

Scottish Certificate of Education

**Standard Grade Revised Arrangements in
Business Management**

Foundation, General and Credit Levels in and
after 2000

STANDARD GRADE ARRANGEMENTS IN BUSINESS MANAGEMENT

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Introduction

In February 1996, the Scottish Examination Board was asked by the Scottish Office Education and Industry Department to develop a Standard Grade examination in Business Studies to provide the progression needed into Higher Still courses in Business Studies which is not met by current Standard Grade provision. A Joint Working Group (JWG) of nominees of the Board and the Scottish Consultative Committee on the Curriculum (SCCC) was then constituted to take the development forward.

In October 1996, the proposed arrangements for Standard Grade Business Management at Foundation, General and Credit Levels were issued to interested bodies for comment. In preparing the finalised Arrangements, the Board's Business Studies and Economics Subject Panel, with the assistance of the JWG, took account of the observations received and amended the proposals as appropriate.

The Standard Grade examination in Business Management at Foundation, General and Credit Levels will be offered in 1999 on a pilot basis. It is intended that the examination will be based on the syllabus and assessment arrangements set out in this document. It should be noted, however, that changes may be intimated in the light of experience during the course of the pilot exercise.

Section 1

Rationale

1 Rationale

- 1 1** Business is a key dimension of modern society and there has been a growing recognition of the role business education plays in developing in students a particular appreciation of contemporary society and the world in which they live. It also promotes a greater understanding of the factors which contribute to economic prosperity and encourages informed opinions and analysis of relevant issues. Scotland has been in the vanguard of enterprise education, with Scottish schools having the highest penetration of such programmes in the world. Such developments reflect the positive changes in attitude to new business creation and the value to society of young people capable of meeting the challenges of business and the world of work.
- 1 2** Few subject areas have seen faster or more wide-ranging developments over recent years than business education and the introduction of a Standard Grade course in Business Management reflects these developments. A diverse range of bodies including the SCCC and Scottish Enterprise have highlighted the importance of business education and the benefits which will accrue to young people from the study of business.
- 1 3** Business Management is a key determinant of business and competitive success. It occupies a central role in economic development and there has been growing recognition of the role business education can play in preparing students for employment, both by extending their understanding of business and its successful development and by developing core skills of problem solving, working with others and information technology. The subject offers students the opportunity to develop knowledge and skills which will allow them to access, understand and contribute to the dynamic and complex business and information environment in which they live, develop open and enquiring minds and be capable of active participation in society.
- 1 4** The Munn Report¹ recommended that young people in secondary school should be “prepared for life”. In the SCCC paper “Curriculum Design for the Secondary Stages” the skills of accessing and processing information and practical applications are deemed to be “essential to every pupil’s development”. The importance of the study of business has often been acknowledged as vital in developing skills required by our economy.
- 1 5** Seen in this context, the introduction of Standard Grade Business Management represents a positive addition to the curriculum that increases the opportunities to study business and acquire relevant skills. It builds on the key features of Environmental Studies 5-14 Information Technology to develop understanding and use of information technology in society. This provides clear progression to Intermediate and Higher Business Management.

¹ The Structure of the Curriculum in the Third and Fourth Years of the Scottish Secondary School (HMSO, 1977)

Section 2

Aims of Business Management

2 Aims of Business Management

2 1 Business Management aims to develop skills and knowledge in students which will allow them to access, understand and contribute to the dynamic and complex business and information environment.

2 2 Through the study of business in contemporary society, the course aims are to:

- develop knowledge and understanding of the nature and importance of business activity
- develop knowledge and understanding of the process of business formation and development
- develop knowledge and understanding of how businesses acquire and manage resources
- develop understanding of the different ways in which individuals contribute to business activity
- develop awareness of the internal structures of organisations and how these may influence activities
- develop skills in decision-making
- develop ability to use business software as an aid to management decision-making
- develop awareness of the importance of team work
- provide a foundation for progression to Intermediate or Higher courses in Business Management and other related courses
- provide a foundation for future education and training in Business Management or related subjects.

2 3 Information Technology

The course will provide opportunities for students to acquire skills and confidence in the use of information technology to handle, present and interpret data in realistic business contexts, extending information handling skills and knowledge previously gained from the 5-14 curriculum.

The use of business applications to aid decision-making will be an integral part of the course and encouragement should be given to incorporating maximum use of information technology in real-life, simulated and computer-based learning situations. This approach will contribute to the vocationally relevant and transferable skills required by industry and commerce and will enhance the learning experience of students following the course.

Section 3

Elements of Business Management

3 Elements of Business Management

3 1 Introduction

The Standard Grade Business Management course is designed so that students will acquire knowledge and understanding of the role and operation of business and develop skills in decision-making and practical abilities by applying this knowledge within the prescribed areas of study. Based on the skills and processes identified in the specified aims, the elements which underpin the course are Knowledge and Understanding, Decision Making and Practical Abilities.

The course is designed to encourage use of an integrative approach to teaching and learning in which the three elements coalesce in activities devised to foster the understanding of business concepts. This holistic approach is intended to enhance the development of a group of skills rather than to promote the learning of factual content as an end in itself.

