Pearson
BTEC Level 3 National Foundation Diploma in
Business

Specification

First teaching from September 2016

First certification from 2018

Issue 14

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About Pearson

We are the world's leading learning company operating in countries all around the world. We provide content, assessment and digital services to learners, educational institutions, employers, governments and other partners globally. We are committed to helping equip learners with the skills they need to enhance their employability prospects and to succeed in the changing world of work. We believe that wherever learning flourishes so do people.

This specification is Issue 14. We will inform centres of any changes to this issue. The latest issue can be found on our website.

References to third-party material made in this specification are made in good faith. Pearson does not endorse, approve or accept responsibility for the content of materials, which may be subject to change, or any opinions expressed therein. (Materials may include textbooks, journals, magazines and other publications and websites.)

Welcome

With a track record built over 30 years of learner success, BTEC Nationals are widely recognised by industry and higher education as the signature vocational qualification at Level 3. They provide progression to the workplace either directly or via study at a higher level. Proof comes from YouGov research, which shows that 62% of large companies have recruited employees with BTEC qualifications. What's more, well over 100,000 BTEC students apply to UK universities every year and their BTEC Nationals are accepted by over 150 UK universities and higher education institutes for relevant degree programmes either on their own or in combination with A Levels.

Why are BTECs so successful?

BTECs embody a fundamentally learner-centred approach to the curriculum, with a flexible, unit-based structure and knowledge applied in project-based assessments. They focus on the holistic development of the practical, interpersonal and thinking skills required to be able to succeed in employment and higher education.

When creating the BTEC Nationals in this suite, we worked with many employers, higher education providers, colleges and schools to ensure that their needs are met. Employers are looking for recruits with a thorough grounding in the latest industry requirements and work-ready skills such as teamwork. Higher education needs students who have experience of research, extended writing and meeting deadlines.

We have addressed these requirements with:

- a range of BTEC sizes, each with a clear purpose, so there is something to suit each learner's choice of study programme and progression plans
- refreshed content that is closely aligned with employers' and higher education needs for a skilled future workforce
- assessments and projects chosen to help learners progress to the next stage. This means some are set by you to meet local needs, while others are set and marked by Pearson so that there is a core of skills and understanding that is common to all learners. For example, a written test can be used to check that learners are confident in using technical knowledge to carry out a certain job.

We are providing a wealth of support, both resources and people, to ensure that learners and their teachers have the best possible experience during their course. See *Section 10* for details of the support we offer.

A word to learners

Today's BTEC Nationals are demanding, as you would expect of the most respected applied learning qualification in the UK. You will have to choose and complete a range of units, be organised, take some assessments that we will set and mark, and keep a portfolio of your assignments. But you can feel proud to achieve a BTEC because, whatever your plans in life – whether you decide to study further, go on to work or an apprenticeship, or set up your own business – your BTEC National will be your passport to success in the next stage of your life.

Good luck, and we hope you enjoy your course.

Collaborative development

Students completing their BTEC Nationals in Business will be aiming to go on to employment, often via the stepping stone of higher education. It was, therefore, essential that we developed these qualifications in close collaboration with experts from professional bodies, businesses and universities, and with the providers who will be delivering the qualifications. To ensure that the content meets providers' needs and provides high-quality preparation for progression, we engaged experts. We are very grateful to all the university and further education lecturers, teachers, employers, professional body representatives and other individuals who have generously shared their time and expertise to help us develop these new qualifications.

Employers and professional bodies that have worked with us include:

Barclays

John Lewis

Let's Talk Shop

Npower

Peter Jones Foundation

These qualifications have also been approved by the following professional bodies as suitable qualifications for learners wanting to progress onto their approved courses at the appropriate level.

The professional bodies include:

CIPD – Chartered Institute of Personnel & Development

CIPS – Chartered Institute of Procurement and Supply

CMI – Chartered Management Institute

In addition, universities, professional bodies and businesses have provided letters of support confirming that these qualifications meet their entry requirements. These letters can be viewed on our website.

Summary of Pearson BTEC Level 3 National Foundation Diploma in Business specification Issue 14 changes

Summary of changes made between the previous issue and this current issue	Page number
Changes made to update and clarify content section of *Unit 1: Exploring Business* for clarification and to update content: *D1:* changed to different market structures (structures is pluralised). *A3: Effective business communications* – 'video conferencing' platforms has been added to the second bullet. *C1: External environment* – 'membership of trading communities such as the European Union' has been deleted' and replaced with 'trading partners with other countries'.	Pages 20, 21, 22

Summary of changes made between the previous issue and this current issue	Page number
Changes made to *Unit 3: Personal and Business Finance, Summary of Assessment* section, the following statement has been removed: *The updated 80 mark paper will be used for assessment from June 2020 and the last sitting for the 100 mark paper will be January 2020.* Changes made to update and clarify content section: *A2: Different ways to pay* – 'mobile payment apps' has been added. *B1: Features of financial institutions* – 'Investments' is now capitalised. *B3: Consumer Protection in relation to personal finance* – 'Ombudsmen' has changed to 'Ombudsman'. *F2: Statement of financial position* – second bullet, seventh sub-bullet – 'capital' has changed to 'total equity'. *F3: Measuring profitability* – the following sub bullets have been added to the final bullet: o Profit for the year = Revenue – cost of sales - expenses o Capital employed = total assets – current liabilities o or Capital employed = non-current liabilities + total equity	Pages 35, 37, 38, 39, 42
Changes made to update and clarify content section of *Unit 10: Recording Financial Transactions*: *A3: Types of transactions* – online payment apps have been added.	Page 65
Changes made to update and clarify content section of *Unit 14: Investigating Customer Service*: *A1: Customer service in business* – now includes contact centres with telephone/online contact with customers. *A4: Customer service legislation and regulations* – wording of second bullet has been amended.	Page 81
Changes made to update and clarify content section of *Unit 15: Investigating Retail Business*: *A2: Classification of retailers* – second sub-bullet (Location) now includes online retailers. *B3: Changes due to new technologies in the sector* – payment technology apps added.	Page 89
Changes made to update and clarify content section of *Unit 16: Visual Merchandising*: *A1: Visual merchandising* – online retail sites and digital display of goods included. *A2: Display techniques* – 'website' has been added to the first bullet. *A3: Legislation and safety considerations* – now reads 'Food safety legislation and regulations. *C1: Retail outlets* – online added. *C3: Legal and safety aspects* – ticketing legislation deleted.	Pages 97,98
Changes made to update and clarify content section of *Unit 17: Digital Marketing*: *Essential Information for Assessment Decisions section*, *Learning Aims A and B*, *For Pass Standard*: The wording 'and the trend towards the increasing use of mobile devices' has been changed to 'including mobile devices'.	Page 109

Summary of changes made between the previous issue and this current issue	Page number
Changes made to update and clarify content section of *Unit 19: Pitching for a New Business*: *B2 Legal aspects* – fifth bullet changed to 'General Data Protection Regulations (GDPR)'.	Page 113
Changes made to update and clarify content section of *Unit 21: Training and Development*: *A2: Reasons for training* – reference to EU deleted in second bullet. *C3: Developing an appropriate induction programme* – 'video conferencing' added.	Pages 121, 122
Changes made to update and clarify content section of *Unit 22: Market Research*: *A2: Types of research* – 'IPSO, Mori' changed to 'Ipsos'.	Page 129
Changes made to update and clarify content section of *Unit 23: The English Legal System*: *A2: The role and jurisdiction of criminal first instance and appeal courts* – 'European Court of Justice' has changed to 'Court of Justice of the European Union (CJEU)'.	Page 137
Changes made to update and clarify content section *of Unit 24: Employment Law*: *A1: Basic employment rights available to all employees* – 'maternity and paternity leave' has changed to 'parental leave'. *B1: Ensuring equality in employment* – under 'Protected characteristics, pregnancy and maternity changed to 'parental'. *B2: Organisations who can support the rights of the employer and employee* – 'database' has been deleted from the end of the seventh bullet.	Page 147, 148
Changes made to update and clarify content section of *Unit 27: Work Experience*: *C1: Learning form work experience* – 'telephone manner' changed to 'telephone/ online/manner'.	Page 158

Summary of Pearson BTEC Level 3 National Foundation Diploma in Business specification Issue 13 changes

Summary of changes made between Issue 12 and Issue 13	Page number
Changes made for clarity to *Unit 14: Investigating Customer Service* wording in sections *Summary of unit* Recommended assessment approach for Learning aim C, *Content* under A2, *Assessment criteria* A.P1, C.M3, C.D3, *Essential information for assessment decisions* under Learning aim C.	Pages 80, 81, 83, 85
Changes made for clarity to *Unit 15: Investigating Retail Business* wording in section *Essential information for assessment decisions* under Learning aims A and B and Learning aim C.	Page 93
Changes made for clarity to *Unit 16: Visual Merchandising* wording in section *Essential information for assessment decisions* under Learning aims A and B and Learning aim C.	Page 101
Changes made for clarity to *Unit 17: Digital Marketing* wording in sections *Summary of unit* Recommended assessment approach for Learning aims A and B, *Essential information for assessment decisions* under Learning aims A and B and Learning aim C.	Pages 104, 109

Summary of changes made between Issue 12 and Issue 13	Page number
Changes made for clarity to *Unit 22: Market Research* wording in sections *Content* adding a statement rider under A2, *Assessment criteria* A.M1, A.D1, B.D2, C.M3, *Essential information for assessment decisions* under Learning aim A and Learning aim B.	Pages 131, 133
Changes made for clarity to *Unit 23: The English Legal System* wording in section *Essential information for assessment decisions* under Learning aim C for Merit and Pass standards.	Pages 142, 143
Changes made for clarity to *Unit 24: Employment Law* wording in *Summary of unit* and *Content* sections under A1 and A2.	Page 146-148
Changes made for clarity to *Unit 27: Work Experience in Business* in *Essential information for assessment decisions* section under Learning aims A and B and Learning aim C.	Page 161
Removal of references to MyBTEC, as that service is retiring.	Pages 183, 188, 193, 207, 208
Addition of terms 'Describe', 'Explain' and 'Outline' in *Appendix 2 Glossary of terms used for internally-assessed units*.	Pages 212 and 213

If you need further information on these changes or what they mean, contact us via our website at: qualifications.pearson.com/en/support/contact-us.html.

Contents

Introduction to BTEC National qualifications for the business sector

This specification contains the information you need to deliver the Pearson BTEC Level 3 National Foundation Diploma in Business. The specification signposts you to additional handbooks and policies. It includes all the units for this qualification.

This qualification is part of the suite of business qualifications offered by Pearson. In the suite there are qualifications that focus on different progression routes, allowing learners to choose the one best suited to their aspirations.

All qualifications in the suite share some common units and assessments, allowing learners some flexibility in moving between sizes. The qualification titles are given below.

Some BTEC National qualifications provide a broad introduction that gives learners transferable knowledge and skills. These qualifications are for post-16 learners who want to continue their education through applied learning. The qualifications prepare learners for a range of higher education courses and job roles related to a particular sector. They provide progression either by meeting entry requirements in their own right or by being accepted alongside other qualifications at the same level and adding value to them.

In the business sector these qualifications are:

Pearson BTEC Level 3 National Certificate in Business (180 GLH) 601/7155/8

Pearson BTEC Level 3 National Extended Certificate in Business (360 GLH) 601/7159/5

Pearson BTEC Level 3 National Foundation Diploma in Business (510 GLH) 601/7161/3

Pearson BTEC Level 3 National Diploma in Business (720 GLH) 601/7157/1

Pearson BTEC Level 3 National Extended Diploma in Business (1080 GLH) 601/7160/1.

This specification signposts all the other essential documents and support that you need as a centre in order to deliver, assess and administer the qualification, including the staff development required. A summary of all essential documents is given in *Section 7*. Information on how we can support you with this qualification is given in *Section 10*.

The information in this specification is correct at the time of publication.

Total Qualification Time

For all regulated qualifications, Pearson specifies a total number of hours that it is estimated learners will require to complete and show achievement for the qualification: this is the Total Qualification Time (TQT). Within TQT, Pearson identifies the number of Guided Learning Hours (GLH) that we estimate a centre delivering the qualification might provide. Guided learning means activities, such as lessons, tutorials, online instruction, supervised study and giving feedback on performance, that directly involve teachers and assessors in teaching, supervising and invigilating learners. Guided learning includes the time required for learners to complete external assessment under examination or supervised conditions.

In addition to guided learning, other required learning directed by teachers or assessors will include private study, preparation for assessment and undertaking assessment when not under supervision, such as preparatory reading, revision and independent research.

BTEC Nationals have been designed around the number of hours of guided learning expected. Each unit in the qualification has a GLH value of 60, 90 or 120. There is then a total GLH value for the qualification.

Each qualification has a TQT value. This may vary within sectors and across the suite depending on the nature of the units in each qualification and the expected time for other required learning.

The following table shows all the qualifications in this sector and their GLH and TQT values.

Qualifications, sizes and purposes at a glance

Title	Size and structure	Summary purpose
Pearson BTEC Level 3 National Certificate in Business	180 GLH (240 TQT) Equivalent in size to 0.5 of an A Level. 2 units, both mandatory, of which 1 is external. Mandatory content (100%). External assessment (50%).	The Certificate offers an introduction to a vocational sector through applied learning. For learners for whom an element of business would be complementary, the qualification supports progression to higher education when taken as part of a programme of study that includes other vocational or general qualifications.
Pearson BTEC Level 3 National Extended Certificate in Business	360 GLH (480 TQT) Equivalent in size to one A Level. 4 units of which 3 are mandatory and 2 are external. Mandatory content (83%). External assessment (58%).	The Extended Certificate is for learners who are interested in learning about the business sector alongside other fields of study, with a view to progressing to a wide range of higher education courses, not necessarily in business-related subjects. It is designed to be taken as part of a programme of study that includes other appropriate BTEC Nationals or A Levels.
Pearson BTEC Level 3 National Foundation Diploma in Business	510 GLH (670 TQT) Equivalent in size to 1.5 A Levels. 6 units of which 4 are mandatory and 2 are external. Mandatory content (76%). External assessment (41%).	The Foundation Diploma is for learners looking to study business as a one-year, full-time course, or for those wishing to take it alongside another area of contrasting or complementary study, as part of a two-year, full-time study programme. If taken as part of a programme of study that includes other BTEC Nationals or A Levels it supports progression to higher education. It also supports progression to an Apprenticeship in the business sector or to a further year of study at Level 3.

Title	Size and structure	Summary purpose
Pearson BTEC Level 3 National Diploma in Business	720 GLH (950 TQT) Equivalent in size to two A Levels. 8 units of which 6 are mandatory and 3 are external. Mandatory content (83%) External assessment (45%).	The Diploma is designed to be the substantive part of a 16–19 study programme for learners who want a strong core of sector study. This programme may include other BTEC Nationals or A Levels to support progression to higher education courses in business areas before entering employment. The additional qualification(s) studied allow learners either to give breadth to their study programme by choosing a contrasting subject, or to give it more focus by choosing a complementary subject. This qualification can also be used to progress to Higher Apprenticeships.
Pearson BTEC National Extended Diploma in Business	1080 GLH (1430 TQT) Equivalent in size to three A Levels. 13 units of which 7 are mandatory and 4 are external. Mandatory content (66%) External assessment (42%).	The Extended Diploma is a two-year, full-time course that meets entry requirements in its own right for learners who want to progress to higher education courses in business areas before entering employment. It can also support learners who want to progress directly to employment in job roles in business or business management and Higher Apprenticeships in the business sector.

Learners must not register on the BTEC Level 3 Nationals in Business at the same time as the BTEC Level 3 Nationals in Enterprise and Entrepreneurship due to the overlap of content and assessment.

Structures of the qualifications at a glance

This table shows all the units and the qualifications to which they contribute. The full structure for this Pearson BTEC Level 3 National in Business is shown in *Section 2*. **You must refer to the full structure to select units and plan your programme.**

Key

Unit assessed externally	**M**	Mandatory units	**O**	Optional units	

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Extended Certificate (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
1 Exploring Business	90	M	M	M	M	M
2 Developing a Marketing Campaign	90	M	M	M	M	M
3 Personal and Business Finance	120		M	M	M	M
4 Managing an Event	90			M	M	M
5 International Business	90				M	M
6 Principles of Management	120				M	M
7 Business Decision Making	120					M
8 Recruitment and Selection Process	60		O	O	O	O
9 Team Building in Business	60				O	O
10 Recording Financial Transactions	60			O	O	O
11 Final Accounts for Public Limited Companies	60				O	O
12 Financial Statements for Specific Businesses	60				O	O
13 Cost and Management Accounting	60			O	O	O
14 Investigating Customer Service	60		O	O	O	O
15 Investigating Retail Business	60			O	O	O
16 Visual Merchandising	60			O	O	O
17 Digital Marketing	60			O	O	O
18 Creative Promotion	60				O	O
19 Pitching for a New Business	60			O	O	O
20 Investigating Corporate Social Responsibility	60				O	O
21 Training and Development	60			O	O	O

continued overleaf

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Extended Certificate (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
22 Market Research	60		O	O	O	O
23 The English Legal System	60		O	O	O	O
24 Employment Law	60			O	O	O
25 Aspects of Civil Liability Affecting Business	60				O	O
26 Aspects of Criminal Law Impacting on Business and Individuals	60				O	O
27 Work Experience in Business	60		O	O	O	O
28 Branding	60					O
29 Relationship Marketing	60					O
30 Legal Principles and Professional Ethics in Financial Services	60					O
31 Effective Management of Personal Debt	60			O	O	O
32 Buying for Business	60					O
33 Supply Chain Operations	60			O		O
34 Investment Opportunities and Financial Planning	60					O
35 Insurance Principles and Policies	60					O

Qualification and unit content

Pearson has developed the content of the new BTEC Nationals in collaboration with employers and representatives from higher education and relevant professional bodies. In this way, we have ensured that content is up to date and that it includes the knowledge, understanding, skills and attributes required in the sector.

Each qualification in the suite has its own purpose. The mandatory and optional content provides a balance of breadth and depth, while retaining a degree of choice for individual learners to study content relevant to their own interests and progression choices. Also, the content may be applied during delivery in a way that is relevant to local employment needs.

The proportion of mandatory content ensures that all learners are following a coherent programme of study and acquiring the knowledge, understanding and skills that will be recognised and valued. Learners are expected to show achievement across mandatory units as detailed in *Section 2*.

BTEC Nationals have always required applied learning that brings together knowledge and understanding (the cognitive domain) with practical and technical skills (the psychomotor domain). This is achieved through learners performing vocational tasks that encourage the development of appropriate vocational behaviours (the affective domain) and transferable skills. Transferable skills are those such as communication, teamwork, research and analysis, which are valued in both higher education and the workplace.

Our approach provides rigour and balance, and promotes the ability to apply learning immediately in new contexts. Further details can be found in *Section 2*.

Centres should ensure that delivery of content is kept up to date. Some of the units within the specification may contain references to legislation, policies, regulations and organisations, which may not be applicable in the country you deliver this qualification in (if teaching outside of England), or which may have gone out-of-date during the lifespan of the specification. In these instances, it is possible to substitute such references with ones that are current and applicable in the country you deliver subject to confirmation by your Standards Verifier.

Assessment

Assessment is specifically designed to fit the purpose and objective of the qualification. It includes a range of assessment types and styles suited to vocational qualifications in the sector. There are three main forms of assessment that you need to be aware of: external, internal and synoptic.

Externally-assessed units

Each external assessment for a BTEC National is linked to a specific unit. All of the units developed for external assessment are of 90 or 120 GLH to allow learners to demonstrate breadth and depth of achievement. Each assessment is taken under specified conditions, then marked by Pearson and a grade awarded. Learners are permitted to resit external assessments during their programme. You should refer to our website for current policy information on permitted retakes.

The styles of external assessment used for qualifications in the Business suite are:

- examinations – all learners take the same assessment at the same time, normally with a written outcome
- set tasks – learners take the assessment during a defined window and demonstrate understanding through completion of a vocational task.

Some external assessments include a period of preparation using set information. External assessments are available once or twice a year. For detailed information on the external assessments please see the table in *Section 2*. For further information on preparing for external assessment see *Section 5*.

Internally-assessed units

Most units in the sector are internally assessed and subject to external standards verification. This means that you set and assess the assignments that provide the final summative assessment of each unit, using the examples and support that Pearson provides. Before you assess you will need to become an approved centre, if you are not one already. You will need to prepare to assess using the guidance in *Section 6*.

In line with the requirements and guidance for internal assessment, you select the most appropriate assessment styles according to the learning set out in the unit. This ensures that learners are assessed using a variety of styles to help them develop a broad range of transferable skills. Learners could be given opportunities to:

- write up the findings of their own research
- use case studies to explore complex or unfamiliar situations
- carry out projects for which they have choice over the direction and outcomes
- demonstrate practical and technical skills using appropriate presentations and role plays.

You will make grading decisions based on the requirements and supporting guidance given in the units. Learners may not make repeated submissions of assignment evidence. For further information see *Section 6*.

Synoptic assessment

Synoptic assessment requires learners to demonstrate that they can identify and use effectively, in an integrated way, an appropriate selection of skills, techniques, concepts, theories and knowledge from across the whole sector as relevant to a key task. BTEC learning has always encouraged learners to apply their learning in realistic contexts using scenarios and realistic activities that will permit learners to draw on and apply their learning. For these qualifications we have formally identified units which contain a synoptic assessment task. Synoptic assessment must take place after the teaching and learning of other mandatory units in order for learners to be able to draw from the full range of content. The synoptic assessment gives learners an opportunity to independently select and apply learning from across their programmes in the completion of a vocational task. Synoptic tasks may be in internally or externally assessed units. The particular unit that contains the synoptic tasks for this qualification is shown in the structure in *Section 2*.

Language of assessment

Assessment of the internal and external units for these qualifications will be available in English. All learner work must be in English. A learner taking the qualifications may be assessed in British or Irish Sign Language where it is permitted for the purpose of reasonable adjustment. For information on reasonable adjustments see *Section 7*.

Grading for units and qualifications

Achievement in the qualification requires a demonstration of depth of study in each unit, assured acquisition of a range of practical skills required for employment or progression to higher education, and successful development of transferable skills. Learners achieving a qualification will have achieved across mandatory units, including external and synoptic assessment.

Units are assessed using a grading scale of Distinction (D), Merit (M), Pass (P), Near Pass (N) and Unclassified (U). The grade of Near Pass is used for externally-assessed units only. All mandatory and optional units contribute proportionately to the overall qualification grade, for example a unit of 120 GLH will contribute double that of a 60 GLH unit.

Qualifications in the suite are graded using a scale of P to D*, **or** PP to D*D*, **or** PPP to D*D*D*. Please see *Section 9* for more details. The relationship between qualification grading scales and unit grades will be subject to regular review as part of Pearson's standards monitoring processes on the basis of learner performance and in consultation with key users of the qualification.

UCAS Tariff points

The BTEC Nationals attract UCAS points. Please go to the UCAS website for full details of the points allocated.

1 Qualification purpose

Pearson BTEC Level 3 National Foundation Diploma in Business

In this section you will find information on the purpose of this qualification and how its design meets that purpose through the qualification objective and structure. We publish a full 'Statement of Purpose' for each qualification on our website. These statements are designed to guide you and potential learners to make the most appropriate choice about the size of qualification suitable at recruitment.

Who is this qualification for?

The Pearson BTEC Level 3 National Foundation Diploma in Business is an Applied General qualification. It is for post-16 learners who want to continue their education through applied learning and who aim to progress to higher education and ultimately to employment in the business sector. The qualification is equivalent in size to one and a half A Levels, and it has been designed as a one–year, full-time study programme, or a full two-year programme when studied alongside a further Level 3 qualification. Learners wishing to take this qualification will have successfully completed a Level 2 programme of learning with GCSEs or vocational qualifications.

What does this qualification cover?

The qualification provides the knowledge, understanding and skills that allow learners to gain business sector experience that will prepare them for further study or training. This includes the opportunity to choose two units from a selection of options to supplement the mandatory units which reflect the key topics in business.

The learning programme covers the following mandatory content areas:

- business environments
- finance
- marketing
- international business
- management.

What could this qualification lead to?

The qualification carries, UCAS points and is recognised by higher education providers as contributing to meeting admission requirements to many relevant business Foundation degrees and HND's.

When combined with other qualifications in a two-year study programme, such as two A Levels or another BTEC National Foundation Diploma, learners can progress to higher education on full degree, single or combined courses.

Learners should always check the entry requirements for degree programmes at specific higher education providers.

After this qualification, learners can also progress directly into employment, however it is likely that many will do so via higher study.

How does the qualification provide employability skills?

In the BTEC National units there are opportunities during the teaching and learning phase to give learners practice in developing employability skills. Where employability skills are referred to in this specification, we are generally referring to skills in the following three main categories:

- **cognitive and problem-solving skills**: use critical thinking, approach non-routine problems applying expert and creative solutions, use systems and technology
- **interpersonal skills:** communicating, working collaboratively, negotiating and influencing
- **intrapersonal skills:** self-management, adaptability and resilience, self-monitoring and development, self-presentation.

There are also specific requirements in some units for assessment of these skills where relevant. For example, where learners are required to undertake real or simulated activities.

How does the qualification provide transferable knowledge and skills for higher education?

All BTEC Nationals provide transferable knowledge and skills that prepare learners for progression to university. The transferable skills that universities value include:

- the ability to learn independently
- the ability to research actively and methodically
- being able to give presentations and being active group members.

BTEC learners can also benefit from opportunities for deep learning where they are able to make connections among units and select areas of interest for detailed study. BTEC Nationals provide a vocational context in which learners can develop the knowledge and skills required for particular degree courses, including:

- effective writing
- analytical skills
- creative development

preparation for assessment methods used in degrees.

2 Structure

Qualification structure

Pearson BTEC Level 3 National Foundation Diploma in Business

Mandatory units

There are four mandatory units, two internal and two external. Learners must complete and achieve at Near Pass grade or above in all mandatory external units and achieve a Pass or above in all mandatory internal units.

Optional units

Learners must complete at least two optional units.

Unit number	Unit title	GLH	Type	How assessed
Pearson BTEC Level 3 National Foundation Diploma in Business				
	Mandatory units – learners complete and achieve all units			
1	Exploring Business	90	**Mandatory**	Internal
2	Developing a Marketing Campaign	90	**Mandatory and Synoptic**	External
3	Personal and Business Finance	120	**Mandatory**	External
4	Managing an Event	90	**Mandatory and Synoptic**	Internal
	Optional units – learners complete 2 units			
8	Recruitment and Selection Process	60	**Optional**	Internal
10	Recording Financial Transactions	60	**Optional**	Internal
13	Cost and Management Accounting	60	**Optional**	Internal
14	Investigating Customer Service	60	**Optional**	Internal
15	Investigating Retail Business	60	**Optional**	Internal
16	Visual Merchandising	60	**Optional**	Internal
17	Digital Marketing	60	**Optional**	Internal
19	Pitching for a New Business	60	**Optional**	Internal
21	Training and Development	60	**Optional**	Internal
22	Market Research	60	**Optional**	Internal
23	The English Legal System	60	**Optional**	Internal
24	Employment Law	60	**Optional**	Internal
27	Work Experience in Business	60	**Optional**	Internal
31	Effective Management of Personal Debt	60	**Optional**	Internal
33	Supply Chain Operations	60	**Optional**	Internal

External assessment

This is a summary of the type and availability of external assessment, which is of units making up 41% of the total qualification GLH. See *Section 5* and the units and sample assessment materials for more information.

Unit	Type	Availability
Unit 2: Developing a Marketing Campaign	• A task set and marked by Pearson and completed under supervised conditions. • The Part A Research Pack is released to learners under low control conditions in the afternoon on the day before the Part B assessment, which will be sat in the following morning session. • Learners have access to Part A for a 2 hour preparation period with the Part B assessment being a 3 hour supervised session. • Submission completed using a computer. • 70 marks.	**Dec/Jan and May/June** **First assessment May/June 2017**
Unit 3: Personal and Business Finance	• Written examination set by Pearson. • 2 hours. • 100 marks.	**For assessment in January 2020 only**
	• Written examination set by Pearson. • 2 hours. • 80 marks.	**For assessment from June 2020 onwards**

Synoptic assessment

The mandatory synoptic assessment requires learners to apply learning from across the qualification to the completion of a defined vocational task. Within the assessment for *Unit 2: Developing a Marketing Campaign,* learners will need to draw on business concepts and the wider business environment to formulate responses to the activities in the externally-set task.

In delivering the unit you need to encourage learners to draw on their broader learning so they will be prepared for the assessment.

Within the assessment for *Unit 4: Managing an Event* learners work in groups to plan and run a real event which will require them to draw on their understanding of organisation, planning, budgeting, problem solving, communication and achieving defined objectives. Learners complete the tasks using knowledge and understanding from their studies of the sector and apply both transferable and specialist knowledge and skills.

In assessing the unit assignments will require learners to select from and apply their learning from across their programme. The unit provides further information.

Employer involvement in assessment and delivery

You are encouraged to give learners opportunities to be involved with employers.
See *Section 4* for more information.

3 Units

Understanding your units

The units in this specification set out our expectations of assessment in a way that helps you to prepare your learners for assessment. The units help you to undertake assessment and quality assurance effectively.

Each unit in the specification is set out in a similar way. There are two types of unit format:

- internal units
- external units.

This section explains how the units work. It is important that all teachers, assessors, internal verifiers and other staff responsible for the programme review this section.

Internal units

Section	Explanation
Unit number	The number is in a sequence in the sector. Numbers may not be sequential for an individual qualification.
Unit title	This is the formal title that we always use and it appears on certificates.
Level	All units are at Level 3 on the national framework.
Unit type	This shows if the unit is internal or external only. See structure information in *Section 2* for full details.
GLH	Units may have a GLH value of 120, 90 or 60 GLH. This indicates the numbers of hours of teaching, directed activity and assessment expected. It also shows the weighting of the unit in the final qualification grade.
Unit in brief	A brief formal statement on the content of the unit that is helpful in understanding its role in the qualification. You can use this in summary documents, brochures etc.
Unit introduction	This is designed with learners in mind. It indicates why the unit is important, how learning is structured, and how learning might be applied when progressing to employment or higher education.
Learning aims	These help to define the scope, style and depth of learning of the unit. You can see where learners should be learning standard requirements ('understand') or where they should be actively researching ('investigate'). You can find out more about the verbs we use in learning aims in *Appendix 2*.
Summary of unit	This new section helps teachers to see at a glance the main content areas against the learning aims and the structure of the assessment. The content areas and structure of assessment are required. The forms of evidence given are suitable to fulfil the requirements.
Content	This section sets out the required teaching content of the unit. Content is compulsory except when shown as 'e.g.'. Learners should be asked to complete summative assessment only after the teaching content for the unit or learning aim(s) has been covered.

Section	Explanation
Assessment criteria	Each learning aim has Pass and Merit criteria. Each assignment has at least one Distinction criterion.
	A full glossary of terms used is given in *Appendix 2*. All assessors need to understand our expectations of the terms used.
	Distinction criteria represent outstanding performance in the unit. Some criteria require learners to draw together learning from across the learning aims.
Essential information for assignments	This shows the maximum number of assignments that may be used for the unit to allow for effective summative assessment, and how the assessment criteria should be used to assess performance.
Further information for teachers and assessors	The section gives you information to support the implementation of assessment. It is important that this is used carefully alongside the assessment criteria.
Resource requirements	Any specific resources that you need to be able to teach and assess are listed in this section. For information on support resources see *Section 10*.
Essential information for assessment decisions	This information gives guidance for each learning aim or assignment of the expectations for Pass, Merit and Distinction standard. This section contains examples and essential clarification.
Links to other units	This section shows you the main relationship among units. This section can help you to structure your programme and make best use of materials and resources.
Employer involvement	This section gives you information on the units that can be used to give learners involvement with employers. It will help you to identify the kind of involvement that is likely to be successful.

