Pearson BTEC International Level 2 Business

Specification

Pearson BTEC International Level 2 Certificate in Business (19390)

Pearson BTEC International Level 2 Extended Certificate in Business (19325)

Pearson BTEC International Level 2 Diploma in Business (19326)

For first teaching in September 2014

PEARSON

Edexcel, BTEC and LCCI qualifications

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Pearson's Self-regulated Framework qualifications

These qualifications have been approved by Pearson as meeting the criteria for Pearson's Self-regulated Framework.

Pearson's Self-regulated Framework is designed for qualifications that have been customised to meet the needs of a particular range of learners and stakeholders. These qualifications are not accredited or regulated by any UK regulatory body. For further information please see Pearson's Self-regulated Framework policy on our website.

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Contents

1 Purpose of this specification

Pearson BTEC International Level 2 Certificate, Extended Certificate and Diploma qualifications in Business are designed for international schools and colleges. They are part of an international suite of BTEC Firsts qualifications offered by Pearson. These qualifications are not available to centres in the United Kingdom, the Channel Islands, the Isle of Man or British Armed Forces schools based overseas.

The purpose of this specification is to set out:

- the aim/objective of the qualifications
- the structure and rules of combination of these qualifications
- the resources required by the centre to offer these qualifications
- the knowledge, skills and understanding which will be assessed as part of these qualifications
- the method of assessment and any associated requirements relating to it
- the criteria against which learners' level of attainment will be measured (for example assessment criteria).

This specification must be available in your centres; it will be used by Pearson to externally verify and certificate the approved qualifications.

If you need any guidance or support for Pearson BTEC International Level 2 qualifications please contact your Pearson representative.

Pearson BTEC International Level 2 qualification titles covered by this specification

The following qualifications have been approved by Pearson Education Limited as meeting the criteria for Pearson's Self-regulated Framework. These qualifications are not accredited or regulated by any UK regulatory body.

Pearson BTEC International Level 2 Certificate in Business
Pearson BTEC International Level 2 Extended Certificate in Business
Pearson BTEC International Level 2 Diploma in Business

The qualification titles will appear on learners' certificates. Learners need to be made aware of this when they are recruited by the centre and registered with Pearson.

This specification must be used for delivery and teaching in your centres. For international centres this replaces the following QCF qualifications:

Pearson BTEC Level 2 Certificate in Business (QCF)	500/6790/4
Pearson BTEC Level 2 Extended Certificate in Business (QCF)	500/6745/X
Pearson BTEC Level 2 Diploma in Business (QCF)	500/6789/8

Pearson's international suite of BTEC First qualifications

Pearson BTEC International Level 2 qualifications make up our international suite of BTEC Firsts provision. These qualifications are designed in a range of sectors for learners who wish to explore a work-related vocational qualification or specific industry area. They offer learners the knowledge, understanding and skills that they need to prepare for employment.

On successful completion of a Pearson BTEC International Level 2 qualification, learners can progress to continued study in the same or related vocational area and/or within employment.

Pearson BTEC International Level 2 Certificate

The Pearson BTEC International Level 2 Certificate offers a work-related vocational qualification that focuses on particular aspects of employment in the appropriate vocational sector. The Pearson BTEC International Level 2 Certificate is a qualification that can be part of a learner's programme of study and provide a vocational learning experience. Potentially the qualification could prepare learners for progression to an appropriate Level 3 programme in the same or related vocational area.

Pearson BTEC International Level 2 Extended Certificate

The Pearson BTEC International Level 2 Extended Certificate extends the work-related focus from the Pearson BTEC International Level 2 Certificate and covers the key knowledge and practical skills that are required in the appropriate vocational sector. The Pearson BTEC International Level 2 Extended Certificate offers flexibility and a choice of emphasis through the optional units, providing an engaging programme for those who are clear about the vocational area they wish to explore through further study or who wish to enter employment. Potentially the qualification could prepare learners for progression to an appropriate Level 3 programme in the same or related vocational area.

Pearson BTEC International Level 2 Diploma

The Pearson BTEC International Level 2 Diploma extends the work-related focus from the Pearson BTEC International Level 2 Extended Certificate, with broader coverage of knowledge and practical skills required for the vocational sector.

Potentially the qualification could prepare learners for progression to an appropriate Level 3 programme in the same or related vocational area or, for those who have decided that they wish to enter a particular area of work, for progression to employment in the appropriate vocational sector.

Other learners may want to use this qualification to extend the specialism they studied on the Pearson BTEC International Level 2 Certificate or the Pearson BTEC International Level 2 Extended Certificate programme.

2 Qualification summaries

Key information

Pearson BTEC International Level 2 Certificate in Business	
Minimum total Notional Learning Hours (NLH)	150 (including 90 Guided Learning Hours (GLH))
Minimum qualification value (NLH/10)	15
Assessment	This qualification is internally assessed
Unit grading information	Pass/Merit/Distinction
Overall qualification grading information	Pass/Merit/Distinction/Distinction*

Pearson BTEC International Level 2 Extended Certificate in Business	
Minimum total Notional Learning Hours (NLH)	300 (including 180 Guided Learning Hours (GLH))
Minimum qualification value (NLH/10)	30
Assessment	This qualification is internally assessed
Unit grading information	Pass/Merit/Distinction
Overall qualification grading information	Pass/Merit/Distinction/Distinction*

Pearson BTEC International Level 2 Diploma in Business	
Minimum total Notional Learning Hours (NLH)	600 (including 360 Guided Learning Hours (GLH))
Minimum qualification value (NLH/10)	60
Assessment	This qualification is internally assessed
Unit grading information	Pass/Merit/Distinction
Overall qualification grading information	Pass/Merit/Distinction/Distinction*

For further information about Notional Learning Hours and Guided Learning Hours please see *Section 8*: *Programme delivery* and *Section 10*: *Understanding the units*.

Aim of the Pearson BTEC International Level 2 qualifications in Business

The Pearson BTEC International Level 2 Certificate, Extended Certificate and Diploma qualifications in Business have been developed in the business sector to:

- give full-time learners the opportunity to enter employment in the business sector or to progress to Level 3 vocational qualifications
- provide education and training for business employees
- give opportunities for business employees to achieve a Level 2 vocationally specific qualification
- give learners the opportunity to develop a range of skills and techniques, personal skills and attributes essential for successful performance in working life.

The Pearson BTEC International Level 2 qualifications in Business have been designed to address the needs of Level 2 learners in key areas, including interpersonal skills and customer service. Learners have the opportunity to develop skills to support them as they build relationships with a wide variety of customers, internal and external, to a range of business environments. A range of specialist units are included to allow centres to offer innovative, imaginative and creative curriculum to meet their learner needs.

Specialist areas include:

- finance, both personal and business, together with bookkeeping, which supports development of basic financial principles
- working in business teams and team leading
- business support or administration, which supports development of practical administration skills including office systems and equipment, meeting support and filing systems
- personal selling, which helps learners to understand the personal selling process
- aspects of business online and how this can support businesses to develop opportunities
- aspects of retailing such as promoting, branding and visual merchandising
- consumer rights
- business ethics
- lean management techniques
- logistics
- enterprise and business start-up, which is available at both Level 2 and Level 3 in the qualification.

The Pearson BTEC International Level 2 qualifications in Business offer course teams in centres an opportunity to develop their own assignments/activities, to take into account the needs of both local employers and their learners. Evidence for assessment may be generated through a range of diverse activities including assignment and project work, case studies, workplace assessment, role play and oral presentation. Delivery strategies should reflect the nature of work within the business sector by encouraging learners to research and carry out assessment in the workplace or in simulated working conditions wherever possible.

Business employers value employees who are able to communicate effectively both verbally and using electronic communication methods. The Pearson BTEC International Level 2 qualifications in Business provide opportunities for learners to develop their communication skills as they progress through the course. This can be through presentations and discussions in which they have the opportunity to express their opinions.

Learners should be encouraged to take responsibility for their own learning and achievement, taking into account industry standards for behaviour and performance. It will be beneficial to learners to use local business examples wherever possible, and for centres to engage with local employers for support and input.

The Pearson BTEC International Level 2 qualifications in Business provide a route to employment into the many diverse areas of business. These could include:

- roles in specialist areas such as marketing, finance, customer service or human resources in large organisations
- a more generic role in a small local business.

3 Centre resource requirements

As part of the approval process, the centre must make sure that the resource requirements below are in place before offering Pearson BTEC International Level 2 qualifications.

- The centre must have appropriate physical resources (for example equipment, IT, learning materials, teaching rooms) to support delivery and assessment.
- Staff involved in the assessment process must have relevant expertise and occupational experience.
- There must be systems in place to make sure that there is continuing professional development for staff delivering the qualifications.
- The centre must have appropriate policies in place relating to the delivery of the qualification.
- The centre must deliver the qualifications in accordance with current equality legislation.
- The centre must have in place any specific unit resource requirements as listed in each unit under the heading *Essential requirements*.

4 Qualification structures

Pearson BTEC International Level 2 Certificate in Business

The Pearson BTEC International Level 2 Certificate in Business qualification has a minimum total of 150 Notional Learning Hours (NLH).

Learners must achieve both mandatory units **and** one optional unit for a combined minimum total value of 15 to achieve the qualification.

This qualification is **not** designed to allow units to be imported from other Pearson qualifications.

Mandatory units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
1	Business Purposes	2	50	5
2	Business Organisations	2	50	5

Optional units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
3	Financial Forecasting for Business	2	50	5
4	People in Organisations	2	50	5
5	Using Office Equipment	1	50	5
6	Providing Business Support	2	50	5
7	Verbal and Non-verbal Communication in Business Contexts	2	50	5
8	Business Communication through Documentation	2	50	5
9	Training and Employment in Business	2	50	5
10	Personal Selling in Business	2	50	5
19	The Marketing Plan	2	50	5
20	Managing Personal Finances	2	50	5
25	Enterprise in the Workplace	2	100	10
26	Sourcing and Buying in the Supply Chain	2	50	5
27	Technology in the Logistics Sector	2	50	5
28	Warehousing Skills in Logistics	2	50	5
29	Transport, Distribution and the Storage of Goods within the Logistics Industry	2	50	5

Pearson BTEC International Level 2 Extended Certificate in Business

The Pearson BTEC International Level 2 Extended Certificate in Business qualification has a minimum total of 300 Notional Learning Hours (NLH).

Learners must achieve both mandatory units **and** optional units that provide for a combined minimum total value of 30 to achieve the qualification.

This qualification is **not** designed to allow units to be imported from other Pearson qualifications.

Mandatory units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
1	Business Purposes	2	50	5
2	Business Organisations	2	50	5

Optional units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
3	Financial Forecasting for Business	2	50	5
4	People in Organisations	2	50	5
5	Using Office Equipment	1	50	5
6	Providing Business Support	2	50	5
7	Verbal and Non-verbal Communication in Business Contexts	2	50	5
8	Business Communication through Documentation	2	50	5
9	Training and Employment in Business	2	50	5
10	Personal Selling in Business	2	50	5
11	Customer Relations in Business	2	100	10
12	Business Online	2	100	10
13	Consumer Rights	2	50	5
14	Business Ethics	2	50	5
15	Bookkeeping for Business	2	50	5
16*	Business Enterprise	2	100	10
17*	Starting a Small Business	3	100	10

Optional units (continued)				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
18	Working in Business Teams	2	50	5
19	The Marketing Plan	2	50	5
20	Managing Personal Finances	2	50	5
21	Promoting and Branding in Retail Business	2	100	10
22	Visual Merchandising and Display Techniques for Retail Business	2	100	10
23	Lean Organisation Techniques in Business	2	50	5
24	Business Improvement Tools and Techniques	2	50	5
25	Enterprise in the Workplace	2	100	10
26	Sourcing and Buying in the Supply Chain	2	50	5
27	Technology in the Logistics Sector	2	50	5
28	Warehousing Skills in Logistics	2	50	5
29	Transport, Distribution and the Storage of Goods within the Logistics Industry	2	50	5

*Units 16 and 17 may **not** be taken together.

Pearson BTEC International Level 2 Diploma in Business

The Pearson BTEC International Level 2 Diploma in Business qualification has a minimum total of 600 Notional Learning Hours (NLH).

Learners must achieve four mandatory units **and** optional units that provide for a combined minimum total value of 60 to achieve the qualification.

This qualification is **not** designed to allow units to be imported from other Pearson qualifications.

Mandatory units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
1	Business Purposes	2	50	5
2	Business Organisations	2	50	5
3	Financial Forecasting for Business	2	50	5
4	People in Organisations	2	50	5

Optional units				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
5	Using Office Equipment	1	50	5
6	Providing Business Support	2	50	5
7	Verbal and Non-verbal Communication in Business Contexts	2	50	5
8	Business Communication through Documentation	2	50	5
9	Training and Employment in Business	2	50	5
10	Personal Selling in Business	2	50	5
11	Customer Relations in Business	2	100	10
12	Business Online	2	100	10
13	Consumer Rights	2	50	5
14	Business Ethics	2	50	5
15	Bookkeeping for Business	2	50	5
16*	Business Enterprise	2	100	10
17*	Starting a Small Business	3	100	10

Optional units (continued)				
Unit	**Unit title**	**Level**	**Notional Learning Hours**	**Unit value (NLH/10)**
18	Working in Business Teams	2	50	5
19	The Marketing Plan	2	50	5
20	Managing Personal Finances	2	50	5
21	Promoting and Branding in Retail Business	2	100	10
22	Visual Merchandising and Display Techniques for Retail Business	2	100	10
23	Lean Organisation Techniques in Business	2	50	5
24	Business Improvement Tools and Techniques	2	50	5
25	Enterprise in the Workplace	2	100	10
26	Sourcing and Buying in the Supply Chain	2	50	5
27	Technology in the Logistics Sector	2	50	5
28	Warehousing Skills in Logistics	2	50	5
29	Transport, Distribution and the Storage of Goods within the Logistics Industry	2	50	5

*Units 16 and 17 may **not** be taken together.

5 Assessment and grading

The assessment of Pearson BTEC International Level 2 qualifications is criterion-referenced and the centre is required to assess learners' evidence against published outcomes of learning and assessment criteria.

Each unit within the qualification has specified assessment and grading criteria which are to be used for grading purposes. A summative unit grade can be awarded at pass, merit or distinction:

- to achieve a 'pass' a learner must have satisfied **all** the pass assessment criteria
- to achieve a 'merit' a learner must additionally have satisfied **all** the merit grading criteria
- to achieve a 'distinction' a learner must additionally have satisfied **all** the distinction grading criteria.

A grading scale of pass, merit and distinction is applied to all units.

BTEC internal assessment

All units in the Pearson BTEC International Level 2 qualifications are assessed through internal assessment, which means that the centre can deliver the programme in a way that suits its learners and relates to local need. The way in which the centre delivers the programme must also ensure that assessment is fair and that standards are consistent over time. To achieve this, it is important that centres:

- plan the assessment of units to fit with delivery, allowing for the linkages between units
- write suitable assessments (for example assignments, projects or case studies) or select assessments from available resources, adapting them as necessary
- plan the assessment for each unit in terms of when it will be authorised by the Internal Verifier, when it will be used and assessed, how long it will take, and how you will determine that learners are ready to begin an assessment
- ensure each assessment is fit for purpose, valid, will deliver reliable assessment outcomes across assessors, and is authorised before use
- provide all the preparation, feedback and support that learners need to undertake an assessment before they begin producing their evidence
- make careful and consistent assessment decisions based only on the defined assessment criteria and unit requirements
- validate and record assessment decisions carefully and completely
- work closely with Pearson to ensure that the implementation, delivery and assessment is consistent with BTEC quality standards.

Internal Verifiers must oversee all assessment activity to make sure that individual assessors do not misinterpret the specification or undertake assessment that is not consistent with the BTEC quality standards in respect of level, content or duration of assessment. The process for ensuring that assessment is being conducted correctly is called internal verification. Normally, a programme team will work together with individuals being both assessors and Internal Verifiers. Internal Verifiers must make sure that assessment is fully validated within the centre by:

- checking every assessment instrument carefully and endorsing it before it is used
- ensuring that each learner is assessed carefully and thoroughly using only the relevant assessment criteria and associated guidance within the specification
- ensuring the decisions of every assessor for each unit at all grades and for all learners are in line with BTEC quality standards.

Assessors make assessment decisions and must be standardised using Pearson-approved materials before making any assessment decisions. They are usually the teachers within the school or college, but the term 'assessor' refers to the specific responsibility for carrying out assessment and making sure that it is done in a way that is correct and consistent with BTEC quality standards. Assessors may also draft or adapt internal assessment instruments. Centres are required to keep records of assessment and have assessment authorised by Pearson. The main records are:

- the overall plan of delivery and assessment, showing the duration of assessment and the timeline for internal verification
- assessment instruments, which are authorised through an Internal Verifier
- assessment records, which contain the assessment decisions for each learner for each unit
- an internal verification sampling plan, which shows how assessment decisions are checked, and that must include across the sample all assessors, unit assessment locations and learners
- internal verification records, which show the outcomes of sampling activity as set out in the sampling plan.

Learner preparation

As Pearson BTEC International Level 2 qualifications are all internally assessed, it is important that learners are prepared for assessment. Learners:

- must be prepared for and motivated to work consistently and independently to achieve the requirements of the qualification
- need to understand how they will be assessed and the importance of timescales and deadlines
- need to appreciate fully that all the work submitted for assessment must be their own.

Centres will need to provide learners with an induction and a guide or handbook to cover:

- the purpose of the assessment briefs for learning and assessment
- the relationship between the tasks given for assessment and the grading criteria
- the concept of vocational and work-related learning
- how learners can develop responsibility for their own work and build their vocational and employability skills
- how learners should use and reference source materials, including what would constitute plagiarism.

The centre must communicate assessment grading rules to all learners at the beginning of the programme.

For full guidance on all of the rules surrounding internal assessment for BTEC qualifications please see the *Guide to Internal Assessment for BTEC Firsts and Nationals* which can be located in the key documents section of our website: www.btec.co.uk/keydocuments

Final assessment decisions

Final assessment is the culmination of the learning and assessment process. Learners should be given a full opportunity to show how they have achieved the outcomes of learning covered by a final assessment. This is achieved by ensuring that learners have received all necessary learning, preparation and feedback on their performance and then confirming that they understand the requirements of an assessment, before any assessed activities begin.

There will then be a clear assessment outcome based on the defined assessment criteria. Centres must devise an assessment plan that will set a clear timeline for assessment decisions to be reached. Once an assessment has begun, learners must not be given feedback on progress towards criteria. After the final assignment is submitted, an assessment decision must be given.

An assessment decision:

- must be made with reference to the assessment criteria
- should record how it has been reached, indicating how or where criteria have been achieved
- may indicate why attainment against criteria has not been demonstrated
- must not provide feedback on how to improve evidence to meet higher criteria.

Centres' Internal Verifiers and assessors must work together to ensure that assessment decisions are reached promptly and validated before they are given to the learner.

Late submission

Centres must encourage learners to understand the importance of deadlines and of handing work in on time. For assessment purposes, it is important that learners are assessed fairly and consistently according to the assessment plan that the Internal Verifier has authorised and that some learners are not advantaged by having additional time to complete assignments. Centres are not required to accept assessment work that was not completed by the date in the assessment plan. Learners may be given authorised extensions for legitimate reasons, such as illness at the time of submission. If a late completion by a learner is accepted, the evidence should be assessed normally, unless it is judged to not meet the requirements for authenticity. It is not appropriate to give automatic downgrades on assessment decisions as 'punishment' for late submission.

Resubmission of improved evidence

Once an assessment decision is given to a learner it is final in all cases, except where the Internal Verifier approves **one** opportunity to resubmit improved evidence. The criteria used by the Internal Verifier to authorise a resubmission opportunity are always:

- initial deadlines or agreed extensions have been met
- the teacher considers that the learner will be able to provide improved evidence without further guidance
- the evidence submitted for assessment has been authenticated by the learner and the assessor
- the original assessment can remain valid
- the original evidence can be extended and re-authenticated.

Centres will need to provide a specific re-submission opportunity that is authorised by the Internal Verifier. Any resubmission opportunity must have a deadline that is **within 10 days** of the assessment decision being given to the learner, and within the same academic year.

Centres should make arrangements for resubmitting the evidence for assessment in such a way that it does not adversely affect other assessments and does not give the learner an unfair advantage over other learners. Centres must consider how the further assessment opportunity ensures that assessment remains fit for purpose and in line with the original requirements. For example, the centre may opt for learners to improve their evidence under supervised conditions, even if this was not necessary for the original assessment, to ensure that plagiarism cannot take place. How centres provide opportunities to improve and resubmit evidence for assessments needs to be fair to all learners.

Care must be taken when setting assignments and at the point of final assessment to ensure that the original evidence for assessment can remain valid and can be extended. The learner must not have further guidance and support in producing further evidence. The Standards Verifier is likely to want to include evidence that has been resubmitted as part of the sample they will review.

Retaking assessment

Pearson BTEC International Level 2 qualifications do not allow for compensation – this means that learners must achieve every pass criterion in order to successfully achieve the qualification.

Conditions for retaking a new assignment

If a learner has met all of the conditions set out above for *Resubmission of improved evidence*, but has still not achieved the targeted pass criteria following the resubmission of the assignment, the Internal Verifier may authorise **one** retake opportunity to meet the required pass criteria. The Internal Verifier must only authorise a retake in exceptional circumstances where they believe it is necessary, appropriate and fair to do so.

The criteria used by the Internal Verifier to authorise a resubmission opportunity are always:

- the retake must be a new task or assignment targeted only to the pass criteria which were not achieved in the original assignment – an assessor cannot award a merit or distinction grade for a retake
- the assessor must agree and record a clear deadline before the learner starts the retake
- the learner and assessor must sign declarations of authentication as they both did for previous submissions.

Standards Verifiers will require the centre to include evidence of any retakes in sampling. Retakes should not be required as a matter of course. Centres should keep a record of the number of retakes required on any programme to support the centres' own quality monitoring.

Calculation of the qualification grade

Pass qualification grade

Learners who achieve the minimum eligible value specified by the rule of combination will achieve the qualification at pass grade (see *Section 4: Qualification structures)*.

Qualification grades above pass grade

Learners will be awarded a merit, distinction or distinction* qualification grade by the aggregation of points gained through the successful achievement of individual units. The number of points available is dependent on the unit level and grade achieved and the value of the unit (as shown in the table overleaf).

Points available per unit value at specified unit grades and levels

The table below shows the number of points scored per unit value at the unit level and grade.

Unit level	Points per unit value		
	Pass	Merit	Distinction
Level 1	3	4	5
Level 2	**5**	**6**	**7**
Level 3	7	8	9

Learners who achieve the correct number of points within the ranges shown in the 'qualification grade' table below will achieve the qualification merit or distinction or distinction* grade (or combinations of these grades appropriate to the qualification).

Qualification grade

Qualification	Points range above pass grade		
	Merit	Distinction	Distinction*
Pearson BTEC International Level 2 Certificate	85–94	95–99	100 and above
Pearson BTEC International Level 2 Extended Certificate	170–189	190–199	200 and above
Pearson BTEC International Level 2 Diploma	340–379	380–399	400 and above

Annexe A: Calculation of the qualification grade gives examples of how qualification grades above a pass are calculated.

6 Centre and qualification approval

The centre must be approved by Pearson before delivering and assessing Pearson BTEC International Level 2 qualifications on Pearson's Self-regulated Framework. Centres that have not previously been approved will need to apply for, and be granted, centre recognition as part of the process for approval to offer these qualifications.

Before you offer these qualifications you must meet both centre and qualification approval requirements.

Approvals agreement

All centres are required to enter into an approval agreement that is a formal commitment by the head or principal of a centre to meet all requirements. If the centre does not comply with the agreement this could result in the suspension of certification or withdrawal of approval.

7 Quality assurance

Quality assurance is at the heart of Pearson BTEC International Level 2 qualifications on Pearson's Self-regulated Framework. The centre internally assesses these qualifications and is responsible for making sure that all assessors and Internal Verifiers adhere to their internal verification processes, to ensure consistency and validity of the assessment process.

Pearson uses quality assurance to check that all centres are working to the agreed standard. It gives us the opportunity to identify and provide support, if needed, to safeguard certification.

For guidance, please refer to the *Pearson's Self-regulated Framework (SRF) Quality Assurance Handbook* which is on our website at: www.edexcel.com/quals/cust/pages/srf.aspx

8 Programme delivery

Pearson BTEC International Level 2 qualifications consist of mandatory units and optional units. Optional units are designed to provide a focus to the qualification and give more specialist opportunities in the sector.

In Pearson BTEC International Level 2 qualifications each unit shows both the Guided Learning Hours and the Notional Learning Hours.

Guided Learning Hours are defined as all the times when a tutor, trainer or facilitator is present to give specific guidance towards the outcome of learning being studied on a programme. This definition includes lectures, tutorials and supervised study, for example in open learning centres and learning workshops. It also includes time spent by staff assessing learners' achievements. It does not include time spent by staff in day-to-day marking of assignments where the learner is not present.

Guided learning hours form part of the Notional Learning Hours for a unit. Notional Learning Hours are defined as the total amount of time a learner is expected to take, on average, to complete the unit to the required standard, including teaching, study and assessment time.

Centres are advised to consider both of these definitions when planning the programme of study associated with this specification.

Mode of delivery

Pearson does not define the mode of study for Pearson BTEC International Level 2 qualifications. Centres are free to offer the qualifications using any mode of delivery that meets their learners' needs. Please refer to the policy pages on our website at: www.edexcel.com/policies

Whichever mode of delivery is used, centres must ensure that learners have appropriate access to the resources identified in the specification and to the subject specialists delivering the units. Centres must have due regard to Pearson's policies that may apply to different modes of delivery.

Resources

Physical resources need to support the delivery of the programme and the proper assessment of the outcomes of learning and should, therefore, normally be of industry standard.

Staff delivering programmes and conducting the assessments should be familiar with current practice and standards in the sector concerned. Centres will need to meet any specific resource requirements to gain approval from Pearson.

Where specific resources are required these have been indicated in individual units in the *Essential requirements* sections.

Delivery approach

It is important that centres develop an approach to teaching and learning that supports the specialist vocational nature of Pearson BTEC International Level 2 qualifications and the mode of delivery. Specifications give a balance of practical skill development and knowledge requirements, some of which can be theoretical in nature. Delivery staff and assessors need to ensure that appropriate links are made between theory and practical application and that the knowledge base is applied to the sector. This requires the development of relevant and up-to-date teaching materials that allow learners to apply their learning to actual events and activity within the sector. Maximum use should be made of the learner's experience.

An outline learning plan is included in every unit as guidance, which demonstrates one way of planning the delivery and assessment of the unit. The outline learning plan can be used in conjunction with the programme of suggested assignments.

Support and training

Pearson offers an extensive package of training to support all aspects of BTEC delivery, including:

- **Teaching and published resources** – we provide an extensive selection of published materials along with our innovative range of digital teaching tools. In addition, we offer guides to support planning and delivery and to help students study. For more information please visit our website: www.edexcel.com/international/iama/teacher/
- **Subject Advisors** – our subject experts are on hand to answer any questions centres may have on delivering the qualification and assessment. For more information visit our website: www.edexcel.com/Aboutus/contact-us/teachers-hods
- **Training** – many of our training events form part of the added value service offered by Pearson. As well as standard events, we can create bespoke training programmes to meet centres' specific needs. These can be delivered face-to-face or online so that centres can choose where, when and how training takes place. For more information please visit our website: www.edexcel.com/training/ or email us at: internationaltfp@pearson.com

If you would like further information please contact your local Pearson representative – to find out how visit:
www.edexcel.com/Aboutus/contact-us/international-customers/

9 Access and recruitment

Pearson is committed to providing qualifications with no artificial barriers. A full statement, included in our *Equality Policy*, can be found on our website at: www.edexcel.com/policies

Equality and fairness are central to our work. We are committed to making sure that qualifications do not discriminate and all learners achieve the recognition they deserve from undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

Restrictions on learner entry

These qualifications are suitable for learners aged 14 and above. Centres must give due regard to Pearson's policies that apply to the fair and equal recruitment of learners to all Pearson qualifications.

Centres are required to recruit learners to Pearson BTEC International Level 2 qualifications with integrity. This will include ensuring that applicants have appropriate information and advice about the qualifications and that the qualification will meet their needs. Centres should take appropriate steps to assess each learner's potential and make a professional judgement about their ability to successfully complete the programme of study and achieve the qualification. This assessment will need to take account of the support available to the learner within the centre during their programme of study and any specific support that might be necessary to allow the learner to access the assessment for the qualification.

Centres will need to review the entry profile of qualifications and/or experience held by applicants, considering whether this profile shows an ability to progress to a Level 2 qualification. For learners who have recently been in education, the profile is likely to include one of the following:

- a BTEC Level 1 qualification in business or in a related vocational area
- a standard of literacy and numeracy supported by a general education equivalent to four GCSEs/International GCSEs at grade D-G
- other related Level 1 qualifications
- related work experience.

More mature learners may present a more varied profile of achievement that is likely to include experience of paid and/or unpaid employment.

Recognition of Prior Learning

Recognition of Prior Learning (RPL) is a method of assessment that considers whether a learner can demonstrate that they can meet the assessment requirements for a unit through knowledge, understanding or skills they already possess and so do not need to develop through a course of learning.

Pearson encourages centres to recognise learners' previous achievements and experiences whether at work, home and at leisure, as well as in the classroom. RPL provides a route for the recognition of the achievements resulting from continuous learning. RPL enables recognition of achievement from a range of activities using any valid assessment methodology. Provided that the assessment requirements of a given unit or qualification have been met, the use of RPL is acceptable for accrediting a unit, units or a whole qualification. Evidence of learning must be sufficient, reliable and valid.

10 Understanding the units

All units in these qualifications have the following sections.

Title

The title is a short description of the content of the unit. This form of words will appear on the learner's Notification of Performance (NOP).

Level

The level of the unit indicates the complexity and demand expected to achieve it. The level places the unit on a framework of comparability with other units and qualifications at that level.

Notional Learning Hours (NLH)

Notional Learning Hours (NLH) are the total amount of time a learner is expected to take, on average, to complete the unit to the required standard, including teaching, study and assessment time.

Guided Learning Hours (GLH)

The Guided Learning Hours (GLH) are defined as all the times when a tutor, trainer or facilitator is present to give specific guidance towards the outcome of learning being studied on a programme. This definition includes lectures, tutorials and supervised study in, for example, open learning centres and learning workshops. It also includes time spent by staff assessing learners' achievements. It does not include time spent by staff in day-to-day marking of assignments or homework where the learner is not present.

Unit value

The unit value is calculated by dividing the Notional Learning Hours (NLH) by 10.

SRF unit code

The unique approval code for the unit.

Unit aim

Says what the aims of the unit are in terms of what is covered and what the unit will enable learners to do.

Unit introduction

The introduction gives a short description of the unit, and details the key knowledge, skills and understanding the learner will gain through studying the unit. The introduction highlights the focus of the unit and how it links to the vocational sector to which the qualification relates.

