



BUSINESS MANAGEMENT
Intermediate 1

Second edition – published June 2009



**NOTE OF CHANGES TO INTERMEDIATE 1 ARRANGEMENTS
SECOND EDITION PUBLISHED JUNE 2009**

COURSE TITLE: Business Management (Intermediate 1)

COURSE NUMBER: C234 10

National Course Specification:

Course Details: None

National Unit Specification:

DV4H 10
Business Decision Areas

The maximum time allowed for assessment in the Evidence Requirements for the Unit has been amended from 60 minutes to 45 minutes in line with the National Assessment Bank items for the Unit.

National Course Specification

BUSINESS MANAGEMENT (INTERMEDIATE 1)

COURSE NUMBER C234 10

COURSE STRUCTURE

This Course has three mandatory Units:

<i>DV4G 10</i>	<i>Business Enterprise (Intermediate 1)</i>	<i>1 credit (40 hours)</i>
<i>DV4H 10</i>	<i>Business Decision Areas (Intermediate 1)</i>	<i>1 credit (40 hours)</i>
<i>DV4J 10</i>	<i>Business Information and ICT (Intermediate 1)</i>	<i>1 credit (40 hours)</i>

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

RECOMMENDED ENTRY

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

- ◆ Standard Grade Business Management at Foundation level
 - ◆ A coherent group of Units from Business Access 3 level
- and
- ◆ Standard Grade English at Foundation level

PROGRESSION

The Course or its Units may provide progression to:

- ◆ Intermediate 2 Business Management
- ◆ Further education
- ◆ Training or employment

Administrative Information

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National Course Specification (cont)

COURSE Business Management (Intermediate 1)

CREDIT VALUE

The Intermediate 1 Course in Business Management is allocated 24 SCQF points at SCQF level 4*.

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

CORE SKILLS

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

National Course Specification: course details

COURSE Business Management (Intermediate 1)

RATIONALE AND AIMS

Rationale

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

The study of Business Management at Intermediate 1 develops an awareness of the key elements of business with which managers have to deal. It does this in the context of the business as a whole and draws on material from a number of other disciplines. It will enable candidates to acquire knowledge and understanding of the role and operation of business, to develop and apply some problem solving skills, and to communicate by means of written or spoken language. This should benefit all candidates, whether or not they subsequently follow a career in business. Candidates will gain from both the theoretical underpinning knowledge and the vocational relevance of the study of business management at this level.

Decision making is central in business. Decisions shape development and enable organisations to achieve their goals and adapt to a constantly changing environment. Intermediate 1 Business Management, however, does not focus on decision making but highlights the importance of the provision of accurate information in facilitating effective decision making. It includes a study of the key activities of all types of organisations, centred on the functional areas of finance, marketing, human resource management and operations. It builds on candidates' own experiences as stakeholders and, in addition, helps them to understand the importance of seeing the problems of business management through different perspectives.

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

In addition, the Course emphasises the increasing role that information and communication technology (ICT) plays in facilitating and underpinning the activities of business and business-related organisations. The Course helps candidates to appreciate how the applications of IT are an aid to decision making.

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

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

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

Aims

The aims of the Course are to build on the knowledge and understanding gained in Foundation Level Standard Grade Business Management and are to develop an understanding and awareness of:

- ◆ the importance of business and enterprise in contemporary society
- ◆ the objectives of different types of business
- ◆ the main functional activities of businesses and how they contribute to the operation of a business

To develop basic skills in:

- ◆ problem solving in business situations
- ◆ drawing conclusions about business activities
- ◆ communicating business related information and using information and communication technology (ICT) in business contexts

To promote and encourage:

- ◆ an understanding of the ways in which individuals can contribute to the achievement of an organisation's objectives
- ◆ an appreciation that the various activities undertaken by businesses are interdependent
- ◆ an appreciation of use of ICT in different business contexts and how it affects the effectiveness of business operations

and provide a foundation for future education and training.

