



National 5  
Unit  
Specification



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## Understanding Business (National 5)

**SCQF:** level 5 (6 SCQF credit points)

**Unit code:** H20R 75

### Unit outline

The general aim of this Unit is to develop learners' understanding of the business environment. The Unit will develop skills, knowledge and understanding by carrying out activities relating to the role of business organisations and entrepreneurship in society. It introduces learners to the main roles, activities and functions associated with businesses and other organisations. The Unit will allow learners to explore issues relating to the external environment in which organisations operate and the effect this can have on organisational activity.

Learners who complete this Unit will be able to:

- 1 Give an account of the key objectives and activities of small and medium-sized business organisations
- 2 Apply knowledge and understanding of factors that impact on the activities of small and medium-sized business organisations

This Unit is a mandatory Unit of the National 5 Business Management Course and is also available as a free-standing Unit. The Unit Specification should be read in conjunction with the *Unit Support Notes*, which provide advice and guidance on delivery, assessment approaches and development of skills for learning, skills for life and skills for work. Exemplification of the standards in this Unit is given in *Unit Assessment Support*.

The *Course Assessment Specification* for the National 5 Business Management Course gives further mandatory information on Course coverage for learners taking this Unit as part of the National 5 Business Management Course.

## **Recommended entry**

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

- ◆ National 4 Business

Examples of other such relevant prior learning and experiences would be the development of thinking skills, and the ability to work with others. The Unit would also be suitable for those who have demonstrated or are interested in developing enterprising skills.

## **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. For further information, please refer to the *Unit Support Notes*.

# Standards

## Outcomes and assessment standards

### Outcome 1

The learner will:

- 1 Give an account of the key objectives and activities of small and medium-sized business organisations by:**
  - 1.1 Outlining the role of business organisations in society
  - 1.2 Outlining why customer satisfaction is crucial to the success of a business organisation
  - 1.3 Outlining the objectives of business organisations in different sectors of the economy

### Outcome 2

The learner will:

- 2 Apply knowledge and understanding of factors that impact on the activities of small and medium-sized business organisations by:**
  - 2.1 Outlining how internal factors impact on business activity
  - 2.2 Outlining how external factors impact on business activity
  - 2.3 Examining the impact stakeholders have on business activity

## Evidence Requirements for the Unit

Assessors should use their professional judgement, subject knowledge and experience, and understanding of their learners, to determine the most appropriate ways to generate evidence and the conditions and contexts in which they are used.

Evidence can be drawn from a variety of sources and presented in a variety of formats. This can include short written responses, participation in group tasks, presenting information to other groups and/or recorded oral evidence. The evidence can be gathered from a variety of tasks and assessments carried out while doing the Unit or Course. Learners should use appropriate business terminology and include, where appropriate, the use of real business examples.

Evidence may be presented for individual Outcomes or it may be gathered for the Unit as a whole through combining assessment in one single activity. If the latter approach is used, it must be clear how the evidence covers each Outcome.

In Outcome 1:

- ◆ sectors of the economy refer to private, public and third
- ◆ small and medium-sized businesses include sole traders, partners, limited companies, local government organisations, non-profit making organisations and social enterprises

In Outcome 2:

- ◆ stakeholders include owners, shareholders, employees, banks, the local community, pressure groups and the government
- ◆ internal factors include financial, human resources and current technology used by the organisation
- ◆ external factors include political, economic, environmental, social, technical and competition

Exemplification of assessment is provided in *Unit Assessment Support*. Advice and guidance on possible approaches to assessment is provided in the *Unit Support Notes*.

# Development of skills for learning, skills for life and skills for work

It is expected that learners will develop broad, generic skills through this Unit. The skills that learners will be expected to improve on and develop through the Unit are based on SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work* and drawn from the main skills areas listed below. These must be built into the Unit where there are appropriate opportunities.

## **2 Numeracy**

2.3 Information handling

## **4 Employability, enterprise and citizenship**

4.1 Employability

4.2 Information and Communication Technology (ICT)

4.4 Enterprise

## **5 Thinking skills**

5.1 Remembering

5.2 Understanding

5.3 Applying

Amplification of these is given in SQA's *Skills Framework: Skills for Learning, Skills for Life and Skills for Work*. The level of these skills should be at the same SCQF level of the Unit and be consistent with the SCQF level descriptor. Further information on building in skills for learning, skills for life and skills for work is given in the *Unit Support Notes*.

## Administrative information

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**Published:** April 2012 (version 1.0)

**Superclass:** AE

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### History of changes to National Unit Specification

Version	Description of change	Authorised by	Date

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Note: readers are advised to check SQA's website: [www.sqa.org.uk](http://www.sqa.org.uk) to ensure they are using the most up-to-date version of the Unit Specification.

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