

National 3 Business Course Support Notes



This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies of these *Course Support Notes* can be downloaded from SQA's website: www.sqa.org.uk.

Please refer to the note of changes at the end of this document for details of changes from previous version (where applicable).

Contents

Course Support Notes

Introduction	1
General guidance on the Course	2
Approaches to learning and teaching	5
Approaches to assessment	7
Equality and inclusion	9
Appendix 1: Reference documents	10
Administrative information	11

Unit Support Notes — Business in Action (National 3) 12

Introduction	13
General guidance on the Unit	14
Approaches to learning, teaching and assessment	15
Equality and inclusion	19
Appendix 1: Reference documents	20
Administrative information	21

Unit Support Notes — Influences on Business (National 3) 22

Introduction	23
General guidance on the Unit	24
Approaches to learning and teaching	25
Equality and inclusion	33
Appendix 1: Reference documents	34
Administrative information	35

Introduction

These support notes are not mandatory. They provide advice and guidance on approaches to delivering and assessing the National 3 Business Course. They are intended for teachers and lecturers who are delivering the Course and its Units. They should be read in conjunction with the *Course Specification* and the Unit Specifications for the Units in the Course.

General guidance on the Course

Aims

The Course aims to enable learners to develop:

- ◆ an awareness of business concepts in a range of familiar contexts
- ◆ an awareness of the actions small businesses take to satisfy customers' needs in familiar contexts
- ◆ an awareness of basic enterprising and employability skills in realistic business contexts
- ◆ basic financial awareness in a business context
- ◆ basic awareness of the effects of internal and external influences on business

Progression into this Course

Entry to this Course is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by one or more of the following or by equivalent qualifications or experience.

- ◆ National 2 Business in Practice Course or relevant component Units

In terms of prior learning and experience, relevant experiences and outcomes may also provide an appropriate basis for doing this Course.

Skills, knowledge and understanding covered in this Course

This section provides further advice and guidance about skills, knowledge and understanding that could be included in the Course.

Mandatory skills, knowledge and understanding	Business in Practice	Influences on Business
a basic understanding of enterprising skills and personal attributes that contribute to business success	✓	
skills required to look after customers effectively in familiar business contexts	✓	✓
a basic understanding of how a business operates through developing an awareness of key functional activities of business	✓	✓
fundamental skills in the use of ICT to support business activities	✓	
developing an awareness of basic business finance in familiar contexts		✓
an awareness of the effects of a limited range of internal and external influences on business activity		✓

The table below gives guidance on some of the underpinning skills which will be developed in the Course.

Enterprising skills	A Course in Business naturally lends itself to developing enterprising skills, by exploring how business operates. The flexibility offered in the delivery of the Course allows centres to cover the requirements through an enterprise project — learners could establish their own business or social enterprise to cover the Outcomes and Assessment Standards specified in the Unit Specifications.
Customer service skills	The key to success in any business is by providing a high standard of customer service to ensure repeat business. This Course explicitly covers customer service in the Business in Action Unit, however opportunities are available throughout the Course to encourage learners to consider the customer and how the image and reputation of the business can be maintained in a positive and professional light at all times. This can also be achieved when completing tasks, encouraging learners to take pride in the activities they complete.
Knowledge and understanding of functional activities of business	Learners will gain an overall understanding and appreciation of how businesses operate. There will be particular focus on this in the Unit Business in Action. This knowledge will help learners better understand the world they live in and help prepare them for entering the workplace.

ICT skills	There are a number of opportunities to develop learners' skills, knowledge and understanding of the use of ICT — this will be explicitly developed in the Unit Business in Action (Outcome 2), however there are numerous opportunities throughout the Course to make use of ICT when completing tasks and activities. Adopting this approach to using ICT will help learners to see how ICT can be used in different contexts and develop skills for learning, life and work.
Business finance	The Unit, Influences on Business, will provide learners the opportunity to work with simple cash budgets, which can be contextualised by looking at learners' personal finance and/or the finance from setting up an enterprise company in school. The Unit, Business in Action, requires learners to consider the difference sources of finance that are available to businesses.

Progression from this Course

This Course will help prepare learners for a number of areas including:

- ◆ National 4 Business Course or relevant component Units
- ◆ further study, employment or training

Hierarchies

Hierarchy is the term used to describe Courses and Units which form a structured sequence involving two or more SCQF levels.

A hierarchy exists between this Course and the National 4 Business Course. It is important that any content in a Course and/or Unit at one particular SCQF level is not repeated if a learner progresses to the next level of the hierarchy. The skills and knowledge should be able to be applied to new content and contexts to enrich the learning experience. This is for centres to manage.

