

NextGen: HN unit specification

Business Management: An Introduction (SCQF level 7)

Unit code: J9GA 47

SCQF level: 7 (8 SCQF credit points)

Valid from: June 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 gives learners an overview of the key managerial processes in businesses and organisations. It covers different industry sectors and what differentiates the private, public and voluntary sectors. It then introduces management concepts in relation to human resource management (HRM), financial management and marketing in an organisational context.

Entry to the unit is at your centre's discretion. Learners would benefit, however, from competence in communication skills at SCQF level 5, and should have a broad understanding of how a business operates and is managed.

Unit outcomes

Learners who complete this unit can:

1. explain the differences between profit and not-for-profit organisations
2. analyse key financial information
3. explain contemporary human resource management issues
4. explain the role of marketing in business organisations

Evidence requirements

Outcome 1

Learners must:

- explain different industry sectors and what differentiates the private, public and voluntary sectors
- describe those factors that determine a business' tax and legal obligations
- explain the importance of profit generation in a business context
- explain how to measure an organisation's effectiveness
- describe the importance of entrepreneurship in a business

Outcome 2

Learners must:

- explain the financial planning and control process required by large and small organisations
- explain financial management systems used for budgets, income, expenditure and borrowing
- for a given set of data:
 - complete a horizontal and vertical analysis on a balance sheet and profit and loss account
 - interpret the results

Outcome 3

Learners must:

- identify the stages of the employee life cycle
- explain the role of HRM in business success
- explain employment legislation that has an impact on the employee life cycle, specifically:
 - one contractual
 - one discrimination
 - one other type

Outcome 4

Learners must:

- define the term 'marketing'
- explain the benefits of adopting a marketing approach
- describe the key activities of a marketing plan
- explain the importance of marketing research

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Knowledge and skills

Knowledge	Skills
Outcome 1 Learners should understand: • different types of business structure • different forms of business ownership • how to measure business success • organisational performance • entrepreneurship	Outcome 1 Learners can: • explain the private, public and voluntary sectors, and what differentiates them • describe forms of business ownership and their legal status • explain the importance of profit generation • describe the importance of entrepreneurship in developing a business
Outcome 2 Learners should understand: • financial planning • financial management systems • data analysis	Outcome 2 Learners can: • explain the financial planning and control process • explain financial management systems • analyse and interpret financial information in relation to financial accounts
Outcome 3 Learners should understand: • HRM functions • human resource issues (employee life cycle) • employment legislation	Outcome 3 Learners can: • explain the role of HRM in business performance • describe the stages of the employee life cycle • explain the impact of legislation on the employee life cycle

Knowledge	Skills
Outcome 4 Learners should understand: • the benefits of a marketing approach • marketing planning • target market • the marketing mix • market research	Outcome 4 Learners can: • explain the importance of marketing within a business context • describe key activities in developing a marketing plan

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:
 - analysing and interpreting data and factual information
- integrity:
 - exploring the factors that differentiate private, public and voluntary sector organisations
 - considering legislation and ethics in HRM and the employee life cycle
- adapting:
 - managing time effectively
- initiative:
 - conducting independent research

Social intelligence

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

- communicating:
 - taking part in group discussions
 - writing or presenting structured business reports
 - receiving and conveying a wide range of information
 - researching complex issues and filtering relevant information
- feeling:
 - looking at business models, profit and HRM from a variety of perspectives

- collaborating:
 - working with others
- leading:
 - taking ownership of their learning to plan and completing all assessments

Innovation

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

- curiosity:
 - investigating and analysing new and unfamiliar data and information
- creativity:
 - exploring ideas and producing solutions
- sense-making:
 - connecting financial data, HRM practices and marketing strategies to broader business goals
- critical thinking:
 - analysing situations and issues around aspects of business management, such as financial planning, HRM and marketing

Literacies

This unit provides opportunities to develop the following literacies.

Numeracy

Learners develop numeracy skills as they:

- analyse financial statements
- use balance sheets, and profit and loss accounts
- interpret data

Communication

Learners enhance their communication skills as they:

- engage in group discussions
- write or present structured business reports
- receive and convey a wide range of information
- research complex issues and filter the relevant information

Digital

Learners improve their digital literacy skills as they:

- use software to create balance sheets, and profit and loss accounts
- access and evaluate online business resources, such as government reports, financial databases and HRM research
- create digital presentations
- explore digital marketing tools to understand business marketing strategies
- collaborate online using digital communication platforms

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

This is a stand-alone unit, which appears in a range of HN business and business-related qualifications.

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.

Content and context for this unit

The unit first covers different types of industry sectors, and what differentiates the private, public and voluntary sectors. It then looks more closely at HRM, financial management and marketing.

Outcome 1

Learners should be able to explain the range of business organisations, including profit and not-for-profit organisations, that operate in an increasingly competitive and complex world. Business organisations vary in terms of their geographical scope. We deal with both local and global organisations daily, and interact with them in very personal ways. Learners examine the ways in which these organisations are conceived, function, survive and prosper. You should explore stakeholder influences on organisations, and the impact of planning and organisational structures. Learners should be able to describe differences between business organisations and other sectors, particularly in relation to profit objectives.

Learners contrast business organisations and other sectors, and consider how these differences influence their structure. In particular, they look at the business model, including elements like sources of revenue, resources, capabilities, costs, profitability and competitive advantage.