Outcomes of learning

Outcomes of learning state what a learner can be expected to know, understand or be able to do as a result of completing a programme of learning for the unit.

Assessment and grading grid

The assessment and grading grid gives the criteria used to determine the evidence that each learner must produce in order to achieve a pass, merit or distinction grade. It is important to note that the merit and distinction grading criteria require a qualitative improvement in a learner's evidence and not simply the production of more evidence at the same level.

Unit content

In the unit content section topics are listed as bullets to provide detail on what is required to design and deliver a programme of learning. Not all topics have to be covered to be able to meet the assessment criteria. Centres are able to select the topics they deliver, ensuring learners produce evidence of sufficient depth and breadth to meet the assessment criteria.

Information for delivery staff

This section gives delivery staff information on delivery and assessment. It contains the following subsections.

Essential requirements – identifies any specialist resources needed to allow learners to generate the evidence required for the unit. The centre will need to ensure that any requirements are in place when it seeks approval to offer the qualification.

Employer engagement and vocational contexts – gives examples of agencies, networks and other useful contacts for employer engagement and for sources of vocational contexts.

Delivery guidance – explains the content's relationship to the outcomes of learning and offers guidance on possible approaches to delivery of the unit. This section includes an example outline learning plan which demonstrates one way of planning the delivery and assessment of the unit. The delivery guidance section is based on the more usual delivery modes but is not intended to rule out alternative approaches.

Assessment guidance – gives information about the evidence that learners must produce, together with any additional guidance if appropriate. This section should be read in conjunction with the assessment criteria and grading criteria. It also includes a programme of suggested assignments which demonstrates how assignments match and cover the assessment and grading criteria. This is provided for guidance only and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Suggested resources – indicates resource materials that can be used to support the teaching of the unit, for example books, journals and websites.

Units

Unit 1: Business Purposes

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20628G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the nature of business organisations and the business environment in which they operate. Learners will do this by looking at the range of organisations that exist locally, regionally, nationally and internationally, and by considering the business framework in which they operate. There will be a particular focus on businesses in the local context with which learners will be familiar.

Unit introduction

National wealth is created through business activity. The term 'business' is used to cover organisations as diverse as multinational companies and small local businesses, as well as organisations in the voluntary sector. Businesses have a wide range of purposes. Some supply goods and services, others manufacture goods. Some want to make profits to satisfy their shareholders, others do not. Businesses contribute to the national wellbeing and the unit considers the purposes of these different businesses.

Businesses are organised differently. The largest businesses operate globally. Others may wish to remain small and free from too much legal control. The smallest businesses, for example, individuals providing an ironing or gardening service, may be run from the owner's home and have a limited sphere of operation. Learners will look at how businesses are classified in terms of their activities and will consider the relative importance of each by looking at the local economy.

Businesses do not operate in a vacuum. Governments influence the business context. Account has to be taken of the requirements of the European Union and other organisations in areas such as competition. In general terms, the government wants to create a business framework in which businesses and individuals can flourish. Learners will look at some simple linkages to understand how governments affect business. When interest rates fall, businesses borrow cheaply to invest and produce more to sell at home and abroad, so they take on more employees who receive incomes which they then spend on goods and services so stimulating demand for products from other businesses. Growth, income, exporting and employment can all be examined through examples such as this.

Learners will look at the changing patterns in the business environment and the reasons for these changes. Businesses need to be flexible and responsive to the changes in the business environment if they are to survive and succeed.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the purpose and ownership of business

2 Understand the business context in which organisations operate.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify the purpose of different business organisations	M1 Contrast the ownership and purposes of different business organisations	D1 Evaluate how a business organisation has responded to changes in the business environment
P2 Describe the different types of business ownership, linking this to the size and scale of different organisations		
P3 Explain how businesses are classified using local and national examples	M2 Compare areas of growth or decline in the primary, secondary and tertiary classifications of business activities	
P4 Outline the role of government in creating the business climate		
P5 Explain the characteristics of the local business environment		

Unit content

1 Understand the purpose and ownership of business

Purpose:

- supply of goods and services, e.g. at a profit, free, at cost, for sale below cost

Ownership:

- sole trader
- partnership
- limited companies (private [ltd], public [plc])
- charity
- voluntary organisations
- cooperatives
- government

Size:

- small
- medium
- large

Scale:

- local
- regional
- national
- European and global organisations

Classification:

- primary (e.g. farming, forestry, fishing, extraction/mining)
- secondary (e.g. manufacturing, engineering, construction)
- tertiary (e.g. private service industries, local and national public services, voluntary/not-for-profit services)

2 Understand the business context in which organisations operate

Role of government:

- European
- national
- local
- growth, full employment
- inflation/deflation
- surpluses
- competitiveness
- equality

Business environment characteristics:

- markets
- trends (employment, income, growth)
- relative growth/decline by sector: decline of primary and secondary industries
- growth of tertiary service industries
- legal framework

Information for delivery staff

Essential requirements

For this unit learners should have access to a suitable business teaching environment with access to the internet for research. Tutors may consider building a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors. Government agencies can also supply materials.

Learners can generate evidence from a work placement or from work experience. Some learners may have access to information from family-owned and -run businesses.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

An interesting example of how government policy on training is linked to economic performance can be found at: www.niace.org.uk/news/podcasts-videos/policy-podcasts

Delivery guidance

The unit takes learners through an exploration of businesses and develops their understanding as the content progresses. Discussing local business operations and the learner's experiences from work experience or part-time employment gives them a broad introduction to what businesses do, their purpose, types of ownership, how many employees they have, their scale of operation and the industrial sector to which they belong. Learners can then expand these ideas to consider organisations that have regional, national, European and global presences.

Learners should be encouraged to take an interest in business both by looking at what goes on around them and by looking at the media. The term 'business' is used to cover organisations as diverse as multinational companies, such as BP and Unilever, small businesses such as a local window cleaner and organisations in the voluntary sector such as Oxfam. A survey of the local business scene would provide a picture of the nature of local business and begin to identify some of the trends and developments together with reasons for these changes. Newspaper articles, advertisements and business promotional materials can be used to create displays depicting the local business environment and the types of business. This will provide a visual stimulus that can be used to enhance understanding of other areas of content within the unit. Businesses have a wide range of objectives and learners should identify the purposes they have. Case studies and newspaper reports relating to businesses with which learners are familiar can be used to extend their understanding of particular issues. Television programmes exploring business organisations can also be useful formative tools, especially when followed with class discussion or written summary. The internet can be a useful tool, as many larger organisations provide webpages specifically for learners.

Tutors may find it useful for learners (working individually or in pairs) to 'adopt' a local business, enabling them to contribute examples of business purposes through class discussions. Discussion groups can also examine the process of investigation, since it is a problem to get information about some businesses, especially when they are not legally required to put much information into the public domain.

Learners will need input on types of ownership, business purposes and different classifications according to the industrial sector. Tutors should ensure that work undertaken by learners captures an appropriate range of business ownership. This may be locally based, but some areas will not have the full range of organisations so a non-local focus may be needed. For example, a public limited company with a global presence may not exist in a rural area. Ownership types should be examined in relation to the size and scale of business activities and local as well as national examples should be considered.

Tutor input is similarly needed to provide an understanding of the role of the government, its economic objectives and how it creates the business climate in which organisations function. Interest rates are cut in order to stimulate investment and investment increases efficiency, output and creates export and employment opportunities. Research and case studies will identify the characteristics of the local business environment showing, for example, whether local employment is growing or declining and this can be linked to the objective of having full and stable employment. Tutors may need to provide assimilable summaries of government data that learners can use to explore trends in the business environment.

Learners need to develop their understanding of how sectors have changed. When approaching delivery of this area of content, tutors should be aware of the balance of industry sector in their local area in order to illustrate delivery with local examples, including how different sectors have grown or declined. These must, however, be contrasted with regional and national examples in order to give a wider picture.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Introduction to the nature of business and ownership.
Pair/group work on analysis of nature of businesses. Learners: ● investigate purposes of businesses ● research ownership types of various businesses. **Assignment task 1: Promoting Local Business** ● investigate classification, scope and scale of business' activities.

Topic and suggested assignments/activities/assessment
Assignment task 2: Promoting Local Business ● use case study materials ● internet searches ● tabulate information ● write presentations ● give presentations There may still be formal input, visits and speakers during time when group work happens.
Introduction to the business context.
Pair/group work on the business context and the role of government. Learners: ● research government economic and business objectives ● investigate the markets in which businesses operate ● investigate trends in different business sectors ● suggest reasons for the business trends ● use case-study materials ● tabulate information ● write presentations ● give presentations. **Assignment task 3: Promoting Local Business** There may still be formal input and visits and speakers during time when group work happens.
Preparation for assessed assignments.
Non-supervised study time and completion of assignments.

Assessment guidance

To achieve the pass criterion, P1, learners need to identify the purpose of four business organisations. To do this, a selection of different organisations needs to be considered in order cover a range of objectives.

For P2, there needs to be a description of four different types of ownership which should be linked to the size and scale of the businesses. The need to raise finance may require a sole trader or a partnership to convert to a limited company. Limited companies may see the owners diluting their equity stakes to encourage other investors to come in with additional capital. The easyJet founder sold a significant part of the business to ensure it had the capital to expand and open up new hubs in different European countries.

For P3, the classifications of businesses should be in terms of the sector and the nature and scope of their activities. There needs to be a clear explanation of what the legal structure of the business is and multinational businesses need to be examined carefully. For assessment purposes tutors need to vet the choice of businesses in order to ensure a suitable range is selected for use in assignments.

For P4, learners need to recognise the role of governments in establishing the business climate through the use of incentives to business such as cutting the business rates of tax or through regional development policies. Regional and local government also have business generation at the heart of what they do in promoting local economic wellbeing and there are plentiful illustrations of how they create business micro-environments.

For P5, learners should consider the structure of the local business environment by looking at the range and types of business and their impact on and significance to the local economy. For example, science parks are developed and bring in manufacturing industries that are based on sophisticated technology, replacing some of the traditional manufacturing. Employment and wealth distribution patterns change. Support industries develop, providing additional products and services. In the north-east of England as shipbuilding declined with consequences for local employment, the efforts of government persuaded Nissan to build a car plant and government offices to re-locate to the area. In 2008, Sunderland had the largest increase in new business start-ups at a time when the economy was going into recession.

For M1, learners need to contrast two different businesses but they must ensure the contrast is as wide as possible. For the contrasts to be valid, the businesses must have different ownership and purposes.

For M2, learners need to look at how the national and local economy has changed over time in terms of the types of business activity that take place. Trends need to be quantified and the reasons for the changes need to be examined and explained.

For D1, learners need to look at one business organisation and how it has changed in response to changes in the business environment. If a supermarket is chosen, then it is easy to see how they have become 'one-stop' shops for food, petrol, pharmaceuticals, clothes, electrical goods and so on. The reasons behind the change need to be considered. Customers' preferred shopping styles have changed but the planning regime has allowed out-of-town green field sites to be developed and the trading laws have permitted Sunday trading and 24-hour opening.

The same business organisation(s) can be used for different criteria. This might encourage a more in-depth investigation of particular businesses.

Assignments can group criteria in any reasonable cluster but P1, P2, M1 and D1 could fit together as could P3 and M2, and P4 and P5.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Promoting Local Business Task 1: Individual work on four businesses covering ownership types, purposes and how businesses have changed.	All three tasks are based around the production of a magazine article for an enterprise agency that is promoting the local economy.	Research materials. Graphical materials. Magazine article.

Criteria covered	Assignment title	Scenario	Assessment method
P3, M2	Promoting Local Business Task 2: Individual work on classification of businesses and the reasons for the changing nature of the classifications.	Magazine article as above.	Research materials. Graphical materials. Magazine article.
P4, P5	Promoting Local Business Task 3: Individual work on the role of government in creating the business climate and the characteristics of the local business environment.	Magazine article as above.	Research materials. Graphical materials. Magazine article.

Learners will be expected to produce evidence that shows their knowledge and understanding of the nature of business: locally, regionally and nationally. Evidence may include a report that identifies the nature of businesses and their ownership, size, scale and scope or a report about the environment in which businesses operate.

Suggested resources

Books

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Student Book* (Pearson, 2009) ISBN 9781846906206

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Teaching Resource Pack* (Pearson, 2009) ISBN 9781846906213

Carysforth C and Neild M – *BTEC First Business, 2nd Edition* (Heinemann, 2006) ISBN 0435499076

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327

Websites

www.bized.co.uk	A business education resource site
www.thetimes100.co.uk	The Times 100 case studies

Unit 2: Business Organisations

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20629G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the aims and objectives of business organisations and how they are organised into functional areas to meet their business goals. Learners will do this by looking at examples of local and national organisations and for which information is readily available. There will be a particular focus on businesses in the local context with which learners will be familiar.

Unit introduction

Many different types of business operate nationally and internationally. In this unit the term 'business' includes all organisations that have a business purpose, including charities and voluntary organisations. Learners will look at how different businesses have different aims and objectives and how they then structure themselves to meet them. Many businesses have an aim/mission, which is a broad statement that defines the ethos of the business. The business needs to have objectives that flesh out how the aim/mission is to be accomplished and these should be specific and measurable. The unit will consider the range of objectives that exist in business.

Consideration will be given to how businesses organise themselves in order to achieve their objectives. Once a business has ceased to be small it will become functionally organised so each activity becomes a specialist activity that needs to be organised, structured and sequenced to support business objectives. The purchasing department in a supermarket must ensure the goods inwards area expects and can store supplies from the warehouse. In its turn, the warehouse has to load and dispatch trucks to stores in response to their orders and to ensure the goods arrive in time to avoid empty shelves and disgruntled customers who might take their business elsewhere and reduce the supermarket's sales and profit figures. Learners will develop their understanding of these areas and how they function and interrelate. The unit provides a business context within which learners in employment or on work placement may use their experience. The unit also develops a greater understanding of business activity for those seeking employment.

Outcomes of learning

On completion of this unit a learner should:

1 Be able to set business aims and objectives

2 Understand the main functional areas in business organisations.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Define business aims and objectives	M1 Compare the aims and objectives of different businesses	D1 Assess whether a selected business meets its aims and objectives
P2 Describe the purpose for a business in setting aims and objectives		
P3 Write appropriate aims and objectives for a selected business		
P4 Describe the functional areas in contrasting business organisations	M2 Compare the interaction of functional areas and how they relate to each other in selected businesses to support the business objectives	
P5 Explain how functional areas link in a chosen organisation		

Unit content

1 Be able to set business aims and objectives

Aims and objectives:

- mission
- aims (the long-term visions or goals of a business)
- objectives (specific, measurable, achievable, realistic, time-constrained [SMART] targets to help achieve the overall aims of a business)
- purpose of objectives in providing a business focus (e.g. break even, growth, profit maximisation, survival, market share, sales, service provision)
- relationship with other businesses
- failing to meet aims and objectives
- business consequences

Sector:

- government
- private
- public
- not-for-profit
- voluntary

2 Understand the main functional areas in business organisations

Functional areas:

- sales, production, purchasing
- administration, customer service, distribution, finance, human resources, ICT, marketing, research and development (R and D)
- purposes of functional areas in supporting business aims and objectives
- developing new markets
- developing new products
- using information technology to integrate functional areas

Links:

- relationships and interactions with other functional areas
- external links (e.g. suppliers, customers, banks, government agencies)
- information flows
- flows of goods and services

Information for delivery staff

Essential requirements

For this unit learners should have access to a suitable business teaching environment with access to the internet for research. Tutors could consider building a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors.

Learners can generate evidence from a work placement or from work experience. Some learners may have access to information from family-owned and run businesses.

Employer engagement and vocational contexts

Centres should develop links with local retail businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

www.fsb.org.uk – The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Many businesses provide information about themselves. For example Unilever found at: www.unilever.co.uk

Delivery guidance

This unit takes learners through a consideration of the various aims and objectives of different organisations. Discussing local businesses and the experience gained by learners from work experience or part-time employment gives an overview of business objectives. Tutors should encourage learners to take an interest in businesses both by looking at what goes on around them and by looking at the media. There are often features in newspapers and on television on businesses and on techniques such as automated ordering and warehousing. Tutors may find it useful for learners (working individually or in pairs) to 'adopt' a local business, enabling them to research the aims, objectives and structures of local businesses although businesses may be reluctant to be too open about their aims, objectives and structures.

Learners should develop their knowledge and understanding through investigating mission and vision statements, these are readily available on business websites or in annual reports. It is important to dig behind mission statements; and the material that appears in annual reports about 'serving our customers' and 'putting quality first' to establish what businesses are really seeking to do. This will involve undertaking some research (which can be done using material collected by the tutor and built up into a resource pack). Learners will need input on business aims and objectives in the various industrial sectors. Tutors should ensure that work done by learners captures a range of business types and objectives. Business missions, aims and objectives should be discussed and differentiated. The content here is detailed and can be related to the work carried out in Unit 1 as appropriate. Starbucks UK's mission statement is to 'Establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles while we grow'. However, this identifies no specific and measurable purpose and so it is important to identify objectives.

The objectives of businesses in different sectors will differ. British Airways' objectives will not be the same as those of the local hospital. The local private hospital will have different objectives from the local public hospital. The objectives of Age Concern will differ from those of the local cooperative society. Objectives need to be defined. Objectives should have a purpose and be related to the attainment of targets/milestones, for example for output, profit, product quality and service quality. Objectives enable businesses to be clear about what they are doing and when they plan to do it. SMART objectives (specific, measurable, achievable, realistic and time-bound) can be discussed in detail although sometimes it will be necessary just to refer to the broad principles of setting SMART objectives, providing a measure that can be used to ensure objectives are on target. Learners also need to explore the impact on businesses of achieving/not achieving objectives, a topic that has become relevant since late 2008.

The principle of functional areas is important to the understanding of complex businesses, particularly large businesses. Learners should describe the functional areas in business and understand the roles within and the responsibilities of different functions even though they may not come across all functions in a single business. Some local/regional businesses learners may know about may only present a limited selection of the functional areas learners have studied.

Functional areas can be departments in a business, but can also refer to where functions are carried out within one or more departments. For instance, human resources and administration may be carried out by every department, but the functional area can still be described. The issue is one of explaining how the functional areas link to one another. Tutors will need to explain the importance of the functional areas working together collectively and supportively and the way this contributes to the achievement of organisational purposes.

Learning may also be complemented by part-time employment, work placements and organised visits, as they should enable learners to experience how ideas are generated and implemented in a real business setting, so adding currency and vocational realism to their studies.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Introduction to aims and objectives.
The aims and objectives of different types of organisation.
Pair/group work on analysis of aims and objectives of different organisations. Learners: ● research company reports for aims and objectives ● research online sources ● use case study materials ● tabulate information ● write presentations ● give presentations.

Topic and suggested assignments/activities/assessment
There may still be formal input, visits and speakers during time when group work happens, together with visits and speakers.
Introduction to departmental structures and purposes. Identification of how departmental activity supports organisational purposes. **Assignment task 1**: **Business Organisations**
Presentation on the flow of information and materials between functions and links between functional areas.
Pair/group work on functional areas in organisations. Learners: ● research business about functional areas ● identify purposes of functional areas ● trace links between areas together with information flows and material flows ● produce diagrams showing links and flows ● show how functional activity supports organisational purposes ● make presentations. There may still be formal input, visits during time when group work happens.
Assignment task 2: **Business Organisations**
Non-supervised study time and completion of assignments.

Assessment guidance

To achieve the first pass criterion, P1, learners need to define what is meant by the aims and objectives of businesses in different sectors. Businesses can be interpreted generously to include charities and other voluntary organisations as well as the more traditional business organisations. Objectives are not a function of type of ownership or scale of activity. A sole trader and a multi-national public limited company could both be profit maximisers so the focus needs to be on aims and objectives.

For P2, learners should describe why a business sets aims and objectives. A window cleaner may want to operate as a sole trader because it leaves control of the business and the choice of how much work to take on, solely with him. A supermarket may want to increase its market share by one per cent in a year. Judgements can be made about whether these objectives have been achieved, by using market share data, in the case of the supermarket, or the control and work choice in the case of the window cleaner. Unless it has aims and objectives a business will lose focus. The failure of Woolworths in the UK is attributed in part to the fact that the business lacked objectives in the retail market and lost out to other more focused retailers.

For P3, learners will look at how business aims and objectives differ for organisations in different sectors, and select one particular business, setting aims and objectives for that business. In the private sector traditional aims such as profitability and growth are important but many such organisations also have welfare and environmental concerns, which have a cost. Similarly, public sector organisations have social responsibilities but also have to trade profitably. The Post Office may be important in rural communities because of the range of services it offers, but its foreign exchange business for travellers and holidaymakers has to be profitable.

For P4, learners should describe the functional areas in two selected contrasting businesses. It is acceptable to generalise so if the finance function is described for one organisation in terms of managing income, expenditure and cash balances, then this would be generally true of finance functions in many organisations. However, it is important to look at two different organisations as they will not all have the same functional areas. For example, some manufacturing businesses might have a research and development function, others may not.

For P5, learners need to show how functional activities are linked in one of the selected organisations above. A manufacturing business needs to sell goods and sales will determine what needs to be made and what is made determines what materials need to be purchased. The sales generate inflows of cash and the purchases generate outflows of cash so there are links to the finance department from the sales and purchasing functions. These are the types of link that need to be traced.

For M1, a contrast needs to be made between different organisations with distinctly different aims and objectives so the tutor must ensure the selections allow the comparisons to be made. A retailer and a public hospital have distinct purposes. One is privately owned; the other is state owned. A partnership and a public limited company may have different objectives. They have different legal structures.

For M2, learners need to explain in the comparison how functional activity is linked and supports organisational goals in different businesses. So a sales department seeks to win sales to generate income and the finance department exercises cost control and both activities taken together can be linked to profit maximising. Learners should choose contrasting businesses to show some of the differences and to draw out some comparisons. It is logical to use the same two organisations for both M1 and M2.

For D1, learners will need to have some information on which to make an assessment and a supported judgement about whether a selected organisation meets its goals. Some organisations have objectives that are SMART and for which there is quantifiable data on which to make a judgement. If a tour operator identifies that it wants to have a 5% share of the market then this can be verified by reference to information about the share of the market that the main travel companies have and that is published regularly.

P1, P2, P3, M1 and D1 can be linked. P4, P5 and M2 can be linked. There are different ways in which the grading criteria can be combined and the chosen groups should ensure realistic assignment activities.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1, D1	Business Organisations Task 1: Individual work on organisational purposes.	Prepare materials for a speaker to use when outlining the aims and objectives of different organisations to a group of new entrepreneurs who are considering combining making money with other objectives.	Briefing notes. Graphical materials.
P4, P5, M2	Business Organisations Task 2: Research exercise on organisational structures for contrasting businesses.	Make a presentation about departmental functions and their contribution to organisational goals.	Presentation. Script. Cue cards. PowerPoint presentations with notes. Diagrams. Posters. Handouts.

Suggested resources

Books

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Student Book* (Pearson, 2009) ISBN 9781846906206

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Teaching Resource* Pack (Pearson, 2009) ISBN 9781846906213

Carysforth C and Neild M – *BTEC First Business*, 2nd Edition (Heinemann, 2006) ISBN 0435499076

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327

Websites

www.bized.co.uk	A business education resource site
www.thetimes100.co.uk	The Times 100 business studies resource centre

Unit 3: Financial Forecasting for Business

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20630G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the financial aspects of running a business. Learners will do this by looking at the key concepts used by businesses to manage their money, and forecast their finances for the future.

Unit introduction

Money is at the heart of business. It is likely to be the main reason why a business was created and that it continues to trade. This unit looks at the financial aspects of running a business.

Learners are introduced to the types of costs that different businesses will incur. This is followed by exploring how the sale of products and services generates revenue to give the learner the basis on which they can develop their understanding of profit.

The awareness of profit leads the learner into break-even analysis, a technique used to determine the point at which sales equal costs. It establishes the volume of sales at which fixed and variable costs will be covered. All sales over the breakeven point produce profits; any drop in sales below that point will produce losses.

The unit then introduces learners to the concept of cash flow forecasting, which estimates the timing and amounts of cash inflows and outflows over a specific period (usually one year). A cash flow forecast shows if a business needs to borrow, how and when a decision will be needed. This is followed by exploring how cash flows can be managed more effectively and learners will be given an insight into one of the primary causes of business failure – the problem of payment timing rather than that of profitability alone.

The knowledge and skills developed in this unit are essential for anyone running a small business venture or involved in the financial management of business organisations.

Learners will develop vocational skills, knowledge and techniques through simulating the kinds of tasks that a real business would be expected to complete to ensure it manages its finances successfully.

Outcomes of learning

On completion of this unit a learner should:

1 Know about costs, revenue and profit in a business organisation

2 Be able to prepare a break-even analysis

3 Be able to create a cash flow forecast.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify the difference between start up and operating costs, variable and fixed costs	M1 Explain the importance of costs, revenue and profit for a business organisation	D1 Evaluate the importance of cash flow and break-even for the effective management of business finance
P2 Identify the different types of revenue		
P3 Outline the differences between gross and net profit		
P4 Calculate break-even using given data to show the level at which income equals expenditure		
P5 Present the break-even as an annotated graph showing break-even	M2 Demonstrate the impact of changing cost and revenue data on the break-even point of a selected business	
P6 Prepare an annual cash flow forecast using monthly data	M3 Analyse the implications of regular and irregular cash inflows and outflows for a business organisation	

Unit content

1 Know about costs, revenue and profit in a business organisation

Business costs:

- costs incurred at start up
- operating costs (fixed, indirect, variable, direct costs, total costs)

Revenue:

- sources of revenue, e.g. sales, leasing interest
- calculating total revenue (unit sales price x number of units sold)

Calculating gross and net profit:

- revenue (income) minus costs (expenditure), cost of sales, expenses (operating costs)
- maximising profits (increasing revenue)

2 Be able to prepare a break-even analysis

Break-even:

- balancing costs or expenditure with revenues or income
- areas of profit and loss
- margin of safety
- methods of presenting graphically

3 Be able to create a cash flow forecast

Cash inflow:

- capital
- sales
- loans
- regular and irregular inflows
- timing of inflows

Cash outflows:

- purchases
- loan repayments
- wages
- regular and irregular outflows
- timing of outflows

Cash balances:

- opening balance
- closing balance
- income per period
- expenditure per period

Information for delivery staff

Essential requirements

Learners must have access to calculators and computers.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Local business people are often willing to visit centres to give talks on the different types of costs and difficulties in managing the flow of cash. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

The federation of small businesses provides information support and guidance about small businesses in the UK – www.fsb.org.uk

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

This unit introduces learners to the financial aspects of running a business. Careful consideration should be given to a delivery strategy that introduces progressively complex numbers and calculations. Tutors should also consider ways of building learners' knowledge, skills and understanding based initially on straightforward exercises, then linking with case study material and ultimately basing work on real businesses where owners/managers are willing to provide appropriate data and support the development of suitable scenarios. Local businesses should be a good source of financial data and learners should be encouraged to investigate the concepts in the context of a real business of their own choosing to avoid the risk of the unit being seen as an academic exercise.

The unit offers frequent opportunities for learners to supplement their skills with calculators and spreadsheets by developing their mental and graphical capabilities. This will help them to develop the crucial mathematical skill of assessing whether or not their calculation is approximately correct, rather than having to rely on computer software or calculators.

Simple numerical examples should be used to help learners develop their skills in manually mapping coordinates and reading axes logically. Once learners have understood the key numerical relationships and are able to relate to graphical illustrations, it is useful to plot the changes in profit, loss and break-even sales/output levels caused by adjusting prices, fixed and variable costs. In this way learners are able to get a feel for the size of the numbers. The use of wall displays in explaining calculations can help to consolidate understanding.

Costs, revenue and profit are basic but crucial parts of the financial analysis of a business and the success of a business is often judged on their comparison. The unit begins by examining these three elements in more detail. The unit looks at the difference between start up and operating costs, variable and fixed costs before scrutinising the different types of revenue an organisation might have coming into the accounts. Once learners understand the relationship between costs and revenues, they can see how a business makes a profit or a loss. It is here that the concepts of gross and net profit can be introduced.

Learners can be introduced to the concepts of costs, revenue and profit using examples that they are familiar with, such as their personal finances. This simple data can be developed over, for example, six months, showing income less expenditure and the monthly balance. This can then be used to show the problems of handling personal and business data on a day-to-day basis and the importance of having knowledge of and some control over financial flows. This idea of control is taken further by giving learners the opportunity to recommend ways of improving net profit through the improvement of revenues or reduction of costs. A business scenario could be used to form the basis of a group investigation/discussion on recommendations for improvement.

Business start-up scenarios are a useful source of data for introducing the concept of break-even. Learners may also have ideas for a new business or product that could be developed to show how to forecast the level of sales needed to break-even or to make a profit.

The unit concludes with learners investigating cash flow. Learners should now be familiar with the importance of having a profitable business, but they also need to understand the importance of the timing of cash inflows and outflows. Cash flow forecasting captures the key information on the size and timing of these inflows and outflows of money in one chart or table. Learners may be able to relate most easily to the use of data from 'seasonal businesses', such as holiday hotels or retailers of seasonal goods. These are particularly good for demonstrating the importance of cash flow, as periods of positive and negative cash flow are easy to identify. Learners should create cash flow forecasts over periods of at least six months and eventually over a full yearly cycle. Group work/discussions can be used to develop learners' understanding of how to improve a specific cash flow scenario. The subject of credit control as a means of managing cash flow in a business could be introduced at this point.

This unit complements *Unit 15: Bookkeeping for Business*, although it is recommended that this unit is delivered first.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Pair/group work on costs, revenue, profit. Learners: ● research online sources ● use case study materials ● tabulate information ● write/give presentations. **Assignment 1: Analysis of Costs, Revenue and Profit** There may still be formal input, visits and speakers during time when group work happens.

Topic and suggested assignments/activities/assessment
Pair/group work on break-even. Learners: ● research online sources ● use case-study materials ● tabulate information ● write/give presentations. **Assignment 2: Break-even Analysis** There may still be formal input, visits and speakers during time when group work happens.
Pair work (group work) on cash flow. Learners: ● research online sources ● use case study materials ● tabulate information ● give presentations. **Assignment 3: Cash Flow Analysis** **Assignment 4: The Importance of Cash Flow and Break-even in Business Management** There may still be formal input, visits and speakers during time when group work happens.
Non-supervised study time and completion of assignments.

Assessment guidance

The pass criteria could be evidenced through a written report or a presentation by one learner or a small group. Any presentations should be supported by evidence of each individual's contribution for internal and external verification purposes. For P1, learners need to identify the difference between start up and operating costs, variable and fixed costs that are typical in a business of their own choice. For P2, they have to identify different sources of revenue that this business might obtain and for P3 outline the difference between gross and net profit. Learners should describe the importance of costs, revenue and profit in relation to business organisations like the one they have chosen. This data could be sourced from a suitable local business or through a scenario produced in-house. This scenario can be extended to give learners raw data to produce a break-even chart for P4.