Learners will be expected to demonstrate a greater degree of autonomy with less support offered by the teacher/lecturer the higher they progress through the hierarchy. This should increase the sense of ownership the learners have over their work and ensure that, even if they have previously completed the Course at a lower level, their interest in the subject is kept alive.

To the learners who might exceed the SCQF level they are working at, a hierarchical arrangement gives the opportunity to have their best achievements recognised. For those who might fall short in some areas, on the other hand, it provides fall-back. A hierarchical arrangement also enables learners to work at different levels in one class, and it is indeed envisaged that this will happen in some centres.

Approaches to learning and teaching

The approaches to teaching and learning chosen should encourage personalisation and choice. The National 3 Course benefits from having no external assessment so this is a great opportunity to make the teaching and learning as active as possible.

There are many teaching and learning activities which can be carried out and these are just a few that could be considered when delivering the National 3 Business Course. Examples given below are for illustrative purposes only and are not meant to be comprehensive or exhaustive:

- ◆ Research tasks making use of the internet and/or local businesses. These tasks could end with a class presentation to demonstrate their findings. These could be individual or in groups to encourage team working skills.
- ◆ The use of external guests/speakers from the local area. An excellent tool to bring the areas of learning to life.
- ◆ Learners could be encouraged to compete in groups against others in same Course/same authority to prepare an item of promotional material or perhaps a whole range of promotional materials for a local business. The local business could judge the materials and award prizes.
- ◆ Regular class quizzes — build motivation of all by totalling scores on leader board.
- ◆ Practical team building tasks could be used on a number of occasions.
- ◆ Learners could take part in real-life enterprising activities like interview practice where they take a role as the interviewee or the interviewer. A number of key skills could be developed through this task.
- ◆ The creation of posters and diagrams, promotional materials which applies their learning to chosen situations. Pupils should make use of relevant ICT where appropriate.
- ◆ Appropriate and effective use of media resources (eg video clips, internet media) to demonstrate skills, knowledge and understanding.
- ◆ Educational visits where learners get to see what they are studying in practice could be another effective tool in teaching and learning.

Developing skills for learning, skills for life and skills for work

The generic skills for learning, skills for life and skills for work which this Course develops include aspects of literacy, numeracy, employability and thinking skills. It is important that teachers/lectures offer learners opportunities to develop these skills as an integral part of their learning experience through classroom activities. For example, a class or group discussion on a business proposal might involve young people in remembering and applying their knowledge in a familiar context.

Examples given in the section below are for illustrative purposes only and are not meant to be comprehensive or exhaustive.

Numeracy	Information handling	Learners will be required to extract appropriate numerical information and present this in the prescribed layout which will enable decisions to be taken in business. This will take the form of the preparation of a simple cash budget and/or cost statement.
Employability, enterprise and citizenship	Employability	Throughout the Course, learners will be engaged in tasks and activities that will encourage team and group work. Within the Unit Influences on Business, learners will look at recruitment methods and Centre's are encouraged to explore personal career opportunities.
	ICT	The Course is practical in nature and the use of ICT to support business will be explored. Through teaching and learning strategies, ICT can be used to support learners in the preparation and presentation of their tasks and activities — this could be using the internet to research local businesses and presenting findings as a presentation or word processed document, for example.
	Enterprise	Participating in activities that demonstrate enterprising attributes such as setting up a notional business.
Thinking skills	Understanding	Using business information and terminology in different contexts.

Approaches to assessment

There are different approaches to assessment, and teachers/lecturers should use their professional judgement, subject knowledge and experience, as well as understanding of their learners and their varying needs, to determine the most appropriate ones and, where necessary, to consider workable alternatives.

Assessments must be fit for purpose and should allow for consistent judgments to be made by all assessors. They should also be conducted in a supervised manner to ensure that the evidence provided is valid and reliable.

Assessments must ensure that the evidence generated demonstrates, at least, the minimum level of competence for each Unit. Assessors preparing assessment methods should be clear about what that evidence will look like for their centre or learner. Examples of suitable forms of evidence could include:

- ◆ multiple choice questions
- ◆ short written responses
- ◆ participation in group work and discussion (making use of log books, blogs, question and answer sessions to confirm individual learners have met the required standards)
- ◆ presenting information to other groups and/or recorded oral evidence
- ◆ extended response essay type questions
- ◆ exemplifying concepts using a diagram
- ◆ interpretation of numerical data

Evidence should include the use of appropriate business terminology as well as the use of real-life examples where appropriate.

Flexibility in the method of assessment provides opportunities for learners to demonstrate attainment in a variety of ways and so reduce barriers to attainment. The structure of an assessment used by a centre can take a variety of forms, for example:

- ◆ assessment of each individual Assessment Standard — individual pieces of work could be collected in a folio
- ◆ assessment of each complete Outcome
- ◆ assessment that combines Outcomes of one or more Units
- ◆ assessment that requires more than the minimum competence, which would allow learners to prepare for the Course assessment

Teachers/lecturers should note that learners' day-to-day work may produce evidence which satisfies assessment requirements of a Unit, or Units, either in full or partially. Such naturally occurring evidence generated during lessons, may be used as a contribution towards Unit assessment.

