



## Higher National Unit specification: general information

**Unit title:** Human Resource Management: The Business Context

**Unit code:** H1XL 34

**Superclass:** AA

**Publication date:** August 2012

**Source:** Scottish Qualifications Authority

**Version:** 01

### Unit purpose

This Unit is designed to enable candidates to develop knowledge of the different types of business; business objectives; factors impacting on the business and how they affect the Human Resource Management (HRM) function. Candidates will normally be studying Human Resource Management. However, this Unit may also be relevant to Business Studies candidates or for candidates working in a business environment.

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

- 1 Explain the legal forms of business entities.
- 2 Analyse the factors impacting on organisations and their effect on the HRM function.
- 3 Explain the roles of the HRM function within different organisational structures.

### Recommended prior knowledge and skills

It is recommended that candidates undertaking this Unit possess good communication skills to a level equivalent to SCQF level 5.

### Credit points and level

1 Higher National Unit credit at SCQF level 7: (8 SCQF credit points at SCQF level 7\*)

*\*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.*

## **General information (cont)**

### **Core Skills**

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

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

### **Context for delivery**

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

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

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

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

### **Outcome 1**

Explain the legal forms of business entities.

#### **Knowledge and/or Skills**

- ◆ Different legal forms of business entities and their objectives
- ◆ The stakeholders of these entities and their interests

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ explain four forms of business entity and two of their major objectives
- ◆ explain the main advantages and disadvantages of each business entity
- ◆ describe two external and two internal stakeholders of these entities and their interests

### **Outcome 2**

Analyse the factors impacting on organisations and their effect on the HRM function.

#### **Knowledge and/or Skills**

- ◆ internal factors
- ◆ external factors

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ analyse the impact of three internal factors on organisations and the subsequent effect on the HRM function
- ◆ describe the impact of four external factors on organisations and the subsequent effect on the HRM function

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

**Unit title:** Human Resource Management: The Business Context

### **Outcome 3**

Explain the roles of the HRM function within different organisational structures.

#### **Knowledge and/or Skills**

- ◆ Organisational structures
- ◆ The roles of HRM within these structures
- ◆ Methods of delivering the HRM function

#### **Evidence Requirements**

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ compare and contrast two types of organisational structures
- ◆ explain the role of the HRM function within these structures
- ◆ explain the different methods of delivering the HRM function within these structures

## Higher National Unit specification: support notes

**Unit title:** Human Resource Management: The Business Context

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

This Unit is designed to give candidates underpinning knowledge of the different types of business; business objectives; factors impacting on business and how they affect the HRM function. In Outcome 1, it considers organisations in the public, private and voluntary/non-profit making sectors, the objectives of these organisations, their stakeholders and the interests of these stakeholders. In Outcome 2 internal and external factors affecting organisations and the effect of these factors on the HRM function are considered. In Outcome 3 different organisational structures are studied - line, line and staff, functional and matrix and how the HRM function is delivered in these structures.

**Outcome 1** — the private sector, public sector and voluntary sector including non-profit making organisations. Various forms of business entity; eg sole trader, partnership, limited partnership, private limited company, plc, co-operative and trust will be studied. From this study candidates should be able to identify the different types of business entity, their objectives, their stakeholders, eg shareholders, employees, and customers, and the stakeholders' interests.

**Outcome 2** — the impact of internal and external factors on the organisation and subsequent effect on the HRM function will be studied. Internal factors could include changes in type of business entity, organisational structure or management. External factors could include for example Political, Economic, Social, Technological, Legal and Environmental.

**Outcome 3** — different organisational structures in use today will be studied such as line, line and staff, functional, matrix, customer centred, shamrock, network and virtual. From this study candidates should be able to explain how the HRM function is delivered within these structures. Different methods of delivering the Human Resource Management function should include: centralisation and decentralisation, HR Business Partnering, use of consultancy and outsourcing for the HRM function.

### Guidance on the delivery of this Unit

This Unit is normally delivered as part of the HNC Human Resource Management. However, it is a free-standing Unit and may be delivered in other contexts, and may be used for purposes of CPD.

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

**Unit title:** Human Resource Management: The Business Context

### Guidance on the assessment of this Unit

Although the three Outcomes are closely linked in this Unit, it is recommended that a variety of assessment methods are used to generate evidence for each of the three Outcomes. Candidates could generate evidence during the delivery of the Unit which is suited to the content of the Unit. Learning through assessment should be a continuous process within this Unit.

### Assessment Guidelines

#### Outcomes 1 and 3

Assessment could be carried out through a set of questions requiring responses to a case study under open-book conditions which explain the different types of business entity explaining their main characteristics. The identification and description of four types of business entities would be appropriate.

#### Outcome 2

Assessment for this Outcome could be based on a case study in an open-book environment. Evidence gathered would be through extended responses to three internal factors and four external factors that impact on organisations and subsequently on the HRM function.

### Online and Distance Learning

There are considerable opportunities for Online and Distance Learning Assessment of this Unit.

It is possible to co-ordinate a learning and teaching/assessment programme through a Virtual Learning Environment (VLE) which would allow geographically dispersed candidates to initiate, develop and maintain contact with each other.

Centres which wish to use Information and Communication Technology (ICT) must ensure that the national standard is applied to all candidate evidence and that conditions of assessment as specified in the Evidence Requirements are met, regardless of the mode of gathering evidence. Further advice is available in *SQA Guidelines on Online Assessment for Further Education (AA1641, March 2003)* or latest issue if this version is superseded.

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

**Unit title:** Human Resource Management: The Business Context

### **Opportunities for developing Core Skills**

#### ***Communication: Reading, Written and Oral***

Outcome 3 provides candidates the opportunity of analysis and evaluation of a case study. This provides underpinning knowledge by reading and interpreting complex information. For all Outcomes, the completion of written assessments would develop written communications for complex situations in the business context. Oral communication could also be developed in all Outcomes through group discussions which will analyse and evaluate related information on the business context and subsequently the HRM function.

#### ***Working with Others***

All elements of this Core Skill are reflected in this Unit. An analytical and evaluative approach to working with a range of others in an organisation could be reflected in whole class group work activities.

### **Disabled candidates and/or those with additional support needs**

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

## History of changes to Unit

Version	Description of change	Date

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## General information for candidates

### **Unit title:** Human Resource Management: The Business Context

This Unit is designed to give you underpinning knowledge of Human Resource Management in the business context.

In Outcome 1 you will learn about the public, private and voluntary/non-profit making sector including the various forms of business entity, eg sole trader, partnership, limited partnership, private limited company, plc, co-operative, and trust. From this study you should be able to explain the types of business entity and their objectives, the stakeholders in these entities and their interests.

In Outcome 2 you will learn about the impact of internal and external factors on the organisation and subsequent effect on the Human Resource Management function. Internal factors could include changes in type of business entity, organisational structure or management. External factors could include for example Political, Economic, Social, Technological, Legal and Environmental.

In Outcome 3 you will learn about the different organisational structures, eg line, line and staff, functional and matrix and from this study you should be able to explain how the function of Human Resource Management may be delivered within these structures. You will consider centralisation/de-centralisation of the function as well as use of outsourcing and consultancy for delivery of the Human Resource Management function.