Learners should use the data for P5 to create a break-even chart, either graphically or using computer software, and to annotate it explaining the break-even point, profit, loss and the margin of safety. (It is important when using computer software that learners create the spreadsheet themselves to demonstrate that they understand how to calculate break-even.)

Finally, for P6 learners need to demonstrate their ability to create a typical 12-month cash flow forecast. This should be based on a cyclical business that would expect to have periods where cash outflows exceed inflows. These can be identified in the cash flow forecast.

To achieve M1, learners are expected to explain the importance of costs, revenue and profit for a business organisation and for M2 demonstrate the impact of how break-even calculations change when the costs (fixed and variable) and unit revenues are changed, to show that they understand the variables they are manipulating. For M3, learners should analyse the impact of poor or negative cash flow on a business and why a profitable business could easily go bankrupt because of cash flow problems. Learners could use a simple numerical example, with appropriate explanation, to show that they understand the potentially serious impact that poor timing of cash flow can have on a business, even though the business is profitable in the longer term.

To achieve D1, learners should evaluate the importance of cash flow and break-even for the effective management of a business, showing that they understand fully the uses and limitations of these techniques.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P4	Assignment 1: Analysis of Costs, Revenue and Profit	A friend has set up a small sandwich shop which has been trading for two months. You have agreed to help organise the finances by taking the handwritten list of costs and revenues and organising them under the appropriate headings. The owner would also like to know what profits (if any) have been made at this stage.	Presentation. Table.

Criteria covered	Assignment title	Scenario	Assessment method
P5, M1	Assignment 2: Break-even Analysis	You have been asked to produce a break-even analysis on a new business start-up. Taking the information given to you by the owner, produce a report highlighting the impact and importance that changing cost and revenue data would have on the business.	Written report. Graphs.
P6, M2, M3	Assignment 3: Cash Flow Analysis	You have been asked to create an annual (or 12-month) cash flow forecast from the information given to you by the owner of a small seaside hotel. Produce a report for the owner analysing the implications of any regular and irregular cash flows found and make recommendations as to how this could be managed.	Spreadsheet. Written report.
D1	Assignment 4: The Importance of Cash Flow and Break-even in Business Management	You are concerned about the lack of importance the owner of the business gives to financial forecasting. Write a letter evaluating the importance of cash flow and break-even in the effective management of his business.	Letter.

Suggested resources

Books

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Student Book* (Pearson, 2009) ISBN 9781846906206

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Teaching Resource Pack* (Pearson, 2009) ISBN 9781846906213

Anderton A – *GCSE Business Studies* (Causeway Press, 2001) ISBN 1902796292

Carysforth C and Neild M – *BTEC First Business*, *2nd Edition* (Heinemann, 2006) ISBN 0435499076

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327

Wales J and Wall N – *Nuffield – BP Business and Economics for GCSE*, *2nd Edition* (Collins, 2001) ISBN 000711639X

Journal

Business Review

Websites

www.bized.co.uk	A business education resource site
www.thetimes100.co.uk	The Times 100 business studies resource centre
www.tutor2u.net	Tutor2U Resources and revision materials

Unit 4: People in Organisations

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20631G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the part played by people in organisations. Learners will do this through a study of job roles and their functions. They will examine the different structures of organisations, as well as considering their own preparation for employment and career planning.

Unit introduction

In this unit learners will understand that the success of many organisations is due in part to the calibre of the people who work in them. An organisation will strive to ensure that it has the right people in the right place at the right time to do the work.

Learners will examine the variety of job roles that exist within organisations and the various functions performed by individual roles. They will discover that there are important roles in any organisation which have to be performed effectively for that organisation to be successful. Organisations are organised and structured differently but many of the roles and functions are similar. Different structures and ways of organisation still allow organisations to achieve their goals successfully.

Organisations use person specifications and job descriptions to ensure that they recruit the best people to fill job vacancies. Learners will produce these important documents for given job roles. Additionally, learners will also have the opportunity to complete an application and an interview for a specific job role and will link this to ideas for possible employment and associated career development planning.

Outcomes of learning

On completion of this unit a learner should:

1 Know about job roles and their functions in organisations

2 Be able to produce documentation for specific job roles

3 Be able to prepare for employment

4 Be able to produce a career development plan.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the main job roles and functions in an organisation	M1 Compare the main job roles and functions in organisations, explaining how they may differ in organisations with different structures	D1 Analyse the relationship between job roles and functions, and an organisation's structure using appropriate illustrative examples
P2 Identify different structures used within organisations		
P3 Produce a job description including a person specification for a given job	M2 Explain the reasons for producing a detailed and relevant job description and person specification for a given job	D2 Analyse how effective recruitment contributes to an organisation's success
P4 Participate in an interview for a specific job having completed an application for the role		
P5 Match current knowledge and skills to given job opportunities using appropriate sources of information and advice		
P6 Produce a personal career development plan		

Unit content

1 Know about job roles and their functions in organisations

Job roles and functions:

- directors, e.g. looking after interests of shareholders, deciding policy or strategy
- managers, e.g. motivating staff, target setting, recruitment and dismissal, allocating work, communicating, planning and decision making, problem solving
- supervisors/team leaders, e.g. managing operatives, motivating, allocating tasks
- operatives, e.g. day to day general work
- assistants or support staff, e.g. clerical duties

Organisational structures:

- e.g. hierarchical, flat, matrix, functional, divisional

2 Be able to produce documentation for specific job roles

Methods of drawing up a job description and a person specification:

- department, e.g. staff in the department draw up a description of what the job entails and the qualities required
- existing job holder, e.g. current job holder draws up description and lists qualities required
- interview, e.g. current job holder is interviewed to find out what is involved and qualities required of the new recruit

Contents of a job description:

- title, location, description of the organisation, purpose of job, main tasks, standards, required, pay and benefits, promotion prospects, lines of reporting

Contents of a person specification:

- attainments, e.g. qualifications
- special aptitudes, e.g. numeracy
- interests
- personal qualities/disposition, e.g. leadership qualities
- circumstances, e.g. mobile or not
- competency profiles, e.g. what the candidate should be able to do

Applying for jobs:

- job specifications
- person specifications
- application forms
- curriculum vitae
- letters of application
- preparing for interviews, e.g. preparation, dress, research, questions to ask, question anticipation, confidence, body language, voice

3 Be able to prepare for employment

Personal audit:

- knowledge
- skills, e.g. technical, practical, communication
- matching knowledge and skills to job opportunities

Types of employment:

- full-time, part-time, permanent, temporary, seasonal, paid, voluntary

Sources of information and advice:

- sources, e.g. advertisements, word of mouth, employment/government
- agencies
- advice, e.g. government agencies, careers advisers, tutors, existing and previous employers, careers fairs, friends and family

4 Be able to produce a career development plan

Career development:

- in the workplace, e.g. induction, training needs, development plans, performance targets, certificated training, un-certificated training, personal development, flexible working, progression opportunities
- in education, e.g. qualifications needed for course entry, length of courses, practical experience entry requirements, progression from education courses to professional training

Information for delivery staff

Essential requirements

For this unit learners must have access to a suitable business teaching environment with access to the internet to do research. Tutors must build a bank of resource materials to ensure there is a sufficient supply of relevant information, such as documents involved in recruitment, trade journals, newspapers and case-study material.

Employer engagement and vocational contexts

Centres can develop links with local businesses, many of which are happy for their human resources personnel to give talks on their organisations and many are often willing to provide work placements, visits, information about job roles and employment opportunities.

Delivery guidance

The unit takes learners through an exploration of the part played by people within an organisation and develops their understanding. Discussing the various job roles and functions in organisations gives learners a broad introduction to the multitude of career opportunities that are available. Learners can then progress to consider how job descriptions and person specifications can assist an organisation in recruiting the people with the correct skills and knowledge to perform well. Finally, learners have the chance to prepare for employment and plan their future careers.

For outcome of learning 1, tutors should encourage learners to take an interest in the variety and types of jobs that exist by looking at recruitment sections of local and national newspapers. A talk by a careers officer or human resource manager on the range of job roles within certain industries will be useful. Case study material on organisational structures, roles and functions that are in place can be used to reinforce understanding. Learners could be asked to find examples of organisational charts showing the different organisational structures used by organisations and create displays providing a visual stimulus to enhance understanding. Group work will be particularly useful here by asking groups to create a list of job roles, functions and structures for a variety of organisations, e.g. a manufacturing business or a convenience store. This will help learners understand that it is not enough just to have people undertaking various roles and functions but they must be organised through a structure. Learners should also investigate how these roles and functions may differ depending on the organisation’s structure. For example, a simple functional structure of a small convenience store will differ in terms of roles and functions to that in a large hypermarket. Learners should investigate roles and functions across all types of organisational structures.

Television programmes exploring career opportunities in various industries can also be useful formative tools, especially when followed with class discussion or written summary. Many larger organisations provide webpages on career and job opportunities as well as information on their organisational structures.

For outcome of learning 2, in groups or pairs learners could research, via the internet or direct from businesses, job descriptions and person specifications. Class discussions could reinforce the importance of these two documents in helping the organisation to recruit the right person for the job. Learners can then be asked individually to produce a detailed job description and person specification for job roles/functions given to them by the tutor or chosen by them. If any of the learners have part-time jobs, they could draw up these documents for their own job. When drawing up person specifications, learners must take care not to contravene equal opportunity legislation.

For outcome of learning 3, learners need to audit their current knowledge and skills. The Careers Service provides useful audit questionnaires and employment websites. By undertaking a personal skills audit, learners will be able to match their current skills and characteristics to potential jobs. Obtaining information about jobs in the form of advertisements, job descriptions, person specifications and application forms enables learners to identify the range of employment available and the qualities sought by potential employers. Tutors should provide an appropriate range of resource materials, such as trade journals featuring job advertisements for specific vocational sectors. Group and pair work will be useful for learners to investigate the types of employment that exist. Learners could be asked to find examples of jobs from all employment types, e.g. part-time and temporary. Discussion groups to share learners' knowledge and experience will expand the knowledge pool and support those learners who have little or no previous experience of employment. In delivering the sources of information and advice, visiting speakers from employment agencies and the Careers Service will be useful. Again, group work should be used so that learners can investigate the various sources of information available and who they can get advice from. As part of the assessment process learners should have a mock interview or a real interview for a work experience or part-time position. The learners' experience should be as real as possible with them having to go through the entire process of job identification, personal audit, applying and attending an interview.

This will lead on logically to outcome of learning 4 where learners reviewing their own career development and how it is important to set targets and identify training requirements to enable them to achieve their career goals. Working individually, learners should research a career that may be of interest to them and produce a simple plan of how they could gain the knowledge, skills and experience to attain the position or role desired.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

<table>
<tr><th>Topic and suggested assignments/activities/assessment</th></tr>
<tr><td>Introduction to unit and structure of the programme.</td></tr>
<tr><td>Job roles, functions and structures of organisations.
Learners:
● receive formal theory input
● review jobs available in local and national newspapers – pair/group work
● attend talk given by careers officer/HR manager on job roles
● complete case study exercises on organisational structures – pair/group work
● search for examples of organisational charts, structures and create displays materials
● pair/group work
● investigate job roles and functions within differing structures – group work
● participate in a class debate on job roles and functions in differing structures
● watch a DVD/Video on organisational structures followed by a class discussion.</td></tr>
</table>

Topic and suggested assignments/activities/assessment
Assignment 1: Investigation into Job Roles, Functions and Structures There may still be formal input during time when group work happens.
Formal theory input on recruitment documents and selection interviews. Learners: ● research on the internet to find examples of application forms, job descriptions and person specifications ● participate in class discussions on recruitment process and importance of documents ● individually produce a job description and person specification for a given job ● examine contents of a standard application form ● participate in a selection interview. **Assignment 2: Job Description and Report on Recruitment** There may still be formal input, visits and speakers during time when group work happens.
Formal theory input on preparation for employment and planning a career. Learners: ● conduct a personal audit of current knowledge and skills and match current skills to those of a potential job ● chosen by the learner via research on the internet, journals and newspapers ● investigate different types of employment – pair/group work ● complete an exercise on target setting and identification of training needs ● complete an exercise to research a career and produce a plan. **Assignment 3: Job Application and Career Development Plan** There may still be formal input, visits and speakers during time when group work happens.
Non-supervised study time and completion of assignments.

Assessment guidance

To achieve the pass criterion, P1, learners need to select an organisation that they can access and describe the main job roles and functions in it. Learners should be encouraged to approach an organisation either directly or by writing to it and asking for information. It could be the organisation where they are already working part time or their work experience organisation.

For P2, learners need to identify at least two different structures that are commonly found in local organisations.

For P3, learners have to produce a job description and a person specification for a job that they may be given to research or one of their own choice, such as their existing part-time job. Learners should research the job in as much detail as possible, perhaps by arranging discussions with the line manager and other people in the organisation to ensure a job description and person specification can be produced.

For P4, learners have to complete an application form, or an application in the form of a curriculum vitae (CV), and attend a mock interview either for the job identified in P3, or any other job that they feel is suitable. Learners should complete a standard application, which can be provided by the tutor or produced by the learner as long as it contains the necessary information. Interviews must then be arranged with either the tutor acting as the interviewer or learners themselves conducting the interviews having planned their interview around the person specification and job description of the interviewee. Actual interviews for work experience positions are acceptable as long as witness testimonies are provided by external interviewers. Recorded evidence of the interviews would be useful for the learner to view and the assessor must provide a witness testimony concerning each learner's performance at the interview that can be mapped to the assessment criteria.

For P5, learners need to audit their current knowledge and skills and then match the results to two job opportunities, one of which may be the job applied for in P4. They should seek advice when completing their personal audits from the tutor and/or others involved in guidance on employment to ensure that their job choices are realistic.

For P6, learners have to produce a career development plan for a chosen career. They must select an appropriate career or job, investigate what skills, knowledge and qualifications will be required and produce a plan, including time deadlines of how they can achieve their goal. For example, if a learner selects a job as a human resource officer, they need to research the qualifications and the experience required. They need to identify what professional qualifications are required, what colleges run relevant courses and how long this will take. They also need to research opportunities for experience.

For M1, learners should build on the work they completed for P1, comparing the main job roles and functions in two organisations. They can use the organisation they researched for P1 and another organisation with a different structure. They must compare the main job roles and functions in the two organisations and explain how these may differ within the two structures. For example, a team leader or department supervisor in a small supermarket with a functional structure may perform a very different role to a team leader in a large manufacturing organisation with a matrix, flat structure based on self-managing teams. Learners should understand that although individuals in different organisations within different structures may have similar titles, their job roles and functions may be very different. It is recommended that learners choose at least one small organisation with a simple organisational structure to facilitate comparisons with a larger organisation with a more complex structure.

For M2, learners should build on the work they completed for P3, making their basic job description and person specification more detailed and relevant. The work here needs to be comprehensive and professional. The documents should be word processed and should be detailed enough to enable an interviewer to plan interview questions.

For D1, learners should build on the work completed for M1, analysing the relationship between job roles, functions and an organisation's structure. Learners need to understand why an organisational structure exists. It is a way of organising the workforce to ensure that the organisation's aims and objectives are met. This will allow them to analyse the importance of job roles within the structure and the functions that are performed. The structure, if organised correctly, allows each department, section or company to achieve its objectives in a cost-effective manner. Learners need to use illustrative examples to explain their analysis, which can be drawn from the two organisations studied in P1 and P2 or from any other relevant sources.

For D2, learners should build on the knowledge they gained from completing P3, P4, P5, P6 and M2 which has shown them that organisations take a great deal of care when selecting staff. Learners need to consider why the recruitment of staff is so important to the success of the organisation. They can also draw on the information they have gained from completing D1. Many of the world’s top performing organisations have exacting recruitment processes to ensure they recruit the right people who are then trained to a high standard. This ensures they perform effectively in work, which in turn enables the organisation to achieve its objectives.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Investigation into Job Roles, Functions and Structures	The assignment asks learners to research job roles and functions in two organisations, which have different organisational structures.	Written report on the findings.
P3, M2, D2	Assignment 2: Job Description and Report on Recruitment Individual Work Producing a Job Description and a Person Specification for a Given Job An Analysis of the Importance of Recruitment to the Success of an Organisation	The learner is either given a job to work on or it is one of their own choice.	Production of a job description and person specification. Written report analysing how effective recruitment contributes to an organisation’s success.

Criteria covered	Assignment title	Scenario	Assessment method
P4, P5, P6	Assignment 3: Job Application and Career Development Plan Conduct a Personal Audit and Match Current Knowledge and Skills to Two Jobs Complete an Application Form to Apply for One Job and Attend a Selection Interview Complete a Career Development Plan for a Given Job	The learner has to go through the full process of applying for a job, matching their skills to the job and attending an interview. They then have to produce a career development plan for a career of their choice.	Personal audit. Notes showing skills and knowledge gaps. Completed application form. Feedback on performance in the interview. Written notes on any sources of information used and any advice obtained regarding the jobs. Completed career development plan.

Suggested resources

Books

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Student Book* (Pearson, 2009) ISBN 9781846906206

Carysforth C, Neild M and Richards C – *BTEC Level 2 First Business Teaching Resource Pack* (Pearson, 2009) ISBN 9781846906213

Carysforth C and Neild M – *BTEC First Business, 2nd Edition* (Heinemann, 2006) ISBN 0435499076

Edenborough R – *Effective Interviewing: A Handbook of Skills and Techniques* (Kogan Page, 2002) ISBN 0749437553

Fowler A – *Writing Job Descriptions (Management Shapers)* (Chartered Institute of Personnel and Development, 2000) ISBN 0852928661

Hackett P – *The Selection Interview (Management Shapers)* (Chartered Institute of Personnel and Development, 1998) ISBN 0852927568

Surridge M – *Applied Business for GCSE* (Collins Educational, 2002) ISBN 0007138083

Websites

www.bized.co.uk	Includes a number of pertinent case studies
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.need2know.co.uk	Advice for students, including work and money
www.unilever.co.uk	Many organisations provide information about themselves, employment opportunities and how to apply for jobs. Unilever is one example.

Unit 5: Using Office Equipment

Level:	**1**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20632G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners’ knowledge of the purpose and types of support required in a business, and their skills in carrying out practical activities whilst using office equipment safely.

Unit introduction

All businesses need a range of functions to be carried out to support their successful operation. Large organisations often have a separate department to carry out support tasks such as reception, centralised filing, printing services and diary management. Smaller organisations may just have one role to cover all the support functions. This unit introduces learners to the overarching purpose of providing business support by using office equipment appropriately. Learners will investigate the use and purpose of a range of office equipment and learn how to use them safely.

Learners will develop their skills in providing support for a range of tasks such as dealing with visitors at reception, taking accurate messages and filing. Diary management is an important function, and learners will develop their skills in managing diary systems, as well as learning the advantages and disadvantages of using the different types of diary systems. Learners will also learn the procedures used to process, retrieve and archive information, including different types of filing systems and associated issues such as confidentiality.

Outcomes of learning

On completion of this unit a learner should:

1 Know the purpose of office equipment and systems

2 Be able to process, retrieve and archive information

3 Be able to use office equipment and systems safely.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Outline different office equipment and systems	M1 Explain procedures for using office equipment and systems	D1 Assess the importance of having procedures for using office equipment and systems when providing business and administration support
P2 Describe the function of different office equipment		
P3 Demonstrate accurate processing, retrieving and archiving information		
P4 Operate an electronic diary system appropriately for business purposes	M2 Compare and contrast paper and electronic diary systems	
P5 Carry out administrative tasks using office equipment safely		

Unit content

1 Know the purpose of office equipment and systems

Office equipment:

- electronic, e.g. computer, photocopier, scanner, printer, fax machine, telephonic equipment, calculator, data projector, franking machine
- manual, e.g. hole punch, binder, guillotine, stapler

Office systems:

- diary systems, e.g. paper, electronic
- telephone systems, e.g. making and receiving calls, forwarding calls, taking accurate messages
- email, e.g. etiquette, using functions correctly and appropriately, features of email software, risks and security issues
- procedures for use
- importance of procedures

2 Be able to process, retrieve and archive information

Processing information:

- information required
- security of documents, e.g. access to documents, file logging and tracking, confidentiality
- soft copy, e.g. passwords, levels of access, setting up separate accounts, awareness of viruses, worms and spyware
- legislation issues

Retrieve:

- procedures for locating or retrieving information
- accuracy
- accessing information systems
- legislation issues
- format for providing information
- agreed timescales

Archive:

- confirming/identifying information for archiving
- procedures
- accuracy
- legislation issues
- records
- agreed timescales
- retrieval from archive

3 Be able to use office equipment and systems safely

Using equipment:

- following specific instructions
- order of doing things
- following guidance on equipment
- knowing where to find information about equipment
- procedures
- minimising waste
- awareness of recycling
- using initiative in solving problems that arise

Support tasks:

- e.g. reception duties, answering the telephone, completing forms, filing, sorting, distributing and despatching mail, receiving and checking office supplies

Health and safety:

- proper use of equipment
- seating
- posture
- lifting
- identification of hazards
- identification of hazardous materials
- disposal of hazardous materials

Information for delivery staff

Essential requirements

Centres need access to a range of office equipment and systems for learners to practise and develop their administrative skills. This may be in the form of a model office comprising a desk, telephone, computer and printer, photocopier and mail trays. However, centres do not need the more specialist types of equipment, for example scanners, franking machine etc which may well be available in the centre's own administration office or through a visit to a local business.

Employer engagement and vocational contexts

Visits to businesses or the use of a realistic working environment, are essential for the delivery of this unit in order that learners can investigate how the work area is organised and the types of equipment used to support activities. Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

The federation of small businesses provides information support and guidance about small businesses in the UK – www.fsb.org.uk

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

The primary format for this unit should be practical delivery, providing learners with opportunities for experiential learning wherever possible. However, tutors need to provide a platform of knowledge enabling learners to understand the purpose of office equipment and systems when providing business and administration support. Learners can use newspapers or the internet to research administration job roles and the different tasks associated with these. Discussion groups could investigate the different equipment and systems which would be used to support these tasks.

Learners need to develop and practise the administrative skills required to undertake reception tasks, such as answering the telephone, taking and forwarding messages, handling mail, and welcoming visitors and making sure they go to the correct person. Learners should be encouraged to observe reception areas of different establishments, such as at a hotel, leisure centre, or department store and be aware of the types of tasks undertaken. Learners could work in small groups with each group researching a different organisation and the duties that are carried out in reception. The findings could be presented to the rest of the group and the differences discussed. Learners could work in pairs to role play different types of visitor and receptionist. It is important that learners understand how the receptionist represents the public face of the organisation, and must always present a positive image to visitors, as well as to staff within the organisation.

Learners can role play telephone conversation scenarios to practise the different communication skills needed when making and receiving calls, especially in relation to dealing with angry or difficult customers. When making calls, learners need to establish the purpose of the call, obtain the name and numbers of the person to be contacted, communicate the information required to achieve the purpose of the call and summarise the outcomes of the conversation before ending the call. Learners need to understand the importance of answering the phone in a way that reflects organisational procedures (these will differ across organisations and tutors should ensure that appropriate examples are provided). Procedures should include identifying the caller (including where they are calling from and what they need), providing accurate and up-to-date information, transferring calls where requested, and taking/relaying messages according to the caller's needs. Throughout these processes, learners need to be aware of the importance of projecting a positive image, both for themselves and for the organisation they represent. Learners should demonstrate this approach when they are practising and developing their call handling skills. Learners also need to be clear about issues such as security and confidentiality.

Learners also need to master voicemail message systems. Keeping the message system up-to-date, checking for callers' messages, responding within agreed timescales, deleting messages that have been dealt with and leaving messages on other people's systems are all functions in which learners must develop skills and understanding. Telephone systems merge frequently with diary management and learners must develop skills in recognising the interchanges between the two.

Learners need to be introduced to equipment, learn how to use it, and the importance of following safety procedures and manufacturers' instructions so that they do not damage themselves, others or the equipment. For example, the demonstration of photocopying or combined photocopying/printing equipment can show the wider features (such as sorting, stapling, print/copy queues) that the machine offers. If the centre's photocopier does not have these features, tutors could arrange a visit to a local copy shop that has more sophisticated equipment. Learners should be aware of the kinds of problems they are likely to experience with the equipment and how to deal with them.

For ordering and receiving goods and supplies, tutors could use the centre's own procedures to illustrate the process. Learners could investigate procedures in a local business, or a visiting guest speaker could explain how these work in their organisation. Tutors should provide plenty of practical exercises to develop numerical skills through completing orders.

It is important for learners to gain experience in diary management. Case-study materials may be useful as an introduction, supported by in-tray exercises that enable learners to process, amend and cancel diary entries. They also need to understand the importance of communication in connection with diary management. Role play based on variations to the in-tray exercises will provide a higher sense of reality and ensure that diary management is communicated to and from the diary owner. Learners will also benefit from exposure to both electronic and paper-based systems.

It would be useful if tutors could provide an opportunity for learners to see stock handling techniques in action in a real work environment. DVDs can support delivery by showing correct techniques for lifting and handling stock and supplies, as well as highlighting the importance of security issues relating to storage of supplies. If possible, a health and safety tutor/trainer could demonstrate safe lifting with learners practising under very strict and controlled conditions.

To complete this unit, learners need to develop their knowledge, skills and understanding of filing systems and the procedures needed to process, retrieve and archive information. Some theoretical input will set the scene, for example explaining the operation of chronological, alphabetical and numerical systems, as well as comparing and contrasting manual and electronic systems. Learners must have opportunities to operate the procedures involved and suitable in-tray exercises and role play should be used. When learners are sufficiently experienced, tutors can embed a range of practical exercises, such as diary management, telephone operations, filing procedures and others.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Formal theory input on components of purpose of office equipment and systems. Learners: ● review equipment in various settings – pair/group work ● consider their uses ● watch demonstrations of their use ● complete exercises on their use – pair/group work. There may still be formal input, visits and speakers during time when group work happens.
Formal theory input on components of procedures for managing information. Learners: ● participate in class discussions ● individually complete practical exercises with filing systems ● complete exercises and case studies. **Assignment 1: Office Equipment and Systems** There may be formal input, visits and speakers during time when group work happens.
Formal theory input on theory components of safe working. Learners: ● use practical situations and case studies ● carry out office tasks using office equipment and systems. ● investigate different environments of employment – pair/group work ● complete an exercise on safe working. **Assignment 2: Using Office Equipment Safely** There may still be formal input, visits and speakers during time when group work happens.
Non-supervised study time and completion of assignments.

Assessment guidance

To meet the pass criteria, learners should draw on their knowledge of businesses gained through visits and case studies to develop their description of the purposes and types of office equipment and systems used for business and administration support. Learners should present at least two examples that are sufficiently different to show a recognisable contrast.

P1 and P2 could be evidenced through a written report or a presentation by one learner or a small group. Presentations should be supported by learner research, presentation notes/slides/handouts plus a witness statement for verification purposes. Presentations could be delivered to an invited audience, which may include appropriate specialists, such as human resources managers, as well as local business operators. These guests should be briefed about their role in the assessment process and how they can contribute to assessing learners' work.

For P3, learners need to demonstrate the procedures for processing, retrieving and archiving information. This will be heavily dependent on tutors providing an appropriate range of resources linked to in-tray exercises. Whilst it is important for learners to understand how manual filing systems work, they should also aim to provide evidence of how these procedures are applied in an electronic environment, again emphasising the need for adequate resources and exercises.

For P4, learner evidence should include records of them operating an electronic diary system. This can be assessed by the tutor requesting various meetings and other arrangements to be recorded using a suitable diary system. This will provide the tutor with the advantage of making an assessment decision using paper evidence that reflects a standard set of meetings and appointments.

To achieve P5, learner evidence should include records of them carrying out different administrative tasks such as reception duties ensuring that safety and security procedures are followed. This might involve getting visitors to sign in and issuing visitor badges. Evidence may be produced through an observation report that identifies and confirms the correct and safe use of the equipment such as using the photocopier safely and ensuring that seating and posture are correct when using the computer. Tutors can check understanding of how potential problems could be dealt with through oral questioning. For internal and external verification purposes, records of oral questions need to be kept.

To meet the M1 criterion, learners can develop the work for P1, P2 and P3 and explain procedures for using office equipment. This should include the importance of following the correct procedures for both the user and the organisation. For M2, to compare and contrast paper and electronic diary systems, learners can draw on the diary evidence they have developed for the pass criteria.

To meet the distinction criterion, learners must further extend their evidence by assessing the importance of having procedures, and the implications of having none. Learners can draw on their own and others' experiences to demonstrate their depth of knowledge and understanding.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Office Equipment and Systems	Brief from a new business start-up to help provide administration support they will need to operate the business.	Prepare a group presentation on functions of different office equipment.
P3, P4, P5, M2	Assignment 2: Using Office Equipment Safely	Using equipment and systems to support the above business in a receptionist role including: ● using filing systems ● receiving visitors ● managing an electronic ● diary system ● handling telephone calls ● handling mail ● receiving stores.	Records of using equipment and systems for a specified business purpose. Witness testimonial from tutor confirming the correct and safe use of office equipment and systems.

Suggested resources

Book

Ashley V and Ashley S – *Student Handbook Level 1 (Business and Administration Standards)* (Council for Administration, 2006) ISBN 0955092027

Websites

www.skillscfa.org	A registered charity promoting skills and qualifications in the workplace
www.management-standards.org	Management Standards Centre – Standards Setting body for management and leadership

Unit 6: Providing Business Support

Level: **2**

Notional Learning Hours: **50 (including 30 GLH)**

Unit value (NLH/10): **5**

SRF unit code: **20633G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the purpose and types of business support available, and to carry out practical activities of organising and supporting a meeting whilst using office equipment safely.

Unit introduction

All businesses need a range of functions to be carried out to support their successful operation. Large organisations often have a separate department to carry out support tasks such as reception, centralised filing, printing services, and diary management. Smaller organisations may just have one role which covers all the support functions required. This unit introduces learners to the overarching purpose of providing business support, irrespective of the size of the organisation concerned. Learners will investigate a range of office equipment, their purpose and how to use them safely.