3 2 The Assessable Elements

The elements and the purposes within each are as follows:

3 2 1 Knowledge and Understanding

The course should develop knowledge and understanding of:

- concepts central to the operation of different types of business enterprise, including voluntary organisations
- similarities and differences between different enterprises
- how business enterprise operates in contemporary society
- the relationship between business activity and the social and economic environment within which it takes place
- the role management plays in the effectiveness of business.

3 2 2 Decision Making

The course should develop decision-making skills used in business through:

- gathering, processing and evaluating information
- the correct use of information
- making valid judgements and conclusions based on information collected.

3 2 3 Practical Abilities

The course should develop practical abilities through:

- using a range of information and information technology in business contexts
- participating in business simulations
- applying business techniques in a variety of contexts
- accessing real-life business enterprises for information.

3 2 4 Although the elements have been separately identified, it is recognised that they are naturally interlinked in the teaching and learning process. Decision making, for example, will not usually be taught or learned in isolation from the development of understanding; equally, practical abilities should permeate the course and students should be given opportunities to develop the necessary skills alongside other activities.

3 2 5 Assessment for national certification will be based on Knowledge and Understanding, Decision Making and Practical Abilities.

3 3 Team Building

The course presents the opportunity to develop students' awareness of the importance of being a member of a team. The course should emphasise the value of teamwork and the increasing importance business places on the concept of *teams*. Opportunities for students to participate in decision-making activities as teams will allow both the development of decision-making skills and an appreciation of teamwork.

3 4 Business Ethics

It is important that any study of business management includes an awareness of ethical issues involved in the running of an organisation. While business ethics should not be seen as a discrete topic, the concept should permeate the course.

Section 4

Syllabus Design

4 Syllabus Design

4.1 Introduction

Standard Grade Business Management involves students in the active pursuit of the aims identified in 2.2. From these aims a course structure has been devised which incorporates Knowledge and Understanding and the skills of Decision Making and Practical Abilities explored through the prescribed Areas of Study. Those aspects of Knowledge and Understanding, Decision Making, and Practical Abilities with which Business Management is concerned and the extent to which they are to be developed are set out in the syllabus statement and in the Grade Related Criteria for each of the elements.

The content details set out in Section 5 are intended to assist teachers in the preparation of courses; however, it should not be seen as a prescriptive teaching order.

4.2 Course Structure

Details of the course content for Foundation, General and Credit Levels are set out below for each Area of Study (see 5.1), with accompanying suggestions for possible teaching and learning approaches, including guidance on integrating the functional areas with the Areas of Study. It should be noted that the course content for each Level subsumes the content for the lower Level(s). The grid for each Area of Study is intended to assist teachers in planning courses which aid the development of a coherent understanding of business enterprise through an integrative and holistic approach. This encourages an active, decision-making approach to learning which in turn should prepare students for further study or the world of work.

The move away from a 'topic-led' to a 'question-led' course structure is intended to make Standard Grade Business Management dynamic, active and practical as well as highly relevant to an information-rich society. By answering the 4 primary and 18 secondary questions set out in the Areas of Study, students will achieve the aims identified in 2.2. Meeting these aims should involve active learning approaches; however, the use of interactive, expository teaching has a valuable place in the introduction, review and reinforcement of knowledge and understanding.

Section 5

Course Content

5 Course Content

- 5 1 Four questions or enquiries have been identified as Areas of Study which lead students through the course taking an integrated approach aimed at maximising opportunities for real-life exploration, analysis and discovery of business concepts and practice. For external assessment, questions will be constructed on the basis of the Grade Related Criteria on pages 33 to 37 with reference to the Area of Study grids on pages 19, 21, 23 and 25.

Students should be encouraged to appreciate the interaction between the different Areas of Study and not to see the subject as a series of separate topics. In studying the subject in this way, more meaningful, contextualised learning will ensue.

5 2 The Areas of Study

The four Areas of Study identified below allow students to explore business management through a series of enquiries which incorporate the common four functional areas of business, namely Marketing, Human Resources, Operations and Finance. When following through these enquiries students will necessarily meet and explore these functional areas. The functional areas should be seen as permeating aspects of the course which are thoroughly examined through the integrated approach suggested.

5 1 1 *What is business?*

Area of Study 1 focuses on business in its broadest definition, covering the full spectrum of profit and not-for-profit organisations. As well as distinguishing between different types of business organisation, the distinction between public and private enterprise should be made.

The concept of stakeholders should be explored, highlighting the differing and competing interests of different groups of stakeholders.

Enterprise, entrepreneurship and management skills are introduced in this unit. Information on, and analysis of, real businesses are particularly useful in this context.

5 1 2 *How do businesses develop and perform?*

Area of Study 2 looks in more depth at the functional areas of Marketing, Human Resources, Operations and Finance and their role in organisations.

Competition, risk, growth and failure are examined, again in a contextualised rather than abstract way, with opportunities for students to carry out their own research.

This area provides many IT opportunities, particularly the use of spreadsheets when looking at the accounts and finance of organisations.

5 1 3 *What resources do businesses use?*

The management of resources and how this contributes to effectiveness is examined in Area of Study 3. Issues such as quality monitoring and control are examined as are externalities and limiting factors.