Combining assessment across Units

Centres are free to deliver and assess Units and Outcomes in any order they wish. This provides an opportunity for flexibility in sequencing the delivery of the Course and/or Units. In this situation, assessments could be combined across Units as other topics of the Course can offer the opportunity to be assessed synoptically.

Where possible, using a combined approach to assessment is recommended because it will:

- ◆ enrich the assessment process for both learners and teachers/lecturers by bringing together elements of different Units
- ◆ make more sense to learners and avoid duplication of assessment
- ◆ ensure greater rigour in assessment
- ◆ allow for evidence for all Units to be drawn from a range of activities, thus making it easier to cover aspects which may not occur in a one-off assessment
- ◆ use assessment opportunities efficiently and reduce over-assessment

Combined assessment will also minimise repetition, allow more time for learning and enable centres to manage the assessment process more efficiently.

When assessment across the Units is combined, teachers/lecturers should take particular care to track the evidence for each Unit to ensure that learners who do not achieve the entire Course may still get the credit for the Unit or Units they have achieved.

Equality and inclusion

It is recognised that centres have their own duties under equality and other legislation and policy initiatives. The guidance given in these *Course Support Notes* is designed to sit alongside these duties but is specific to the delivery and assessment of the Course.

The high degree of flexibility within this Course in terms of possible approaches to Unit assessment means that Course and Unit planners can consider and remove potential barriers to learning and assessment. Alternative assessment arrangements and reasonable adjustments can be made in order that this Course and its Units are accessible to all learners.

It is important that centres are aware of and understand SQA's assessment arrangements for disabled learners, and those with additional support needs, when making requests for adjustments to published assessment arrangements. Centres will find more guidance on this in the series of publications on Assessment Arrangements on SQA's website: www.sqa.org.uk/sqa/14977.html

Appendix 1: Reference documents

The following reference documents will provide useful information and background.

- ◆ Assessment Arrangements (for disabled candidates and/or those with additional support needs) — various publications are available on SQA's website at: www.sqa.org.uk/sqa//14977.html.
- ◆ [Building the Curriculum 4: Skills for learning, skills for life and skills for work](#)
- ◆ [Building the Curriculum 5: A framework for assessment](#)
- ◆ [Course Specification](#)
- ◆ [Design Principles for National Courses](#)
- ◆ [Guide to Assessment](#)
- ◆ Principles and practice papers for curriculum areas
- ◆ [SCQF Handbook: User Guide](#) and [SCQF level descriptors](#)
- ◆ [SQA Skills Framework: Skills for Learning, Skills for Life and Skills for Work](#)
- ◆ [Skills for Learning, Skills for Life and Skills for Work: Using the Curriculum Tool](#)

Administrative information

Published: September 2015 (version 1.0)

History of changes to Course Support Notes

Version	Description of change	Authorised by	Date

This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies can be downloaded from SQA's website at www.sqa.org.uk.

Note: You are advised to check SQA's website (www.sqa.org.uk) to ensure you are using the most up-to-date version.

© Scottish Qualifications Authority 2015

Unit Support Notes — Business in Action (National 3)



This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies of these *Unit Support Notes* can be downloaded from SQA's website: www.sqa.org.uk.

Please refer to the note of changes at the end of this document for details of changes from previous version (where applicable).

Introduction

These support notes are not mandatory. They provide advice and guidance on approaches to delivering and assessing the Business in Action (National 3) Unit. They are intended for teachers and lecturers who are delivering this Unit. They should be read in conjunction with:

- ◆ the Unit Specification
- ◆ the Course Specification
- ◆ the Course Support Notes
- ◆ appropriate assessment support materials

If the *Unit Support Notes* have been developed for a Unit which is not part of a Course, then it is only necessary to read them in conjunction with the *Unit Specification*.

General guidance on the Unit

Aims

The general aim of this Unit is to give learners opportunities to participate in activities that develop an awareness of the enterprising skills and personal attributes required to succeed in business. Learners will develop an understanding of the importance of satisfying customers' needs. This Unit will also develop learners' awareness of the key functional activities that support small businesses and will give them opportunities to demonstrate how the use of ICT supports these activities.

Learners who complete this Unit will be able to:

- ◆ research a small business and present the findings
- ◆ apply an understanding of functional activities supporting small businesses

Progression into this Unit

Entry to this Unit is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by the following or by equivalent qualifications or experience.

- ◆ National 2 Business in Practice Course or relevant component Units

In terms of prior learning and experience, relevant experiences and outcomes may also provide an appropriate basis for doing this Unit.

