

**BUSINESS MANAGEMENT**  
**Intermediate 2**

**First edition – published September 2005**

## National Course Specification

### BUSINESS MANAGEMENT (INTERMEDIATE 2)

**COURSE NUMBER** To be allocated

#### COURSE STRUCTURE

This Course has three mandatory Units:

<i>Business Enterprise (Intermediate 2)</i>	<i>1 credit (40 hours)</i>
<i>Business Decision Areas: Marketing and Operations (Intermediate 2)</i>	<i>1 credit (40 hours)</i>
<i>Business Decision Areas: Finance and Human Resource Management (Intermediate 2)</i>	<i>1 credit (40 hours)</i>

All Courses include 40 hours over and above the 120 hours for the Units. This may be used for induction, extending the range of learning and teaching approaches, support, consolidation, integration of learning and preparation for Course assessment.

#### RECOMMENDED ENTRY

While entry is at the discretion of the centre, candidates will normally be expected to have attained one of the following, or equivalent:

- ◆ Standard Grade Business Management at General level, or
  - ◆ Intermediate 1 Business Management or its Units
- and
- ◆ Standard Grade English at General level, or
  - ◆ Intermediate 1 English or its Units

#### PROGRESSION

The Course or its Units may provide progression to:

- ◆ Higher Business Management
- ◆ Further education
- ◆ Training or employment

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#### Administrative Information

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## **National Course Specification (cont)**

**COURSE**            Business Management (Intermediate 2)

### **CREDIT VALUE**

The Intermediate 2 Course in Business Management is allocated 24 SCQF points at SCQF level 5\*.

\*SCQF 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 points at a SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.

### **CORE SKILLS**

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

## National Course Specification: course details

**COURSE** Business Management (Intermediate 2)

### RATIONALE AND AIMS

#### Rationale

Business and enterprise are at the heart of national growth and development, and this is reflected in the place business education has in the curriculum. The provision offers opportunities for candidates to develop the crucial skills and knowledge which allow them to access, understand and contribute to the dynamic and complex business and information environment. Whatever the career pathway or progression route, business education enhances individual effectiveness.

The study of Business Management at Intermediate 2 develops an awareness of the key elements of management within the context of the business as a whole and draws on material from a number of other disciplines. It enables candidates to acquire knowledge and understanding which will allow them to explain the role and operation of business, to exercise problem solving skills, to apply these skills in a number of business situations, and to communicate by means of written or spoken language. This should benefit all candidates, whether or not they subsequently follow a career in business. Candidates will gain from both the theoretical underpinning and the vocational relevance of the study of business management at this level.

The Course covers the key functional areas of businesses, such as finance, marketing and human resource management, in all types of organisations. Decision making lies at the heart of business. Decisions shape development and enable organisations to achieve their goals and adapt to a constantly changing environment. At Intermediate 2 level the Course does not focus on decision making as such but highlights the contexts within which effective decision making can take place. It also covers the areas within which all types of organisations take decisions and those involved in making decisions. It builds on candidates' own experiences as stakeholders, and in addition, helps them to understand the importance of seeing problems from different perspectives.

The Course highlights the importance of enterprise to all organisations. Increasingly, business concepts and techniques are used in the operation of many types of organisation, including those which do not have profit making as their prime objective. The Course recognises this and includes different types of business enterprise, including voluntary organisations, such as charities, and publicly-funded ones, such as local authorities. It also covers the different forms of profit-making bodies from sole traders to large international companies. The Units, therefore, are relevant to all types of organisation. Candidates are encouraged to study the similarities and differences between different types of enterprise. The Course can thus encourage an enterprising outlook among candidates.

It also emphasises the increasing role that information and communication technology (ICT) plays in business-orientated organisations, particularly with respect to the use and operation of ICT in providing information for decision making. As a result, the Course helps to equip candidates to cope with the requirements of today's changing employment market.

The terminology of the Course reflects the notion that all organisations require to adopt an enterprising approach. The terms *organisation*, *business organisation*, *business enterprise* and *enterprise* are frequently used to mean the same thing. Although they can have different meanings, throughout this document they are used interchangeably. This helps to emphasise the importance of encouraging enterprising behaviour within all kinds of organisations in all areas of activity.

## National Course Specification: course details (cont)

### COURSE Business Management (Intermediate 2)

Overall, therefore, the study of Business Management can provide a valuable experience which can enhance an individual's understanding of a key area in society and provide skills and knowledge which can be used in a wide variety of types of employment. It can promote the development of an enterprise oriented society and encourage candidates to take a positive view of setting up business for themselves.

#### Aims

The aims of the Course are to build on the knowledge and understanding gained in General Level Standard Grade Business Management or Intermediate 1 Business Management, and are to:

Develop an understanding and appreciation of:

- ◆ the importance of business and enterprise in contemporary society
- ◆ the differing objectives of different types of business
- ◆ the role of the key functional areas of business activity

Develop the skills of:

- ◆ problem solving in business situations
- ◆ explaining situations faced by businesses
- ◆ drawing conclusions from information on business activities
- ◆ communicating business related information clearly

Promote and encourage:

- ◆ an understanding of the different ways in which individuals contribute to the achievement of an organisation's objectives
- ◆ an awareness of the relationship between the internal structure of organisations and the activities undertaken by organisations
- ◆ a recognition of the interdependence of the various activities undertaken by businesses
- ◆ an appreciation of the contribution which information and communication technology (ICT) can make to the effectiveness of business operations

and provide a foundation for future education and training.

Satisfactory completion of the Course will provide candidates with:

- ◆ a grounding in the place and importance of business in a modern society and of the main areas of activity within a business and business oriented organisations
- ◆ a sound basis for further study particularly in courses in business and management but also in courses which require an awareness of business
- ◆ transferable skills such as the ability to communicate information clearly

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

The Business Management Courses at Intermediate 2 and Higher have been designed in a hierarchical structure. This should facilitate delivery of the Courses and permit candidates to move between levels where this is appropriate. It also ensures a clear progression from Intermediate 2 to Higher. It is, however, important to distinguish between the two levels. This has been achieved in several ways.