5 1 3 *(continued)*

The importance of people to organisations is explored and opportunities for out of school learning through, for example, work experience and industrial visits, could enhance the learning experience.

5 1 4 *How are businesses managed?*

In this Area of Study the role of management, and the process of decision-making in management, are highlighted. Opportunities to approach these issues in a practical, contextualised way are suggested, with group and team work enhancing the learning experience. The use of business games and competitions would foster team work and develop students' decision-making skills.

Areas of Study – Course Content

Area of Study 1: What is business?

		Course Content		
		Foundation Level	General Level*	Credit Level*
1 1	What do businesses do?	<ul style="list-style-type: none"> • goods and services • difference between small & large businesses • charities 	<ul style="list-style-type: none"> • range of goods and services • private, public, government, voluntary sectors • primary, secondary, tertiary business sectors 	<ul style="list-style-type: none"> • satisfaction of wants • production and consumption • creating wealth
1 2	Why do businesses exist?	<ul style="list-style-type: none"> • enterprise • profit • charity • public service 	<ul style="list-style-type: none"> • concept of entrepreneurship • aims of business (relative to different types of organisation) and stakeholders 	<ul style="list-style-type: none"> • risk taking • social costs and benefits • economic costs and benefits
1 3	How are businesses organised?	<ul style="list-style-type: none"> • simple organisation structures • 4 functional areas 	<ul style="list-style-type: none"> • different organisation structures • impact of size on structure • line relationships 	<ul style="list-style-type: none"> • span of control • functional relationships • difference between authority and responsibility

* Each Level subsumes the lower Level(s)

Area of Study 1: What is business? (continued)

Possible Learning and Teaching Approaches

- discussion of students' own experiences and knowledge of business organisations
- using company profiles
- survey of local organisations – grouping into sectors, size, etc
- business games
- starting-up own business, eg mini-enterprise or similar
- outside speakers from local business
- comparing mission statements of different organisations and businesses

Integrating IT

- simulation/tutorial software
- preparation of database of local organisations
- comparison of company accounts on spreadsheets

In delivering the course content teachers should integrate the functional areas of business with the Areas of Study shown opposite, on which examination questions will be based. Guidance is given below.

Marketing

- the concept of the market
- the idea of a product as a good or service
- relationship between buyers and sellers

Human Resources

- organisation charts
- chain of command

Operations

- producing goods and services
- the role of operations
- running an organisation

Finance

- the profit motive
- funding a public organisation
- funding a private organisation

Area of Study 2: How do businesses develop and perform?

		Course Content		
		Foundation Level	General Level*	Credit Level*
2 1	How do businesses start?	<ul style="list-style-type: none"> • need for enterprise • identify needs • buyers & sellers • help – where to get it • taking risks • completing a simple business plan 	<ul style="list-style-type: none"> • the marketplace • external information and advice • identifying risk • characteristics of factors of production • preparing a simple business plan 	<ul style="list-style-type: none"> • researching the market • calculating risk • detailed business plan
2 2	How do businesses grow?	<ul style="list-style-type: none"> • successful product/service • expand sales • takeovers/mergers 	<ul style="list-style-type: none"> • diversification • innovation • horizontal & vertical integration 	<ul style="list-style-type: none"> • research & development (product & market) • reasons for growth
2 3	How do businesses survive?	<ul style="list-style-type: none"> • need to plan • saleable products/ services • covering costs 	<ul style="list-style-type: none"> • planning and controlling • awareness of budgeting & cash flow • using final accounts • calculating and interpreting simple ratios 	<ul style="list-style-type: none"> • market research • evaluation and comparison using final accounts and ratios
2 4	Why do businesses fail?	<ul style="list-style-type: none"> • competition too fierce • recession • cash flow problems • not moving with times 	<ul style="list-style-type: none"> • role of competitors • simple analysis of final accounts 	<ul style="list-style-type: none"> • business cycle • response to change • externalities • poor resource management
2 5	What is a successful business?	<ul style="list-style-type: none"> • achieving objectives • keeping owners satisfied • success for business compared with charity 	<ul style="list-style-type: none"> • appreciation of differing aims of business in different sectors (public, private & voluntary) 	<ul style="list-style-type: none"> • identification of competing aims of stakeholders

* Each Level subsumes the lower Level(s)

Area of Study 2: How do businesses develop and perform? (continued)

Possible Learning and Teaching Approaches

- mini-enterprise/mini-company activity
- case study of local business
- use of spreadsheet to calculate or access ratios and accounting information
- industrial visit – new/small units
- speakers from small or new business

Integrating IT

- information search of new businesses
- computerised business plan pro forma
- simple spreadsheet modelling showing effects of changing single variable

In delivering the course content teachers should integrate the functional areas of business with the Areas of Study shown opposite, on which examination questions will be based. Guidance is given below.

Marketing

- the marketing mix, ie product, price, place and promotion
- market research
- research and development

Human Resources

- the use of human resources
- skills of employees

Operations

- using resources
- producing goods and services
- research and development

Finance

- raising finance – borrowing, grants, etc
- budgeting
- cash flow
- final accounts
- ratios and their analysis

Area of Study 3: What resources do businesses use?

