation to judge the feasibility and viability of the strategic options available to it
- ◆ draw reasoned conclusions as to which of the strategic options are likely to be most efficient and effective for the organisation with respect to achieving a strategic change that will enable it to meet its longer term strategic objectives

Higher National Unit specification: support notes

Unit title: Management: Strategic Change

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

The Unit may be part of a Group Award such as the Diploma in Management and Leadership, designed to provide candidates with knowledge and understanding of management concepts, principles and practice. It is suitable for candidates who wish to develop their management capabilities and/or prepare themselves for a new managerial role, perhaps one in which they have strategic responsibilities. It may, therefore, be undertaken on a stand-alone basis or in combination with other Units as part of a management development programme designed for a particular situation.

Where candidates are employed, they will be able to apply their analysis to real work situations. This Unit is also suitable for candidates who may not yet be in an occupational role which involves them in strategic management. Candidates in this situation are likely to have a realistic hope of taking up such a position at some point in the future.

The Unit highlights the critical role of preparation in devising a strategy for an organisation and the fact that strategy is about change for the future. It emphasises the importance of assessing an organisation's current situation with respect to both its internal and external environments. It adopts the approach that strategy is dynamic and involves the continual re-assessment of both an organisation's strategic position and the direction in which it needs to go in the future. This Unit covers these two aspects of strategy and is designed to:

- ◆ enable candidates to use a range of theories and models of strategy to analyse the current strategic position of an organisation
- ◆ enable candidates to identify and assess the strategic options available to an organisation: clearly these should flow from the analysis of the organisation's current strategic situation but in this Unit candidates are not expected to go on to the next stage which is developing a programme to implement a strategic initiative.

Overall, therefore, the Unit will enable candidates to develop practical skills in strategic management and, thereby, contribute positively to strategic management. It covers strategic management in all types of organisations and thus includes organisations of different size, public and private organisations, and organisations operating in different markets. For this Unit, an 'organisation' can refer to a significant operating Unit, with a relative degree of autonomy, within a larger organisation.

The Unit is very closely linked to the Unit Management: Develop Strategic Plans. In many respects the two are complementary. This Unit deals with examining strategic options and selecting a suitable option from among those available. Management: Develop Strategic Plans takes this forward and considers the implementation of the chosen strategic option. Candidates attempting both Units could begin with this Unit and use their work as the starting point for Management: Develop Strategic Plans.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

Throughout the Unit the emphasis should be on the practical aspects of strategy and how these are underpinned by both theoretical approaches and techniques. There are a large number of different theories and models which can illustrate the content of this Unit and can be used to explain, analyse and evaluate the situation in a particular organisation. The following give some guidance on suitable content. It is neither exhaustive nor prescriptive.

Outcome 1

This Outcome deals with the ways in which organisations can recognise their current strategic situation in relation to their internal and external environments. It is intended to give candidates an introduction to strategic management and the vocabulary associated with it. Part of its purpose is to make them aware that there are a number of different approaches to thinking about strategy, none of which are universally accepted. Candidates need to understand what is meant by strategic decisions and their characteristics. Do organisations for example try to fit their environment or do they build their strategies by stretching and building their resources? Strategies exist at different levels in organisations. Three levels can be distinguished in larger organisations — corporate, strategic business Unit and operational. It is important here that candidates recognise the difference between strategic management and operational management.

Johnson & Scholes and Whittington have suggested a useful way of describing four lenses or ways of viewing strategy. These are strategy as design, strategy as experience, strategy as ideas and strategy as discourse. These four views are helpful in enabling candidates to recognise the different strategy paradigms. Proponents of the different views can be introduced to the candidates. Chandler, Ansoff and to some extent Porter are proponents of the design school. Historically this view has been the most significant influence on strategy development. Mintzberg is a major thinker in relation to strategy as experience. Strategy as ideas is a more recent development in strategic thinking and is concerned with strategies for innovation and turbulent markets. It is linked to chaos and complexity theory. One of the key writers in this field is Ralph Stacey. Candidates should be encouraged to think about the types of change organisations go through and which view of strategy may be the most appropriate for the organisation and its situation. Strategy as discourse is an even more recent development. It revolves around the use of language and how managers use it to seek influence, power and legitimacy.