Learners will also develop their skills in organising and providing support for meetings. This will include such activities as the practical considerations of booking venues and equipment, and other preparatory work, including sending information to attendees and organising resources. Learners will explore the support tasks involved during a meeting including setting up the meeting room, meeting health and safety requirements, assisting delegates and taking accurate records. Learners should be encouraged to develop these skills in practical situations.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the purpose of providing business support

2 Be able to carry out office work safely

3 Be able to organise and provide support for meetings.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain the types and purposes of business support		
P2 Describe the use of office equipment to meet different business requirements	M1 Explain the appropriate uses of office equipment types, features and functions to suit different business purposes	D1 Analyse the contribution that office equipment makes to the provision
P3 Demonstrate using office equipment safely, in accordance with health and safety legislation		
P4 Draw up a checklist for a meeting	M2 Produce appropriate post-meeting documentation	
P5 Produce documents needed for a meeting	M3 Explain the organisation and support provided for meetings	D2 Analyse the organisation, documents and materials provided for a meeting, making recommendations for any improvements

Unit content

1 Understand the purpose of providing business support

Purpose:

- to ensure consistency
- to make effective use of time
- to provide support for managers, teams, colleagues and departmental processes
- to provide effective service to internal and external customers

Types of support:

- dealing with visitors
- organising travel and accommodation
- managing diaries, using telephone systems to make, receive and transfer calls
- organising and supporting meetings
- producing documents
- processing and storing information both manually and electronically

2 Be able to carry out office work safely

Office equipment:

- types, e.g. computer, printer, photocopier, telephone system
- features and functions
- instruction manuals
- training in usage
- problem solving

Working safely:

- health and safety issues when using office equipment, e.g. correct seating and posture, positioning and distance of monitor, mouse and keyboard
- safe lifting techniques
- following instructions

3 Be able to organise and provide support for meetings

Types of meeting:

- size, internal, external, formal, informal, confidential e.g. concerning human resources (HR) issues or company strategy
- team meetings, training, publicity, updating

Organising meeting:

- meeting brief and agenda
- checking dates
- confirming budget
- choosing and booking venue
- arranging catering, equipment and resources
- inviting people to attend, e.g. date and time of meeting, venue address and map, details of transport links, local accommodation
- confirming attendance of attendees and keeping a record of this
- identifying any special requirements, e.g. dietary, mobility

Supporting meeting:

- checking room is set out correctly
- checking equipment is working
- documentation for attendees, e.g. additional copies of agenda and other papers
- attendance list
- taking accurate records of meeting
- serving refreshments

Follow-up activities:

- clearing venue
- preparing an accurate list of those present
- apologies for absence
- agreeing minutes of last meeting if appropriate
- writing minutes following meeting
- action points
- circulating record to attendees within agreed timescales

Information for delivery staff

Essential requirements

Centres need to have access to a range of office equipment and systems for learners to practise and develop their administrative skills. This may be in the form of a model office comprising a desk, telephone, computer and printer. However, centres do not need the more specialist types of equipment, for example scanners, franking machine etc, which may well be available in the centre's own administration office or through a visit to a local business.

Employer engagement and vocational contexts

Visits to businesses will be essential for the delivery of this unit in order that learners can investigate how the work area is organised and the types of equipment used to support activities, especially regarding meetings.

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

The federation of small businesses provides information support and guidance about small businesses in the UK – www.fsb.org.uk

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

The primary format for this unit should be practical delivery, providing learners with opportunities for experiential learning wherever possible. Therefore work experience or part-time jobs will provide opportunities for practical work, as will learners' membership activities with clubs, societies and groups etc. However, tutors need to provide a platform of knowledge enabling learners to understand the purpose of providing business support. Learners could work in discussion groups to determine the support functions of large and small organisations, and then identify the differences. They could split into groups to investigate a different support function in the centre, for example reception, finance, human resources etc, and each group could feedback so that they see the whole picture. Tutor input should focus on the key points of the purpose of providing business and administration support, for example to ensure consistency, to make effective use of time, to support managers, to support departmental functions.

Learners need to be introduced to the types of office equipment, what they are used for, how to use them, and the importance of following safety procedures and user instructions so that they do not damage themselves or the equipment. For example, the demonstration of photocopying equipment can show the wider features (such as sorting, stapling) that the machine offers. If the centre's photocopier does not have these features, tutors could arrange a visit to a local copy shop that has more sophisticated equipment. DVDs can support delivery by showing correct techniques for lifting and handling stock and supplies, as well as highlighting the importance of security issues relating to storage of supplies. If possible, a health and safety trainer could demonstrate safe lifting techniques with learners practising under very strict and controlled conditions. Learners need to be aware of the kinds of problems they are likely to experience with the equipment and how to deal with them.

For practical exercises using office equipment, tutors could provide in-tray tasks such as producing a letter confirming an order, photocopying, sending an email to a colleague or manager, answering the telephone, taking and forwarding messages, booking accommodation for an external meeting, welcoming visitors etc. They could also undertake in-tray exercises which require the tasks to be prioritised. Learners could work in pairs to role play different types of visitor and receptionist. It is important that learners understand how the receptionist represents the public face of the organisation, and must always present a positive image to visitors, as well as to staff within the organisation.

Delivery of this unit will also focus on learners developing practical skills involved in organising and providing support for meetings. It would be useful for learners to investigate different types of meeting held in the centre to determine levels of formality and the types of procedures followed. The range of tasks involved in supporting meetings is varied and initially the learners can be introduced to the practical requirements, such as booking venues and equipment, as well as other preparatory work, including sending information to attendees and organising resources of resources. Learners can work in groups and visit a suitable local organisation to research the responsibilities for setting up the meeting room, meeting health and safety requirements and assisting delegates. Findings can be presented to the rest of the group for further discussion.

Learners can work in groups to share experiences of attending meetings, listing what makes a successful meeting. Case-study material could enable learners to plan for a mock meeting. The use of role-play scenarios would give learners the opportunity to practise setting the room up for a meeting in class, preparing agendas, and also enables other learners to give feedback on the organisation of the meeting. At all times learners should be encouraged to give constructive and positive feedback. It would be useful to show video/DVD clips of meetings protocol and let learners discuss planning problems and how to deal with them. Learners must have opportunities to practise taking minutes of meetings by recording the proceedings and then word processing the notes. Tutors can provide examples of different formats for presenting minutes.

If the meeting is external it could be assumed that the line manager is a delegate at that meeting and then the support provided would include tasks such as making accommodation or travel arrangements. In-tray exercises could be used to support the delivery here, such as booking a hotel, or flight at the best price to meet requirements. For example, it is no use booking a cheap flight if the airport is miles out of town and requires an expensive taxi ride to the destination.

In consolidating the third outcome of learning, it would be beneficial for learners to practise clearing a room after a meeting. There are specific points to observe when clearing and vacating a meeting room, such as ensuring the room is clean and tidy, equipment and any forgotten personal belongings have been returned, any relevant documentation is dealt with according to instructions and that confidential material is not left behind. Tutors should raise awareness that sometimes senior staff may wish to continue discussions after the meeting, and therefore need privacy whilst the room is being cleared.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Formal theory input on components of purpose of business support. Learners: ● complete exercises – pair/group work ● visits/speakers and demonstrations. **Assignment 1: Office Equipment** There may still be formal input, visits and speakers during time when group work happens.
Formal theory input on components of procedures for carrying out office work safely. Learners: ● review equipment in various settings – pair/group work ● consider the uses of equipment and watch demonstrations ● complete exercises on use – pair/group work ● visits/speakers and demonstrations. **Assignment 3: Using Equipment Safely** There may still be formal input, visits and speakers during time when group work happens.
Formal theory input on organising and supporting meetings. Learners: ● use practical situations and case studies ● carry out tasks to organise venues, documentation and meetings – group work ● take on different roles – case studies. **Assignments 2 and 4**: **Organising and Supporting Meetings** There may still be formal input, visits and speakers during time when group work happens.
Non-supervised study time and completion of assignments.

Assessment guidance

Outcome of learning 1 could be evidenced through a written report or a presentation by one learner or a small group. Presentations should be supported by learner research and presentation notes/slides/handouts and witness statements for verification purposes. Presentations could be delivered to an invited audience, which may include appropriate specialists, such as human resources managers, as well as local business operators. These guests should be briefed about their role in the assessment process and how they can contribute to assessing learners' work.

For outcome of learning 2 learners should demonstrate using different office equipment in a correct and safe manner. The evidence will be records of the equipment used together with a witness testimony from the tutor that the learner has used it correctly. The minimum equipment to be used is computer, printer, telephone and photocopier.

Written evidence of planning the arrangements for a meeting, together with meeting records will address outcome of learning 3. Learners need to demonstrate their knowledge of the tasks that need to be carried out in support of a meeting, and evidence should include the learner demonstrating they understand how to deal with confidential information when tidying up after a meeting.

To meet P1 and P2 criteria, learners should draw on their knowledge of businesses gained through visits and case studies to develop their explanation of the purposes and types of business support. Evidence should show a clear link between the purpose of support and the type of support being delivered. Learners should present at least two examples that are sufficiently different to show a recognisable contrast.

To achieve P3, learner evidence should include records of them carrying out different administrative tasks, such as reception duties using office equipment ensuring that safety and security procedures are followed. This might involve getting visitors to sign in and issuing visitor badges. Evidence could be an observation report that identifies and confirms correct and safe use of the equipment, for example using the photocopier safely, ensuring that seating and posture are correct when using the computer. Tutors can check understanding of how to deal with potential problems through oral questioning.

Learners also need to present their own evidence relating to the organisation of a meeting and the provision of business support. Tutors will not be able to observe all learner activities so it is important that learners are clear about how to present their evidence. A checklist is needed to ensure that key points are addressed for P4. P5 can be covered through producing an invitation, agenda, minutes at last meeting. Learners can draw on examples from their own experiences, as well as case studies. Much of the evidence generated will be through the documentation learners prepare for a meeting, such as notification of time and date of meeting, agenda, and minutes from the last meeting. Learners should also gather appropriate witness testimonies and/or tutor observation records to supplement the evidence they have generated for themselves. This task could be combined with those from another unit, for example *Unit 17: Starting a Small Business*, if a meeting was held to decide on what business to run.

To meet the merit criteria for office equipment much will depend on the capacity of the equipment used. If using advanced equipment, learners can explain how the facilities suited the purposes they were required to meet. If equipment facilities were limited, learners could explain what additional facilities they could have used had they been available. Both will demonstrate appropriate knowledge of modern equipment regardless of whether or not it was available for learners to use in practical circumstances.

For the second merit criterion learners should develop P5 and provide all post meeting documents including the minutes taken, the action points and documents circulated after the current meeting.

For the third merit criterion, learners need to explain the organisation and support needed for meetings. Tutors and learners should be conscious of the practical activity completed for the pass criterion. This may have been relatively simple and learners should provide evidence here that addresses a range of organisational and support functions that they may not have had the capacity to demonstrate in reality.

To meet the distinction criteria, learners need to provide evidence of their depth of knowledge and understanding and provide an analysis. They should carefully consider scenarios that they have experienced that will support them in their development of evidence and should make recommendations for improvements.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Office Equipment What Office Equipment is Used to Provide Business Administration and Support?	Brief from business adviser wishing to create materials for training sessions.	Prepare a group presentation on the purpose and types of business admin and support.
P4, P5	Assignment 2: Organise a Meeting	Brief from employer engagement manager for a local college wishing to set up meetings for different employers to encourage training for their workforces.	Prepare a checklist for organising and supporting the meeting. Produce copies of meetings documents – agenda, invites, accurate records (minutes).
P3, P5, M2	Assignment 3: Using Equipment Safely	Using equipment to support the above meetings including: • computer • printer • photocopier • telephone.	Records of using different office equipment safely when producing meeting and post meeting documents, circulating them and making arrangements for the meeting. Observational report from tutor confirming the use of office equipment and systems correctly and safely.
P5, M3, D2	Assignment 4: Administrative Support at Meetings	Develop brief from business adviser to include creation of materials for training sessions.	Prepare a report (or presentation) on the types of admin support needed at meetings.

Suggested resources

Book

Ashley V and Ashley S – *Student Handbook Level 1 (Business and Administration Standards)* (Council for Administration, 2006) ISBN 0955092027

Websites

www.skillscfa.org	A registered charity promoting skills and qualifications in the workplace
www.management-standards.org	Management Standards Centre – the Standards Setting body for management and leadership

Unit 7: Verbal and Non-verbal Communication in Business Contexts

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20634G**

This unit is internally assessed

Unit aim

The purpose of this unit is to develop learners' ability to use verbal and non-verbal communication skills effectively in a workplace setting. Learners will develop their knowledge and understanding of the purpose of verbal business communications and the range of contexts in which such communications occur.

Unit introduction

The day-to-day operations in any organisation require clear verbal and non-verbal communication amongst its workforce at all levels. If verbal instructions are not clear or if messages are misunderstood, the impact on the business is likely to be negative. Customer complaints, lost orders and tasks wrongly completed are common examples of poor communication in an organisation. Our body language can also give positive or negative impressions to customers and clients and this type of communication is an important element in developing good communication skills amongst the employees in an organisation.

In small businesses where only a few staff are employed, communication may be primarily verbal and may simply be on a one-to-one basis. As businesses grow in size and complexity, their communication needs also develop and they need recognisable structures to maintain clear and open channels of communication that support the aims and objectives of the business. In larger businesses employees are likely to be organised into teams, sections or departments. In these organisations they are more likely to be involved in team meetings where verbal communication will be in a group setting. However, while the communication needs of businesses differ, the fundamental principles remain the same, irrespective of the size or complexity of the organisation. Effective communication between individual members of staff or within a group in the workplace will require good speaking and listening skills from all employees.

In this unit learners will be introduced to the purposes and importance of good verbal and non-verbal communication in the workplace. They will practise and develop the skills of verbal and non-verbal communication in different business contexts.

Outcomes of learning

On completion of this unit a learner should:

1 Be able to use non-verbal communication skills in business contexts

2 Understand the purpose of verbal communication in business contexts

3 Be able to use verbal communication in business contexts.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Demonstrate non-verbal communication skills in interpersonal interactions in a business context	M1 Explain how interpersonal interaction skills are used to support business communication	D1 Assess the importance of effective interpersonal interaction skills in a given business situation
P2 Explain, using examples, the purpose of verbal business communications in different business contexts	M2 Discuss how verbal communications can be used effectively in business situations	
P3 Demonstrate appropriate speaking and listening skills in a one-to-one business context		
P4 Demonstrate appropriate speaking and listening skills in a business group context	M3 Review speaking and listening skills in both a one-to-one and group context, identifying own strengths and weaknesses	D2 Assess the effectiveness of speaking and listening skills in supporting business operations in a given business context

Unit content

1 Be able to use non-verbal communication skills in business contexts

Conveying a professional image:

- appropriate dress or uniform to meet industry conventions or regulations
- personal hygiene
- sound organisational skills
- good time management
- professional and business-like manner when dealing with staff and customers

2 Understand the purpose of verbal communication in business contexts

Purpose:

- e.g. to inform, to confirm, to promote, to make a request, to instruct

Business contexts:

- formal and informal verbal communication, e.g. telephone contacts, meetings, technical enquiries
- communicating with supervisor, colleagues, customers
- complaints
- verbal presentations

3 Be able to use verbal communication in business contexts

Listening skills:

- listen to and understand instructions given verbally
- interpret instructions and task requirements correctly
- make notes
- reflection
- confirm understanding
- seek clarification where appropriate

One-to-one communication:

- methods of conveying messages or series of instructions
- language and expressions that will be understood by the recipient
- messages to suit different situations

Working in a group situation:

- make relevant contributions to a discussion about business tasks
- meeting
- team briefing
- respond appropriately to others
- move a discussion forward

Information for delivery staff

Essential requirements

For this unit learners should have access to a suitable business teaching environment with access to the internet to do research. Tutors may consider building a bank of resource materials to ensure there is a sufficient supply of relevant information across a range of business types and sectors. Government agencies will also supply materials.

Learners can generate evidence from a work placement or from work experience. Other learners may have access to information from family owned and run businesses.

Employer engagement and vocational contexts

Centres could invite visiting speakers from local organisations to talk about the importance of communication in their business. Work experience and part-time jobs will provide valuable experiences of verbal and written communications in the workplace. Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

The federation of small businesses provides information support and guidance about small businesses in the UK – www.fsb.org.uk

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

It is essential for learners to be able to identify the different communication skills they need in order to be effective in the workplace. Developing good verbal, non-verbal and personal presentation skills will help learners to function more effectively in their studies and eventually in their chosen role at work.

This unit is closely linked to *Unit 8: Business Communication through Documentation*. It looks at the purpose of verbal and non-verbal business communication. Some formal input is required to underpin learners' understanding of the importance of good communication in business. Practical exercises and role play will play an important part in developing learners' communication skills.

As with *Unit 8: Business Communication through Documentation*, learners would benefit from visits to local businesses. Tutors should help learners to devise a selection of appropriate questions that focus on the purpose of business communications and a suitable range of business contexts. The visits to the company could then become the focus for the business context in the assignments.

Learners need to develop their knowledge and understanding of verbal skills in a one-to-one and a group situation. The skill of listening is often overlooked and taken for granted. Learners need to be made aware of how important it is to listen to instructions and to sift and select the relevant information in order to perform the required tasks to a satisfactory standard. Learners also need to have the confidence to seek clarification about aspects of the instructions that are not clear.

Group activity requires both listening skills and the ability to respond effectively. A group activity to concentrate on how well each member of the group listens to other members can help to highlight learners' strengths and weaknesses relating to listening skills. Group activity can also enable learners to explore the benefits of the group working cohesively together. Learners should discuss the implications of one group member not listening carefully enough.

Learners will benefit from formative feedback from the tutor who can highlight how well the learner responds to others or is able to move the discussion forward, as well as reviewing the quality of their contribution to the discussion. One-to-one interactions between the tutor and the learner, or between the learner and an employer, can also provide opportunities for practising good listening skills as well as give the learner the opportunity to respond, seek clarification and confirm understanding.

Learners are not always aware of the messages we send through our non-verbal communication. They will benefit from seeing videos on body language and the impact it has in a job interview or when dealing with customers. Recorded role play, for example can provide very clear feedback to learners on their strengths and areas that need improvement.

Effective verbal communication affects every aspect of successful business organisation. Good listening and speaking skills are essential between all levels of an organisation and externally with customers, suppliers and stakeholders. Learners need to understand the implications for a business when its staff present a poor image and have underdeveloped verbal communication skills.

Learners will also benefit from links with local businesses that may be willing to supply copies of documentation used in real situations, adding currency and vocational realism. Learners may also use their own experiences from work placements, part-time employment and family experiences and observations.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the assignment programme – whole class. Tutor input on purpose of communication and business contexts. Tutor input on oral communication and listening skills. Tutor input on group communications. Tutor input on interpersonal and non-verbal communication. Videos on communication skills, non-verbal communication and interpersonal skills. Class practice exercises on developing listening skills and one-to-one communication skills. Class practice exercises on developing group communications skills. Class practice exercises on developing non-verbal communication skills.

Topic and suggested assignments/activities/assessment
Assignment 1: The Communicators Introduction to the assignment – whole class. Learners individually: ● make notes on their own ideas of the purpose of verbal communication in business. In small groups learners: ● discuss and compare their ideas and examples. Learners individually: ● complete their assessment of the given case study/business context ● complete a short presentation on their findings to the class.
Assignment 2: One-to-one Discussions Introduction to the assignment – whole class. In pairs learners: ● carry out one-to-one discussions set in a simulated business context. Learners individually: ● carry out and write up a review of their performance ● write up an assignment on effective speaking and listening skills in one-to-one situations.
Assignment 3: Group Discussions Introduction to the assignment – whole class. In small groups learners: ● participate in a group discussion in a business context ● participate in a group review of the discussion. Learners individually: ● write up assignment on effective speaking and listening skills in group situations.
Assignment 4: Interpersonal Skills Introduction to the assignment – whole class. In pairs learners: ● participate in a role play on non-verbal communication ● write up assignment.
Non-supervised study time and completion of assignments.

Assessment guidance

For P1, learners should demonstrate non-verbal communication skills through role play. This may include aspects of body language such as eye contact or elements of personal presentation such as personal hygiene, or dress.

For P2, learners should explain and demonstrate an understanding of the purpose of verbal business communications in different business contexts. They should apply their knowledge and provide examples of the context of the communications. For example, an external telephone call to a customer to answer a complaint has a different purpose and context than an internal telephone call to a colleague asking if they will work overtime. The context should also show an acceptable level of contrast. For example, they should not all be confined to communication in the office-to-office staff.

For P3, learners should demonstrate a competent level of verbal communications in a one-to-one business context such as a discussion with an employer on a work placement or a discussion with another student on an issue related to their business enterprise. They need to demonstrate competence in speaking and listening in a one-to-one situation. They need to be able to hold a conversation and demonstrate their listening skills through their responses to the other person's questions or points.

For P4, learners should demonstrate a competent level of verbal communications in a group discussion set in a business context. The discussion could be led by an employer or the tutor. Learners must demonstrate competence in speaking and listening in a group situation. They need to make a contribution to the group discussion and respond to questions from group members or the group leader.

For M1, learners need to explain how interpersonal skills are used to support business with practical examples to support the explanation. A work placement or part-time job will provide the learner with good opportunities to find appropriate examples in a real business context, or observation of communication in a real or realistic working environment will be appropriate if neither of these are available.

For M2, learners should show an understanding of how verbal communications can be used effectively in business. They should put this into context by providing examples of the different situations where verbal communication is effective in getting the right message to internal or external recipients. For M3, learners need to demonstrate that they can reflect on their performance in the one-to-one role play. They should produce an honest and accurate review of their strengths and weaknesses also after feedback from the tutor who will make reference to the observation sheet. Learners need to demonstrate that they can reflect on their performance in the group discussion. They should produce an honest and accurate review of their strengths and weaknesses. They should link their comments to particular points in the group discussion and should refer to particular strengths and weaknesses of other group members as appropriate. Their review should be completed after feedback from the tutor or employer who will make reference to the observation sheet.

For D1, learners will need to assess how interpersonal skills are used to support business. The assessment should be supported by practical examples from a business context. As in M1, a work placement or part-time job will provide the learner with good opportunities to find appropriate examples in a real business context.

For D2, learners can draw on the case study to make an assessment of the effectiveness of verbal communications in this given business situation. The responses from distinction level learners should show their ability to develop their assessment and not simply state the obvious. For example, learners may draw on real examples and link these to the case study material or they may also explore the consequences of having poor oral communication skills for the business.

Learners must explain how effective speaking and listening skills can support business operations. The key word here is 'effective' and learners need to demonstrate an awareness of this in their answers. This covers speaking and listening skills in both one-to-one and group situations. Distinction learners will be able to use good examples of both situations to illustrate their answers.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1, D1	Assignment 1: The Communicators	Case study on a business wishing to assess the effectiveness of its verbal communication.	Presentation witness statement. Report on case study.
P2, M2, D1	Assignment 2: One-to-one Discussions	Brief based on a real or simulated business context for one-to-one discussion.	Role play observation sheet. Strengths and weaknesses review. Individual report.
P3, M2, D1	Assignment 3: Group Discussions	Brief based on a real or simulated business context for group discussion.	Role play observation sheet. Strengths and weaknesses review. Individual report.
P4, M3, D2	Assignment 4: Interpersonal Skills	Role play scenario in a business context.	Role play observation sheet. Individual report.

Suggested resources

Books

Anderton A – *GCSE Business Studies* (Causeway Press, 2004) ISBN 1873929846

Carysforth C – *Communication for Work* (Heinemann Education, 1998) ISBN 0435455427

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327

James J – *Body Talk at Work* (Piatkus Books, 2001) ISBN 0749922583

Miles P – *Business Communication Systems GCSE* (Nelson Thornes, 2003) ISBN 0748770992

Taylor J – *Creating Success Communication at Work: 24* (Kogan Page, 2001) ISBN 0749434740

Website

www.chalkface.com — Worksheets on practical communication skills for the workplace

Unit 8: Business Communication through Documentation

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20635G**

This unit is internally assessed

Unit aim

The purpose of this unit is to develop learners' ability to use written communication skills effectively in the context of a workplace setting. Learners will develop their knowledge and understanding of the purpose of written business communications and the range of contexts in which such communications occur.

Unit introduction

Even in the modern world of paperless offices, written communication is at the centre of business activity. Businesses rely extensively on the ability of managers and staff to produce accurate, consistent and well-presented written communications. A business needs to have effective systems of written communication in place to ensure that the correct messages are conveyed to its staff, customers, suppliers and other stakeholders both internally and externally. Internal communications will impact on different functional areas, across spans of control and between teams who are all working to meet the stated aims and objectives of the business. External communications will impact on customers, suppliers, shareholders and other stakeholders in the organisation. Good written communications will impact positively on the image that the business projects externally. Conversely, the image of a business will suffer from adverse publicity arising from inaccurate or poorly written communication with external stakeholders.

Learners will develop their knowledge and understanding of the most appropriate forms of written communication for conveying messages to an internal audience and to external stakeholders and the public. Some written communication in any business will be confidential in nature. This unit will develop the learner's ability to meet the requirements of confidentiality in written documentation. Learners will also develop and practise the skills needed to produce business communications for a variety of purposes. Developing good written communication skills will help learners to function more effectively both in their studies and eventually in their chosen role at work.

Outcomes of learning

On completion of this unit a learner should:

1 Know the purpose of written communication in business contexts

2 Be able to complete and use business documents for internal and external communication in an organisation

3 Know the importance of using appropriate methods of written communication depending on audience.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify, using examples, the purposes of written business communications in different business contexts	M1 Describe appropriate methods of written communication in different business contexts	D1 Explain the importance of written communication in an organisation in specific business contexts
P2 Produce documents of different types to support straightforward business tasks for internal communication in an organisation	M2 Compare the advantages and disadvantages of internal and external documents	D2 Justify own choice of internal and external documents, explaining why each document is appropriate for its intended audience
P3 Produce documents of different types for external communication by an organisation		
P4 Identify appropriate methods of communication to different audiences	M3 Describe appropriate methods of written communication to different audiences	D3 Explain appropriate methods of written communication to different audiences

Unit content

1 Know the purpose of written communication in business contexts

Written:

- handwritten
- electronic
- word processed
- text

Purpose:

- e.g. to inform, to confirm, to promote, to make a request, to instruct

Business contexts:

- formal and informal communication, e.g. meetings, notices, technical enquiries
- communicating with supervisor, colleagues, suppliers, customers
- complaints
- presentations
- confidentiality

2 Be able to complete and use business documents for internal and external communication in an organisation

Documents:

- e.g. letters, memos, reports, emails, notices, agendas, minutes, purchase orders, invoices

Appropriate layouts:

- fitness for purpose
- appropriate to the task and the internal/external audience
- use of different formats and styles, e.g. use of appropriate fonts, headings, images, pagination, document headers and footers

Writing internal/external documents for business:

- use of relevant technical language
- graphical information
- drafting and redrafting to ensure accuracy
- legibility and consistency
- conventions
- checking for accuracy
- consistency and fitness for purpose
- meeting deadlines

Recording and reporting:

- type of record
- keeping accurate and complete records of internal conversations, meetings and/or agreed actions
- accurate and concise reporting in sufficient and appropriate detail, working within given deadlines and timeframes
- reporting issues as they arise to the appropriate person

3 Know the importance of using appropriate methods of written communication depending on audience

Dealing with confidential matters:

- using appropriate methods of communication to convey confidential messages
- sensitivity in dealing with confidential issues
- understanding of material that might be confidential, e.g. data protection

Detail:

- fog index, crystal mark for clarity

Audit:

- copies and evidence requirements

Information for delivery staff

Essential requirements

Learners should also have access to library and internet facilities to support their research. They should be provided with examples of business documentation to ensure that they are familiar with the format and conventions of the documents they will be using.

Employer engagement and vocational contexts

Centres could invite visiting speakers from local organisations to talk about the importance of communication in their business. If links are developed with local organisations they may be prepared to provide non-confidential examples of documents that are used in their business. Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

The Federation of Small Businesses provides information, support and guidance about small businesses in the UK – www.fsb.org.uk

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

This unit looks firstly at the purpose of business communication. Discussion groups can be a useful start but tutors should be aware that some formal input may be required. It may be helpful to link this with other units involving visits to local businesses, where learners can begin to investigate business communications by asking appropriate questions. Tutors should help learners to devise a selection of appropriate questions that focus on the purpose of business communications and a suitable range of business contexts. Discussions among the delivery team would help identify useful opportunities for learners.

Development of written business communication skills will require some formal input on the range of related documents that can be used and how each can be formatted. Sample documents are essential to illustrate to learners the layout of different documents and how the same document (for example purchase orders or invoices) can vary and still serve the same function.

Effective written communication impacts on every aspect of successful business organisations. Accuracy and good presentation are essential. Learners need to understand the implications for a business of poor or inaccurate written communication. Providing examples of different types of business documentation is a good place to start. Written documentation could be a memo or note conveying a telephone message, a set of documents that track an order from being placed to the final invoice, catalogues, flyers or brochures, letters, faxes and emails, in-depth company reports or financial planning tools. Each document is important in its own right, and this aspect can be developed by providing learners with the opportunity to examine different documents and discuss the implications of poor presentation, incorrect information or errors in grammar.

Learning can then progress to the use of simulations or case studies that take learners through a sequence of processes such as the documentation involved in purchasing (see links to *Unit 3: Financial Forecasting for Business*) or the process of making a booking for a hotel or conference centre, involving letters, memos, meeting schedules and so on.

Learners would benefit from the opportunity to choose which documents might be suitable for a series of simulated tasks set for them by the tutor. Practice in developing written documentation will enable learners to explore the need to think carefully about the nature of the work being produced, its intended audience and fitness for purpose. Learners will also benefit from links with local businesses that may be willing to supply copies of documentation used in real situations, adding currency and vocational realism. Learners may also use their own experiences from work placements or part-time employment.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the assignment programme – whole class.
Overview of purposes of communication in business – whole class.
Introduction to documents for internal communication.
Class exercises on internal documents.
Introduction to documents for external communication.
Class exercises on external documents.
Introduction to confidentiality in business communications.
Assignment 1: Internal Communication Introduction to the assignment – whole class. In small groups learners: ● discuss the documents available for internal communication. Learners individually: ● make choices on appropriate internal documents ● draft and check documents ● make amendments and finalise the documentation.
Assignment 2: External Communication Introduction to the assignment – whole class. In small groups learners: ● discussion on the documents available for external communication. Learners individually: ● make choices on appropriate external documents ● draft and check documents ● make amendments and finalise the documentation.

Topic and suggested assignments/activities/assessment
Assignment 3: Communication in Business Introduction to the assignment – whole class. In small groups learners: ● prepare an oral presentation on the purposes of communication and the importance of confidentiality in business communication ● give presentations. Learners individually: ● prepare a report on the methods and purpose of written communication in a selected organisation.
Non-supervised study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of written business communication.

For P1, learners should demonstrate an understanding of the purpose of business communications in four different business contexts. They should apply their knowledge and provide examples of the contexts of the communications. For example, the purpose of a notice in an accounts office can be to instruct staff how to use a piece of equipment such as a photocopier. The contexts should also show an acceptable level of contrast. For example, they should not all be confined to communication in the office to office staff.

For P2, learners should produce three different documents to support straightforward business tasks for internal communication in an organisation. Tutors should ensure that there is sufficient contrast in the documents. For example, three different letters would be insufficient to meet this criterion. However, a purchase order, a letter and a memo, all of which may relate to the same matter, would be acceptable.

For P3, learners should produce three different documents for external communication by an organisation. There are more opportunities with external communication to use more demanding documents such as reports or letters dealing with complex complaints. Once again, tutors should ensure that there is sufficient contrast in the documents. Ideally, for P2 and P3 learners should produce a total of six different documents (three internal and three external). The documents may be themed or may be based on different subject matter.