Skills, knowledge and understanding covered in this Unit

Information about skills, knowledge and understanding is given in the National 3 Business *Course Support Notes*.

If this Unit is being delivered on a free-standing basis, teachers and lecturers are free to select the skills, knowledge, understanding and contexts which are most appropriate for delivery in their centres.

Progression from this Unit

This Unit may provide progression to:

- ◆ National 4 Business Course or relevant component Units
- ◆ further study, employment and/or training

Approaches to learning, teaching and assessment

The approaches to teaching and learning chosen should encourage personalisation and choice. The National 3 Course benefits from having no external assessment so this is a great opportunity to make the teaching and learning as active as possible.

Learners should be given the opportunity to research a small business, this business can be a family business, a local business, or a business scenario generated for the purpose of this Unit.						
This Unit could be delivered in a holistic way. Learners could carry out a business enterprise activity, be presented with a scenario or could run a series of mini enterprise companies.						
Skills, knowledge and understanding covered in this Unit/Outcome	Suggested activities and tasks	Exemplification				
<p>Outline the business in terms of:</p> <ul style="list-style-type: none"> ◆ Business name ◆ Business ownership ◆ What does the business do? <p>Identify the main skills and attributes of the owner/owner in terms of:</p> <ul style="list-style-type: none"> ◆ Skills ◆ Qualifications ◆ Traits ◆ Personality ◆ Experience <p>Describe the business in terms of</p> <ul style="list-style-type: none"> ◆ Business activity; meeting customer needs; customer satisfaction ◆ The market for the good or service ◆ The price of the good or service; value for money ◆ Market research carried out 	<p>A combination of the following approaches could suit the needs of learners with different learning styles.</p> <ul style="list-style-type: none"> ◆ Completing a business plan for a small business ◆ Interviewing the owner/owners of a small business and creating a video ◆ Using photographs to create a presentation on a small business ◆ Inviting an owner of a small business to take part in question/answer session ◆ Carrying out a questionnaire to find out about a small business 	<div style="border: 1px solid black; padding: 10px;"> <p style="text-align: center; color: purple; font-weight: bold;">WHAT WOULD YOU DO WITH A TENNER?</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;"> Description of my business <i>I plan to...</i> </td> </tr> <tr> <td style="padding: 5px;"> Targeted market and customers <i>My customers will be...</i> </td> </tr> <tr> <td style="padding: 5px;"> Resources <i>I will need...</i> </td> </tr> <tr> <td style="padding: 5px;"> Outcome <i>The benefit to the local community will be...</i> </td> </tr> </table> </div>	Description of my business <i>I plan to...</i>	Targeted market and customers <i>My customers will be...</i>	Resources <i>I will need...</i>	Outcome <i>The benefit to the local community will be...</i>
Description of my business <i>I plan to...</i>						
Targeted market and customers <i>My customers will be...</i>						
Resources <i>I will need...</i>						
Outcome <i>The benefit to the local community will be...</i>						

Describe possible sources of finance:

- ◆ Grants
- ◆ Bank loans
- ◆ Savings
- ◆ Friends and family

Describe possible sources of advice:

- ◆ Professional bodies, Chambers of Commerce
- ◆ Government agencies
- ◆ Banks and other financial establishments
- ◆ Other businesses/entrepreneurs
- ◆ Online websites

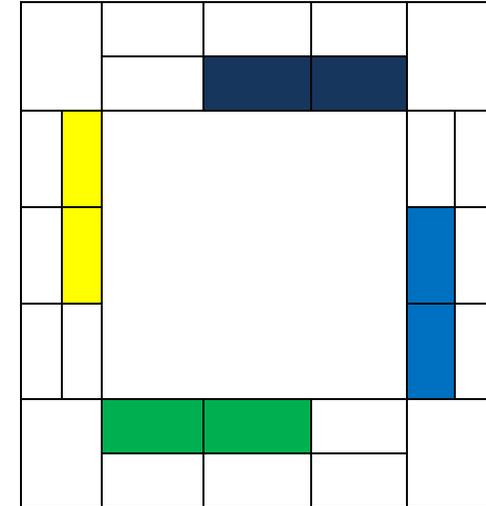
Suggest advantages and disadvantages of small businesses, for example, sole traders; not for profit organisations:

- ◆ Strengths and weaknesses of small business

- ◆ Creating a leaflet about a small business
- ◆ Producing a presentation on a small business
- ◆ Creating a movie — About my business!
- ◆ Undertaking outside visits to business locations
- ◆ Organising an event for small businesses, promoting their business
- ◆ Designing a website for a business

High Street board game:

- ◆ As part of understanding business, you must have an awareness of your local business environment. Using a board game template, map out your local high street.