Strategic management can, therefore be considered from the point of view of the organisation's external environment and also by reviewing its internal environment.

There are several useful models that can be introduced relating to the external environment. Useful models include PESTEL, scenario building, Porters Five Forces Framework, The Strategy Clock, The Boston Matrix and Organisational Life Cycle Models. These models help an organisation understand its current position, what barriers exist in its external environment and help its members think through the direction and actions it should take. Candidates should be made aware that organisations have to operate aligned with or slightly ahead of their external environment and, unless they are aware of this, strategic drift can occur.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

An organisation can also focus on its internal environment. In order to develop a strategic programme it must consider its strategic capability. This is made up of the organisational resources and competences. Useful concepts for thinking about these are critical success factors, threshold and unique resources, threshold, core and redundant competences, knowledge management and best practice benchmarking.

Some models such as force field analysis and SWOT allow the organisation to consider both its internal and external environment and can be helpful in thinking about the distinctions between different paradigms of strategy. Candidates can be encouraged to think about the pros and cons of the various strategic paradigms.

Outcome 2

This Outcome is concerned with using the analysis in Outcome 1 to identify possible options for strategic change which the organisation might pursue. It also covers assessing the options and drawing conclusions as to which are likely to be most suitable for the organisation. On the basis of their analysis candidates should be able to identify various strategic options open to an organisation. Does it build on its current market position by consolidating its position in current markets with current products? Does it try to gain a greater market share, etc? Other options may be more closely linked to building on its current capabilities and how they can identify strategic options which may be available to them.

Strategic options can range widely from internal development through mergers and acquisitions to strategic alliances. The pros and cons of choosing a particular option can be discussed, along with the suitability of each in different organisational and environmental circumstances. There are likely to be factors which influence the success or failure of each of the options. Failure for example can occur if internal development is chosen as the method when the organisation does not have the required competences. Mergers can succeed when there is a cultural fit between the merging organisations.

Candidates should be introduced to these various options and asked to consider when the different options are appropriate and what factors have to be taken into consideration for effective implementation of a chosen option. Success criteria can be used to judge which options are most appropriate for a specific organisation. How suitable is a particular option — does it address the circumstances in which the organisation is operating? How acceptable is a particular option - will it be profitable, what are the risks involved, etc? How feasible is an option — does the organisation have the resources and competence to deliver such a strategy?

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

Guidance on the delivery of this Unit

This Unit can be delivered through lecturer-mediated discussion. This may be in a traditional face-to-face environment or using a virtual learning environment or by various combinations of the two such as classroom interaction augmented by an online forum.

The choice of delivery methods for the Unit is particularly important as the Unit lends itself to learning and teaching approaches which make it possible for candidates to produce suitable assessment evidence as they work through the Unit. Candidates could, for example, be encouraged to write a blog or maintain a learning diary. They could, as an integral part of the learning and teaching process, be given guidance on how to structure and organise their material so that it is in a form which can easily be presented for assessment purposes.

Hence, in devising suitable delivery methods, it may be helpful to bear in mind that evidence for assessment can be generated in many different ways, including:

- ◆ presentations and other non-written assessments, eg group presentation, individual presentation, production of artefact, eg poster, video, audio, role play, debate and discussion, residential periods
- ◆ writing assignments, eg e-portfolios, learning journals, project documentation, diaries, reading logs, blogs and reflexive notebooks
- ◆ collaborative work, eg projects, posters, events, work experiences, residential exercises and field events
- ◆ making use of new technology, eg blogs, wikis, social media tools, VLE, e-portfolios

Methods such as those above link learning and teaching methods directly with the generation of assessment evidence so that they become part and parcel of the same thing. The categories are not mutually exclusive, eg a VLE may be used as a vehicle for debate and discussion.

Delivery should enable candidates to become familiar with the work of key writers on strategy and the different strategic paradigms which they represent. It can make use of examples and case studies from UK and international organisations. Candidate input can help to develop analytical skills and should be encouraged. Discussion can be based on candidates' own organisations particularly where candidates have direct experience of strategic management or its impact. Candidates could, for example, share information by responding to a stimulus posted on an on-line forum or make short presentations to their class group.