Satisfactory completion of the Course will provide candidates with:

- ◆ a knowledge of the importance of business in a modern society and of the main areas of activity within a business and business oriented organisations
- ◆ a basis for further study in business and management and in courses where an awareness of business is an important component
- ◆ transferable skills such as communicating business related information

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

The Business Management Course at Intermediate 1 has been designed to fit in with the Business Management Course at Intermediate 2, although the two Courses are not directly hierarchical. Two Units, *Business Enterprise (Intermediate 1)* and *Business Decision Areas (Intermediate 1)*, have close links with their counterparts at Intermediate 2 — *Business Enterprise (Intermediate 2)*; *Business Decision Areas: Marketing and Operations (Intermediate 2)*; *Business Decision Areas: Finance and Human Resource Management (Intermediate 2)*. *Business Information and ICT (Intermediate 1)* has no direct equivalent in the Intermediate 2 Course although it does cover material which is included in *Business Enterprise (Intermediate 2)*. The structure of the Course at Intermediate 1 should, therefore, help centres to deliver it as part of a programme of Business Management Courses at different levels and permit candidates to move between levels where this is appropriate. It also ensures a clear progression from Intermediate 1 to Intermediate 2. It is, however, important to distinguish between the two levels. This has been achieved in several ways:

- ◆ at Intermediate 1 the emphasis is on description, while at Intermediate 2 candidates are expected to provide explanations. This helps to build progression towards Higher level where the ability to analyse predominates
- ◆ candidates at Intermediate 1 are expected to master a more limited range of content than at Intermediate 2 and are not expected to attain the same depth of knowledge
- ◆ Course assessment is less challenging than at Intermediate 2
- ◆ integration of topics is less extensive than at Intermediate 2

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

COURSE CONTENT

The Course content has been organised in three Units — *Business Enterprise (Intermediate 1)*; *Business Activities (Intermediate 1)* and *Business Information and ICT (Intermediate 1)*.

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

The content of the Course is summarised below.

Business Enterprise (Intermediate 1)

Business in contemporary society

Role of business in society	Wealth creation, production and consumption, satisfaction of needs and wants, sectors of activity
Types of business organisation	Self-employed, partnership, private limited company, public limited company, voluntary organisation, charity, publicly-funded organisation
Sources of finance	For example — shareholders, banks, government
Objectives	Profit, survival, growth, social responsibility, provision of a service
The role of the entrepreneur	Enterprise, identifying business opportunities, risk taking
Stakeholders	Shareholders, employees, management, customers, suppliers, banks, local community, government Internal and external stakeholders. Influence of stakeholders on organisational activity, for example, employee participation, customer demand, local community action, shareholders and finance
The changing nature of business	Changes in the business environment, for example, the importance of changes to business, the need to ensure survival, the increasing significance of multinationals and the importance of small firms. Factors which can cause change, for example, changes in costs, development of new products, changes in demand, changes in technology, activities of competitors, changes in legislation

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

Business Decision Areas

Marketing

Marketing	Role of marketing in organisations
Definition of marketing	Meeting the requirements of customers, the marketing concept
Importance of marketing	Contribution to profitability, survival, growth
The marketing mix	Place, price, product/service, promotion
Market research	Investigating customer requirements, for example, surveys

Operations

Operations	Role of operations in organisations
Activities of operations function	Purchasing, automation, labour requirements, quality assurance, stock control, production planning
Types of operations	Job, batch and flow

Financial management

Financial information	Awareness of trading, profit and loss account, balance sheet and cash flow management.
Role of finance department	Providing financial information; payment of wages and salaries

Human resource management

Human resource management	Role of human resource management in organisations
Elements of human resource management	Recruitment and selection, training and development
Terms and conditions of employment	Wages and salaries, payment systems -time rates, piece rates, group bonus, individual bonus, holidays, sickness, health and safety
Employee relations	Relationships between employees and management, for example, works councils

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

Business Information and ICT (Intermediate 1)

Business information

Sources of information	Internal, external, primary, secondary
Types of information	Written, oral, pictorial, graphical, numerical
Uses of information in business	Monitoring and control, for example, measuring costs and expenditure, measuring profit and turnover, keeping sales records, checking on absence and sickness
Users of information	Management, owners, creditors, employees, citizens

Information and Communication Technology (ICT)

Uses of ICT	Provision of information, maintenance of records, communications
Benefits and costs of ICT	Speed, flexibility, financial, training
Business software	Use of word processing, for example, prepare letters. Use of spreadsheets, for example, small and simple cash budget. Use of databases, for example, list of customers. Use of presentation software, for example, when providing staff training

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

ASSESSMENT

To gain the award of the Business Management (Intermediate 1) Course, candidates must pass the Units as well as the Course assessment. The candidate's grade is based on the Course Assessment.

Assessment Objectives

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

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

The Course assessment aims to enable candidates to describe aspects of Business Management in unfamiliar contexts. This is done through two short case studies of businesses which test candidates' ability to identify, describe and give reasons for business decisions and business problems. The case studies are integrated and cover material from across the whole of the Course content.

