

# **NextGen: HN unit specification**

## **Accountant in the Business Environment (SCQF level 7)**

**Unit code:** J6E2 47

**SCQF level:** 7 (32 SCQF credit points)

**Valid from:** August 2026

This unit specification provides detailed information about the unit to ensure consistent and transparent assessment year on year. It is for lecturers and assessors, and contains all the mandatory information you need to deliver and assess the unit.

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# Unit purpose

This unit builds a solid foundation in the wider areas an accountant may interact with in a business organisation. It gives learners the knowledge and skills to succeed in the business environment by considering the accountant's role in the wider organisation.

The unit contains introductory-level content and is suitable for learners who are considering a career or further learning in business-related subjects.

Previous knowledge of any or all of the following areas is an advantage, but not essential:

- business management
- business law
- economics
- leadership and management

# Unit outcomes

Learners who complete this unit can:

1. explain business and organisation structures and their impact on business operations
2. explain the various legal aspects that affect a business, covering business set up, contract law, employment law and government policies
3. explain the role of people in running a business in terms of recruitment, team building, leadership, management, communication and motivation
4. explain macroeconomic and microeconomic factors that affect a business and its trade

## Evidence requirements

For all outcomes, assess learners under open-book, unsupervised conditions.

To achieve the unit, learners need a minimum of 70% across the whole unit, with no less than 30% in any outcome.

Learners must reference all sources using a recognised referencing convention.

They must provide the following evidence for the outcomes.

### Outcome 1

- Explain different business structures and the most appropriate structure in different contexts.
- Identify stakeholders using a relevant model and advise a business on how best to engage with each group to aid decision making.
- Explain functional, divisional, matrix and flat structures and the advantages and disadvantages of each.

- Explain the role of the accounts team in an organisation and how value is added by:
  - linking activities through an organisation
  - the flow of information through an organisation
- Define organisational culture and the impact of culture on an organisation.
- Explain the factors that influence and shape culture in an organisation.
- Use environment scanning models to analyse a business's internal and external environment to establish the impact of these on the organisation.

## **Outcome 2**

- Explain the legal characteristics of a company.
- Identify and explain legal documents required to form a company and those that must be retained over the life of the company.
- Define the term 'contract' and its validity.
- Identify the essential elements of a contract of employment and the implications for both employees and employers.
- Explain the impact of the Companies Act on organisations and how the international accounting profession regulates itself through the establishment and monitoring of reporting standards.
- Explain the responsibility of the individual and organisation to comply with laws on data protection, security, and health and safety.
- Outline principles of consumer protection, including sale of goods and simple contracts.

## **Outcome 3**

- Explain the importance of effective recruitment to an organisation.
- Explain the advantages and disadvantages of different methods of recruitment.
- Explain the purpose of a team and the difference between a team and a group.
- Apply management theories to explain the manager's role in building a team.
- Explain the impact of individual and team effectiveness on the business.

- Define leadership, management and supervision, and identify them and their appropriateness in different contexts.
- Explain different styles of management and their effectiveness.
- Explain the importance of time management.
- Describe sources of conflict and the impact of conflict on the business.
- Describe ways of managing conflict.
- Describe methods of communication, their barriers and their appropriate use.
- Define motivation and explain its importance to the organisation, teams, and individuals.
- Advise how to motivate individuals and teams, referring to motivational theory.
- Explain how effective appraisals can motivate individuals.

## **Outcome 4**

- Explain the basic economic problem and provide an example.
- Explain the concept of opportunity cost and provide an example.
- Identify changes to supply and demand when two determinants for each are altered.
- Explain, with the aid of a diagram and/or graphical information, the interaction of supply and demand.
- Explain, with calculations, the concepts of price elasticity of demand and income elasticity of demand.
- Explain the circular flow of income and explain the operation of the circular flow, including describing the injections and withdrawals from the circular flow.
- Describe three different ways to measure national income and a difficulty associated with each method.
- Explain, with calculations, the multiplier effect on national income.
- Identify and explain four difficulties in comparing national income between countries.
- Explain national income growth both in monetary and real terms.
- Explain the role of government in market failure.

- Select one current government policy on either welfare, competition or the environment, and:
  - explain the policy
  - identify and describe the instruments used to achieve the policy
  - evaluate the success or failure of the policy in relation to its use within the UK
- Explain free trade, including the theory of absolute and comparative advantage.
- Explain barriers to trade, including two forms of protectionism.
- Explain why governments may wish to raise barriers to international trade.
- Explain the role of the World Trade Organization (WTO) in the development of free trade.