Candidates should be encouraged to relate theory and practice at all times. There is a substantial literature on strategy and how to identify and evaluate strategic options. Candidates should be encouraged to apply appropriate strategy paradigms and to draw conclusions from them in terms, for example, of how well they enable the organisation's strategic position to be analysed or how effective they are in generating strategic options. The conclusions drawn will aid understanding of the value of the theoretical approach. In this way candidates can develop their analytical skills whilst adopting good habits of substantiated reasoned arguments in their work.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

The Unit aims to merge theory and practice with the focus being on the practical aspects of strategic management and how it affects the way organisations operate.

Guidance on the assessment of this Unit

This Unit lends itself to holistic assessment. The two Outcomes and their associated Knowledge and/or Skills items in this Unit are very closely linked and, if at all possible, the method of assessment should take both of them together.

Candidates may generate evidence for this Unit in a number of different ways and should be encouraged to provide evidence in a format which suits their particular situation.

This Unit lends itself to an assessment approach whereby candidates generate evidence during the delivery of the Unit and gather it together in a portfolio. If they have access to suitable systems, they could develop an e-portfolio. A portfolio based approach like this can facilitate combined assessment between this Unit and other Units particularly with Management: Develop Strategic Plans.

Sources of suitable evidence for portfolios could include:

- ◆ personal statements by candidates in response to learning and teaching exercises
- ◆ contributions by candidates to discussion forums and/or to social networking sites
- ◆ wikis developed by candidates
- ◆ extracts from a blog or blogs written by candidates
- ◆ a statement of strategic options [which could be in the form of a paper for senior management]
- ◆ statements of organisational capabilities or competences
- ◆ analysis of rival organisations and how their activities affect the organisation's external environment

The above could stem directly from the learning and teaching programme but evidence may also be available from a candidate's place of work or from other sources. It might be possible also to generate evidence through residential periods or 'away days'. A viva or mini-viva could be used to supplement and/or augment portfolio evidence which could also incorporate peer assessment and evidence generated through collaborative work, eg a poster display of strategy paradigms.

Candidates could be given a set of questions or headings to assist them in structuring their response. This could help them to ensure that their work generated sufficient and suitable evidence to meet the Evidence Requirements. It may be possible, for example, to split the questions into two broad categories corresponding to analysing an organisation's strategic position and generating and assessing strategic options.

Candidates could base responses on strategy formulation which they are familiar with currently or that have experienced in the past. Alternatively they could work with case study material. This could refer to one or more organisations which may be real or hypothetical.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

If desired, it would be possible to assess this Unit by generating assessment towards the end of the Unit. This could be achieved by a narrative report covering the analysis of strategic position in an organisation and the strategic options available to it. Again, candidates could base this on a situation with which they are familiar from their place of work. However, candidates may, if appropriate, base their analysis on a case study which could refer to a hypothetical or an actual situation.

Candidates could present their work in a traditional report format but they do not have to do this. They could, for example, organise their evidence in an electronic slide presentation which could include video and audio.

Assessment Guidelines

Outcomes 1 and 2

It is recommended that both Outcomes in this Unit be assessed holistically. Please see above guidance.

Online and Distance Learning

The above guidance on delivery and assessment indicates there are considerable opportunities for Online and Distance Learning and Assessment in this Unit. In addition material prepared by the SQA to support this Unit is available in electronic format.

It is possible, therefore, to co-ordinate a learning and teaching/assessment programme through a VLE which would, if desired, also allow geographically dispersed candidates to initiate, develop and maintain contact with each other. The SQA support material also allows for a more traditional distance learning approach for candidates who prefer to learn in this way.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

Opportunities for developing Core Skills

Depending on the learning and teaching/assessment approaches adopted, both Outcomes of this Unit provide opportunities for developing the three components of the Core Skill of *Communication* at SCQF level 6 and two of the three components of *Problem Solving* at SCQF level 6.

Communication: Oral Communication at SCQF level 6

Candidates may be asked to give a presentation on ways of analysing the strategic position in an organisation, perhaps one that they know, to other members of the group in a manner which conveys essential information and ideas. This can be a very complex topic which may involve examining different theoretical approaches and candidates may also respond to questions or queries from others. Candidates may also contribute to debates and discussions or participate in a viva, all of which will require them to use vocabulary, register and sentence structure appropriate to the audience involved.