Unit Assessment

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

Each Unit is assessed against the standards set out in the *National Unit Specification: statement of standards* for Unit. Full details of the Outcomes, Performance Criteria and Evidence Requirements may be found in the Unit Specifications for *Business Enterprise (Intermediate 1)*, *Business Decision Areas (Intermediate 1)* and *Business Information and ICT (Intermediate 1)*.

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

Course Assessment

The Course assessment is a Question Paper, which lasts one hour and 15 minutes and has 50 marks available.

- ◆ The paper examines knowledge and understanding covering the Course content and also assesses the ability of candidates to identify, describe and give reasons for business decisions and business problems.
- ◆ The paper will consist of two sections, 1 and 2.
- ◆ Both sections will contain questions on the interpretation of a case study of a business
- ◆ The case studies in each section will cover contrasting areas of business activity.
- ◆ Questions in both sections may focus on particular areas of Course content but there will also be questions which provide an opportunity to integrate topics across all areas of the Course content. These integrative questions may cover topics from two or more of the three Units which comprise the Course.

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

Section 1 — total marks available 25

This section of the paper will assess knowledge and understanding and the ability to identify, describe and give reasons for business decisions and business problems.

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

The case study will be about 300 words long and will describe a situation facing an organisation or organisations. It will probably be based on a magazine or newspaper article, although it could be hypothetical.

Candidates may be asked to:

- ◆ define terms used in the case study
- ◆ describe aspects of the situations in the case study
- ◆ identify problem areas
- ◆ identify constraints
- ◆ describe possible courses of action in response to problem areas

Section 2 — total marks available 25

This section of the paper will assess knowledge and understanding and the ability to identify, describe and give reasons for business decisions and business problems.

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

The case study will be about 300 words long and will describe a situation facing an organisation or organisations. It will probably be based on a magazine or newspaper article, although it could be hypothetical.

Candidates may be asked to:

- ◆ define terms used in the case study
- ◆ describe aspects of the situations in the case study
- ◆ identify problem areas
- ◆ identify constraints
- ◆ describe possible courses of action in response to problem areas

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

Relationship between Unit and Course assessment

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

The Course assessment samples all aspects of the Course content and thus covers material from all three Units. It tests knowledge and understanding but also tests the ability of candidates to identify, describe and give reasons for business decisions and business problems. Candidates are expected to adopt a more integrated approach than for the Unit assessments.

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

The 'added value' of the Course

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

The additional demands will require candidates to:

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

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

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

GRADE DESCRIPTIONS

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

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

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

- ◆ apply knowledge and understanding to a range of different contexts
- ◆ demonstrate some ability to integrate material drawn from the Course content
- ◆ be able to describe how information and information technology contribute to the decision making process
- ◆ describe the main elements of specified simple problems
- ◆ describe possible solutions to specified simple problems

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

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

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

ESTIMATES AND APPEALS

Estimates

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

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

Appeals

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

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

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

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

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

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

APPROACHES TO LEARNING AND TEACHING

The Course presents opportunities for candidate-centred learning, and there should be an emphasis on active learning throughout. Business Management at Intermediate 1 has an applied rather than a theoretical focus. It would be useful to contextualise the Course through the study of individual organisations or entrepreneurs and by referring to specific examples of all types of business organisations included in the Course.

In this way, candidates will be assisted to apply general business concepts to different organisations and to relate their study of Business Management to their own experiences — as consumers and users of goods and services provide by business, for example. The learning and teaching strategy is likely to concentrate on the use of realistic examples as these can help to make the Course relevant to candidates and enhance their motivation.

Learning and teaching approaches should recognise the dynamic nature of business activity. It may, therefore, be helpful to use examples of firms which have grown and ones which have declined. A crucial theme is the significance of enterprise to all types of organisation, which requires them to search out new business opportunities to meet changing circumstances. In addition, it is useful to recognise that business enterprises both respond to changes in their environment and are also initiators of change. Hence, their actions and decisions are influenced by their environment and also influence that environment.

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

Although the Units in the Course can be delivered independently, it is recommended, when they are offered as part of a Course, that an integrative approach is adopted. It will be beneficial for candidates if *Business Enterprise (Intermediate 1)* is delivered first, as this Unit sets the overall context for the other Units in the Course. There are opportunities to integrate the remaining two Units, *Business Information and ICT (Intermediate 1)* and *Business Decision Areas (Intermediate 1)* and, if this is done, candidates should gain a better appreciation of how businesses operate.

