

## Higher National Unit Specification

### General information for centres

**Unit title:** Managing in a Global Environment

**Unit code:** DV83 36

**Unit purpose:** This Unit is designed to enable candidates to recognise current and emerging trends within the global environment and to identify and evaluate the drivers that affect an organisation within the global environment.

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

- 1 Evaluate the drivers that can lead to competitive advantage within the global environment.
- 2 Develop and select appropriate organisational strategies and structures for managing global operations.

**Credit points and level:** 1 HN Credit at SCQF level 9: (8 SCQF credit points at SCQF level 9\*).

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

**Recommended prior knowledge and skills:** Although this is a stand alone Unit, it should be considered in context with the other Diploma Management units. The foundation for this Unit can be referenced to the HN Unit “Managing Operational Resources (DV7X 34).

**Core Skills:** There are opportunities to develop the Core Skills of Communication, Problem Solving, Information Technology and Numeracy at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

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

**Assessment:** Assessment may take the form of an extended response. It is recommended that there is an integrative case study for this Unit. It is anticipated that each Outcome assessment will cover the Evidence Requirements of that Outcome.

Whilst it is recognised that both Outcomes could have a separate written assessment, a holistic approach based upon the integrative case study is recommended. This will allow the development of a single extended response to cover the evidence requirements of both Outcomes. Also, candidates may be assessed by critical analysis of their own work. A single instrument of assessment in the form of a portfolio may be one way to achieve to achieve this.

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

**Unit title:** Managing in a Global Environment

**Unit code:** DV83 36

The sections of the Unit stating the Outcomes, knowledge and/or skills, and evidence requirements are mandatory.

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

### **Outcome 1**

Evaluate the drivers that can lead to competitive advantage within the global environment

#### **Knowledge and/or skills**

- ◆ Key drivers of globalisation
- ◆ Characteristics of domestic, international and global environments
- ◆ Self-reference criterion
- ◆ Types and levels of competitive advantage

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can, with respect to a particular organisation:

- ◆ analyse, and justify, key market, cost, government and competitive drivers of globalisation and evaluate the impact of each of these on the organisation
- ◆ use a valid technique to compare the domestic, international and global environment of the organisation
- ◆ on the basis of this comparison, and taking account of the self reference criterion, draw reasoned conclusions on the level of adaptation required by the organisation to its domestic, international and global environments
- ◆ on the basis of the analysis of globalisation and the comparison of the organisation's environments, evaluate the types and levels of competitive advantage which the organisation may have

#### **Assessment guidelines**

The assessment for this Outcome should take the form of identification and evaluation of the key drivers leading to globalisation, which could be based on an integrative case study.

See Assessment Guidelines for the Unit at Outcome 2.

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

**Unit title:** Managing in a Global Environment

### **Outcome 2**

Develop and select appropriate organisational strategies and structures for managing global operations

#### **Knowledge and/or skills**

- ◆ Market Entry Strategies
- ◆ Strategic Approaches
- ◆ Organisation Structures

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can, with respect to a particular organisation:

- ◆ propose and justify valid strategic approaches and market entry strategies for the organisation which are consistent with the analysis of globalisation and the comparison of the environments which it faces
- ◆ propose and justify a organisational structure which is compatible with the strategic approaches proposed for the organisation
- ◆ evaluate the costs and benefits of the strategies and structure proposed

#### **Assessment guidelines for the Unit**

Both Outcomes may be assessed by one integrated instrument of assessment. A holistic approach can be taken to the assessment of both Outcomes. A single instrument based upon a case study scenario of an organisation may be used; however the candidate may be assessed by critical analysis of their own work. A single instrument of assessment in the form of a portfolio may be one way to achieve to achieve this.

## **Administrative Information**

<b>Unit code:</b>	DV83 36
<b>Unit title:</b>	Managing in a Global Environment
<b>Superclass category:</b>	AD
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## Higher National Unit specification: support notes

### Unit title: Managing in a Global Environment

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

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

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

The Unit is a optional Unit within the Diploma Management and is designed to provide candidates with knowledge of the management process within a global environment.

The Unit highlights the changing nature of the global business environment and the impact upon business organisations operating within that environment.

The Unit can cover organisations that either desire to proactively operate within the global environment or are required to do so as a result of circumstances such as increased competition and easier access to world markets.

This Unit is designed to enhance candidates' understanding of the management concepts and theories relating to the analysis, understanding and development of strategies to successfully operate in a global environment.

There are a number of theories, concepts and models which can be used to illustrate the content of this Unit and to explain, analyse and evaluate the situation relevant to a particular organisation. The following gives some guidance on suitable content. Please note that it is not exhaustive.