Communication: Written Communication (Reading) at SCQF level 6

In order to complete the Unit, candidates will have to become familiar with current thinking on strategy and how to generate and assess options for strategic change. This will require them to read written text which explores strategy leadership from different perspectives and which may also present a structured, detailed argument for or against particular approaches. They may well summarise their understanding by posting messages to others through a VLE or in a blog or in a written report produced for assessment purposes.

Communication: Written Communication (Writing) at SCQF level 6

In order to complete the Unit, candidates will have to generate evidence to demonstrate that they have achieved both Outcomes. This could take the form of a management report which presents the results of an analysis of an organisation's strategic position and proposes options for strategic change. In this, they will be expected to present their analysis in a suitable manner using a recognised format. There are alternative ways to present written evidence such as by personal reports or by contributions to an online forum. Whatever approach is adopted, candidates will be required to organise a substantial body of material and make use of complex language and specialist vocabulary.

Problem Solving: Critical Thinking at SCQF level 6

In order to complete the Unit, candidates will have to identify key factors which influence the current strategic position of an organisation. They will have to assess the relevance of all these factors and decide on their relative importance. They will then, making use of appropriate theoretical models of strategy, identify and assess various options for strategic change. They will be expected to draw conclusions on which option(s) are most suitable for the organisation given its current strategic position.

Higher National Unit specification: support notes (cont)

Unit title: Management: Strategic Change

Problem Solving: Reviewing and Evaluating at SCQF level 6

In order to complete the Unit, candidates will have to assess the relative worth of different options for strategic change using a range of criteria including success criteria. The options will cover all aspects of the strategic situation of the organisation and will require candidates to identify and use suitable evidence to justify their evaluation. Throughout candidates will have to draw on the work they have done for the Unit. This will involve them in reviewing and evaluating the usefulness of different theoretical models and approaches.

Disabled candidates and/or those with additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering whether any reasonable adjustments may be required. Further advice can be found on our website www.sqa.org.uk/assessmentarrangements

History of changes to Unit

Version	Description of change	Date

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General information for candidates

Unit title: Management: Strategic Change

This is a one credit (8 SCQF credit points) Unit at SCQF level 8 and is designed to enable you to develop skills and knowledge that will help you to contribute to the strategic management of an organisation. It will enhance your understanding of the different theoretical approaches to strategy and the implications that they have for strategic management. As a result, the Unit will equip you to analyse the current strategic position of an organisation and consider the options for strategic change which are open to it.

The Unit will, therefore, contribute to your development as a manager. If you have current management experience it will help you to explore and reflect on strategic management and enable you to contribute to strategic management. If you have not yet been involved in strategic management the Unit can help prepare for a different management role which does include strategic responsibilities. If you have not yet worked as a manager but hope to do so in the future, the Unit will give you insights into an important area of management and how it can impact on the work of all managers. In this way the Unit can help you gain vital background for a management role and help you to meet the challenges and demands of it. Also, if you have worked as a manager in the past but have not done so for a little while, the Unit can help you review your experience and update it in the light of recent developments.

The Unit has two Outcomes. The first focuses on analysing the current strategic position of an organisation. It introduces you to different strategic paradigms. Making use of these, it takes you into an exploration of an organisation's internal and external environment which will involve you in considering techniques which flow from the various strategic paradigms. The second Outcome builds on the first. From your analysis you should be able to identify some strategic options which an organisation might have and use your knowledge of theory to justify them. You will be expected to assess the worth of these various options for strategic change and draw conclusions on which one or ones are most likely to be suitable for the organisation's future development.

The content of the Unit will be kept relevant through the appropriate use of examples and by focusing the areas of study on organisations that are relevant to you. This should provide you with the flexibility required to study, as appropriate, organisations of different size, public and private organisations, and those operating in different markets. For this Unit you may focus your work on a self-contained part of a larger organisation.

For successful completion of this Unit, you will be required to provide evidence that you can analyse the strategic position of an organisation and assess the options for strategic change available to it. In doing this, you will be expected to apply the concepts you have learned during the Unit. You can present your evidence in a number of ways such as a personal blog or a management report and you may well be able to generate suitable evidence from your learning as you work through the Unit. Your tutor will explain exactly what is expected of you.

You will complete the Unit if the evidence which you submit for assessment is considered satisfactory in terms of the standard set by the Unit.