Information technology can be used throughout the Course. The application of ICT in business can be emphasised if candidates learn by making use of a modern integrated software package. This can help to highlight the application of ICT to the investigating and solving of the kind of problems which businesses face.

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

There are considerable resources available which can enhance teaching and learning. Candidates at Intermediate 1, in particular, may benefit from accessing learning and teaching resources available on the Internet. Company websites are often directed at consumers and these can provide a good source of examples which are both of interest to candidates and relevant to the Course.

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

CANDIDATES WITH ADDITIONAL SUPPORT NEEDS

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

BUSINESS MANAGEMENT IN A BROADER CONTEXT

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

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

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

Examples of each of these are given below.

National Course Specification: course details (cont)

COURSE Business Management (Intermediate 1)

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

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

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



National Unit Specification: general information

UNIT	Business Enterprise (Intermediate 1)
NUMBER	DV4G 10
COURSE	Business Management (Intermediate 1)

SUMMARY

This Unit is designed to enable candidates to describe business enterprise and its stakeholders in contemporary society. It enables candidates to recognise the importance of business and makes them aware of the wide range of people who are involved in and contribute to the activities of a business.

This Unit is a mandatory Unit of the Business Management (Intermediate 1) Course and is also available as a free standing Unit.

This Unit is suitable for candidates progressing from Standard Grade Business Management or from Access 3 Business and provides a basis for further study.

OUTCOMES

- 1 Describe the role of business enterprise in contemporary society
- 2 Describe the role of stakeholders in a business enterprise

RECOMMENDED ENTRY

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

- ◆ Standard Grade Business Management at Foundation level
 - ◆ Access 3 Business Units
- or
- ◆ Standard Grade English at Foundation level

Administrative Information

Superclass: AA

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National Unit Specification: general information (cont)

UNIT **Business Enterprise (Intermediate 1)**

CREDIT VALUE

1 credit at Intermediate 1 (6 SCQF points at SCQF Level 4*)

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

CORE SKILLS

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

National Unit Specification: statement of standards

UNIT Business Enterprise (Intermediate 1)

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

OUTCOME 1

Describe the role of business enterprise in contemporary society

Performance criteria

- (a) Demonstrate an awareness of the contribution of business to society
- (b) Describe different types of business organisation
- (c) Demonstrate an awareness of change in the current UK business environment
- (d) Define relevant terms
- (e) Use relevant examples in the description

OUTCOME 2

Describe the role of stakeholders in a business enterprise

Performance criteria

- (a) Identify relevant stakeholders
- (b) Define relevant terms
- (c) Use relevant examples in the description
- (d) Take account of stakeholders' interests in organisations

EVIDENCE REQUIREMENTS FOR THE UNIT

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

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

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

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

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

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

National Unit Specification: support notes

UNIT Business Enterprise (Intermediate 1)

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

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

GUIDANCE ON CONTENT AND CONTEXT FOR THIS UNIT

This Unit is one of three mandatory Units in the Intermediate 1 Business Management Course. It deals with Business Enterprise. It is set in the context of contemporary business and candidates should be introduced to current examples of business activity and behaviour. The Unit covers different types of business organisations and their objectives, the role of the entrepreneur and other stakeholders as well as the internal and looks at the changing nature of business.

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

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

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

There are many opportunities in this Unit to make use of active learning methods. It would be possible to build the learning and teaching around a small number of locally relevant examples which could be set in the wider context of business activity in the country as a whole. There are also opportunities to gather information, for instance from local businesses and websites.

There are close links with the other two Units in the Intermediate 1 Course. Candidates are likely to benefit if these links are made explicit during the teaching and learning process for this Unit.

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

Short answer questions are the most likely method of assessment for this Unit but they could be supplemented for example by completion grids, and related to appropriate stimulus material.

CANDIDATES WITH ADDITIONAL SUPPORT NEEDS

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

National Unit Specification: statement of standards (cont)

UNIT Business Enterprise (Intermediate 1)

Appendix 1 — Unit Content

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

Outcome 1

Role of business in society	Wealth creation, production and consumption, satisfaction of wants
Types of business organisation	Self-employed, partnership, private limited company, public limited company, voluntary organisation, charity, publicly funded organisation
Sources of finance	For example, shareholders, banks, government
Objectives	Profit, survival, growth, social responsibility, provision of a service
The role of the entrepreneur	Enterprise, identifying business opportunities, risk taking
The changing nature of business	Changes in the business environment, for example, importance of changes to business, the need to ensure survival, the increasing significance of multinationals and the importance of small firms. Factors which can cause change, for example, changes in costs, development of new products, changes in demand, changes in technology, activities of competitors