		Course Content		
		Foundation Level	General Level*	Credit Level*
3 1	Why do businesses locate where they do?	<ul style="list-style-type: none"> • where businesses locate • where the money comes from – owner(s); borrowing 	<ul style="list-style-type: none"> • sources of finance • factors influencing location – (market, resources, infrastructure) 	<ul style="list-style-type: none"> • types of government assistance • importance of European Union • globalisation
3 2	How do people contribute to businesses?	<ul style="list-style-type: none"> • why people work • choosing the right person for the job • job training • full-time, permanent, part-time, temporary jobs • manual, skilled etc 	<ul style="list-style-type: none"> • job/person specification • selection and recruitment (internal and external) 	<ul style="list-style-type: none"> • the role of appraisal • inter-relationship between employees and employers • changing patterns and employment
3 3	How do businesses use information?	<ul style="list-style-type: none"> • what information is and where it comes from • using computers to generate information – spreadsheets, databases, desk top publishing, word processing, networks, etc • importance of good communications 	<ul style="list-style-type: none"> • internal and external sources of information • using computers to generate information and make decisions 	<ul style="list-style-type: none"> • evaluation of information • using information to monitor and control business
3 4	How do businesses operate?	<ul style="list-style-type: none"> • how businesses make products or provide services (input, process, output) • how do products get to consumers? 	<ul style="list-style-type: none"> • job, batch and flow processes • people v machines • distribution options 	<ul style="list-style-type: none"> • stock control • quality assurance • customer service
3 5	What are the challenges facing businesses?	<ul style="list-style-type: none"> • competition from home and abroad 	<ul style="list-style-type: none"> • limited availability of resources & funding (external) • internal and external pressures 	<ul style="list-style-type: none"> • appreciation of the impact on business of current political, legislative, social and environmental issues

* Each Level subsumes the lower Level(s)

Area of Study 3: What resources do businesses use? (continued)

Possible Learning and Teaching Approaches

- field trip around local area surveying types of enterprise and their location
- groupwork based around field trip
- selection and recruitment role-play
- case studies of real and realistic business organisations
- using a survey or questionnaire to assess value of primary research
- speaker from bank, LEC, etc

Integrating IT

- business simulations
- using interactive database and/or Internet to access business information
- electronic mail between school and local enterprise
- computer-based tasks, eg searching, retrieving and listing from database
- analysis of results of survey – charting information

In delivering the course content teachers should integrate the functional areas of business with the Areas of Study shown opposite, on which examination questions will be based. Guidance is given below.

Marketing

- market research – desk and field research
- study of the market at home and abroad

Human Resources

- selection and recruitment
- patterns of employment
- training
- industrial relations

Operations

- designing, producing and distributing goods

Finance

- financing the business – start-up and working capital
- sources and presentation of information
- break-even

Area of Study 4: How are businesses managed?

		Course Content		
		Foundation Level	General Level*	Credit Level*
4 1	What are the key decisions that businesses make?	<ul style="list-style-type: none"> • what to produce • what to charge • what to employ • where to produce 	<ul style="list-style-type: none"> • market research • relationship between price and sales • people v machines • whether to grow 	<ul style="list-style-type: none"> • inter-relationship between components of marketing mix • combination of factors of production
4 2	What influences the decisions?	<ul style="list-style-type: none"> • owner needs • customer needs • competition 	<ul style="list-style-type: none"> • the legal environment • the social environment 	<ul style="list-style-type: none"> • the economic environment • the political environment
4 3	What aids decision-making?	<ul style="list-style-type: none"> • how information helps decision-making • types of information 	<ul style="list-style-type: none"> • decision-making model • range of information used for decision-making 	<ul style="list-style-type: none"> • complex decision-making model
4 4	How are decisions made?	<ul style="list-style-type: none"> • consensual v authoritarian 	<ul style="list-style-type: none"> • impact of management style on motivation and morale 	<ul style="list-style-type: none"> • characteristics of effective management
4 5	How do businesses communicate?	<ul style="list-style-type: none"> • purpose – to inform, sell • process – written, visual, spoken • using IT to communicate 	<ul style="list-style-type: none"> • formal/informal, internal/external • select and use appropriate IT • select appropriate communication methods 	<ul style="list-style-type: none"> • comparison and evaluation of effectiveness of different communications • comparison and evaluation of communication technology, eg internet, e-mail, video-conferencing

* Each Level subsumes the lower Level(s)

Area of Study 4: How are businesses managed? (continued)

Possible Learning and Teaching Approaches

- team-building activities in or out of school (including residential)
- case studies
- visit from Trading Standards representative – consumer law
- inter-school activities

Integrating IT

- simulations
- business games
- preparation of business reports
- electronic communications

In delivering the course content teachers should integrate the functional areas of business with the Areas of Study shown opposite, on which examination questions will be based. Guidance is given below.

Marketing

- the marketing mix
- selling the product

Human Resources

- leadership
- team-building
- the effect of management styles

Operations

- what to produce
- combination of factors of production
- location

Finance

- relationship between price and sales

Section 6

Assessment for Certification

6 Assessment for Certification

6.1 Certification

Candidates will be assessed by a system common to all Levels.