External units

Section	Explanation
Unit number	The number is in a sequence in the sector. Numbers may not be sequential for an individual qualification.
Unit title	This is the formal title that we always use and it appears on certificates.
Level	All units are at Level 3 on the national framework.
Unit type	This shows if the unit is internal or external only. See structure information in *Section 2* for full details.
GLH	Units may have a GLH value of 120, 90 or 60 GLH. This indicates the numbers of hours of teaching, directed activity and assessment expected. It also shows the weighting of the unit in the final qualification grade.
Unit in brief	A brief formal statement on the content of the unit.
Unit introduction	This is designed with learners in mind. It indicates why the unit is important, how learning is structured, and how learning might be applied when progressing to employment or higher education.
Summary of assessment	This sets out the type of external assessment used and the way in which it is used to assess achievement.
Assessment outcomes	These show the hierarchy of knowledge, understanding, skills and behaviours that are assessed. Includes information on how this hierarchy relates to command terms in sample assessment materials (SAMs).
Essential content	For external units all the content is obligatory, the depth of content is indicated in the assessment outcomes and sample assessment materials (SAMs). The content will be sampled through the external assessment over time, using the variety of questions or tasks shown.
Grade descriptors	We use grading descriptors when making judgements on grade boundaries. You can use them to understand what we expect to see from learners at particular grades.
Key terms typically used in assessment	These definitions will help you analyse requirements and prepare learners for assessment.
Resources	Any specific resources that you need to be able to teach and assess are listed in this section. For information on support resources see *Section 10*.
Links to other units	This section shows the main relationship among units. This section can help you to structure your programme and make best use of materials and resources.
Employer involvement	This section gives you information on the units that can be used to give learners involvement with employers. It will help you to identify the kind of involvement that is likely to be successful.

Index of units

This section contains all the units developed for this qualification. Please refer to *pages 5–6* to check which units are available in all qualifications in the business sector.

Unit 1: Exploring Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

In this introductory unit, learners study the purposes of different businesses, their structure, the effect of the external environment, and how they need to be dynamic and innovative to survive.

Unit introduction

A business is any activity that provides goods or services, whether that is to make a profit or not. The common thread in business is that owners and employees are striving to satisfy customers. Nowadays, customers are more informed and have more options in terms of what they buy and who they buy from, so a successful business is one that balances satisfying their customers with selling products or providing services.

In this unit, you will gain an overview of the key ingredients for business success, how businesses are organised, how they communicate, the characteristics of the environment in which they operate, and how this shapes them and their activities. You will also look at the importance of innovation and enterprise to the success and survival of businesses, with the associated risks and benefits.

By developing relevant business knowledge and understanding, this unit will help you to progress to employment, vocational training and higher apprenticeships, or higher education.

Learning aims

In this unit you will:

A Explore the features of different businesses and analyse what makes them successful

B Investigate how businesses are organised

C Examine the environment in which businesses operate

D Examine business markets

E Investigate the role and contribution of innovation and enterprise to business success.

Summary of unit

Learning aim		Key content areas	Recommended assessment approach
A	Explore the features of different businesses and analyse what makes them successful	**A1** Features of businesses **A2** Stakeholders and their influence **A3** Effective business communications	A report that examines the features of two contrasting businesses, looking at how each is organised, how their structures enable achievement of their aims and objectives and the relationship and communication with stakeholders.
B	Investigate how businesses are organised	**B1** Structure and organisation **B2** Aims and objectives	
C	Examine the environment in which businesses operate	**C1** External environment **C2** Internal environment **C3** Competitive environment **C4** Situational analysis	A report that examines the effects of the internal and external environment on a large business and how the business has, and will, respond to changes.
D	Examine business markets	**D1** Different market structures **D2** Relationship between demand, supply and price **D3** Pricing and output decisions	
E	Investigate the role and contribution of innovation and enterprise to business success	**E1** Role of innovation and enterprise **E2** Benefits and risks associated with innovation	A presentation that investigates the use of enterprise and innovation in an existing business.

Content

Learning aim A: Explore the features of different businesses and analyse what makes them successful

A1 Features of businesses

- Ownership and liability:
  - o private, e.g. sole trader, partnership, private limited company, public limited company, cooperative, limited and unlimited liability
  - o public, e.g. government department
  - o not-for-profit, e.g. charitable trust, voluntary.
- Purposes, e.g. supply of products or services, difference between for-profit and not-for-profit businesses.
- Sectors: primary, secondary, tertiary, quaternary.
- Scope of business activities: local, national, international.
- Size: micro – up to nine staff; Small and Medium Enterprises (SMEs); small – between 10 and 49 staff; medium – between 50 and 249 staff; large – more than 250 staff.
- Reasons for success: how these differ depending on the type of business (profit or non-profit), and its aims and objectives, e.g. clarity of vision, innovative products or processes.

A2 Stakeholders and their influence

- Stakeholders:
  - o internal, e.g. managers, employees, owners
  - o external, e.g. suppliers, lenders, competitors, debtors, creditors, customers, government agencies and departments (local, national, international), communities (local, national, international), pressure groups, interest groups.
- The influence of stakeholders on business success, e.g. shareholder value; customers as long-term assets (strong customer service enables customer loyalty and retention); employee involvement, corporate social responsibility (community groups and interest groups).

A3 Effective business communications

Appropriate presentation and delivery of information to a given audience:

- written presentations, e.g. financial, non-financial, formal and informal reports
- oral presentations, e.g. computer projection/PowerPoint with speaker notes, video conferencing platforms
- importance of communication to aid business success, e.g. social media, virtual communities.

Learning aim B: Investigate how businesses are organised

B1 Structure and organisation

- Organisational structure, e.g. hierarchical, flat, matrix, holacratic.
- Functional/operational areas, e.g. human resources, research and development, sales, marketing, purchasing, production and quality, finance, customer service, IT, administration.

B2 Aims and objectives

- Aims of businesses in different sectors – mission, vision and values:
  - o private, e.g. making profits, profit maximisation, break-even, survival, growth, market leadership
  - o public, e.g. service provision, cost control, value for money, service quality, meeting government standards
  - o not-for-profit, e.g. education, housing, alleviating poverty, healthcare.
- SMART (Specific, Measurable, Achievable, Relevant, Time constrained) objectives.

Learning aim C: Examine the environment in which businesses operate

C1 External environment

* Political, e.g. government support, trading partners with other countries.
* Economic, fiscal, monetary and other government policies, e.g. supply side policy, economic growth, exchange rates.
* Social attitudes to saving, spending and debt; social responsibility requirements; change, e.g. to demographic trends, consumers' tastes/preferences.
* Technological change, e.g. automation, improved communications.
* Environmental factors and ethical trends, e.g. carbon emissions, waste, recycling, pollution.
* Legal environment, e.g. partnership legislation, companies acts, charities legislation, competition legislation, UK Corporate Governance Code, financial services regulation, industry regulators, government departments.

  (Statutes and regulations current at the time of teaching should be used. Outline understanding only is expected.)

C2 Internal environment

* Corporate culture.
* Corporate social responsibility (CSR), ethics.

C3 Competitive environment

* Competition (local, national and international).
* Factors influencing competitive advantage, e.g. differentiation, pricing policies, market leadership, reputation, market share, cost control, technology relationships with customers, suppliers, employees.
* Benefits and importance of establishing and maintaining a competitive advantage.

C4 Situational analysis

* Assessment of the business environment using various techniques, e.g. PESTLE (Political, Economic, Social, Technological, Legal, Environmental) analysis, SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, 5Cs (Company, Competitors, Customers, Collaborators, Climate) analysis, Porter's Five Forces.

Learning aim D: Examine business markets

D1 Different market structures

* Market structures: perfect competition, imperfect competition.
* Features of different market structures: number of firms, freedom of entry, nature of product.

D2 Relationship between demand, supply and price

* Influences on demand, e.g. affordability, competition, availability of substitutes, level of Gross Domestic Product (GDP), needs and aspirations of consumers.
* Influences on supply, e.g. availability of raw materials and labour, logistics, ability to produce profitably, competition for raw materials, government support.
* Elasticity: price elasticity of demand.

D3 Pricing and output decisions

* Impact on pricing and output decisions in different market structures.
* Reponses by business to pricing and output decisions of competitors in different market structures.

Learning aim E: Investigate the role and contribution of innovation and enterprise to business success

E1   Role of innovation and enterprise

- Innovation, e.g. creative process, product or service development, new ways of increasing business efficiency or improving profitability, successfully exploiting a new idea, adding value to products, services or markets to differentiate the business from the competitors.
- Enterprise: identifying opportunities to develop business activities through, e.g. creative, lateral (approaching subjects from alternative perspectives) and 'blue sky' thinking (approaching subjects with no restrictions on perspectives); chance and serendipity, intuition.

E2   Benefits and risks associated with innovation and enterprise

- Benefits: improvements to products, processes, services and customer experience, business growth, development of new and niche markets, offering unique selling points, improved recognition and reputation, smarter working.
- Risks: failing to meet operational and commercial requirements, failing to achieve a return on investment, cultural problems (resistance to change, unsupportive systems and processes, insufficient support from leadership and management).

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the features of different businesses and analyse what makes them successful		
A.P1 Explain the features of two contrasting businesses. **A.P2** Explain how two contrasting businesses are influenced by stakeholders.	**A.M1** Assess the relationship and communication with stakeholders of two contrasting businesses using independent research.	**AB.D1** Evaluate the reasons for the success of two contrasting businesses, reflecting on evidence gathered.
Learning aim B: Investigate how businesses are organised		
B.P3 Explore the organisation structures, aims and objectives of two contrasting businesses.	**B.M2** Analyse how the structures of two contrasting businesses allow each to achieve its aims and objectives.	
Learning aim C: Examine the environment in which businesses operate		
C.P4 Discuss the effect of internal, external and competitive environment on a given business. **C.P5** Select a variety of techniques to undertake a situational analysis of a given business.	**C.M3** Assess the effects of the business environment on a given business.	**C.D2** Evaluate the extent to which the business environment affects a given business, using a variety of situational analysis techniques. **D.D3** Evaluate how changes in the market have impacted on a given business and how this business may react to future changes.
Learning aim D: Examine business markets		
D.P6 Explore how the market structure and influences on supply and demand affect the pricing and output decisions for a given business.	**D.M4** Assess how a given business has responded to changes in the market.	
Learning aim E: Investigate the role and contribution of innovation and enterprise to business success		**E.D4** Justify the use of innovation and enterprise for a business in relation to its changing market and environment.
E.P7 Explore how innovation and enterprise contribute to the success of a business.	**E.M5** Analyse how successful the use of innovation and enterprise has been for a given business.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of three summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aims: C and D (C.P4, C.P5, D.P6, C.M3, D.M4, C.D2, D.D3)

Learning aim: E (E.P7, E.M5, E.D4)

Further information for teachers and assessors

Resource requirements

There are no specific resource requirements for this unit but centres must give learners access to information on a range of businesses, including local, national and international.

Essential information for assessment decisions

It is expected that learners in a cohort will individually select and research their choice of businesses.

Throughout the unit, learners will show individuality of thought, independent collection, collation and judgement of evidence.

The businesses selected by the learner in Learning aims A and B should be contrasting in terms of their features, e.g. ownership and liability, purpose, sector, scope and/or size.

It is recommended the learner's own centre is not used for this unit.

Learning aims A and B

For distinction standard, learners will produce relevant evidence of how differing features and the complex relationship and communications with its internal and external stakeholders make businesses successful to support the evaluation given.

For merit standard, learners will present a careful consideration of each of the businesses relationship and communication with its stakeholders, and arrive at conclusions about how well each business communication impacts on its relationship with stakeholders. Learners will give a breakdown of the organisational structure including the different functional areas within the structure, what each does and how the areas interrelate or work together to contribute to each business's aims and objectives.

For pass standard, learners will carry out research that allows them to clearly link familiar and obvious features of the businesses and the stakeholder influence to success factors.

Learning aims C and D

For distinction standard, learners will carry out in-depth research on the extent to which the business environment affects a given business, and how it could affect the business in the future. Learners will be able to utilise a variety of situational analysis techniques to support their evaluation.

For merit standard, learners will select and apply relevant knowledge of the effects of the business environment on a given business and how it has responded to changes in the market.

For pass standard, learners will carry out research that allows them to discuss the effect of the internal, external and competitive environment on a given business. Learners will show an understanding of situational analysis techniques that can be used to analyse the business environment.

Learning aim E

For distinction standard, learners will prepare and present an individual assessment and analysis of the use of innovation and enterprise in an existing business. Learners will weigh up risks versus advantages and come to a justified conclusion, supported by relevant evidence that clearly explains the importance of innovation and enterprise.

For merit standard, learners will carry out adequate research to allow them to demonstrate how the use of innovation and enterprise has affected a business, and to analyse how this has affected the success of this business.

For pass standard, learners will carry out research on use of enterprise and innovation in an existing business, and show an understanding that although innovation and enterprise may have its benefits, there are also risks and drawbacks.

Links to other units

This unit is an introductory unit. It is fundamental to, and supports, all other units in the programme.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 2: Developing a Marketing Campaign

Level: **3**
Unit type: **External**
Guided learning hours: **90**

Unit in brief

Learners will gain skills relating to, and an understanding of, how a marketing campaign is developed.

Unit introduction

Marketing is a dynamic field central to the success of any business. You will gain an understanding of how a marketing campaign is developed. You will explore different stages of the process that a business goes through when developing its campaign and develop your own campaign for a given product/service.

You will examine the marketing aims and objectives for existing products/services and understand the importance of relevant, valid and appropriate research in relation to customers' needs and wants. You will use given market research data and other information to make recommendations about the type of marketing campaign that a business should undertake. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will give you an insight into how important marketing is to business. It will enable you to make an informed choice as to whether you want to specialise in marketing in employment, training or higher education.

Summary of assessment

This unit is assessed under supervised conditions. The Part A Research Pack is released to learners under low control conditions in the afternoon on the day before the Part B assessment, which will be sat in the morning session. Learners have access to Part A for a 2 hour preparation period with the Part B assessment being a 3 hour supervised session. The assessment is set and marked by Pearson.

The number of marks for the unit is 70.

The assessment availability is twice a year in December/January and May/June.

Sample assessment materials will be available to help centres prepare learners for assessment.

Assessment outcomes

AO1 Demonstrate knowledge and understanding of marketing principles, concepts, processes, key terms, data sources and definitions

AO2 Analyse marketing information and data, demonstrating the ability to interpret the potential impact and influence on marketing campaigns

AO3 Evaluate evidence to make informed judgements about how a marketing campaign should be planned, developed and adapted in light of changing circumstances

AO4 Be able to develop a marketing campaign with appropriate justification, synthesising ideas and evidence from several sources to support arguments

Essential content

The essential content is set out under content areas. Learners must cover all specified content before the assessment.

A Introduction to the principles and purposes of marketing that underpin the creation of a rationale for a marketing campaign

A1 The role of marketing

- Principles and purposes of marketing:
  o anticipating demand
  o recognising demand
  o stimulating demand
  o satisfying demand.
- Marketing aims and objectives:
  o understanding customer wants and needs
  o developing new products
  o improving profitability
  o increasing market share
  o diversification
  o increased brand awareness and loyalty.
- Types of market – mass and niche market.
- Market segmentation.
- Branding, brand personality, brand image, unique selling point (USP), implications of business size for marketing activity, budgetary constraints, availability of specialist staff.

A2 Influences on marketing activity

- Internal influences:
  o cost of the campaign
  o availability of finance
  o expertise of staff
  o size and culture of the business.
- External influences:
  o social
  o technological
  o economic
  o environmental
  o political
  o legal
  o ethical.

B Using information to develop the rationale for a marketing campaign

B1 Purpose of researching information to identify the needs and wants of customers

- To identify target markets.
- To identify size, structure and trends in the market.
- To identify competition.

B2 Market research methods and use

- Primary research, to include survey, interview, observation, trials, focus groups.
- Secondary research:
  - internal – business data on customers and financial records to include loyalty cards and sales records
  - external – commercially published reports, government statistics, trade journals, media sources.
- Importance of validity, reliability, appropriateness, currency, cost.
- Quantitative and qualitative data, when and where used.
- Sufficiency and focus of the research.
- Selection and extraction.

B3 Developing the rationale

- Interpretation, analysis and use of data and other information to make valid marketing decisions.
- Identification of any further sources of information that may be required.
- Evaluation of the reliability and validity of the information obtained.
- Product life cycle.

C Planning and developing a marketing campaign

C1 Marketing campaign activity

- Selection of appropriate marketing aims and objectives to suit business goals.
- Situational analysis: SWOT (Strengths, Weaknesses, Opportunities, Threats) and PESTLE (Political, Economical, Social, Technological, Legal, Environmental).
- Use of research data to determine target market.
- Use of research data to conduct competitor analysis.

C2 Marketing mix

- Product development: form and function, packaging, branding.
- Pricing strategies: penetration, skimming, competitor based, cost plus.
- Promotional advertising, public relations (PR). Sponsorship, use of social and other media, guerrilla marketing, personal selling, product placement, digital marketing, corporate image.
- Place, distribution channels: direct to end users (mail/online/auction), retailers, wholesalers.
- Extended marketing mix: people, physical environment, process.

C3 The marketing campaign

- Content of the marketing message.
- Selection of an appropriate marketing mix.
- Selection of appropriate media.
- Allocation of the campaign budget.
- Timelines for the campaign, including monitoring.
- How the campaign is to be evaluated.

C4 Appropriateness of marketing campaign

- How far the marketing activity reinforces and supports brand value.
- The sustainability of marketing activities.
- Flexibility of the campaign to enable response to both internal and external changes.
- Relevance to organisational goals.
- Appropriateness to target market.
- Legal and ethical considerations.

Grade descriptors

To achieve a grade a learner is expected to demonstrate these attributes across the essential content of the unit. The principle of best fit will apply in awarding grades.

Level 3 Pass

Learners will be able to demonstrate knowledge and understanding of the factors that contribute to the development of a successful marketing campaign and how the external environment can influence success. They show understanding of the importance of effective market research in informing decision making and contributing to business success. They can analyse unfamiliar information and data, and consider the implications in the context of the business information given, making appropriate justified recommendations linked to their proposed campaign. Learners will demonstrate the ability to work within a budget and apply marketing decision-making tools when creating their marketing campaign.

Level 3 Distinction

Learners will be able to critically evaluate information and data relating to the development of a successful marketing campaign in context. They can apply a range of relevant marketing concepts and decision-making tools in order to give justified recommendations for a campaign within budget. They demonstrate a thorough grasp of the importance of market research in informing decision making and contributing to business success in context. Learners have a thorough understanding of the implications and necessary future actions of the campaign proposed in the context of the external environment, evidenced through sustained links to wider research.

Key terms typically used in assessment

The following table shows the key terms that will be used consistently by Pearson in our assessments to ensure students are rewarded for demonstrating the necessary skills.

Please note: the list below will not necessarily be used in every paper/session and is provided for guidance only.

Command or term	Definition
Primary research	Research compiled directly from the original source, which may not have been compiled before. Learners are expected to understand the advantages and disadvantages of different primary research methods.
Qualitative research	Descriptive data, such as data drawn from open-ended questions in questionnaires, interviews or focus groups.
Quantitative research	Data in numerical form which can be categorised and used to construct graphs or tables of raw data.
Secondary sources/research	Published research reports and data, likely to be based on analysis of primary research.

Links to other units

The assessment for this unit should draw on knowledge, understanding and skills developed from:
- Unit 1: Exploring Business
- Unit 3: Personal and Business Finance
- Unit 4: Managing an Event
- Unit 5: International Business
- Unit 6: Principles of Management.

Employer involvement

This unit would benefit from employer involvement in the form of:
- guest speakers and interview opportunities
- work experience
- business material as exemplars
- visits to appropriate businesses.

Unit 3: Personal and Business Finance

Level: **3**
Unit type: **External**
Guided learning hours: **120**

Unit in brief

Learners study the purpose and importance of personal and business finance. They will develop the skills and knowledge needed to understand, analyse and prepare financial information.

Unit introduction

This unit includes aspects of both personal and business finance. Personal finance involves the understanding of why money is important and how managing your money can help prevent future financial difficulties. It is vital you understand the financial decisions you will need to take throughout your life and how risk can affect you and your choices. This unit will also give you an insight into where you can get financial advice and support.

The business finance aspects of the unit introduce you to accounting terminology, the purpose and importance of business accounts and the different sources of finance available to businesses. Planning tools, such as cash flow forecasts and break-even, will be prepared and analysed. Measuring the financial performance of a business will require you to prepare and analyse statements of comprehensive income and statements of financial position.

This unit will provide a foundation for a number of other finance and business units and will help you to analyse profitability, liquidity and business efficiency. It will give you the knowledge and understanding to manage your personal finances and will give you a background to business finance and accounting as you progress to employment or further training.

Summary of assessment

This unit is assessed by a written examination set by Pearson.

The examination will be two hours in length.

The number of marks for the examination is 80. (Section A contains questions on the personal finance unit content and approximately one-third of the marks, and Section B contains questions on the business finance unit content and approximately two-thirds of the marks).

The assessment availability is twice a year in January and May/June. The first assessment is available in June 2017.

Sample assessment materials will be available to help centres prepare learners for assessment.

Assessment outcomes

AO1 Demonstrate knowledge and understanding of business and personal finance principles, concepts, key terms, functions and theories.

Command words: describe, explain, give, identify, outline

Marks: ranges from 1 to 4 marks

AO2 Apply knowledge and understanding of financial issues and accounting processes to real-life business and personal scenarios

Command words: analyse, assess, calculate, describe, discuss, evaluate, explain

Marks: ranges from 2 to 12 marks

AO3 Analyse business and personal financial information and data, demonstrating the ability to interpret the potential impact and outcome in context

Command words: analyse, assess, discuss, evaluate

Marks: ranges from 6 to 12 marks

AO4 Evaluate how financial information and data can be used, and interrelate, in order to justify conclusions related to business and personal finance

Command words: analyse, assess, discuss, evaluate

Marks: ranges from 6 to 12 marks

Essential content

The essential content is set out under content areas. Learners must cover all specified content before the assessment.

A Understand the importance of managing personal finance

A1 Functions and role of money

The ability to handle money received, and to control money paid, is a fundamental requirement for personal and business success. This success relies on understanding what 'money' is.

- Functions of money:
  - unit of account
  - means of exchange
  - store of value
  - legal tender.
- Role of money is affected and influenced by a number of factors:
  - personal attitudes towards risk and reward, borrowing, spending and saving
  - life stages (childhood, adolescence, young adult, middle age, old age), key features of each stage, financial needs and implications at each stage
  - culture, including religious and ethical beliefs
  - life events can vary the personal life cycle from individual to individual
  - external influences/trends and the financial-related effects
  - interest rates, cost of borrowing versus reward of saving.
- Planning expenditure, common principles to be considered in planning personal finances:
  - to avoid getting into debt
  - to control costs
  - avoid legal action and/or repossession
  - remain solvent
  - maintain a good credit rating
  - avoid bankruptcy
  - to manage money to fund purchases
  - generate income and savings
  - set financial targets and goals
  - provide insurance against loss or illness
  - counter the effects of inflation.

A2 Different ways to pay

The use of money as a payment method, advantages and disadvantages of:

- cash
- debit card
- credit card
- cheque
- electronic transfer
- direct debit
- standing order
- pre-paid cards
- mobile payment apps
- contactless cards
- charge cards
- store cards
- mobile banking
- Banker's Automated Clearing Services (BACS)
- Faster Payments Service (FPS)
- Clearing House Automated Payment System (CHAPS).

A3 Current accounts

Different types, features, advantages and disadvantages, different services offered:

- standard
- packaged, premium
- basic
- student.

A4 Managing personal finance

- Suitability of different financial products and services against individual needs.
- Different types of borrowing, features, advantages and disadvantages:
  - overdraft
  - personal loans
  - hire purchase
  - mortgages
  - credit cards
  - payday loans
- Different types of saving and investment features, advantages and disadvantages:
  - individual savings accounts (ISAs)
  - deposit and savings accounts
  - premium bonds
  - bonds and gilts
  - shares
  - pensions.
- Risks and rewards of saving versus investment.
- Different insurance products:
  - products (car, home and contents, life assurance and insurance, travel, pet, health)
  - different types of insurance policy for each product
  - features of different types of insurance
  - advantages and disadvantages of different types and features.

B Explore the personal finance sector

B1 Features of financial institutions

Types of organisations and their advantages and disadvantages:

- Bank of England
- banks
- building societies
- credit unions
- National Savings and Investments
- insurance companies
- pension companies
- pawnbrokers
- payday loans.

B2 Communicating with customers

Methods of interacting with customers, advantages and disadvantages:

- branch
- online banking
- telephone banking
- mobile banking
- postal banking

B3 Consumer protection in relation to personal finance

Function, role and responsibilities of:

- Financial Conduct Authority (FCA)
- Financial Ombudsman Service (FOS)
- Financial Services Compensation Scheme (FSCS)
- legislation – consumer credit.

B4 Information guidance and advice

Function, role and responsibilities, advantages and disadvantages of:

- Citizens Advice
- independent financial advisor (IFA)
- price comparison websites
- debt counsellors
- Individual Voluntary Arrangements (IVAs)
- bankruptcy.

C Understand the purpose of accounting

C1 Purpose of accounting

- Recording transactions.
- Management of business (planning, monitoring and controlling).
- Compliance (preventing fraud, compliance with law and regulations).
- Measuring performance.
- Control – assisting with the prevention of fraud, trade receivables and trade payables.

C2 Types of income

- Capital income:
  - loan
  - mortgages
  - shares
  - owner's capital
  - debentures.
- Revenue income:
  - cash sales
  - credit sales
  - rent received
  - commission received
  - interest received
  - discount received.

C3 Types of expenditure

- Capital expenditure:
  - non-current assets – tangible (land, buildings and premises, machinery and equipment, vehicles, fixtures and fittings)
  - intangible (goodwill, patents, trademarks, brand names).
- Revenue expenditure:
  - inventory
  - rent
  - rates
  - heating and lighting
  - water
  - insurance
  - administration
  - telephone
  - postage
  - stationery
  - salaries
  - wages
  - marketing
  - bank charges
  - interest paid
  - straight-line depreciation
  - reducing balance depreciation
  - discount allowed.

D Select and evaluate different sources of business finance

D1 Sources of finance

Advantages, disadvantages, short term and long term:

- internal:
  - retained profit
  - net current assets
  - sale of assets
- external:
  - owner's capital
  - loans
  - crowd-funding
  - mortgages
  - venture capital
  - debt factoring
  - hire purchase
  - leasing
  - trade credit
  - grants
  - donations
  - peer to peer lending
  - invoice discounting.

E Break-even and cash flow forecasts

Formulas used in this topic will not be given in external assessment.

E1 Cash flow forecasts

- Inflows/receipts:
  - cash sales
  - credit sales
  - loans
  - capital introduced
  - sale of assets
  - bank interest received.
- Outflows/payments:
  - cash purchases
  - credit purchases
  - rent
  - rates
  - salaries
  - wages
  - utilities
  - purchase of assets
  - Value Added Tax (VAT)
  - bank interest paid.
- Prepare, complete, analyse, revise and evaluate cash flow.
- Use of cash flow forecasts for planning, monitoring, control, target setting.
- Benefits and limitations of cash flow forecasts.

E2 Break-even analysis

- Costs:
  - variable
  - semi-variable
  - fixed
  - total.
- Sales:
  - total revenue
  - total sales
  - selling price per unit
  - sales in value and/or units.
- Calculation using/manipulating break-even formula (units and/or sales value), completion of break-even chart, break-even point.
- Identification of area of profit, area of loss.
- Identify and calculate margin of safety (units and value).
- Calculation of total contribution, contribution per unit benefits and limitations.
- Use of break-even for planning, monitoring, control, target setting.
- Prepare, complete, analyse, revise and evaluate break-even.

F Complete statements of comprehensive income and financial position and evaluate a business's performance

This relates to sole traders only. Formulas used in this topic will not be given in external assessment.

F1 Statement of comprehensive income

- Purpose and use.
- Completion, calculation and amendment to include gross profit (revenue, opening inventories, purchases, closing inventories, cost of goods sold), calculation of profit/loss for the year (expenses, other income).
- Adjustments for depreciation (straight-line and reducing balance).
- Adjustments for prepayments, accruals.
- Interpretation, analysis and evaluation of statements.

F2 Statement of financial position

- Purpose and use.
- Completion, calculation and amendment of statement using vertical presentation to include:
  o non-current assets (tangible and intangible, cost, depreciation and amortisation, net book value)
  o current assets (inventories, trade receivables, prepayments, bank, cash)
  o current liabilities (bank overdraft, accruals, trade payables)
  o net current assets/liabilities
  o non-current liabilities (bank loan and mortgage)
  o net assets
  o total equity (opening capital, transfer of profit or loss, drawings, closing capital).
- Adjustments for straight line (cost x%) depreciation, reducing balance (cost − depreciation to date x%).
- Adjustments for prepayments, accruals.
- Interpretation, analysis, and evaluation of statements.

F3 Measuring profitability

Calculation, interpretation, analysis and evaluation of:
- gross profit margin: (gross profit/revenue) × 100
- mark-up: (gross profit/cost of sales) × 100
- profit margin: (profit/revenue) × 100
- return on capital employed (ROCE): (profit/capital employed) × 100
  o Profit for the year = Revenue − cost of sales − expenses
  o Capital employed = total assets − current liabilities
  o or Capital employed = non-current liabilities + total equity

F4 Measuring liquidity

Calculation, interpretation, analysis and evaluation of:
- current ratio: current assets/current liabilities
- liquid capital ratio: (current assets − inventory)/current liabilities

F5 Measuring efficiency

Calculation, interpretation, analysis and evaluation of:
- trade receivable days: (trade receivable/credit sales) × 365
- trade payable days: (trade payables/credit purchases) × 365
- inventory turnover: (average inventory/cost of sales) × 365

F6 Limitations of ratios

- Limitations of ratios when assessing business performance.

Grade descriptors

To achieve a grade a learner is expected to demonstrate these attributes across the essential content of the unit. The principle of best fit will apply in awarding grades.

Level 3 Pass

Learners will be able to demonstrate knowledge and understanding of the principles of personal and business finance, and determine appropriate courses of action. They will be able to rationalise the data available in different personal and business situations. Learners can appreciate the challenges faced by individuals and businesses and how these have been influenced by the financial situation. They will be able to apply accounting processes, and show understanding of the factors influencing the financial performance of a business. They will show an understanding of the need to prepare and analyse statements of comprehensive income and statements of financial position. Learners can propose and justify recommendations for personal finances and business improvement based on analysis of financial information.

Level 3 Distinction

Learners will be able to apply principles of personal and business finance in order to critically evaluate real-life situations and determine appropriate courses of action. They can apply relevant concepts, models and theories in order to present reasoned evaluations in realistic personal and business scenarios. Learners make appropriate judgements and present fully justified recommendations for courses of action based on the analysis of financial data. They will understand the importance of statements of comprehensive income and statements of financial position and can analyse these statements methodically and critically. Learners can fully justify recommendations for personal finances and business improvement based on thorough analysis of financial information.

Key terms typically used in assessment

The following table shows the key terms that will be used consistently by Pearson in our assessments to ensure students are rewarded for demonstrating the necessary skills.

Please note: the list below will not necessarily be used in every paper/session and is provided for guidance only.

Command or term	Definition
Analyse	Learners present the outcome of methodical and detailed examination either by breaking down: • a theme, topic or situation in order to interpret and study the relationships between the parts and/or • information or data to interpret and study key trends and interrelationships.
Assess	Learners present a careful consideration of varied factors or events that apply to a specific situation or to identify those which are the most important or relevant and arrive at a conclusion.
Calculate	Learners work out an answer, usually by adding, multiplying, subtracting or dividing. Can involve the use of formula.

Command or term	Definition
Describe	Learners give an account of something, steps in a process or characteristics of something. Statements in the response need to be developed, as they are often linked/in a logical order, but do not need to include a justification or reason.
Discuss	Learners consider different aspects of: • a theme or topic; • how they interrelate; and • the extent to which they are important. A conclusion is not required.
Evaluate	Learners' work draws on varied information, themes or concepts to consider aspects such as: • strengths or weaknesses • advantages or disadvantages; • alternative actions • relevance or significance. Learners' inquiries should lead to a supported judgement showing relationship to its context. This will often be in a conclusion. Evidence will be written.
Explain	Learners' work shows clear details and gives reasons and/or evidence to support an opinion, view or argument. It could show how conclusions are drawn (arrived at). Learners are able to show that they comprehend the origins, functions and objectives of a subject, and its suitability for purpose.
Give	Learners can provide: • examples • justifications.
Identify	Learners indicate the main features or purpose of something by recognising it and/or being able to discern and understand facts or qualities.
Illustrate	Learners include examples, images or diagrams to show what is meant in a specific context.
Outline	Learners' work, performance or practice gives a summary or overview or a brief description of something.