Outcome 2

Stakeholders	Shareholders, employees, management, customers, suppliers, banks, local community, government
	Internal and external stakeholders. Influence of stakeholders on organisational activity, for example, employee participation, customer demand, local community action, shareholders and finance



National Unit Specification: general information

UNIT	Business Decision Areas (Intermediate 1)
NUMBER	DV4H 10
COURSE	Business Management (Intermediate 1)

SUMMARY

The Unit is designed to enable candidates to describe the main areas of activity in which organisations engage. It enables candidates to describe the Marketing, Operations, Finance and Human Resource functions of a business and to become aware of the contribution that each makes to the operation of a business.

This Unit is a mandatory Unit of the Business Management (Intermediate 1) Course and is also available as a free standing Unit.

This Unit is suitable for candidates progressing from Standard Grade Business Management or from Access 3 Business and provides a basis for further study.

OUTCOMES

- 1 Describe the Marketing function in an organisation
- 2 Describe the Operations function in an organisation
- 3 Describe the Finance function in an organisation
- 4 Describe the Human Resource function in an organisation

Administrative Information

Superclass: AA

Publication date: June 2009

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National Unit Specification: general information (cont)

UNIT Business Decision Areas (Intermediate 1)

RECOMMENDED ENTRY

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

Standard Grade Business Management at Foundation level
Access 3 Business Units
and
Standard Grade English at Foundation level

CREDIT VALUE

1 credit at Intermediate 1 (6 SCQF points at SCQF Level 4*)

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

CORE SKILLS

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

National Unit Specification: statement of standards

UNIT Business Decision Areas (Intermediate 1)

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

OUTCOME 1

Describe the Marketing function in an organisation

Performance criteria

- (a) Describe the role of marketing in organisations
- (b) Demonstrate awareness of the marketing mix
- (c) Define relevant terms
- (d) Use relevant examples in the description

OUTCOME 2

Describe the Operations function in an organisation

Performance criteria

- (a) Describe the role of operations in organisations
- (b) Demonstrate awareness of different types of production
- (c) Define relevant terms
- (d) Use relevant examples in the description

OUTCOME 3

Describe the Finance function in an organisation

Performance criteria

- (a) Describe the role of the finance department in organisations
- (b) Demonstrate awareness of financial statements
- (c) Define relevant terms
- (d) Use relevant examples in the description

OUTCOME 4

Describe the Human Resource function in an organisation

Performance criteria

- (a) Describe the role of the human resource function
- (b) Demonstrate awareness of employment terms and conditions
- (c) Define relevant terms
- (d) Use relevant examples in the description

National Unit Specification: statement of standards (cont)

UNIT Business Decision Areas (Intermediate 1)

EVIDENCE REQUIREMENTS FOR THE UNIT

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

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

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

Evidence will be produced by candidates completing a number of short answer questions in a closed book assessment. Candidates must attempt this assessment in controlled conditions on a single occasion. The maximum time allowed is 45 minutes.

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

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

National Unit Specification: support notes

UNIT Business Decision Areas (Intermediate 1)

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

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

GUIDANCE ON CONTEXT AND CONTENT FOR THIS UNIT

This Unit is one of three mandatory Units in the Intermediate 1 Business Management Course. It deals with Business Decision Areas. It is set in the context of contemporary business and candidates should be introduced to current examples of business activity and behaviour. The Unit covers the different functional areas of business organisations.

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

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

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

There are many opportunities in this Unit to make use of active learning methods. It would be possible to build the learning and teaching around a small number of locally relevant examples which could be set in the wider context of business activity in the country as a whole. There are also opportunities to gather information, for instance from local businesses and websites.

There are close links with the other two Units in the Intermediate 1 Course. Candidates are likely to benefit if these links are made explicit during the teaching and learning process for this Unit.

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

Short answer questions are the most likely method of assessment for this Unit but they could be supplemented for example by completion grids, and related to appropriate stimulus material.