This part of the Course should contain a significant practical component underpinned by related knowledge and understanding. Its key purpose is to develop ICT skills in the context of business functional activities.

Skills, knowledge and understanding covered in this Unit/Outcome	Suggested activities and tasks
<p>Outlining how functional activities support a small business:</p> <ul style="list-style-type: none"> ◆ Keeping a budget to ensure the business has enough money, to help decide if they can purchase new inventory (stock) or equipment ◆ Operations ◆ Recruiting and selecting staff to make sure that the right people are employed to successfully undertake the job ◆ Advertising and special offers to encourage repeat business or to encourage new customers 	<p>A combination of the following approaches could demonstrate that learners have an understanding of how the different functional activities support small businesses:</p> <ul style="list-style-type: none"> ◆ Match up activities ◆ Presentation to show what each functional activity does
<p>Preparing documents to support the functional activities, which may include:</p> <ul style="list-style-type: none"> ◆ Using word processing to prepare letters to customers/suppliers/employees ◆ Using DTP to prepare promotional materials ◆ Using databases to store employee records/customer records ◆ Using spreadsheets to produce financial information/production records ◆ Using presentation software to prepare presentations ◆ Using e-mail to communicate with employees/customers/suppliers ◆ Using the internet to gather information ◆ Using e-commerce to promote/sell products/services 	<p>A combination of the following approaches could demonstrate how ICT can support the functional areas:</p> <ul style="list-style-type: none"> ◆ Creating letter head for a small business ◆ Creating a basic budget ◆ Creating a memorandum for staff ◆ Creating a record of customer addresses ◆ Creating an e-mail for suppliers ◆ Creating a poster for promotional purposes ◆ Creating a blog for promotional purposes ◆ Designing a website for e-commerce ◆ Preparing a video for training ◆ Searching and downloading relevant information from the internet ◆ Creating a leaflet for distribution to customers ◆ Using online survey tools to conduct market research

The table above gives examples of learning and teaching activities that may be used when delivering this Unit. This could be classified as naturally occurring evidence which could be used and kept in a folio to demonstrate that the learner has met the Assessment Standards within the Unit Specifications.

Combining assessment within Units

Where possible, using an integrated approach to Unit assessment is recommended because it will:

- ◆ enrich the assessment process for both learners and teachers/lecturers by bringing together elements of this Unit with those of other Units
- ◆ make more sense to learners and avoid duplication of assessment
- ◆ ensure greater rigour in assessment
- ◆ allow for evidence for this Unit to be drawn from a range of activities, thus making it easier to cover aspects which may not occur in a one-off assessment
- ◆ use assessment opportunities efficiently and reduce over-assessment

Integrated assessment will also minimise repetition, allow more time for learning and enable centres to manage the assessment process more efficiently.

When assessment within the Unit is holistic, teachers/lecturers should take particular care to track the evidence for each individual Outcome to ensure that learners who do not achieve all Outcomes may still get the recognition for the Outcome or Outcomes they have achieved.

Developing skills for learning, skills for life and skills for work

Information about developing skills for learning, skills for life and skills for work in this Unit is given in the National 3 Business *Course Support Notes*.

Equality and inclusion

It is recognised that centres have their own duties under equality and other legislation and policy initiatives. The guidance given in these *Unit Support Notes* is designed to sit alongside these duties but is specific to the delivery and assessment of the Unit.

The high degree of flexibility within this Course in terms of possible approaches to Unit assessment means that Course and Unit planners can consider and remove potential barriers to learning and assessment. Alternative assessment arrangements and reasonable adjustments can be made in order that this Course and its Units are accessible to all learners. However, the centre must be satisfied that the integrity of the assessment is maintained and that any alternative approaches to assessment will, in fact, generate the necessary evidence of achievement.

Appendix 1: Reference documents

The following reference documents will provide useful information and background.

- ◆ Assessment Arrangements (for disabled candidates and/or those with additional support needs) — various publications are available on SQA's website at: www.sqa.org.uk/sqa/14977.html.
- ◆ [Building the Curriculum 4: Skills for learning, skills for life and skills for work](#)
- ◆ [Building the Curriculum 5: A framework for assessment](#)
- ◆ [Course Specification](#)
- ◆ [Design Principles for National Courses](#)
- ◆ [Guide to Assessment](#)
- ◆ Principles and practice papers for curriculum areas
- ◆ [SCQF Handbook: User Guide](#) and [SCQF level descriptors](#)
- ◆ [SQA Skills Framework: Skills for Learning, Skills for Life and Skills for Work](#)
- ◆ [Skills for Learning, Skills for Life and Skills for Work: Using the Curriculum Tool](#)
- ◆ [SQA Guidelines on e-assessment for Schools](#)
- ◆ [SQA Guidelines on Online Assessment for Further Education](#)
- ◆ [SQA e-assessment web page](#)

Administrative information

Published: September 2015 (version 1.1)

History of changes to Unit Support Notes

Version	Description of change	Authorised by	Date
1.1	Minor amendment to accommodate International Accounting Standards terminology.	Qualifications Manager	September 2015

This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies can be downloaded from SQA's website at www.sqa.org.uk.