For P4, learners should identify examples of situations where the audience of the communication is important in determining the format used for that communication, e.g. when confidentiality in communication is required. An example could be when the human resources department requests the attendance of a member of staff at a disciplinary meeting.

For M1, learners should show awareness of the range of methods that are available for written communication in an organisation. They should demonstrate their understanding by placing these methods in appropriate business contexts. For example, an organisation may place a leaflet on a notice board informing staff of an office party planned for Christmas. The purpose of the notice would be to inform staff internally and the context of the notice would be informal with an appropriate use of language and images.

For M2, assignment tasks should allow learners the flexibility to choose from a range of different documents. For example, to ask learners to answer a letter would only provide limited opportunity and a letter in response is probably the only solution. However, asking learners to choose how to respond to a request for a conference booking should involve a letter of reply supported by memos to heads of department, a conference function checklist and preparation of a sample invoice to present to the customer on completion of the event. At merit level learners are expected to produce documents that are grammatically correct, have no spelling errors and are fit for purpose.

For M3, learners should use examples to contextualise and demonstrate their understanding of situations where different methods of communication are appropriate. An example could be a letter from the human resources department requesting attendance at a disciplinary hearing or a report prior to publication from the managing director to board members.

For D1, learners should be able to explain the importance of written communication in an organisation by contrasting it to oral communication and electronic communication. They may be able to draw on their understanding of confidentiality to contrast the different means of communication and to explain why written communication is more appropriate in these circumstances. Their explanation should link to the purpose of communication and the context in which it is appropriate in an organisation.

For D2, learners should justify the choice of internal and external documentation they have produced. The justification should clearly reflect the context of the situation that required the documentation. For example, if the learner chooses to send a letter to a consumer who has complained verbally to the organisation, the learner should explain why a letter is more appropriate than any other form of written reply or a verbal response to the customer.

For D3, learners should clearly explain why other forms of communication may be inappropriate in some situations, e.g. where confidentiality is required. The advantages of written communication in preserving confidentiality should be explored along with examples of situations where confidentiality may be appropriate.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P2, M2, D2	Assignment 1: Internal Communication	Brief requiring the preparation of documents for internal communication in an organisation.	Choice of documents. Layout of documents. Conventions. Language. Grammar and spelling. Fitness for purpose.

Criteria covered	Assignment title	Scenario	Assessment method
P3, M2, D2	Assignment 2: External Communication	Brief requiring the preparation of documents for external communication in an organisation.	Choice of documents. Layout of documents. Conventions. Language. Grammar and spelling. Fitness for purpose.
P1, P4, M1, M3, D1, D3	Assignment 3: Communication in Business	Brief from a proposed new business seeking advice on the purposes of business communication and confidentiality in written communication.	Group presentation. Individual report.

Suggested resources

Books

Anderton A – *GCSE Business Studies* (Causeway Press, 2004)
ISBN 1405864508

Carysforth C – *Communication for Work* (Heinemann Education, 1998)
ISBN 0435455427

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business*
(Osborne Books, 2002) ISBN 1872962327

Miles P – *Business Communication Systems GCSE* (Nelson Thornes, 2003)
ISBN 0748770992

Unit 9: Training and Employment in Business

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20636G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the various rights and responsibilities that both employers and employees possess and the importance and benefit of motivation and training of employees to organisations.

Unit introduction

At the heart of building a successful, high-performing business is the development of its people. People are the common element in every organisation; they create the ideas and innovations which can drive the organisation forward.

This unit introduces learners to the fact that in all organisations the employer has a number of important rights over and responsibilities to the employees and equally the employee has rights and responsibilities to the employer. It is essential in any organisation that people know exactly what is expected of them and what the organisation should do for them in return. Learners also examine the importance of job satisfaction and effective teamwork in organisations. As a team member, an employee can be far more valuable to the organisation and get more satisfaction from his or her job. Employees must be motivated to work hard and make a full contribution to the success of their organisation. Motivated employees are more likely to stay in an organisation where they feel they are valued and well paid. Learners will discover that there are a number of theories concerning motivation which can be used by organisations to motivate and retain their employees. It is also important for organisations to train their staff, as poorly-trained staff will not be able to do their jobs effectively. Finally, it is vital for the organisation and the individual member of staff to know how well they are performing against a set of objectives or targets. Learners will investigate performance reviews and how staff are appraised.

Outcomes of learning

On completion of this unit a learner should:

1 Know the rights and responsibilities of the employee and employer

2 Understand how employees can be motivated

3 Understand the importance of training and performance reviews.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Outline the rights and responsibilities of employers in a chosen organisation	M1 Explain the rights and responsibilities of employers and employees	D1 Compare the rights and responsibilities of employers and employees
P2 Outline the rights and responsibilities of employees in a chosen organisation		
P3 Explain the importance of job satisfaction and teamwork in the workplace	M2 Explain the relationship between motivation, teamwork and job satisfaction	D2 Analyse the relationship between motivation, teamwork and job satisfaction and how they contribute to organisational success
P4 Examine how employees can be motivated in the workplace		
P5 Describe the importance of training to an organisation		
P6 Explain the benefits to an employee and employer of performance appraisals		

Unit content

1 Know the rights and responsibilities of the employee and employer

Rights and responsibilities of employees:

- statutory rights – contracts of employment, anti-discrimination, working hours, holiday entitlement
- non-statutory rights – procedures to protect relationship with employers, principles and codes of practice, representative bodies, e.g. trade unions, professional associations, responsibilities
- uphold business aims and objectives, follow business rules (health and safety), adhere to terms of contract, respect company's property

Rights and responsibilities of employers:

- rights – to support the business aims, support health and safety, appropriate use of company equipment and time, set conditions of service, set disciplinary and grievance procedure
- responsibilities – observe employment law and codes of practice, duty of care to employees, observe employees contracts, provide a safe workplace, provide procedures to protect relationships with employees, provide public liability insurance, provide training, adhere to EU directives

2 Understand how employees can be motivated

Theories of motivation:

- theories, e.g. Abraham Maslow, Frederick Hertzberg

Job satisfaction:

- ergonomics
- design jobs to fit people, job rotation
- allow employees to have variety in their job
- introduce new task to enlarge existing job
- add tasks which have more responsibility
- allow employees and teams to make their own decisions

Benefits of team working:

- contribution to department and organisational success, wanting to be part of the team, attainment of team objectives, empowerment, innovation, implementing change, multi-skilling, taking ownership of decision making, knowledge sharing, synergy

3 Understand the importance of training and performance reviews

Need for training:

- to be able to do the job competently
- legal reasons, e.g. health and safety
- financial implications, e.g. better employees will leave if not trained
- ethical implications, e.g. it is morally correct to train people
- induction and initial training, e.g. to ensure people become acquainted with the business and can work competently and safely
- update skills, e.g. new technology
- multi-skilling training, making sure employees can do a number of jobs

Training courses:

- in-house courses
- external courses, e.g. at specialist training centres
- vocational and professional courses at a college such as IT skills, trainee accountant

Performance appraisal:

- regular assessment of work performance
- undertaken by line manager
- mutual agreement of objectives
- periodic review of progress

Benefits:

- identifies training needs
- reveals problems
- discovers new skills
- improves communication
- provides evidence for promotion or dismissal
- can lead to pay rises, performance related pay
- efficiency and effectiveness

Information for delivery staff

Essential requirements

For this unit learners should have access to a suitable business teaching environment with access to the internet to do research. Tutors may consider building a bank of resource materials to ensure there is a sufficient supply of relevant information such as case study material, exercises on teamwork and reports from companies on how they motivate and train their staff.

Employer engagement and vocational contexts

Centres should develop links with local businesses, many of which are happy for their human resource personnel to give talks on their organisations and many are often willing to provide work placements, visits and information about motivation, teamwork and rights and responsibilities. Centres could invite visiting speakers from local organisations in to talk about their business. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

www.fsb.org.uk – The Federation of Small Businesses provides information, support and guidance about small businesses in the UK.

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Delivery guidance

The unit takes learners through an exploration of the rights and responsibilities of both employers and employees and develops their understanding as the content progresses. Discussing theories of motivation and how this can relate to job satisfaction and teamwork give learners an understanding of the complex processes involved in getting the best out of people. Learners can then progress to consider the role of training in the organisation and the importance of measuring the performance of individuals and the setting of objectives.

For P1 and P2, tutors should encourage learners to try to obtain, if possible, the chosen organisation's policies and terms and conditions of contracts, which will help them to understand the rights and responsibilities of employers and employees. This will help them to put what they have been taught in the theory sessions into context. Case studies will also help in group work where learners are solving problems regarding rights and responsibilities of employers and employees. A guest speaker from either a trade union or a human resource manager from a local organisation should be invited to give a talk on rights and responsibilities, and learners should be encouraged to ask questions and debate the points raised. In groups, learners could produce a simple contract of employment for a given position based on what they have been advised on a contract's content. They could also discuss the difference between statutory and non-statutory rights and the use of procedures and codes of practice. In class debates and discussions learners who have a part-time job can share their first-hand knowledge of rights and responsibilities.

For P4, learners could search the internet for good examples of organisations that excel in motivating their staff. Learners could be directed to 3M, Microsoft or Procter and Gamble websites as these organisations have all been recognised for their ability to get the best from their staff. Class discussions and debates should be used to help learners explore what motivates them as individuals and for them to draw on their own experiences taken from school, college and their part-time jobs. There are also some good case studies available on motivation and job satisfaction, which can be used with pair or group work. Exercises on teamwork to show the power of synergy such as survival in the jungle and polar ice cap survival are fun ways to facilitate effective learning. Exercises with group work which demonstrate the work of Maslow and Hertzberg in practice are useful in, developing learner's knowledge and understanding of job satisfaction.

For P5, learners need to understand the role training plays in the success of an organisation. Again, learners should be asked to research organisations that are at the forefront of training and development, which invariably will be the organisations identified in P4. There are some excellent DVDs/videos on the importance of training which can be usefully deployed in lessons followed by class discussions. These DVDs/videos on training also deal with the subject of performance appraisal and clearly show the link between the recognition of the need for training, the attainment of objectives and the planning of training and development opportunities for staff. Role-playing exercises on performance appraisal interviews are useful and encourage critical thinking involving analysis and problem solving, which will be useful for P6.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Theory delivery on rights of Employer.
Theory delivery on rights of Employee.
Practical exercises – Group, paired and individual tasks.
Assignment 1: Investigation of Rights and Responsibilities in a Chosen Business
Theory delivery on motivation.
Theory delivery on benefits of team working.
Practical exercises – Group, paired and individual tasks.
Assignment 2: Job Satisfaction, Teamwork and Motivation
Theory delivery on training.
Theory delivery on performance reviews.
Practical exercises – Group, paired and individual tasks.
Assignment 3: Training in a Chosen Organisation and the Benefits of Performance Appraisal
Non-supervised study time and completion of assignments.

Assessment guidance

To achieve the pass criteria, P1 and P2, learners need to outline the rights and responsibilities of both employer and employee in an organisation of their choice. Tutors should vet the organisations selected to ensure that they are suitable in terms of learners being able to produce satisfactory evidence through research. Permission from the organisation must also be sought to allow learners to gain access to the staff and other items such as company handbooks, contracts, policies etc. Learners who have part-time jobs or work experience placements can use their organisations. Learners who may have difficulty in accessing an organisation may use the organisations of their parents or friends to conduct their research.

For P3, learners have to explain the importance of job satisfaction and teamwork in the workplace. Learners should be encouraged to interview staff and management and ask them for their views on the importance of job satisfaction and teamwork in their organisation. The results of this exercise will allow them to see how what they have learned in the theory lessons can be applied in practice. A similar approach can be adopted for P4, P5 and P6 where learners have to examine how employees can be motivated in the workplace, describe the importance of training and explain the benefits of performance appraisal. If the chosen organisation does not have a formal appraisal process in place, learners may describe the more informal processes that may be in place and possibly make recommendations as to how a formal performance appraisal scheme could improve the organisation.

For M1, learners should build on the work they do for P1 and P2 and explain the rights and responsibilities of the employer and employees of their chosen organisation.

For M2, learners should build on the work they do for P3 and P4 but now explain the relationship between motivation, teamwork and job satisfaction. The explanation must be related to their chosen organisation.

To meet the D1 criteria, learners need to provide evidence of their depth of knowledge and understanding by comparing the importance of employer and employee rights and responsibilities in their chosen organisation. They would be well advised to discuss their evidence with the owner/manager of the business in order to expand on their analysis and add an appropriate level of vocational realism. Similarly, for D2, learners need to analyse the relationship between motivation, teamwork and job satisfaction and how they contribute to organisational success in their chosen organisation. This builds on the work completed for M2.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Investigation of Rights and Responsibilities in a Chosen Business	All three tasks are related to an investigation into a chosen organisation dealing with rights and responsibilities, motivation and job satisfaction, training and appraisal.	Written reports.
P3, P4, M2, D2	Assignment 2: Job Satisfaction, Teamwork and Motivation	As above.	Written reports.
P5, P6	Assignment 3: Training in a Chosen Organisation and the Benefits of Performance Appraisal	As above.	Written reports.

Suggested resources

Books

Carysforth C and Neild M – *BTEC First Business, 2nd Edition* (Heinemann, 2006) ISBN 0435499076

Surridge M – *Applied Business for GCSE* (Collins Educational, 2002) ISBN 0007138083

Journal

Personnel Today (Reed Business Information) is a useful journal which often has up-to-date and relevant articles on motivation, job satisfaction, training, appraisal and rights and responsibilities.

Websites

www.bized.co.uk	Includes a number of pertinent case studies
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.hrmguide.co.uk	UK Human Resource Articles

Unit 10: Personal Selling in Business

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20637G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the role and importance of personal selling activities to businesses and their customers. Learners will develop their knowledge and understanding of the role of sales staff and how they go about the business of personal selling. They will learn how to develop and use personal selling skills to make sales to customers.

Unit introduction

Businesses have always relied on people to sell goods and services in person and in doing this sales staff are also promoting the business and its purposes. They therefore need to know about the products and services they are selling so that they can provide customers with any relevant information that will influence the purchasing decision. For example, selling television sets requires knowledge of display technologies, the features of the product and whether it is future proofed as broadcasting technology changes. Sales staff are governed by a number of rules and regulations, which range from the national legal framework to organisations' own policies so staff need to know what the seller's obligations are and also what the rights of customers are. Many organisations have their own procedures that may go beyond the requirements of the law, such as price matching.

Personal selling requires learners to use a range of personal skills from greeting customers in a friendly and polite way, to helping identify customer needs, to providing information about products and services, to closing the sale and doing all the associated administrative work.

This unit introduces learners to the methods of selling. It shows them how to develop techniques to sell successfully and to apply them in different situations. Learners will use personal selling techniques in real and/or realistic settings.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the role of sales staff

2 Be able to demonstrate personal selling skills and processes.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the role of sales staff	M1 Explain the role of sales staff and the sales techniques they use	D1 Demonstrate the confident use of personal selling skills when making sales
P2 Identify the techniques used when making personal sales	M2 Compare the selling skills and processes used in different situations	D2 Evaluate the preparation, skills and processes used in different situations
P3 Explain the knowledge and skills used when making personal sales		
P4 Prepare to make personal sales		
P5 Use selling skills and processes to make sales		

Unit content

1 Understand the role of sales staff

Role:

- selling (goods, services, product surround)
- establishing customer requirements
- matching goods/services to customer requirements
- providing information
- developing customer care
- gathering feedback
- first point of contact
- representing the organisation
- promoting the product

Knowledge and skills:

- product knowledge
- sales motivation
- closing sales
- sales techniques, e.g. by cold calling, face to face, drop-in visits, telemarketing
- legislation affecting personal selling
- organisational policies, e.g. price matching, discounting, guarantees, after sales service, customer care
- reflective practice, e.g. Gibbs cycle of reflection

2 Be able to demonstrate personal selling skills and processes

Personal selling skills:

- communicating with customers, e.g. spoken, written, non-verbal, face to face, remote, eye contact
- purposes of communication, e.g. greeting, introduction, attracting customers' attention and interest, identifying and meeting customers' needs, presenting products/product information
- appearance, e.g. personal hygiene, dress
- attitude, e.g. positiveness, manners, language, courtesy, consideration
- preparing the sales area
- personal space

Processes:

- sales (initiate, make, close)
- after sales service, e.g. delivery, warranty, customer care, satisfaction, follow up, feedback
- handling complaints
- repeat sales
- up-selling
- recording information, e.g. sales, payments, customer information
- liaison with other departments, e.g. customer collection, despatch, accounts, service

Information for delivery staff

Essential requirements

For this unit learners should have access to a suitable sales teaching environment and a sales environment. A simulated environment is acceptable but needs to be realistic with real products/services and real customers. Learners may sell products that have been bought is for specific events such as Valentine's Day gifts and cards or they may sell tickets for a learner-organised entertainment and provided these things are done with a clear customer focus then they will be suitable. Learners can generate evidence from a work placement or from work experience.

Employer engagement and vocational contexts

Centres should develop links with local retail businesses. Many businesses employ learners on a part-time basis to work selling goods whether it is operating a checkout in a supermarket, selling food in a restaurant or working at busy times on a temporary basis in retail outlets.

As part of their business strategy many employers are dependent on young people to work part-time for them. McDonalds is typical of many organisations in the hospitality and fast food industry and has some informative sections on its website at: www.mcdonalds.co.uk

Other businesses are similarly informative.

Delivery guidance

Learners should be encouraged to recognise the importance of the sales function for organisations and to be able to describe the role of sales staff. Personal selling helps the organisation to achieve its objectives such as increasing sales and profits and attracting more customers. Employees need to know how to sell and promote the organisation's products and services. Being informed, confident and employing a repertoire of selling skills will allow a personal seller to assist the customer in making a buying decision.

Learners are likely to have been involved in the business of personal selling as customers when purchasing clothes and mobile telephones and will be able to identify the techniques used when sales are made as well as what made these experiences good or disagreeable and what the consequences of the experiences were.

Discussion groups can capitalise on such experiences to focus on the purpose of sales personnel and the kind of knowledge and skills they need to have in order to deliver an effective service. Case study materials can also be used to highlight specific issues.

Learners need to be aware of the legislation that affects personal selling. A range of legislation is suggested in the content but this is not exhaustive or comprehensive. Tutors should consider the profile of the learner group and select an appropriate range of legislation to ensure that a suitable knowledge base is developed. Typical legislation affecting personal selling includes the Consumer Credit Act 1974 and 2006, Consumer Protection Act 1987, Sale of Goods Act 1979 and 1995, Supply of Goods and Services Act 1982 and the Trade Descriptions Act 1968. Other statutory legislation, such as the Weights and Measures Act, might be considered depending on the selling situation. However, it is important that relevant, current and applicable legislation is discussed with learners. Tutors must also be aware that learners are not expected to have in-depth knowledge of such legislation. Rather, they should understand the overarching principles and how such legislation affects the business of personal selling.

Learners will not only know about selling they will also demonstrate that they can use selling skills and processes to make sales. This can be done either both through a mixture of classroom sessions and real selling. Real selling can be done if for example there is an event or a shop where learners can sell goods and services. Many learners have part-time work which provides opportunities for achieving some of the criteria and well-crafted observation records, witness statements, photographs and accounts will provide evidence that can be judged against the criteria. Learners need to be able to describe the knowledge and skills used when making personal sales and through practical work they should develop both their knowledge and their use of personal selling skills. They might consider case studies to recognise how potential customers are identified and how this leads through to the preparations for making a sale. Case studies can be used to present appropriate scenarios enabling learners to follow this process through. Adapted case studies can then be used to introduce simulations and role-plays, providing learners with core information which then requires them to apply their growing knowledge to the steps needed to prepare for personal selling. Tutors should be clear about the level of realism expected during role plays. Learners can be expected to be 'in-role' and to dress and behave appropriately. Communication skills should be developed so that learners appreciate and understand opening lines for customers, for example by greeting and welcoming them to the retail outlet, followed by carefully chosen words that get the customer's attention and generate interest. Sales people also need to learn how to communicate with customers in verbal and non-verbal manners which enable them to present, display and describe their goods or services.

Learners should be able to prepare to make sales. Preparation includes knowledge of products or services along with knowledge of likely buyer behaviour as well as preparation of the physical sales environment as customers prefer a welcoming ambience. Learners may not be able to replicate the full sophistication of the retail world but they can nonetheless improvise on available facilities with a degree of imagination. Role play may be used for the preparation of the selling process which includes full knowledge of the product, preparation of the sales physical environment which includes accessibility for disabled people, furnishings, physical décor, use of music, health and safety hazards, implications of market competition and likely impact upon buyer behaviour.

Learners need also to be aware of other aspect of selling such as closing sales and handling objections as these are part of the process of preparing to sell. Input from the tutor will clarify where this has happened during their experiences as a customer. Learners should appreciate the importance of closing sales, as it is the stage in the selling process at which the salesperson gets a purchase commitment from the buyer. Closing sales techniques such as silent close, direct close and alternative close, and also responses to customer objections could also be approached through role play complemented by learners' own experiences as consumers. Again, case study materials can illustrate how and where different closing techniques can be used and how objections should be handled. Role-plays and simulations will again enable learners to acquire and practice the skills they would need to successfully complete a sale.

Learners should also understand that most sales people depend on repeat sales, so it is important that they follow up on all sales and do not ignore the customers once the first sale is made. During this follow up stage of the selling process, learners need to understand the importance of making sure that the product has been delivered properly and the customer is satisfied. Opportunities for building a continuing relationship with regular customers could be explored, along with the risks of alienating unhappy customers who may spread bad publicity. Television consumer 'watchdog' programmes and material produced by the Consumers' Association may be useful along with websites drawing attention to poor quality of business service.

Visits to employers to observe preparation for personal selling need to be managed carefully. One suggestion would be to divide learners into pairs or very small groups to avoid any unwelcome exposure for the business. Visiting speakers can also deliver useful presentations relating to this area of content.

Tutors should also select appropriate video resource materials to illustrate various points that learners may not otherwise experience.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the programme.
Introduction to personal selling and its importance to organisations.
Pair work (group work) on the role of selling and the knowledge and skills required of those working in personal sales. Learners: ● investigate purposes of selling goods and services ● investigate customer requirements in the marketplace ● identify methods of providing customer care ● research the knowledge needed to sell selected products ● use case study materials to research the selling methods used in marketing goods and services ● examine the law in respect of selling goods and services ● tabulate information ● prepare presentations ● make presentations. There may still be formal input, visits and speakers during time when group work happens. **Assignment 1: Role of Sales Staff**
Introduction to the practical work.

Topic and suggested assignments/activities/assessment
Practical selling: ● preparing to make sales ● using personal selling skills to make sales. Selling: ● recording sales ● review of own selling activities. It is expected that a range of the topics identified in the content will occur and have to be dealt with. **Assignment 2: Personal Selling Skills**
Non-supervised study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge, understanding and skills in personal selling. It may include:

- a presentation or account of the role of sales personnel
- a presentation or account of the knowledge, understanding and skills of sales personnel
- records that show learners demonstrating personal selling skills.

Evidence for this unit may be gathered from discussions, visits to commercial organisations, role play and other practical experience, including a work placement or evidence from a part- or full-time job. Case studies may be useful, particularly to identify aspects of personal selling techniques and how to respond to customers' objections.

To achieve the first criterion, P1, learners need to describe the role of sales personnel in organisations. Selling involves matching the customers' requirements to a product or service and then closing the sale.

For P2, learners need to know about and identify the techniques used when making personal sales. Someone working on the cosmetics counter in a department store will use different methods to secure a sale than someone who works in a call centre selling holidays. One is in face-to-face contact with the customer, the other is not. One needs to be aware of the impact made by personal physical presentation, the other needs to be aware of the impact made by vocal presentation.

For P3, learners need to explain the knowledge, understanding and skills required for personal selling and this should include familiarity with the legislation that affects personal selling. The broad principles need to be understood but not the details in the legislation. In addition, many organisations have their own policies and procedures that complement the legal requirements. These extra policies are often accompanied with a rider to indicate that the customer's statutory rights are not affected. There is often a requirement to know technical information about a product. A TV set can have a plasma or LCD display so knowing the relative merits of each is useful. Extended warranties, personal protection insurance, product updates and additional products are often promoted alongside the main product or service being purchased. Almost every pair of shoes purchased is accompanied with a cheery, 'We recommend Shimmer Shoe polish to give your shoes lasting protection against the rain and to ensure they always look shiny'.

For P4, prior to making personal sales, learners make the necessary preparations to sell. This includes preparing the sales area, self-preparation and acquiring product knowledge. Learners should practise the necessary techniques to elicit information from customers to ensure the likelihood of a successful sale.

For P5, learners must demonstrate their selling skills in a sheltered or a real work environment. They need to demonstrate personal selling skills that convey a positive image both of themselves and the products and services they are selling as well as their organisation. They should show that they can sell goods in ways that demonstrate good customer care.

For M1, the explanation of the role of sales staff is extended to examine the responsibility of sales personnel in promoting the organisation and the contribution they make towards an organisation's goals. Meeting the customers' needs for a product or service may be a starting point but often selling goes beyond this. Sales techniques vary between organisations, products and customers. Sales staff are the public face of organisations so they have a role in promoting the organisation as a good place to do business. This involves being presentable, polite and friendly, as well as ensuring the customer has a positive experience and would be happy to provide repeat business. Sales staff need to be able to provide information to customers about products and services so ensuring the customer is cared for. Providing good customer care, promoting product sales, selling product surround and gathering customer data are all ways of increasing sales, profitability and customer loyalty, thus contributing to organisational objectives.

For M2, learners should compare the skills and processes needed in different situations. Working in a dispensing pharmacy requires a different skill set from selling in a clothes store. The legal constraints are stronger in pharmacies. Customers may also want advice and be in some distress. In a clothes store the purchases represent discretionary spending. The legal and regulatory requirements are much more modest. Less training may be required. Many organisations have a positive profile in the eyes of customers and this is due in some part to the contribution of sales staff. Stores in the John Lewis Partnership are never knowingly undersold, the staff are in uniform, they have specific product training and are unfailingly polite. As a result, the business has one of the best reputations on Britain's high streets; a reputation to which the sales staff contribute in great measure.

For D1, learners must show confidence in selling goods and services and in the use of associated sales processes. This may be demonstrated in a variety of ways from knowing how to prepare the work area prior to making sales, to being fully informed about products and services, to ensuring customers receive a good service and that their requirements are met in full and to using all the procedures associated with making personal sales.

For D2, learners should evaluate the preparation skills and processes used when making personal sales in different situations. It might involve looking in from the outside at the experiences they have had of selling when being a customer. Equally, self-evaluation using feedback from customers, witnesses and self-reflection is an approach that can be used.

Learners should draw on examples from case studies, visits they have made to local retail businesses and personal/work experience. Evidence can come from work or realistic work. Learners should present practical evidence wherever possible, supported by written descriptions and witness testimonies. This can be achieved through a mix of case studies, simulations and real work experience gained through part-time work or a period of work experience. Realistic work, role play and simulations should be carefully constructed where real work situations are not available.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1	Assignment 1: Role of Sales Staff	Report on staff selling skills and knowledge in a given organisation.	Report. Presentation.
P4, P5, M2, D1, D2	Assignment 2: Personal Selling Skills	Demonstrations of personal selling skills and processes.	Practical exercises. Case study. Witness statements.

Suggested resources

Books

Carysforth C and Neild M – *BTEC First Business, 2nd Edition* (Heinemann, 2006) ISBN 0435499076

Fardon M Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327]

Website

www.people1st.co.uk — The sector skills council for hospitality, passenger transport, travel and tourism in the UK

Unit 11: Customer Relations in Business

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20645G**

This unit is internally assessed

Unit aim

This unit aims to equip learners with the knowledge and skills required to become an effective member of staff in a customer-facing situation in business. It looks at how reliable customer service benefits a business by contributing to customer satisfaction, and how customer service can be monitored and evaluated.

Unit introduction

Customer relations are at the heart of every business. Every business has a purpose which eventually leads, directly or indirectly, to customers. They may be purchasers and consumers of products or services, or they may benefit from business operations in a different way, for example a user of a public service such as a library or local council. Developing good customer relations is critical to the success of every business.

This unit will develop and broaden learners' understanding of customer service in different businesses. Learners will develop their knowledge and understanding of customers by learning to identify different types of internal and external customers. Learners will explore how customer service staff deliver service that meets the needs and expectations of customers.

Any member of staff working in a customer service situation will be expected to present themselves in a professional way, have good interpersonal skills and be able to communicate effectively with their customers. Learners will look at ways in which this can be achieved, to meet the needs and expectations of customers. Learners will also expand their understanding of the importance of delivering consistent and reliable customer service through the development of their practical and operational customer service skills. They will have the opportunity to put these skills into practice.

In addition, learners will look at how businesses monitor and evaluate their level of customer service by obtaining feedback from customers and how this enables them to make improvements to the service provided.

Outcomes of learning

On completion of this unit a learner should:

1 Know how customer service is provided in business

2 Be able to apply appropriate presentation and interpersonal skills in customer service situations

3 Understand how consistent and reliable customer service contributes to customer satisfaction

4 Know how to monitor and evaluate customer service within an organisation.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe different types of customers and their needs and expectations	M1 Explain how different customers' needs and expectations can differ	
P2 Outline the benefits of good customer service in a selected organisation		
P3 Demonstrate presentation, communication and interpersonal skills in different customer service situations	M2 Display confident presentation, communication and interpersonal skills when demonstrating customer service in a range of customer service situations	D1 Anticipate and meet the needs of different customers in contrasting situations
P4 Explain what contributes to consistent and reliable customer service	M3 Analyse the importance of customer service to different businesses	
P5 Describe how customer service can be monitored and evaluated	M4 Explain how monitoring and evaluating can improve customer service for the customer, the organisation and the employee	D2 Analyse how monitoring and evaluating can improve customer service for the customer, the organisation and the employee
P6 Outline how improvements to the customer service in an organisation could be made		

Unit content

1 Know how customer service is provided in business

Customer needs and expectations:

- definition of customer service
- identifying customer needs
- accuracy and reliability
- providing information and advice
- providing assistance and help
- dealing with special needs
- dealing with problems
- organisational targets
- health, safety and security

Internal customers:

- e.g. colleagues, supervisors, staff, staff teams, managers

External customers:

- e.g. existing, new
- individuals
- groups
- families
- businessmen and women
- different ages
- different cultures
- gender
- special needs, e.g. non-English speaking, visual, hearing, mobility impairments

Benefits:

- to the customer (pleasant experience, able to rely on service, confident about purchase) to the organisation (enhanced reputation, repeat business, attract more customers increase profits)
- to the employee (pleasant working environment, satisfaction of pleasing customers, more secure employment)

2 Be able to apply appropriate presentation and interpersonal skills in customer service situations

Presentation skills:

- personal presentation, e.g. personal hygiene, uniform/dress, hair, make-up, jewellery
- working environment
- body language, e.g. posture, facial expression, smiling, gestures, eye contact
- presentation of work area and equipment

Interpersonal skills:

- attitude
- behaviour
- first impressions
- greeting customers
- courtesy
- confidence
- concern
- interest
- thoughtfulness
- respect for customers
- responding to different customer behaviour
- tact
- efficiency

Communication skills:

- tone of voice
- pitch
- language, e.g. technical language, use of slang/jargon
- pace
- listening
- body language
- appropriateness to customer/situation

Situations:

- face-to-face
- on the telephone
- in writing
- email
- urgent/non-urgent
- difficult
- routine

Customers:

- difficult
- abusive
- disabled
- needing technical information

3 Understand how consistent and reliable customer service contributes to customer satisfaction

Consistent and reliable:

- scope of job role
- knowledge of products and/or services
- type and quality of products/service
- staff attitude and behaviour
- timing
- accessibility/availability
- meeting specific customer needs
- working under pressure
- confirming service meets needs and expectations
- dealing with problems

Customer satisfaction:

- confidence in service
- value for money
- repeat custom
- word of mouth reputation
- internal customer satisfaction, e.g. job satisfaction, teamwork
- negative effects of poor communication

Codes of practice:

- e.g. industry, organisational, professional
- ethical standards

4 Know how to monitor and evaluate customer service within an organisation

Monitor:

- informal customer feedback
- customer questionnaires/comment cards
- staff feedback
- mystery customers
- complaints/compliment letters

Evaluate:

- level of sales
- repeat customers
- new customers
- level of complaints/compliments
- staff turnover

Improvements:

- improvements to quality of service
- reliability
- improvements to the organisation, e.g. improve service, keep staff, attract new customers, increase turnover, compliance with legal obligations
- improvements for employee, e.g. job satisfaction, working environment

Information for delivery staff

Essential requirements

Learners need the opportunities to develop their customer service skills in a variety of situations including face-to-face, telephone and email.