- ◆ Candidates at Intermediate 2 are expected to master a more limited range of content than at Higher level but one which is an extension of that required for Intermediate 1.
- ◆ The Outcomes and Performance Criteria in the Units at Intermediate 2 level are less demanding than at Higher level. Candidates, for example, are expected to be able to explain situations which do not involve complex issues
- ◆ The emphasis on explanation at Intermediate 2 helps to build progression towards Higher level where the ability to analyse predominates. It also contrasts with Intermediate 1 where candidates are expected to be able to give descriptions
- ◆ The arrangements for Course assessment are less challenging than at Higher and more demanding than at Intermediate 1
- ◆ Integration of topics is less extensive than at Higher level

## National Course Specification: course details (cont)

**COURSE** Business Management (Intermediate 2)

### COURSE CONTENT

The Course content has been organised in three Units — *Business Enterprise (Intermediate 2)*; *Business Decision Areas: Marketing and Operations (Intermediate 2)* and *Business Decision Areas: Finance and Human Resource Management (Intermediate 2)*.

All of the Course content will be subject to sampling in the Course assessment.

The content of the Course is summarised below. The section of the Course content headed *Internal Organisation* does **not** form part of any of the Unit specifications for the Course. It will not be included in any Unit assessment but will be available for Course assessment.

NB: The content of the lower levels underpins this course.

### Business Enterprise (Intermediate 2)

#### Business in contemporary society

Role of business in society	Wealth creation, production and consumption, satisfaction of human wants, sectors of activity
Types of business organisations	Self-employed, partnership, private limited company, public limited company, voluntary organisation, charity, publicly funded organisation
Objectives	Profit maximisation, survival, growth, social responsibility, provision of a service
The role of the entrepreneur	Enterprise, identifying business opportunities, franchising, combining factors of production, risk taking.
Stakeholders	Internal and external; shareholders, management, employees, customers, suppliers, banks, other lenders, community, government; the relationship and importance of stakeholders to individual organisations
Methods of obtaining finance	Internal and external sources; short and long term; shares, loans, banks, Local Enterprise Companies (LECs), government

## National Course Specification: course details (cont)

### COURSE Business Management (Intermediate 2)

Changes in the business Environment	<p>The increasing significance of multinationals, the greater business orientation in publicly-funded organisations, changes in the size of firms, for example, the importance of small firms, downsizing, growth of franchising</p> <p>Factors which can cause change: internal - changes in costs, development of new products; external - changes in demand, changes in technology, changes in taxation, changes in the competitive market, changes in national and EU legislation</p> <p>Importance of change to business, for example, the need to respond to internal and external pressures; the need to ensure survival</p>
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#### Business information and ICT

Sources of information	Primary, secondary, internal, external
Types of information	Written, oral, pictorial, graphical, numerical
Uses of information in business	Monitoring and control, decision making, measuring performance, identifying new business opportunities
ICT in business	<p>Uses of ICT such as decision making, provision of information, maintenance of records, communications. Manipulation of data using databases to inform decision making</p> <p>Benefits and costs of ICT, for example, speed, flexibility, handling of complex information, financial outlay, staff training, data corruption</p>

#### Decision making

Types of decision	Strategic, tactical, operational
Decision making process	Role of managers, need for decisions to fit with organisational objectives, influence of stakeholders on decisions, for example, shareholders and AGM, government and taxation; ways in which stakeholders exert influence, for example, voting, pressure group

#### Internal organisation

Structure of organisations	Functional activities; forms of organisational structure, for example, hierarchy, flat structure, formal and informal structures
Factors affecting internal structure of organisations	Size, technology, market, product

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

#### **Business Decision Areas: Marketing and Operations (Intermediate 2)**

##### **Marketing**

The marketing concept	The role of marketing in organisations, for example, goods and services; market share; market growth
The marketing mix	Place, including distribution channels; price; product/service; promotion
Market research	Primary and secondary information. The assessment of customer requirements, for example, desk research, surveys and sampling

##### **Operations**

Operations	Role of operations in an organisations.
Elements of the operations function	Purchasing (materials management); system design, for example, automation, labour requirements; system operation, for example, stock control
Types of operations	Job, batch and flow
Quality	Quality control, benchmarking, quality circles

#### **Business Decision Areas: Finance and Human Resource Management (Intermediate 2)**

##### **Financial management**

The role of the finance function	Payment of wages and salaries, payment of accounts, maintenance of financial records
Financial information	Purpose of profit and loss account, balance sheet, cash flow management, purpose of ratios
Uses of financial information	Controlling costs and expenditure, monitoring performance, informing decision making
Users of financial information	Management, owners, creditors, employees, citizens

##### **Human resource management**

Human resource management	Role of human resource management in organisations
Recruitment and selection	Recruitment — internal and external sources; selection — methods

## National Course Specification: course details (cont)

### COURSE Business Management (Intermediate 2)

Training and development	Costs and benefits
Employee relations	Inter-relationships between employees and management — terms and conditions of employment, employee organisations, and works councils
Legislative requirements	Awareness of legislation relating to equal opportunities and health and safety

### ASSESSMENT

To gain the award of the Business Management (Intermediate 2) Course, candidates must pass the Units as well as the Course assessment. The candidate's grade is based on the Course Assessment.

#### Assessment Objectives

The key objective of assessment is to ensure that candidates have achieved the aims of the Course. In particular, assessment seeks to ensure that candidates have understood and can apply the Course content and that they can communicate their understanding.

Unit assessment aims to enable candidates to complete a range of explanatory and analytical questions to familiar situations. There is limited integration confined to the topics covered within each Unit.

The Course assessment aims to enable candidates to explain and analyse issues in Business Management in unfamiliar contexts. This is done through a case study which tests candidates' ability to explore problems and explain decisions and by extended response questions, some of which require candidates to identify, list or name. Some questions are integrated and integration is across the whole of the Course content.