Links to other units

This unit links to:

- Unit 7: Business Decision Making
- Unit 10: Recording Financial Transactions
- Unit 11: Final Accounts for Public Limited Companies
- Unit 12: Financial Statements for Specific Businesses
- Unit 13: Cost and Management Accounting.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 4: Managing an Event

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners will work as part of a small group to plan, coordinate and manage a business or social enterprise event and evaluate the skills gained.

Unit introduction

Events management is one of the most exciting and dynamic sectors of business. This unit combines your creativity and organisational skills to produce successful, memorable events, whether for profit or social enterprise.

You will investigate a number of successful events, both large and small, and use this research to assess the feasibility of events to plan and run yourself. Examples could range from organising meetings, product launches, exhibitions, promotions, charity events, team-building events and staff development, to a full-scale conference. Your chosen event will be carefully planned, demonstrating your ability to use planning tools. You will then stage the event, testing the effectiveness of your planning. This will require you to 'think on your feet', deal with financial and security issues, liaise with suppliers and venue personnel, and utilise your problem-solving skills. Afterwards you will evaluate the success of the event. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will develop your teamwork, communication, time-management, negotiation and problem-solving skills. It will help you develop the essential transferable skills that employers look for. The unit will provide a useful opportunity to consider whether to pursue a career in events management or to continue on to further study in this area.

Learning aims

In this unit you will:

A Explore the role of an event organiser
B Investigate the feasibility of a proposed event
C Develop a detailed plan for a business or social enterprise event
D Stage and manage a business or social enterprise event
E Reflect on the running of the event and evaluate own skills development.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore the role of an event organiser	**A1** Different tasks needed to be completed by an event organiser **A2** Different skills needed by an effective event organiser **A3** Common formats for skills audit collection	An individual report identifying tasks that would need to be carried out by an event organiser. Summary of skills needed by an event organiser and identification of own personal skills, highlighting areas for development.
B Investigate the feasibility of a proposed event	**B1** Different types of event, and the factors affecting success **B2** Feasibility measures and critical success factors	An individual summary report and group presentation, following a detailed investigation into a range of large and small successful events, to include a justification of the chosen proposal. A detailed plan of the event, identifying critical success factors.
C Develop a detailed plan for a business or social enterprise event	**C1** Event planning and the use of planning tools **C2** Factors to be considered, including budgets, resources and contingency planning	
D Stage and manage a business or social enterprise event	**D1** Management of the event **D2** Problem solving	Learners must take an active part in staging and managing the event. Evidence of this, such as photographic evidence, witness statements, assessor records, must be presented. A written report recording and evaluating the success of the event in terms of: • meeting event objectives • achieving targets • satisfaction survey or feedback from participants • analysis and evaluation of own event-management skills.
E Reflect on the running of the event and evaluate own skills development	**E1** Evaluation of the event **E2** Review of personal skills development in the running of the event	

Content

Learning aim A: Explore the role of an event organiser

A1 Different tasks needed to be completed by an event organiser

- Organising: venue, location, catering, planning and reserving facilities, e.g. toilets if outdoor event, setting up programme, preparing and distributing documents, contracts.
- Investigating current legal requirements, including consumer protection.
- Setting up organisational procedures, e.g. risk assessment and security.

A2 Different skills needed by an effective event organiser

- Organisational.
- Problem solving.
- Time management.
- Negotiation.
- Communication.
- Interpersonal.

A3 Common formats for skills audit collection

- Likert scale.
- Semantic differential scale.
- Observation.
- Questionnaire.
- Appraisal.

Learning aim B: Investigate the feasibility of a proposed event

B1 Different types of event, and the factors affecting success

- Business events: conferences, exhibitions, product launches, trade shows, shareholders' meetings, press conferences, awards evenings, team building, seminars.
- Sport and recreation events: the Olympic Games, the Paralympic Games, the Commonwealth Games, sports tournaments, sports matches, motor sports events, racing, equestrian events, country fairs, food festivals, fun runs, village fetes, sailing regattas, dog shows, collectors' fairs.
- Entertainment: music festivals, concerts, plays.
- Celebrations: weddings, prom nights, birthdays, anniversaries.
- Social enterprise events: charity sports events, charity fundraising events, e.g. dinners, galas, auctions.

B2 Feasibility measures and critical success factors

- Mind map event ideas.
- Purpose of event.
- Aims and objectives.
- Constraints: budget, venue, resources; human and physical.
- Success factors: setting goals and targets.

Learning aim C: Develop a detailed plan for a business or social enterprise event

C1 Event planning and the use of planning tools

- Gantt charts.
- Critical path analysis.
- Online planning tools.

C2 Factors to be considered, including budgets, resources and contingency planning

- Aims and objectives.
- Budget: available finance, expected sales figures, banking, cost of resources, expenses such as venue, catering, staff, travel.
- Resources: flipcharts, Wi-Fi, telephone, display boards, ability to take money, chairs, tables, computer, Smart Board.
- Venue: size of room, facilities available, car parking, access arrangements.
- Catering: special consideration of dietary needs.
- Legal constraints: contracts, health and safety (risk assessment), negligence liability.
- Team working: allocation of tasks, planning meetings.
- Insurance, including public liability.
- Methods of communication: promotion, letters, invitations.
- Contingency planning: 'what if' scenarios, e.g. 'What if the caterers don't turn up?'.

Learning aim D: Stage and manage a business or social enterprise event

D1 Management of the event

- Contracts for venue: suppliers, personnel.
- Marketing of the event: publicity, advertising, sponsorship, guest list, invitations.
- Customer service.
- Monitoring procedures to ensure tasks allocated have been completed.
- Security and health and safety.
- Methods of communication: internally and externally.
- Attendee evaluation: prepare, issue and collect questionnaires.

D2 Problem solving

- Implementation of contingency plan, e.g. non-delivery of resources.
- Customer service issues.
- Health and safety issues.

Learning aim E: Reflect on the running of the event and evaluate own skills development

E1 Evaluation of the event

- Review of success: meeting aims and objectives, timing, keeping to budget set, effectiveness of contingency plan.
- Analysis of evaluation forms.
- Suggestions for improvement.

E2 Review of personal skills development in the running of the event

- Event management.
- Employability.
- Communication.
- Negotiation.
- Time management.
- Problem solving.
- Team working.
- Analysis of own skills.

Assessment criteria

Pass	Merit	Distinction	
Learning aim A: Explore the role of an event organiser			51
A.P1 Explain the role and skills required to be an effective event organiser. **A.P2** Investigate own skills in the form of a skills audit.	**A.M1** Analyse own skills against those required by an event organiser, highlighting areas for development.	**A.D1**	Fully justify how own skills match those of an event organiser.
Learning aim B: Investigate the feasibility of a proposed event			
B.P3 Investigate the staging of several events to determine common success factors. **B.P4** Explain the chosen event idea, including reasons for choice.	**B.M2** Assess the feasibility of the event proposal.	**BC.D2**	Evaluate and justify the feasibility of the plan, tools, budget and risk, making any required contingency adjustments.
Learning aim C: Develop a detailed plan for a business or social enterprise event			
C.P5 Explain factors that need to be considered when producing a detailed plan for the proposed event. **C.P6** Produce a detailed plan for your chosen event using planning tools, detailed budget and consideration of risk assessment and contingency planning.	**C.M3** Analyse the key factors that need to be considered when producing a plan for an event.		
Learning aim D: Stage and manage a business or social enterprise event			
D.P7 Stage an event, demonstrating some relevant management skills.	**D.M4** Demonstrate effective and safe management skills when organising and staging an event.	**DE.D3**	Justify how own contribution has contributed to a successful outcome of the event by the demonstration of outstanding management skills throughout the arranging and staging of an event.
Learning aim E: Reflect on the running of the event and evaluate own skills development			
E.P8 Review the success of the event in meeting aims and objectives, achieving targets and receiving good feedback from stakeholders.	**E.M5** Analyse the planning and running of the event, how risks and contingencies were managed, making recommendations for future improvements.		

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of three summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, BC.D2)

Learning aims: D and E (D.P7, E.P8, D.M4, E.M5, DE.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

The event selected should allow learners to fulfil the skills and activities required by the assessment criteria whilst ensuring learners and participants are safe.

Learners should produce their own independent evidence if working in a group.

Learning aim A

For distinction standard, learners will justify how personal skills match those required by an event organiser.

For merit standard, learners will compare their own personal skills to those required by an event organiser. They will highlight areas where they need to develop their skills and make suggestions as to how this might happen.

For pass standard, learners will produce a report/interview transcript, identifying the role and skills required to be an effective event organiser. A personal skills audit will be included.

Learning aims B and C

For distinction standard, learners will show clear justification, based on their research, of their choice of event and why it will be successful.

For merit standard, learners will assess the feasibility of the proposed event. There will be an analysis to show that they clearly understand the importance of producing a contingency plan when organising an event and a rationale presented for the proposed contingency plans.

For pass standard, learners will show evidence of research into a number of different successful events and an identification of the common success factors. This will enable them to produce an effective event plan, taking into account all key planning factors and using planning tools. A budget for the event will also be provided.

Learning aims D and E

For distinction standard, learners will produce a detailed justification on how well the event was managed and to what extent the initial plan contributed to the success (or not) of the event. Learners will justify how their own contribution was instrumental in the success of the event and the skills developed throughout the process. Learners need to show a significant and sustained participation through the planning, staging and evaluation of the event to fully achieve a distinction. A witness statement will be needed to support this.

For merit standard, learners will analyse the planning and staging of the event, with a particular focus on how potential risks and contingencies were managed. They will also include detailed recommendations for improvement.

For pass standard, learners will give evidence in the form of a diary covering all stages of the event, together with witness statements, photographic evidence and observation records. Learners will also submit a written review of the success of the event based on feedback from stakeholders.

Links to other units

The assessment for this unit should draw on knowledge, understanding and skills developed from:
- Unit 1: Exploring Business
- Unit 2: Developing a Marketing Campaign
- Unit 3: Personal and Business Finance
- Unit 5: International Business
- Unit 6: Principles of Management.

Employer involvement

This unit would benefit from employer involvement in the form of:
- guest speakers from event management businesses
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 8: Recruitment and Selection Process

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore how the recruitment process is carried out in a business. The unit gives learners the opportunity to participate in selection interviews and review their performance.

Unit introduction

Recruiting the right people is essential to the success of a business. It is important that the processes and procedures involved in recruitment and selection meet the needs of the business and comply with current regulations. You will learn that successful recruitment is key to maintaining the success of a business, as people are often considered to be the most valued resource. You will explore the various selection tools and the enhanced use of technology in this area. Businesses with an effective recruitment process in place are more likely to make successful appointments. In a competitive labour market this is a major advantage and will support business success.

This unit gives you the opportunity, through role play, to take part in selection interviews. They will need to be organised and prepared so that they demonstrate your communication skills in this work-related competence.

This unit will give you a foundation for progression to employment, for example in a human resources role, or to higher education. Through undertaking recruitment activities the unit will help you to develop the skills needed in an interview situation. You will have an opportunity to review your individual performance and analyse your skills for development.

Learning aims

In this unit you will:

A Examine how effective recruitment and selection contribute to business success

B Undertake a recruitment activity to demonstrate the processes leading to a successful job offer

C Reflect on the recruitment and selection process and your individual performance.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine how effective recruitment and selection contribute to business success	**A1** Recruitment of staff **A2** Recruitment and selection process **A3** Ethical and legal considerations in the recruitment process	A report that examines the recruitment process in a large business.
B Undertake a recruitment activity to demonstrate the processes leading to a successful job offer	**B1** Job applications **B2** Interviews and skills	Learners must participate in a recruitment and selection activity. They will need to interview and be interviewed, and complete the appropriate documentation. Learners will need to evidence all the documents created. Ability to self-critique performance, including what could have gone better and what skills need to be developed, so that learners can enhance their employability. SWOT analysis on performance in their interviewing activity linked to their personal future.
C Reflect on the recruitment and selection process and your individual performance	**C1** Review and evaluation **C2** SWOT analysis and action plan	

Content

Learning aim A: Examine how effective recruitment and selection contribute to business success

A1 Recruitment of staff

- Workforce planning: in a large 250+ staff business, e.g. retail, a production company or financial business, look at the reasons for recruiting new staff, such as:
  - growth of the business: locally, nationally, globally
  - changing job roles
  - systems change
  - filling new vacancies created by more space or product development
  - vacancies caused by leavers/turnover of staff
  - internal promotions
  - new office or branch and need for additional staff
  - seasonal fluctuations leading to the requirement for temporary staff.
- Use of jobcentres and agencies, internal advertisements versus external advertisements, online recruitment and traditional methods.
- How the recruitment process links to business success.
- How a professional recruitment process leads to efficient staff integration.

A2 Recruitment and selection process

- Recruitment process – the purpose of the documents for internal and external recruitment:
  - job advertisement – placing of the advertisement, internal/external, journal/website
  - job analysis
  - job description – the content of the tasks and responsibilities of the job
  - person specification and skills the position requires – are they essential or desirable?
  - CV versus application forms
  - letter of application
  - online recruitment and how the application process can be more cost-effective when using technology.
- Selection, including assessment centres and psychometric testing, group/team activity interviews (by telephone, face-to-face, group and panel), presentations in interviews, short tests at interviews:
  - interview protocol, type of selection and how it contributes to the process – advantages and disadvantages
  - initial selection processes with telephone screening interviews or short, online tests, appreciation that different processes are appropriate for different roles in a business
  - use of technology in the process, online applications, uploaded CVs or use of post
  - communication with prospective employees: are the channels easy to access, can the process be monitored?
  - quality of the process and the documents
  - linking the process to efficiency and business success.

A3 Ethical and legal considerations in the recruitment process

- Why recruitment processes have to be ethical and adhere to equal opportunities legislation; what the ethical responsibilities and the current legislation relating to equal opportunities are.
- Ethical considerations, including:
  - being honest in an advertisement
  - the maintenance of confidentiality
  - ensuring the same questions are asked to all candidates interviewed
  - same criteria used for all applicants
  - disclosure if family or friends work for the same business.

- Current equal opportunities legislation with regard to gender, age, race, disability, minimum wage all impact on the recruitment process; issues can arise if all current law is not adhered to in this area.
- Current right-to-work legislation, document check.

Learning aim B: Undertake a recruitment activity to demonstrate the processes leading to a successful job offer

B1 Job applications

Selection of a job role for the business as above and then preparation of all the relevant documents:

- a job advertisement giving suitable examples of where it could be placed
- job analysis
- job description
- person specification
- application form
- personal CV
- letter of application.

B2 Interviews and skills

- Communication skills required for interview situations: body language and listening skills, professional approaches, formal language, skills and attitudes of both interviewer and interviewee, role play, body language, dress, interview questions.
- Designing interview questions.
- Interview feedback form.
- Observation form.
- Reviewing applications from peer group.
- Submitting applications to peer group.
- Demonstration of a work-related competence (interviewing and being interviewed), analysis of how the activity worked, if the correct questions were asked to achieve the desired outcome, if the advertisement, job description and person specification led to the application form and covering letter being completed with the right level of information; adherence to equal opportunities legislation.
- Evaluation of documentation produced for the process: was it prepared to select the right candidate? Did the interview process forms/questions ensure the candidates demonstrated their skills effectively? Could it have been improved?

Learning aim C: Reflect on the recruitment and selection process and your individual performance

C1 Review and evaluation

- Role-play activity.
- Individual appraisal of own roles in being interviewed, interviewing and observing.
- Review of communication skills.
- Review of organisational ability.
- Assessment of how the skills acquired support the development of employability skills.

C2 SWOT analysis and action plan

- SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis on individual performance in the role-play activities.
- Self-critique of the events and documentation prepared, and how it supported the activity.
- Review if the process was effective and how a learner feels they may need to develop skills further to be able to conduct and participate in interviews more effectively.
- Action plan to highlight how to address any weaknesses in skill set.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine how effective recruitment and selection contribute to business success		
A.P1 Explain how a large business recruits and selects giving reasons for their processes. **A.P2** Explain how and why a business adheres to recruitment processes which are ethical and comply with current employment law.	**A.M1** Analyse the different recruitment methods used in a selected business.	**A.D1** Evaluate the recruitment processes used and how they contribute to the success of the selected business.
Learning aim B: Undertake a recruitment activity to demonstrate the processes leading to a successful job offer		
B.P3 Prepare appropriate documentation for use in selection and recruitment activities. **B.P4** Participate in the selection interviews, as an interviewer and interviewee.	**B.M2** In recruitment interviews, demonstrate analytical responses and questioning to allow assessment of skills and knowledge.	**B.D2** Evaluate how well the documents prepared and participation in the interview activities supported the process for a job offer. **C.D3** Evaluate how well the recruitment and selection process complied with best practice, drawing reasoned conclusions as to how it will support your future career.
Learning aim C: Reflect on the recruitment and selection process and your individual performance		
C.P5 Complete a SWOT analysis on your performance in the interviewing activities. **C.P6** Prepare a personal skills development plan for future interview situations.	**C.M3** Analyse the results of the process and how your skills development will contribute to your future success.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aim A

Learners will write a report that includes information about how a business recruits employees. A large business of 250+ employees will be used as not all small businesses have a transparent easily accessible recruitment system. To ensure the material they require is available, learners could research a few businesses before they select one for study.

Recent and relevant ethical and legal considerations must be stated in the report. The individual report must be written in appropriate business language.

For distinction standard, learners will evaluate the recruitment processes, reach a reasoned conclusion and make insightful reference to how it is linked to the success of a selected business. The report will consider the problems that can impact on a business if there are staff shortages or if unsuitable employees are selected because of ineffective recruitment systems.

For merit standard, learners will analyse the different recruitment methods, looking at the strengths and weaknesses of the systems in place.

For pass standard, learners will examine the factors for workforce planning and the reasons for businesses having to recruit additional employees. The report must demonstrate an understanding of the recruitment methods and why the different processes are used. Learners will indicate whether external bodies and/or agencies contribute to the process of assessment or interviewing, highlighting their specific contribution to the practice. The report will show a clear understanding of the importance of sequencing in the recruitment process and the use of technology/new technologies in this field.

Learning aims B and C

Learners will form part of an interview panel and be interviewed to enable skills to be developed for both roles. Witness statements will need to be completed by the teacher, recording participation and including feedback that the learner can use to help develop their SWOT analysis.

Learners will demonstrate effective communication skills. They will design interview questions that clearly relate to the job role and which allow skills and competencies to be assessed. Learners will develop a fair system for monitoring answers in the interviews, selecting the most appropriate candidate. Documents should be included in their learner portfolios.

For distinction standard, learners will make an individual detailed evaluation of the documents used. The report will reach a reasoned conclusion on whether or not the interview documents were effective and if they fully supported the interview activity. It will also include a balanced evaluation, highlighting how well the processes were related to professional best practice. Learners will offer a detailed conclusion as to how this will support career progression.

For merit standard, learners will offer an individual analysis of the effectiveness of the interview questions in assessing skills and knowledge. A report will include clear analysis of the interview activity. Learners will show clear links between skills development and enhancement of their career prospects.

For pass standard, learners will use the business studied in learning aim A to create the relevant recruitment selection documents for a specific job role. In order to contribute to the development of employability skills, the role selected will be realistic to the learner's current skills. These documents could be shared among learners so that they can then apply for a position created by someone else, and then be interviewed for the role. Documents will be fit for purpose, professional and written in appropriate business language. Job application forms must be completed in full. Evidence will include a detailed SWOT analysis of the individual performance in the interview task that then leads to a development plan showing how a learner plans to enhance weaknesses and build confidence in the interview process. Details of any other personal experiences of employment interviews may be referred to here and used to support the development plan.

Links to other units

This unit links to:
- Unit 1: Exploring Business
- Unit 6: Principles of Management
- Unit 9: Team Building in Business
- Unit 21: Training and Development.

Employer involvement

This unit would benefit from employer involvement in the form of:
- guest speakers
- participation in audience assessment of presentations
- designing/offering ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 10: Recording Financial Transactions

Level: **3**

Unit type: **Internal**

Guided learning hours: **60**

Unit in brief

Learners explore how and why financial transactions are recorded as well as checking bank records and dealing with errors.

Unit introduction

The accounting or bookkeeping system is the process that provides all the information for the final accounts of a business. It is essential that accounting records are clear, concise and accurate.

In this unit, you will complete a set of accounts for a typical business. You will learn how source documents are recorded in the accounts, how to record this information into double entry ledger accounts and extract a trial balance. You will consider the importance of keeping accurate financial records, including the legal and professional obligations of a business relationship with stakeholders and the risk of fraud. You will also learn how control mechanisms, such as bank reconciliation, and how control accounts are prepared and used to help keep accurate financial records. You will examine how and why errors may occur in the financial records of a business and make the necessary corrections. You will consider how these errors affect the financial statements for the business as well as understanding the wider implications of errors and inaccurate financial records to the success of a business.

This unit provides a useful opportunity to gain the practical and professional skills of working in an accounting environment, which will enable you to decide if you want to progress to further study or training in this area.

Learning aims

In this unit you will:

A Undertake the accurate recording of financial transactions using the double entry accounting system

B Carry out bank reconciliation as a function of accurate financial control

C Construct control accounts for debtors and creditors for accurate financial control

D Examine the correction of errors in accounting records for financial control.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Undertake the accurate recording of financial transactions using the double entry accounting system	**A1** Importance of accurate records **A2** Financial documents **A3** Types of transactions **A4** Double entry system **A5** Books of original entry **A6** Double entry ledger accounts and cash books **A7** The trial balance	A detailed assessment of the importance of keeping accurate financial records. Draw up books of original entry and make entries from a given set of transactions for a business, including purchase, sales, returns, cash and bank transactions. Draw up double entry accounts from a given set of transactions for a business and extract the trial balance.
B Carry out bank reconciliation as a function of accurate financial control	**B1** Need for bank reconciliation **B2** Completion of bank reconciliation **B3** Importance of bank reconciliation	Draw up and make entries to a bank reconciliation statement from a given set of financial data for a typical business. Write a report to analyse the importance of bank reconciliation statements.
C Construct control accounts for debtors and creditors for accurate financial control	**C1** Definition and purpose of control accounts **C2** Preparation and calculation of control accounts **C3** Correction of errors in the control accounts and the schedule of debtors and creditors	Prepare and make entries in the 'total debtors' and 'total creditors' accounts from a given set of financial transactions. Identify and correct errors in the control accounts and schedule of debtors and creditors from given set of errors. Write a report to evaluate the benefits of control accounts. Write a report to examine and explain errors affecting a typical accounting system.
D Examine the correction of errors in accounting records for financial control	**D1** Identification and explanation of different types of errors **D2** Correction of errors not affecting the trial balance **D3** Correction of errors and suspense accounts **D4** The effect of errors on financial statements	Draw up a journal and suspense account, make entries to correct errors from a given set of errors. Table or list calculations to show how errors have changed the final accounts. Write a report to assess how and why errors have affected financial statements. Written report to evaluate the implications of errors and inaccurate financial records.

Content

Learning aim A: Undertake the accurate recording of financial transactions using the double entry accounting system

A1 Importance of accurate records

- Importance of accurate financial record keeping, including: audits, comply with concepts, measuring performance, legal obligations, risk of fraud, professional responsibility, security, reputation, tax liability, stakeholder confidence.

A2 Financial documents

- Purpose of source documents, including: cash receipt, cheque, purchase order, delivery note, invoice, goods received note, credit note, debit note, statement of account, remittance advice.
- Types of discounts available to customers.

A3 Types of transactions

- Including: cash, bank, credit card, debit card, credit transactions, BACS, direct debit, online payment apps, internet banking and online security implications.

A4 Double entry system

- The double entry bookkeeping and accounting equation, layout of a ledger account ('T' account).

A5 Books of original entry

- Purpose and completion of day books and journals, including: sales day book, sales returns day book, journal, purchases day book, purchase returns day book. NOTE: the journal should include the purchase and disposal of fixed assets, depreciation and bad debts only (i.e. not the recording of errors).

A6 Double entry ledger accounts and cash books

- Purpose and completion of double entry accounts, including all those in the following ledgers: sales ledger (all personal debtor accounts), purchase ledger (all personal creditor accounts), cash book (cash, bank, discount allowed, discount received), general ledger (all other accounts).
- Balancing all ledger accounts accurately to show total columns, balance carried down (c/d) and balance brought down (b/d).

A7 The trial balance

- Prepare a trial balance from a set of double entry ledger accounts.
- Why the debit and credit trial balances should equal one another, link between the trial balance and financial statements.

Learning aim B: Carry out bank reconciliation as a function of accurate financial control

B1 Need for bank reconciliation

- Reasons why the cash book (bank column) balance differs from the bank statement, including timing, receipts credited by the bank, payments debited by the bank, transaction errors, balancing errors, banking security procedures.

B2 Completion of bank reconciliation

- Complete appropriate bank reconciliation examples, following steps.
- Unusual items, including out-of-date cheques, dishonoured cheques, stopped cheques, bank errors, bank charges and interest.

B3 Importance of bank reconciliation

- Reasons for bank reconciliation for control purposes, including correction of errors and omissions, correct entry in trial balance, queries to suppliers and/or customers, late presented cheques, segregation of duty, and fraud.

Learning aim C: Construct control accounts for debtors and creditors for accurate financial control

C1 Definition and purpose of control accounts

- The benefits of control accounts, including: deterrent against fraud, 'mini' trial balance for debtors and creditors, tracking what is owed to debtors and by creditors, division of responsibility, locating errors.

C2 Preparation and calculation of control accounts

- Purpose of control accounts for debtors and creditors.
- Make entries to the control accounts, including: balances b/d, returns, sales and purchases, receipts and payments, discounts, bad debts, dishonoured cheques, interest on overdue amounts, refunds, contra entries.

C3 Correction of errors in the control accounts and the schedule of debtors and creditors

- Identification and correction of errors by updating (revising) the control account.
- Preparation of a reconciliation statement of the control account(s) balance with the schedule(s) of debtors' and/or creditors' personal accounts.

Learning aim D: Examine the correction of errors in accounting records for financial control

D1 Identification and explanation of different types of errors

- Transposition, omission, principle, compensating, reversal, original entry, commission.

D2 Correction of errors not affecting the trial balance

- Make journal entries to show how the error must be corrected and complete a narrative to identify and explain the type of error.

D3 Correction of errors and suspense accounts

- Make journal entries to show how the error must be corrected and complete a narrative to identify and explain the type of error, open and post entries to a suspense account where appropriate.

D4 The effect of errors on financial statements

- Preparation of a revised profit statement to show how errors have altered financial statements.
- Analysis of how errors affect a business, including financial and non-financial factors.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Undertake the accurate recording of financial transactions using the double entry accounting system		
A.P1 Record straightforward financial transactions from different sources in the books of original entry. **A.P2** Complete straightforward double entry accounts and extract a trial balance using a given set of financial transactions.	**A.M1** Complete records for a given set of complex financial transactions using books of original entry, double entry accounts and extract a trial balance.	**AB.D1** Evaluate the importance of accuracy in the double entry process and bank reconciliation for accurate financial control.
Learning aim B: Carry out bank reconciliation as a function of accurate financial control		
B.P3 Accurately prepare a straightforward bank reconciliation statement for financial control.	**B.M2** Accurately prepare a complex bank reconciliation statement for financial control.	
Learning aim C: Construct control accounts for debtors and creditors for accurate financial control		
C.P4 Accurately prepare control accounts using a given set of financial transactions for financial control.	**C.M3** Analyse control and personal accounts to correct errors for financial control.	**C.D2** Evaluate the importance of control mechanisms in the accurate recording of financial transactions.
Learning aim D: Examine the correction of errors in accounting records for financial control		
D.P5 Explain the types of error that occur in accounting records. **D.P6** Record straightforward journal entries, which do not involve a suspense account to support the correction of errors for a given set of financial transactions.	**D.M4** Record complex journal and suspense account entries accurately to support the correction of errors and prepare a revised profit statement.	**D.D3** Evaluate the effect and impact of errors in accounting records on the final accounts for a given business.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aims: C and D (C.P4, D.P5, D.P6, C.M3, D.M4, C.D2, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

Complex **financial transactions** must include the following: sales and purchase returns, discount allowed and received, depreciation entries (amount should be given), bad debts.

Complex **bank reconciliation** entries must include: dishonoured and stopped cheques, out-of-date cheques, bank interest, using a cash book and/or bank statement which is overdrawn.

For distinction standard, learners will produce a written report that evaluates the importance of accurate reporting and recording of financial transactions, including bank reconciliation, to ensure accurate financial control.

For merit standard, learners will record more complex financial transactions from the whole range of books of original entry. They will then produce a more comprehensive set of double entry ledger accounts and extract a trial balance from a given set of documents and financial records. In addition, learners will produce complex bank reconciliation from a given set of business documents and financial records

For pass standard, learners will record financial transactions from a number of different books of original entry; complete double entry accounts and extract a trial balance from a given set of documents and financial records. They will accurately prepare straightforward bank reconciliation from a given set of financial records.

Learning aims C and D

For distinction standard, learners will produce a written report evaluating the importance of control mechanisms in the accurate recording of financial transactions. Types of errors will be identified and learners will evaluate the implications of these errors and inaccurate financial records in terms of the success of the given business. Learners will show consistent accuracy, individuality and independence in their presented assessment evidence.

For merit standard, learners will identify and correct complex errors in both the control accounts and the schedule of debtors and creditors, and analyse the benefits of control accounts in ensuring financial control. Learners will show analysis of the effect of errors in accounting records on final accounts.

For pass standard, learners will produce written evidence explaining the types of errors that occur in accounting records. Learners will also produce simple control accounts not requiring suspense accounts for debtors and creditors from a given set of transactions, together with a revised set of accounts showing their ability to identify and correct given errors. Learners will record journal entries to support the correction of errors.

Links to other units

This unit links to:

- Unit 3: Personal and Business Finance
- Unit 7: Business Decision Making
- Unit 11: Final Accounts for Public Limited Companies
- Unit 12: Financial Statements for Specific Businesses
- Unit 13: Cost and Management Accounting.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 13: Cost and Management Accounting

Level: **3**

Unit type: **Internal**

Guided learning hours: **60**

Unit in brief

Learners study cost and management accounting and its involvement with financial planning, controlling, monitoring and evaluation of business costs and revenues.

Unit introduction

Cost and management accountants are concerned with providing information to help the decision making process in business. Cost accountants are primarily involved with the identification, classification and calculation of costs vital to helping managers make decisions about prices and potential profits. Management accountants provide management with the information they need to forecast, control and evaluate costs.

In this unit, you will learn how to develop a more in-depth understanding and application of management accounts and their role in financial planning. Typical cost accounting methods and budgets will be applied to appropriate business scenarios. Control measures will involve calculating and analysing the difference between standard and actual costs. Finally, long-term management accounting decisions will be considered using capital investment appraisal. Management accounting is not just about numerical calculations, you will need to use your analytical skills to weigh up alternative courses of action, evaluate options and make reasoned judgements and recommendations.

Cost and management accounting has clear links to all the other finance units and will help you to progress to employment and accounting apprenticeships. This unit will give you an excellent foundation for higher education routes, such as accounting or professional courses.

Learning aims

In this unit you will:

A Explore absorption and marginal costing techniques for decision making

B Carry out standard costing and variance analysis statements

C Explore budgets for financial planning and control

D Undertake investment appraisal of long-term capital investment.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore absorption and marginal costing techniques for decision making	**A1** Classification of costs and costing methods **A2** Use of costing methods **A3** Analysis of costing methods	A written report that outlines the different types of costs, main costing methods and their uses. Calculate and apply absorption and marginal costing from a given scenario/case study.
B Carry out standard costing and variance analysis statements	**B1** Purpose and stages of standard costing **B2** Type and calculation of variances **B3** Variance analysis	The written report will also compare, contrast and evaluate the usefulness of absorption and marginal costing techniques and assess the significance of non-financial factors.
C Explore budgets for financial planning and control	**C1** Type and purpose of budgets **C2** Usefulness of budgetary control **C3** Preparation of budgets	A table of overall and sub-variance calculations from a given scenario/case study. A written report that examines and analyses the variances. The report must include the possible reasons for, and interrelationship between, the overall and sub-variances. It will also include recommendations for variances that need further investigation. A written report to explain the main types of budget. An analysis of the main purposes of budgeting as a management tool in planning and control. An evaluation of the advantages and limitations of budgets. Practical exercises to prepare suitable subsidiary, cash and master budgets.
D Undertake investment appraisal of long-term capital investment	**D1** Investment appraisal methods **D2** Financial and non-financial perspectives	A calculation of the three main investment appraisal methods using an appropriate scenario. An evaluation of the capital investment proposals from a financial and non-financial perspective. The presentation must include a supported and justified capital investment recommendation.