CANDIDATES WITH ADDITIONAL SUPPORT NEEDS

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

National Unit Specification: statement of standards (cont)

UNIT Business Decision Areas (Intermediate 1)

Appendix 1 — Unit Content

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

Outcome 1

Marketing	Role of marketing in organisations
Definition of marketing	Meeting the requirements of customers, the marketing concept
Importance of marketing	Contribution to profitability, survival, growth
Market research	Investigating customer requirements, for example, surveys
The marketing mix	Place, price, product/service, promotion

Outcome 2

Operations	Role of operations in organisations
Activities of operations function	Purchasing, automation, labour requirements, quality assurance, stock control, production planning
Types of operations	Job, batch and flow

Outcome 3

Financial information	Awareness of profit and loss, balance sheet and cash flow management
Role of finance department	Providing financial information; payment of wages and salaries

Outcome 4

Human resource management	Role of human resource management in organisations
Elements of human resource management	Recruitment and selection, training and development
Terms and conditions of employment	Wages and salaries, payment systems -time rates, piece rates, group bonus, individual bonus, holidays, sickness, health and safety
Employee relations	Interrelationships between employees and management, for example, works councils



National Unit Specification: general information

UNIT	Business Information and Information and Communication Technology (ICT)
NUMBER	DV4J 10
COURSE	Business Management (Intermediate 1)

SUMMARY

This Unit enables candidates to describe the importance of information and Information and Communication Technology (ICT) when used in contemporary business organisations. It enables them to describe the ways in which businesses use ICT and the benefits that this can bring to businesses.

This Unit is a mandatory Unit of the Business Management (Intermediate 1) Course and is also available as a free standing Unit.

This Unit is suitable for candidates progressing from Standard Grade Business Management or from Access 3 Business and provides a basis for further study.

OUTCOMES

- 1 Describe the role of Business Information and ICT
- 2 Explain the importance of ICT in running organisations

Administrative Information

Superclass:	AA
Publication date:	March 2006
Source:	Scottish Qualifications Authority
Version:	01

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National Unit Specification: general information (cont)

UNIT Business Information and ICT (Intermediate 1)

RECOMMENDED ENTRY

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

Standard Grade Business Management at Foundation level

Access 3 Business Units

and

Standard Grade English at Foundation level

CREDIT VALUE

1 credit at Intermediate 1 (6 SCQF points at SCQF Level 4*)

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

CORE SKILLS

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

National Unit Specification: statement of standards

UNIT Business Information and ICT (Intermediate 1)

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

OUTCOME 1

Describe the role of Business Information and ICT

Performance criteria

- (a) Demonstrate awareness of different sources of information used by business enterprises
- (b) Describe users of Business Information and ICT
- (c) Define relevant terms
- (d) Use relevant examples in the description.

OUTCOME 2

Explain the importance of ICT in running organisations

Performance criteria

- (a) Describe current uses of ICT and business software in business enterprises
- (b) Describe costs and benefits of ICT.
- (c) Define relevant terms
- (d) Use relevant examples in the description

National Unit Specification: statement of standards (cont)

UNIT Business Information and ICT (Intermediate 1)

EVIDENCE REQUIREMENTS FOR THE UNIT

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

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

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

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

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

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

National Unit Specification: support notes

UNIT Business Information and ICT (Intermediate 1)

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

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

GUIDANCE ON CONTENT AND CONTEXT FOR THIS UNIT

This Unit is one of three mandatory Units in the Intermediate 1 Business Management Course. It deals with Business Information and ICT. The Unit covers types and sources of information and its uses in business. The uses of ICT and business software are also covered.

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

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

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

There are many opportunities in this Unit to make use of active learning methods. Candidates may, for example, be able to access software used in business so that they can see for themselves the situations in which it could be used and who might make use of it. There are also opportunities to gather information, for instance from local businesses and websites.

There are close links with the other two Units in the Intermediate 1 course. Candidates are likely to benefit if these links are made explicit during the teaching and learning process for this Unit.

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

Short answer questions are the most likely method of assessment for this Unit but they could be supplemented for example by completion grids, and related to appropriate stimulus material.

CANDIDATES WITH ADDITIONAL SUPPORT NEEDS

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

National Unit Specification: statement of standards (cont)

UNIT Business Information and ICT (Intermediate 1)

Appendix 1 — Unit Content

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

Outcome 1

Sources of information	Internal, external, primary, secondary
Types of information	Written, oral, pictorial, graphical, numerical
Uses of information in business	Monitoring and control, for example, measuring costs and expenditure, measuring profit and turnover, keeping sales records, checking on absence and sickness
Users of information	Management, owners, creditors, employees, citizens

Outcome 2

Uses of ICT	Provision of information, maintenance of records, communications
Benefits and costs of ICT	Speed, flexibility, financial, training
Business software	Use of word processing, for example, prepare letters. Use of spreadsheets, for example, small and simple cash budget. Use of databases, for example, short list of customers. Use of presentation software, for example, when providing staff training