#### Unit Assessment

The Unit assessment for each of the three Units will be a closed book assessment which should take place at an appropriate time. The maximum time allowed for each assessment is 60 minutes.

Each Unit is assessed against the standards set out in the *National Unit Specification: statement of standards* for each Unit. Full details of the outcomes, performance criteria and evidence requirements may be found in the Unit Specifications for *Business Enterprise (Intermediate 2)*, *Business Decision Areas: Marketing and Operations (Intermediate 2)* and *Business Decision Areas: Finance and Human Resource Management (Intermediate 2)*.

Further details about Unit assessment for this Course can be found in the National Assessment Bank (NAB) materials produced for each Unit.

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

#### **Course Assessment**

The Course assessment is a Question Paper which lasts one hour and 45 minutes, and has 75 marks available.

- ◆ The paper examines knowledge and understanding covering the Course content and also assesses the ability of candidates to explain business decisions and explore business problems
- ◆ The paper will consist of two sections, 1 and 2
- ◆ Section 1 will contain questions on the interpretation of a case study of a business while Section 2 will consist of extended response questions, some of which will require candidates to identify, name or list a number of factors
- ◆ Questions in both sections may focus on particular areas of Course content but there will also be questions which provide an opportunity to integrate topics across all areas of the Course content. These integrative questions may cover topics from two or more of the three Units which comprise the Course

#### **Section 1 — total marks available 25**

This section of the paper will assess knowledge and understanding and the ability to explain decisions and explore problems.

It will consist of a case study of a business organisation with a number of interpretation questions totalling 25 marks. Candidates will be expected to attempt all questions.

The case study will be about 500 words long and will describe a situation facing an organisation or organisations. It will probably be based on a magazine or newspaper article.

The questions will ask candidates to do one or more of the following:

- ◆ explain terms used in the case study
- ◆ explain aspects of the situations in the case study
- ◆ identify and explain problem areas
- ◆ identify and explain constraints
- ◆ explain possible responses to problem areas

#### **Section 2 — total marks available 50**

This section of the paper will assess knowledge and understanding.

It will consist of five questions drawn from any part of the Course content. Candidates should attempt any two questions. Each question will require extended answers and will be worth 25 marks.

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

#### **Relationship between Unit and Course assessment**

The Unit assessments sample the knowledge and understanding gained during the learning and teaching process. Each Unit assessment is self-contained and covers only the content relevant to that Unit. A significant purpose of the Unit assessment is to enable candidates to demonstrate that they have grasped the essential aspects of business management introduced during a Unit. The contexts of the Unit assessments will all be ones which are familiar to candidates. As such, the Unit assessments provide an on-going benchmark against which candidates can measure their progress.

The Course assessment samples all aspects of the Course content and thus covers material from all three Units. In addition, the Course assessment may sample from the section of the Course content on 'Internal Organisation' which is not associated with any of the three Unit specifications. It tests knowledge and understanding but also tests the ability of candidates to explain decisions and explore problems. Candidates are expected to adopt a more integrated problem solving approach than for the Unit assessments.

The different emphases of the Unit and Course assessments will ensure that there is no unnecessary duplication of assessment. On occasions, it is possible that the same topic may feature in both assessments but candidates will be expected to carry forward the knowledge and understanding of a specific topic from the Units and apply it in unfamiliar contexts and/or in an integrative way.

#### **The 'added value' of the Course**

The Unit and the Course assessments complement each other. Candidates may undertake Units on a stand-alone basis. The holistic approach to Unit assessment means those who take this route will be able to demonstrate specific achievement in a particular area of Business Management within a familiar context. Candidates who undertake the Course will have additional demands imposed on them which will enable them to gain significant benefits over and above those gained from completing the Units.

The additional demands will require candidates to:

- ◆ demonstrate the retention of knowledge from all areas of the Course content
- ◆ integrate knowledge and understanding from all areas of the Course content
- ◆ respond to questions relating to unfamiliar and more complex contexts
- ◆ explain problems and decisions which businesses may have to face and which relate to less familiar and more detailed contexts

The additional 40 hours for the Course is to allow these additional demands to be met. It also gives those delivering the Course the opportunity to make use of a wide range of teaching and learning strategies to assist candidates in meeting these additional demands.

## **National Course Specification: course details (cont)**

**COURSE**            Business Management (Intermediate 2)

### **GRADE DESCRIPTIONS**

The candidate's grade will be based on the total score obtained from the Course assessment.

The descriptions below indicate the nature of achievement required for an award at Grade C and A in the Course.

For an award at Grade C, candidates should be able to:

- ◆ apply knowledge and understanding to an explanation of a range of different contexts
- ◆ demonstrate some ability to integrate material drawn from the Course content
- ◆ show a basic understanding of how information and information technology contribute to the decision making process
- ◆ identify and explain the main elements of problems
- ◆ identify and explain possible solutions to problems

For an award at Grade A, candidates should be able to:

- ◆ consistently apply knowledge and understanding to an explanation of a wide range of different contexts
- ◆ demonstrate a high degree of ability to integrate material drawn from the Course content
- ◆ show an understanding, using a range of examples, of how information and information technology contribute to the decision making process
- ◆ identify and explain the main elements of problems, some of which may contain a number of variables
- ◆ identify and explain possible solutions to problems, some of which may contain a number of variables
- ◆ evaluate possible solutions to problems, some of which may contain a number of variables
- ◆ demonstrate clarity and logic in the presentation of their answers

### **ESTIMATES AND APPEALS**

#### **Estimates**

In preparing estimates, evidence of performance should be considered from across the breadth of coverage of the Course and must take account of performance in the whole Course. Evidence used to compile estimates and support appeals must be valid and reliable and must relate to the Course Grade Descriptions. The assessment instruments which are used to generate evidence for estimates must, therefore, allow candidates opportunities to demonstrate attainment against the Course Grade Descriptions.

Further advice on the preparation of estimates is given in the Course Assessment Specification and in the SQA guidance on submitting estimates and appeals.

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

#### **Appeals**

Evidence assembled in support of an Assessment Appeal should cover the content of the Course. Ideally, this will comprise evidence generated by a properly constructed, integrated prelim which reflects the Course assessment in range, balance and depth.