Content

Learning aim A: Explore absorption and marginal costing techniques for decision making

A1 Classification of costs and costing methods

- Difference between cost and management accounting.
- Definition of cost
  - fixed costs, e.g. rent and rates, insurance, salaries
  - variable costs, e.g. raw materials, components, production wages
  - semi-variable costs, e.g. heat and light, telephone
  - stepped costs
  - total cost
  - unit cost.
- Cost centres, departmental overheads.
- Definition of absorption and marginal costing and their main uses.

A2 Use of costing methods

- Absorption costing: allocation of variable (direct) costs to each unit of production, apportioning of fixed costs (overheads) to each unit of production.
- Calculating total cost (per unit) using absorption costing, calculation of markup and profit margin to set prices.
- Preparing job cost sheets using absorption costing, including variable cost, fixed cost, total cost, profit markup/margin and price.
- Marginal costing: allocation of variable (direct) costs only to each unit of production.
- Calculation and application of marginal costing in decision making, including: the acceptance of special orders, make or buy policy, limiting factor/constraint.

A3 Analysis of costing methods

- Comparison and contrasting of absorption and marginal costing methods, benefits and limitations of marginal and absorption costing, significance of non-financial factors in the use of marginal costing.

Learning aim B: Carry out standard costing and variance analysis statements

B1 Purpose and stages of standard costing

- Definition of a standard costing, types of standards: ideal and attainable.
- Stages in setting up standard costing, including standard materials, labour and overheads.
- Advantages and limitations of standard costing.

B2 Type and calculation of variances

- Calculation and explanation of the following variances (and sub-variances): material variances (price and usage), labour variances (rate and efficiency), sales variances (price and volume), overheads variances.

B3 Variance analysis

- Reasons for variances, including the interrelationships of sub-variances, including sales volume and sales price variance, labour rate and labour efficiency variance, material price and material usage variance.

Learning aim C: Explore budgets for financial planning and control

C1 Type and purpose of budgets

- The importance of budgeting for operational and tactical planning by management.
- Subsidiary budgets, including purchase, sales, production, debtor and creditor budget, cash budget.
- Master budgets, including profit and loss budget and budgeted statement of financial position/balance sheet.

- How to prepare budgets, including ideal and attainable standards, fixed and flexible budgets.
- Main purposes of budgets, including forecasting, monitoring, control, planning, coordination, communication and motivation.

C2 Usefulness of budgetary control

- Variance analysis as a way of monitoring and controlling budgets, management by exception (management response to the analysis of budgets).
- Benefits and limitations of budgetary control, including reliability of data, rigidity, assistance with cost control and setting prices, motivation/involvement of staff, greater awareness of cost control, external factors.

C3 Preparation of budgets

- Calculation and completion of the subsidiary and master budgets.

Learning aim D: Undertake investment appraisal of long-term capital investment

D1 Investment appraisal methods

- Importance of investment appraisal methods for strategic planning by management, examples of long-term projects of at least five years, e.g. purchase of fixed assets, expansion plans, new product development.
- Definition, purpose and analysis of the main methods of investment appraisal: payback, accounting rate of return and net present value.
- Calculation and application of net cash flows, payback period, accounting rate of return and net present value.
- Concept of the time value of money.

D2 Financial and non-financial perspectives

- Analysis and evaluation of investment opportunities from a financial perspective appreciating the importance of time, short- and long-term cash flow priorities and the relative merits of each method.
- Analysis and evaluation of the non-financial perspectives, including social and responsibility accounting, key stakeholders (internal and external), health and safety, the environment and sustainability, unemployment and ethics.
- Justified recommendations of capital investment proposals using financial and non-financial considerations.

Assessment criteria

Pass	Merit	Distinction	
Learning aim A: Explore absorption and marginal costing techniques for decision making			
A.P1 Categorise and explain different types of costs and costing methods in given scenarios. **A.P2** Produce accurate absorption and marginal cost statements for given scenarios.	**A.M1** Assess the appropriateness of absorption and marginal costing techniques used for decision making in given scenarios.	**A.D1** Make justified recommendations to improve the financial performance of the business in the given scenarios.	
Learning aim B: Carry out standard costing and variance analysis statements			
B.P3 Calculate sub- and overall variances in given scenarios using standard costing.	**B.M2** Analyse the reasons for the variances in given scenarios.	**BC.D2** Evaluate the usefulness of costing and budgetary control systems to the business.	
Learning aim C: Explore budgets for financial planning and control			
C.P4 Explain how budgeting is used in a selected business for financial planning and control. **C.P5** Prepare accurate subsidiary and master budgets in a given scenario.	**C.M3** Assess the viability of the completed budgets in a given scenario.		
Learning aim D: Undertake investment appraisal of long-term capital investment			
D.P6 Apply investment appraisal methods to alternative capital investment proposals in given scenarios. **D.P7** Explain how non-financial considerations affect capital investment proposals.	**D.M4** Analyse the results of the capital investment appraisal for decision making.	**D.D3** Evaluate the long-term capital investment proposal, taking into account both financial and non-financial considerations and formulate a set of appropriate and relevant recommendations.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A, B and C (A.P1, A.P2, B.P3, C.P4, C.P5, A.M1, B.M2, C.M3, A.D1, BC.D2)

Learning aim: D (D.P6, D.P7, D.M4, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A, B and C

For distinction standard, learners will use the results of their calculations to make justified recommendations on improving the future costing and budgetary performance of the business in the given scenario. They will also evaluate the usefulness of costing and budgetary control using independent research, and examples from the given scenario.

For merit standard, learners will show they are able to assess how the business in the given scenario can use absorption and marginal costing techniques to make appropriate business decisions. Learners will give evidence of analysis and reasons why sub-variances have occurred and how viable the completed budgets will be.

For pass standard, learners will explain different types of costs and costing methods in relation to a given scenario and an explanation regarding how the business uses budgeting in their financial planning and control. Learners will produce accurate absorption and marginal cost statements, sub- and overall variances used in standard costing, and accurate subsidiary and master budgets.

Learning aim D

For distinction standard, learners will use the results of their investment appraisal calculations, together with a consideration of other factors to evaluate the long-term capital investment appraisal. Fully supported and justified recommendations will also be expected.

Learners will have shown accuracy, individuality and independence in their presented assessment evidence throughout the unit.

For merit standard, learners will analyse the results of their capital investment appraisal calculations.

For pass standard, learners will produce accurate calculations using three main investment appraisal techniques, together with a written explanation regarding how other non-financial factors, such as sustainability and ethics, may have a bearing on the final decision.

Links to other units

This unit links to:
- Unit 3: Personal and Business Finance
- Unit 7: Business Decision Making
- Unit 10: Recording Financial Transactions
- Unit 11: Final Accounts for Public Limited Companies
- Unit 12: Financial Statements for Specific Businesses.

Employer involvement

This unit would benefit from employer involvement in the form of:
- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials.

Unit 14: Investigating Customer Service

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will study how excellent customer service contributes to business success. The unit gives learners the opportunity to develop their customer service skills.

Unit introduction

How is excellent customer service linked to business success? In this unit you will learn that attracting new customers costs a business more than keeping existing customers, so it is important to keep existing customers happy. You can do this by building relationships with internal and external customers and giving them excellent service that exceeds their needs and expectations.

When working in a customer service role you need to understand the procedures to follow when dealing with customer requests and complaints. This unit will help you develop communication and interpersonal skills when dealing with customers, and to understand the importance of having good product or service knowledge. You will explore how a business builds effective relationships with customers through identifying and confirming the customer's needs. You will examine how businesses monitor and evaluate their level of customer service provision through obtaining feedback and see how this helps inform improvements to the level of service provided.

The unit will enable you to evaluate your own customer service skills and to create a development plan for improvement. The unit also supports further training, study or employment in a business environment.

Learning aims

In this unit you will:

A Explore how effective customer service contributes to business success

B Investigate the methods used to improve customer service in a business

C Demonstrate customer service in different situations, using appropriate behaviours to meet expectations.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore how effective customer service contributes to business success	**A1** Customer service in business **A2** Customer expectations and satisfaction **A3** Benefits of building customer relationships **A4** Customer service legislation and regulations	A report examining the customer service provision/process in a business and the value of delivering excellent customer service to support business success. Prepare a training handbook for a selected business on customer service, including relevant legislation and regulations. The report should also include monitoring methods used to review the customer service provision and should draw on quantitative and qualitative data.
B Investigate the methods used to improve customer service in a business	**B1** Monitoring and evaluating customer service provision **B2** Indicators in improved performance	
C Demonstrate customer service in different situations, using appropriate behaviours to meet expectations	**C1** Customer service skills and behaviours **C2** Dealing with customer service requests and complaints **C3** Individual skills audit and development plan	Demonstration of customer service skills in at least three different business situations. Focus on a demonstration of product/service knowledge when dealing with customers' queries, requests and problems. A development plan which assesses how to improve customer service skills to meet both personal and business needs.

Content

Learning aim A: Explore how effective customer service contributes to business success

A1 Customer service in business

- Definition of customer service.
- Customer service roles and importance of teamwork.
- Importance of following organisational rules and procedures.
- Different approaches to customer service across industries need different skills and knowledge, such as:
  - retail shops selling tangible goods, need for detailed product knowledge and effective selling skills
  - offices, such as those offering a non-tangible service, either face-to-face with customers, online, written or telephone customer contact
  - contact centres with telephone/online contact with customers, time limitations
  - hospitality industry, such as serving skills for food or drinks.

A2 Customer expectations and satisfaction

- Different types of customer, including:
  - internal and external customers and the differences between them
  - customer personalities, such as aggressive, quiet, demanding
  - customers with special requirements, e.g. different language or culture, age, gender, families, special needs such as visual, hearing or mobility.
- Customer complaints:
  - understanding the risk to the business of not dealing with complaints.
- Customer expectations and satisfaction, including:
  - anticipation of good service, reliable information or service, offering different options, impact of advertisements, reputation, word of mouth, recommendations from others
  - importance of responding to customer needs, exceeding customer expectations through providing additional help and assistance, dealing promptly with problems, offering discounts, offering additional products or services, providing exceptional help and assistance for customers with special requirements
  - balancing customer satisfaction with business goals, aims and objectives.

A3 Benefits of building customer relationships

- Enhanced reputation of business.
- Repeat business.
- Customer confidence in business.
- Job satisfaction for employees.

A4 Customer service legislation and regulations

- Industry and sector-specific codes of practice, ethical issues and standards.
- Implications for the business of not meeting all legal and regulatory requirements, including consumer rights, consumer protection (including distance selling), eCommerce regulations, health and safety, General Data Protection Regulations (GDPR), equality.

Learning aim B: Investigate the methods used to improve customer service in a business

B1 Monitoring and evaluating customer service provision

- Using research from customers to identify improvements and monitor complaints.
- Monitoring using:
  - customer profiles, data, e.g. types of customer, products or services provided, customer care and service
  - sources of information, e.g. customers, colleagues, management
  - methods, e.g. questionnaires, comment cards, quality circles, suggestion boxes, staff surveys, mystery shoppers, recording and sharing information.
- Evaluating customer service, including:
  - analyse responses, e.g. level of customer satisfaction, quality of product or service, meeting regulatory requirements, balancing cost and benefits
  - planning for change, resolving problems/complaints.

B2 Indicators in improved performance

- Reduction in numbers of complaints.
- Increase in profits.
- Reduction in turnover of staff.
- Repeat business from loyal customers.

Learning aim C: Demonstrate customer service in different situations, using appropriate behaviours to meet expectations

C1 Customer service skills and behaviours

- Communication skills:
  - face-to-face, written, email or other electronic media, telephone
  - verbal, e.g. pitch and tone of voice, open and closed questions, using the telephone
  - non-verbal, e.g. sign and body language, listening skills
  - barriers to communication.
- Interpersonal skills:
  - personal presentation approach, e.g. attitude, behaviour, hygiene, personality, conversation skills, giving a consistent and reliable response.
- Behaviours, e.g. being positive, offering assistance, showing respect.

C2 Dealing with customer service requests and complaints

- Customer service situations:
  - providing information, products or services, promoting additional products and services, giving advice, taking and relaying messages
  - limitations of role and authority, keeping records
  - dealing with problems, handling complaints, remedial measures, emergency situations, organisational policy.

C3 Individual skills audit and development plan

- Skills audit of customer service skills.
- Personal SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to assess any gaps, e.g. interpersonal and communication skills – body language, listening skills, handling complaints, working with others.
- Set objectives to meet skills development goals for a specified customer services role by:
  - identifying resources and available support needed to meet the objectives
  - setting review dates
  - monitoring the plan to assess progress against targets.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore how effective customer service contributes to business success		
A.P1 Describe the different approaches to customer service delivery in different industries. **A.P2** Examine ways that customer service in a selected business can meet the expectations and satisfaction of customers and adhere to relevant current legislation and regulations.	**A.M1** Analyse how legislation and regulation impacts on customer service provision in a selected business.	**A.D1** Evaluate the importance for a selected business of providing excellent customer service and adhering to relevant current legislation and regulations.
Learning aim B: Investigate the methods used to improve customer service in a business		**B.D2** Evaluate the benefits of improvements to customer service performance for the business, the customer, and the employee.
B.P3 Research methods a business can use to make improvements to the customer service provision.	**B.M2** Analyse different methods of monitoring customer service for a product or service in a selected business.	
Learning aim C: Demonstrate customer service in different situations, using appropriate behaviours to meet expectations		
C.P4 Demonstrate communication and interpersonal skills appropriate to meet customer needs in different situations. **C.P5** Review own customer service skills, identifying gaps where improvements could be made. **C.P6** Present a clear, effective development plan for own customer service skills.	**C.M3** Assess how the development plan may improve the performance of customer service skills.	**C.D3** Demonstrate initiative in making high-quality justified recommendations to develop own communication and interpersonal skills to meet both customer and business needs.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P4, C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will prepare evidence based on research. Learners will give details of what is required to ensure that good customer service leads to business success. Examples of how to enhance customer service will be original and imaginative. The evidence will include references to legislation and how a business ensures that customer expectations are exceeded. There will be clear examples of monitoring and how effective customer service can be in ensuring that customers are happy.

For merit standard, learners will analyse examples of how legislation and regulation impact on customer service. Details of how to make improvements and monitor customer service will be included, with examples of good practice.

For pass standard, learners will prepare evidence that covers the approaches that businesses take to customer service and will include details of how improvements can be made.

Learning aim C

This learning aim will be completed with a number of customer service situations or, if a learner is working part-time in customer service, real evidence from their employment can be included in the form of witness statements. Activities and role play will be developed to challenge learners and should include dealing with difficult situations.

For distinction standard, learners will produce a development plan after the customer service situations have taken place. The plan will give realistic details of how they need to work on their individual skill sets to enhance their customer service and communication skills. Learners will produce a clear critique, highlighting their strengths and weaknesses. They will have fully embraced the role-play scenarios, demonstrated their skills with confidence and used initiative when dealing with challenging situations.

For merit standard, learners will produce a clear analytical development plan showing how their skills should be improved. Participation in customer service situations will have been good with levels of confidence shown across the activities.

For pass standard, learners will show effective customer service and communication skills in the customer service situations and a realistic plan for addressing weaknesses will have been developed.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 15: Investigating Retail Business
- Unit 25: Aspects of Civil Law Affecting Business
- Unit 26: Aspects of Criminal Law Impacting on Business and Individuals.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Unit 15: Investigating Retail Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will explore the current structure of the retail sector and its supply chain through practical activities.

Unit introduction

Retail is a broad sector and encompasses businesses of all sizes. You will probably already have some experience of the sector, either simply through purchasing goods, or selling them – perhaps while employed in a part-time capacity in a clothing or food outlet.

In this unit, you will carry out research into local and national retail businesses, exploring how the supply chain supports retailing. You will consider how the sector responds to change, the opportunities for employment in the sector, and the types of job roles available. You will apply your research and findings to current businesses in the sector.

Retail is important for the UK economy and trends in retail sales often mirror those of the country's economy as a whole. It is a sector with good opportunities for your future career and there is a tradition amongst the larger employers of excellent in-house training schemes that support progression opportunities and career advancement for employees. The unit will provide a useful opportunity for you to consider whether you wish to pursue employment or further specialist study in retail management at higher education level.

Learning aims

In this unit you will:

A   Explore the current structure of the sector through investigation of the local retail environment

B   Investigate how the retail sector has responded to change and trends

C   Examine the importance of the supply chain and stock control management to the success of retail business.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore the current structure of the sector through investigation of the local retail environment	**A1** The nature of retailing **A2** Classification of retailers **A3** Structure of retailing **A4** Employment in retail	An individual presentation with leaflet and report following a detailed investigation of the nature, structure and classification of the UK retail sector and employment opportunities locally.
B Investigate how the retail sector has responded to change and trends	**B1** The retail environment **B2** Impact of social change **B3** Changes due to new technologies used in the sector **B4** The competitive environment and trends	Impact of change in the UK and global retail environment and how retail businesses are responding to the changes, with particular emphasis on two selected UK retailers. Interview with current employees to see how changes have impacted on particular retail businesses.
C Examine the importance of the supply chain and stock control management to the success of retail business	**C1** Distribution channels **C2** Retail supply chains and logistic processes **C3** Stock control **C4** Impact of digital technology	A written report examining the role of retailing as part of the supply chain. Examination of the impact of digital technology on all participants in the supply chain. Two different retail businesses should be selected.

Content

Learning aim A: Explore the current structure of the sector through investigation of the local retail environment

A1 The nature of retailing

- Definition of retailing, adding value to products and services, development of retailing, meeting customer needs through different retail formats and distribution channels, e.g. high street shopping, out-of-town shopping centres, direct delivery from internet orders, bricks and clicks.

A2 Classification of retailers

- Store based, non-store based, product/service retailing.
- Ownership, e.g. independents, multiples, chain stores, franchises, cooperatives, social enterprises
    o size, e.g. number of employees, sales area, number of branches, turnover, type of activity, product range
    o location, e.g. town centre, local, out of town, retail parks, regional centres, online
    o store formats, e.g. convenience stores, department stores, supermarkets, hypermarkets, specialist/niche, premium/value.

A3 Structure of retailing

- Retail sub-sectors, e.g. food, fashion, sports.
- Business models used by retail businesses: their advantages and disadvantages, e.g. value stores, premium brand stores, artisan stores.

A4 Employment in retail

- Job roles, training and promotion prospects in both small and large businesses.

Learning aim B: Investigate how the retail sector has responded to change and trends

B1 The retail environment

- Macro-environment, e.g. external factors including political, legal, economic, sociocultural and technological factors.
- Response to external changes, e.g. new products, new online formats, government policy on store trading hours and planning permission.
- Tensions and competing priorities, e.g., reorganisation in response to changing circumstances, environmental issues, sustainability, fair trade, packaging.

B2 Impact of social change

- Demographics, household occupancy, mobility, new technologies, diverse communities, ageing population, migration, changing lifestyles, cultural differences, leisure time.

B3 Changes due to new technologies used in the sector

- Growth of online shopping.
- Mobile apps for shopping.
- Chip and PIN, contactless payment and payment technology apps.

B4 The competitive environment and trends

- Competitors, market position, barriers to entry, pricing, product development.
- New products and services, retailers' power over manufacturers, new retail concepts, i.e. social enterprise stores.
- Global influences on UK retailing.

Learning aim C: Examine the importance of the supply chain and stock control management to the success of retail business

C1 Distribution channels

- Availability of products, e.g. time, place, quantity, movement of goods through the supply chain, different channels for different types of goods and services, the role of wholesalers, intermediaries, transport, storage, after-sales service.

C2 Retail supply chains and logistic processes

- Movement of goods and services, sourcing from the UK and internationally, suppliers, distributors, warehousing, transport, carriers, storage locations, disposal of unsold products, recycling, impact of ICT in supply chain management.
- Competing supply chain issues, e.g. communication, coordination, collaboration, costs, delays, targets, power issues in chains.

C3 Stock control

- Links to merchandising, business objectives.
- Types of stock control, e.g. manual and computerised.
- Factors affecting stock control, e.g. sales forecasts, planning, targets, risks.
- Stock management, e.g. total quality management (TQM), stock management systems: Just in Time (JIT), Last in, First out (LIFO) and First in, First out (FIFO).
- Stock control security systems, e.g. CCTV and tags.

C4 Impact of digital technology

- Information flows, supply and demand information between suppliers and customers, B2B and B2C, EDI, internet and electronic trading, networks, intranets, e-commerce, integrated systems.
- Customer Relationship Management (CRM) systems, Electronic Point of Sale (EPOS), Electronic Funds Transfer at the Point of Sale (EFTPOS), stock control systems, hands-free ordering.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the current structure of the sector through investigation of the local retail environment		91
A.P1 Explore the retail provision in your local area including the current nature and structure. **A.P2** Investigate the range of job roles, entry points and progression opportunities available locally in contrasting retail businesses.	**A.M1** Analyse how local retail businesses are structured, satisfying differing customer needs.	**AB.D1** Evaluate how trends and changes in the UK consumer market have impacted on two contrasting national retailers.
Learning aim B: Investigate how the retail sector has responded to change and trends		
B.P3 Explain how the retail environment and social trends are affecting a local retail business.	**B.M2** Assess how a retail business' ability to respond to change improves its competitiveness.	
Learning aim C: Examine the importance of the supply chain and stock control management to the success of retail business		**C.D2** Evaluate the effectiveness of the supply chain and stock control on the success of a specific retail business. **C.D3** Evaluate the impact digital technology has had on processes of a specific retail business.
C.P4 Explain how the process of distributing goods through different channels from manufacturer to customer differs in two businesses. **C.P5** Investigate the impact digital technology has on the retail and logistic processes of two contrasting businesses.	**C.M3** Analyse the impact of digital technological developments on retailing, the supply chain and stock control.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aim: C (C.P4, C.P5, C.M3, C.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will select two different retail businesses and provide an individual evaluation on how developments and change in the UK and globally have impacted these two specific retail businesses. Clear examples of how and why should be evidenced. This could be, for example, linked to opening smaller stores in prime locations, going into partnerships, mergers or acquisitions, entering new markets or changes in employment patterns. At least two examples of change for each business would be expected in the evaluation.

For merit standard, learners will investigate and report on the structure of different retail businesses, they will select businesses from different sub sectors of the retail area and business models which would meet customer needs in that locality. Learners will assess how one retail business has responded to change. This will need to be assessed in depth with examples included relating to how it has enhanced its competitiveness. Some evidence may be drawn from an interview conducted with a member of the retail profession.

For pass standard, learners will clearly show the make-up of the local retail facilities. Evidence of employment and job roles in contrasting businesses in the sector will be included. Evidence will include an explanation on how the retail sector has responded to change and trends by perhaps streamlining its operations, expanding globally, looking at the size and location of its outlets or diversifying.

Learning aim C

It will be useful to use individual research from visits to retail businesses and interviews with employees to gain the information required for this assignment.

For distinction standard, learners will evaluate how important the management of the supply chain and stock control have been in one particular business. It is important that the right business is chosen to allow development of a detailed individual evaluation. The evaluation must be supported by appropriate examples. Learners will also evaluate how digital technology has impacted on the range of processes in a selected retail business.

For merit standard, learners will analyse, by reference to one sub-sector, how digital technology developments have impacted on retailing, the supply chain and how they are used for controlling stock and monitoring delivery to the end user.

For pass standard, learners will investigate the process of distribution from manufacture to end customer in two different businesses. The businesses need to be sufficiently different with the differences clearly explained. To give a contrast learners may select businesses from different sub sectors so that the processes are varied. Stock control methods in the different businesses will need to be explained. They will also need to explain the importance of digital technology on the retail and logistic process, and how integrated stock control systems are important.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 14: Investigating Customer Service
- Unit 16: Visual Merchandising
- Unit 27: Work Experience in Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Unit 16: Visual Merchandising

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the practice and techniques used to visually promote the sale of products in retail outlets.

Unit introduction

Every time you go to a shopping centre you are faced with stimulating and engaging displays designed to encourage the sales of products or services. Visual merchandising (or VM) is the art of setting out stores in ways that customers will find attractive and appealing. Window and internal displays, product positioning and effective promotional techniques are all important aspects of visual merchandising designed to increase store traffic and sales volume.

In this unit, you will look at different visual merchandising and display techniques. These techniques will vary according to the type and size of a retail business and the products it sells. If customers are to be persuaded to spend money there are many issues that have to be considered, such as health and safety and other legislation, as well as creative and psychological factors.

This unit will give you an insight into the elements used to create attractive displays, including product information, colour, light, space, smell, touch and sound. Digital technology can also be used to create displays and interactive installations. You will have the opportunity to investigate and demonstrate some of the practical skills and techniques that retailers use to tempt customers into their stores. The unit will also help you to decide if you would like to work in or continue to further study in this area.

Learning aims

In this unit you will:

A Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations

B Examine the psychological and technological merchandising techniques used to influence customers

C Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations	**A1** Visual merchandising **A2** Display techniques **A3** Legislation and safety considerations	A written report that examines the visual merchandising used by two contrasting retail businesses and that considers the effectiveness of the visual merchandising in each. This is to be supported by a presentation explaining the impact of legislation on visual merchandising.
B Examine the psychological and technological merchandising techniques used to influence customers	**B1** Psychology of visual merchandising **B2** Psychological techniques **B3** Technological techniques	
C Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques	**C1** Retail outlets **C2** Success factors **C3** Legal and safety aspects	A practical demonstration of visual merchandising techniques to create a successful display suitable for an outlet of choice.

Content

Learning aim A: Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations

A1 Visual merchandising

- Promoting the sale of products and services by the way they are presented in retail outlets and on online retail sites; combining product, environment and space into a stimulating and engaging display to encourage the sale of a product or service; the physical and digital display of goods in the most attractive manner possible.

A2 Display techniques

- Product placement: website, window, front end, aisle ends, near stairs, at entrance, near escalators/lifts, high-traffic aisles, complementary merchandise placement.
- Product segmentation: by theme, promotion, event, and season; across business.
- Techniques: themes/stories, coordination, colour/style blocks, complementary/contrasting colours, repetition, mirror imaging and triangular formulation, focal points, branding/signage, mass display, micro-merchandising.
- Props: mannequins/busts/forms, furnishing enhancements, product demonstration.
- Fixtures: gondolas, end caps, dump tables/bins, garment rails, slat walls, counters, shelves, platforms, showcases, forms.
- Free-standing displays: stacks, islands.

A3 Legislation and safety considerations

- Point of sale (POS) and ticketing:
  - price marking regulation: obligation to indicate selling price in sterling on display, on goods, on shelf-edge price, ticket positioning.
  - product labelling: quantity, size, composition, origin.
- Trade description legislation.
- Food safety legislation and regulations.
- Display safety: height of merchandise, stability, weight distribution/capacity, correct temperature, signage.

Learning aim B: Examine the psychological and technological merchandising techniques used to influence customers

B1 Psychology of visual merchandising

- How consumers are influenced by the use of visual merchandising; effective use of an environment's design through visual communications, lighting, colours, music and scent to stimulate customers' perceptual and emotional responses, and ultimately to affect their purchasing behaviour.

B2 Psychological techniques

- Tangible techniques: store location, design and aesthetics, store windows, transition zones, use of company/brand names, fixtures positioning, signage, promotions, odd versus even pricing, fitting rooms, packaging design, angles and sight lines, composition (vertical and horizontal), point of sale (POS), displays, in-store announcements.
- Intangible techniques: atmospherics (music, mirrors, lighting), sensual environment (sight, touch, scent, taste, sound, temperature), visual effects (light, colour, texture, shape and dimension combined).

B3 Technological techniques

- Electronic displays to broadcast in-store advertising messages and information on services.
- Demonstrations of new products and services.
- Interactive/touch screen/windows, interactive point of sale, QR (Quick Response) codes, digital media.

Learning aim C: Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques

C1 Retail outlets

- Department stores, discount stores, supermarkets, hypermarkets, convenience tobacco newsagents (CTNs), factory outlets, not-for-profit organisations, 'pop-up' shops, farm shops, outdoor/indoor markets, online.

C2 Success factors

- Appropriate merchandising style for product and outlet type, incorporation of appropriate props and displays, effective use of signage and graphics.

C3 Legal and safety aspects

- Health and safety, risk assessment.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations		
A.P1 Investigate the visual merchandising and display techniques that can be used in retail outlets. **A.P2** Explain how visual merchandising is affected by legal and safety regulations.	**A.M1** Analyse the different approaches to visual merchandising used by contrasting businesses, supported by independent research.	**A.D1** Evaluate the extent to which different visual merchandising and display techniques contribute to the success of two contrasting businesses. **B.D2** Evaluate how psychological and technological techniques are used to increase business success.
Learning aim B: Examine the psychological and technological merchandising techniques used to influence customers		
B.P3 Explain how psychological techniques are used by two contrasting retail outlets. **B.P4** Explain how technological techniques are used by two contrasting retail outlets.	**B.M2** Analyse how psychological and technological techniques are used to increase business success.	
Learning aim C: Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques		
C.P5 Produce a realistic plan for a visual merchandising display for a product or service in a retail outlet. **C.P6** Create a successful visual merchandising display for a product or service in a retail outlet.	**C.M3** Plan and create an individual visual merchandising display, using recommendations and feedback to assess the success of the project.	**C.D3** Demonstrate individual self-management and initiative in the presentation of a high-quality, successful display for a retail outlet through the creative use of visual merchandising.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will have relevant evidence from contrasting businesses of the differing approaches to visual merchandising to support the evaluation given. Learners should draw some conclusions about how far the success each of the two contrasting retail outlets is down to their merchandising and display techniques. They should also include the extent to which the psychological and technological techniques influence costs and ultimately the success of the business.

For merit standard, learners will demonstrate clear analysis of the range of approaches and techniques used in visual merchandising. Evidence of independent research should be included to support the analysis with examples being included from the contrasting businesses. Learners will also use examples from their research to support their analysis of how the psychological and technological merchandising techniques are used to influence customers and increase business success.

For pass standard, learners will explain how visual merchandising techniques can be affected by legislative and safety requirements using their research of merchandising and display techniques from different businesses. Learners should also explain how psychological and technological techniques are used in two contrasting retail outlets.

Learning aim C

For distinction standard, learners will participate in a practical activity to create a successful display that has been informed by their prior research. Learners should have demonstrated an independent approach throughout their work, together with good research skills, initiative and creativity that demonstrate a high standard of individual technical ability. There should be an attention to detail and precision throughout their work. A creative approach is one where a learner develops their own ideas or develops ideas in distinctive ways. It is not a measure of artistic design skills.

Preparation and planning documents, photographic evidence of the assembly and completion of a suitable display should evidence this criterion. Observation records and witness statements should also be included.

For merit standard, learners will create an individual visual merchandising display.

For pass standard, learners will present evidence of planning to produce an appropriate visual merchandising display.

Links to other units

This unit links to:

- Unit 2: Developing a Marketing Campaign
- Unit 15: Investigating Retail Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Unit 17: Digital Marketing

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners examine the different aspects of web-based marketing, and the channels that can be used to deliver a successful digital marketing campaign.

Unit introduction

This unit will allow you to develop your marketing skills and provide an understanding of the role of digital marketing in identifying and satisfying customers.

In this unit, you will examine the purpose of digital marketing in a business, and consider the specific aims and objectives of this function. You will research how digital marketing is used today, and develop an understanding of the benefits of, and concerns about, digital marketing. You will investigate the different delivery methods and the use of key performance indicators (KPIs) used to evaluate the success of the digital message. You will use this knowledge to make recommendations for a digital marketing campaign for a selected business.

This unit will give you an insight into the importance of digital marketing as part of the wider marketing function, and enable you to make an informed choice on the suitability of this area of marketing as an employment or training possibility.