The Certificate will record an overall award on a 7-point scale of grades, Grade 1 being the highest. The Certificate will also record attainment in each assessable element. The overall award will be derived from the mean of the element grades, each element having equal weighting.

6.2 Pattern of Assessment Arrangements

Grades in Knowledge and Understanding and in Decision Making will be based on external assessment.

Grades in Practical Abilities will be based on internal assessment. To ensure conformity with national standards, internal assessments of Practical Abilities will be subject to external moderation.

6.3 External Assessment of Knowledge and Understanding and Decision Making

Three external papers designated as Foundation, General and Credit will be offered as follows:

<i>Paper</i>	<i>Grades Assessed</i>	<i>Time Allocation</i>
Foundation	6, 5	1 hour
General	4, 3	1¼ hours
Credit	2, 1	1½ hours

In all papers the elements Knowledge and Understanding and Decision Making will be assessed with equal weighting being given to each element, although the totals of marks allocated to each element within a paper may differ.

Questions will test Knowledge and Understanding and Decision Making using stimulus materials based on realistic data. Candidates will be expected to apply decision-making skills to suggest solutions to problems based on the information supplied.

In each paper there will be wide sampling of the Areas of Study. Questions will be set in relation to the Extended Grade Related Criteria and based on the content set out in the Area of Study grids on pages 19, 21, 23 and 25 for a particular Level in each element.

Marks will be allocated to each question and a total mark obtained for each element. The 2 grades associated with each Level will be distinguished by setting 2 cut-off scores. The lower score will reflect a satisfactory overall standard of performance, the upper score a high overall standard of performance.

6 4 Presentations for External Papers

Candidates presented for the examination may attempt the written papers at two adjacent Levels, ie Foundation and General or General and Credit, but may not attempt both the Foundation and Credit Level papers. Candidates are not obliged to attempt papers at two Levels. Other than as the result of an appeal, candidates can only be awarded one of the grades assessed by the paper(s) attempted, or Grade 7 for the element(s) concerned. Candidates who attempt papers at two Levels will be awarded the better of the two grades achieved on these papers. Performance at one Level will not be taken into account in grading at the other Level.

Irrespective of external papers attempted, the full range of grades is available for the internally assessed element (Practical Abilities).

6 5 Estimates

Presenting centres must submit to the SQA, by the due date in the year of the examination, an estimate grade for each candidate for each of Knowledge and Understanding and Decision Making. The teacher should determine the estimate grades on the basis of each candidate's work. Estimates may be used by the SQA for its internal procedures, such as the pre-results review of candidates who perform below estimate, absentee consideration and appeal. Evidence in support of these estimates should be retained by centres for submission to the SQA if required. Such evidence should be composed of assessments relating to each of the sub-elements in Knowledge and Understanding and Decision Making (see 7 8 and 7 9) and should sample the Areas of Study. For each piece of evidence, the element being assessed and the grade awarded should be clearly indicated.

6 6 Grade 7 and No Overall Award

For any element, Grade 7 will indicate that the candidate has, in the element concerned, completed the course but has not demonstrated achievement of any specified level of performance as defined by the Grade Related Criteria.

The SQA will regard the submission of an estimate grade for an externally assessed element as evidence that the course has been completed in that element.

Candidates who have not complied with the assessment requirements in any element (eg due to unauthorised absence from the external examination) will be deemed not to have completed the course, in that element. Such candidates **will not receive a grade** for that element and hence **will not receive an overall award** for the subject. In such cases, however, if a grade is gained for any other element, that grade will be recorded on the Certificate.

6 7 Internal Assessment of Practical Abilities

The assessment instrument for Practical Abilities will be a series of internally assessed tasks based on the candidate's use of a contemporary business simulation related to the rationale and aims of Business Management.

The simulation will be computer based and will be issued to centres by the SQA. Tasks will be designed to promote the candidate's ability to synthesise the Business Management skills acquired in the course. They will provide evidence of a candidate's ability to apply these skills in the context of the Areas of Study and should demonstrate ability in each of the sub-elements, namely:

67 (continued)

- a) using information to make decisions;
- b) communicating findings.

These tasks will also provide opportunities for independent and active learning and could generate evidence of the understanding and development of a wide range of management skills. It should be noted that the simulation will be used not only for assessment but also to provide a valuable curricular opportunity for the student to carry out tasks in a realistic business environment.

671 *The Role of the Teacher*

- a) Preparing for Practical Abilities

The teacher is responsible for providing opportunities for students to acquire skills necessary to undertake the tasks. Such opportunities will require careful planning and should be integrated throughout the course. Appropriate support will be necessary to help candidates to achieve their best performance.

The teacher will be responsible for monitoring the use of the business simulation to ensure that this conforms to the rationale and aims of Business Management and relates to the Areas of Study.

- b) Assessing the Practical Abilities Tasks

Centres will be required to submit an assessment for each candidate for Practical Abilities on the basis of attainment as described in the EGRC (see 7 10). Attainment will be measured against the stated EGRC.