Although a prelim is not mandatory it is desirable. This is because it provides evidence of how well a candidate can perform in conditions which replicate the Course assessment. The prelim can test retention of knowledge and understanding across all areas of the Course content, can provide opportunities for integration, can allow candidates to demonstrate problem solving and decision making and allow them to show that they can apply their knowledge in unfamiliar and more complex contexts. It can also result in evidence which is produced within the same time constraint as that specified by the Course assessment.

When developing prelim papers, centres should bear in mind that past papers, including SQA past papers, will not be accepted in their entirety. However, questions selected carefully from a minimum of three past papers, preferably adapted (to ensure the breadth and depth of coverage required to satisfy the Course Grade Descriptions) can be combined to form a valid assessment instrument for a prelim. Centres must also be certain that the question paper used for a prelim is not in the public domain and has not been previously seen by candidates. It is the responsibility of centres to ensure the validity, reliability and security of assessment instruments used for Estimates and Appeals.

High scoring evidence generated through Unit assessments can lend weight to an appeal. However, evidence from Unit assessment cannot on its own generate sufficient evidence of how a candidate can perform against the Course Grade Descriptions because it does not fully replicate the Course assessment with respect to integrated questions, coverage of the Course content and retention of knowledge of topics from the whole of the Course content.

If evidence from Unit assessment is submitted in support of an appeal, therefore, it should be supplemented by additional evidence which is comparable in depth and breadth to that required in the Course assessment.

#### **APPROACHES TO LEARNING AND TEACHING**

The Course presents opportunities for candidate-centred learning, and there should be an emphasis on active learning throughout. At Intermediate 2 level, the Course will have an applied as well as a theoretical focus. It would be useful to contextualise the Course through the study of individual organisations or entrepreneurs and by referring to specific examples of all the types of business organisations included in the Course.

## National Course Specification: course details (cont)

### COURSE Business Management (Intermediate 2)

In this way, candidates will be more able to apply general business concepts to a whole range of organisations. As a result, the teaching and learning strategy will be less theoretical than that at Higher level, and the use of realistic examples will increase the relevance of the Course for candidates and enhance their motivation. Learning and teaching approaches should recognise the dynamic nature of business activity. It may, therefore, be helpful to use examples of firms which have grown and ones which have declined. A crucial theme is the significance of enterprise to all types of organisation, which requires them to search out new business opportunities to meet changing circumstances. In addition, it is useful to recognise that business enterprises both respond to changes in their environment and are also initiators of change. Hence, they can take decisions which are influenced by their environment but which also influence that environment.

The Course facilitates the use of a range of teaching and learning approaches, such as case studies and business games, group work, and visits to firms (possibly via work experience). These approaches help to integrate the theoretical and practical aspects of the Course, and emphasise the vocational nature and relevance of the subject.

Although the Units within the Course can be delivered independently, it is recommended, when they are offered as part of a Course, that an integrative approach is adopted. It will be beneficial for candidates if Outcome 1 in *Business Enterprise (Intermediate 2)* is delivered first because this sets the overall context for the more detailed study of how different enterprises are organised and managed. There are natural links, for example, between the process of decision making in the *Business Enterprise (Intermediate 2)* Unit, and each of the four business decision areas covered in the other two Units.

The section on *Internal Organisation* in the Course content is not included in any of the Unit specifications. It does, however, provide important background understanding on the organisational context of the functional areas of business covered in *Business Decision Areas: Marketing and Operations (Intermediate 2)* and *Business Decision Areas: Finance and Human Resource Management (Intermediate 2)*. If a Unit by Unit teaching approach is adopted for the Course, this section can form a bridge between the wider context of the *Business Enterprise (Intermediate 2)* Unit and the more restricted, organisational emphasis of the other two Units.

Information and communication technology should be applied throughout the Course to the investigation of business problems. It can be used in an integrated manner throughout the learning and teaching process. Candidates are not required to develop specific ICT skills or to become familiar with particular software packages. However, they should have an awareness of the standard software and hardware used in business and examples and illustrations of this will greatly enhance the learning and teaching process. Opportunities to illustrate the use of databases, for example, could be provided in conjunction with marketing and human resource management. Similarly, spreadsheets could be used in *Business Decision Areas: Finance and Human Resource Management (Intermediate 2 Higher)* to exemplify the interpretation and financial information. In these ways the practical relevance of the Course becomes clearer.

Wherever possible, learning and teaching should make reference to examples of business which are likely to be familiar to candidates. These can include local and national examples, particularly ones which candidates may know in their capacity as consumers. Candidates will also be aware of businesses through the employment of family members, friends or their own experience as employees and this can also be a source of examples and illustrations.

## **National Course Specification: course details (cont)**

### **COURSE Business Management (Intermediate 2)**

There are considerable resources available which can enhance teaching and learning. Newspapers and magazines regularly contain articles and reports on topics relevant to the Intermediate 2 Course in Business Management. Candidates can be encouraged to look out for these reports and this can help to keep the learning and teaching topical and relevant. There are many learning and teaching resources available on the Internet which are suitable for the Intermediate 2 Course. These include sites specifically devoted to the learning and teaching of business and management, many of which include useful case studies which can help to provide variety in learning and teaching as well as being a source of examples and a way of illustrating key points. Candidates can also be encouraged to access company websites and those aimed at consumers.

### **CANDIDATES WITH ADDITIONAL SUPPORT NEEDS**

This Course specification is intended to ensure that there are no artificial barriers to learning or assessment. 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. For information on these, please refer to the document *Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (SQA, 2004).

### **BUSINESS MANAGEMENT IN A BROADER CONTEXT**

A number of national initiatives and programmes promote themes that are important to contemporary society such as citizenship and enterprise. These themes contribute to individual subjects and Courses by making connections beyond the subject boundaries and enrich the learning experience of candidates. Similarly, the specialist knowledge and skills developed through study of a particular subject contributes to the understanding of these themes.