# Knowledge and skills

| Knowledge                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Skills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Outcome 1</b></p> <p>Learners should understand:</p> <ul style="list-style-type: none"> <li>• the purpose and types of business structures</li> <li>• types of stakeholders and their power and influence over the business</li> <li>• organisational structure and design</li> <li>• the value generated by interlinking activities across the organisation and the accounts team's role and interaction with other teams in the organisation</li> <li>• organisational culture and formal and informal business organisation</li> <li>• internal and external business environments</li> </ul> | <p><b>Outcome 1</b></p> <p>Learners can:</p> <ul style="list-style-type: none"> <li>• explain different types of business structures and their purpose</li> <li>• apply stakeholder theory to identify different stakeholder classifications and the implications for decision making</li> <li>• explain the advantages and disadvantages of different organisational structures</li> <li>• explain the way that value is added in a business by linking activities and the accounts team's role within the organisation</li> <li>• define organisational culture and the impact of culture on an organisation</li> <li>• explain factors that influence and shape culture in an organisation</li> <li>• analyse an organisation's internal and external environment</li> </ul> |

| Knowledge                                                                                                                                                                                                                                                                                                                                                    | Skills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Outcome 2</b></p> <p>Learners should understand:</p> <ul style="list-style-type: none"> <li>• legal characteristics of companies</li> <li>• contract formation</li> <li>• employment contracts</li> <li>• the principles of law and regulation governing accounting and audit</li> <li>• political and legal factors affecting the business</li> </ul> | <p><b>Outcome 2</b></p> <p>Learners can:</p> <ul style="list-style-type: none"> <li>• explain the legal characteristics of a company and the legal documents required to form a company</li> <li>• identify the point at which a contract is formed and the legal status of contractual terms</li> <li>• identify the essential elements of a contract of employment and the implications for both employee and employer</li> <li>• explain the regional, national and supra-national sources of authority</li> <li>• explain the responsibility of the individual and organisation in relation to health and safety, data protection, security and consumer protection legislation</li> </ul> |

| Knowledge                                                                                                                                                                                                                                                                                                                                                           | Skills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Outcome 3</b></p> <p>Learners should understand:</p> <ul style="list-style-type: none"> <li>the recruitment and selection process</li> <li>how a team can be formed or built, and the characteristics of a high-functioning team</li> <li>leading and managing individuals and teams</li> <li>effective communication</li> <li>motivational theory</li> </ul> | <p><b>Outcome 3</b></p> <p>Learners can:</p> <ul style="list-style-type: none"> <li>explain the importance of effective recruitment</li> <li>explain the advantages and disadvantages of different methods of recruitment</li> <li>explain the purpose of a team and the difference between a team and a group</li> <li>apply management theories to explain the manager's role in building a team</li> <li>explain the impact of individual and team effectiveness on the business</li> <li>define leadership, management, and supervision</li> <li>explain different styles of management and their effectiveness</li> <li>explain the importance of time management</li> <li>describe the sources and impact of conflict, and ways of managing these</li> <li>describe methods of and barriers to communication</li> <li>define motivation and explain its importance to the organisation, teams and individuals</li> <li>advise how to motivate individuals and teams</li> <li>explain how effective appraisals can motivate individuals</li> </ul> |

| Knowledge                                                                                                                                                                                                                                                                                                                                      | Skills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Outcome 4</b></p> <p>Learners should understand:</p> <ul style="list-style-type: none"> <li>• how resources are allocated within the economy</li> <li>• the theory of national income</li> <li>• the role of government policy in the UK market</li> <li>• the factors affecting a country's trade with the rest of the world</li> </ul> | <p><b>Outcome 4</b></p> <p>Learners can:</p> <ul style="list-style-type: none"> <li>• explain the basic economic problem and opportunity cost</li> <li>• explain the determinants of supply and demand and interaction of supply and demand</li> <li>• explain the concepts of price and income elasticity</li> <li>• explain the circular flow of income, including injections and withdrawals</li> <li>• explain national income and the multiplier effect on national income</li> <li>• explain the difficulties in comparing national income between countries</li> <li>• explain income growth</li> <li>• explain the role of government in market failure</li> <li>• explain current government policies on welfare, competition and the environment</li> <li>• identify and describe instruments to achieve a policy, and the success or failure of the policy in relation to its use in the UK</li> <li>• explain free trade and the theory of absolute and comparative advantage</li> <li>• explain barriers to trade and why governments may wish to raise them</li> <li>• explain the role of the World Trade Organisation (WTO) in the development of free trade</li> </ul> |

# Meta-skills

You must give learners opportunities to develop their meta-skills throughout this unit. We have suggested how to incorporate the most relevant ones into the unit content, but you may find other opportunities.

