



## Higher National Unit Specification

### General information

**Unit title:** Managing Business Culture and Strategy (SCQF level 8)

**Unit code:** J56D 35

**Superclass:** AB

**Publication date:** January 2021

**Source:** Scottish Qualifications Authority

**Version:** 01

### Unit purpose

This unit is designed to enhance learners' understanding of business strategy and how it can be developed and managed within the culture of an organisation. It highlights the dynamic nature of the business environment and the role that business strategy and organisational culture can play in improving the long-term performance of an organisation.

### Outcomes

On successful completion of the unit the learner will be able to:

- 1 Assess the relationship between organisational culture and organisational behaviour.
- 2 Explain the influence of business strategy on organisational behaviour.
- 3 Explain how to manage a changing business strategy effectively.
- 4 Analyse the behavioural skills and techniques required to manage a business strategy.

### Credit points and level

2 Higher National Unit credits at SCQF level 8: (16 SCQF credit points at SCQF level 8)

### Recommended entry to the unit

Entry to this unit is at the discretion of the centre. However, it is recommended that learners possess good communication skills, together with knowledge of organisation structures and the factors that influence employee behaviour at work. This may be evidenced by possession of the Core Skill Communication at SCQF level 6 and/or the unit J4DL 34 *Managing People and Organisations* or equivalent.

## **Higher National Unit Specification: General information (cont)**

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### **Core Skills**

Achievement of this Unit gives automatic certification of the following Core Skills component:

Core Skill component	Critical Thinking at SCQF level 6
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There are also opportunities to develop aspects of Core Skills which are highlighted in the support notes of this unit specification.

### **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.

### **Equality and inclusion**

This unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website [www.sqa.org.uk/assessmentarrangements](http://www.sqa.org.uk/assessmentarrangements).

## **Higher National Unit Specification: Statement of standards**

### **Unit title: Managing Business Culture and Strategy (SCQF level 8)**

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 SQA.

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. Learners 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**

Assess the relationship between organisational culture and organisational behaviour.

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

- ◆ Elements of organisational culture
- ◆ Models of organisational culture
- ◆ Relationships between organisational culture and organisational behaviour

#### **Outcome 2**

Explain the influence of business strategy on organisational behaviour.

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

- ◆ Business strategies
- ◆ Business strategy and 'strategic choice'
- ◆ Business strategy influences on organisational behaviour

#### **Outcome 3**

Explain how to manage a changing business strategy effectively.

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

- ◆ Relationship between business strategy and the internal and external environment
- ◆ Business improvement models and competitive advantage
- ◆ Key issues when changing a business strategy in an organisation
- ◆ Role of management during the change process
- ◆ Mechanisms for overcoming resistance to change

## **Higher National Unit Specification: Statement of standards**

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### **Outcome 4**

Analyse the behavioural skills and techniques required to manage a business strategy.

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

- ◆ Assertiveness, influencing and negotiation techniques
- ◆ Managing meetings and dealing with conflict
- ◆ Problem solving and decision-making techniques
- ◆ Stress management

#### **Evidence requirements for this unit**

Learners will need to provide evidence to demonstrate their knowledge and/or skills across all outcomes by showing that they can:

##### **Outcome 1**

Learners will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ Explain elements of organisational culture in terms of shared values and taken for granted assumptions in a particular organisation.
- ◆ Provide one example of each element of organisational culture and explain why this example illustrates the element concerned in a particular organisation.
- ◆ Apply a model of organisational culture to a particular organisation.
- ◆ Make use of a model of organisational culture to assess the relationship between organisational culture and organisational behaviour in an organisation.
- ◆ Compare the management approaches associated with two different types of organisational culture.

##### **Outcome 2**

Learners will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ Explain two different business strategies together with the business environment which may be appropriate for each strategy.
- ◆ Explain the connection between business strategy and strategic choice in relation to the experience of a particular organisation.
- ◆ Compare the influence of two different business strategies on the behaviour of one particular organisation.

## Higher National Unit Specification: Statement of standards

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### Outcome 3

Learners will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ Explain, with reference to the internal and external 'forces for change', why the strategy of a particular organisation may have to change over time.
- ◆ Identify and evaluate two business improvement models which management could use to gain competitive advantage.
- ◆ Explain reasons why management may be faced with resistance when changing a business strategy.
- ◆ Advise management, with reference to an established conceptual framework, how to overcome resistance to change.