Business Management is a subject which is at the very heart of contemporary society. Business is the engine by which wealth is created and its success determines the prosperity of everyone in society. Almost everyone in society comes into contact with business every day as consumers, employees or employers. Business is not just of national importance. In the twenty-first century, the activities of business and related organisations are international and a significant contributor to the global developments which affect everyone in the world. What businesses do affects everyone in society and has an impact on how they live their lives.

All parts of the Business Management Courses at all levels contribute to building knowledge and understanding about the way businesses operate and about their role and significance in the contemporary national and international environment. Candidates who complete the Course will be better informed about business and be able to make a strong contribution as citizens in a number of capacities — as consumers, as employees and, in some cases, as employers or as self employed persons. They will be citizens with the background needed to participate in an enterprise economy and with some of the knowledge required to be a force in the continued development of an enterprise and enterprising culture. The Course too will provide a basis for lifelong learning for candidates as well as an awareness of the importance that business has for the UK's place in the world and how business in Europe and elsewhere can have an impact on the UK.

Examples of each of these are given below.

## National Course Specification: course details (cont)

### COURSE Business Management (Intermediate 2)

Education for enterprise — the development of an enterprise culture has become a vital part in the policy pursued by the Scottish Executive and the government of the UK both of whom have introduced a number of programmes designed to encourage people to set up in business and to adopt a more outward-looking innovative approach. Business Management as a subject has direct links to these initiatives. It provides underpinning knowledge and understanding of key business activities such as marketing and finance as well as developing critical business skills such as decision making and problem solving which can help candidates apply their knowledge to actual business situations. It enhances awareness of business and the environment in which businesses operate. Much of the material in the Business Management Courses is very closely related to that used in enterprise courses developed both for adults and young people and in some cases is almost the same. Business Management can help to promote an enterprising culture and enable those doing the Course to realise that self-employment or setting up their own business are options which they can pursue.

Education for citizenship — Business Management increases awareness of key sectors of economic activity. It can help candidates become more discriminating consumers and recognise how the actions of business can have a wider impact on society. Candidates are thus able to make better informed decisions and to ask more careful questions. Business Management also provides preparation for employment by giving candidates a background in the way organisations behave. As a result, candidates can make more considered decisions about the employment options open to them.

Lifelong learning — Business Management increases candidate awareness of a significant part of the social and economic environment. Learning and teaching approaches for the subject are built around the use of current illustrations and examples. It can encourage candidates to take an interest in developments and this can be the basis for an inquiring and inquisitive approach that can permeate all aspects of life. The knowledge and skills gained from the study of Business Management can help throughout life in making personal decisions about work, employment and consumption. Candidates have a foundation which can help them to successfully and effectively tackle changes and developments in critical areas of life.



## National Unit Specification: general information

<b>UNIT</b>	Business Enterprise (Intermediate 2)
<b>NUMBER</b>	To be allocated
<b>COURSE</b>	Business Management (Intermediate 2)

### SUMMARY

This Unit enables candidates to gain a knowledge and understanding of the role of business enterprise and decision making in contemporary society and to develop their knowledge of the application of Information and Communication Technology (ICT).

This Unit is a mandatory Unit of the Business Management (Intermediate 2) Course and is also available as a free standing Unit.

This Unit is suitable for candidates progressing from Standard Grade Business Management or from Intermediate 1 Business Management and provides a basis for further study.

### OUTCOMES

- 1 Explain the role of business enterprise in contemporary society
- 2 Explain the use of information and ICT in business
- 3 Explain decision making in business enterprises

### RECOMMENDED ENTRY

Entry is at the discretion of the Centre. However, candidates will normally be expected to have attained one of the following or equivalent:

- ◆ Standard Grade Business Management at General level
  - ◆ Intermediate 1 Business Management or its Units
- and
- ◆ Standard Grade English at General level
  - ◆ Intermediate 1 English or its Units.

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### Administrative Information

**Superclass:**

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## **National Unit Specification: general information (cont)**

**UNIT**        Business Enterprise (Intermediate 2)

### **CREDIT VALUE**

1 credit at Intermediate 2 (6 SCQF points at SCQF level 5\*)

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

### **CORE SKILLS**

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

## **National Unit Specification: statement of standards**

### **UNIT Business Enterprise (Intermediate 2)**

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

#### **OUTCOME 1**

Explain the role of business enterprise in contemporary society

##### **Performance criteria**

- (a) Explain differences between business organisations and their objectives
- (b) Demonstrate awareness of factors which can cause change in the business environment
- (c) Refer to relevant concepts from business management
- (d) Use relevant examples in the explanation

#### **OUTCOME 2**

Explain the use of information and ICT in business

##### **Performance criteria**

- (a) Demonstrate awareness of the importance of business information
- (b) Refer to relevant concepts from business management
- (c) Explain the costs and benefits of a particular situation
- (d) Use relevant examples in the explanation

#### **OUTCOME 3**

Explain decision making in business enterprises

##### **Performance criteria**

- (a) Give examples of different types of business decisions
- (b) Explain the influence of stakeholders on business decisions
- (c) Refer to relevant concepts from business management
- (d) Use relevant examples in the explanation

## **National Unit Specification: statement of standards (cont)**

### **UNIT Business Enterprise (Intermediate 2)**

#### **EVIDENCE REQUIREMENTS FOR THE UNIT**

The contents for this Unit are specified in Appendix 1 — Unit Content.

Evidence is required to demonstrate that candidates have met the requirements of all Outcomes and Performance Criteria.

Candidates are required to demonstrate knowledge and understanding of the Unit content by answering a combination of short answer and restricted response questions drawn from all areas of the Unit content and covering all Outcomes.

Evidence will be produced by candidates completing a number of short answer and extended response questions in a closed book assessment. Candidates must attempt this assessment in controlled conditions on a single occasion. The maximum time allowed is 60 minutes.

If re-assessment is required, it should contain a different sample from the range of Unit content.

Achievement can be determined by the use of a cut-off score. The standard to be applied and the breadth of coverage are illustrated in the National Assessment Bank items available for this Unit. If a Centre wishes to design its own assessment for this Unit, it should be of a comparable standard.