Learners should be able to describe theories of entrepreneurship, in the context of establishing and developing large and small business, and the role of entrepreneurship in the economy and society. You should analyse the works of Peter Drucker (specifically his theory of entrepreneurship) and Joseph Schumpeter in this context.

Outcome 2

Learners should be able to describe the necessary financial planning and systems to manage a business effectively. They should be able to demonstrate their knowledge of financial terminology, and analyse and interpret financial information relating to financial accounts.

Outcome 3

Learners study HRM and contemporary issues affecting businesses. They should be able to demonstrate an understanding of HRM activities and their role within the organisation's structure.

Learners should analyse the employee life cycle and be able to explain the impacts of this on a business. They should also consider the relevant legislative factors in relation to the employee life cycle, contracts, training and development, and dismissal and redundancy.

Learners should be able to describe what HRM managers deal with in terms of employee retention and people development.

Outcome 4

In this outcome you should aim to give learners an overview of the role, importance and benefits of marketing in organisations. You should cover planning and key marketing activities, including the marketing mix, identification of marketing targets and marketing research. Learners should also be able to analyse the marketing function within an organisation.

Approaches to delivery

You should choose your delivery methods carefully, to enable learners to produce suitable assessment evidence as they work through the unit. You could, for example, encourage learners to produce a blog or maintain a learning diary. You can do this in a traditional face-to-face environment, in a virtual learning environment, or by various combinations of the two, such as classroom interaction supported by an online forum.

However you deliver the content, learners should become familiar with the work of renowned writers on management skills and processes. You should make use of examples and case studies from both UK-based and international organisations. You should encourage learner input, as it can help them to develop their analytical skills.

You can encourage learners to discuss their own workplaces and experiences of how HRM, marketing or finance operations are managed. You should encourage learners to consider a wide range of organisations in both profit and not-for-profit sectors, and examine how these organisations are founded, operate and thrive.

You should aim to combine theory and practice throughout delivery, focusing on the main practical managerial functions of finance, HRM and marketing in modern organisations. You should support throughout with a broad understanding of relevant management and entrepreneurial theories.

Approaches to assessment

Evidence can be generated using different types of assessment, and can be presented in a variety of forms. The following are suggestions only. There may be other methods that would be more suitable for learners.

Centres are reminded that prior verification of centre-devised assessments help to ensure that the national standard is being met.

Ideally, you assess this unit by open-book, holistic assessment, in which you integrate all outcomes into a single assessment.

You could use a real or hypothetical case study of an appropriate organisation, together with supplementary questions to cover all the evidence requirements. Where possible, you should use a business scenario from the learner's chosen field of study. Evidence could take a variety of forms, such as an oral presentation, report, wiki or blog. If learners choose a written format, this should be approximately 2,000 words long.

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

Business Management: 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 introduces you to key managerial processes that apply to contemporary businesses and organisations. You look at the purpose of organisations, how they are structured, and the influence of stakeholders. You develop a broad knowledge of organisational structures and strategic planning, as well as the functional activities required throughout the business planning process.

Entry to the unit is at your centre's discretion, but it would be helpful if you already have good communication skills and a broad understanding of how business organisations operate.

During the unit, you learn to identify a range of different business organisations, including those in the local, national and international sectors, and those in the private, public and voluntary sectors. You explore how organisations achieve their purpose, and learn about the functional areas of finance, human resource management (HRM) and marketing. You become familiar with the range of activities carried out in each of these functional areas and how they contribute to organisational success.

You explore the importance of managing financial information and learn to identify aspects of budgeting, data analysis, and profit and loss accounts. You study HRM and the main issues that organisations face in relation to current legislation, including recruitment and retention, and the impact of these topics on organisational effectiveness. You examine the role of marketing, and what business organisations need to do to successfully market their products or services.

On successful completion of this unit, you can:

- explain the differences between profit and not-for-profit organisations
- analyse key financial information
- explain contemporary HRM issues
- explain the role of marketing in business organisations

You are likely to be assessed using a case study of a real or hypothetical organisation. Your response could take a variety of forms, such as an oral presentation or a written report. You must also analyse a balance and profit and loss account, and interpret the results.

As you progress through the unit, you develop knowledge and skills in understanding different types of business organisations and managerial processes, which could help you when you look for work in roles such as supervisor, junior manager or team leader.

Meta-skills

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

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

You develop your self-management skills as you analyse and interpret data and factual information; explore differentiating factors in private, public and voluntary sector organisations; consider legislation and ethics in HRM and the employee life cycle; manage your time effectively; and conduct independent research.

Social intelligence

You develop your social intelligence skills as you communicate both in writing and orally, researching complex issues for different audiences; consider business models, profit and HRM from a variety of perspectives; work with others; and take ownership of planning and completing your assessment.

Innovation

You develop your innovation skills as you investigate and analyse new and unfamiliar data and information; explore ideas and produce solutions; connect financial data, HRM practices and marketing strategies to broader business goals; and analyse situations and issues around business management activities, such as financial planning, HRM and marketing.

There may also be opportunities for you to develop communication, numeracy and problem-solving skills.

Learning for Sustainability

Throughout this unit, you have the opportunity to develop skills, knowledge and understanding of sustainability.

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

Administrative information

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Superclass: AA

History of changes

Version	Description of change	Date

Please check [our website](#) to ensure you are using the most up-to-date version of this unit.

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