Employer engagement and vocational contexts

This unit provides many opportunities for the learners to engage with the service industry through investigating how customer service is managed and developing the customer service skills. Centres should develop links with local retail businesses. Many businesses employ learners on a part-time basis to work selling goods whether it is operating a checkout in a supermarket, selling food in a restaurant or working at busy times on a temporary basis in retail outlets.

Many employers are dependent on young people to work part time for them as part of their business strategy.

McDonald's is typical of many organisations in the hospitality and fast food industry and has some informative sections on its website at: www.mcdonalds.co.uk

Other businesses are similarly informative.

Delivery guidance

This unit introduces learners to a number of significant concepts relating to customer service. All learners will have been a customer at one time or another and will have had varied experiences. Some may have given little thought to their role as a customer; others may have found themselves in a situation where they were forced to complain, making them think more about customer service. The old adage 'the customer is always right' does not always ring true, but tutors should emphasise throughout this unit that the customer's needs and perceptions are of paramount importance. Learners need to recognise the value of a satisfied customer and, the damage a dissatisfied customer can do.

Customer service cannot occur in a vacuum and needs to be put into a vocational context to make sense. This unit can be delivered in the workplace, in a realistic working environment (such as a training restaurant, hairdressing salon or motor vehicle workshop) or under simulated conditions. (Tutors must ensure that sufficient time away from real or realistic conditions is provided to support the theoretical understanding.) Ideally delivery and assessment of the practical aspects will be in workplace or realistic conditions. However, where such opportunities are unavailable, simulated alternatives are acceptable. Care must be taken that learners understand what type of business is being simulated and tutors for this unit should consult with colleagues delivering other units to provide useful vocational links.

The unit begins with the development of learners' knowledge and understanding of how customer service is provided in business. Discussion groups can initially be used to explore learners' experiences relating to customer service. Some may have only experienced this in their role as a customer. Others may already have part-time jobs and be in a position to share their experiences of delivering customer service. Tutors should encourage the groups to relate their discussions to local, regional or national businesses they have studied or are studying in other units.

It is important for learners to recognise the importance of internal as well as external customers. For example, the five-star Gleneagles Hotel in Scotland has two distinct teams. Chefs who had originally perceived themselves to be directly involved with the customer as providers of the food they ate had in fact no direct relationship with customers themselves, as chefs did not serve the food. Their service contract was with the food service team, delivering food at the right time and of the right quality to waiting staff. The two teams are recognised by the hotel as the 'guest services team' and the 'services provision'. Learners can use this example to research other organisations where similar internal customer interfaces exist.

This section can be drawn together by using case-study materials to illustrate the benefits of customer service to the customer, to the organisation and to the employee. Some role-play discussions can be developed, with different learners debating the benefits (or disadvantages) of certain actions to the customer, the organisation and the employee.

Learners may have a variety of existing presentation and interpersonal skills before beginning this unit. Visiting speakers can be used to emphasise the importance of these skills for customer service situations. Video materials are also available to illustrate these skills. Tutors should not limit their ideas to 'regular' customer service videos. Soap operas such as Coronation Street, comedy classics such as Fawlty Towers and pseudo-documentaries such as Airline or Builders from Hell all provide a rich source of customer service interactions that can expose good or bad presentation and interpersonal skills in customer service situations.

Once their knowledge base is developed, learners need to practise these skills. Role play and simulations provide a useful starting point but the best experience will come from a real or realistic working environment, perhaps through a period of work experience or work shadowing. Again, tutors should consult with colleagues to find the best way of integrating this aspect with other units.

As their knowledge and skills develop, learners can begin to examine how consistent and reliable customer service contributes to customer satisfaction. Visiting speakers can deliver presentations that provide real examples of customer satisfaction in practice. It can be very difficult to illustrate examples of poor customer satisfaction and many organisations will be unwilling to expose instances where this has happened within their organisation. Tutors can use case-study materials – either real or developed from realistic situations – to highlight key issues that learners may not otherwise experience.

The final element of this unit demonstrates how knowledge of customer service can be used to enhance the operation of a business. Learners need to understand that there is more to customer service than consistently meeting and exceeding customers' needs. Learners need to develop their knowledge of how customer service can be used by management to deliver improvements to the business, for example through procedural changes or by introducing new products. The techniques of monitoring and evaluating customer service will require some traditional teaching, leading to discussion groups which can link to businesses that learners have visited or otherwise experienced (perhaps through a visiting speaker). Groups can focus on one specific business and explore how monitoring and evaluation techniques could be used and what improvements they may lead to. Visiting speakers can deliver presentations on how larger organisations manage this aspect of customer service. It would be interesting, but not critical, for learners to discuss the importance of monitoring and evaluating customer service for smaller businesses, whether this happens and how it might be managed.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to the unit and the programme of learning.
Group discussion to determine needs and expectations of customers for different types of purchase.
Visit to a customer service location and observation of different types of external customers – follow-up poster showing different types of customers.
Interview of member of staff from own institution on internal customers.
Visit to customer service provider to find out about organisation's perspective on health and safety and how customer service is organised.
Assignment 1: Working With Customers
Videos or role play of good and poor interpersonal skills – learners identify what makes the difference.
Role-play exercises – developing customer service skills.
Work alongside customer service staff in own institution dealing with routine customers with guidance – receive feedback.
Video on telephone skills for dealing with customers – discussion on difference between social and business use of telephone.
Customer service telephone role play with feedback from peers – and repeat practice.
Assignment 2: Meeting the Customers
Learners visit an organisation with excellent reputation for customer service and find how the organisation achieves this and how it is monitored plus follow-up discussion.
Learners interview dissatisfied customers and identify what was missing – pair work.
Assignment 3: Right Every Time Based on Visit – learners report on customer satisfaction and on how codes of practice help the organisation to deliver consistent customer service.
Assignment 4: We Can Improve Based on Own Organisation – learners investigate methods of monitoring and evaluation and make recommendations for improvements to customer service.
Tutorial support and feedback.
Non-supervised individual study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of customer service in the industry. It may include:

- a presentation summarising how effective customer service is provided to different types of customers
- records of how the learner has applied effective presentation and interpersonal skills in customer service situations
- a log or diary of how the learner has demonstrated consistent and reliable customer service, including the use of codes of practice and how this contributes to customer satisfaction
- an account of how customer service is monitored and evaluated within a business, suggesting improvements.

For P1, learners must describe at least three different types of customer: the type must include internal and external customers, and how the needs and expectations of each of the selected 'types' differs. For P2 learners must outline the benefits of good customer service to the customer, the organisation and to the employee delivering the customer service.

For P3, learners must each demonstrate customer service, communication and presentation skills in at least three different customer service situations. The situations are as listed in the content. Centres must ensure that they have effective mechanisms to produce individual written observation records of each learner's performance and for learners to record appropriate personal statements as evidence of practical work. Learners' evidence would be strengthened by reflecting on contrasting situations and types of customer, although this is not an essential requirement. Ideally learners will draw this evidence from a period of work experience or from working in a realistic working environment such as the school or college's travel shop. If this is not available, simulation can be used. Simulation should be sufficiently developed to provide opportunities for the learners to use an understanding of the context when role playing.

For P4, learners could draw on examples they have experienced through visits to local or regional businesses, presentations by visiting speakers, or research on the internet to describe what makes consistent and reliable service.

For P5, learners should show how customer service within an organisation can be monitored and evaluated. For P6, the learners should outline how improvements could be made to the customer service provided by an organisation.

To achieve M1, learners must go into more depth and full explain the link between type of customer and needs and expectations.

For M2, learners need to show that they can use customer service skills in a range of situations, which should include all those listed in the content section. The second merit criterion should reflect a level of confidence that would be appropriate in a real working environment. Learners should be able to sustain this for at least three different customer service situations listed in the content, and which may be the same ones used as evidence to support P2.

M3 is knowledge based, building on the delivery of effective customer service and analysing how this can benefit the customer, the organisation and the employee. Again, learners will benefit from drawing on examples, either from their own experience (which may be limited) or from case study materials or newspapers. To achieve M4, learners must build on their knowledge of monitoring and evaluating customer service and explain how it can improve customer service for the customer, the organisation and the employee. Although this is not required, learners would benefit from drawing on examples from their own experience or from case study examples.

For D1, learners need to have anticipated as well as met the needs of customers in three contrasting situations. They will need to have retained evidence, have witness statements, or recorded occasions when this has been done, for example, preferably in the workplace while on work experience, as part of a part-time job or, if this is not possible, in role plays.

For D2, learners need to build their explanations into a full analysis of how monitoring and evaluating are used to improve customer service for the customer, the organisation and the employee.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1	Assignment 1: Working With Customers	Learners take the role of customer service coach and are tasked with producing a booklet to raise awareness about customer service for new staff.	Learners produce booklet or other material for use with new staff.
P3, M2, D1	Assignment 2: Meeting the Customers	Learners take on the roles of customer service staff and deal with a range of customer service situations.	Role play or work placement. Reflection on performance in real or simulated situations.
P4, M3	Assignment 3: Right Every Time	Learners continue in the role from the first assignment and prepare more materials for use with new staff.	Learners produce material in suitable format – booklet, posters or presentation materials.

Criteria covered	Assignment title	Scenario	Assessment method
P5, P6, M4, D2	Assignment 4: We Can Improve	Learners use an organisation of which they have some experience to investigate how customer service is monitored and evaluated and make recommendations for improvement. The results of this could be used as feedback for the organisation.	Learners investigate different areas of the organisation and share findings and make recommendations for improvement at a meeting with managers.

Suggested resources

Book

Carysforth C and Neild M – *BTEC First Business, 2nd Edition* (Heinemann, 2006) ISBN 0435499076

Journal

Customerfirst – Institute of Customer Service

Website

www.instituteofcustomerservice.com The website of the Institute of Customer Service

Unit 12: Business Online

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20646G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the reasons why business is conducted online, and the advantages and disadvantages for and effects this has on society. The unit also gives learners the opportunity to create a website for a business need.

Unit introduction

You will learn that more and more businesses are establishing an online business presence and making the most of the opportunities that a web-based presence offers. Doing business online requires careful consideration of a range of issues and implications to determine whether an online presence is right for particular businesses.

Small online businesses using a single website can reach the same global market as a much larger business with a more complex web presence. The cost of marketing and advertising is greatly reduced and there is no need for expensive retail outlets in prime locations. The business is available to customers around the clock every day of the year. Online business is particularly attractive to small, specialised businesses that might otherwise have difficulty reaching a specialised but global market.

The online market is growing. But setting up a business to operate online requires a great deal of expertise. The website has to be maintained and updated constantly. Orders and queries need to be answered immediately in real time. Buyers expect the distribution to be as efficient as the buying process so systems such as 'click and collect' have been developed to meet this need. The law gives buyers specific rights about the return of goods. Financial transactions need to be instant and secure.

Learners will understand the types of online business activity, ranging from websites as 'passive brochure ware' to those offering interactive product customisation and online trading. Consideration will be given to the advantages of an online presence along with the disadvantages and whether and how an online presence supports the achievement of business objectives. You will also examine the wider impact of online business activity.

By developing a series of webpages or a website for a business learners can examine the practical, technical factors that have to be considered and see how a web-based store might assist a business achieve its goals.

Outcomes of learning

On completion of this unit a learner should:

1 Understand different online business activities

2 Understand the issues relating to doing business online

3 Be able to create webpages or a website for a stated business need

4 Know the impact of an online business presence.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the objectives of different businesses which operate online	M1 Compare the features of businesses operating online	D1 Make recommendations for a business that is considering going online
P2 Explain how different business operate their activities online		
P3 Explain the issues that a business would need to consider to go online successfully		
P4 Explain the operational risks for a business operating online	M2 Analyse the benefits to businesses and customers of conducting business online	D2 Suggest ways in which a business could deal with the operational risks associated with an online presence
P5 Create webpages to meet a user need	M3 Explain how the website assists in achieving the objectives of the business	D3 Justify the use of different design features in the construction of a website
P6 Explain the benefits of online marketing for a product selling business and a service provision business		
P7 Assess the consequences for society of an increase in online business	M4 Evaluate the advantages and disadvantages to society of an increase in online business	

Unit content

1 Understand different online business activities

Range:

- aims and objectives of user
- direct online selling of services
- government services
- information
- internet services
- advertising and marketing
- education

Sector:

- public
- private
- voluntary/not-for-profit

Types of online presence:

- passive brochure ware
- complementing offline services, e.g. mail order
- inviting online transactions
- offering interactive customisation, e.g. digital image processing
- providing information

2 Understand the issues relating to doing business online

Planning issues:

- suitability of the business for an online operation
- choice of domain name(s)
- set-up issues, e.g. in-house or outsourced
- availability of resources

Implementation issues:

- availability of technical and design skills
- customisation
- extent of online operation, e.g. passive, partially and fully interactive
- changing user specifications
- relationship with partner, e.g. financial services, distribution and delivery services
- integration of activities on different platforms, e.g. in house databases, social media marketing (Twitter, Facebook) payment systems (PayPal, Sage Pay)

Operation risks:

- payment security
- unfamiliar trading conditions
- errors in ordering
- potential use of personal information
- vulnerability to hostile attack, e.g. financial fraud
- website updating
- out-of-date information
- language problems with global customer base
- hardware and software failures
- loss of data
- legal and regulatory requirements
- global business regulations, e.g. labelling, health and safety, customs procedures

Staffing issues:

- use of call centres
- lack of personal contact with customers
- unfamiliarity with technology
- breakdowns in service

Financial issues:

- initial investment costs
- ability to cope with massively increased market interest
- tax liabilities for international transactions

Distribution issue:

- scale of the business, e.g. global distribution of physical goods
- fragile goods
- ease of distribution of services, e.g. online insurance quotations, booking flights and hotel rooms

3 Be able to create webpages or a website for a stated business need

Web development software:

- specialist software, e.g. MS FrontPage, Dreamweaver
- embedded facility in other packages, e.g. Word
- other, e.g. Flash
- use of HTML

Format and edit:

- common web functions and features, e.g. bookmarks, hyperlinks to other pages and external links, use of graphics, fonts and text formatting features, background colours and images
- simple HTML, e.g. use of editor, file extensions, tags such as <html>, <p>, <body>, <centre>, closing tags
- editing and formatting tools

Combining information:

- information from different sources, e.g. scanner, digital camera, application packages, original artwork, clip art

Checking:

- image resolution
- colours
- internal or external links not working
- inappropriate content
- text
- formatting

Review:

- appropriate for purpose and audience
- problems, e.g. unnecessary animation, inappropriate or unclear graphics, slow download speeds, inappropriate font choice or colour combinations

Publishing:

- uploading files, e.g. to intranet or local server
- maintaining contents through update
- file management, e.g. naming files, folder structures, moving and deleting files

4 Know the impact of an online business presence

Market presence:

- global presence
- 24-hour visibility
- equality of presence between small, medium and large businesses
- rapidity of response to customer interest
- opportunities to analyse online competition and to keep up with competitors

Marketing benefits:

- market research information from online enquiries
- access to new markets, e.g. remote locations, customers with disabilities
- access from a wide range of devices, e.g. computers, mobile phones
- market expansion through the use of social media

Level of response:

- offering delivery-to-door as a sales feature
- access out of normal business hours
- access from around the world
- rapid response to orders and enquiries
- online order tracking
- reduced stockholding

Financial advantages:

- improved cash flow
- low-cost location
- low-cost labour
- low overheads
- rapid payment

Effects on customers:

- convenience, wider choice, flexibility, lack of direct contact with products and company, no goodwill element, discounts

Impact on society:

- social isolation
- breakdown of communities
- wider choice of goods and services
- growth of web based and web related businesses including those in technology hubs

Information for delivery staff

Essential requirements

Tutors must ensure that all learners have access to the internet. They must also develop a bank of case study materials that link aspects of learning to internet sites, so learners can extend their research in a structured fashion.

Tutors should contact local businesses and establish a directory of internet addresses to enable learners to carry out research both online and face to face with local owner/managers in order allow learners to develop an understanding of the implications of online business.

Employer engagement and vocational contexts

Engagement can be through the Science, Technology, Engineering and Maths Network Ambassadors Scheme which is at www.stemnet.org.uk

Delivery guidance

This area of business activity is growing rapidly and most learners will already be involved in using online business operations. This unit will introduce learners to a wide range of online business activities, ranging from passive information-only websites to fully interactive digital businesses. Opportunities should be taken whenever possible to compare online businesses with conventional offline ones.

Despite the urge for learners to tackle this unit entirely through internet research, tutors must ensure that appropriate theory is delivered for different sections of the content.

The world of online business is constantly changing and tutors must be aware of the latest developments in business and technology. Online business should be interpreted in its widest sense to include not only computer-based business but business accessed by mobile phones with which learners may be more familiar.

Learners should be encouraged to explore a wide range of online business activities. The range should include direct online selling of goods, e.g. books, DVDs, household equipment; direct online selling of services, for example travel, accommodation, banking and financial services; government services, e.g. information and online forms; information, for example, news, weather; internet services, for example, search engines; advertising and marketing including through the use of social media; and education, e.g. online courses. Learners need a broad understanding of the range rather than an in-depth knowledge of them all. Learners could usefully agree to divide into small groups, each investigating a specific area of online business activities. Groups can then convene to pool and compare their findings with those from other groups. Tutors should ensure that the focus of groups covers the different sectors specified, as well as the type of business being operated. Groups should also be encouraged to find contrasts in the levels and types of online presence.

The features of an online presence could be explored through learners accessing suitable websites to obtain information or order catalogues and brochures. Groups of learners can discuss their own experiences of online buying. Speakers from businesses who have implemented an online presence would be especially useful.

Disadvantages of an online presence to all stakeholders must also be explored to avoid learners having a one-sided view that online business is always better. If the school or college has its own website then it could be used for illustrative purposes and learners could evaluate its advantages and ease of use. A talk from the webmaster would be an additional advantage. Case studies and simulations can be used to study particular examples of online business activities.

Learners should consider the planning, implementation and maintenance issues that need to be addressed by a business contemplating going online. Support from the business community is particularly valuable for this aspect of content. Tutors should bear in mind that such businesses are not required to be local, although it would be wise to capitalise on local relationships. Different learner groups could research the issues from different perspectives. For example, one group could research the issues from the perspective of a business that is planning to go online; another could carry out similar research from the perspective of a business that has recently gone online already; with a third investigating the issues from the perspective of a long-established online business. Tutors could consider at this stage the value of learners' findings to the local business communities.

Similarly, learners can be divided into groups to investigate operational issues and risks, staffing, financial and distribution issues. Visiting speakers would be useful, e.g. a specialist online advisor to 'sell' the idea; and an online business operator with first-hand and current experience. Tutors should select these speakers carefully to ensure a balanced delivery.

Learners need to develop webpages or a website preferably by using web authoring software though this is not essential. They need to demonstrate that the pages link together and that there is a navigation structure. Learners will benefit from looking at other websites for ideas about style, layout and content.

Learners can research the market presence and marketing advantages and disadvantages from a number of businesses. It would be useful for the tutor to take steps to ensure that the businesses selected offer a balanced picture and that the views of offline businesses are also considered. Learners should conduct primary research to garner the views of purchasers and non-users about their hopes and concerns about doing business online.

Research will need to take place but does not necessarily require face-to-face investigations (although this may be helpful when local businesses and residents are involved, particularly where such businesses have supported delivery of other units). Learners should maximise opportunities for electronic interchange, although this should be monitored carefully by the tutor, who should also ensure that e-business operators are properly briefed about their involvement and the nature and level of support that will be expected of them.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit and structure of the assignment programme – whole class.
Tutor input on types of business, aims and objectives.
Tutor input about online presence.
Group discussion of own experiences.
Tutor input on planning and implementation of websites, possibly using outside speaker.
Research theory about good/bad online features.
Tutor input on functional areas operating behind an online presence.
Mini-investigation into the costs of setting up an online presence.
Class practice exercises on thinking about design and layout before creating web pages considering needs of audience and purpose.
Class practice exercises on developing web pages.
Tutor input on effective research methods and refining searches.
Class exercises on collecting data to meet set criteria.
Tutor input on effective questionnaire creation.
External visit/research about impacts on society.
Assignment 1: Detective Investigates Introduction to the assignment – whole class: ● research online businesses about presence and features ● supervised assignment work.
Assignment 2: It Seemed Like a Good Idea at the Time Introduction to the assignment – whole class: ● comparative investigations into other businesses to assess presence and effectiveness of presence and risks involved ● supervised assignment work.
Assignment 3: Anyone Can do it… Can They? Introduction to the assignment – whole class: ● define client and needs ● define clear stages of production ● supervised assignment work.
Assignment 4: Death of the Village Shop Introduction to the assignment – whole class: ● research time ● supervised assignment work.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of issues relating to doing business online. It may include:

- a presentation that demonstrates understanding of different online business activities and how the customer can interact with the website
- an account of the issues to be considered when setting up an online business
- a report summarising the advantages and disadvantages of going online compared with doing only offline business
- an account outlining potential impacts of doing business online to society both now and in the future.

Evidence for assessments can be presented in a variety of ways: written reports, one-to-one presentations, an exhibition, video interview, production of a simple website or a presentation using an online computer to demonstrate online business, for example, depending on the resources available. The practical nature of the unit should always be borne in mind when deciding on assessment strategies. Learners should be encouraged to use printouts of webpages or actively use live websites if resources are available (rather than just include them), provided that they are selective in what they include in their evidence. Tutors should make it clear that there is no benefit to volume if selection is lacking. Tutors should be aware of the learning styles of the learners to avoid disadvantaging any particular learning style when deciding on an assessment strategy. Tutors should use whatever assessment methods they feel are appropriate for the learners using available time and resources. Any method that can test validly whether the outcomes of learning have been achieved and the grading criteria met should be considered.

For P1, learners need to select businesses from different sectors and describe the different purposes, e.g. a commercial site, an educational site and a government site. They should concentrate on the aims and objective of each site and could produce a display to show the different sectors.

For P2, learners need to describe the features of each of these businesses that contribute to achieving the aims and objectives identified in P1. Learners could build on P1 by producing a slideshow to show how features such as interaction with the user and images are used to engage the end-user.

For P3, learners need to appreciate what goes on behind an online presence; that creating a website is only the end of the process. They should investigate the functional areas behind an online presence and how these interact to support the website. Learners could investigate a local business to find out about the day-to-day running of its website. Findings could be presented as a brochure.

For P4, learners need to explain the risks associated with online business, such as identity fraud, and that the lack of face-to-face interaction adds to this. Teachers could provide learners with articles about security breaches. Learners could produce a list of risks and methods a business could use to stop them.

For P5, learners should identify a clear user-need and create web pages to fulfil that need. The web pages need to show evidence of cogent design as well as presentation. Learners could be given or create a design brief to guide the creation of the web pages, bearing in mind what the customer wants. They could produce a storyboard showing the intended layout and use that as a template for the final product.

For P6, learners need to consider the benefits of online marketing for a business that sells products and a business that sells a service compared, for example with the traditional sales and marketing such businesses use. Learners need to relate the benefits to the issues considered when going online. This could be done by way of a presentation showing what the webpages bring to the business.

For P7, learners could carry out local research about online usage and collect data on how people’s lives have been affected, for example how many times they shop online and for what products. They could present their findings graphically where appropriate.

M1 builds on P1 and P2. Having identified the features of business organisations, learners should identify elements that are the same and explain how effective they are for each organisation. They need to comment on how each business has used construction features in order to guide and engage the user.

M2 builds on P4. Learners should analyse the features of the webpages they have created; explain their suitability and how the online presence will benefit the business and its customers. This could be done by way of a report to the client.

M3 builds on P5 and P6 by looking in more depth at the online presence. Learners will need to explain why marketing online fits in with the aims, objectives and operation of the organisation.

For M4 learners could evaluate and debate the impact of going online both now and in the future. A video of the debate would enable the participants to review whether the advantages or disadvantages were likely to have the most effects.

For D1, learners need to select a business and make a balanced presentation of the advantages and disadvantages of going online and draw a justified conclusion about whether it would be a good idea to proceed.

For D2, learners should identify a range of methods to combat risk. They could create a table showing the risks, the potential solutions, legislation affecting online business, the costs involved, and the likely effectiveness of the methods.

For D3, learners could create a user guide for their webpages explaining what they did and how the features and content contributed to the success of the final creation. Learners should provide evidence of how the webpages have been tested for ease of use and suitability for purpose and should illustrate amendments made.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Detective Investigates	Detective sets out to unravel the mysteries of those who boldly went online.	Slideshow presentation (e-portfolio).

Criteria covered	Assignment title	Scenario	Assessment method
P3, P4, M2, D2	Assignment 2: It Seemed Like a Good Idea at the Time	A behind the scenes investigation of two businesses from the same industry, but with different tales to tell.	A brochure of the pros and cons of 'going online' supported by evidence, observation, recorded interviews.
P5, P6, M3, D3	Assignment 3: Anyone Can do it... Can They?	Try setting up and maintaining a website and getting 'hits'.	Creation and maintenance of a website.
P7, M4	Assignment 4: Death of the Village Shop	A village becomes an 'in' place with new residents who live there but don't work there. They shop online.	Video discussions, debates, narrative text.

Suggested resources

Books

Anderton A – *GCSE Business Studies* (Causeway Press, 2004) ISBN 1873929846

Cumming T – *Little E, Big Commerce, How to Make a Profit Online* (Virgin Books, 2001) ISBN 0753505428

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business* (Osborne Books, 2002) ISBN 1872962327

Holden G – *Starting an Online Business for Dummies* (John Wiley and Sons, 2007) ISBN 0470107391

Wall J and Wales N – Nuffield – *BP Business and Economics for GCSE, 2nd Edition* (Collins, 2001) ISBN 000711639X

Unit 13: Consumer Rights

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20699G**

This unit is internally assessed

Unit aim

In this unit, learners will develop their understanding of how the law operates with respect to consumer rights and how the law applies to situations that affect consumers in the purchase of both goods and services.

Unit introduction

Everyone is a consumer of goods and services. When things go wrong, consumers have to consider enforcing their legal rights to get what they are entitled to or to get their money back. Learners need to understand and be able to deal with basic legal terminology comfortably and accurately so that they can appreciate and apply the details of consumer protection legislation.

Learners will investigate the law relating to consumer protection where there is a contractual relationship. The unit concentrates on the statutory protection where there is a contract for the sale of goods and where there is a contract for the provision of services. The statutory provisions and typical standard form contracts imposed on consumers by sellers of goods and providers of services will provide the basis for application to simple scenarios. Exclusion clauses and the impact of negligence on consumers will also be considered.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the law relating to consumer protection

2 Know the meaning of terms in a consumer contract

3 Be able to apply the law on consumer protection in a given situation.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain how the law protects purchasers of goods and services	M1 Apply the law accurately in given consumer dispute scenarios analysing how legislation protects consumers in the purchase of both goods and services	D1 Apply the legal principles of the main areas of consumer protection by reference to statutes and decided cases in given consumer dispute scenarios including defective goods and services
P2 Describe how the law protects consumers against negligence		
P3 Identify the meaning and effect of terms in consumer contracts	M2 Explain the meaning and effect of terms	
P4 Describe how the law protects consumers against the imposition of exclusion clauses		
P5 Apply the appropriate remedy in a given consumer protection situation		

Unit content

1 Understand the law relating to consumer protection

Basic terminology:

- distinction between contracts for the sale of goods and services
- meaning and effect of an exclusion clause
- distinction between contract, tort and criminal law

Consumer protection for contracts for the sale of goods:

- Sale of Goods Act 1979
- Consumer Protection (Distance Selling) Regulations 2000

Consumer protection for contracts for the provision of services:

- Supply of Goods and Services Act 1982

Negligence and consumers:

- an outline of the concepts of duty breach and damage in the context of consumers
- Consumer Protection Act 1987

Criminal law:

- an outline of the legislation with respect to false trade descriptions

2 Know the meaning of terms in a consumer contract

Terms:

- offer, acceptance, price (in outline)
- obligations of buyer
- obligations of seller
- obligations of provider of services

Types:

- standard form contracts
- verbal contracts
- online and mail order trading contracts
- exclusion clauses

3 Be able to apply the law on consumer protection in a given situation

Situations:

- where buyer wants to end the contract
- where goods are defective
- where services are not provided

Remedies:

- damages, termination, rescission

Information for delivery staff

Essential requirements

Access to the internet and legal resources.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business so are often willing to provide work placements, visits, information about businesses and the local business context and visiting speakers.

www.fsb.org.uk – The Federation of Small Businesses provides information support and guidance about small businesses in the UK.

Many businesses provide information about themselves. For example, Unilever, found at: www.unilever.co.uk

Centres should also develop links with local retail businesses, and arrange visits so that the learners can ask about the application of consumer law and specific examples in that business. Many businesses employ students on a part-time basis to work selling goods whether it is operating a checkout in a supermarket, selling food in a restaurant or working at busy times on a temporary basis in retail outlets.

Many employers are dependent on young people to work part-time for them as part of their business strategy.

McDonald's is typical of many organisations in the hospitality and fast food industry and has some informative sections on its website at: www.mcdonalds.co.uk

Other businesses are similarly informative.

Delivery guidance

Delivery of this unit can be a series of linked assignments that require research and application of the underlying principles thus demonstrating understanding. The general introduction can be started from a discussion of individual recent purchases and whether the goods or services have been satisfactory. This can be considered by performance against expectation and, where there has been a failure to meet expectations, a consideration of what has been or could be done.