## **National Unit Specification: support notes**

### **UNIT Business Enterprise (Intermediate 2)**

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

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

#### **GUIDANCE ON CONTENT AND CONTEXT FOR THIS UNIT**

This Unit is one of three mandatory Units in the Intermediate 2 Business Management Course. It deals with Business Enterprise. It is set in the context of contemporary business and candidates should be introduced to current examples of business activity and behaviour. The Unit covers different types of business organisations and their objectives, the role of the entrepreneur and other stakeholders as well as the internal and external factors affecting business organisations. The use and value of the different types and sources of information are examined, as is an organisation's use of ICT. The Unit also covers decision making and examines the decision making process.

The extent of the knowledge required for each Outcome of the Unit is detailed in Appendix 1 — Unit Content.

#### **GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT**

The Unit should be approached holistically so that candidates appreciate the relationship between the three Outcomes.

The Unit offers considerable scope for the use of investigative teaching methods, such as project work, as well as visits to business enterprises and the use of visiting speakers. Candidates should also be encouraged to make use of their own experiences as stakeholders, for example, as customers or employees, and to keep up to date with current developments via the business section of newspapers and business magazines. There are also opportunities to gather information, for instance from local businesses and websites. Active learning, including the use of business games, could be used.

There are close links with the other two Units in the Intermediate 2 Course, particularly with respect to Outcomes 2 and 3.

## **National Unit Specification: support notes (cont)**

**UNIT**        Business Enterprise (Intermediate 2)

### **GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT**

Short answer and restricted response questions, which could be based on case study material, are most likely to generate suitable evidence for this Unit. These questions are to be attempted in controlled conditions so candidates should be given assistance to help them prepare for such an assessment event.

### **CANDIDATES WITH ADDITIONAL SUPPORT NEEDS**

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering special alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (SQA, 2004).

## National Unit Specification: support notes (cont)

### UNIT Business Enterprise (Intermediate 2)

#### Appendix 1 — Unit Content

*NB: This Appendix is within the statement of standards, ie the mandatory requirements of the Unit.*

#### Outcome 1

Role of business in society	Wealth creation, production and consumption, satisfaction of human wants. Sectors of activity
Types of business organisations	Self-employed, partnership, private limited company, public limited company, voluntary organisation, charity, publicly funded organisation
Methods of obtaining finance	Internal and external sources; short and long term; shares, loans, banks, LECs, government
Objectives	Profit maximisation, survival, growth, social responsibility, provision of a service
The role of the entrepreneur	Enterprise, identifying business opportunities, franchising, combining factors of production, risk taking
Stakeholders	Internal and external; shareholders, management, employees, customers, suppliers, banks, other lenders, community, government; the relationship and importance of stakeholders to individual organisations
Changes in the business environment	<p>The increasing significance of multinationals, the greater business orientation in publicly-funded organisations, changes in the size of firms, for example, the importance of small firms, downsizing, growth of franchising</p> <p>Factors which can cause change: internal — changes in costs, development of new products; external — changes in demand, changes in technology, changes in taxation, changes in the competitive market, changes in national and EU legislation.</p> <p>Importance of change to business, for example, the need to respond to internal and external pressures; the need to ensure survival</p>

## **National Unit Specification: support notes (cont)**

### **UNIT Business Enterprise (Intermediate 2)**

#### **Outcome 2**

Sources of information	Primary, secondary, internal, external
Types of information	Written, oral, pictorial, graphical, numerical
Uses of information in business	Monitoring and control, decision making, measuring performance, identifying new business opportunities
ICT in business	Uses of ICT such as decision making, provision of information, maintenance of records, communications
Benefits and costs of ICT	For example, speed, flexibility, handling of complex information, financial outlay, staff training, data corruption

#### **Outcome 3**

Types of decision	Strategic, tactical, operational
Decision making process	Role of managers, need for decisions to fit with organisational objectives, influence of stakeholders on decisions, for example, shareholders and AGM, government and taxation; ways in which stakeholders exert influence, for example, voting, pressure groups

## National Unit Specification: general information

**UNIT** Business Decision Areas: Marketing And Operations  
(Intermediate 2)

**NUMBER** To be allocated

**COURSE** Business Management (Intermediate 2)

### SUMMARY

This Unit is designed to enable candidates to explain the roles of the Marketing and Operations functions in organisations. It enables candidates to explain the decisions that organisations have to make about marketing and operations to make sure that the objectives of the organisation are met.

This Unit is a mandatory Unit of the Course Business Management (Intermediate 2) and is also available as a free standing Unit.

The Unit is suitable for candidates progressing from Standard Grade Business Management or from Intermediate 1 Business Management and provides a basis for further study.

### OUTCOMES

- 1 Explain the marketing function in organisations
- 2 Explain the operations function in organisations

### RECOMMENDED ENTRY

Entry is at the discretion of the Centre, but candidates will normally be expected to have attained at least one of the following:

- ◆ Standard Grade Business Management at General level
  - ◆ Intermediate 1 Business Management or its Units
- and
- ◆ Standard Grade English at General level, or
  - ◆ Intermediate 1 English or its Units

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## **National Unit Specification: general information (cont)**

**UNIT** Business Decision Areas: Marketing And Operations  
(Intermediate 2)

### **CREDIT VALUE**

1 credit at Intermediate 2 (6 SCQF points at SCQF level 5\*)

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

### **CORE SKILLS**

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

## **National Unit Specification: statement of standards**

### **UNIT Business Decision Areas: Marketing and Operations (Intermediate 2)**

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

#### **OUTCOME 1**

Explain the marketing function in organisations

##### **Performance criteria**

- (a) Demonstrate awareness of the role of marketing in organisations
- (b) Explain the marketing mix in a specific business situation
- (c) Explain a marketing decision
- (d) Use relevant examples in the explanation
- (e) Refer to relevant concepts from business management