### Outcome 4

Learners will need to provide evidence to demonstrate their knowledge and/or skills by showing that they can:

- ◆ Explain the importance of assertiveness, negotiation and influencing skills during the strategic planning process.
- ◆ Identify and analyse one assertiveness, negotiation and influencing theoretical approach which could assist management throughout the strategic planning process.
- ◆ Develop guidelines on how to manage an effective business strategy meeting.
- ◆ Identify two causes of conflict which may arise as a result of the strategic planning process and for each, describe the potential effects of such conflicts.
- ◆ For each conflict identified, suggest ways in which they may be resolved.
- ◆ Identify and analyse a recognised problem-solving model to facilitate decision making during the strategic planning process.
- ◆ Identify two causes of stress in relation to managing a business strategy and explain the potential effects of such causes.
- ◆ Advise management on how to deal with each cause of stress.

Assessment to be completed under open-book conditions and may be carried out:

- ◆ Outcome by outcome
- ◆ By combining outcomes



## Higher National Unit Support Notes

**Unit title:** Managing Business Culture and Strategy (SCQF level 8)

Unit support notes are offered as guidance and are not mandatory.

While the exact time allocated to this unit is at the discretion of the centre, the notional design length is 80 hours.

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

This unit is designed to provide learners with the knowledge and skills for further study in business or management. It is mandatory within the HND Business Group Award but may form part of other group awards or be delivered on a stand-alone basis.

The unit highlights the dynamic nature of the business environment and the role that business strategy can play in improving the long-term performance of an organisation. It also looks at the part played by organisational culture in the development and implementation of strategy. The unit also considers the impact of risk and change and how this affects business strategy and organisational culture.

The unit covers all types of organisations and thus includes organisations of different size, public and private organisations, and organisations operating in different markets.

It is designed to:

- ◆ enhance the learners' understanding of the management theory relating to business culture, business strategy, behavioural skills and the management of change.
- ◆ improve the learners' ability to provide practical advice on how to manage business culture, business strategy, and the management of change.

There are a number of different theories and models which can be used to illustrate the content of this unit and to explain and analyse the situation in a particular organisation. The following gives some guidance on suitable content. It is neither exhaustive nor prescriptive.

#### Outcome 1

Values relate to mission statements, objectives, logo corporate dress code and so on. They can also be referred to as high profile symbols. Taken for granted assumptions, also referred to as low profile symbols include stories, organisational practices, organisational jargon, physical symbols, rituals and routines. The two are related but the former may refer more closely to culture as guiding best practice while the latter may relate more closely to the ways in which organisations are distinguished from each other.

Models of culture could include those suggested by Handy, Hofstede, Trompenaars and Deal and Kennedy.

## Higher National Unit Support Notes (cont)

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### Outcome 2

Strategic choices relate to decisions made by an organisation on what strategy to pursue.

Learners should recognise that strategy has several levels (such as business and corporate) and can be approached in a number of ways including:

- ◆ A contrast between external and internal approaches (the external approach involves finding and defending a particular market position while the internal approach centres on developing and maintaining internal capabilities which evolve with the organisation).
- ◆ Different types of generic strategy such as rational, rational, flexible, incremental, creative, behavioural, evolutionary.

Detailed knowledge of the above is not necessary for this unit but it may help learners to appreciate the complexity of the issues.

Possible strategies can include Porter's cost leadership, cost focus, differentiation and focused differentiation, Mintzberg's deliberate and emergent strategy. Other classifications include related and unrelated diversification, new product development, improved market penetration, seeking new markets, removing some operations. Models such as the Boston Matrix could also be used to identify suitable strategies.

### Outcome 3

The relationship between potential changes in business strategy and the organisational environment will consider both micro and macro factors. For example, changes in organisation structure, management styles may well be contributory micro factors. PESTEL factors may provide a rationale for macro influences.

Consideration of business improvement models to enable organisations to gain competitive advantage, eg EFQM, Performance Prism and Balanced Scorecard

There are also several contributing factors which may influence the management of change in an organisation. These may include stakeholder power, business goals, organisation culture, business ethics and social responsibility.