## Self-management

This includes focusing, integrity, adapting and initiative. The most relevant are:

- focusing:
  - receiving information affecting a wide range of issues, and researching, identifying and filtering out non-essential information
- adapting:
  - dealing with unfamiliar situations
  - building resilience and an overall understanding of how internal and external forces influence their role
- initiative:
  - developing decision-making skills and confidence in their abilities

## Social intelligence

This includes communicating, feeling, collaborating and leading. The most relevant is:

- communicating:
  - receiving and conveying a wide range of information
  - researching complex issues and filtering the relevant information
  - conveying information in different ways to meet the needs of the intended audience

## **Innovation**

This includes curiosity, creativity, sense-making and critical thinking. The most relevant are:

- curiosity:
  - identifying the elements of the task that are significant and asking questions to find out what information is most relevant
- creativity:
  - exploring ideas and producing solutions
- sense-making:
  - filtering information on different areas and applying these to different scenarios
- critical thinking:
  - analysing and evaluating information to solve complex problems

## **Literacies**

This unit provides opportunities to develop the following literacies.

### **Numeracy**

Learners develop the key skills in the accounting and finance sector by performing basic economic calculations.

### **Communication**

Learners develop communication skills by providing advice and communicating accounting information.

## **Digital**

Learners develop digital skills and computer literacy by using information and communications technology (ICT).

# Learning for Sustainability

Throughout this unit, you should encourage learners to develop their skills, knowledge and understanding of sustainability.

This includes:

- a general understanding of social, economic and environmental sustainability
- a general understanding of the United Nations Sustainable Development Goals (SDGs)
- a deeper understanding of subject-specific sustainability
- the confidence to apply the skills, knowledge, understanding and values they develop in the next stage of their life

## **Delivery of unit**

The unit is an optional unit in the Higher National Certificate (HNC) Accounting. It can also be delivered on a stand-alone basis.

The notional time for delivery and assessment is 160 hours. The amount of time you allocate to each outcome is at your discretion.

# **Additional guidance**

The guidance in this section is not mandatory.

## **Approaches to delivery**

You can deliver this unit outcome-by-outcome in a continuous flow, or combine outcomes together.

The unit covers four areas of business:

- business management
- business law
- economics
- leadership and management

The unit is mostly a knowledge-based unit, with relevant theories covered using a variety of examples. To provide context, we recommend you link the content to real or hypothetical scenarios, for example by using case studies.

## **Explain and apply business, leadership and management theories in a range of business contexts (outcome 1)**

This outcome covers aspects of business management including:

- organisational design
- structure and culture
- stakeholder engagement
- interactions in the organisation
- assessing the internal and external environment and the marketing mix, including the role of IT

You can use case studies to assess this outcome.

**Explain the various legal aspects that affect a business, covering contract law, employment law and legal rules regarding business set up and audit (outcome 2)**

Learners must understand contracts of employment, dismissal of employees, and the formation and possible frustration of a standard contract.

Learners must show they know the theory underpinning this area by recognising the different courses of action that should be taken.

You can use objective response or short answer-based questions to assess this outcome.

**Explain the role of people in running a business in terms of recruitment, team building, leadership, management, motivation and communication (outcome 3)**

Learners should identify how team building and motivation can aid a business and further develop their skills learned in outcomes 1 and 2. We recommend you assess this by asking learners to advise on management style and how they communicate these programmes.

Learners must show they understand the theory underpinning this area by recognising the different theories of management, motivation, and team building.

You can use case studies to assess this outcome.

## **Explain macroeconomic and microeconomic factors that affect a business (outcome 4)**

### **Macroeconomic factors**

Learners must:

- identify the macroeconomic factors that affect the business, such as unemployment levels, inflation, and interest rates (monetary policy)
- consider loans, the employment of workers and potential for overseas expansion
- consider the economic policy of governments as a way of mitigating or frustrating these factors

### **Microeconomic factors**

Learners must:

- recognise the microeconomic factors that affect the business, such as market forces and price elasticity in terms of supply and demand
- identify the financial context of the business and main functions of the financial markets
- recognise the impact of changes in interest and exchange rates on controlling and measuring business performance

You can use objective response or short answer-based questions to assess this outcome.

## **Approaches to assessment**

You can use a case study scenario to assess outcomes 1, 2, 3 and 4, or a mix of case studies and objective, short answer-based questions.