Note: You are advised to check SQA's website (www.sqa.org.uk) to ensure you are using the most up-to-date version.

© Scottish Qualifications Authority 2015

Unit Support Notes — Influences on Business (National 3)



This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies of these *Unit Support Notes* can be downloaded from SQA's website: www.sqa.org.uk.

Please refer to the note of changes at the end of this document for details of changes from previous version (where applicable).

Introduction

These support notes are not mandatory. They provide advice and guidance on approaches to delivering and assessing the Influences on Business (National 3) Unit. They are intended for teachers and lecturers who are delivering this Unit. They should be read in conjunction with:

- ◆ the Unit Specification
- ◆ the Course Specification
- ◆ the Course Support Notes
- ◆ appropriate assessment support materials

If the *Unit Support Notes* have been developed for a Unit which is not part of a Course, then it is only necessary to read them in conjunction with the *Unit Specification*.

General guidance on the Unit

Aims

The general aim of this Unit is to give learners opportunities to participate in activities that develop a basic awareness of the effects that financial matters and other internal business influences can have on small businesses. They will also develop awareness of the effects that a limited range of external influences can have on small businesses. Learners will explore how the actions of stakeholders can affect business success.

Learners who complete this Unit will be able to:

- ◆ Give an overview of key stakeholders' interests in small businesses
- ◆ Identify how internal factors influence small businesses
- ◆ Identify how external factors influence small businesses

Progression into this Unit

Entry to this Unit is at the discretion of the centre. However, learners would normally be expected to have attained the skills, knowledge and understanding required by the following or by equivalent qualifications or experience.

- ◆ National 2 Business in Practice Course or relevant component Units

In terms of prior learning and experience, relevant experiences and outcomes may also provide an appropriate basis for doing this Unit.

Skills, knowledge and understanding covered in this Unit

Information about skills, knowledge and understanding is given in the National 3 Business *Course Support Notes*.

If this Unit is being delivered on a free-standing basis, teachers and lecturers are free to select the skills, knowledge, understanding and contexts which are most appropriate for delivery in their centres.

Progression from this Unit

This Unit may provide progression to:

- ◆ National 4 Business Course or relevant component Units
- ◆ further study, employment and/or training

Approaches to learning and teaching

The approaches to teaching and learning chosen should encourage personalisation and choice. The National 3 Course benefits from having no external assessment so this is a great opportunity to make the teaching and learning as active as possible.

Budgets/cost statements					
Skills, knowledge and understanding	Suggested activities and tasks	Exemplification			
Layout of a budget Key terms of a budget: <ul style="list-style-type: none"> ◆ Opening bank/cash balance ◆ Income ◆ Expenditure ◆ Closing bank/cash balance ◆ Consider sources of money Learners should complete a simple budget.	<ul style="list-style-type: none"> ◆ Scenarios could include preparing a budget for a household over a four-week period. ◆ Scenarios could include preparing a budget for a business. The budget could be a start-up budget for the first three months of trading. 	Month 1 £	Month 2 £	Month 3 £	
		Opening balance	£0.00	-£30,000.00	-£55,000.00
		Income	£5,000.00	£25,000.00	£155,000.00
			£5,000.00	-£5,000.00	£100,000.00
		Expenditure	£35,000.00	£50,000.00	£75,000.00
		Closing balance	-£30,000.00	-£55,000.00	£25,000.00

Skills, knowledge and understanding	Suggested activities and tasks	Exemplification								
<p>Identify suitable courses of corrective action:</p> <ul style="list-style-type: none"> ◆ Arrange finance in advance ◆ Forecast surplus ◆ Arrange bank loans 	<p>Using a range of scenarios, learners could be asked to highlight:</p> <ul style="list-style-type: none"> ◆ Opening bank/cash balance ◆ Income ◆ Expenditure ◆ Closing bank/cash balance ◆ Negative bank/cash <p>Learners could be asked a series of questions relating to the budget, for example:</p> <ul style="list-style-type: none"> ◆ What month did the business have the highest income? ◆ What month did the business have a negative closing balance? <p>Using role play, learners could present a household or business budget to the family or a bank manager, allowing for closer examination of the budget.</p>	<ul style="list-style-type: none"> ◆ From the Cash Budget above, identify the most successful month: <table border="1" data-bbox="1473 400 1973 576" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: center;">Tick (✓) the correct answer</td> </tr> <tr> <td>Month 1</td> <td></td> </tr> <tr> <td>Month 2</td> <td></td> </tr> <tr> <td>Month 3</td> <td></td> </tr> </table>		Tick (✓) the correct answer	Month 1		Month 2		Month 3	
	Tick (✓) the correct answer									
Month 1										
Month 2										
Month 3										