There are many models for analysing change in an organisation and for overcoming resistance to change including Lewin's force field analysis and the change equation (i.e. when current dissatisfaction plus shared vision of the future plus an acceptable first step outweigh the costs of change). Other models stress the fact that the various parts of an organisation are inter-connected, and this should be borne in mind when analysing the possibility of change.

The analysis of change may also be linked to implementing change. There are a number of versions of the preparing–changing–consolidating model such as Lewin's unfreezing and refreezing model.

Kotter and Schlesinger's change continuum may help to decide what strategy to adopt for change and thus how resistance could be overcome. They also suggest several ways of overcoming resistance to change including communication and education; participation and involvement; support and development; negotiation and bargaining; manipulation and co-option; explicit and implicit coercion.

## Higher National Unit Support Notes (cont)

**Unit title:** Managing Business Culture and Strategy (SCQF level 8)

### Outcome 4

Assertiveness skills — distinction between assertiveness, aggression and passiveness and idea of a bill of rights; assertive techniques such as 'broken record', 'fogging'; assertive behaviours such as challenging (seeking, asking, checking), standing up for oneself; coping with put-downs, receiving constructive criticism, recognising barriers to action, thinking realistically, communicating what you want.

Negotiating strategies — what negotiation is and the managerial situations where it can be used; approaches to negotiation, eg win-win, positive behaviours in negotiation (asking questions, motives commentary, testing understanding, summarising, flagging behaviour); negative behaviours in negotiation (defend/attack spirals, irritators, counter-proposals).

Influencing strategies — what influencing is and the managerial situations in which it can be used; sources of power and the balance of power; influencing strategies (e.g. general approaches like 'push' and 'pull', and more specific strategies such as reason, assertion, exchange of benefits, coercion, courting favour, partnership).

Conducting meetings— purpose of meetings; different types of meetings (eg giving information, gathering information, problem solving); preparation for a meeting (eg documentation, what is expected to be accomplished at the meeting, start/finish time, who should be invited); conduct of a meeting (eg begin on time, stick to agenda, minute taking); effective behaviour of participants (eg keep to point, summarise, allow others to speak); effective behaviour of chair (eg summarising, gate-keeping).

Conflict — causes of conflict could include formation of cliques, group pressure and stereotypes, patterns of communication, breaking relationship rules, personality clashes, gender and age differences, assumptions about others, misuse of authority, power tactics and manipulation, general expectations and beliefs, misunderstandings, unreasonable beliefs and assumptions.

Effects of conflict may be positive (eg strengthening a relationship, greater trust, increased self-esteem, enhancing creativity and productivity, job satisfaction) or negative (eg reduce personal and organisation performance, damage to physical and emotional well-being, loss of confidence, lowered self-esteem, high stress levels, absenteeism, addictions and poor attitudes to work).

Dealing with conflict can include broad approaches such as ignoring it, allowing it to continue, reducing or containing the conflict, resolving it and preventing it in the first place. The latter tend to be longer term approaches involving things like establishing common objectives, mutual problem solving and enhancing methods of communication.

Problem solving and decision making — problem solving as one of a manager's technical skills; classification of problems (eg recurring/new, programmed/non-programmed); rational decision making/problem solving model (identify problem, decide on criteria for a solution, gather information, identify alternative solutions, evaluate alternative solutions, choose best solution against criteria, implement and review); problem solving techniques (eg modify, minimise, substitute, rearrange, reverse, combine, brainstorming); managerial actions to solve problems (recognising the existence of a problem, acknowledging the problem, involving other party, understanding each other's position, enlisting their co-operation, discussing possible solutions, planning action, resolving the problem in a mutually acceptable way).



## Higher National Unit Support Notes (cont)

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Stress management — difference between stress and pressure; causes of stress (eg role conflict, role ambiguity, role overload and role underload); measures of stress (eg questionnaires and tests to identify stressors); effects of stress (eg on managerial behaviour, health); dealing with own stress (eg gaining control of time, effective communication, practical ways to relax, being healthy and fit, eating for health, exercise for stamina, suppleness and strength, hobbies, work-life balance, personal interests). Dealing with stress in others — recognising signs of stress in others; identifying causes of stress in others and suitable ways to deal with it (eg joint problem solving, counselling, use of outside agencies).

### Guidance on approaches to delivery of this unit

The unit may be delivered through lecturer-mediated discussion, the provision of appropriate examples and case studies, and by reading appropriate management texts. The appropriate use of examples can help to keep the unit relevant to learners especially if they relate to organisations with which they are familiar.

