

Next Generation Higher National Unit Specification

Economics: An Introduction (SCQF level 7)

Unit code: J89C 47

SCQF level: 7 (8 SCQF credit points)

Valid from: session 2024 to 2025

Prototype unit specification for use in pilot delivery only (version 1.0) July 2024

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.

The information in this unit specification may be reproduced in support of SQA qualifications only on a non-commercial basis. If it is reproduced, SQA must be clearly acknowledged as the source. If it is to be reproduced for any other purpose, written permission must be obtained from permissions@sqa.org.uk.

This edition: July 2024 (version 1.0)

© Scottish Qualifications Authority 2024

Contents

Unit purpose	1
Unit outcomes	2
Knowledge and skills	4
Meta-skills	6
Literacies	7
Learning for Sustainability	8
Delivery of unit	9
Additional guidance	10
Equality and inclusion	11
Information for learners	12
Administrative information	14

NextGen: HN published prototype unit specification for use in pilot delivery only
(version 1.0) July 2024

Unit purpose

This unit introduces learners to fundamental economic principles and the impact of economic factors on the organisation.

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

Learners who complete the unit can progress to a range of professional or degree qualifications.

Unit outcomes

Learners who complete this unit can:

- 1 explain how resources are allocated in an economy
- 2 explain the theory of national income
- 3 explain the role of government policy in the UK market
- 4 explain the factors affecting a country's trade with the rest of the world

Evidence requirements

For all outcomes, you should assess learners under open-book, unsupervised conditions. Learners need a minimum mark of 70% in each outcome to achieve the unit.

To successfully achieve the unit, learners must provide the following evidence:

Outcome 1

- Explain, with an example, the basic economic problem.
- Explain, with an example, the concept of opportunity cost.
- 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.

Outcome 2

- 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 nominal and real terms.

Outcome 3

- 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

Outcome 4

- 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>Outcome 1 Learners should understand:</p> <ul style="list-style-type: none"> • how resources are allocated within the economy 	<p>Outcome 1 Learners can:</p> <ul style="list-style-type: none"> • explain the basic economic problem and opportunity cost • explain the determinants of supply and demand and interaction of supply and demand • explain the concepts of price and income elasticity
<p>Outcome 2 Learners should understand:</p> <ul style="list-style-type: none"> • the theory of national income 	<p>Outcome 2 Learners can:</p> <ul style="list-style-type: none"> • explain the circular flow of income, including injections and withdrawals • explain national income and the multiplier effect on national income • explain the difficulties in comparing national income between countries • explain income growth
<p>Outcome 3 Learners should understand:</p> <ul style="list-style-type: none"> • the role of government policy in the UK market 	<p>Outcome 3 Learners can:</p> <ul style="list-style-type: none"> • explain the role of government in market failure • explain current government policies on welfare, competition and the environment • identify and describe instruments to achieve a policy, and the success or failure of the policy in relation to its use in the UK

Knowledge	Skills
<p>Outcome 4 Learners should understand:</p> <ul style="list-style-type: none">• the factors affecting a country’s trade with the rest of the world	<p>Outcome 4 Learners can:</p> <ul style="list-style-type: none">• explain free trade and the theory of absolute and comparative advantage• explain barriers to trade and why governments may wish to raise them• explain the role of the World Trade Organization (WTO) in the development of free trade

Meta-skills

You must give learners opportunities to develop their meta-skills throughout this unit. We've 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.

Communication

Learners develop communication skills by providing advice and communicating economic 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

NextGen: HN published prototype unit specification for use in pilot delivery only
(version 1.0) July 2024

Delivery of unit

This 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 40 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 use a range of case studies and examples that encourage learners to investigate the wider implications of economics.

Approaches to assessment

You can use a case study scenario, or a mix of case studies, and objective and/or short answer-based questions.

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

Economics: An Introduction (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 introduces you to fundamental economic principles and the impact of economic factors on the organisation. It develops your knowledge and understanding of microeconomics and macroeconomics.

You learn about the allocation of resources within an economy, the flow and control of income, government policy on market failure and the factors affecting international trade.

Previous knowledge of any or all of these areas is an advantage, but not essential.

Learners who complete the unit can progress to a range of 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

NextGen: HN published prototype unit specification for use in pilot delivery only
(version 1.0) July 2024

- 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 the 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

Published: July 2024 (version 1.0)

Superclass: EB

History of changes

Version	Description of change	Date

Please check [SQA's website](#) to ensure you are using the most up-to-date version of this document.