Scenario-based assessment and real-life examples work well for outcomes 1 and 3. Objective response and/or short answer-based questions work well for outcomes 2 and 4.

# Equality and inclusion

This unit is designed to be as fair and as accessible as possible with no unnecessary barriers to learning or assessment.

You must consider the needs of individual learners when planning learning experiences, selecting assessment methods or considering alternative evidence.

Guidance on assessment arrangements for disabled learners and those with additional support needs is available on the [assessment arrangements web page](#).

# Information for learners

## Accountant in the Business Environment (SCQF level 7)

This information explains:

- what the unit is about
- what you should know or be able to do before you start
- what you need to do during the unit
- opportunities for further learning and employment

### Unit information

This unit develops your knowledge and understanding of how a business is structured, and covers the different areas that work together to enable it to function within its environment.

The unit covers introductory-level content at SCQF level 7 in business management, business law, economics, and leadership and management. Previous knowledge of any or all of these areas is an advantage, but not essential.

### Explain and apply business, leadership and management theories in a range of business contexts (outcome 1)

You learn about the different types of business organisations, the stakeholders involved in the business, and the culture and structure of a business. You should understand how businesses manage their culture and the expectations that go with this.

## **Explain the various legal aspects that affect a business, covering contract law, employment law and legal rules regarding business set up and audit (outcome 2)**

You consider the legal aspects of a business, including standard contracts, legal documents and setting up a business. You also learn about the laws around employment contracts and accounting in general.

## **Explain the role of people in running a business in terms of recruitment, team building, leadership, management, motivation and communication (outcome 3)**

This outcome focuses on people in the business and the recruitment and selection process. You consider this, along with appraisals and motivational theories, before focusing on management and how to manage and build a team. You do all of this while considering the correct and appropriate way to communicate information.

## **Explain macroeconomic and microeconomic factors that affect a business (outcome 4)**

You learn about the main economic theories of microeconomics and macroeconomics and how these theories affect the business and the demand for its products.

You may be assessed in different ways, for example questions based on scenarios or case studies, theory-based questions, or by multiple-choice questions.

## **Opportunities for further learning and employment**

The unit shows you how the accounting role fits into the structure of the business organisation and the opportunities that exist in other departments. It also strengthens your understanding of management and the decision-making process, both in helping you make decisions and understanding the decisions of other managers.

Learners who complete the unit as part of the HNC Accounting can progress to employment in an entry-level accounting or finance role, or further learning in accounting professional or degree qualifications.

## **Meta-skills**

Throughout this unit, you develop meta-skills that are useful for the business environment.

Meta-skills are transferable behaviours and abilities that help you adapt and succeed in life, study and work. There are three categories of meta-skills: self-management, social intelligence and innovation.

### **Self-management**

This meta-skill includes:

- focusing:
  - receiving information affecting a wide range of issues, and researching, identifying and filtering out non-essential information
- adapting:
  - dealing with unfamiliar situations
  - building resilience and an overall understanding of how internal and external forces influence your role
- initiative:
  - developing decision-making skills and confidence in your abilities

## **Social intelligence**

This meta-skill includes:

- communicating:
  - receiving and conveying a wide range of information
  - researching complex issues and filtering the relevant information
  - conveying information in different ways to meet the needs of your intended audience

## **Innovation**

This meta-skill includes:

- curiosity:
  - identifying the elements of the task that are significant and asking questions to find out what information is most relevant
- creativity:
  - exploring ideas and producing solutions
- sense-making:
  - filtering information on different areas and applying these to different scenarios
- critical thinking:
  - analysing and evaluating information to solve complex problems

## Learning for Sustainability

Throughout this unit, you develop skills, knowledge and understanding of sustainability.

You learn about social, economic and environmental sustainability principles and how they relate to the business environment. You also develop an understanding of the [United Nations Sustainable Development Goals](#).

# Administrative information

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**Superclass:** AK

## History of changes

| Version | Description of change                                                                                                                                                                                                                                                                                                                                                                                                                            | Date        |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 1.1     | <p>'Valid from' date on front cover updated to 'August 2026' and 'This qualification is available in a restricted delivery model' line deleted.</p> <p>On 1 February 2026, Qualifications Scotland replaced SQA as the new national awarding body. We have updated the logo and 'SQA' throughout the document to reflect this.</p> <p><b>What you need to do differently</b></p> <p>There is no change to learning, teaching and assessment.</p> | August 2026 |
|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |
|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |

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