Learning aims

In this unit you will:

A Examine the role of digital marketing within the broader marketing mix

B Investigate the effectiveness of existing digital marketing campaigns

C Develop a digital marketing campaign for a selected product or brand.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine the role of digital marketing within the broader marketing mix	**A1** Digital marketing in the marketing function **A2** How the digital communication is delivered **A3** Devices for displaying digital communications	A report that assesses the influence of digital marketing in shaping customer behaviour and buying habits, and which then outlines the effectiveness of two existing digital marketing campaigns from two different types of business. There will also be an evaluation that highlights different compensation models, benefits and concerns. The benefits and potential concerns of digital marketing will also be provided.
B Investigate the effectiveness of existing digital marketing campaigns	**B1** Digital marketing objectives **B2** Digital strategies to meet target objectives **B3** Return on investment compensation models **B4** Benefits and concerns of online advertising	
C Develop a digital marketing campaign for a selected product or brand	**C1** Marketing planning process **C2** Integration in the wider marketing and promotional mix	A fully justified plan for a digital marketing campaign.

Content

Learning aim A: Examine the role of digital marketing within the broader marketing mix

A1 Digital marketing in the marketing function

- Definitions of digital marketing:
  - o the use of digital technologies to create integrated, targeted and measurable communications that help to acquire and retain customers while building deeper relationships with them (Digital Marketing Institute)
  - o achievement of marketing objectives through the use of digital media and technology.
- Role of digital marketing as an extension rather than a replacement for the traditional marketing and promotional mix.
- Current trends in digital marketing, e.g. the move to mobile communications.
- The use of digital marketing to target specific market segments.
- The development of customer databases in delivering digital communications, including the use of free content for lead generation.

A2 How the digital communication is delivered

- Display advertising, banners, pop-ups, floating advertisements (ads), interstitial ads, text ads.
- Search engine marketing, optimisation and sponsored searches.
- Social media marketing.
- Email advertising.

A3 Devices for displaying digital communications

- Personal computers, smartphones, tablets and games consoles.

Learning aim B: Investigate the effectiveness of existing digital marketing campaigns

B1 Digital marketing objectives

- Lead generation.
- Brand awareness.
- Customer retention.

B2 Digital strategies to meet target objectives

- Content marketing – relevance, pressure to keep refreshed.
- Paid search advertising.
- Search engine optimisation.
- Social media marketing.
- Video marketing.
- Video blogging (vlogging).
- Email marketing.
- Mobile applications (apps).
- QR codes.
- Responsive web design.

B3 Return on investment compensation models

- Cost per mile (CPM).
- Cost per click (CPC).
- Cost per engagement (CPE).
- Cost per view (CPV).
- Fixed cost.

B4 Benefits and concerns of online advertising

- Benefits, including cost, measurability, formatting, targeting, coverage, speed.
- Concerns, including banner blindness, fraud and other illegal activity, display variations, ad blocking, privacy/data security, consumer location tracking, spam.

Learning aim C: Develop a digital marketing campaign for a selected product or brand

C1 Marketing planning process

- Set objectives – lead generation, brand awareness, customer retention.
- Analysis of target segment, brand persona and competition.
- Resource identification – human, financial and technological.
- Implementation planning and testing.
- Measurement against targets.

C2 Integration in the wider marketing and promotional mix

- Marketing objectives.
- Marketing mix.
- Promotional mix.
- Anticipated returns.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the role of digital marketing within the broader marketing mix		
A.P1 Explain the role of digital marketing as an extension of traditional marketing and the ways the messages can be delivered. **A.P2** Investigate the ways in which advertisers are targeting mobile device users.	**A.M1** Analyse, using examples, the effectiveness of different digital delivery methods.	**A.D1** Justify the extent to which the digital environment is influencing consumer choices.
Learning aim B: Investigate the effectiveness of existing digital marketing campaigns		
B.P3 Discuss the digital strategies that a selected business uses to meet two different objectives. **B.P4** Outline different compensation models used in digital marketing. **B.P5** Explain the benefits of, and concerns about, digital marketing from the perspective of both the customer and the marketer.	**B.M2** Analyse the different digital strategies and compensation models used to create brand recognition and brand loyalty.	**B.D2** Evaluate the effectiveness of digital marketing campaigns from different businesses, and suggest ways to overcome concerns raised about digital marketing.
Learning aim C: Develop a digital marketing campaign for a selected product or brand		
C.P6 Produce an outline for a digital marketing campaign that will create brand loyalty for a new or existing product or brand.	**C.M3** Produce a detailed digital marketing campaign and demonstrate how it integrates into the wider marketing and promotional mix for a new or existing product or brand.	**C.D3** Produce creatively a digital marketing campaign, justifying the key decisions taken and potential improvements that could be used to create brand loyalty.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, B.P5, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will investigate a range of digital marketing campaigns to identify the different types of communications used and their effectiveness in reaching different target segments. Different strategies should be considered, one of which should be the use of video or vlogging to help create brand recognition or brand loyalty. Two different campaigns from different businesses will be discussed and then evaluated in detail to establish how successful they were. Learners will have discussed the suitability of the compensation model used. There will be justified solutions to overcome the concerns about digital marketing.

For merit standard, learners will demonstrate their analytical skills by discussing the merits and disadvantages of at least three digital communications methods, which should be chosen from at least two different types. For example, learners could choose to discuss the use of interstitial adverts, search engine optimisation and social media marketing. Learners should also analyse the different digital strategies and compensation models used and explain how these are used to create brand recognition or brand loyalty.

For pass standard, learners will describe the role digital marketing is playing in the marketing process. Current examples should be used to demonstrate latest trends, such as the use of vlogging to promote goods and the distribution of free digital content to acquire new leads. They will also explain the different ways in which digital communications can be delivered to consumers, the devices that are currently being used including mobile devices. There will be a discussion of the digital strategies and compensation models used and an attempt to explain some of the limitations and benefits to the consumer and the marketer of digital marketing.

Learning aim C

For distinction standard, learners will produce a fully justified and creative digital marketing campaign for a product or brand. There will be reflection on the key decisions taken when producing the elements of the campaign, and suggestions on how the campaign might be improved.

For merit standard, learners will develop a fully detailed digital campaign and explain how the plan is integrated into and complements the wider marketing and promotional mix.

For pass standard, learners will produce an outline for a digital marketing campaign that clearly demonstrates brand loyalty for a new or existing product or brand. Clear reference will be made to the digital application and how brand loyalty is created.

Links to other units

This unit links to:

- Unit 2: Developing a Marketing Campaign
- Unit 16: Visual Merchandising
- Unit 18: Creative Promotion
- Unit 22: Market Research.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- business materials as exemplars
- design/ideas to contribute to unit assessment
- support from local business staff as mentors
- visits to appropriate businesses.

Unit 19: Pitching for a New Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the practical skills and acquire the knowledge needed to undertake the necessary preparation and steps to set up and pitch for funding for a micro-business.

Unit introduction

Entrepreneurs explore potential business opportunities, select viable business ideas, prepare appropriate business plans and pitch these to potential investors. This unit will teach you how to carry out these steps which are critical to the development of new businesses.

In this unit, you will investigate a potential micro-business idea and outline a business plan. You will present your business plan to potential investors with a view to securing appropriate funding. It is important that you are able to recognise what should be included in a pitch and how the process of idea formulation, selection, planning and presentation should be managed in order to secure funding.

This unit will develop the skills needed if you decide to set up your own business, or if you want to work in or study further a sector or area that needs entrepreneurial or innovative skills.

Learning aims

In this unit you will:

A Explore potential ideas for a micro-business start-up

B Develop a business plan for a viable micro-business start-up

C Carry out a pitch for funding for the chosen micro-business.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Explore potential ideas for a micro-business start-up	**A1** Exploration of ideas for a micro-business start-up **A2** Models for business opportunities **A3** Factors to be considered when setting up a micro-business	A portfolio comprising research, analysis and risk evaluation that collectively supports a specific recommendation for setting up a new micro-business.
B Develop a business plan for a viable micro-business start-up	**B1** Market analysis and planning **B2** Legal aspects **B3** Financial aspects **B4** Evaluation	A business plan with the detail to enable the pitch to be prepared. Professional presentation with supporting documentation designed to secure potential funding and to stimulate feedback, from which justified modifications to the proposal and pitch can be made.
C Carry out a pitch for funding for the chosen micro-business	**C1** Documents and materials for pitch to audience **C2** Professional presentation skills demonstrated in the pitch **C3** Review and evaluation of the pitch	

Content

Learning aim A: Explore potential ideas for a micro-business start-up

A1 Exploration of ideas for a micro-business start-up

- Idea generation for new products, services and/or market for business opportunities.
- Decision matrix: generation of selection criteria and scoring for business opportunities.

A2 Models for business opportunities

- Business activity: primary, secondary or tertiary sector of activity.
- Processes: manufacturing, outsourcing, sourcing, channels to market.
- Organisational form: structure, roles and responsibilities.

A3 Factors to be considered when setting up a micro-business

- Capability and core competencies.
- Time constraints.
- Financial constraints.
- Potential stakeholder influences.
- Access to physical resources.
- Availability of IT.
- Environmental influences.
- Internal risks.
- External risks.

Learning aim B: Develop a business plan for a viable micro-business start-up

B1 Market analysis and planning

- Target market definition.
- Secondary and primary research.
- Business environment: Porter and PESTLE.
- Marketing mix.
- Unique selling points (USPs).

B2 Legal aspects

- Business legal form and liability insurance.
- Consumer protection legislation.
- Employment legislation.
- Health and safety legislation.
- General Data Protection Regulations (GDPR).
- Environmental protection legislation.

B3 Financial aspects

- Pricing policy.
- Sales forecasts.
- Projected costs: set-up, fixed and variable costs.
- Break-even forecast.
- Cash flow forecast.
- Forecast opening and closing statement of financial position, capital structure to show investment necessary from potential investors.
- Forecast income statement for trading period.

B4 Evaluation

- Marketing mix SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis.
- Financial forecasts, including liquidity analysis, profitability analysis, sensitivity analysis.

Learning aim C: Carry out a pitch for funding for the chosen micro-business

C1 Documents and materials for pitch to audience

- Appropriate documents and materials that are detailed, appropriate, and relate to individual business proposal.
- Documentation to support funding investment.
- Evidence of exploration of potential questions and answers from potential investors, including risk, expectations for return, share ownership and voting rights, percentage of shareholding and control.

C2 Professional presentation skills demonstrated in the pitch

- Presentation, behaviour and conduct of presenter, e.g. attire, attitude, business-like skills, suitable for audience, well prepared.
- Negotiation and communication skills.

C3 Review and evaluation of the pitch

- Receive feedback on the business content of the pitch, analyse feedback and make amendments accordingly.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore potential ideas for a micro-business start-up		
A.P1 Describe the potential business opportunities for a micro-business start-up. **A.P2** Review the factors that need to be considered to start up a micro-business.	**A.M1** Analyse the internal and external factors associated with a selected micro-business start-up.	**A.D1** Evaluate the internal and external factors associated with a selected micro-business start-up.
Learning aim B: Develop a business plan for a viable micro-business start-up		
B.P3 Explain your marketing plan for a selected micro-business. **B.P4** Explain how legal and financial aspects will affect the start-up of the business.	**B.M2** Analyse the financial and marketing plans for your micro-business.	**B.D2** Evaluate your plan for a micro-business and justify your conclusions.
Learning aim C: Carry out a pitch for funding for the chosen micro-business		
C.P5 Pitch for funding to start up a micro-business. **C.P6** Review the viability and risks of the start-up using audience feedback.	**C.M3** Effectively present an individual pitch to negotiate funding for a micro-business start-up, analysing audience feedback and viability issues.	**C.D3** Demonstrate individual responsibility and effective self-management in the preparation, delivery and review of the presentation of a high-quality pitch.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aim A

For distinction standard, learners will evaluate a range of internal and external factors for the small business start-up, along with how they can be a risk to the new business (at least four factors and four risks will be evaluated).

For merit standard, learners will analyse the factors, ensuring there is a good range and noting that some factors and risks will affect some types of business and not others.

For pass standard, learners will research a new business and the model outlined. Details of the activity and its processes, and the business form will be evidenced in the portfolio. At least four factors will be explained. If learners work in groups to research and explore, work must be submitted individually in a professional portfolio. As this is for a micro-business, the choice of business should be a small entity that does not require more than four employees to start it up.

Learning aims B and C

Professional business language will be used and data must be realistic for the business. Learners will be encouraged to create their own plan template for the business plan. If learners work in groups, the group size should not exceed four. An individual plan is required in the portfolio.

Learners will need to pitch their plan to an informed audience, ideally a panel of local business people, staff and peers. It should be organised formally as if in the workplace. Witness statements will be produced and included in the learner's portfolio.

For distinction standard, learners will show clear justification of the plan, giving reasons for all of its elements. A SWOT and sensitivity analysis will be used, together with a ratio analysis to give an evaluation of predicted success. Learners will present their plan individually. They will have used initiative and creativity in their pitch presentation, demonstrating a high standard of individual technical ability, attention to detail, innovation and precision.

For merit standard, learners will show the range of financial statements and the marketing mix will be analysed, clearly demonstrating how sales figures were arrived at. All costs will be realistic for the size of the business. Learners will need to present a professional, individual pitch and analyse the feedback from the panel and viability issues.

For pass standard, learners will design a coherent plan, comprising key sections, including legal and financial, supported with research. Learners will present their plan individually and will be able to answer questions on their plan asked by the panel.

Links to other units

This unit links to:

- Unit 4: Managing an Event
- Unit 9: Team Building in Business
- Unit 14: Investigating Customer Service.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers from small businesses
- participation in audience assessment of presentations
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 21: Training and Development

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study training and development and recognise that successful businesses need to plan and manage the training programmes they offer.

Unit introduction

What is the difference between training and development? Training can be defined as teaching someone new skills or knowledge, while development enables them to be more productive and effective at work. Training and development is an expense to the business but an investment that helps staff to perform better. Types of training and development differ, as they must meet both the objectives of the business and the individual. If the business is to compete effectively in today's market, it is important that training and development is updated constantly.

In this unit, you will learn that training and development is the key to running a successful business; managers need to have well thought-out training plans in place. For a business to succeed, it needs staff with the correct range of up-to-date skills and knowledge that will allow them to perform effectively. A good manager will be able to identify training needs across the business, understand the cost that comes with training, and be able to provide and monitor training programmes in their training budgets.

This unit will help you by developing relevant business knowledge and understanding to progress into employment, vocational training or higher education.

Learning aims

In this unit you will:

A Investigate training and development in a selected business

B Examine the planning and delivery of training programmes in a selected business

C Develop an appropriate induction programme for a group of new starters in a selected business.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Investigate training and development in a selected business	**A1** Training and development **A2** Reasons for training **A3** Identification of training needs	A professional presentation with speaker notes that examines training and development in a selected business setting, and the likely financial and non-financial costs and benefits to the business.
B Examine the planning and delivery of training programmes in a selected business	**B1** Types of training **B2** Costs and benefits of training and development	
C Develop an appropriate induction programme for a group of new starters in a selected business	**C1** Induction **C2** Benefits of a good induction programme and costs of a poor induction programme **C3** Developing an appropriate induction programme	A plan for a group of new starters based on independent research that covers their first month at the business, accompanied by appropriate checklists. The selected business could be one where they are carrying out a work-related activity such as work experience.

Content

Learning aim A: Investigate training and development in a selected business

A1 Training and development

- Training is the acquisition of skills, knowledge and competencies as a result of teaching.
- Development teaches staff how to become more productive and effective.

A2 Reasons for training

To fulfil business objectives:

- strategic, e.g. to increase profit and turnover, to become market leader
- operational, e.g. to increase productivity, to introduce new technology, to improve health and safety, to satisfy UK legislation, to create a more flexible workforce, to introduce succession training for promotion, to improve job performance and motivation
- departmental, e.g. to meet sales targets, to improve customer service
- individual, e.g. to prepare for change, new job role, new equipment, new procedures, new products and/or services, new technology, new range of customers.

A3 Identification of training needs

Training Needs Analysis (TNA) or Training and Learning Needs Analysis (TLNA) is a health check on the skills, talent and capabilities of the business, which:

- reviews current skill levels of staff
- identifies skills/knowledge gaps in the business/of an individual
- looks at new skills that could take the business forward.

Learning aim B: Examine the planning and delivery of training programmes in a selected business

B1 Types of training

- Internal/in-house/on-the-job training, e.g. induction, coaching, mentor/buddy systems, shadowing, peer training, job rotation, projects, business documentation, presentations, wikis.
- External/off-the-job training, e.g. secondments, e-learning/online learning, vocational and professional courses, conferences, seminars, workshops.
- Integration of strategies, e.g. course of study with work-based learning, day release systems.
- Training programmes, e.g. graduate, management.

B2 Costs and benefits of training and development

- Costs:
  - planning, e.g. identification and assessment of training needs
  - programme development and design, e.g. research, purchase of training materials and supplies
  - delivery, e.g. trainers, training spaces, refreshments, technology such as Wi-Fi, and audio-visual (AV) equipment
  - evaluation, e.g. time spent evaluating the training
  - time, e.g. staff involved away from productive work.
- Benefits, e.g. increased productivity, increased efficiency, better quality of service, reduction in complaints, higher morale, staff retention.

Learning aim C: Develop an appropriate induction programme for a group of new starters in a selected business

C1 Induction

- Induction is the process whereby employees adjust, or acclimatise, to their jobs and working environment.
- The purpose of induction is to ensure the effective integration of staff into, or across, the business for the benefit of both parties.

C2 Benefits of a good induction programme and costs of a poor induction programme

- An induction programme is SMART training that provides all the information needed by new employees, and develops the relevant skills, knowledge and behaviour that their posts require.
- Benefits of a good programme:
  o helps the individual understand their role, the department they work in and the business as a whole
  o familiarises them with the physical environment, the culture and the business's procedures and policies
  o makes sure they understand their responsibilities, e.g. health and safety duties, contract of employment duties
  o enables staff to quickly become more productive.
- Costs of a poor programme:
  o limited understanding of the business and their role
  o lack of engagement
  o low morale
  o poor relationships with colleagues
  o poor quality of work
  o damage to the reputation of the business
  o employee resigns/is dismissed.

C3 Developing an appropriate induction programme

- Induction programme, e.g. pre-employment packs/letters/handbooks, outline of job requirements, explanation of terms and conditions, explanation of key policies and business objectives, physical orientation, organisational orientation, awareness of functions of the business, meeting key employees, health and safety, practical information, follow-up meetings.
- Communication techniques, e.g. presentations (PowerPoint/slides/videos), talks, discussions, introductory one-to-ones, company documentation, visits, tours, e-learning, video conferencing, internet/interactive facilities, off-site training.
- Stage of induction:
  o pre-employment
  o first day
  o first week
  o first month and beyond.

Assessment criteria

Pass	Merit	Distinction	
Learning aim A: Investigate training and development in a selected business			
A.P1 Explain why a selected business trains its employees. **A.P2** Describe how a selected business identifies training needs.	**A.M1** Assess the reasons for training in a selected business.	**A.D1**	Evaluate the contribution that training and development make to fulfilling the objectives of the selected business.
Learning aim B: Examine the planning and delivery of training programmes in a selected business			
B.P3 Describe the types of training and development used by a selected business. **B.P4** Explain the impact training has had on an individual in a selected business.	**B.M2** Analyse the likely costs and benefits of different types of training to a selected business and its staff.	**B.D2**	Evaluate the likely costs and benefits of different types of training for individual needs in a selected business.
Learning aim C: Develop an appropriate induction programme for a group of new starters in a selected business			
C.P5 Plan an appropriate induction programme for a group of new starters in a selected business using own research.	**C.M3** Assess the factors likely to make induction successful for new starters in the selected business.	**C.D3**	Evaluate the likely impact of the induction programme on the business and the individuals.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to a range of current business information from websites and printed resources, including training and development materials.

Essential information for assessment decisions

Learning aims A and B

The choice of business should be individual and not teacher/class led.

For distinction standard, learners will research and select relevant evidence to show why, and how, a selected business trains their staff. Learners must be able to successfully present the information gathered, and produce a fully supported evaluation of the reasons for training, plus evaluate the costs and benefits of training.

For merit standard, learners will select and apply relevant knowledge of training and development. Learners must demonstrate clear assessment and analysis of the financial and non-financial costs and benefits of training and how it can support the business; examples will be included to underpin analysis.

For pass standard, learners will carry out research that allows them to explain why a business trains employees, the types of training a selected business offers.

Learning aim C

For distinction standard, learners will formulate an induction programme and evaluate its likely impact, both on the selected business and the individuals. Learners must be able to come to a reasoned conclusion as to the strengths of their plan and the benefits it would offer the business and the employees.

For merit standard, learners will formulate a plan that would be suitable for a group of inductees and include how it would be monitored. Learners will assess the likely effects of the proposed plan on both the selected business and the new recruits.

For pass standard, learners will prepare a plan that would be suitable for a formal induction of new recruits to a business, covering pre-employment and beyond. The plan must be fully documented and include checklists to monitor the induction process.

Links to other units

This unit links to *Unit 8: Recruitment and Selection Process*.

Employer involvement

Centres may involve employers in the delivery of this unit if there are local opportunities.

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 22: Market Research

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners examine the different aspects of market research used by businesses. They will undertake a research project, interpret their findings and produce a report.

Unit introduction

This unit will develop your research skills and your understanding of the role marketing information plays in identifying and satisfying customers' needs.

In this unit, you will examine the purpose and type of market research undertaken in a business, consider the objectives of the research and the processes followed. You will plan and undertake a research activity using the most appropriate design and sampling method. You will analyse and interpret market research data and present your findings. You will use this knowledge to make recommendations for improvements to the market research process for a selected business.

This unit will give you an insight into the importance of collecting and interpreting marketing information as a tool for making wider marketing decisions, and enable you to make an informed choice on the suitability of this marketing area as a possible employment or training opportunity.

Learning aims

In this unit you will:

A Examine the types of market research used in business
B Plan and implement a market research activity to meet a specific marketing objective
C Analyse and present market research findings and recommend process improvements.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine the types of market research used in business	**A1** Purpose of market research **A2** Types of research **A3** Appropriateness of choice of research	Report explaining the different types of research used in a chosen business. The report will judge the appropriateness of each type of research for a stated purpose.
B Plan and implement a market research activity to meet a specific marketing objective	**B1** Planning stage **B2** Implementation stage	Market research plan detailing methods and sample size, to be used together with a copy of the pilot questionnaire and some pilot research. Final questionnaire with sampling plan accompanied by evidence of the research data collected.
C Analyse and present market research findings and recommend process improvements	**C1** Statistical analysis and interpretation of primary and secondary research **C2** Presentation of research results **C3** Value of the information	Analysis and interpretation of market research activity using a range of statistical methods to meet a specific marketing objective. Recommendations to improve the quality of the process/data.

Content

Learning aim A: Examine the types of market research used in business

A1 Purpose of market research

- Understand customer behaviour.
- Determine buying trends.
- Investigate brand/advertising awareness.
- Aid new product development.
- Investigate feasibility of entry into new markets.
- To meet marketing objectives.

A2 Types of research

- Qualitative and quantitative.
- Secondary research.
- Internal sources:
  - loyalty schemes
  - EPOS records
  - website monitoring
  - accounting records
  - specialist market research agencies.
- External sources:
  - internet
  - government statistics
  - competitor reports
  - specialist market intelligence agencies, e.g. Mintel, Ipsos.
- Primary research:
  - surveys
  - observation
  - e-marketing
  - focus groups
  - pilot research.

A3 Appropriateness of choice of research

- Cost.
- Accuracy.
- Timelines.
- Response rates.

Learning aim B: Plan and implement a market research activity to meet a specific marketing objective

B1 Planning stage

- Problem definition.
- Set research objectives.
- Budget.
- Determine what data is to be collected.
- Methods to be used:
  - secondary and primary
  - quantitative and/or qualitative.

- Pilot questionnaire design:
  - question type
  - sequencing
  - length of questionnaire
  - avoiding bias
  - relevance of questions to objectives.
- Pilot sampling plan.
- Probability sampling:
  - random
  - systematic
  - stratified
  - cluster.
- Non-probability sampling:
  - quota
  - convenience
  - observation.
- Sample size and effect on confidence levels.
- Pilot research.

B2 Implementation stage
- Review of pilot primary research.
- Final questionnaire design.
- Final sampling plan.
- Data collection, primary and secondary.

Learning aim C: Analyse and present market research findings and recommend process improvements

C1 Statistical analysis and interpretation of primary and secondary research
- Data analysis/interpretation:
  - arithmetic mean, mode, median
  - range and interquartile range
  - standard deviation
  - time series
  - scatter diagrams and trends.
- Interpretation of secondary research.

C2 Presentation of research results
- Reports, tables, graphs.
- Presentation of conclusions and recommendations.
- Awareness of audience type.

C3 Value of the information
- Limitations of the research:
  - sufficiency
  - accuracy
  - bias
  - subjectivity
  - reliability of sample.
- Recommend improvements to the process.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the types of market research used in business		
A.P1 Explain the range of market research methods used by a selected business.	**A.M1** Assess, using suitable examples, how different market research methods are appropriate in helping a selected business to meet marketing objectives and inform decision making.	**A.D1** Justify the use of different market research methods used by a selected business to support its purpose for research.
Learning aim B: Plan and implement a market research activity to meet a specific marketing objective		
B.P2 Undertake secondary research for a selected marketing objective. **B.P3** Undertake pilot primary market research and collect sample data. **B.P4** Undertake the final market research activity using a detailed sampling plan to obtain a range of secondary and primary data.	**B.M2** Analyse the reasons for choosing particular research methods, the type of data to be collected and the sampling plan.	**B.D2** Evaluate the effectiveness of the pilot research, recommending improvements that could be made to the final market research activity.
Learning aim C: Analyse and present market research findings and recommend process improvements		**C.D3** Assess the limitations of the data collected and justify research planning process improvements in light of the work undertaken.
C.P5 Interpret findings from the market research undertaken, presenting them in a range of different formats.	**C.M3** Analyse the findings of the market research using a wide range of statistical techniques and comment on its limitations.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of three summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.M1, A.D1)

Learning aim: B (B.P2, B.P3, B.P4, B.M2, B.D2)

Learning aim: C (C.P5, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access and facilities to enable the required research for the unit.

Essential information for assessment decisions

Learning aim A

For distinction standard, learners will justify how different methods of market research clearly support the purpose of the research, the response will include appropriate examples throughout to support the justification.

For merit standard, learners will assess the different types of research that can be used by a selected business that has different marketing objectives.

For pass standard, learners will include in their report examples of types of research used by a selected business. It will be fit for purpose, professional and written in appropriate business language. The report explains at least two primary and two secondary types of research for the business and will use realistic examples.

Learning aim B

For distinction standard, learners will plan a small-scale market research activity for a stated purpose. They will carry out a pilot survey, evaluate the effectiveness of their pilot research and recommend improvements to be made prior to undertaking the final market research activity. Both pilot and final research findings must be provided as an appendix to the learner's work.

For merit standard, learners will analyse their final plan, consider the methods chosen and their suitability for the stated purpose. Pilot data will be collected and changes will be made to the plan before learners undertake the actual research. The analysis will cover the type of data to be collected and include both primary and secondary methods. The sampling plan will include sample type and size.

For pass standard, learners will produce a plan for carrying out both primary and secondary research. At least two methods of each type must be included in the plan. Pilot data will be collected before learners undertake the actual research.

Learning aim C

For distinction standard, learners will produce a short report that assesses the limitations of the data collected in terms of its accuracy, subjectivity, bias and reliability. The report must go on to judge the effectiveness of the process undertaken in terms of meeting the research/marketing objectives, and to make recommendations for improvements based on the experience gained.

For merit standard, learners will use a wide range of statistical analysis techniques to fully interpret the findings of the market research data collected, and present these findings using charts, tables and diagrams to show the outcomes of the data analysis.

For pass standard, learners will present a basic interpretation of the research data using at least two different formats and two statistical techniques.

Links to other units

This unit links to:

- Unit 2: Developing a Marketing Campaign
- Unit 17: Digital Marketing
- Unit 18: Creative Promotion.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 23: The English Legal System

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will examine how the English legal system operates to resolve criminal and civil cases, and why businesses and individuals may require legal advice and representation.

Unit introduction

Most businesses, whether large or small, require legal advice at some point. This unit involves researching current criminal and civil issues and cases, investigating the people involved in the operation of the legal system, and examining the impact of decisions made in court cases on businesses and individuals.

In this unit, you will examine the characteristics of criminal and civil law in order to determine situations that may result in court actions or settlement by alternative means. You will investigate the different courts in England and Wales and examine how they arrive at decisions. You will research case law, acts of parliament and European Union (EU) laws. You will explore how different laws apply to everyone and how laws are used and applied to real-life cases.

This unit will give you an insight into the relevance and importance of law to the business sector. It will enable you to make an informed choice on the suitability of law as a specialism for study or employment.

Learning aims

In this unit you will:

A Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes

B Investigate the role of the legal profession and lay people in contributing to case outcomes

C Explore sources of law relevant for providing legal advice.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes	**A1** Meaning, purpose and terminology of the law **A2** The role and jurisdiction of criminal first instance and appeal courts **A3** The role and jurisdiction of civil first instance and appeal courts **A4** Alternative dispute resolution (ADR)	An individual presentation on the appropriate courts and personnel for settlement of cases, for given scenarios/case studies, and the practice and procedures used in both civil and criminal courts to come to a verdict or decision.
B Investigate the role of the legal profession and lay people in contributing to case outcomes	**B1** Different types of judges and their roles **B2** Different types of lawyers and their roles **B3** Participation of lay people and their roles	
C Explore sources of law relevant for providing legal advice	**C1** Judicial precedent **C2** How acts of Parliament are created and applied to cases **C3** Types of European legislation and their influence on domestic law	An individual presentation to demonstrate the legislative process, precedent and statutory interpretation rules. An individual report on how far the sources of law provide certainty for lawyers giving legal advice and the impact of European Union (EU) law.

Content

Learning aim A: Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes

A1 Meaning, purpose and terminology of the law

- Rights and duties, law and morality, law and rules.
- Purpose of law, e.g. protection, upholding rights, maintaining order, delivering justice, evaluation of effectiveness of the legal system.
- Differences between criminal law and civil law, purpose, remedies, punishment, parties to an action, standard of proof in criminal and civil cases.
- Specific terminology used in civil and criminal cases, case names, current cases, having an impact on business.

A2 The role and jurisdiction of criminal first instance and appeal courts

- Types of offences, including summary, either way and indictable offences, verdicts and potential consequences.
- The role and function of the magistrates' court, Crown court, Court of Appeal, Supreme Court and Court of Justice of the European Union (CJEU).
- Magistrates' court:
  - civil and criminal jurisdiction
  - summary trials
  - plea
  - either way cases
  - committal and youth court.
- Crown court:
  - jurisdiction
  - first
  - second and third tier.
- Court of Appeal:
  - criminal division
  - permission to appeal.
- Supreme Court:
  - jurisdiction for civil and criminal cases
  - permission to appeal.

A3 The role and jurisdiction of civil first instance and appeal courts

- Types of civil issues, case allocation, liability and potential consequences.
- The role and function of the county court, high court, Court of Appeal, Supreme Court and Court of Justice of the European Union.
- County court:
  - starting a claim
  - allocation to track
  - consequences of legal action.
- High court:
  - allocation
  - divisions
  - Civil Procedure Rules.
- Court of Appeal:
  - civil division
  - permission to appeal.
- Supreme Court:
  - jurisdiction for civil cases
  - permission to appeal.

- The Court of Justice of the European Union:
  o the main court
  o the general court
  o civil service tribunal
  o judicial and supervisory role.
- Application and evaluation of roles and jurisdictions to case decisions, both civil and criminal.

A4 Alternative dispute resolution (ADR)

- Tribunals, arbitration, mediation, conciliation, negotiation.
- Comparison with each other and with civil courts, advantages, disadvantages.
- Issues, e.g. cost, time, privacy, appeals, formality, representation, accessibility, appropriateness.

Learning aim B: Investigate the role of the legal profession and lay people in contributing to case outcomes

B1 Different types of judges and their roles

- The judicial hierarchy.
- Appointment, selection, skills, training and roles.
- Ceasing to be a judge.
- Application and evaluation of roles and jurisdictions to case decisions, in civil and criminal courts and ADR.

B2 Different types of lawyers and their roles

- Solicitors and barristers:
  o work
  o roles
  o skills
  o differences
  o training and qualifications.
- Paralegals, roles.
- Application and evaluation of roles and jurisdictions to case decisions, in civil and criminal courts and ADR.