#### **OUTCOME 2**

Explain the operations function in organisations

##### **Performance criteria**

- (a) Demonstrate awareness of the role of operations in organisations
- (b) Explain an operations decision
- (c) Use relevant examples in the explanation
- (d) Refer to relevant concepts from business management

#### **EVIDENCE REQUIREMENTS FOR THE UNIT**

The contents for this Unit are specified in Appendix 1 — Unit Content

Evidence is required to demonstrate that candidates have met the requirements of both Outcomes and all Performance Criteria

Candidates are required to demonstrate knowledge and understanding of the Unit content by answering short answer questions drawn from all areas of the Unit and covering both Outcomes

Evidence will be produced by candidates completing a number of short answer questions in a closed book assessment. Candidates must attempt this assessment in controlled conditions on a single occasion. The maximum time allowed is 60 minutes

If re-assessment is required, it should contain a different sample from the range of Unit content

## **National Unit Specification: statement of standards (cont)**

### **UNIT            Business Decision Areas: Marketing and Operations (Intermediate 2)**

Achievement can be determined by the use of a cut-off score. The standard to be applied and the breadth of coverage are illustrated in the National Assessment Bank items for this Unit. If a centre wishes to design its own assessment for this Unit, it should be of a comparable standard.

## **National Unit Specification: support notes**

### **UNIT Business Decision Areas: Marketing and Operations (Intermediate 2)**

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 CONTENT AND CONTEXT FOR THIS UNIT**

This Unit complements *Business Decision Areas: Finance and Human Resource Management (Intermediate 2)*. Between them they consider the main functional areas of business organisations. Neither of these Units covers the place of functional areas in the structure of an organisation. Candidates following the Course in Business Management (Intermediate 2) are expected to cover these issues as part of the Course content. Other candidates may find a brief introduction to these issues helpful.

This Unit is closely linked to Outcomes in *Business Decision Areas: Marketing and Operations (Intermediate 2)*. Hence, the context of both is very similar, although candidates taking only this Unit are not expected to demonstrate as wide a range of contexts, for example, in the type of organisations covered, nor are they expected to have mastered a greater amount of content.

The emphasis in this Unit is on explanation rather than on analysis which is required at Higher level.

The Unit, like its Higher counterpart, is set in the context of contemporary UK society and, wherever possible, current examples of decisions which businesses have to take should be used. Examples of organisations in Scotland are likely to be particularly suitable and these should include voluntary organisations, such as charities, and publicly-funded ones, such as local authorities, as well as different forms of profit-making bodies from sole traders to large multinational companies. Hence, the particular local situation in which candidates find themselves should be related to the national and international framework within which businesses operate. It may also be helpful to use examples of firms which have grown and ones which have declined. In doing this, it is essential to bear in mind that the Unit is set in the context of all types of organisation and, wherever possible, examples should make this apparent.

Overall, therefore, the Unit has both a practical and an explanatory focus. It can be set in the context of business decision making in the main functional areas of activity.

## **National Unit Specification: support notes (cont)**

**UNIT**            Business Decision Areas: Marketing and Operations  
(Intermediate 2)

### **GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT**

The Unit offers considerable scope for the use of case studies, project work and practical investigations, as well as visits to business enterprises (possibly via work experience) and the use of visiting speakers. Candidates can also be encouraged to make use of their own experiences as customers and potential employees, and to keep up to date with current developments via the internet, the business section of newspapers and business magazines. Company websites can be a particularly useful source of current information and can also provide examples of business decisions. The emphasis throughout should be on active learning. One way to achieve this may be through the use of business games which might offer additional opportunities to integrate all parts of the Unit, and make use of information technology, as well as giving practical experience in decision making.

Where this Unit is integrated with *Business Enterprise (Intermediate 2)*, there are opportunities to integrate their delivery into a single programme. There are considerable advantages in doing this as candidates should find it easier to see how different aspects of the business environment and business activity are inter-related.

### **GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT**

Short answer questions, which could be based on case study material, are most likely to generate suitable evidence for this Unit. These questions are to be attempted in controlled conditions so candidates should be given assistance to help them prepare for such an assessment event.

### **CANDIDATES WITH ADDITIONAL SUPPORT NEEDS**

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering special alternative outcomes for units. For information on these, please refer to the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (SQA, 2004).

## National Unit Specification: statement of standards (cont)

**UNIT** Business Decision Areas: Marketing and Operations  
(Intermediate 2)

### Appendix 1 — Unit Content

*NB: This Appendix is within the statement of standards, ie the mandatory requirements of the Unit.*

#### Outcome 1

##### Marketing

The marketing concept	The role of marketing in organisations, for example, goods and services; market share; market growth
The marketing mix	Place, including distribution channels; price; product/service; promotion
Market research	Primary and secondary information. The assessment of customer requirements, for example, desk research, surveys and sampling

#### Outcome 2

##### Operations

Operations	Role of operations in organisations
Elements of the operations function	Purchasing (materials management); systems design, for example, automation, labour requirements; system operation, for example, stock control
Types of operation	Job, batch and flow
Quality	Quality control, benchmarking, quality circles

## National Unit Specification: general information

**UNIT** Business Decision Areas: Finance And Human Resource Management (Intermediate 2)

**NUMBER** To be allocated

**COURSE** Business Management (Intermediate 2)

### SUMMARY

This Unit is designed to enable candidates to explain the roles of the Finance and Human Resources functions in organisations. It enables candidates to explain the decisions that organisations have to make about finance and human resources to make sure that the objectives of the organisation are met.

This Unit is a mandatory Unit of the Course Business Management (Intermediate 2) and is also available as a free standing Unit.

The Unit is suitable for candidates progressing from Standard Grade Business Management or from Intermediate 1 Business Management and provides a basis for further study.