Recruitment/training		
Skills, knowledge and understanding	Suggested activities and tasks	Exemplification
<p>Identify types or methods of recruitment:</p> <ul style="list-style-type: none"> ◆ Newspapers ◆ Shop windows ◆ Job centres ◆ Online websites ◆ Internal ◆ External <p>Or:</p> <p>Identify types or methods of training:</p> <ul style="list-style-type: none"> ◆ Induction ◆ On-the-job ◆ Off-the job ◆ Course/Event ◆ Conference ◆ Meeting 	<ul style="list-style-type: none"> ◆ Learners could be asked a series of questions about applying for a job post. ◆ Learners could be given the scenario of advertising a job: learners could compare examples of job adverts and construct a job advert suitable for the different types or methods of recruitment. ◆ Speakers from the business community could be invited to share their business experience of recruitment. ◆ Carrying out research from small or local businesses to find out what types or methods of training offered to employees. ◆ Using business case studies, find out the types of training offered to employees. ◆ Learners could be given the information about the different methods of training; learners could prepare a presentation comparing the different types or methods of training. 	

Stakeholders/stakeholder interests										
Skills, knowledge and understanding	Suggested activities and tasks	Exemplification								
<p>List the main internal stakeholders for a small business:</p> <ul style="list-style-type: none"> ◆ Sole trader/employer/entrepreneur ◆ Employees <p>Describe the interests of:</p> <ul style="list-style-type: none"> ◆ Sole trader/employer/entrepreneur ◆ Employees <p>Identify the decisions made by:</p> <ul style="list-style-type: none"> ◆ Sole trader/employer/entrepreneur ◆ Employees 	<ul style="list-style-type: none"> ◆ Carrying out research to find entrepreneurs/sole traders and creating a presentation on entrepreneurs/sole trader. ◆ Matching the interests of sole trader/employer/entrepreneurs and using diagrams to show internal stakeholders and interests. 	<ul style="list-style-type: none"> ◆ Match the stakeholder with their interest. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Stakeholder</th> <th style="width: 30%;">Interest</th> </tr> </thead> <tbody> <tr> <td style="background-color: black; height: 20px;"></td> <td style="text-align: center;"><input style="width: 100%; height: 20px;" type="text"/></td> </tr> <tr> <td style="background-color: black; height: 20px;"></td> <td style="text-align: center;"><input style="width: 100%; height: 20px;" type="text"/></td> </tr> <tr> <td style="background-color: black; height: 20px;"></td> <td style="text-align: center;"><input style="width: 100%; height: 20px;" type="text"/></td> </tr> </tbody> </table>	Stakeholder	Interest		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Stakeholder	Interest									
	<input style="width: 100%; height: 20px;" type="text"/>									
	<input style="width: 100%; height: 20px;" type="text"/>									
	<input style="width: 100%; height: 20px;" type="text"/>									

Responding to a competitor	
Skills, knowledge and understanding	Suggested activities and tasks
<p>Describe a business competitor in terms of their:</p> <ul style="list-style-type: none"> ◆ Product/service ◆ Location ◆ Pricing ◆ Methods of promotion <p>Explain the reaction of business to business competitor in terms of:</p> <ul style="list-style-type: none"> ◆ Product/service ◆ Location ◆ Pricing ◆ Methods of promotion 	<ul style="list-style-type: none"> ◆ Using a small business scenario, answer questions on how to reaction to in the introduction of a local competitor. ◆ Using pictures to stimulate discussion. ◆ Role play, asking for advice on how to deal with a competitor in the local area. ◆ Using the picture below, discuss as a group, the reasons for opening a store close to competitors.

Responding to an economic or environmental issue	
Skills, knowledge and understanding	Suggested activities and tasks
<p>Naming economic issues on a business:</p> <ul style="list-style-type: none"> ◆ Rise and fall of employment/unemployment ◆ Rise and fall in prices <p>Naming environmental issues on a business:</p> <ul style="list-style-type: none"> ◆ Reuse/recycle/reduce ◆ Climate change <p>Explain the reaction of business in terms of:</p> <ul style="list-style-type: none"> ◆ Economic issues ◆ Environmental issues 	<ul style="list-style-type: none"> ◆ Using online resources to find small businesses and summarise. ◆ Using speakers from the business community to investigate how businesses react to economic and environmental issues. ◆ Collecting newspaper articles about renewable energy, and where possible, encouraging visits to wind farms. ◆ Using pictures/newspapers clippings to stimulate discussion.