B3 Participation of lay people and their roles

- Juries:
  o selection
  o eligibility
  o role in criminal and civil cases.
- Magistrates:
  o selection
  o appointment
  o training and role.
- Evaluation of the roles, use, their place in the court system and in ADR.

Learning aim C: Explore sources of law relevant for providing legal advice

C1 Judicial precedent

• How it works, binding, persuasive, distinguishing, overruling, reversing.

• Advantages and disadvantages, evaluation and application.

C2 How acts of Parliament are created and applied to cases

• The legislative process.

• Delegated legislation.

• Statutory interpretation, rules and aids to interpretation, evaluation and application.

C3 Types of European legislation and their influence on domestic law

• Types of European legislation, law making in the European Union and impact on domestic law.

• Evaluation of influence and impact, and application.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes		
A.P1 Using case examples, accurately apply and explain the jurisdiction of civil courts. **A.P2** Using case examples, accurately apply and explain the jurisdiction of criminal courts.	**A.M1** Compare and contrast the criminal and civil court hierarchies and appeal routes, demonstrating accurate use of legal terminology, case law citation and application, to both civil and criminal law situations.	**A.D1** Evaluate how dispute solving in the courts compares with methods of ADR. **B.D2** Evaluate the effectiveness of lay personnel in the English courts and ADR.
Learning aim B: Investigate the role of the legal profession and lay people in contributing to case outcomes		
B.P3 Using case examples, accurately apply and explain the role in the civil courts and ADR of the legal profession and lay people. **B.P4** Using case examples, accurately apply and explain the role in the criminal courts of the legal profession and lay people.	**B.M2** Compare and contrast the role and function of lawyers and lay people in the English courts and ADR.	
Learning aim C: Explore sources of law relevant for providing legal advice		
C.P5 Demonstrate how the legislative process would apply in given scenarios. **C.P6** Explain the rules of precedent and statutory interpretation through accurate application in given scenarios.	**C.M3** Analyse the impact European law has had on domestic law in given situations.	**C.D3** Evaluate how far the sources of law provide certainty for lawyers giving legal advice.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to law reports and statutes.

Essential information for assessment decisions

It is essential that learners do not copy large sections of information from textbooks or websites. Centres need to prepare a variety of detailed case studies or scenarios, which allow learners to use their own words and fully demonstrate their understanding and application of the law and its processes using problem-solving, decision-making, analytical and critical-thinking skills.

It is also essential that learners reference all sources correctly. If a presentation format is selected a detailed observation sheet must be provided for each verbal presentation for each learner.

To have first-hand experience as a basis for their evaluation, it is desirable that learners attend and watch cases in different courts, and see the process and personnel in action. Court staff, local solicitors and barristers are often willing to speak to learners. If a presentation format is selected, a detailed observation sheet must be provided for each verbal presentation for each learner.

Learning aims A and B

For distinction standard, learners will support their advice and judgements on jurisdictions, appeals ADR, personnel and roles with a comprehensive discussion and evaluation. Learners must include individual and original examples to demonstrate clear understanding and justification of their arguments and conclusion. Advice will be detailed, professional and presented appropriately.

For merit standard, learners will demonstrate a clear understanding of the courts, appeals, ADR and personnel. Their advice, communication and application will be professional, showing understanding and appropriate application, accurately covering both first instance and appellate situations and personnel. They will demonstrate good analytical skills covering all roles, actions and outcomes.

For pass standard, learners will demonstrate in their submission that their work is professional and appropriate, showing basic but clear understanding and application of where cases are dealt with at first instance, although some of the finer points of appellate jurisdictions may not be fully evidenced. They will show clear understanding and application relating to personnel and their roles. If making a verbal presentation, learners will be prepared to answer audience questions, and show a firm grasp and understanding of the information presented.

Learning aim C

For distinction standard, learners will provide an evaluation based on the application of precedent and statutory interpretation to case study. The work will be professional and show clear application, explanation and understanding. The supporting materials must be comprehensive, including clear examples of binding, persuasive, distinguishing, reversing and overruling precedents, together with some basic understanding and application of statutory interpretation rules.

For merit standard, learners will demonstrate individual analysis of the impact EU laws have on domestic laws in given scenarios. Learners will explain the distinction between the application of the various forms of EU laws, such as directives and regulations and be able to describe how concepts such as direct effect and supremacy of EU law would impact on domestic laws.

For pass standard, learners will demonstrate their knowledge of the legislative process by explaining how it would apply to given scenarios. Through these scenarios, learners will be able to explain what happens at each of the different stages of the legislative process and demonstrate their understanding of the distinction between the different types of Bill. Learners will also be able to explain the various forms of delegated legislation and identify which would be the most appropriate form in given scenarios. Learners should support their explanation of both the legislative process and delegated legislation with reference to appropriate examples.

Learners are also required to demonstrate their understanding of how legal rules are interpreted and created by judges. Learners will be able to explain the operation of judicial precedent and demonstrate their understanding of the distinction between a binding and persuasive precedent. They will apply in given scenarios the methods by which judges are able to avoid a binding precedent through overruling, distinguishing and reversing. For statutory interpretation, learners will be able to explain the various methods used by judges to interpret a statute, including the rules of interpretation and the rules of language. Learners will be able to apply in given scenarios which methods of statutory interpretation will be the most suitable. Once again, the application of the rules of statutory interpretation and judicial precedent should be supported by reference to examples, such as case law.

Links to other units

This unit links to:

- Unit 24: Employment Law
- Unit 25: Aspects of Civil Liability Affecting Business
- Unit 26: Aspects of Criminal Law Impacting on Business and Individuals

Employer involvement

Centres may involve employers in the delivery of this unit if there are local opportunities.

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 24: Employment Law

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore how a business meets legal obligations relating to employment rights. They will consider processes associated with solving employment disputes.

Unit introduction

It is essential that all employees understand their employment rights and duties. This unit considers the important legal rights, duties, documents and remedies available under law.

In this unit, you will gain an understanding of important employment documents, the rights and duties of both employees and employers, and the effect of non-compliance with the law. You will explore the process of resolving work-related disputes, make judgements on tribunal decisions and explore the support available from other organisations.

By investigating employment law, you will have a good foundation for employment. Undertaking research and discussion on employment issues with other people will give you an understanding of the process of law. You will also develop communication skills through discussion and presentations. Employment law is a specialist area and can help you develop a career in human resources and management.

Learning aims

In this unit you will:

A Examine employment rights and how those rights impact on a business and its employees

B Investigate the importance of equality within the workplace and the influence of support organisations

C Explore the legal approaches used to resolve employment work-based issues.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine employment rights and how those rights impact on a business and its employees	**A1** Basic employment rights available to all employees **A2** Contracts of employment and other documentation	A guide for a new employee on rights, duties and documents. A presentation applying the basic laws relating to employment and equality and the effect of non-compliance on a given business. A briefing sheet on relevant support organisations. A fully justified report, or brief, giving advice on the impact of compliance and non-compliance with employment and equality rights in the workplace on the employer and employee, including a discussion on these rights and support available.
B Investigate the importance of equality within the workplace and the influence of support organisations	**B1** Ensuring equality in employment **B2** Organisations who can support the rights of the employer and employee	
C Explore the legal approaches used to resolve employment work-based issues	**C1** Grounds for the termination of employment **C2** Formal and informal methods of resolving problems in the workplace	A presentation applying the basic laws relating to termination of employment, using case studies. A briefing sheet giving advice in problem work scenarios. A fully justified report, or brief, giving advice on the impact and effectiveness of formal and informal grievance and disciplinary procedures on employees and businesses.

Content

Learning aim A: Examine employment rights and how those rights impact on a business and its employees

A1 Basic employment rights available to all employees

- Pay, National Minimum Wage, National Living Wage, authorised and non authorised deductions e.g. authorised – National Insurance, non unauthorised – anything not required by law or authorised in contract of employment, timing of payment.
- Holiday entitlement: full- and part-time employees.
- Family:
  o parental leave
  o time off for family and dependants and unpaid parental leave.
- Workplace, e.g. rights associated with flexible working, time off for trade union duties, access to a trade union representative in the event of a grievance, weekly and daily rest breaks, not to be harassed or discriminated against, 'whistle blowing', rights to study and training if aged 16-17.
- Duties of employer:
  o provide work
  o pay
  o health and safety compliance.
- Duties of employee:
  o obey reasonable instructions/orders
  o not to steal
  o comply with health and safety legislation.
- Evaluation, application of case law and statutes.

A2 Contracts of employment and other documentation

- Types of contract:
  o full-time permanent
  o part-time
  o temporary
  o fixed term
  o trainee
  o zero hours
  o flexible.
- Formation of a contract:
  o offer
  o acceptance
  o consideration
  o intention to create legal relations.
- Express and implied terms, terms incorporated through custom and practice, unfair contractual terms.
- Commencement of a contract.
- Determining if the employee is employed or self-employed.
- Changes to a contract.
- Employees right to written details about the employment contract, e.g. where it can be found if not a single document, timescales for issuing to a new employee, what to do if a written statement is not received.
- Contents of the written statement of employment particulars, e.g. business name, employee's name, job title and/or job description, start date, if a previous job counts towards service, how much and when the employee will be paid, hours of work and the days/times that work will be undertaken, details relating to overtime, holiday entitlements, location of work.

- Other contents, e.g. length of temporary employment, end date of fixed contract, notice periods, collective agreements, pension details, processes for dealing with a grievance, how to complain.
- Access to information or policies on sick pay, disciplinary, grievance and dismissal procedures.
- Content of a contract of employment, reasons for having a contract of employment versus statement of particulars.
- Evaluation, application of case law and statutes.

Learning aim B: Investigate the importance of equality within the workplace and the influence of support organisations

B1 Ensuring equality in employment

- Protected characteristics, definition and description (Equality legislation), e.g. age, disability, gender reassignment, marriage and civil partnership, parental, race, religion or belief, sex, gender identification, sexual orientation – need for employee training to avoid work-based problems.
- Prohibited conduct, e.g. direct and indirect discrimination, violence, bullying, theft, illegal use of electronic communication, harassment, gambling on the job, verbal and physical abuse, practices relevant to the specific business.
- Evaluation, application of case law and statutes.

B2 Organisations who can support the rights of the employer and employee

- The Advisory, Conciliation and Arbitration Service (ACAS).
- Trade unions.
- Health and Safety Executive (HSE).
- Citizens Advice.
- Equality Advisory and Support Service (EASS).
- Law centres.
- Tribunal service and Employment Appeal Tribunal (EAT).
- European Court of Human Rights.
- Confederation of British Industry (CBI).

Learning aim C: Explore the legal approaches used to resolve employment work-based issues

C1 Grounds for the termination of employment

- An employee can leave their place of work for a variety of reasons:
  o distinction between probationary and permanent rights
  o resignation
  o capability
  o conduct
  o redundancy
  o where the employee cannot continue in their post because this would break the law
  o some other substantial reason that justifies dismissal of the employee from the job they do
  o wrongful, unfair or constructive dismissal
  o evaluation
  o application of case law and statutes.

C2 Formal and informal methods of resolving problems in the workplace

- Grievance and disciplinary procedures are used to ensure that the process of complaint is fair and transparent for both sides. Where appropriate, there should be an accurate written record.
- Reference to the contract of employment.
- Deciding if the problem constitutes a formal or informal work-based problem, disciplinary meetings, use of mediation.
- Use and reference to the businesses' grievance and disciplinary policy, procedures, investigation, use of representatives, formal and informal meetings, decision and further action, written record, use of verbal and written warning.
- Role of ACAS.
- Tribunals: procedures, using the decisions of the Employment Appeal Tribunal.
- Compensation for redundancy, calculation.
- Ensuring the employee is not unfairly dismissed.
- Collective disputes and their resolution.
- Evaluation.
- Application of case law and statutes.

Assessment criteria

Pass	Merit	Distinction	
Learning aim A: Examine employment rights and how those rights impact on a business and its employees			
A.P1 Explain, using case scenarios, what the written statement of employment particulars and the contract of employment must include to comply with the law. **A.P2** Provide advice to a business on the effects of non-compliance with the written statement of employment particulars.	**A.M1** Analyse the impact of employment rights on employees, applying appropriate current law.	**A.D1**	Evaluate the impact that employment rights in the workplace have had on businesses, using decided cases and recent statutes to justify conclusions.
Learning aim B: Investigate the importance of equality within the workplace and the influence of support organisations			
B.P3 Explain, using case scenarios, how compliance with equality issues can help employers and employees. **B.P4** Discuss how relevant organisations can support the rights of employers and employees.	**B.M2** Analyse the support available from relevant organisations to employees to ensure equality in the workplace.	**B.D2**	Evaluate the impact that support from organisations has had in ensuring businesses comply with equality legislation in the workplace.
Learning aim C: Explore the legal approaches used to resolve employment work-based issues			
C.P5 Present client advice, explaining the ways employment can be terminated. **C.P6** Present client advice, explaining how formal and informal problems in the workplace can be resolved.	**C.M3** Analyse how formal and informal grievance and disciplinary procedures can be used to determine the potential outcome of work-based problems. **C.M4** Discuss the likely consequences if a problem cannot be resolved in the workplace.	**C.D3**	Evaluate the impact and effectiveness of formal, and informal, grievance and disciplinary procedures on employees and businesses, using appropriate illustrations to substantiate a conclusion.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners will need access to law reports and statutes.

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will support their evaluations of the impact on both employers and employees with individual and original statements and examples. They will demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion. The application of the law to the scenarios must include the relevant decided cases and statutes to support the advice given.

The briefing sheet on support organisations must be professional, business-like and suitable for presentation by a lawyer/adviser to clients. If a presentation is made, learners must be prepared to answer audience questions on their presentation and show a firm grasp and understanding of the information presented, at all levels. A detailed observation statement will be provided for each learner.

For merit standard, learners will demonstrate a considered and comprehensive understanding of all areas of law covered by the assignment and assessment criteria. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios or case studies. The application of the law to the scenarios must include application and analysis, using relevant decided cases and statutes to provide comprehensive and appropriate advice.

For pass standard, learners will show their understanding of employment rights and documents. The scenarios or case studies must be drafted so that learners demonstrate problem-solving, decision-making and analytical skills. An explanation of each of the elements will be clear and detailed and written in the learner's own words to convey a clear understanding of laws relating to employment and equality rights.

Learning aim C

For distinction standard, learners will provide a professional report that supports their evaluations with individual and original statements and examples. They will demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion. The scenarios must be drafted so that they require learners to demonstrate problem-solving, decision-making and analytical skills. An explanation of each criterion will be clear, detailed and professional; presented in the learner's own words to indicate a clear understanding. The application of the law to the scenarios, or case studies, will include all relevant decided cases and statutes to support the advice given. Learners will have shown individuality and independence in their presented assessment evidence.

For merit standard, learners will demonstrate individual analysis on grievance and disciplinary procedures, they will demonstrate a considered and comprehensive understanding of this area of law. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios. The application of the law to the scenarios will include relevant decided cases and statutes to provide detailed advice. The briefing sheet and report must be professional, business-like and suitable for presentation by a lawyer/adviser to clients.

For pass standard, learners will demonstrate a clear understanding, explanation and application of the law relating to termination of employment and, work-based problems to the case studies/scenarios in a presentation and briefing sheet.

Links to other units

This unit links to:
- Unit 23: The English Legal System
- Unit 25: Aspects of Civil Liability Affecting Business
- Unit 26: Aspects of Criminal Law Impacting on Business and Individuals.

Employer involvement

Centres may involve employers in the delivery of this unit if there are local opportunities.

This unit would benefit from employer involvement in the form of:
- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 27: Work Experience in Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the benefits of work experience in business. They reflect on their practical workplace skills by completing forty hours of appropriate work experience.

Unit introduction

Are you thinking about a career in business and would like to gain experience to prepare for the kind of job you would like to do? Work-related learning opens your eyes to a range of opportunities in business. It gives you first-hand practical experience and the chance to see what a variety of different jobs are really like, including some you may never have considered. It will give you a means of documenting practical experience, planning for personal and professional development and reflecting on your own skills.

In this practical unit, you will learn about different types of work-related learning and their benefits. You will learn what information you need before starting the placement, and how the placement can help you to develop key competencies needed for employability, such as self-management, team working, problem-solving and communication skills. You will learn more about the expectations of different roles. You will research and take on relevant work experience, and evaluate your performance through a reflective journal.

Work experience is highly valued by employers for a variety of careers in the business sector; employers are looking to recruit those who have some knowledge of the world of work. A record of your work experience is also an advantage for higher education level study and courses.

Learning aims

In this unit you will:

A Investigate opportunities for work-related learning

B Carry out work experience in an appropriate and safe manner

C Reflect on work experience undertaken and its influence on own personal and professional development.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Investigate opportunities for work-related learning	**A1** Work-related learning **A2** Outcomes and benefits of work experience **A3** Planning for work experience	A resource portfolio including details of research into a placement.
B Carry out work experience in an appropriate and safe manner	**B1** Induction **B2** Role and tasks **B3** Working safely	A diary/journal/log/online blog and portfolio. This will cover tasks done and refer to health and safety.
C Reflect on work experience undertaken and its influence on own personal and professional development	**C1** Learning from work placement **C2** Using feedback and setting goals	Reflection for a personal/professional development portfolio (PDP).

Content

Learning aim A: Investigate opportunities for work-related learning

A1 Work-related learning (a minimum of 40 hours in total is required)

- Work experience opportunities, work placement: a period of work experience arranged with an employer.
- Voluntary work: any type of work undertaken for no payment.
- Part-time work: paid or unpaid work undertaken.

A2 Outcomes and benefits of work experience

- Clarifying career goals.
- Gaining insight into the way businesses operate and the challenges they face.
- Increasing skills and knowledge.
- Networking.
- Understanding a particular job or industry.
- Gaining referees.
- Attending in-house training courses.

A3 Planning for work experience

- Opportunities for work experience.
- Gaining information about the business, e.g. company leaflets, brochures or website, learners who have previously been on a work placement at the same business, staff from the business, conversation or correspondence with business.
- Key information, e.g. hours of work, absence procedures, dress code, practical considerations such as DBS checks.
- Application process.

Learning aim B: Carry out work experience in an appropriate and safe manner

B1 Induction

- Information about the business, e.g. structure, features.
- Work placement roles.
- Health and safety responsibilities, e.g. evacuation procedures, first-aid procedures, reporting hazards.
- Reporting absence and late arrival.
- Confidentiality.
- Shadowing.

B2 Role and tasks

- Carrying out activities within the extent and limitations of role and responsibilities.
- Understanding how the role will develop key competencies needed for employability, e.g. self-management, teamwork, problem-solving, communication skills.
- Following instructions.
- Communicating with others.
- Self-management.
- Appropriate interaction.

B3 Working safely

- Identifying potential risks and hazards, e.g. slipping on wet floor, tripping over trailing wires, loud noise resulting in hearing loss, breathing in toxic substances.
- Personal safe conduct, e.g. applying organisational procedures, following and upholding health and safety rules, safe lifting, applying guidelines from training manual, following dress codes, personal safety equipment.

Learning aim C: Reflect on work experience undertaken and its influence on own personal and professional development

C1 Learning from work placement

- Reflection on knowledge gained:
  - knowledge of new vocational area or area of interest
  - confirming whether or not to work in a particular sector or industry
  - to find out further information about a particular career, industry or business.
- Reflection on skills used and gained.
- Personal skills:
  - communication
  - problem solving
  - self-confidence
  - assertiveness
  - flexibility
  - positive approach.
- Work skills:
  - IT
  - teamwork
  - note taking
  - meeting attendance
  - punctuality
  - telephone/online manner
  - business and customer awareness
  - following instructions.
- Reflection on experiences gained:
  - identifying what went well and what could be improved
  - challenges faced
  - problems arising and how these were overcome or resolved.

C2 Using feedback and setting goals

- Feedback from tutors, supervisors, mentors and peers, e.g. identifying areas of positive and constructive feedback, highlighting areas for improvement.
- Setting goals for personal and professional development, e.g. short-term, long-term, personal, work-related goals, skills development, qualifications targeted.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Investigate opportunities for work-related learning		
A.P1 Describe three realistic opportunities for work experience in business and how each can prepare you for the workplace. **A.P2** Explain your preparation for a selected work experience opportunity.	**A.M1** Analyse the benefits of work experience and how it can support you in gaining a realistic understanding of opportunities in business.	**A.D1** Evaluate how preparing for work experience can support your understanding of the workplace and appropriate career opportunities.
Learning aim B: Carry out work experience in an appropriate and safe manner		
B.P3 Complete a logbook which explains your role in a selected appropriate work experience. **B.P4** Describe in your logbook the activities you undertook in the workplace.	**B.M2** Analyse the importance of carrying out your role in a safe and appropriate manner.	**B.D2** Evaluate the effectiveness of the business's induction and health and safety practice, making recommendations for improvement.
Learning aim C: Reflect on work experience undertaken and its influence on own personal and professional development		
C.P5 Review own strengths and areas for development during work experience. **C.P6** Identify improvements to be made to own personal and professional skills in response to feedback from work experience.	**C.M3** Assess your performance during work experience, making recommendations for personal and professional development.	**C.D3** Evaluate your work experience, drawing reasoned conclusions as to how it can support your future career.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

A work placement is necessary (a minimum of 40 hours in total is required).

Essential information for assessment decisions

Learning aims A and B

For distinction standard, learners will carry out in-depth research and select relevant evidence to show how they chose an appropriate work experience opportunity. Learners will successfully use a variety of research techniques, choose and procure an appropriate placement, and produce a fully supported evaluation of the benefits of the placement. Learners will evaluate the health and safety in their placement businesses and make recommendations for any required improvements.

For merit standard, learners will select and apply relevant knowledge of work experience. Learners will demonstrate clear analysis of the benefits of work experience and how it can support them in gaining a realistic understanding of opportunities in business. They will also clearly explain the importance of carrying out their role in their chosen work experience in a safe and appropriate manner.

For pass standard, learners will carry out research that allows them to initially describe appropriate work experience opportunities and how they prepared for the work experience.

Learning aim C

For distinction standard, learners will carry out in-depth reflection on their work experience and its benefits for their career in the future. Learners will come to a reasoned conclusion, supported by relevant evidence and feedback from others, as to their strengths and weaknesses and reflect on opportunities for improvement.

For merit standard, learners will reflect to show that they have assessed the workplace skills they have demonstrated and, listening to the feedback from others, the skills they will need in future workplaces. Learners will be able to successfully support their assessment with examples from the work experience.

For pass standard, learners will reflect to show an understanding of the skills needed in the workplace, both personal and professional, and use the feedback gained to suggest goals for improvement.

Links to other units

This unit links with all other units in the specification.

Employer involvement

Centres may involve employers in the delivery of this unit if there are local opportunities.

This unit would benefit from employer involvement in the form of:

- guest speakers
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Unit 31: Effective Management of Personal Debt

Level: **3**

Unit type: **Internal**

Guided learning hours: **60**

Unit in brief

Learners will study how borrowing and debt are used in an individual's financial transactions to enable lifestyle choices and to fulfil their needs and wants.

Unit introduction

The use of debt to finance the purchase of cars, houses, electronic goods, furniture and other goods and services is commonplace in the UK. Levels of consumer debt have an impact on the economy and on the lives of those who use credit. The effective management of personal debt and its repayment is key to an individual's financial wellbeing.

In this unit, you will learn about how borrowing can be used in everyday life and the advantages it can offer, and how debt can be managed effectively. You will also learn about the methods of resolution available for unmanageable debt.

In this unit you will develop a sound knowledge of debt and its management, which will help you to progress to study debt-related subjects at a higher level, including professional qualifications and degree-related programmes in financial services, and to progress to employment in financial services.

Learning aims

In this unit, you will:

A Understand the use of personal debt and its impact on the individual and society

B Explore sources of debt advice and management strategies available for individuals

C Develop a budget plan to service and manage debt for an individual.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Understand the use of personal debt and its impact on the individual and society	**A1** Debt and the individual **A2** Impact of personal debt on an individual **A3** Personal debt and society **A4** Personal indebtedness	An article relating to: • use of debt to finance lifestyle and societal, and wider environmental factors that have influenced the use of consumer debt • ways that debt might impact on an individual throughout their financial lifecycle.
B Explore sources of debt advice and management strategies available for individuals	**B1** Debt advice sources **B2** Debt management strategies and credit solutions **B3** Consequences of debt management strategies	A report, guide or case study that details: • organisations that provide debt advice or counselling • the main types of formal and informal debt-management strategies available to the individual and the potential consequences for the individual.
C Develop a budget plan to service and manage debt for an individual	**C1** Purpose of effective financial planning **C2** Planning and producing a personal budget plan **C3** Monitor, review and revise a personal budget plan	A personal budget plan for an individual, including: • the benefits of having a plan • a personal budget showing expenditure financed through debt • a cash-flow forecast • monitor and review plans as circumstances change.

Content

Learning aim A: Understand the use of personal debt and its impact on the individual and society

A1 Debt and the individual

Factors that influence the use of consumer debt, such as borrowing for purchases, falling into debt for everyday living needs.

- Levels of personal debt, to include:
  - historical levels of personal debt compared to current borrowing patterns
  - current levels of personal debt, e.g. household debt, unsecured credit, car finance, student loans, mortgages.
- Consumerism, to include:
  - the concept that an increasing consumption of goods is economically desirable
  - potential advantages, including lower cost of living, increase in demand for goods and services, leading to wider choice and increase in employment
  - potential disadvantages, including quality of goods and services, waste of resources and duplication, lower wages and poorer working conditions
  - longer-term effects on the economy and the sustainability of increased levels of debt.

Consumer rights and consumer protection to include relevant legislation relating to debt and affordability, consumer body protection.

- Technological change and the packaging of debt based purchase options for consumers, including:
  - cashless transactions
  - app-based payment systems
  - instant decision credit on purchases and 'buy now pay later' options
  - automated credit underwriting
  - pre-approvals and instant acceptance of credit application.

A2 Impact of personal debt on an individual

The financial lifecycle of the individual, the choices to be made at each stage and factors that may limit the borrowing capacity of an individual.

- The stages in an individual's financial lifecycle, to include:
  - childhood
  - adolescence
  - young adult
  - middle age
  - old age.
- Advantages to individuals of personal debt, including:
  - purchase of assets that can appreciate in value
  - using debt to make major purchases rather than withdrawing funds from savings
  - using debt to provide assets that would otherwise be unaffordable, e.g. house, car.
- Physical and mental effects, e.g. stress and depression, relationships – family conflict, loss of community standing.
- Access to credit and limiting factors, to include:
  - eligibility for credit to include age, income, county court judgments (CCJs), credit history, number of credit accounts.
- Lifestyle choices:
  - employment patterns
  - regularity of credit usage
  - cultural restrictions including religious beliefs.

A3 Personal debt and society

The ways in which an individual's personal debt choices are impacted by, and impact on, the wider society.

- Changing attitudes to debt in society caused by changes in technology, to include:
  - purchasing habits
  - everyday transactions
  - needs, wants and lifecycle influences
  - credit history and ratings.
- Normalisation of borrowing through growth in businesses, including payday lenders, guarantor and logbook loans, personal asset sales.
- Demographics to include age, culture, social status.
- Wider external factors to include lengthy periods of low interest rates, government economic decision making, e.g. the Bank of England, the Office for Budget Responsibility (OBR) forecasts.
- Factors that can limit or promote debt to include:
  - unplanned purchases, one-off costs and charges, uninsured loss
  - lifecycle changes, e.g. marriage, retirement, house purchase
  - ease of access to credit
  - unforeseen circumstances, e.g. illness, loss of employment, loss of state benefits
  - default on existing debt being resolved by additional borrowing
  - behaviours and mind set to include debt aversion, debt tolerance.
- Consequences, including debt poverty, family breakdown, disincentive to find employment, narrowing of employment choices to reward based occupations, financial exclusion.

A4 Personal indebtedness

The benefits and risks to an individual of using different types of lending products.

- Secured lending products, to include mortgages, hire purchase, homeowner loans:
  - benefits, including lower credit ratings accepted, greater borrowing secured against equity, relatively low interest rates, longer repayment periods
  - risks, including falling into arrears, eviction and repossession, legal proceedings, employment termination, limitations to future employment opportunities.
- Unsecured lending products, including personal loans, overdrafts, credit cards, 'payday' loans:
  - benefits, to include increasing working capital, cash flow management, ease of access, flexibility, creation of good credit history
  - risks, to include falling into arrears, legal proceedings, employment termination, limitations to future employment opportunities.

Learning aim B: Explore sources of debt advice and management strategies available for individuals

Reasons why an individual seeks debt advice and management strategies, and the types of advice and resolution available.

B1 Debt advice sources

- Providers of debt advice, to include:
  - central government, e.g. Money Advice Service
  - local government
  - debt-counselling charities and advice agencies, including Citizens Advice and StepChange
  - commercial providers, including banks, building societies, credit unions
  - specialist debt-management services
  - costs associated with debt counselling, e.g. charges, consultation fees, administration fees.

B2 Debt management strategies and credit solutions

The characteristics of the main formal and informal methods of easing and resolving personal debt.

- Debt consolidation.
- Pre-payments.
- Regular payment schemes.
- Individual voluntary arrangements.
- Debt relief orders.
- Bankruptcy.
- Debt-management plans.

B3 Consequences of debt management strategies

Impact on the individual of making use of common debt-management strategies.

- Financial consequences, to include:
  o ability to access credit and financial services now and in the future
  o restrictions or increase in spending
  o legal and contractual obligations
  o ongoing costs.
- Personal and family consequences, e.g. changes in lifestyle, reduction in disposable income, changes patterns of personal consumption.

Learning aim C: Develop a budget plan to service and manage debt for an individual

The importance to an individual of choices made based on what is affordable and the use of a personal budget plan.

C1 Purpose of effective financial planning

- Planning, monitoring and controlling of personal finance.
- Household budgeting.
- Being able to meet unexpected expenses.
- Being able to save for the future.
- Meeting financial obligations and agreements.
- Personal cash flow forecast, to include prioritisation of budget items.

C2 Planning and producing a personal budget plan

- Typical income sources, to include earnings from employment, investments, interest on savings, gifts, inheritance, universal and discretionary benefits, pensions, child maintenance.
- Typical expenditure items, to include rent, mortgage, rates, utilities, insurance, transport, food, clothing, holidays, entertainment and leisure, education, subscriptions, pension contributions, child maintenance.
- Timings of income and expenditure and its affect on cash flow in servicing debt.
- Payments in advance.
- Payments in arrears.
- Regular and irregular payments.
- Methods of budgeting:
  o templates, to include personal budget planner tools and software available from sources including Money Advice Service, high-street banks, debt charities
  o use of software applications used by individuals to manage personal budgets.

C3 Monitor, review and revise a personal budget plan

- Using sources of advice, e.g. StepChange, Citizens Advice.
- Costs incurred, to include essential, non-essential, recurring.
- Unexpected costs, e.g. accommodation, living costs, travel, gifts.
- Monitoring schedule and plans to include frequency and reconciliation against income and expenditure.
- Changing financial lifecycle considerations, e.g. family changes, retirement, upsizing or downsizing, caring responsibilities.
- Benefits and limitations of personal budget plans, to include:
  o benefits, to include control over money, ability to monitor cash flows, plan for future expenses and purchases, prevent overspending, allows for contingency saving, avoidance of penalties, interest charges, fees for late or missed payments
  o limitations, to include ability to predict future events, inaccuracy of data and incorrect assumptions on future costs, e.g. fuel or cost of living increases, inflexibility and short termism in decision making, spending to the budget.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand the use of personal debt and its impact on the individual and society		**A.D1** Evaluate the impact on the individual and wider society of growth in the use of personal debt, considering the factors affecting change.
A.P1 Explain the impact on the individual of the growth in the use of personal debt. **A.P2** Explain the impact on society of the growth in the use of personal debt, considering factors affecting change.	**A.M1** Analyse the impact on the individual and wider society of growth in the use of personal debt, considering factors affecting change.	
Learning aim B: Explore sources of debt advice and management strategies available for individuals		**B.D2** Evaluate the role of debt-advice sources, considering in detail the appropriateness of formal and informal debt-management strategies for an individual.
B.P3 Explain the sources of debt advice available to an individual. **B.P4** Explain the types of formal and informal debt-management strategies available to an individual.	**B.M2** Analyse the role of debt-advice sources, considering the appropriateness of formal and informal debt-management strategies for an individual.	
Learning aim C: Develop a budget plan to service and manage debt for an individual		**C.D3** Produce a comprehensive personal budget plan for an individual, monitoring the budget and making revisions to reflect changes in an individual's financial circumstances.
C.P5 Produce a personal budget plan for an individual. **C.P6** Produce revisions to reflect changes in an individual's financial circumstances.	**C.M3** Produce a detailed personal budget plan for an individual, making revisions to reflect changes in an individual's financial circumstances.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of three summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aim: B (B.P3, B.P4, B.M2, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3).