#### Outcome 1

- ◆ Identify and evaluate the market drivers leading to globalisation:
  - convergence of per capita income among industrialised countries
  - convergence of lifestyles and tastes eg youth culture
  - growth of global and regional channels
  - establishment of global brands and advertising
  
- ◆ Identify and evaluate the cost drivers leading to globalisation:
  - push for economies of scale
  - acceleration of technological innovation
  - emergence of newly Industrialised countries with lower costs and increasing production capabilities
  
- ◆ Identify and evaluate government drivers:
  - reduction of tariff and non-tariff barriers
  - creation of trading blocs, economic and political unions
  - decline in role of governments as producers and customers
  - shift to open market economies world-wide

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

### Unit title: Managing in a Global Environment

- ◆ Identify and evaluate competitive drivers:
  - increased ownership of corporations by foreign acquirors
  - continuing increases in the level of world trade
  - growth of global networks
  - companies becoming globally centred
  - growth in global strategic alliances
  
- ◆ Compare the social, economic, political, legal, technological environments of domestic, international and global environments in terms of:
  - aspects of the domestic environment
  - aspects of the foreign environment
  - evaluate the level of adaptation required in terms of management style, products and services, and business customs for the international and global environments
  
- ◆ Understand the importance of eliminating self reference criterion using the cultural framework including:
  - language
  - religion and beliefs
  - values and attitudes
  - education
  - social organisations
  - technology and material culture
  - law and politics
  
- ◆ Identify the key determinants of developing competitive advantage
  - access to the factors of production
  - evaluate firms competitive strategies
  - appropriately identify demand conditions within a market
  - access to related and supporting industries
  
- ◆ Evaluate different types of competitive advantage
  - superior product/service
  - global skills
  - low cost basis
  - economies of scale
  - legal advantages
  - relationship advantages
  - attitudes
  - assets
  - perceived advantages
  
- ◆ Evaluate different levels of competitive advantage
  - one or more large advantage
  - integration of a number of smaller advantages
  - competitive disadvantage
  - advantages not exploited
  - no significant competitive advantage

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

### Unit title: Managing in a Global Environment

- ◆ Strategies for exploiting competitive advantage
  - head on
  - flanking
  - encirclement
  - niche
  - regional concentration
  - product range
  - guerilla strategy
  - diplomacy

### Outcome 2

- ◆ Evaluate appropriate market entry strategies
  - exporting
  - joint ventures
  - licensing and franchising
  - strategic alliances
  - wholly owned subsidiaries
  - foreign direct investment
- ◆ Evaluate appropriate global strategy decisions
  - multi-domestic approach
  - global strategies
  - regional strategies
  - transnational strategies
- ◆ Evaluate appropriate organisation structures
  - ethnocentric
  - regio-centric
  - geocentric

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

It is anticipated that the Unit will be led through lecture mediated input and discussion, the provision of appropriate examples and case studies, and by reading appropriate texts. The appropriate use of examples can help to keep the unit relevant to candidates especially if they relate to organisations with which they are familiar.

Candidates should be encouraged to relate theory and practice. They should try to apply models and approaches to particular situations within the global environment and draw conclusions from this. These conclusions can cover the value of the theoretical approach as well as highlighting the key issues of the various approaches undertaken by organisations.

A single integrated case study could be used as the basis for the assessment of this Unit. The integrated case study should contain all the requisite information about an organisation which the candidate requires. This could be a real or imaginary organisation.

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

### Unit title: Managing in a Global Environment

Alternatively, candidates may be asked to gather information about an organisation for themselves. This approach may be suitable for candidates who are familiar with an organisation or where the candidate can easily gather data about an organisation.

#### *Opportunities for developing Core Skills*

There are opportunities to develop the Core Skills of Communication, Problem Solving, Information Technology and Numeracy at SCQF Level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Skills in developing an effective search strategy for accessing and evaluating paper based and electronic sources of current information on complex professional considerations, issues and ideas will be developed and enhanced as the unit is undertaken. The production of drafts of research will support the development of skills in critical evaluation and effective collating of relevant materials. Although communication skills are not formally assessed, candidates will be expected to produce and present materials to standards acceptable in industry, to express essential ideas and information accurately and coherently. Language, spelling, punctuation and syntax should be accurate: the availability of suitable software packages to support accuracy and professional presentation of a written response could further enhance skills in the use of technology.

#### **Open learning**

If this Unit is delivered by open or distance learning methods, additional resources may be required for candidate support, assessment and quality assurance. For further information and advice please refer to the SQA guide: *Assessment and Quality Assurance for Open and Distance Learning* (A1030, February 2001).

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

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the SQA document *Guidance on Alternative Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs*, which is available on SQA's website: [www.sqa.org.uk](http://www.sqa.org.uk).

## General information for candidates

### Unit title: Managing in a Global Environment

This Unit is a one credit Unit at SCQF level 9 and is designed to:

- ◆ enable you to evaluate the drivers that can lead to competitive advantage within the global environment
- ◆ develop and select appropriate organisational strategies and structures for managing global operations

The Unit has two Outcomes. The first Outcome evaluates the drivers of globalisation emanating from the domestic, international and global environments. It also considers different types and levels of competitive advantage that can be achieved to enable organisations to not only survive but also to develop and grow markets. The second Outcome examines the various forms of market entry strategies into global markets and different types of organisational structures which are compatible with such strategies. It also evaluates relevant costs and benefits of these strategies and structures.

The content of the Unit will be kept relevant through the appropriate use of examples and by focusing the areas of study on organisations that are relevant to you. This should provide you with the flexibility required to study, as appropriate, organisations of different size; profit and not for profit organisations; private organisations; and organisations operating in different markets.

For a successful completion of this Unit, you will be required to achieve a satisfactory level of performance on the assessed work. This could require you to assess how a particular organisation has developed and operations. To do this, you will be expected to apply the concepts you have learned within the Unit to the situation of the organisation concerned.