The subsequent pattern of short legal input followed by application and creation of materials based on the given applications can be interspersed with a number of visits; this could include a visit to or by the local trading standards people, a visit to court and a presentation by a local business on how their customer service reflects consumer protection law.

In order to put the protection in context, the learners can explore pre-printed contracts that are readily available on the internet. This may seem a daunting task at first, but it is essential to point out the reality of such contracts in many consumer affairs. This will require an appreciation of the rights and responsibilities involved. Typically this might be a mobile phone contract, a holiday contract and an extended warranty with the purchase of goods. The latter is a good starting off point for a debate on the merits of such contracts in the light of the consumer protection already available.

These standard contracts are likely to have exclusion clauses and these can be examined for reasonableness and legal validity.

Each of the different aspects of the unit can be assessed by a separate assignment that can be completed in a short period of time so as to maintain interest and a sense of achievement.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit content: Basic legal terminology.
Delivery – Consumer protection – services.
Assignment 1: How the Law Protects Purchasers of Goods and Services
Delivery negligence and criminal law.
Delivery terms.
Delivery types of contract.
Delivery on applying the law and remedies.
Supervised assignment work – application of the law to problem scenarios, written and role-play exercises.
Assignment 2: Consumer Protection
Tutorial support and feedback.
Non-supervised individual study time and completion of assignments.

Assessment guidance

P1 requires an explanation of basic consumer protection by statute. This must contain the Sale of Goods Act 1979 (as amended) and the Supply of Goods and Services Act 1982. This will include an accurate description of the practical application of the terms implied by these Acts. This should not just be a repetition of the sections of the Acts, but should include an explanation of the meaning of each relevant section. P2 requires the relevant aspects of the Consumer Protection Act 1987, which should be dealt with in the same way. The tort of negligence requires an outline of the law on duty breach and damage but does not require going beyond liability for products and services; there is no need to consider pure economic loss or psychiatric damage.

P3 requires identification on the meaning and effect of different contract terms. P4 requires identification of the law with respect to exclusion clauses. This is not just a statement of the relevant case law and statutory rules, but requires understanding of what an exclusion clause is and what it attempts to do. P5 requires the simple application to a scenario showing the appropriate remedy for a buyer.

M1 requires an explanation and application of how the legislation with respect to the sale of goods and the supply of services protects the consumer. This requires some analysis of the rights and remedies available and the pressures these put on businesses to comply with the legislation.

M2 extends from P3 and requires an appreciation of the meaning and effect, or hoped for effect, of standard terms in a contract. This might be a term that attempts to protect the seller by refusing to refund money in any circumstances.

D1 requires a detailed application of the law to at least two consumer dispute scenarios, one involving the sale of goods and one involving the provision of services.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P4	Assignment 1: How the Law Protects Purchasers of Goods and Services	Produce a poster for use in youth club/community centre/student canteen.	Poster with expanded notes on content.
P3, P5, M1, M2, D1	Assignment 2: Consumer Protection	Two scenarios involving defective goods/services, perhaps one with a standard form contract.	Presentation of two problems, documents including standard form contract, the underlying legal principles and suggested solution.

Suggested resources

Books

There are few textbooks on consumer law that are not exceedingly technical. However some aspects are given in AS law books such as:

MacIntyre E – *Business Law* (Longman, 2008) ISBN 1405872942

Martin J – *Law for AS* (Hodder Arnold, 2008) ISBN 0340965134

Wortley R – *AS Law* (Nelson Thornes, 2008) ISBN 074879865X

Student guides can help such as:

Silberstein S – *Consumer Law* (Nutshells) (Sweet & Maxwell, 2007) ISBN 0421958901

Websites

www.citizensadvice.org.uk	Citizens Advice Bureau
www.compactlaw.co.uk	General information sites
www.intute.ac.uk/socialsciences	Links to many other bodies
www.tradingstandards.gov.uk	Trading standards Institute
www.which.co.uk	Independent organisation that campaigns for consumer rights

Unit 14: Business Ethics

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20648G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of business ethics and its meaning in today's business world. Learners will do this through a study of existing ethical business issues, and through producing a policy for a business of their choice.

Unit introduction

Businesses must operate within the legal framework set up by governments. The law sets guidelines and minimum standards that must be reached. As well as this legal responsibility, businesses are increasingly aware of their social responsibility. This often takes the form of a public declaration on values and ethics, and can often be found on corporate websites. One aspect of this is to customers stating the business will operate ethically.

Ethical values guide ideas of acceptable and desirable behaviour above and beyond compliance with laws and regulations. Ethical values are those such as respect, honesty, openness and responsibility; whereas business values often focus on efficiency, service, quality, growth and profit.

In this unit learners will select and discuss a current ethical issue relating to a selected business, and then consider an ethical policy for that business.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the difference between business values and ethical values

2 Understand current ethical issues in business

3 Be able to design an ethical policy for a chosen business.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain the meaning of 'business values'		
P2 Explain the meaning of 'ethical values'		
P3 Describe how ethics go beyond the requirements of the law		
P4 Discuss the current ethical issues affecting specified businesses		
P5 Apply a test to make sure a business decision is ethical	M1 Assess the values of a chosen business and consider whether they are ethical	D1 Evaluate the business values and ethical values of a chosen business and how well these meet their legal responsibilities
P6 Create an ethical policy for a chosen business	M2 Discuss the effectiveness of a selected ethical policy for a chosen business	D2 Justify an ethical policy for a chosen business

Unit content

1 Understand the difference between business values and ethical values

Ethical values:

- responsibility
- honesty
- openness
- transparency
- respect
- fairness

Business values:

- efficiency
- service quality
- growth
- profit

Legal responsibility:

- legislation relating to consumers, suppliers and employees

2 Understand current ethical issues in business

Employees:

- health
- health and safety
- security
- acceptable use of IT resources
- anti-bribery
- corruption and fraud
- conflicts of interest
- data protection
- diversity
- whistleblowing
- child labour

Supplier:

- fair-trade
- gifts and hospitality
- payment of invoices
- standards required

Customer:

- consumer information
- marketing and promotional activities
- product quality and safety

Community:

- charitable donations
- corporate social responsibility
- environment
- carbon footprint
- sustainability

Current issue:

- regulation and pressure groups

3 Be able to design an ethical policy for a chosen business

Testing for ethical business decisions:

- recognised test, e.g. TEF (Transparency, Effect, Fairness)

Planning:

- selecting business
- researching policies for similar businesses

Policy:

- design and realisation
- technical content
- linked to business
- easily followed by users
- presentation

Information for delivery staff

Essential requirements

Company documentation, particularly materials that contain information on Corporate Social Responsibility policies and the internet.

Employer engagement and vocational contexts

Centres should develop links with local businesses, many of which are happy for their managers to give talks on their organisations and many are often willing to provide work placements, visits, information about job roles and opportunities.

www.fsb.org.uk – The Federation of Small Businesses provides information support and guidance about small businesses in the UK.

A number of businesses display their policy on ethics in their catalogues and provide information about themselves.

Delivery guidance

Delivery of this unit can be through a series of assignments that require research and application of the underlying principles, thus demonstrating understanding. The general introduction requires development of an understanding between business values and business ethics. This can be considered in the context of business decisions for a real or virtual business.

Learning can come from exploring materials based on what is available on the internet. This can be interspersed with a number of visits to local businesses and discussions as to their business methods and what is found to be acceptable and not acceptable and therefore ethical or unethical. This can be combined with a presentation by a local business on how its customer service reflects consumer protection law used for *Unit 13: Consumer Rights*.

In order to put together an ethical policy learners can explore policies available on the internet. Many of these come from academic institutions, but it is also essential to consider those currently being used in business. It is essential to discover the reality of such policies and how they are implemented in practice in business. Learners can also look at similar businesses to the business for which a policy is being constructed.

The unit can be assessed through two separate assignments. One will consider the factual basics (P1-3) and the other will deal with the application to business.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit content.
Formal delivery of theory on distinction between business values and business ethics.
Assignment 1: Understanding Business Ethics
Formal delivery of theory on current ethical issues in business.
Research and visits to businesses.
Formal delivery of theory on designing an ethical policy.
Research and visits to businesses.
Speakers from businesses.
Assignment 2: Current Business Ethical Issues and an Ethics Policy for XYX, Ltd
Group work on ethical policies.
Non-supervised individual study time and completion of assignments.

Assessment guidance

P1 and P2 both require explanations of the distinction between ethics and values. P3 requires a description and an indication of how ethics go beyond legal requirements. This will be backed by a description of the ethical values of a chosen business.

P4 requires discussion of current ethical issues affecting business.

P5 requires research to find suitable guidelines for business decisions and the application of those selected to at least two business decisions.

P6 is by far the largest of the pass criteria. It requires learners to construct a policy for a chosen business and must fulfil the criteria of being appropriate to that business and useable by its employees.

M1 requires an understanding of ethics and business values and will draw out from information about a business where the two diverge.

M2 requires a consideration of how well an ethical policy operates for a business to result in ethical business practices being followed.

D1 requires a detailed evaluation of a business and the way it which it operates both within the law and ethically.

D2 considers a business decision and justification and critical comments on its ethics, for example banking.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3	Assignment 1: Understanding Business Ethics	Information for new recruits to a business on the business ethics policy.	Leaflet, fact sheet or presentation.
P4, P5, P6, M1, M2, D1, D2	Assignment 2: Current Business Ethical Issues and an Ethics Policy for XYX, Ltd	Discussion/presentation on current issues. Then suggesting an ethics policy for a business that does not have one and explaining its benefits.	Booklet policy and presentation (written explanation or spoken with back-up slides).

Suggested resources

Books

There are sections in many business studies textbooks dealing with business ethics, but it is best to consider this subject from live materials.

Banerjee S – Corporate Social Responsibility: The Good, the Bad and the Ugly (Edward Elgar Publishing, 2009) ISBN 1848444540

Cohen B and Greenfield J – *Ben and Jerry's Double Dip* (Simon & Schuster, 1999) ISBN 0684838559

Hillson D and Murray-Webster R – *A Guide to Corporate Responsibility* (RSI British Standards Institution, 2006) ISBN 0580493105

Wall C – Buried Treasure: Discovering and Implementing the Value of Corporate Social Responsibility (Greenleaf Publishing, 2008) ISBN 1906093105

Journal

Business Ethics – Online magazine of Corporate Social Responsibility at www.business-ethics.com

Websites

www.businessballs.com	Ethical work and life learning
www.ibe.org.uk	The Institute of Business Ethics

A podcast that has some limited material is available at:
www.smallbizpod.co.uk/2006/07/06/smallbizpod-29-thursday-6-july-2006/

Unit 15: Bookkeeping for Business

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20698G**

This unit is internally assessed

Unit aim

This unit allows learners to examine the methods and documents commonly used by businesses for recording financial transactions and for bookkeeping. The unit looks at why these methods are used and how they help to prevent fraud in the business environment.

Unit introduction

In order for a business to know exactly what its financial position is, and to make decisions about the future, it needs to understand where money is at any given time. A business that records its financial transactions accurately using recognised conventions will produce financial documents that can be used to make informed and accurate decisions about its finances.

This unit explores ways that a business can record transactions and the financial documents process behind a simple business transaction. Learners will have the opportunity to learn how to complete financial documents and records.

Two of the main tools for financial decision-making are then examined in detail: the profit and loss account, and balance sheet. The profit and loss account measures the profitability of the business while the balance sheet examines the value of the business at a specific point in time. Examined together they enable a business to make informed decisions about its future viability and direction of the business.

Finally, the unit looks at the impact of fraud on business and explores the measures a business can take to prevent it.

Outcomes of learning

On completion of this unit a learner should:

1 Be able to use financial documents to record transactions

2 Be able to create trading and profit and loss accounts and a balance sheet

3 Know the impact of fraud on a business.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify the documents used to record financial transactions		
P2 Outline the sequence in which these documents are used		
P3 Complete documents to record financial transactions accurately		
P4 Create appropriate trading, profit and loss accounts from a given set of data	M1 Explain the importance of a profit and loss and balance sheet for a business organisation when making strategic financial decisions	D1 Evaluate how financial recording systems can contribute to managing business finances
P5 Create a balance sheet from a given set of data		
P6 Identify how ways of recording financial transactions can help to prevent fraud in a business organisation	M2 Explain how ways of recording financial transactions can help to prevent fraud in a business organisation	

Unit content

1 Be able to use financial documents to record transactions

Documents:

- sequence of sales and purchasing from order to receipt of goods, e.g. order form, delivery note, invoices, credit notes, cash receipts and payments

Recording:

- manual or electronic recording
- double entry
- balancing accounts
- day books
- ledgers
- cash book and petty cash
- bank reconciliation

2 Be able to create trading and profit and loss accounts and a balance sheet

Trading, profit and loss:

- income
- expenditure
- gross profit
- net profit

Balance sheet:

- assets (fixed, current, net)
- liabilities (current, long-term)
- capital employed

International equivalents:

- changes to reporting requirements under the International Accounting Standards (IAS), e.g. statement of comprehensive income, statement of financial position.

3 Know the impact of fraud on a business

Consequences of fraud:

- prevention measures
- management information and control

Information for delivery staff

Essential requirements

Learners can find information using company annual reports, journals, magazines, company websites and newspapers.

Learners need access to a range of information resources to complete investigative assignments and case studies, including relevant CD-ROMs and the internet. They also need access to computers for research and electronic recording of financial data and relevant paper-based research material, including published financial reports and books.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Local business people are often willing to give up time to visit centres to give talks on the different types of financial document used and their approaches to reducing the risk of fraud.

Delivery guidance

The unit begins by looking at how businesses record transactions and the financial process behind a simple business transaction. Tutors should provide sample documentation, linked to a case study that enables learners to follow sales and purchase data through the entire sequence. Where possible, learners should then choose a company willing to support the development of this area, through which they can investigate the process of purchases and sales, from recording the initial transaction to describing the actions that the company can take in order to prevent, or minimise, the level of fraud that can occur. The learner should be made aware of the potential for fraud within companies handling these transactions and how this may be addressed.

The next part of the unit examines the trading, profit and loss account. Learners should be given access to the data needed to complete both the trading and the profit and loss account. The trading account shows the gross profit (the difference between sales revenue and the cost price of these sales) or loss that the company has made. Profit is the money made by the business and equals income minus expenses. The profit and loss account shows the net profit (gross profit minus expenses, for example wages, rent, rates, advertising etc) or loss made.

It is acceptable for tutors to combine these two accounts as one trading, profit and loss account so that both the gross and net profit can be displayed in the same set of accounts.

The unit also includes learners investigating the balance sheet. A balance sheet shows the value of a business. It shows what it owns and owes, its assets and its liabilities. Like with the trading, profit and loss account tutors should provide relevant sample data for the learners to interpret.

Finally, learners should be taught the impact of fraud on businesses and practical examples of how businesses can prevent such fraud.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to unit. Outline of scheme of work/programme of assignments.
Formal learning on financial documents.
Group work and exercises.
Assignment 1: Financial Transactions
Formal learning on financial recording.
Group work and exercises.
Assignment 2: Evaluating Financial Recording Systems
Formal learning on trading, profit and loss accounts and balance sheets Group work and exercises.
Assignments 3, 5 and 6: Completing Financial Documents; Profit and Loss and Balance Sheets; Importance of Profit and Loss and Balance Sheets
Formal learning on fraud.
Visits to businesses.
Speakers from business.
Assignment 4: Understanding the Impact of Fraud
Non-supervised individual study time and completion of assignments.

Assessment guidance

Outcome of learning 1 could be evidenced through a written report or a presentation by one learner or a small group. Any presentations should be recorded for internal and external verification purposes.

For P1, learners should identify the documents used to record financial transactions that are typical in a small/medium-sized business. For P2, learners need to outline the sequence in which these documents are used. The most appropriate way to do this is through a diagram which clearly shows the flow of documents issued when purchasing goods and when selling goods.

To meet outcome of learning 1, learners should be given a set of blank financial documents from a business and, using supplied information about an order and sale, complete the relevant financial documents. To achieve P3, the documents must be completed accurately using the correct financial calculations where relevant.

Outcome of learning 3 requires learners to understand the types of fraudulent activity that could take place in a business and how they could reduce the likelihood of this happening. This needs to be identified for P6 and extended into an explanation to achieve M2, using specific examples.

For P4 and P5, learners must demonstrate their ability to create typical trading, profit and loss accounts and a balance sheet. At this level learners need to be given the templates for these documents. They should take the data from the financial performance statements of the company and transfer the information accurately onto the relevant documents.

For M1, learners need to work with more independence to outline the importance of these documents for a business organisation when making long-term business decisions.

To achieve D1, learners should evaluate how financial recording systems can contribute to managing business finances. The ability to assert a viewpoint will help learners to analyse the extent to which the recording of financial transactions that have been introduced in this unit can contribute to the overall effective performance of a business operation.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2	Assignment 1: Financial Transactions	Working as a supervisor in the finance department of a medium-sized business, you have been asked to produce a presentation for new recruits on the different types of financial documents there are and the sequence in which they should be completed.	Presentation with accompanying notes. Flowchart.
D1	Assignment 2: Evaluating Financial Recording Systems	Produce a report for the board of directors on how financial recording systems can contribute to managing business finances.	Written report.

Criteria covered	Assignment title	Scenario	Assessment method
P3	Assignment 3: Completing Financial Documents	Working as a supervisor in the finance department complete the documents required for ordering goods, and, the documents required when somebody orders from you.	Complete templates of documents.
P6, M2	Assignment 4: Understanding the Impact of Fraud	Write a letter to a friend giving them advice on how to minimise fraud in their new business. Explain the different types of fraudulent activity and the mechanisms they could employ to reduce this.	Letter.
P4, P5	Assignment 5: Profit and Loss and Balance Sheets	Working in the finance department you have been given the latest financial details of the company you work for. Using the standard company template provided, complete the profit and loss account and the balance sheet. Some of the figures have not been given and you will need to work them out.	Completed financial templates.

Criteria covered	Assignment title	Scenario	Assessment method
M1	Assignment 6: Importance of Profit and Loss and Balance Sheets	Produce a report explaining the importance of the profit and loss account and balance sheet to the shareholders in the organisation. Outline how this information is used to make strategic financial decisions.	Written report.

Suggested resources

Books

Anderton A – *GCSE Business Studies* (Causeway Press, 2004)
ISBN 1873929846

Carysforth C and Neild M – *BTEC First Business*
(Heinemann, 2006) ISBN 0435499076

Carysforth C and Neild M – *GCSE Applied Business AQA: Student Book*
(Heinemann, 2002) ISBN 0435446908

Fardon M, Nuttall C and Prokopiw J – *GCSE Applied Business*
(Osborne Books, 2002) ISBN 1872962327

Wales J and Wall N – Nuffield – *BP Business and Economics for GCSE, 2nd Edition*
(Collins, 2001) ISBN 000711639X

Journals

Business Review – Harvard

Websites

www.bized.co.uk	Business Education on the internet (Bized)
http://businesscasestudies.co.uk	Times 100
www.tutor2u.net	Tutor 2 U

Unit 16: Business Enterprise

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20650G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of setting up and running a business, the regulations to be met and the need for a detailed business plan.

Unit introduction

Running their own business is the dream of many people at one time or another. Turning that dream into a successful business venture is a challenging task and one in which many fail. However, with the right approach, success for small businesses can be hugely rewarding on a personal and business basis, possibly leading to further business opportunities that arise from early efforts.

Many new businesses are started with little thought, either about the business itself or the process of preparing for business. Any small business operation will cost money to run and that money is at risk if proper steps are not taken to prepare properly for business. This unit takes learners through the stages of preparing for business, the different factors that affect preparation and the knowledge, skills and understanding learners will need to start and run a business.

The unit begins by helping learners to understand their own strengths and weaknesses, which will have a clear impact on their ability to prepare for and run the business. They will need to consider the contribution they can make to a business and what the benefits are.

Learners also need to develop their knowledge and understanding of different factors that affect preparing for business. These include the implications of regulations and laws that impact on small businesses, the marketing and sales function and the critical importance of a range of financial issues.

Learners also need to explore the importance of a proper business plan, a component that is frequently missing, resulting in business failures. They need to consider separate issues to do with starting and running a business and also the extensive availability of advice and support.

Note: This unit must **not** be taken with *Unit 17*: *Starting a Small Business*.

Outcomes of learning

On completion of this unit a learner should:

1 Understand how to prepare for business

2 Know how different factors affect preparation for business

3 Understand how to start and run a business.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain how knowledge of personal strengths and weaknesses can be applied to preparing for and contributing to a business	M1 Explain, using examples, the benefits of starting a business	D1 Evaluate the issues that need to be considered when starting a business
P2 Identify how regulations and laws for small businesses can affect preparation for business	M2 Analyse the different legal and regulatory issues that will affect preparation for business	
P3 Describe how small businesses prepare to market and sell products or services		
P4 Describe the financial issues that can affect preparation for business		
P5 Outline the contents of a business plan for starting and running a business		D2 Justify recommendations made for starting a business
P6 Explain the sources of advice and support available when preparing for business		

Unit content

1 Understand how to prepare for business

Own strengths and weaknesses:

- personal circumstances, experience, skills, knowledge and abilities
- areas for development or improvement
- suitability for self-employment or a small business

Contributing to a business:

- own contribution, e.g. personal time, money, space, ability to contribute to and run a business
- personal savings
- availability of time
- impact on working and personal life
- barriers to starting/running a successful business
- professional help

Benefits of running a business:

- personal objectives
- business objectives
- profitability of the business
- other considerations, e.g. impact on personal and working life

2 Know how different factors affect preparation for business

Regulations and laws for small businesses:

- legal status, e.g. sole trader, partnership, limited company
- process for starting a business legally
- regulations
- licences
- formal records, e.g. leasing arrangements, tax returns, health and safety keeping and submitting business records
- the importance of completing and keeping correct records

Marketing and sales:

- reaching and retaining customers
- customer care
- marketing information
- market research
- analysing and meeting customer needs
- competition
- building customer relationships
- cost and price of products or services
- promoting products or services
- unique selling points
- selling techniques
- personal selling
- environmental issues

Financial issues:

- sources of finance
- start-up costs
- operating expenses and income
- organising and controlling expenses and income
- cash flow forecasting
- records
- external organisations, e.g. HM Revenue and Customs, measuring financial success, e.g. costs and income, profits, assets, financial state of a business financial priorities
- risks, e.g. losing money, security of income, changes to financial situation

3 Understand how to start and run a business

Business plan:

- the business idea
- products or services
- possible customers
- customers' needs, e.g. when and where they want products or services, where and when a product or service can be sold
- sales targets
- the need for forward planning

Starting and running a business:

- the needs of a business
- research techniques
- planning techniques
- controllable and uncontrollable aspects
- timing
- what work needs to be done to start and run a business
- materials and supplies

Advice and support:

- business support, e.g. people, agencies and organisations offering advice or help, funding and financial support, technical support, education and training available

Information for delivery staff

Essential requirements

This unit requires learners to undertake research. To enable research skills to be developed effectively learners should be introduced to as many information sources as possible, e.g. libraries and other research facilities including the internet, national newspapers, local banks, start-up business training agencies.

Learners will also benefit from case study materials that focus on specific aspects of developing small business ideas.

Most clearing banks offer small business packs which could serve as useful teaching and learning resources. Additionally, Business Links and Chambers of Commerce can provide additional information to complement learning activities.

Employer engagement and vocational contexts

Visits to companies and from employee ambassadors will be useful to the delivery of this unit. The use of vocational contexts is essential in the delivery and assessment of this unit.

Delivery guidance

At the outset of this unit, small discussion groups will help to focus learners' understanding of the contexts in which small businesses can be set. They need to think about the location, sector and type of business they have in mind, whether they are thinking about starting from scratch, taking over a business in its early years or taking over a more established business, and whether they plan to help run a business or become self-employed.

They will also need to think about the products or services the business will offer and whether these are unique or available from similar businesses.

Learners should be clear about their own involvement in preparing for business. The tutor should deliver a session on analysing strengths and weaknesses and engage learners in analysing their own. It is far better to know at an early stage that they may not be suited to running a small business than to progress too far and fail.

Learners also need to consider their own contribution to a business. Where the analysis is an objective appraisal of learners' abilities, considering their own contribution requires some subjective judgements. Tutors can guide learners in engaging in discussions with parents and friends. Other useful support can be gleaned from discussions with successful operators of small businesses, which will be able to demonstrate and present rational arguments for the benefits of running a business.

It is critical to the success of this unit that learners understand the vocational relevance of what they are learning. Visiting speakers are an essential component of delivery and tutors should consider the range of advice and support detailed in the unit content when planning an appropriate selection of speakers. Specialist speakers should be invited to give presentations relating to the different aspects that affect preparation for business. A solicitor, or other legal expert, can present the issues of regulations and laws for small businesses. Various external speakers can address the implications of marketing and sales, although if a small business operator is chosen, care should be taken to ensure that they have adequate knowledge of these issues. Presentations must cover the purpose of marketing and sales, such as analysing the market and competition, collecting and collating information and using it to understand the market, as well as an appreciation of the time needed to gather and use information. Bank managers, or other financial advisers, can deliver presentations on financial issues, including those relating to starting up and operating the business.

Development of the final outcome of learning – understanding how to start and run a business – can begin with learner discussion groups, which should focus on what they have learned so far and begin to draw together the various components into cohesive thoughts about the kind of business they might like to run. It is essential for learners to understand the importance of a business plan. Visiting bank managers or financial advisers could be used to cover the elements of a business plan, adding vocational relevance to its purpose. With suitable support from the local small business community, arrangements can be made for learners to visit local business people in small groups or pairs to discuss the principles behind starting and running a business. Tutors can use case-study materials, either drawn from real cases or created artificially, to underpin various critical aspects of small business operations without causing embarrassment to actual operators. It is important for learners to understand the controllable and uncontrollable aspects of business operations. For example, the controllable aspects of financial management include arranging adequate finance and monitoring income and expenditure. The uncontrollable aspects could be unexpected rises in interest rates, although business operators could argue that even this is controllable by monitoring trends and making appropriate judgements about the economy in general. Learners must also develop their knowledge of the materials and supplies needed by the small business they have in mind, where they can be obtained, when and how often they are needed.

Finally, learners should develop their knowledge of the wide range of advice and support available to small businesses. They should by now have already had some exposure to advisers in one form or another. Some research carried out either on a local basis or through the internet will generate details of further sources, which learners can either present to the rest of the group or discuss in small groups before feeding back to the larger group.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on preparation for business and skills.
Research on businesses.
Group work.
Assignment 1: Personal Business Skills
Speakers from business.
Visits to local businesses.
Formal theory input on aspects affecting business preparation.
Research and group work.
Assignment 2: Preparation for Business
Formal theory input on starting and running a business.
Group work on business plans.
Practical group work on business.
Assignment 3: Business Plan
Non-supervised individual study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of preparing for business. It may include:

- a presentation describing how to prepare for business
- an account of how different factors affect preparation for business
- an outline business plan that explains why this is important when starting and running a business.

To meet P1, learners should initially consider their own strengths and weaknesses and what impact these will have on preparing for and contributing to a business. They need to take the perspective of a prospective business owner, rather than an employee, which will demand a different set of strengths and weaknesses.

However, learners may turn this issue to their advantage. If they have good technical skills that would be useful to a business, they may decide to employ a manager to take care of the operational issues. (Learners should be clear that such an action would need to be built into the business plan. If the business cannot afford to employ a manager, this would become a weakness.)

For P2, P3 and P4, learners need to focus on a specific business that they would enjoy starting and running, if the opportunity arose. This will enable them to present specific evidence relating to such a business, such as the legal status, the statutory regulations that may apply, how specific products and/or services would be marketed, and how the business is to be financed. All of these issues need to be viable. For example, starting a national or regional chain of retail outlets would be beyond most learners at this stage, whereas a single small outlet opened locally would be possible. This in itself will have an impact on the development of learners' evidence, including financing the business, location, fire regulations and so on.

Learners can develop their ideas for P5. Their business plan should have a recognisable structure and may be based on a commercially available plan, such as learners could obtain from local banks or building societies.

However, tutors should be conscious of the level of learners. Completed plans should be in outline only and, while they would be unlikely to gain approval by a bank or building society manager, they should cover all the key issues that learners should consider when starting and running a business. The plan may also incorporate P6 by explaining the sources of advice and support the learner would use as part of their preparation for business.

To meet the merit criteria, learners should use examples they have found to support their explanation of the benefits of running a business. These could relate to local small businesses they have visited during the delivery of the unit, or to case study materials that expose specific benefits. In either case, learners would benefit from being able to relate this to their own business proposals.

For M2, their own business proposals should form the basis for analysis in greater depth of the different factors that affect preparation for business. Learners should ensure that they address each relevant factor: regulations and laws for small businesses; marketing and sales; and financial issues. Their evidence should be more extensive than a simple description of the different factors that apply. It should examine each factor that applies to their business and explain the effect of each.

Learners' evidence for the merit criteria should also explain the components of a business plan using examples drawn from the outline prepared for the pass criteria. This should make clear the purpose of each component, together with an overall explanation of why business plans are prepared. This should not just reflect the need to secure funding, but should form a guide for business start-up and development. Learners should in reality be in a position to evaluate the plan and make adjustments that are consequential to the plan's actions.

To meet the D1 criterion, learners should adopt an advisory stance and present an objective evaluation of all of the issues (drawn from across the content of this unit) that need to be considered if they were to start and run a business. Strengths and weaknesses should be clearly highlighted, together with a rationale for each. This will lead to the final distinction criteria – making and justifying recommendations for starting a business. Learners need to recognise that the outcome may be a recommendation not to proceed. This is acceptable provided that it is justified. Similarly, a recommendation to go forward and start a business should also be justified and supported with objective evidence.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1	Assignment 1: Personal Business Skills	Assessment of own skills in preparation for business.	Presentation.
P2, P3, P4, M2, D1	Assignment 2: Preparation for Business	Research and ideas for new business.	Report.
P5, P6, D2	Assignment 3: Business Plan	Business plan.	Presentation.

Suggested resources

Books

Materials that illustrate the level of learning required and that are particularly relevant.

Barrow C and Barrow P – *The Business Plan Workbook, Third Edition* (Kogan Page, 1998) ISBN 0749426969

Golzen G – *Working for Yourself, 18th Edition* (Kogan Page, 1998) ISBN 0749426772

Vass J – *The Which? Guide to Starting Your Own Business* (Which? Books, 1999) ISBN 0852027699

Williams S – *Lloyds TSB Small Business Guide 2000, 13th Edition* (Penguin Books, 2000) ISBN 0140286934

Wisdom J – *Checklists and Operating Forms for Small Businesses* (John Wiley & Sons, 1997) ISBN 0471168831

Unit 17: Starting a Small Business

Level:	**3**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20651G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the skills needed to set up and run a business, the regulations that need to be complied with, and how to produce a business plan.