### OUTCOMES

- 1 Explain the finance function in an organisation
- 2 Explain the human resource function in an organisation

### RECOMMENDED ENTRY

Entry is at the discretion of the Centre, but candidates will normally be expected to have attained at least one of the following, or equivalent:

- ◆ Standard Grade Business Management at General level
  - ◆ Intermediate 1 Business Management or its Units
- and
- ◆ Standard Grade English at General level, or
  - ◆ Intermediate 1 English or its Units

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### Administrative Information

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## **National Unit Specification: general information (cont)**

### **CREDIT VALUE**

1 credit at Intermediate (6 SCQF points at SCQF level 5\*)

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

### **CORE SKILLS**

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

## **National Unit Specification: statement of standards**

### **UNIT Business Decision Areas: Finance and Human Resource Management (Intermediate 2)**

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

#### **OUTCOME 1**

Explain the finance function in an organisation.

##### **Performance criteria**

- (a) Demonstrate awareness of the role of the finance function in an organisation
- (b) Describe the users of financial information
- (c) Explain a finance decision
- (d) Use relevant examples in the explanation
- (e) Refer to relevant concepts from business management

#### **OUTCOME 2**

Explain the human resource function in an organisation.

##### **Performance criteria**

- (a) Demonstrate awareness of the role of the human resources function in an organisation
- (b) Explain a human resource management decision
- (c) Use relevant examples in the explanation
- (d) Refer to relevant concepts from business management

## **National Unit Specification: statement of standards (cont)**

**UNIT**            Business Decision Areas: Finance and Human Resource Management (Intermediate 2)

### **EVIDENCE REQUIREMENTS FOR THE UNIT**

The contents for this Unit are specified in Appendix One – Unit Content.

Evidence is required to demonstrate that candidates have met the requirements of both Outcomes and all Performance Criteria.

Candidates are required to demonstrate knowledge and understanding of the Unit content by answering short answer questions drawn from all areas of the Unit and covering both Outcomes.

Evidence will be produced by candidates completing a number of short answer questions in a closed book assessment. Candidates must attempt this assessment in controlled conditions on a single occasion. The maximum time allowed is 60 minutes.

If re-assessment is required, it should contain a different sample from the range of Unit content.

Achievement can be determined by the use of a cut-off score. The standard to be applied and the breadth of coverage are illustrated in the National Assessment Bank items for this Unit. If a centre wishes to design its own assessment for this Unit, it should be of a comparable standard.

## National Unit Specification: support notes

### UNIT Business Decision Areas: Finance and Human Resource Management (Intermediate 2)

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 CONTENT AND CONTEXT FOR THIS UNIT

This Unit complements *Business Decision Areas: Marketing and Operations (Intermediate 2)*. Between them they consider the main functional areas of business organisations. Neither of these Units covers the place of functional areas in the structure of an organisation. Candidates following the Course in Business Management (Intermediate 2) are expected to cover these issues as part of the Course content. Other candidates may find a brief introduction to these issues helpful.

This Unit is also closely linked to *Business Decision Areas: Finance and Human Resources Management (Higher)*. Hence, the context of both is very similar, although candidates taking only this Unit are not expected to demonstrate as wide a range of contexts, for example, in the type of organisations covered, nor are they expected to have mastered a greater amount of content.

The emphasis in this Unit is on explanation rather than on analysis which is required at Higher level.

The Unit, like its Higher counterpart, is set in the context of contemporary UK society and, wherever possible, current examples of decisions which businesses have to take should be used. Examples of organisations in Scotland are likely to be particularly suitable and these should include voluntary organisations, such as charities, and publicly-funded organisations, as well as different forms of profit-making bodies from sole-traders to large multinational companies. Hence, the particular local situation in which candidates find themselves should be related to the national and international framework within which businesses operate. It may also be helpful to use examples of firms which have grown and ones which have declined. In doing this, it is essential to bear in mind that the Unit is set in the context of all types of organisation and, wherever possible, examples should make this apparent.

Overall, therefore, the Unit has both a practical and an explanatory focus. It can be set in the context of business decision making in the main functional areas of activity.

## **National Unit Specification: support notes (cont)**

**UNIT**            Business Decision Areas: Finance and Human Resource Management (Intermediate 2)

### **GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT**

The Unit offers considerable scope for the use of case studies, project work and practical investigations, as well as visits to business enterprises (possibly via work experience) and the use of visiting speakers. Candidates can also be encouraged to make use of their own experiences as customers and potential employees, and to keep up to date with current developments via the internet, the business section of newspapers and business magazines. Company websites can be a particularly useful source of current information and can also provide examples of business decisions. The emphasis throughout should be on active learning. One way to achieve this may be through the use of business games which might offer additional opportunities to integrate all parts of the Unit, and make use of information technology, as well as giving practical experience in decision making.

Where this Unit is integrated with *Business Enterprise* (Intermediate 2), there are opportunities to integrate their delivery into a single programme. There are considerable advantages in doing this as candidates should find it easier to see how different aspects of the business environment and business activity are inter-related.

### **GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT**

Short answer questions, which could be based on case study material, are most likely to generate suitable evidence for this Unit. These questions are to be attempted in controlled conditions so candidates should be given assistance to help them prepare for such an assessment event.

### **CANDIDATES WITH ADDITIONAL SUPPORT NEEDS**

This Unit specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering special alternative outcomes for Units. For information on these, please refer to the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (SQA, 2004).

## National Unit Specification: statement of standards (cont)

**UNIT** Business Decision Areas: Finance and Human Resource Management (Intermediate 2)

### Appendix 1 — Unit Content

*NB: This Appendix is within the statement of standards, ie the mandatory requirements of the Unit.*

#### Outcome 1

The role of the finance function	Payment of wages and salaries, payment of accounts, maintenance of financial records
Financial information	Purpose of profit and loss and balance sheet, cash flow management, purpose of ratios
Uses of financial information	Controlling costs and expenditure, monitoring performance; informing decision-making
Users of financial information	Management, owners, creditors, employees, citizens

#### Outcome 2

Human resource management	Role of human resource management in organisations
Recruitment and selection	Recruitment — internal and external sources; selection — methods
Training and development	Costs and benefits
Employee relations	Inter-relationships between employees and management — terms and conditions of employment, employee organisations, works councils
Legislative requirements	Awareness of legislation relating to equal opportunities and health and safety