Three sets of tasks will be provided by SQA, one at each of the three Levels, Foundation, General and Credit. Each of these sets of tasks will be designed to be undertaken after candidates have had the opportunity to familiarise themselves thoroughly with the business simulation contained on the CD-ROM. This familiarisation will take approximately 15 hours of class time to complete. The tasks will relate to the decisions made during the simulation but will not require constant access to either a computer or the simulation. Candidates will periodically be expected to access the simulation as necessary, to complete some of the tasks.

The SQA will issue these sets of tasks for Practical Abilities assessment at the beginning of the second year of the course at which time teachers and candidates should be in a position to determine which Level of task is appropriate.

Teachers must take into account, when arriving at the final grade for Practical Abilities, the degree of advice and support given to individual students. Where that advice amounts to teacher assistance, the teacher has to determine whether or not the assistance given has been sufficient to affect the grade awarded. If this is the case, a grade lower than the provisional grade should be awarded. Detailed instructions on how to arrive at a grade will be issued by the SQA each year.

Internal assessments submitted to the SQA must be reported in terms of a grade on the 7-point award scale.

671 *(continued)*

672 *Submission of Internal Assessments*

Internal assessments for each candidate should be submitted by the due date in the year in which the external examination is taken. The SQA will issue appropriate forms for recording and submitting assessments.

Internal assessments will be subject to external moderation.

Section 7

Grade Related Criteria

7 Grade Related Criteria

7.1 Definition

Grade Related Criteria (GRC) are positive descriptions of performance against which a candidate's achievement is measured. Direct comparisons are not made between the performance of one candidate and that of another.

7.2 Application of GRC

GRC are defined at three Levels of performance: Foundation, General and Credit.

Awards will be reported on six grades, two9 grades being distinguished at each Level. The upper of the two grades at a given Level will be awarded to candidates who meet the stated criteria demonstrating a high standard of performance; the lower grade to those who demonstrate a lower, but still satisfactory standard of performance.

There will be a seventh grade for candidates who complete the course but fail to meet the criteria for any Level.

7.3 Types of GRC

Summary GRC are broad descriptions of performance. They are published as an aid to the interpretation of the profile of attainment by candidates, parents, employers and other users of the Certificate.

Extended GRC are more detailed descriptions of performance. They are intended to assist teachers in identifying targets for course construction, and in making assessments for each element and by examiners when conducting external assessment. In determining performance at the three Levels it is important to take account of the degree of complexity of sources and the extent, accuracy and sophistication of explanation offered by the candidate.

7.4 Knowledge and Understanding – Summary GRC

Foundation Level (Grades 6, 5)

The candidate has demonstrated basic knowledge and understanding of a limited range of the course content in a variety of straightforward contexts.

General Level (Grades 4, 3)

The candidate has demonstrated knowledge and understanding of the course content in a variety of contexts.

Credit Level (Grades 2, 1)

The candidate has demonstrated extensive knowledge and understanding of the course content in a variety of complex contexts.

7 5 Decision Making – Summary GRC

Foundation Level (Grades 6, 5)

In straightforward business contexts, the candidate, in relation to given problems, has demonstrated ability to identify objectives, gather valid information, reach simple conclusions and devise straightforward solutions.

General Level (Grades 4, 3)

In business contexts, the candidate has demonstrated ability to identify problems, gather and analyse valid information, reach conclusions and devise appropriate solutions.

Credit Level (Grades 2, 1)

In complex business contexts, the candidate has demonstrated ability to identify problems and objectives, gather and analyse valid information, reach sophisticated conclusions, devise alternative solutions, and select and justify a preferred solution.

7 6 Practical Abilities – Summary GRC

Foundation Level (Grades 6, 5)

The candidate has demonstrated ability to complete a series of tasks using appropriate business software by accessing and processing information to reach simple conclusions and communicate findings to make recommendations.

General Level (Grades 4, 3)

The candidate has demonstrated ability to complete a series of tasks using appropriate business software by accessing and processing information to reach conclusions and communicate findings to make recommendations.

Credit Level (Grades 2, 1)

The candidate has demonstrated ability to complete a series of tasks using appropriate business software by accessing and processing information to reach sophisticated conclusions and communicate findings for a range of recommendations.

7 7 Descriptions of Grades

These describe performance within Levels. They apply to each element.

Grade 6 The candidate has met the criteria for Foundation Level, demonstrating a satisfactory overall standard of performance.

Grade 5 The candidate has met the criteria for Foundation Level, demonstrating a high overall standard of performance.

Grade 4 The candidate has met the criteria for General Level, demonstrating a satisfactory overall standard of performance.

Grade 3 The candidate has met the criteria for General Level, demonstrating a high overall standard of performance.

77 (continued)

Grade 2 The candidate has met the criteria for Credit Level, demonstrating a satisfactory overall standard of performance.

Grade 1 The candidate has met the criteria for Credit Level, demonstrating a high overall standard of performance.