Responding to a change in business legislation																						
Skills, knowledge and understanding	Suggested activities and tasks	Exemplification																				
Suggest possible reactions to: ♦ Government legislation	♦ Use pre-prepared resources to research and discuss current legislation and present the information using PowerPoint. ♦ Match up tasks for legislative changes.	<table border="1"> <tr> <td></td> <td></td> <td>Tick</td> <td></td> <td>Tick</td> </tr> <tr> <td rowspan="3">Government increase minimum wage rates</td> <td>↑ Wages Increase</td> <td></td> <td rowspan="3">↓ Wages Decrease</td> <td></td> </tr> <tr> <td>Expenses Increase</td> <td></td> <td>Expenses Decrease</td> <td></td> </tr> <tr> <td>Profits Increase</td> <td></td> <td>Profits Decrease</td> <td></td> </tr> </table>					Tick		Tick	Government increase minimum wage rates	↑ Wages Increase		↓ Wages Decrease		Expenses Increase		Expenses Decrease		Profits Increase		Profits Decrease	
		Tick		Tick																		
Government increase minimum wage rates	↑ Wages Increase		↓ Wages Decrease																			
	Expenses Increase			Expenses Decrease																		
	Profits Increase			Profits Decrease																		

The tables above gives examples of learning and teaching activities that may be used when delivering this Unit. This could be classified as naturally occurring evidence which could be used and kept in a folio to demonstrate that the learner has met the Assessment Standards within the Unit Specifications

Combining assessment within Units

Where possible, using an integrated approach to Unit assessment is recommended because it will:

- ◆ enrich the assessment process for both learners and teachers/lecturers by bringing together elements of this Unit with those of other Units
- ◆ make more sense to learners and avoid duplication of assessment
- ◆ ensure greater rigour in assessment
- ◆ allow for evidence for this Unit to be drawn from a range of activities, thus making it easier to cover aspects which may not occur in a one-off assessment
- ◆ use assessment opportunities efficiently and reduce over-assessment

Integrated assessment will also minimise repetition, allow more time for learning and enable centres to manage the assessment process more efficiently.

When assessment within the Unit is holistic, teachers/lecturers should take particular care to track the evidence for each individual Outcome to ensure that learners who do not achieve all Outcomes may still get the recognition for the Outcome or Outcomes they have achieved.

Developing skills for learning, skills for life and skills for work

Information about developing skills for learning, skills for life and skills for work in this Unit is given in the National 3 Business *Course Support Notes*.

Equality and inclusion

It is recognised that centres have their own duties under equality and other legislation and policy initiatives. The guidance given in these *Unit Support Notes* is designed to sit alongside these duties but is specific to the delivery and assessment of the Unit.

The high degree of flexibility within this Course in terms of possible approaches to Unit assessment means that Course and Unit planners can consider and remove potential barriers to learning and assessment. Alternative assessment arrangements and reasonable adjustments can be made in order that this Course and its Units are accessible to all learners. However, the centre must be satisfied that the integrity of the assessment is maintained and that any alternative approaches to assessment will, in fact, generate the necessary evidence of achievement.

Appendix 1: Reference documents

The following reference documents will provide useful information and background.

- ◆ Assessment Arrangements (for disabled candidates and/or those with additional support needs) — various publications are available on SQA's website at: www.sqa.org.uk/sqa/14977.html.
- ◆ [Building the Curriculum 4: Skills for learning, skills for life and skills for work](#)
- ◆ [Building the Curriculum 5: A framework for assessment](#)
- ◆ [Course Specification](#)
- ◆ [Design Principles for National Courses](#)
- ◆ [Guide to Assessment](#)
- ◆ Principles and practice papers for curriculum areas
- ◆ [SCQF Handbook: User Guide](#) and [SCQF level descriptors](#)
- ◆ [SQA Skills Framework: Skills for Learning, Skills for Life and Skills for Work](#)
- ◆ [Skills for Learning, Skills for Life and Skills for Work: Using the Curriculum Tool](#)
- ◆ [SQA Guidelines on e-assessment for Schools](#)
- ◆ [SQA Guidelines on Online Assessment for Further Education](#)
- ◆ [SQA e-assessment web page](#)

Administrative information

Published: September 2015 (version 1.1)

History of changes to Unit Support Notes

Version	Description of change	Authorised by	Date
1.1	Clarification of types and methods of recruitment and training.	Qualifications Manager	September 2015

This document may be reproduced in whole or in part for educational purposes provided that no profit is derived from reproduction and that, if reproduced in part, the source is acknowledged. Additional copies can be downloaded from SQA's website at www.sqa.org.uk.

Note: You are advised to check SQA's website (www.sqa.org.uk) to ensure you are using the most up-to-date version.

© Scottish Qualifications Authority 2015