

The External Business Environment

SCQF: level 7 (8 SCQF credit points)

Unit code: J1XC 77

Unit outline

The general aim of this Unit is to develop a detailed knowledge and an in-depth understanding of the effects of external influences on organisations operating at a multinational and global level. The Unit provides learners with the opportunities to investigate how an organisation is affected by external factors and to enhance their understanding of the responsibilities of managers in an economic, social and environmental context. Learners will analyse and evaluate the impact of such external factors and consider the effectiveness of various courses of action.

Learners who complete this Unit will be able to:

- 1 Evaluate the impact of external factors on organisations
- 2 Evaluate the global business context

This Unit is 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*.

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:

- ◆ Higher Business Management Course or relevant Units

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 Evaluate the impact of external factors on organisations by:**
 - 1.1 Explaining opportunities and threats to an organisation arising from changes in external factors
 - 1.2 Evaluating the effectiveness of a course of action taken by an organisation in response to an external factor

Outcome 2

The learner will:

- 2 Evaluate the global business context by:**
 - 2.1 Explaining the effects of multinational companies on either the home country or the host country
 - 2.2 Explaining the impact on domestic businesses of operating in a European context
 - 2.3 Evaluating the effects of globalisation on business activity in terms of foreign direct investment

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 including short or extended written responses and/or recorded oral evidence.

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.

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.

1 Literacy

1.2 Writing

2 Numeracy

2.3 Information handling

4 Employability, enterprise and citizenship

4.1 Employability

4.4 Enterprise

5 Thinking skills

5.3 Applying

5.4 Analysing and evaluating

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 as 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

Published: July 2019 (version 3.0)

Superclass: AD

History of changes to National Unit Specification

Version	Description of change	Authorised by	Date
2.0	Minor amendment to the wording of the 'Unit outline' section and Outcome 1. Changes to the Assessment Standards 1.1, 1.2, 2.1, 2.2 and 2.3 to improve clarity.	Qualifications Development Manager	April 2015
3.0	Level changed from Advanced Higher to SCQF level 7 Unit code updated	Qualifications Manager	July 2019

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

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