78 Knowledge and Understanding – Extended GRC

Foundation Level
(Grades 6, 5)

General Level
(Grades 4, 3)

Credit Level
(Grades 2, 1)

In relation to the course content outlined in the Areas of Study (see 5 1) for the appropriate Level the candidate can:

- | | | |
|--|--|---|
| <i>a)</i> identify and describe a limited range of business concepts in a variety of straightforward contexts; | identify and describe a range of business concepts in a variety of contexts; | identify and describe a wide range of business concepts in a variety of complex contexts; |
| <i>b)</i> use business concepts to demonstrate a basic understanding of straightforward contexts. | use business concepts to demonstrate understanding of contexts. | use business concepts to demonstrate in depth understanding of complex contexts. |

Descriptions of grades are given in **77**.

79 Decision Making – Extended GRC

Foundation Level
(Grades 6, 5)

General Level
(Grades 4, 3)

Credit Level
(Grades 2, 1)

In relation to the course content outlined in the Areas of Study (see 4 1) for the appropriate Level, the candidate can:

- | | | |
|--|--|--|
| <i>a)</i> in relation to simple problems, select from a limited range of information and reach simple conclusions; | identify problems, select appropriate information and reach conclusions; | identify complex problems, select from a wide range of information, analyse the information and reach sophisticated conclusions; |
| <i>b)</i> devise viable solutions to straightforward business problems. | devise and support viable solutions to business problems. | devise and justify viable solutions to complex business problems. |

Descriptions of grades are given in **77**.

7 10 Practical Abilities – Extended GRC

Foundation Level (Grades 6, 5)	General Level (Grades 4, 3)	Credit Level (Grades 2, 1)
The candidate can:	The candidate can:	The candidate can:
<i>a)</i> use business software and documents to access and process information and to generate evidence to assist in reaching simple conclusions and making a recommendation;	use business software and documents to access and process information and to generate evidence to assist in reaching conclusions and making recommendations;	use business software and documents to access and process information and to generate evidence to assist in reaching sophisticated conclusions and offering a range of recommendations;
<i>b)</i> briefly communicate findings to demonstrate the link between evidence and recommendations.	communicate findings to demonstrate the link between evidence and recommendations.	communicate findings in depth to demonstrate the link between evidence and recommendations.

Descriptions of grades are given in 7 7.

In differentiating performance within Levels, account should be taken of the degree of consistency demonstrated.

Appendices

Course Planning

- 1 In planning a 2-year course based on the syllabus, teachers will require to take account of the following factors.

The syllabus is unitary in that all courses will require to develop understanding of all the content identified in the Areas of Study. All students will be required to complete practical abilities tasks as part of the course.

The content identified in the Areas of Study provides guidance regarding course construction and learning activities. Teachers should bear in mind that the course should provide opportunities for students to practise their information-handling and decision-making skills within practical activities.

In planning units of work and learning activities, the different learning rates of students should be recognised and account should be taken of differing levels of attainment and response. Differentiation may be provided through variation in learning and teaching approaches or be based on outcomes measured against the Extended Grade Related Criteria.

The importance of keeping up to date with the subject matter and resources used is paramount and the dynamic nature of the subject should be borne in mind.

- 2 **Contribution to Cross-curricular Issues**

Business Management should contribute to whole school and cross-curricular issues.

For Standard Grade Business Management, three particularly important cross-curricular issues have been identified as current priorities to which the subject has an important contribution to make: industrial awareness; economic awareness and technological education.

These issues should permeate the course naturally and be given due consideration within the teaching and learning programme when seeking the answers to the questions posed in the Areas of Study.

Learning and Teaching

1 The Philosophy of Standard Grade Business Management

Classroom practice in Business Management should reflect the rationale and aims of the subject.

Standard Grade emphasises learner-centred activities. Few of these are new to teachers of Business Management. Experiences and activities should be central and continual in courses rather than occasional. The Business Management syllabus places emphasis on the development of conceptual understanding and the acquisition of skills involved in Decision Making and Practical Abilities. Central to this process will be the selection of learning experiences which:

- avoid concentration on the acquisition of facts for their own sake
- develop skills in contexts which highlight aspects of the relationship of the individual to business
- involve the discovery, evaluation and communication of information and contemporary business issues both in and out of the classroom
- yield evidence of performance in the assessable elements and provide opportunities for an understanding of business management to emerge and develop.

2 Role of the Teacher

The teacher will play a pivotal role in the classroom in ensuring that all students have a valuable learning experience and make progress. The student-centred, active learning approach advocated requires sound management skills in planning, monitoring and controlling on the part of the teacher. Classroom management should take account of the variety of learning approaches recommended and the need for differentiation of work within a course based on a unitary syllabus.

Students are motivated by a variety of teaching approaches and class organisation should be flexible enough to provide students with this variety. Students should have the opportunity to participate as members of the whole class, in group work, in teams and as individuals. Teachers should not underestimate their role in, and the value of, class and group lessons. This is particularly relevant in matters such as the introduction of topics, revision, reinforcement, generating group morale and cohesion and speeding the pace of learning. There should be an emphasis on continually relating small-scale skill assignments to the overall purpose of the course to ensure its meaningfulness. The teacher should retain an active teaching role and not become merely a manager of resources.