Learners should be encouraged to relate theory and practice. They should try to apply models and approaches to particular situations and draw conclusions from this. These conclusions can cover the value of the theoretical approach as well as highlighting the strengths and weaknesses of the behaviour actually undertaken. In this way, learners can develop their powers of analysis and adopt the habit of making sure that they support their points with credible reasons grounded in the material they have been given.

The unit aims to merge theory and practice, but the focus should be on the practical aspects of managing strategy and change in a way that recognises the role of business culture and takes account of the changing environment. This should be backed up with a broad understanding of the management theory in these areas.

### Guidance on approaches to assessment of this unit

Evidence can be generated using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

Summative assessment focuses on the experience of organisations. Learners should be encouraged to practice applying theoretical ideas to the behaviour of organisations during the delivery of the unit. Formative assessment can be an ongoing part of the unit with learners being given the assessments to work on as each topic is taught.

Possible assessment(s) could incorporate material based on an organisation. This may be a real or hypothetical organisation and the learner may be given suitable information or asked to gather information about an organisation for themselves. Where the learner is directed to gather information, the stimulus material should ideally be based on an organisation that the learner is familiar with, or one about which the learner can easily gather data. Learners who have current work experience may use their own workplace as the focus for assessments and identify relevant trends within the business environment that affect their own organisation.

## Higher National Unit Support Notes (cont)

**Unit title:** Managing Business Culture and Strategy (SCQF level 8)

It would be possible, if this is preferred, to set more than one instrument of assessment. For example learners could be assessed outcome by outcome or by combining outcomes. Outcome 4, for example, could be assessed separately, perhaps by asking learners to produce and deliver a presentation which meets the necessary evidence requirements. If this approach is adopted, different organisations could be used for different instruments of assessment.

### Opportunities for e-assessment

E-assessment may be appropriate for some assessments in this unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the evidence requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at [www.sqa.org.uk/e-assessment](http://www.sqa.org.uk/e-assessment).

### Opportunities for developing Core and other essential skills

The Core Skill Communication at SCQF level 6 may be developed through reading, summarising, analysing, applying and presenting some of the managerial and behavioural concepts studied as part of this unit.

The Core Skill Problem Solving at SCQF level 6 may be developed by comparing and contrasting various conceptual frameworks and providing clear justification of how a particular framework may be appropriate in a particular organisational context.

The Critical Thinking component of problem Solving at SCQF level 6 is embedded in this unit. When a learner achieves the unit, their Core Skills profile will also be updated to include this component.

## History of changes to unit

Version	Description of change	Date
03	Footer changed to 'J56D 35, Managing Business Culture and Strategy (SCQF Level 8)'	03/05/24
02	Core Skills Component Critical Thinking at SCQF level 6 embedded.	23/02/21

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## General information for learners

### Unit title: Managing Business Culture and Strategy (SCQF level 8)

This section will help you decide whether this is the unit for you by explaining what the unit is about, what you should know or be able to do before you start, what you will need to do during the unit and opportunities for further learning and employment.

This is a two credit unit at SCQF level 8. It is recommended that prior to undertaking the Unit you have knowledge of organisational structures and the factors that influence employee behaviour at work.

The unit is designed to:

- ◆ enhance your understanding of the management theory relating to business culture, business strategy, and the management of change
- ◆ improve your ability to provide practical advice on how to manage business culture, business strategy, and the management of change

The unit has four outcomes. The first outcome investigates the relationship between organisational culture and organisational behaviour. The second outcome examines the influence of business strategy on organisational behaviour. While in the third outcome you will have the opportunity to investigate how business strategy and change is managed within organisations. The fourth outcome explores the behavioural skills and techniques that a manager should possess during the strategic planning process

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 the flexibility required to study, as appropriate, organisations of different size, public and 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 assessment work. This will require you to assess the strategy, culture and change of a particular organisation or organisations. To do this, you will be expected to apply the concepts you have learned during the course to the situation of the organisation concerned.

In studying this unit you will have the opportunity to develop the Core Skills of *Communication* and *Problem Solving* at SCQF level 6.

The Critical Thinking component of Problem Solving at SCQF level 6 is embedded in this unit. When a learner achieves the unit, their Core Skills profile will also be updated to include this component.