Further information for teachers and assessors

Resource requirements

The personal budgeting templates and plans for statistical and economic data, and the debt resolution advice and strategies that might be required for this unit can be widely accessed through UK central and local government websites. They are also freely available at high-street banks, debt charities and consumer advice organisations.

Essential information for assessment decisions

Learning aim A

Learners will write a series of articles for a money advice web site.

For distinction standard, learners will research the impact on society of the growth in the use of personal debt. They will make thorough use of historical and current economic data to support their conclusions and make well-qualified judgements on whether or not current personal debt levels are beneficial to the overall economy. Their judgements must be based on the factors that have affected these changes in society and individuals. The articles must be professionally written and well structured, using fully correct economic and financial terminology, they must be produced to a high quality standard.

For merit standard, learners will research the impact on society of the growth in the use of personal debt. They will make good use of historical and current economic data to support their conclusions. They should make some qualified judgements on whether or not current personal debt levels are beneficial to the overall economy and can be sustained. Their judgements must include some analysis of factors that have affected these changes in society and individuals. The articles must be mostly professionally written and mostly well structured, using appropriate economic and financial terminology, they must be produced to a good quality standard.

For pass standard, learners will explain the impact on society of the growth in the use of personal debt. Their work must include consideration of factors that have affected these changes in society and individuals. The articles must be structured, using some economic and financial terminology, they are produced to a clear standard for the given audience.

Learning aim B

Learners will independently produce a guide for individuals that may be posted on a debt advice web site.

For distinction standard, learners will research and evaluate the role of debt-advice sources and be able to justify the appropriateness of formal and informal debt-management strategies. They must demonstrate a comprehensive understanding of when formal and informal debt-management strategies would be most suitable to an individual's needs. Their work must be professionally written and well structured, using fully correct financial and legal terminology, it must be produced to a high quality standard.

For merit standard, learners will research and analyse the role of debt-advice sources and be able to assess the appropriateness of formal and informal debt-management strategies. They must demonstrate a detailed understanding of when formal and informal debt-management strategies would be most suitable to an individual's needs. Their work must be mostly professionally written and mostly well structured, using mostly correct financial and legal terminology, it must be produced to a good quality standard.

For pass standard, learners will research and explain the role of debt-advice sources and be able to show the appropriateness of formal and informal debt-management strategies. They must demonstrate some understanding of when formal and informal debt-management strategies would be suitable to an individual's needs. Their work must be structured, using some correct financial and legal terminology, it will be written in good-quality language.

Learning aim C

For distinction standard, learners will produce a comprehensive personal budget plan for an individual, monitoring the budget and making revisions to reflect changes in an individual's financial circumstances. The plan will list all forms of individual income and expenditure, including a detailed cash-flow forecast predicting when funds will be received and paid out. The plan will have a contingency for unexpected expenses. The plan will set a clear schedule for monitoring and for revisions to be made, in a well-defined and highly organised way.

For merit standard, learners will produce a detailed personal budget plan for an individual, monitoring the budget and making revisions to reflect changes in an individual's financial circumstances. The plan will list most forms of individual income and expenditure, including a cash-flow forecast predicting when funds will be received and paid out. The plan will also have a contingency for unexpected expenses. The plan will set a clear schedule for monitoring and for revisions to be made, in a mostly well-defined and organised way.

For pass standard, learners will produce a simple personal budget plan for an individual and make revisions to reflect changes in an individual's financial circumstances. The plan will list some forms of individual income and expenditure. The plan will also have some contingency for unexpected expenses. The plan will set a schedule for revisions to be made, in a mostly organised way.

Links to other units

This unit links to:
- Unit 1: Exploring Business
- Unit 3: Personal and Business Finance
- Unit 7: Business Decision Making
- Unit 14: Investigating Customer Service
- Unit 23: The English Legal System
- Unit 26: Aspects of Criminal Law Impacting on Business and Individuals
- Unit 27: Work Experience in Business
- Unit 30: Legal Principles and Professional Ethics in Financial Services.

Employer involvement

Centres can involve employers in the delivery of this unit if there are local opportunities to do so. There is no specific guidance related to this unit.

Unit 33: Supply Chain Operations

Level: **3**

Unit type: **Internal**

Guided learning hours: **60**

Unit in brief

Learners will examine how and why purchasing, production and distribution are coordinated to ensure the continuity of cost-effective, efficient business activities.

Unit introduction

How do goods such as new fashion lines and upgraded computer tablets arrive in stores in sufficient quantities, on specific dates, to meet customer demand? Even though they have been designed many months previously and manufactured thousands of miles away?

In this unit, you will examine the components that make up logistical operations, such as inventory management, storage, handling and transportation. You learn how businesses buy materials and goods for their operational activities and how they organise the delivery and distribution of their output to the next stage in the production process – which may be to the final consumer. You will investigate how businesses move materials and manufactured goods from suppliers to customers, so that for all parties in the supply chain production is not interrupted and products are always in stock. You will consider how the supply chain is managed to ensure that it is fully integrated and operated reliably. You will explore how techniques such as just-in-time, controls for inventory management and technology provide real-time information to support the efficient management of business operations.

This unit will help you to progress to further study in higher education or to professional qualifications in buying, logistics and supply chain management. The unit will also help you to progress to employment in supply chain management.

Learning aims

In this unit you will:

A Examine the role of logistics operations in ensuring effective supply chain operations

B Investigate the importance of supply chain organisation and operation to businesses

C Examine the impact of technology on the efficient management of supply chain operations.

Summary of unit

Learning aim	Key content areas	Recommended assessment approach
A Examine the role of logistics operations in ensuring effective supply chain operations	**A1** Inventory management **A2** Storage and handling **A3** Transportation	A report on the operation of two supply chains, one from a growing national business and one from a growing international business. A report suggesting how downstream and upstream supply chain operations can be improved through greater integration.
B Investigate the importance of supply chain organisation and operation to businesses	**B1** Supply chain components **B2** Integrating supply chains **B3** Managing the supply chain **B4** Benefits of supply chain integration	
C Examine the impact of technology on the efficient management of supply chain operations	**C1** Technologies **C2** Technology and supply chain components **C3** The impact of technology	An individual presentation, with a supporting leaflet and report that analyses the technology available and how it can be used to support and improve the management and operation of the supply chain for two contrasting businesses.

Content

Learning aim A: Examine the role of logistics operations in ensuring effective supply chain operations

Learners will need a general understanding of the modern methods of logistics and of how businesses ensure that inventory requirements are calculated and managed so that manufacturers, national retailers and public services meet the needs of their customers.

A1 Inventory management

- Logistics activities in the supply chain, including materials handling, production, packaging, inventory management, warehousing, transportation and security of supplies.
- Purpose of inventories in providing buffers between different supply chain activities to ensure continuing supply chain operations.
- Types of inventory, including opening stock, work in progress, finished goods and safety stocks.
- Costs of carrying inventories such as acquisition and holding costs.
- Techniques for the valuation of inventory such as last in first out (LIFO), first in first out (FIFO), average cost, standard cost.
- Monitoring and controlling inventory using:
  o Pareto analysis and ABC classifications
  o dependent and independent demand
  o materials resource planning (MRP and MRP II)
  o just-in-time supply and Kanban systems
  o consignment stocking and vendor managed inventory.
- Calculating the inventory requirements recognising factors, including:
  o economic order quantity
  o reorder point
  o bullwhip effect
  o materials resource planning
  o service levels for inventory when working with manufacturing, sales and marketing
  o qualitative and quantitative approaches to forecasting.

A2 Storage and handling

- Warehouse location for ensuring efficient supply chain operations.
- Warehouse design to optimise flow, space utilisation and flexibility in handling inventories.
- Methods of efficient inventory handling such as palletisation and unit loads.
- Systems for product coding, such as bar coding and radio frequency identification (RFID), to identify and track product movement.

A3 Transportation

- Modes of freight transportation, including road, rail, air and sea and the reasons for their use.
- International transportation use of incoterms (international commercial terms).
- Techniques for optimising transportation systems and goods movement.
- Reverse logistics to recapture value, including:
  o return of merchandise
  o return of packaging
  o refurbishment
  o safe disposal.

Learning aim B: Investigate the importance of supply chain organisation and operation to businesses

Learners will need to understand how efficient supply chains are structured and how the integrated supply chain creates competitive advantage.

B1 Supply chain components

- Supply chain components, including materials handling, manufacture, packaging, inventory management, warehousing, transportation and security.
- Prioritising customer needs at each stage in supply chain operations.
- Supply chain configurations such as linear and networked, the length of supply chains in terms of the number of supply chain businesses, the location of supply chain businesses and the geographic distance between supply chain businesses.

B2 Integrating supply chains

- Linking the activities of all businesses in the supply chain by:
  - o identifying a supply chain strategy
  - o specifying complementary objectives and policies
  - o developing organisational structures to bridge functional barriers
  - o sharing requirements and needs for goods and services
  - o integrating computer systems that use data common to all businesses
  - o common communication standards such as electronic data interchange (EDI)
  - o agreeing quality standards
  - o specifying and agreeing responsibilities of individual businesses
  - o specifying service levels.

B3 Managing the supply chain

- Performance monitoring using key performance indicators (KPIs), specific, measurable, achievable, realistic, time-constrained (SMART) targets, budgetary control.
- Sources of information, including internal, external, formal reports, ad hoc reports, anecdotal.
- Risks to supply chains, including external shocks (earthquakes, tsunami), lack of capacity by businesses in the supply chain, reliance on a single business, computer system failures (information, finance), domination of the supply chain by an individual business, poor customer service, inter-organisational conflict.
- Managerial actions to restore and improve supply chain operations.

B4 Benefits of supply chain integration

- Advantages of integrated supply chains, including:
  - o improved service to downstream and upstream businesses in the supply chain
  - o harmonisation of activities between supply chain businesses
  - o automation of activities
  - o improved reliability and error reduction such as avoiding stock outs
  - o reduced personnel costs
  - o improved resource utilisation
  - o reduced lead times through the use of just-in-time techniques
  - o improved competitive advantage and enhanced reputation for businesses in the supply chain.

Learning aim C: Examine the impact of technology on the efficient management of supply chain operations

Learners will need an understanding of technology as a business enabler in the context of supply chain management.

C1 Technologies

- Software applications, such as databases and spreadsheets, used to manage resources and processes in supply chain operations.
- Enterprise resource planning (ERP) software for the collection, storage, management and interpretation of data and information in integrated ways for supply chain operations.
- Radio-frequency identification (RFID) for identifying and tracking the progress of resources through the supply chain.
- Geographic information system (GIS) and global positioning system (GPS) in transport/logistics.
- Procurement to pay (P2P) to integrate procurement and invoicing operations.
- Communication systems for moving data and information across supply chain operations.

C2 Technology and supply chain components

- The use of technology for:
  o supply chain activities such as e-requisitioning, e-sourcing, e-ordering, e-bidding, e-auctioning, e-invoicing, e-payment
  o computer modelling
  o decision analysis
  o inventory management
  o facilities location
  o logistics
  o distribution.

C3 The impact of technology

- Managing information through the use of systems to:
  o keep supply chain stakeholders informed
  o synchronise activities across the supply chain
  o smooth fluctuations between demand and supply
  o reduce lead times
  o reduce costs
  o generate efficiencies across the supply chain.
- Provision of information in real time through the use of integrated, linked databases and ERP techniques to improve decision making by the businesses in the supply chain.
- Track and trace systems to determine the current and past locations of and other information about individual items in the supply chain.
- Transport planning, modelling and routing software to ensure cost effective distribution in the supply chain.
- The integration and automation of the procurement process from requirements identification through to planning, budgeting, purchasing and payment.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the role of logistics operations in ensuring effective supply chain operations		
A.P1 Explain the role of inventory management in ensuring the uninterrupted operation of a supply chain. **A.P2** Explore the contribution made by a range of handling techniques and transportation methods to inventory management	**A.M1** Assess how inventory requirements can be calculated to ensure cost effective and efficient management of inventories.	**A.D1** Evaluate the use of different inventory monitoring and control techniques in the efficient management of inventories. **B.D2** Evaluate the impact of an integrated supply chain on all businesses in the supply chain.
Learning aim B: Investigate the importance of supply chain organisation and operation to businesses		
B.P3 Compare the structure of the supply chains for businesses operating nationally and internationally. **B.P4** Explain how efficient operations at each stage in the supply chain ensure the provision of goods and services that meet customers' needs.	**B.M2** Analyse the effectiveness of the techniques that are used to integrate supply chain operations.	
Learning aim C: Examine the impact of technology on the efficient management of supply chain operations		
C.P5 Describe the technologies used to support supply chain operations. **C.P6** Explain how technology can improve supply chain operations.	**C.M3** Analyse the impact of technology on the management of supply chains.	**C.D3** Evaluate a successful business's management of supply chain operations and the technology associated with it.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, A.M1, A.D1, B.P1, B.P2, B.M2, B.D2)

Learning aim: C (C.P5, CP6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

Learners will need access to a range of current business information on supply chain operations from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

Learners should produce a report that explains how a supply chain is organised and how effective supply chains are key to gaining competitive advantage. Learners should use diagrams of the supply chains of two successful businesses trading nationally and internationally to support their descriptions. Learners need to include clear explanations of different activities that link all the businesses in the specified supply chains, including how the efficiency of the supply chains meets customer needs.

Learners should explore the specific considerations when increasing warehouse capabilities, including handling and transportation, and the different modes of transportation, along with the principles of reverse logistics.

For distinction standard, learners will evaluate the use of different inventory management methods in two contrasting businesses, including a range of monitoring and control techniques, with justification and relevant references presented in the report.

Learners will provide a comprehensive evaluation of the integrated supply chain in a specific organisation, comparing and contrasting the transferable benefits for businesses.

For merit standard, learners will assess how inventory requirements of two businesses can be calculated. Learners will explore and analyse activities that can be used to integrate the supply chain. From this, learners will assess the appropriateness of these activities for the two selected businesses.

For pass standard, learners will define logistics and describe how logistics contribute to an effective supply chain operation, using relevant examples of businesses operating nationally and internationally.

Learning aim C

For distinction standard, learners will evaluate the effectiveness of supply chain operations management, including the use of technology, for a chosen successful business. Learners will provide clear examples of increased efficiencies and the information and systems utilised.

For merit standard, learners will analyse the technological impact on the management of supply chain operations for two contrasting businesses. Learners will assess examples of specific technological advancements and their implementation in the two businesses and link them to business improvements.

For pass standard, learners will describe the range of technologies available for two contrasting businesses and why these businesses used each of the technologies to support their supply chain operation. Learners will explain how the technologies identified contribute to improving both businesses' supply chain operations.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 15: Investigating Retail Business
- Unit 27: Work Experience in Business
- Unit 32: Buying for Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- work experience
- business material as exemplars
- participation in audience assessment of presentations
- opportunities to visit suitable businesses.

4 Planning your programme

How do I choose the right BTEC National qualification for my learners?

BTEC Nationals come in a range of sizes, each with a specific purpose. You will need to assess learners very carefully to ensure that they start on the right size of qualification to fit into their 16–19 study programme, and that they take the right pathways or optional units that allow them to progress to the next stage.

Some learners may want to take a number of complementary qualifications or keep their progression options open. These learners may be suited to taking a BTEC National Certificate or Extended Certificate. Learners who then decide to continue with a fuller vocational programme can transfer to a BTEC National Diploma or Extended Diploma, for example for their second year.

Some learners are sure of the sector they want to work in and are aiming for progression into that sector via higher education. These learners should be directed to the two-year BTEC National Extended Diploma as the most suitable qualification.

As a centre, you may want to teach learners who are taking different qualifications together. You may also wish to transfer learners between programmes to meet changes in their progression needs. You should check the qualification structures and unit combinations carefully as there is no exact match among the different sizes. You may find that learners need to complete more than the minimum number of units when transferring.

When learners are recruited, you need to give them accurate information on the title and focus of the qualification for which they are studying.

Is there a learner entry requirement?

As a centre it is your responsibility to ensure that learners who are recruited have a reasonable expectation of success on the programme. There are no formal entry requirements but we expect learners to have qualifications at or equivalent to Level 2.

Learners are most likely to succeed if they have:

- five GCSEs at good grades and/or
- BTEC qualification(s) at Level 2
- achievement in English and mathematics through GCSE or Functional Skills.

Learners may demonstrate ability to succeed in various ways. For example, learners may have relevant work experience or specific aptitude shown through diagnostic tests or non-educational experience.

What is involved in becoming an approved centre?

All centres must be approved before they can offer these qualifications – so that they are ready to assess learners and so that we can provide the support that is needed. Further information is given in *Section 8*.

What level of sector knowledge is needed to teach these qualifications?

We do not set any requirements for teachers but recommend that centres assess the overall skills and knowledge of the teaching team to ensure that they are relevant and up to date. This will give learners a rich programme to prepare them for employment in the sector.

What resources are required to deliver these qualifications?

As part of your centre approval you will need to show that the necessary material resources and work spaces are available to deliver BTEC Nationals. For some units, specific resources are required. This is indicated in the units.

Which modes of delivery can be used for these qualifications?

You are free to deliver BTEC Nationals using any form of delivery that meets the needs of your learners. We recommend making use of a wide variety of modes, including direct instruction in classrooms or work environments, investigative and practical work, group and peer work, private study and e-learning.

What are the recommendations for employer involvement?

BTEC Nationals are vocational qualifications and, as an approved centre, you are encouraged to work with employers on the design, delivery and assessment of the course to ensure that learners have a programme of study that is engaging and relevant and that equips them for progression. There are suggestions in many of the units about how employers could become involved in delivery and/or assessment but these are not intended to be exhaustive and there will be other possibilities at local level.

What support is available?

We provide a wealth of support materials, including curriculum plans, delivery guides, authorised assignment briefs, additional papers for external assessments and examples of marked learner work.

You will be allocated a Standards Verifier early on in the planning stage to support you with planning your assessments. There will be extensive training programmes as well as support from our Subject Advisor team.

For further details see *Section 10*.

How will my learners become more employable through these qualifications?

All BTEC Nationals are mapped to relevant occupational standards (see *Appendix 1*).

Employability skills, such as team working and entrepreneurialism, and practical hands-on skills have been built into the design of the learning aims and content. This gives you the opportunity to use relevant contexts, scenarios and materials to enable learners to develop a portfolio of evidence that demonstrates the breadth of their skills and knowledge in a way that equips them for employment.

5 Assessment structure and external assessment

Introduction

BTEC Nationals are assessed using a combination of *internal assessments*, which are set and marked by teachers, and *external assessments* which are set and marked by Pearson:

- mandatory units have a combination of internal and external assessments
- all optional units are internally assessed.

We have taken great care to ensure that the assessment method chosen is appropriate to the content of the unit and in line with requirements from employers and higher education.

In developing an overall plan for delivery and assessment for the programme, you will need to consider the order in which you deliver units, whether delivery is over short or long periods and when assessment can take place. Some units are defined as synoptic units (see *Section 2*). Normally, a synoptic assessment is one that a learner would take later in a programme and in which they will be expected to apply learning from a range of units. Synoptic units may be internally or externally assessed. Where a unit is externally assessed you should refer to the sample assessment materials (SAMs) to identify where there is an expectation that learners draw on their wider learning. For internally-assessed units, you must plan the assignments so that learners can demonstrate learning from across their programme. A unit may be synoptic in one qualification and not another because of the relationship it has to the rest of the qualification.

We have addressed the need to ensure that the time allocated to final assessment of internal and external units is reasonable so that there is sufficient time for teaching and learning, formative assessment and development of transferable skills.

In administering internal and external assessment, the centre needs to be aware of the specific procedures and policies that apply, for example to registration, entries and results. An overview with signposting to relevant documents is given in *Section 7*.

Internal assessment

Our approach to internal assessment for these qualifications will be broadly familiar to experienced centres. It offers flexibility in how and when you assess learners, provided that you meet assessment and quality assurance requirements. You will need to take account of the requirements of the unit format, which we explain in *Section 3*, and the requirements for delivering assessment given in *Section 6*.

External assessment

A summary of the external assessment for this qualification is given in *Section 2*. You should check this information carefully, together with the unit specification and the sample assessment materials, so that you can timetable learning and assessment periods appropriately.

Learners must be prepared for external assessment by the time they undertake it. In preparing learners for assessment you will want to take account of required learning time, the relationship with other external assessments and opportunities for retaking. You should ensure that learners are not entered for unreasonable amounts of external assessment in one session. Learners may resit an external assessment to obtain a higher grade of near pass or above. If a learner has more than one attempt, then the best result will be used for qualification grading, up to the permitted maximum. It is unlikely that learners will need to or benefit from taking all assessments twice so you are advised to plan appropriately. Some assessments are synoptic and learners are likely to perform best if these assessments are taken towards the end of the programme.

Key features of external assessment in business

In business, after consultation with stakeholders, we have developed the following.

- *Unit 2: Developing a Marketing Campaign,* here learners will examine marketing aims and objectives for existing products/services and understand the importance of relevant, valid and appropriate research in relation to the needs and wants of customers. They will use market research data and other information to make recommendations about the type of marketing campaign that a business should undertake.

- *Unit 3: Personal and Business Finance* includes aspects of both personal and business finance. Personal finance involves the understanding of why money is important and how managing money can help prevent future financial difficulties. Learners need to understand the financial decisions they will need to take throughout life. This unit will also give learners an insight into where they can get financial advice and support. The business finance aspects of the unit introduces learners to accounting terminology, the purpose and importance of business accounts and the different sources of finance available to businesses. Planning tools, such as cash flow forecasts and break-even, will be prepared and analysed and measuring the financial performance of a business will require learners to prepare and analyse statements of comprehensive income and statements of financial position.

Units

The externally-assessed units have a specific format which we explain in *Section 3*. The content of units will be sampled across external assessments over time through appropriate papers and tasks. The ways in which learners are assessed are shown through the assessment outcomes and grading descriptors. External assessments are marked and awarded using the grade descriptors. The grades available are Distinction (D), Merit (M), Pass (P) and Near Pass (N). The Near Pass (N) grade gives learners credit below a Pass, where they have demonstrated evidence of positive performance which is worth more than an unclassified result but not yet at the Pass standard.

Sample assessment materials

Each externally-assessed unit has a set of sample assessment materials (SAMs) that accompanies this specification. The SAMs are there to give you an example of what the external assessment will look like in terms of the feel and level of demand of the assessment. In the case of units containing synoptic assessment, the SAMs will also show where learners are expected to select and apply from across the programme.

The SAMs show the range of possible question types that may appear in the actual assessments and give you a good indication of how the assessments will be structured. While SAMs can be used for practice with learners, as with any assessment the content covered and specific details of the questions asked will change in each assessment.

A copy of each of these assessments can be downloaded from our website. An additional sample of each of the Pearson-set units will be available before the first sitting of the assessment to allow your learners further opportunities for practice.

6 Internal assessment

This section gives an overview of the key features of internal assessment and how you, as an approved centre, can offer it effectively. The full requirements and operational information are given in the *Pearson Quality Assurance Handbook*. All members of the assessment team need to refer to this document.

For BTEC Nationals it is important that you can meet the expectations of stakeholders and the needs of learners by providing a programme that is practical and applied. Centres can tailor programmes to meet local needs and use links with local employers and the wider vocational sector.

When internal assessment is operated effectively it is challenging, engaging, practical and up to date. It must also be fair to all learners and meet national standards.

Principles of internal assessment

Assessment through assignments

For internally-assessed units, the format of assessment is an assignment taken after the content of the unit, or part of the unit if several assignments are used, has been delivered. An assignment may take a variety of forms, including practical and written types. An assignment is a distinct activity completed independently by learners that is separate from teaching, practice, exploration and other activities that learners complete with direction from, and formative assessment by, teachers.

An assignment is issued to learners as an assignment brief with a defined start date, a completion date and clear requirements for the evidence that they need to provide. There may be specific observed practical components during the assignment period. Assignments can be divided into tasks and may require several forms of evidence. A valid assignment will enable a clear and formal assessment outcome based on the assessment criteria.

Assessment decisions through applying unit-based criteria

Assessment decisions for BTEC Nationals are based on the specific criteria given in each unit and set at each grade level. To ensure that standards are consistent in the qualification and across the suite as a whole, the criteria for each unit have been defined according to a framework. The way in which individual units are written provides a balance of assessment of understanding, practical skills and vocational attributes appropriate to the purpose of qualifications.

The assessment criteria for a unit are hierarchical and holistic. For example, if an M criterion requires the learner to show 'analysis' and the related P criterion requires the learner to 'explain', then to satisfy the M criterion a learner will need to cover both 'explain' and 'analyse'. The unit assessment grid shows the relationships among the criteria so that assessors can apply all the criteria to the learner's evidence at the same time. In *Appendix 2* we have set out a definition of terms that assessors need to understand.

Assessors must show how they have reached their decisions using the criteria in the assessment records. When a learner has completed all the assessment for a unit then the assessment team will give a grade for the unit. This is given simply according to the highest level for which the learner is judged to have met all the criteria. Therefore:

- to achieve a Distinction, a learner must have satisfied all the Distinction criteria (and therefore the Pass and Merit criteria); these define outstanding performance across the unit as a whole
- to achieve a Merit, a learner must have satisfied all the Merit criteria (and therefore the Pass criteria) through high performance in each learning aim
- to achieve a Pass, a learner must have satisfied all the Pass criteria for the learning aims, showing coverage of the unit content and therefore attainment at Level 3 of the national framework.

The award of a Pass is a defined level of performance and cannot be given solely on the basis of a learner completing assignments. Learners who do not satisfy the Pass criteria should be reported as Unclassified.

The assessment team

It is important that there is an effective team for internal assessment. There are three key roles involved in implementing assessment processes in your centre, each with different interrelated responsibilities, the roles are listed below. Full information is given in the *Pearson Quality Assurance Handbook*.

- The Lead Internal Verifier (the Lead IV) has overall responsibility for the programme, its assessment and internal verification to meet our requirements, record keeping and liaison with the Standards Verifier. The Lead IV registers with Pearson annually. The Lead IV acts as an assessor, supports the rest of the assessment team, makes sure that they have the information they need about our assessment requirements and organises training, making use of our guidance and support materials.
- Internal Verifiers (IVs) oversee all assessment activity in consultation with the Lead IV. They check that assignments and assessment decisions are valid and that they meet our requirements. IVs will be standardised by working with the Lead IV. Normally, IVs are also assessors but they do not verify their own assessments.
- Assessors set or use assignments to assess learners to national standards. Before taking any assessment decisions, assessors participate in standardisation activities led by the Lead IV. They work with the Lead IV and IVs to ensure that the assessment is planned and carried out in line with our requirements.

Effective organisation

Internal assessment needs to be well organised so that the progress of learners can be tracked and so that we can monitor that assessment is being carried out in line with national standards. We support you through, for example, providing training materials and sample documentation.

It is particularly important that you manage the overall assignment programme and deadlines to make sure that learners are able to complete assignments on time.

Learner preparation

To ensure that you provide effective assessment for your learners, you need to make sure that they understand their responsibilities for assessment and the centre's arrangements.

From induction onwards, you will want to ensure that learners are motivated to work consistently and independently to achieve the requirements of the qualifications. Learners need to understand how assignments are used, the importance of meeting assignment deadlines, and that all the work submitted for assessment must be their own.

You will need to give learners a guide that explains how assignments are used for assessment, how assignments relate to the teaching programme, and how learners should use and reference source materials, including what would constitute plagiarism. The guide should also set out your approach to operating assessment, such as how learners must submit work and request extensions.

Setting effective assignments

Setting the number and structure of assignments

In setting your assignments, you need to work with the structure of assignments shown in the *Essential information for assignments* section of a unit. This shows the structure of the learning aims and criteria that you must follow and the recommended number of assignments that you should use. For some units we provide authorised assignment briefs, for all the units we give you suggestions on how to create suitable assignments. You can find these materials along with this specification on our website. In designing your own assignment briefs you should bear in mind the following points.

- The number of assignments for a unit must not exceed the number shown in *Essential information for assignments*. However, you may choose to combine assignments, for example to create a single assignment for the whole unit.
- You may also choose to combine all or parts of different units into single assignments, provided that all units and all their associated learning aims are fully addressed in the programme overall. If you choose to take this approach, you need to make sure that learners are fully prepared so that they can provide all the required evidence for assessment and that you are able to track achievement in the records.
- A learning aim must always be assessed as a whole and must not be split into two or more tasks.
- The assignment must be targeted to the learning aims but the learning aims and their associated criteria are not tasks in themselves. Criteria are expressed in terms of the outcome shown in the evidence.
- You do not have to follow the order of the learning aims of a unit in setting assignments but later learning aims often require learners to apply the content of earlier learning aims and they may require learners to draw their learning together.
- Assignments must be structured to allow learners to demonstrate the full range of achievement at all grade levels. Learners need to be treated fairly by being given the opportunity to achieve a higher grade if they have the ability.
- As assignments provide a final assessment, they will draw on the specified range of teaching content for the learning aims. The specified content is compulsory. The evidence for assessment need not cover every aspect of the teaching content as learners will normally be given particular examples, case studies or contexts in their assignments. For example, if a learner is carrying out one practical performance, or an investigation of one organisation, then they will address all the relevant range of content that applies in that instance.

Providing an assignment brief

A good assignment brief is one that, through providing challenging and realistic tasks, motivates learners to provide appropriate evidence of what they have learned.

An assignment brief should have:

- a vocational scenario, this could be a simple situation or a full, detailed set of vocational requirements that motivates the learner to apply their learning through the assignment
- clear instructions to the learner about what they are required to do, normally set out through a series of tasks
- an audience or purpose for which the evidence is being provided
- an explanation of how the assignment relates to the unit(s) being assessed.

Forms of evidence

BTEC Nationals have always allowed for a variety of forms of evidence to be used, provided that they are suited to the type of learning aim being assessed. For many units, the practical demonstration of skills is necessary and for others, learners will need to carry out their own research and analysis. The units give you information on what would be suitable forms of evidence to provide learners with the opportunity to apply a range of employability or transferable skills. Centres may choose to use different suitable forms for evidence to those proposed. Overall, learners should be assessed using varied forms of evidence.

Full definitions of types of assessment are given in *Appendix 2*. These are some of the main types of assessment:

- written reports
- projects
- time-constrained practical assessments with observation records and supporting evidence
- recordings of performance
- sketchbooks, working logbooks, reflective journals
- presentations with assessor questioning.

The form(s) of evidence selected must:

- allow the learner to provide all the evidence required for the learning aim(s) and the associated assessment criteria at all grade levels
- allow the learner to produce evidence that is their own independent work
- allow a verifier to independently reassess the learner to check the assessor's decisions.

For example, when you are using performance evidence, you need to think about how supporting evidence can be captured through recordings, photographs or task sheets.

Centres need to take particular care that learners are enabled to produce independent work. For example, if learners are asked to use real examples, then best practice would be to encourage them to use their own or to give the group a number of examples that can be used in varied combinations.

Making valid assessment decisions

Authenticity of learner work

Once an assessment has begun, learners must not be given feedback on progress towards fulfilling the targeted criteria.

An assessor must assess only learner work that is authentic, i.e. learners' own independent work. Learners must authenticate the evidence that they provide for assessment through signing a declaration stating that it is their own work.

Assessors must ensure that evidence is authentic to a learner through setting valid assignments and supervising them during the assessment period. Assessors must take care not to provide direct input, instructions or specific feedback that may compromise authenticity.

Assessors must complete a declaration that:

- the evidence submitted for this assignment is the learner's own
- the learner has clearly referenced any sources used in the work
- they understand that false declaration is a form of malpractice.

Centres can use Pearson templates or their own templates to document authentication.

During assessment, an assessor may suspect that some or all of the evidence from a learner is not authentic. The assessor must then take appropriate action using the centre's policies for malpractice. Further information is given in *Section 7*.