The Grade Related Criteria give guidance on appropriate levels of understanding of concepts and of the skills of Decision Making and Problem Solving. Teaching approaches should differ accordingly whilst reflecting the integrative spirit of the course.

3 Team Building

The course presents the opportunity to develop students' awareness of the importance of being a member of a team. The course should emphasise the value of teamwork and the increasing importance business places on the concept of *teams*. Opportunities for students to participate in decision-making activities as teams will allow both the development of decision-making skills and an appreciation of teamwork.

4 Learning Experiences

Students should be given the opportunity to experience the following:

- active learning including opportunities for extensive use of appropriate technology (eg audio-visual, computer and other equipment)
- decision-making individually and in teams, in which the student is required to interpret, process and evaluate information, make decisions based on evidence, and communicate conclusions
- group discussions and decision-making, whereby students learn to follow rules of discussion, and, through interaction, arrive at collective decisions
- links, if appropriate, with local business inside and out of school
- role-playing exercises, simulations, business games and business modelling which offer direct and personal involvement in the study of business management
- participation in work experience placements and/or the individual study of a business problem
- self-review and evaluation which allows the student to reflect on his/her progress and identify strengths and weaknesses.

Learning experiences within the community should be fully exploited. The use of visits and/or visiting speakers can enrich students' learning, help develop social competence and enable them to consolidate knowledge and obtain fresh insights. Students should be clear about how these learning experiences fit into the course; de-briefing, or follow-up sessions, should reinforce what has been learned. Additionally students should be encouraged to take increasing responsibility for their learning and a sense of ownership of learning should be engendered in the student.

5 Resourcing

The delivery of any course in business will necessitate the accessing of many different types of resource in order to make the learning process meaningful. In particular, access to up-to-date information technology in the form of computer hardware and software which truly reflect current business practice is of paramount importance. It is especially important to use real-life contexts and simulations which make use of information management systems in a way similar to those in use in business if the course is to have merit in the modern curriculum.

Students should therefore have access to:

- screen-based equipment which is capable of running a sophisticated business package including word processing, database and spreadsheet applications
- electronic mail facilities via modem or fax
- a CD-ROM facility to access information.

In addition, there should be access to up-to-date information of different business organisations in the public, private and voluntary sectors, either paper based or via electronic retrieval systems. Co-operation with resource centres may support teachers with this task through the provision of, for example, a newspaper/journal clippings service.

Traditional text resources will also be valuable to assist with reinforcement and revision of Areas of Study. A departmental resource/information centre with a wide range of reference material including non-class texts, journals, newspaper business sections, etc, would also assist students with enquiries.

6 Outside Agencies

It would be highly undesirable for students to complete a 2-year Business Management course without having experienced first hand the successes or problems of a real business. This can be accomplished in a variety of ways, only some of which are listed below. Schools are encouraged to make contact with local business enterprises a priority and to enlist where possible the expertise of real-life business practitioners.

Ways in which outside agencies could be involved include:

- work experience
- education business partnership (EBP)
- Education Industry Liaison Officer (EILO)
- use of outside speakers from local business organisations
- field trips to local business enterprise
- overseas study tour
- Young Enterprise scheme
- business competitions
- mini-enterprise
- project with charity organisation.

The Use of Information Technology in Practical Abilities

The assessment instrument for Practical Abilities (see paragraph 6 7) will be a series of internally assessed tasks based on the candidate's use of a contemporary business simulation related to the rationale and aims of Business Management. The simulation will be provided for use with students as a learning and teaching resource, as well as for assessment for teaching, and assessment for certification. For students to acquire the skills necessary to undertake the assessment for certification, teachers will require to provide sufficient opportunities for the students to make use of the simulation as a learning resource. The simulation will be contained on a CD-ROM which will be issued to centres on the basis of one CD-ROM per 4 students. Schools may purchase additional copies from SQA or make copies for their own use. It is envisaged that this disk will be in use for at least 5 years.

In using the simulation students will be required to develop and work through a proposal to develop a small business. This may involve such tasks as the preparation of a simple business plan, job and person specifications, interview schedules, sales projections, production plans and market surveys. Students will take part in a number of business activities containing interactive audio-visual sequences with embedded decision points. Feedback will be provided to students and teachers in the form of a workbook recording decisions, reasons and conclusions and any scoring awarded.

Teachers may find these scores useful, while using the simulation as a learning resource, as indicators of a student's performance level.

For the purposes of assessment for certification, new assessment tasks will be issued to centres each year to be used in conjunction with the CD-ROM. Each candidate will be required to complete these tasks in conjunction with decisions taken earlier. These completed tasks will provide the evidence on which a grade will be awarded for this element as detailed in Section 6, Assessment for Certification. Assessment will take place between October and March of the second year of the course.

Centres will require to ensure that students have regular access to a computer with at least a quad-speed CD drive and 8 Mb of RAM, on the basis of no less than one machine per 4 students every period. The computer can be either an AppleMac or a PC with Windows and should be equipped with a high resolution colour monitor (at least 14" screen size) and the facility to access, via headphones, the sound generated by the CD-ROM. The full minimum specification is available from SQA on request. Where necessary, it is recommended that teachers seek technical advice from their hardware supplier.