Making assessment decisions using criteria

Assessors make judgements using the criteria. The evidence from a learner can be judged using all the relevant criteria at the same time. The assessor needs to make a judgement against each criterion that evidence is present and sufficiently comprehensive. For example, the inclusion of a concluding section may be insufficient to satisfy a criterion requiring 'evaluation'.

Assessors should use the following information and support in reaching assessment decisions:

- the *Essential information for assessment decisions* section in each unit gives examples and definitions related to terms used in the criteria
- the explanation of key terms in *Appendix 2*
- examples of assessed work provided by Pearson
- your Lead IV and assessment team's collective experience, supported by the standardisation materials we provide.

Pass and Merit criteria relate to individual learning aims. The Distinction criteria as a whole relate to outstanding performance across the unit. Therefore, criteria may relate to more than one learning aim (for example A.D1) or to several learning aims (for example DE.D3). Distinction criteria make sure that learners have shown that they can perform consistently at an outstanding level across the unit and/or that they are able to draw learning together across learning aims.

Dealing with late completion of assignments

Learners must have a clear understanding of the centre policy on completing assignments by the deadlines that you give them. Learners may be given authorised extensions for legitimate reasons, such as illness at the time of submission, in line with your centre policies.

For assessment to be fair, it is important that learners are all assessed in the same way and that some learners are not advantaged by having additional time or the opportunity to learn from others. Therefore, learners who do not complete assignments by your planned deadline or the authorised extension deadline may not have the opportunity to subsequently resubmit.

If you accept a late completion by a learner, then the assignment should be assessed normally when it is submitted using the relevant assessment criteria.

Issuing assessment decisions and feedback

Once the assessment team has completed the assessment process for an assignment, the outcome is a formal assessment decision. This is recorded formally and reported to learners.

The information given to the learner:

- must show the formal decision and how it has been reached, indicating how or where criteria have been met
- may show why attainment against criteria has not been demonstrated
- must not provide feedback on how to improve evidence
- must be validated by an IV before it is given to the learner.

Resubmission of improved evidence

An assignment provides the final assessment for the relevant learning aims and is normally a final assessment decision, except where the Lead IV approves one opportunity to resubmit improved evidence based on the completed assignment brief.

The Lead IV has the responsibility to make sure that resubmission is operated fairly. This means:

- checking that a learner can be reasonably expected to perform better through a second submission, for example that the learner has not performed as expected
- making sure that giving a further opportunity can be done in such a way that it does not give an unfair advantage over other learners, for example through the opportunity to take account of feedback given to other learners
- checking that the assessor considers that the learner will be able to provide improved evidence without further guidance and that the original evidence submitted remains valid.

Once an assessment decision has been given to the learner, the resubmission opportunity must have a deadline within 15 working days in the same academic year.

A resubmission opportunity must not be provided where learners:

- have not completed the assignment by the deadline without the centre's agreement
- have submitted work that is not authentic.

Retake of internal assessment

A learner who has not achieved the level of performance required to pass the relevant learning aims after resubmission of an assignment may be offered a single retake opportunity using a new assignment. The retake may only be achieved at a pass.

The Lead Internal Verifier must only authorise a retake of an assignment in exceptional circumstances where they believe it is necessary, appropriate and fair to do so. For further information on offering a retake opportunity, you should refer to the *BTEC Centre Guide to Assessment*. We provide information on writing assignments for retakes on our website (www.btec.co.uk/keydocuments).

Planning and record keeping

For internal processes to be effective, an assessment team needs to be well organised and keep effective records. The centre will also work closely with us so that we can quality assure that national standards are being satisfied. This process gives stakeholders confidence in the assessment approach.

The Lead IV must have an assessment plan, produced as a spreadsheet. When producing a plan, the assessment team may wish to consider:

- the time required for training and standardisation of the assessment team
- the time available to undertake teaching and carry out assessment, taking account of when learners may complete external assessments and when quality assurance will take place
- the completion dates for different assignments
- who is acting as IV for each assignment and the date by which the assignment needs to be verified
- setting an approach to sampling assessor decisions though internal verification that covers all assignments, assessors and a range of learners
- how to manage the assessment and verification of learners' work so that they can be given formal decisions promptly
- how resubmission opportunities can be scheduled.

The Lead IV will also maintain records of assessment undertaken. The key records are:

- verification of assignment briefs
- learner authentication declarations
- assessor decisions on assignments, with feedback given to learners
- verification of assessment decisions.

Examples of records and further information are given in the *Pearson Quality Assurance Handbook.*

7 Administrative arrangements

Introduction

This section focuses on the administrative requirements for delivering a BTEC qualification. It will be of value to Quality Nominees, Lead IVs, Programme Leaders and Examinations Officers.

Learner registration and entry

Shortly after learners start the programme of learning, you need to make sure that they are registered for the qualification and that appropriate arrangements are made for internal and external assessment. You need to refer to the *Information Manual* for information on making registrations for the qualification and entries for external assessments.

Learners can be formally assessed only for a qualification on which they are registered. If learners' intended qualifications change, for example if a learner decides to choose a different pathway specialism, then the centre must transfer the learner appropriately.

Access to assessment

Both internal and external assessments need to be administered carefully to ensure that all learners are treated fairly, and that results and certification are issued on time to allow learners to progress to chosen progression opportunities.

Our equality policy requires that all learners should have equal opportunity to access our qualifications and assessments, and that our qualifications are awarded in a way that is fair to every learner. We are committed to making sure that:

- learners with a protected characteristic are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic
- all learners achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

Further information on access arrangements can be found in the Joint Council for Qualifications (JCQ) document *Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational Qualifications*.

Administrative arrangements for internal assessment

Records

You are required to retain records of assessment for each learner. Records should include assessments taken, decisions reached and any adjustments or appeals. Further information can be found in the *Information Manual.* We may ask to audit your records so they must be retained as specified.

Reasonable adjustments to assessment

A reasonable adjustment is one that is made before a learner takes an assessment to ensure that they have fair access to demonstrate the requirements of the assessments. You are able to make adjustments to internal assessments to take account of the needs of individual learners. In most cases this can be achieved through a defined time extension or by adjusting the format of evidence. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable. You need to plan for time to make adjustments if necessary.

Further details on how to make adjustments for learners with protected characteristics are given on our website in the document *Supplementary guidance for reasonable adjustment and special consideration in vocational internally-assessed units.*

Special consideration

Special consideration is given after an assessment has taken place for learners who have been affected by adverse circumstances, such as illness. You must operate special consideration in line with our policy (see previous paragraph). You can provide special consideration related to the period of time given for evidence to be provided or for the format of the assessment if it is equally valid. You may not substitute alternative forms of evidence to that required in a unit, or omit the application of any assessment criteria to judge attainment. Pearson can consider applications for special consideration in line with the policy.

Appeals against assessment

Your centre must have a policy for dealing with appeals from learners. These appeals may relate to assessment decisions being incorrect or assessment not being conducted fairly. The first step in such a policy could be a consideration of the evidence by a Lead IV or other member of the programme team. The assessment plan should allow time for potential appeals after assessment decisions have been given to learners. If there is an appeal by a learner, you must document the appeal and its resolution. Learners have a final right of appeal to Pearson but only if the procedures that you have put in place have not been followed. Further details are given in the document *Enquiries and appeals about Pearson vocational qualifications and end point assessment policy*.

Administrative arrangements for external assessment

Entries and resits

For information on the timing of assessment and entries, please refer to the annual examinations timetable on our website.

Access arrangements requests

Access arrangements are agreed with Pearson before an assessment. They allow students with special educational needs, disabilities or temporary injuries to:

- access the assessment
- show what they know and can do without changing the demands of the assessment.

Access arrangements should always be processed at the time of registration. Learners will then know what type of arrangements are available in place for them.

Granting reasonable adjustments

For external assessment, a reasonable adjustment is one that we agree to make for an individual learner. A reasonable adjustment is defined for the individual learner and informed by the list of available access arrangements.

Whether an adjustment will be considered reasonable will depend on a number of factors, to include:

- the needs of the learner with the disability
- the effectiveness of the adjustment
- the cost of the adjustment; and
- the likely impact of the adjustment on the learner with the disability and other learners.

Adjustment may be judged unreasonable and not approved if it involves unreasonable costs, timeframes or affects the integrity of the assessment.

Special consideration requests

Special consideration is an adjustment made to a student's mark or grade after an external assessment to reflect temporary injury, illness or other indisposition at the time of the assessment. An adjustment is made only if the impact on the learner is such that it is reasonably likely to have had a material effect on that learner being able to demonstrate attainment in the assessment.

Centres are required to notify us promptly of any learners who they believe have been adversely affected and request that we give special consideration. Further information can be found in the special requirements section on our website.

Conducting external assessments

Centres must make arrangements for the secure delivery of external assessments. External assessments for BTEC qualifications include examinations, set tasks and performance.

Each external assessment has a defined degree of control under which it must take place. Some external assessments may have more than one part and each part may have a different degree of control. We define degrees of control as follows.

High control

This is the completion of assessment in formal invigilated examination conditions.

Medium control

This is completion of assessment, usually over a longer period of time, which may include a period of controlled conditions. The controlled conditions may allow learners to access resources, prepared notes or the internet to help them complete the task.

Low control

These are activities completed without direct supervision. They may include research, preparation of materials and practice. The materials produced by learners under low control will not be directly assessed.

Further information on responsibilities for conducting external assessment is given in the document *Instructions for Conducting External Assessments*, available on our website.

Dealing with malpractice in assessment

Malpractice means acts that undermine the integrity and validity of assessment, the certification of qualifications, and/or that may damage the authority of those responsible for delivering the assessment and certification.

Pearson does not tolerate actions (or attempted actions) of malpractice by learners, centre staff or centres in connection with Pearson qualifications. Pearson may impose penalties and/or sanctions on learners, centre staff or centres where incidents (or attempted incidents) of malpractice have been proven.

Malpractice may arise or be suspected in relation to any unit or type of assessment within the qualification. For further details regarding malpractice and advice on preventing malpractice by learners please see Pearson's *Centre guidance: Dealing with malpractice and maladministration in vocational qualifications*, available on our website.

The procedures we ask you to adopt vary between units that are internally-assessed and those that are externally assessed.

Internally-assessed units

Centres are required to take steps to prevent malpractice and to investigate instances of suspected malpractice. Learners must be given information that explains what malpractice is for internal assessment and how suspected incidents will be dealt with by the centre. The *Centre Guidance: Dealing with Malpractice* document gives full information on the actions we expect you to take.

Pearson may conduct investigations if we believe that a centre is failing to conduct internal assessment according to our policies. The above document gives further information, examples and details the penalties and sanctions that may be imposed.

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

Externally-assessed units

External assessment means all aspects of units that are designated as external in this specification, including preparation for tasks and performance. For these assessments centres must follow the JCQ procedures set out in the latest version of *JCQ Suspected Malpractice in Examinations and Assessments Policies and Procedures* (www.jcq.org.uk).

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

Learner malpractice

Heads of Centres are required to report incidents of any suspected learner malpractice that occur during Pearson external assessments. We ask that centres do so by completing a *JCQ Form M1* (available at www.jcq.org.uk/exams-office/malpractice) and emailing it and any accompanying documents (signed statements from the learner, invigilator, copies of evidence, etc.) to the Investigations Team at candidatemalpractice@pearson.com. The responsibility for determining appropriate sanctions or penalties to be imposed on learners lies with Pearson.

Learners must be informed at the earliest opportunity of the specific allegation and the centre's malpractice policy, including the right of appeal. Learners found guilty of malpractice may be disqualified from the qualification for which they have been entered with Pearson.

Teacher/centre malpractice

Heads of Centres are required to inform Pearson's Investigations Team of any incident of suspected malpractice by centre staff, before any investigation is undertaken. Heads of centres are requested to inform the Investigations Team by submitting a *JCQ Form M2(a)* (available at www.jcq.org.uk/exams-office/malpractice) with supporting documentation to pqsmalpractice@pearson.com. Where Pearson receives allegations of malpractice from other sources (for example Pearson staff or anonymous informants), the Investigations Team will conduct the investigation directly or may ask the head of centre to assist.

Incidents of maladministration (accidental errors in the delivery of Pearson qualifications that may affect the assessment of learners) should also be reported to the Investigations Team using the same method.

Heads of Centres/Principals/Chief Executive Officers or their nominees are required to inform learners and centre staff suspected of malpractice of their responsibilities and rights; see Section 6.15 of the *JCQ Suspected Malpractice in Examinations and Assessments Policies and Procedures* document.

Pearson reserves the right in cases of suspected malpractice to withhold the issuing of results and/or certificates while an investigation is in progress. Depending on the outcome of the investigation results and/or certificates may be released or withheld.

You should be aware that Pearson may need to suspend certification when undertaking investigations, audits and quality assurances processes. You will be notified within a reasonable period of time if this occurs.

Sanctions and appeals

Where malpractice is proven we may impose sanctions or penalties.

Where learner malpractice is evidenced, penalties may be imposed such as:

- mark reduction for external assessments
- disqualification from the qualification
- being barred from registration for Pearson qualifications for a period of time.

If we are concerned about your centre's quality procedures we may impose sanctions such as:

- working with you to create an improvement action plan
- requiring staff members to receive further training
- placing temporary blocks on your certificates
- placing temporary blocks on registration of learners
- debarring staff members or the centre from delivering Pearson qualifications
- suspending or withdrawing centre approval status.

The centre will be notified if any of these apply.

Pearson has established procedures for centres that are considering appeals against penalties and sanctions arising from malpractice. Appeals against a decision made by Pearson will normally be accepted only from Heads of Centres (on behalf of learners and/or members of staff) and from individual members (in respect of a decision taken against them personally). Further information on appeals can be found in our *Enquiries and appeals about Pearson vocational qualifications and end point assessment policy*, which is on our website. In the initial stage of any aspect of malpractice, please notify the Investigations Team by email via pqsmalpractice@pearson.com who will inform you of the next steps.

Certification and results

Once a learner has completed all the required components for a qualification, even if final results for external assessments have not been issued, then the centre can claim certification for the learner, provided that quality assurance has been successfully completed. For the relevant procedures please refer to our *Information Manual*. You can use the information provided on qualification grading to check overall qualification grades.

Results issue

After the external assessment session, learner results will be issued to centres. The result will be in the form of a grade. You should be prepared to discuss performance with learners, making use of the information we provide and post-results services.

Post-assessment services

Once results for external assessments are issued, you may find that the learner has failed to achieve the qualification or to attain an anticipated grade. It is possible to transfer or reopen registration in some circumstances. The *Information Manual* gives further information.

Changes to qualification requests

Where a learner who has taken a qualification wants to resit an externally-assessed unit to improve their qualification grade, you firstly need to decline their overall qualification grade. You may decline the grade before the certificate is issued. For a learner receiving their results in August, you should decline the grade by the end of September if the learner intends to resit an external assessment.

Additional documents to support centre administration

As an approved centre you must ensure that all staff delivering, assessing and administering the qualifications have access to this documentation. These documents are reviewed annually and are reissued if updates are required.

- *Pearson Quality Assurance Handbook*: this sets out how we will carry out quality assurance of standards and how you need to work with us to achieve successful outcomes.
- *Information Manual*: this gives procedures for registering learners for qualifications, transferring registrations, entering for external assessments and claiming certificates.
- *Lead Examiners' Reports*: these are produced after each series for each external assessment and give feedback on the overall performance of learners in response to tasks or questions set.
- *Instructions for the Conduct of External Assessments (ICEA)*: this explains our requirements for the effective administration of external assessments, such as invigilation and submission of materials.
- *Regulatory policies*: our regulatory policies are integral to our approach and explain how we meet internal and regulatory requirements. We review the regulated policies annually to ensure that they remain fit for purpose. Policies related to this qualification include:
  o adjustments for candidates with disabilities and learning difficulties, access arrangements and reasonable adjustments for general and vocational qualifications
  o age of learners
  o centre guidance for dealing with malpractice
  o recognition of prior learning and process.

This list is not exhaustive and a full list of our regulatory policies can be found on our website.

8 Quality assurance

Centre and qualification approval

As part of the approval process, your centre must make sure that the resource requirements listed below are in place before offering the qualification.

- Centres must have appropriate physical resources (for example, equipment, IT, learning materials, teaching rooms) to support the delivery and assessment of the qualification.
- Staff involved in the assessment process must have relevant expertise and/or occupational experience.
- There must be systems in place to ensure continuing professional development for staff delivering the qualification.
- Centres must have in place appropriate health and safety policies relating to the use of equipment by learners.
- Centres must deliver the qualification in accordance with current equality legislation.
- Centres should refer to the teacher guidance section in individual units to check for any specific resources required.

Continuing quality assurance and standards verification

On an annual basis, we produce the *Pearson Quality Assurance Handbook.* It contains detailed guidance on the quality processes required to underpin robust assessment and internal verification.

The key principles of quality assurance are that:

- a centre delivering BTEC programmes must be an approved centre, and must have approval for the programmes or groups of programmes that it is delivering
- the centre agrees, as part of gaining approval, to abide by specific terms and conditions around the effective delivery and quality assurance of assessment; it must abide by these conditions throughout the period of delivery
- Pearson makes available to approved centres a range of materials and opportunities, through online standardisation, intended to exemplify the processes required for effective assessment, and examples of effective standards. Approved centres must use the materials and services to ensure that all staff delivering BTEC qualifications keep up to date with the guidance on assessment
- an approved centre must follow agreed protocols for standardisation of assessors and verifiers, for the planning, monitoring and recording of assessment processes, and for dealing with special circumstances, appeals and malpractice.

The approach of quality-assured assessment is through a partnership between an approved centre and Pearson. We will make sure that each centre follows best practice and employs appropriate technology to support quality-assurance processes, where practicable. We work to support centres and seek to make sure that our quality-assurance processes do not place undue bureaucratic processes on centres. We monitor and support centres in the effective operation of assessment and quality assurance.

The methods we use to do this for BTEC Level 3 include:

- making sure that all centres complete appropriate declarations at the time of approval
- undertaking approval visits to centres
- making sure that centres have effective teams of assessors and verifiers who are trained to undertake assessment
- assessment sampling and verification, through requested samples of assessments, completed assessed learner work and associated documentation
- an overarching review and assessment of a centre's strategy for delivering and quality assuring its BTEC programmes, for example making sure that synoptic units are placed appropriately in the order of delivery of the programme.

Centres that do not fully address and maintain rigorous approaches to delivering, assessing and quality assurance cannot seek certification for individual programmes or for all BTEC Level 3 programmes. An approved centre must make certification claims only when authorised by us and strictly in accordance with requirements for reporting.

Centres that do not comply with remedial action plans may have their approval to deliver qualifications removed.

9 Understanding the qualification grade

Awarding and reporting for the qualification

This section explains the rules that we apply in awarding a qualification and in providing an overall qualification grade for each learner. It shows how all the qualifications in this sector are graded.

The awarding and certification of these qualifications will comply with regulatory requirements.

Eligibility for an award

In order to be awarded a qualification, a learner must complete all units, achieve a Near Pass (N) or above in all external units and a pass or above in all mandatory units unless otherwise specified. Refer to the structure in *Section 2*.

To achieve any qualification grade, learners must:

- complete and **have an outcome** (D, M, P, N or U) for all units within a valid combination
- achieve the **required units at Pass or above** shown in *Section 2*, and for the Extended Diploma achieve a minimum 900 GLH at Pass or above (or N or above in external units)
- achieve the **minimum number of points** at a grade threshold.

It is the responsibility of a centre to ensure that a correct unit combination is adhered to. Learners who do not achieve the required minimum grade (N or P) in units shown in the structure will not achieve a qualification.

Learners who do not achieve sufficient points for a qualification or who do not achieve all the required units may be eligible to achieve a smaller qualification in the same suite provided they have completed and achieved the correct combination of units and met the appropriate qualification grade points threshold.

Calculation of the qualification grade

The final grade awarded for a qualification represents an aggregation of a learner's performance across the qualification. As the qualification grade is an aggregate of the total performance, there is some element of compensation in that a higher performance in some units may be balanced by a lower outcome in others.

In the event that a learner achieves more than the required number of optional units, the mandatory units along with the optional units with the highest grades will be used to calculate the overall result, subject to the eligibility requirements for that particular qualification title.

BTEC Nationals are Level 3 qualifications and are awarded at the grade ranges shown in the table below.

Qualification	Available grade range
Certificate, Extended Certificate, Foundation Diploma	P to D*
Diploma	PP to D*D*
Extended Diploma	PPP to D*D*D*

The *Calculation of qualification grade* table, shown further on in this section, shows the minimum thresholds for calculating these grades. The table will be kept under review over the lifetime of the qualification. The most up to date table will be issued on our website.

Pearson will monitor the qualification standard and reserves the right to make appropriate adjustments.

Learners who do not meet the minimum requirements for a qualification grade to be awarded will be recorded as Unclassified (U) and will not be certificated. They may receive a Notification of Performance for individual units. The *Information Manual* gives full information.

Points available for internal units

The table below shows the number of **points** available for internal units. For each internal unit, points are allocated depending on the grade awarded.

	Unit size	
	60 GLH	**90 GLH**
U	0	0
Pass	6	9
Merit	10	15
Distinction	16	24

Points available for external units

Raw marks from the external units will be awarded **points** based on performance in the assessment. The table below shows the **minimum number of points** available for each grade in the external units.

	Unit size	
	90 GLH	**120 GLH**
U	0	0
Near Pass	6	8
Pass	9	12
Merit	15	20
Distinction	24	32

Pearson will automatically calculate the points for each external unit once the external assessment has been marked and grade boundaries have been set. For more details about how we set grade boundaries in the external assessment please go to our website.

Claiming the qualification grade

Subject to eligibility, Pearson will automatically calculate the qualification grade for your learners when the internal unit grades are submitted and the qualification claim is made. Learners will be awarded qualification grades for achieving the sufficient number of points within the ranges shown in the relevant *Calculation of qualification grade* table for the cohort.

Calculation of qualification grade

Applicable for registration from 1 September 2016.

Certificate		Extended Certificate		Foundation Diploma		Diploma		Extended Diploma	
180 GLH		360 GLH		510 GLH		720 GLH		1080 GLH	
Grade	Points threshold	Grade	Points threshold	Grade	Points threshold	Grade	Points threshold	Grade	Points threshold
U	0	U	0	U	0	U	0	U	0
Pass	18	P	36	P	51	PP	72	PPP	108
						MP	88	MPP	124
								MMP	140
Merit	26	M	52	M	73	MM	104	MMM	156
						DM	124	DMM	176
								DDM	196
Distinction	42	D	74	D	104	DD	144	DDD	216
						D*D	162	D*DD	234
								D*D*D	252
Distinction*	48	D*	90	D*	130	D*D*	180	D*D*D*	270

The table is subject to review over the lifetime of the qualification. The most up-to-date version will be issued on our website.

Examples of grade calculations based on table applicable to registrations from September 2016

Example 1: Achievement of a Foundation Diploma with a P grade

	GLH	Type (Int/Ext)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	Ext	Pass	9
Unit 3	120	Ext	Pass	12
Unit 4	90	Int	Pass	9
Unit 8	60	Int	Unclassified	0
Unit 10	60	Int	Distinction	16
Totals	**510**		**P**	**55**

The learner has achieved N or higher in Units 2 and 3, and P or higher in Units 1 and 4.

The learner has sufficient points for a P grade

Example 2: Achievement of a Foundation Diploma with a M grade

	GLH	Type (Int/Ext)	Grade	Unit points
Unit 1	90	Int	Merit	15
Unit 2	90	Ext	Distinction	24
Unit 3	120	Ext	Near Pass	8
Unit 4	90	Int	Distinction	24
Unit 8	60	Int	Distinction	16
Unit 10	60	Int	Merit	10
Totals	**510**		**M**	**97**

The learner has sufficient points for a M grade

Example 3: An Unclassified result for a Foundation Diploma

	GLH	Type (Int/Ext)	Grade	Unit points
Unit 1	90	Int	Merit	15
Unit 2	90	Ext	U	0
Unit 3	120	Ext	Pass	12
Unit 4	90	Int	Distinction	24
Unit 8	60	Int	Distinction	16
Unit 10	60	Int	Pass	6
Totals	**510**		**U**	**73**

The learner has a U in Unit 2.

The learner has sufficient points for an M grade but has not met the minimum requirement for N or higher in Units 2 and 3, and P or higher in Units 1 and 4.

10 Resources and support

Our aim is to give you a wealth of resources and support to enable you to deliver BTEC National qualifications with confidence. On our website you will find a list of resources to support teaching and learning, and professional development.

Support for setting up your course and preparing to teach

Specification

This **specification** (for teaching from September 2016) includes details on the administration of qualifications and information on all the units for the qualification.

Delivery Guide

This free guide gives you important advice on how to choose the right course for your learners and how to ensure you are fully prepared to deliver the course. It explains the key features of BTEC Nationals (for example employer involvement and employability skills). It also covers guidance on assessment (internal and external) and quality assurance. The guide tells you where you can find further support and gives detailed unit-by-unit delivery guidance. It includes teaching tips and ideas, assessment preparation and suggestions for further resources.

Schemes of work

Free sample schemes of work are provided for each mandatory unit. These are available in Word™ format for ease of customisation.

Curriculum models

These show how the BTECs in the suite fit into a 16–19 study programme, depending on their size and purpose. The models also show where other parts of the programme, such as work experience, maths and English, tutorial time and wider study, fit alongside the programme.

Study skills activities

A range of case studies and activities is provided; they are designed to help learners develop the study skills they need to successfully complete their BTEC course. The case studies and activities are provided in Word™ format for easy customisation.

Support for teaching and learning

Pearson Learning Services provides a range of engaging resources to support BTEC Nationals, including:

- textbooks in e-book and print formats
- revision guides and revision workbooks in e-book and print formats
- teaching and assessment packs, including e-learning materials via the Active Learn Digital Service.

Teaching and learning resources are also available from a number of other publishers. Details of Pearson's own resources and of all endorsed resources can be found on our website.

Support for assessment

Sample assessment materials for externally-assessed units

Sample assessments are available for the Pearson-set units. One copy of each of these assessments can be downloaded from the website/available in print. For each suite an additional sample for one of the Pearson-set units is also available, allowing your learners further opportunities for practice.

Further sample assessments will be made available through our website on an ongoing basis.

Sample assessment materials for internally-assessed units

We do not prescribe the assessments for the internally-assessed units. Rather, we allow you to set your own, according to your learners' preferences and to link with your local employment profile.

We do provide a service in the form of Authorised Assignment Briefs, which are approved by Pearson Standards Verifiers. They are available via our website.

Sample marked learner work

To support you in understanding the expectation of the standard at each grade, examples of marked learner work at PM/MD grades are linked to the Authorised Assignment Briefs.

Training and support from Pearson

People to talk to

There are many people who are available to support you and provide advice and guidance on delivery of your BTEC Nationals. These include:

- Subject Advisors – available for all sectors. They understand all Pearson qualifications in their sector and so can answer sector-specific queries on planning, teaching, learning and assessment
- Standards Verifiers – they can support you with preparing your assignments, ensuring that your assessment plan is set up correctly, and support you in preparing learner work and providing quality assurance through sampling
- Curriculum Development Managers (CDMs) – they are regionally based and have a full overview of the BTEC qualifications and of the support and resources that Pearson provides. CDMs often run network events
- Customer Services – the 'Support for You' section of our website gives the different ways in which you can contact us for general queries. For specific queries, our service operators can direct you to the relevant person or department.

Training and professional development

Pearson provides a range of training and professional development events to support the introduction, delivery, assessment and administration of BTEC National qualifications. These sector-specific events, developed and delivered by specialists, are available both face to face and online.

'Getting Ready to Teach'

These events are designed to get teachers ready for delivery of the BTEC Nationals. They include an overview of the qualifications' structures, planning and preparation for internal and external assessment, and quality assurance.

Teaching and learning

Beyond the 'Getting Ready to Teach' professional development events, there are opportunities for teachers to attend sector- and role-specific events. These events are designed to connect practice to theory; they provide teacher support and networking opportunities with delivery, learning and assessment methodology.

Details of our training and professional development programme can be found on our website.

Appendix 1 Links to industry standards

BTEC Nationals have been developed in consultation with industry and appropriate sector bodies to ensure that the qualification content and approach to assessment aligns closely to the needs of employers. Where they exist, and are appropriate, National Occupational Standards (NOS) and professional body standards have been used to establish unit content.

Appendix 2 Glossary of terms used for internally-assessed units

This is a summary of the key terms used to define the requirements in the units.

Term	Definition
Analyse	Learners present the outcome of methodical and detailed examination either: • breaking down a theme, topic or situation in order to interpret and study the interrelationships between the parts and/or • of information or data to interpret and study key trends and interrelationships. Analysis can be through activity, practice, written or verbal presentation.
Assess	Learners present a careful consideration of varied factors or events that apply to a specific situation or, to identify those which are the most important or relevant and arrive at a conclusion.
Compare	Learners can identify the main factors relating to two or more items/situations or aspects of a subject that is extended to explain the similarities, differences, advantages and disadvantages. This is used to show depth of knowledge through selection of characteristics.
Communicate	Learners are able to convey ideas or information to others
Create/construct	Skills to make or do something, for example a display or set of accounts.
Discuss	Learners consider different aspects of: • a theme or topic; • how they interrelate; and • the extent to which they are important. A conclusion is not required.
Demonstrate	Learners show knowledge and understanding.
Describe	The learner work gives a clear, objective account in their own words showing recall and, in some cases application, of the relevant features and information about a subject. Use of this verb normally requires breadth of content coverage. Evidence will normally be written but could be through presentation or less frequently performance or practice.
Develop	Learners grow or progress a plan, ideas, skills and understanding.
Evaluate	Learners' work draws on varied information, themes or concepts to consider aspects, such as: • strengths or weaknesses • advantages or disadvantages • alternative actions • relevance or significance. Learners' inquiries should lead to a supported judgement showing relationship to its context. This will often be in a conclusion. Evidence will often be written but could be through presentation or activity.

Term	Definition
Examine	Knowledge with application where learners are expected to select and apply to less familiar contexts.
Explain	The learner work shows clear details and gives reasons and/or evidence to support an opinion, view or argument. It could show how conclusions are drawn (arrived at). The learner is able to show that they comprehend the origins, functions and objectives of a subject, and its suitability for purpose.
Explore	Skills and/or knowledge involving practical research or testing.
Identify	Learners indicate the main features or purpose of something by recognising it and/or being able to discern and understand facts or qualities.
Interpret	• Learners state the meaning, purpose or qualities of something through the use of images, words or other expressions.
Investigate	Learners conduct an inquiry or study into something to discover and examine facts and information.
Justify	Learners give reasons or evidence to: • support an opinion; or • prove something right or reasonable.
Manage	Learners can engage with and influence an activity or process.
Outline	The learner work provides a summary or overview or a brief description of something.
Report	Learners can adhere to protocols, codes and conventions where, findings or judgements are set down in an objective way.
Research	Learners proactively seek information from primary and secondary sources.
Review	Learners make a formal assessment of work produced. The assessment allows learners to: • appraise existing information or prior events • reconsider information with the intention of making changes, if necessary.
Stage and manage	Organisation and management skills, for example running an event or a business pitch.
Undertake/carry out	Learners use a range of skills to perform a task, research or activity.

This is a key summary of the types of evidence used for BTEC Nationals.

Type of evidence	Definition and purpose
Case study	A specific example to which all learners must select and apply knowledge.
Project	A large-scale activity requiring self-direction of selection of outcome, planning, research, exploration, outcome and review.
Independent research	An analysis of substantive research organised by learners from secondary and if applicable primary sources.
Written task or report	Individual completion of a task in a work-related format, for example a report, marketing communication, set of instructions, giving information.
Simulated activity/role play	A multi-faceted activity mimicking realistic work situations.

Type of evidence	Definition and purpose
Group task	Learners work together to show skills in defining and structuring activity as a group.
Presentation	Oral or through demonstration.
Production of plan/business plan	Learners produce a plan as an outcome related to a given or limited task.
Reflective journal	Completion of a journal from work experience detailing skills acquired for employability.
Poster/leaflet	Documents providing well-presented information for a given purpose.
Skills audit	An audit of relevant skills for a task/activity or job role.
SWOT analysis	Strengths, Weaknesses, Opportunities and Threats – an analysis using terms on a particular topic or skill.

Pearson
BTEC Level 3 Nationals
in
Business

Certificate in Business

Extended Certificate in Business

Foundation Diploma in Business

Diploma in Business

Extended Diploma in Business

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