Unit introduction

Starting a small business is an ambition for many people. The business idea could be almost anything such as a coffee shop, a courier service, a hairdresser, a motor vehicle repair workshop, a DJ service, a painting and decorating business, an equipment hire service, or an organic smallholding producing fruit and vegetables. However, starting a small business can be fraught with difficulties and the idea may not always be successful. Those setting out on this venture need to consider the business idea, where funding will come from, the potential market, the competition and a host of other issues that must be addressed if the business start-up is to be successful.

This unit gives learners the opportunity to consider their business idea within structured business parameters, such as the type of business, the attractiveness of the business idea, the target market and the need to balance personal and business needs. Learners will also consider their ability to run the business, including the skills they already have to support the business idea and what personal development they may have to undertake in order for the venture to be successful.

Learners will also develop their knowledge and understanding of the legal status and trading terms and conditions of their proposed business, legal aspects such as fire regulations, taxation, VAT and HM Revenue and Customs, and financial aspects such as start-up and operational costs, as well as personal needs.

Learners will have the opportunity to devise an outline proposal for a business start-up. This will cover the reasons for preparing a business proposal and will include the components expected by financial advisers, including the type of business, its target market, available resources, financial information and forward planning.

Note: This unit must **not** be taken with *Unit 16*: *Business Enterprise*.

Outcomes of learning

On completion of this unit a learner should:

1 Be able to present the initial business idea using relevant criteria

2 Understand the skills and personal development needed to run the business successfully

3 Know the legal and financial aspects that will affect the start-up of the business

4 Be able to produce an outline business start-up proposal.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Present the initial business idea using relevant criteria	M1 Explain methods used to identify the target market for the proposed business	D1 Present a comprehensive business proposal that addresses all relevant aspects of business start-up
P2 Explain how to identify the target market		
P3 Explain the skills needed to run the business successfully including areas requiring further personal development	M2 Analyse the personal development needed to run the business successfully	
P4 Describe the legal and financial aspects that will affect the start-up of the business		
P5 Produce a proposal containing the essential information for the start-up of a business	M3 Assess the implications of the legal and financial aspects that will affect the start-up of the business	

Unit content

1 Be able to present the initial business idea using relevant criteria

Criteria:

- type, e.g. new, purchase an existing business, franchise
- aims
- business planning
- attractiveness of idea, e.g. unique selling point, demand for new business, competitive edge
- balancing personal/business needs
- checking profitability
- business trends
- external influences, e.g. commercial, political, local, national, international
- self-esteem, e.g. work for self, independence, power, achievement

Identifying target market:

- e.g. market research, published research, sales forecasts, customers' actions and choices, effect on business, competition, strengths and weaknesses, market trends
- environmental issues

2 Understand the skills and personal development needed to run the business successfully

Skills:

- own contribution
- technical/operational – relating to products/services, management, recording and checking performance of business, personal selling, administration, previous experience, strengths and weaknesses

Development:

- identify skills gap/shortages
- professional help
- training
- planning
- cost implications
- accessibility
- timescales

3 Know the legal and financial aspects that will affect the start-up of the business

Legal aspects:

- legal status, e.g. sole trader, partnership, limited company, co-operative
- legal liabilities
- trading terms and conditions
- trading standards
- licences
- record keeping
- resolving problems
- national/local laws
- regulations and bylaws
- health and safety
- fire regulations
- licensing
- liabilities
- planning permission, contracts, duties and responsibilities
- regulatory bodies
- sources of advice

Financial aspects:

- personal survival budget
- cost of premises, equipment and supplies
- running costs
- employing staff
- pricing policy
- break even
- cash flow forecasting
- profit and loss budgets/accounts
- sources of finance, e.g. grants, loans, borrowing, sponsorship
- record keeping

4 Be able to produce an outline business start-up proposal

Business proposal:

- models
- reviewing information and ideas
- setting targets and goals
- purpose of plan
- components (type of business, market, human/physical/financial resources, financial and profit forecasts, growth and development, contingencies)

Information for delivery staff

Essential requirements

Many of the outcomes of learning for this unit require learners to undertake research. To enable research skills to be developed effectively, they should be introduced to as many different forms of information as possible, e.g. libraries and other research facilities including the internet, national newspapers, local banks, start-up business training agencies.

Learners will also benefit from case study materials, which may focus on specific aspects of developing small business ideas.

Most clearing banks offer small business packs which could be useful teaching and learning resources. Additionally, Business Links and Chambers of Commerce can provide additional information to complement learning activities.

Learners can find information using company annual reports, journals, magazines, company websites and newspapers.

Learners will need access to a range of information resources to complete investigative assignments and case studies will be essential, including relevant CD-ROMs and the internet.

Employer engagement and vocational contexts

Visits to companies and from employees are useful to the delivery of this unit. The use of vocational contexts is essential in the delivery and assessment of this unit.

Delivery guidance

This unit enables learners to investigate and identify the skills needed to run a successful small business. The term 'small business' is related to people operating on their own as sole traders or partnerships and limited companies employing 10 or fewer staff. To begin developing thoughts and ideas a discussion group could brainstorm a wide range of small business opportunities, such as a coffee shop, a courier service, a hairdressing business, a motor vehicle repair workshop, a DJ service, a painting and decorating business, an equipment hire service, or an organic smallholding producing fruit and vegetables. Learners should be encouraged at this early stage to begin to focus on a possible small business idea. They should not be deterred if their ideas change during this unit. They need to concentrate on the processes involved rather that the specific outcomes.

Learners will need some theoretical input to develop their understanding of the criteria for developing a business idea. Tutors should use case study materials to illustrate a range of examples and help learners to focus their thoughts during the formulation of their ideas, including how the business idea will relate to its target market.

Learners need to carry out a skills audit to examine the skills they currently have to support the new business operation. They also need to consider what personal development they might need. This could usefully be supported by investigating similar businesses and talking to their owners/managers to see what skills are needed and how these match the learner's current and proposed development. These investigations could also inform learner knowledge of market research, although small businesses should be properly advised about learner activities and be briefed about how their contribution will support the unit.

Learners should consider exploring a number of legal aspects:

- national/local laws
- regulations and bylaws
- health and safety
- fire regulations
- licensing
- liabilities, e.g. tax and VAT, insurances
- planning permission, contracts, duties and responsibilities
- regulatory bodies for example Environmental Health Office, HM Revenue and Customs
- sources of advice for example Business Link centres, solicitors and the Small Business Service.

When considering legal and financial aspects of small business start-ups, learners would benefit from guest speakers such as those operating a small business, business start-up advisors, accountants, and representatives from banks, HM Revenue and Customs, training and advice services and local enterprise agencies.

Visits to local small businesses or presentations by representatives from local trade associations, such as the Chamber of Commerce, would help learners to develop an awareness of what is needed to run a small business.

Delivery of the unit must ensure that learners understand the full implications of setting up a small business. It will be important for learners to know what skills they have and would need, their survival needs and how much money, and other resources, will be required to start up the business. Learners should develop a clear outline for a business start-up proposal as a result of completing the unit. Learners can select from a wide range of supporting materials available in a variety of formats, for example the internet or small business start-up packs available from banks and building societies. However, it is important they understand that this is only an outline and not a fully-fledged business plan.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on initial business ideas.
Research and group work.
Assignment 1: Business Idea and Target Market
Input on skills and development.
Research and group work.
Input on legal and financial aspects for start up.
Research and group work.

Topic and suggested assignments/activities/assessment
Assignment 2: Required Skills
Input on business plans.
Research and group work.
Assignment 3: Business Plan
Supervised assignment time.
Non-supervised study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of how small businesses are started. It may include:

- an explanation of the initial idea for developing a small business
- findings from their analysis of the skills and personal development needed to run the business
- an explanation of the legal and financial aspects that will affect the start-up of their business
- an outline proposal for starting up a new small business.

Evidence for this unit should primarily be formal due to the nature of the unit. Initial ideas can be evidenced either through an oral or written presentation, or through a short report. Other evidence such as records of discussions and notes of meetings would provide useful support.

To meet P1, learners must present the initial business idea using relevant criteria. These criteria should be clear from the business idea, for example the type of business, what its unique selling points may be, any external influences (e.g. location) and so on. Learners should discuss the development of their evidence with their tutor and, where possible, a business mentor. This presentation can be in the form of a formal report or a presentation to a group. Where this is the case, tutors should ensure that any business mentors used are present. For P2, the presentation should include an explanation of how to identify the target market, which will be informed by the business idea and the criteria used to define it.

For P3, learners must be realistic about their skills and personal development analysis. Although the small business idea may not come to fruition, intentions should be realistic and evidence should highlight learners' awareness of their skills and development opportunities. Learners are not expected to undertake additional development work but need to be aware of what the requirements would be.

For P4 learners must produce a proposal which describes the legal and financial aspects that will affect the start-up of the business. They may need to consult with specialists (this should be guided by the delivery of the unit) and should address aspects such as the legal status of the business, the form of trading it will undertake, together with specific relevant legal and financial issues. Learners should presume that their ideas can become reality and should consider these areas accordingly.

For P5, the outline business plan should follow a formal report format and can be developed into a comprehensive document. This should reflect legal aspects relating to the start-up of a new business, but monetary aspects will need to involve some simulation. The report should be supported by an oral discussion, which may be undertaken with a specialist such as a bank manager.

For M1, learners need to demonstrate their understanding of the methods used to identify the target market for the proposed business. This will require them to consider a range of methods that could actually be used and to provide reasons for their choice. Market research will almost certainly be included but learners need to explain why. Other methods may prove more challenging but the selection and justification should contribute to a possible business launch, rather than just being a descriptive account of how they could be applied.

For M2 if learners were to launch a business, they would certainly need to undertake further personal development. P3 has already addressed what areas require further development. At merit level, learners need to analyse these areas of development and explain how they would pursue each in order to strengthen their ability to start a business. Examples could include sources of training with appropriate timelines that fit with the business launch dates.

For M3, learners also need to consider the impact of legal and financial aspects. This may require them to describe systems they will have in place for addressing such issues, such as recording systems for tax and VAT liabilities. Learners may wish to include a summary of how these will be embedded within the overall business plan.

To meet D1, learners need to draw all their evidence together into a comprehensive business proposal that addresses all relevant aspects of business start-up. Other pass and merit criteria will already have covered much of the evidence they will need. For distinction level, they need to present all the evidence in a fluent proposal. Learners should be encouraged to seek guidance on the preparation of their proposal, much as they would do in the real world. They should discuss a draft with their tutor and/or business mentor, making improvements and revisions, before presenting the final version.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1	Assignment 1: Business Idea and Target Market	Setting up a Business.	Group Practical Work.
P3, P4, M2	Assignment 2: Required Skills	Setting up a Business.	Group Practical Work.
P5, M3, D1	Assignment 3: Business Plan	Setting up a Business.	Group Practical Work.

Suggested resources

Books

Barrow C and Barrow P – *The Business Plan Workbook, 3rd Edition*
(Kogan Page, 1998) ISBN 0749426969

Barrow C – *Financial Management for the Small Business* (Kogan Page, 1998)
ISBN 0749426454

Deakins D – *Entrepreneurship and Small Firms*
(McGraw-Hill Publishing Company, 1999) ISBN 0077094522

Wisdom J – *Checklists and Operating Forms for Small Businesses*
(John Wiley and Sons, 1997) ISBN 0471138401

Wolinski J – *AQA AS Business Studies: Unit 1: Planning and Financing a Business*
(Student Unit Guides) (Paperback)

Unit 18: Working in Business Teams

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20652G**

This unit is internally assessed

Unit aim

The aim of this unit is to enable learners to understand how to work effectively in a team, and know the attributes required of a good leader.

Unit introduction

It is often said there is no 'I' in a team. Business success today depends on the flexibility of organisations. They need to be able to respond to the changing environment and meet customer needs. In order to achieve goals, vision and values need to be shared and understood by everyone, and this involves leadership and team working skills.

Working in teams makes the best use of individual strengths so more can be achieved than individually. Members of teams work together and support each other, which means that problems can be solved more easily with the collective knowledge and skills to draw on.

To become fully collaborative, teams need to go through stages of development, with distinct team roles being filled to complete the tasks to achieve the objectives. The team leader needs specific skills to build the team by creating a sense of common purpose and motivating individual members within it. Sometimes when people work in teams, they have their own types of communication behaviour which can affect others and be a cause of conflict or tension. This unit will explore factors that make an effective team and learners will practise working together in team situations. Using feedback from others, learners will help evaluate their own and the team's performance and hence improve both team working and communication skills.

Outcomes of learning

On completion of this unit a learner should:

1 Understand what makes an effective team

2 Be able to work effectively in a team

3 Know the role of a team leader.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the characteristics of an effective team		
P2 Describe, giving examples, different types of team structure		
P3 Explain the benefits of team working	M1 Assess the benefits of team working for the organisation and individual team member	
P4 Demonstrate working effectively as a team member and team leader dealing with any conflict or difficult situations		
P5 Review the team's overall effectiveness and own contribution to achieving goals		D1 Evaluate the team's overall effectiveness in meeting goals, making recommendations for improvements
P6 Describe the attributes needed by a team leader	M2 Explain how motivation theories are used in the workplace	
P7 Identify ways a leader can motivate team members		

Unit content

1 Understand what makes an effective team

Team:

- difference between a group and a team
- the potential for high performance
- types of team, e.g. work teams, project teams, cross functional teams, interdependent teams
- stages in team development, e.g. forming, norming, storming, performing, transforming
- team roles, e.g. Belbin's team role theory, differences between the roles, contribution of each role to the team

Effective team:

- characteristics, e.g. culture, united in a common purpose, trust each other, committed, open with each other, accepting consensus decisions, supporting each other, dependent on each other, working with conflict

Benefits of team working:

- for the organisation, e.g. making best use of people's strengths, better internal communication, increased efficiency and productivity, less duplication of tasks, less risk by sharing work, more flexible workforce
- for the individual, e.g. opportunities to stretch talents and take on new responsibilities, increased motivation, opportunities for creativity and initiative

2 Be able to work effectively in a team

Work effectively:

- showing a positive attitude, respecting others, taking responsibility for own work, clarifying objectives, agreeing tasks, supporting other team members, encouraging other team members to recommend improvements, being receptive to feedback, recognising and dealing with conflict situations communicating effectively, e.g. listening and speaking skills, body language, assertiveness.

Barriers to effective performance:

- lack of commitment, e.g. leader, team member
- poor communication
- lack of appropriate skills
- resource issues, e.g. financial, physical, staff
- personal factors, e.g. challenges to authority, conflict between team members

3 Know the role of a team leader

Leadership:

- definition
- leader's role to meet team, task and individual needs (Adair)
- leadership styles, e.g. autocratic, persuasive, consultative, participative; motivation theories, e.g. Maslow, McGregor, Herzberg

Attributes of a team leader:

- setting objectives, good communication, e.g. active listening, questioning, handling conflict
- leading by example
- showing respect, valuing people, encouraging and supporting other members showing integrity, fairness and consistency in decision making
- offering minimal criticism, giving feedback and recognition

Role of team leader:

- responsibilities, e.g. delegation of tasks, ensuring organisational needs are met, maintaining quality standards
- integration of leadership practices into day-to-day team leading role
- mechanisms for integration, e.g. team meetings, one-to-one meetings, informal contact, allocation of work

Information for delivery staff

Essential requirements

Many of the outcomes for this unit require learners to undertake research. To enable research skills to be effectively developed they should have access to as many different forms of information as possible, for example libraries and other research facilities including the internet.

Employer engagement and vocational contexts

Visits to businesses and from guest speakers will be essential for the delivery of this unit. Guest speakers who can talk about the interpersonal skills needed to work effectively with others will be useful, particularly where they can provide examples of real-life conflict in teams and ways these were resolved.

Delivery guidance

Team working can be introduced through learners undertaking one of the many team activities that are available for use in the classroom. The benefits of team collaboration may then be discussed and contrasted with more individualised ways of working. The role of the team leader, different leadership styles and personal qualities of leadership can be discussed in groups. Learners can then explore the characteristics and styles of different team leaders, through activities such as identifying the skills and traits of well-known leaders. The tutor should stress that an effective team needs to be a mix of capabilities and not just consist entirely of those with leadership skills. Tutors should introduce learners to the well-known, action-centred leadership approach of John Adair, which can be represented as a three-circle model showing the responsibilities of the leader in ensuring the satisfaction of task, team and individual needs. Learners could carry out activities positioning the circles from case studies or from their own experiences.

For outcome of learning 2 learners need to understand the differences between a group and a team, and the factors that contribute to an effective team. To have a high-performance team, team leaders need to motivate and inspire commitment in their team members. Tutor input on different definitions of motivation will enable learners to investigate what factors motivate them in various aspects of their lives, e.g. attending college, completing coursework etc. They can then work in groups to research the work of relevant motivational theorists (for example Maslow, Herzberg, McGregor), prepare a chart making reference to at least one theorist, identifying two features of different leadership styles (autocratic, etc) that may lead to motivation for the team.

Tutor input is needed on the concept of teams and stages of team development (for example forming, storming, norming, performing) to put this in the context of working relationships. Learners can work in small groups and list different types of teams they have been a member of for example in college, outside activities, hobbies etc and the purpose of the team. They can then identify factors that make them effective, and what stages of development they went through. Teams need to be made up of people with different skills. It does not necessarily follow that a team of high performers will produce the best results.

Learners will be carrying out a team activity and need to be familiar with the characteristics of effective teams. This topic could be introduced by learners drawing on their own experiences of working in teams at school or college, such as a sports team, and what was good and bad about it. Learners can practise team working activities through role plays, with each person taking a different 'team role'. This can best be illustrated using Belbin's Team Role theory model, which shows that in order to achieve the task a combination of team roles needs to be present, although a team member may display characteristics of more than one team role. To identify their preferred roles, learners could do a Belbin Team Role Analysis exercise, and this might prove useful when allocating tasks for the team activity. Television programmes such as The Apprentice and 'reality' TV programmes are useful in illustrating effective and ineffective features of team activity and how poor team cohesion impacts on the results of the team. Carefully structured role play may also be used and the school or college drama department may be willing to liaise in sharing teaching ideas. Sporting analogies may be used, but should avoid gender-bias.

It is important that learners have plenty of opportunities for working in teams and/or groups, agreeing objectives and using team working skills to achieve them. There are different ways of delivering the content for outcome of learning 2, including team challenges with follow-up analysis and evaluation, video clips, simulation/role play, reflection on learners own experiences and analysis of case study material. Learners should also build on their knowledge of Belbin's team roles to explore the characteristics of different team members and identify their own qualities and skills or traits in actual team situations.

Conflict within teams can be introduced through a group discussion with learners drawing on their own experiences. The tutor could highlight that not all conflict is negative, and provide examples of instances when it could have a positive effect. A guest speaker could explain how they prevent and diffuse conflict situations within teams: The guest speaker should be briefed to give examples of different sources of conflict (organisation based and team member based) and how they were resolved, also explaining the challenges facing team leaders posed by multicultural and virtual teams.

As communication is such a critical factor in team success it would be useful for the tutor to show DVDs illustrating different behaviours and their impact on team cohesiveness. Learners could role play body language skills, such as delivering a message to another person using only gestures or being distracted whilst receiving a message, and then discuss how it made them feel both as a deliverer and receiver. Learners should be encouraged to draw on their work experience or any part-time employment to understand the theory and practice of effective teams as well as the practical team working. Before learners give feedback to one another the tutor should explain the types of feedback (positive, negative, constructive, destructive) and the art of giving constructive. Learners should be encouraged to identify potential improvements in their own use of communication techniques and team skills. Video clips can be used to show examples of good and bad communication skills when working in teams.

Finally, reflecting on own practice is a skilled task and therefore learners must be given a range of opportunities to test out their own skills for example, initially learners could be asked to evaluate their own performance using familiar situations, such as getting to class on time, preparing for a night out, planning for an assessment. This will help them to identify the key areas to review, and how they could evaluate the performance of the team.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Introduction to the unit and the programme of learning.
Theory components of leadership and motivation. Role play on interpersonal skills.
Theory components of effective teams. Group activities on stages of team development and team roles.
Assignment 1: What Makes an Effective Team?
Theory components on working effectively in a team. Role play on handling conflict. Team-working activities. Evaluation of team performance.
Assignment 2: Working in a Team
Non-supervised study time and completion of assignments.

Assessment guidance

Learners need to meet all the pass grade criteria to pass this unit. Learners should be put into team working situations to explore and demonstrate the skills and qualities required by different teams. A reasonable size for the teams would be four to six people.

It will be easier to provide the evidence for P1-3 after completing practical team activities, which can then be used as examples for these criteria.

Learners should describe what is meant by a team, and the characteristics of an effective team, using examples to illustrate it.

P4 requires learners to work effectively in a team situation, and as a team member they will be expected to make a positive contribution for example gather information necessary for the completion of the group task. They need not be given distinct roles. Conflict may arise naturally as the activity is happening, and how it is dealt with can be witnessed by the tutor. However, conflict should not be manufactured in a real team working situation and if it doesn't occur naturally, learners could be assessed via role play in which they play a range of roles related to a selected theme such as negotiation or conflict resolution. Evidence of a learner's performance can be through an observation record signed by both tutor and learner, detailing what has been done and how. It is important that tutors observe discreetly and do not get involved in the team activity.

For P5, the review of the team working activity can be presented in any appropriate written format and must be done individually. The review should incorporate the characteristics and roles within the teams, how well they worked together as a whole, causes (or possible causes) of conflict and how it was/would be resolved. Feedback between team members may arise naturally as the activity is happening, if not it should be done immediately after the team activities have finished (as a full group or in sub-groups or pairs), and witnessed by the tutor.

P6 requires learners to describe the attributes needed by a team leader. This should start with an explanation of leadership, different leadership styles and how these impact on team performance, using well-known examples or from learners' own experiences. Learners should draw on leadership models such as Adair to illustrate the role of the team leader, and how a team leader can motivate members of the team and the benefits of team working.

For a merit grade, learners must extend their knowledge of the team leader role and the benefits of team working. These ideas can be taken forward to M2 as learners explain how motivation theories are used in the workplace. Learners should be able to apply their knowledge of at least two motivational theorists to different scenarios either from their own experience or using case studies. For M1, learners should address the benefits both for team members and the organisation.

For a distinction grade, learners must further extend their evidence by evaluating their performance in the team. They can make justified suggestions on overall team performance, such as improvements to communication, performance monitoring, or the problems with diffusing conflict in the team. When explaining how individuals contribute to the team's effectiveness, learners should give examples based on their chosen teams rather than just general statements about individuals. Evidence should give supported judgements.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P6, P7, M1, M2	Assignment 1: What Makes an Effective Team?	Brief from local business wanting to develop an in-house training programme for graduate recruits.	Prepare a presentation on the role of the team leader, leadership qualities and attributes, and the benefits of team working.

Criteria covered	Assignment title	Scenario	Assessment method
P4, P5, D1	Assignment 2: Working in a Team	Team activities such as Apprentice style challenges.	Witness testimonial from tutor confirming ability to work in team towards the team's objectives, supported by slides etc. Learner review (either one-to-one with tutor or written document) on the team's effectiveness and their contribution to the activities.

Suggested resources

Books

Adair J – *Effective Teambuilding: How to Make a Winning Team* (Pan Books, 1987) ISBN 0330298097

Belbin M – *Team Roles at Work* (Butterworth-Heinemann, 1996) ISBN 0750626755

Cole K – *Leadership for Dummies* (John Wiley & Sons Australia, 2008) ISBN 0731407873

Honey P – *Teams and Teamwork* (Peter Honey, 2001) ISBN 1902899156

Websites

www.bized.co.uk	Business education website including learning materials and quizzes
www.cfa.uk.com	Council for Administration
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.google.com	Search for team-working sites, articles on leadership and textbooks
www.i-l-m.com	Institute of Leadership and Management
www.managers.org.uk	Chartered Management Institute

Unit 19: The Marketing Plan

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20638G**

This unit is internally assessed

Unit aim

This unit develops learners' understanding of and skills in developing a marketing and promotion plan for their own micro start-up business or social enterprise.

Unit introduction

The marketing plan is one of the most important parts of a business plan because it directly communicates the nature of the intended business and the manner in which that business will be able to succeed.

In this unit, learners will learn about the fundamental marketing concepts that any entrepreneur needs to master.

Learners will then go on to apply this theory to their own business idea and learn how to develop a full marketing plan for a micro start-up business or social enterprise. This will include defining their target market and the benefits of their product or service from the all-important viewpoint of the prospective customer. Learners will also use the results of their marketing research to develop their marketing tactics using the marketing mix.

Learners will also produce a practical, costed promotion plan for a micro start-up business or a social enterprise.

Outcomes of learning

On completion of this unit a learner should:

1 Understand marketing concepts used by businesses

2 Be able to plan marketing and promotion.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Assess own business proposition using marketing concepts		
P2 Justify types of promotion for a micro start-up business, drawing on evidence of success or failure in the marketplace		
P3 Plan marketing for a micro start-up business that is relevant to customer needs	M1 Explain how marketing principles have been used to develop a marketing mix for a micro start-up business	D1 Develop a cost-effective, coordinated marketing mix and promotion plan to meet the needs of a defined target market
P4 Plan costed promotion plan for a micro start-up business that is appropriate for customer groups	M2 Produce a cost-effective promotion plan that communicates consistent messages to prospective customers	

Unit content

1 Understand marketing concepts used by businesses

Marketing concepts:

- buyer decision-making process (Attention, Information, Decision, Action, Satisfaction)
- unique selling proposition (USP), e.g. unique mix/product, quicker, friendlier, cheaper
- segmentation and targeting (defining typical customers, targeting groups of potential customers)
- benefits versus features from customers' point of view
- marketing mix (product or service, place or distribution, price, promotion)
- importance of designing marketing mix to meet customers' needs
- importance of coordinating all aspects of the marketing mix
- importance of costing a marketing mix

Types of promotion:

- e.g. advertising, newspapers, radio, TV, cinema, magazines, outdoor, flyers, internet
- personal selling
- promotional activities, e.g. competitions, money-off coupons, free gifts with purchase, tasting sessions, demonstrations, fundraising
- direct marketing
- direct mail
- catalogue shopping, internet shopping
- sponsorship
- public relations, e.g. press releases, press conferences, promotion through networking
- cost-effectiveness of method and plan

Evidence of success or failure in the marketplace:

- business marketing campaigns that have worked and those that have failed and the reasons why

2 Be able to plan marketing and promotion

Sections in marketing plan:

- market definition and opportunity (proposed target market segments, demand for product/service)
- competition
- other external influences, e.g. trends, legislation
- marketing tactics (use of marketing mix, image)
- marketing research (method, scale, findings, conclusions)
- sales forecasts, support material, e.g. industry studies, letters of support
- how success of marketing will be measured

Promotion plan:

- coordination with rest of marketing mix
- image to be developed
- costs
- schedule for proposed promotion campaign
- type of promotional materials appropriate for the customer group, e.g. poster, leaflet, advertisement, website
- nature of the promotional materials, e.g. colours, visual features, text
- name of the product/service and company
- branding or logo, website design and functionality
- reasons why promotional material is appropriate for the customer group; how success of promotions will be measured

Information for delivery staff

Essential requirements

There are no essential requirements for this unit.

Employer engagement and vocational contexts

Learners will benefit from the use of visiting entrepreneurs or visits to established businesses for both learning and assessment. Much of the learning is based on studying marketing that has been carried out by micro-businesses, or by using a realistic simulation.

Delivery guidance

Although this unit could be taken as a stand-alone unit it has been written to form one of a series of units which take learners through the whole process from generating a business idea to pitching a business plan. It is, therefore, important that the delivery of the units is coordinated to maximise the benefits of the continuing theme.

When planning outcome of learning 1, tutors will need to be aware that although learners may be familiar with promotion campaigns, the theoretical concepts can be quite challenging at this level. It is recommended that the learning programme includes plenty of opportunities to explore how concepts such as the marketing mix have been used in a range of contexts of interest to learners. Visiting speakers, including marketing professionals in an industry such as mobile telephony, would be of interest to learners. It would also be beneficial for learners to see how micro start-up businesses and social enterprises have used marketing concepts.

Whilst material and examples can be drawn from the range of successful promotional campaigns that surround all potential consumers in the developed world, there is much to be learned from flawed campaigns and it is suggested that the learners carry out an analysis of some examples of a poorly designed marketing mix.

Outcome of learning 2 is about planning marketing and promotion. Once learners are clear about what is required, much of the learning for this outcome will be through working on their own marketing plans and promotion plans. Learners could work in workshops with support as needed, available from the tutor or from business mentors. Learners should focus on the needs of their customers and ensure that promotions are tailored to customer groups and fully costed.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor-led introduction to unit and learning programme.
Tutor-led discussion on AIDA model – group discussion on relevance to model for different types of purchases drawing on learners' own experiences as customers.
Learner pair work on identifying benefits and segmentation and targeting for recent purchases made by learners.

Topic and suggested assignments/activities/assessment
Learners in groups consider how marketing concepts apply to their own product or service and the customers they intend to attract.
Entrepreneur introduction followed by group discussion on the marketing mix using examples from real businesses.
Small group work research into cases of poorly integrated marketing mix – groups suggest how these could be improved.
Learners work on how these concepts apply to their own planned businesses (can be used for assignment).
Tutor-led introduction to promotion mix and analysis of promotion for one product of interest to learners.
Learner group discussion on marketing plan and how this could be used to plan for a micro start-up business or social enterprise, learners consult with entrepreneurs on how marketing may be applied for their enterprise.
Entrepreneur introduction to promotion followed by small group activity designing promotion campaign for a proposed event to be held in the learning context.
Learners work in groups in a workshop environment to develop their marketing and promotion plan. There should be access to tutor support, and also support from visiting marketing professionals and entrepreneurs. There should also be opportunity for peer review of draft plans.
Classwork and individual learning time on completion of assignment. **Assignment 1: Marketing and Promotion Plan**

Assessment guidance

This unit is one of a series that supports development of a business plan for a micro start-up business. Assessment work should be based on producing a marketing plan and a promotion plan for learners' planned start-up businesses. Learners will be drawing on assessment work from previous units in the series. It is recommended that tutors break down the work for learners, for example by taking in different parts of the marketing plan and providing feedback before the learners go on to develop their promotion plan.

The criteria relating to the first outcome of learning are about applying theory and these should be assessed through development and justification within the marketing and promotion plan. Alternatively, learners could develop their marketing and promotion plan but orally present their reasons for choices and the link to theory.

For P1, learners should produce evidence of the application of marketing concepts listed in the content of the unit within the context of their microbusiness or social enterprise. Learners could use the concepts to frame the plan.

For P2, learners should choose types of promotion listed in the content and the choices should be justified within the context of the business plan.

For P3, learners should produce a marketing plan for a micro start-up business using sections as given or similar to those listed in the content.

For M1, the learners should explain how they have used marketing concepts to develop their marketing mix. Learners are not expected to explain fully how all the concepts have been used and if they are able to explain how two of the marketing concepts have been used then the criterion is satisfied.

P4 requires learners to produce a promotion plan for their own business. This should follow on from the marketing plan and it should include choice of media relevant to customer groups, the development of sample promotional materials, timings and costings for the micro start-up business.

For M2, the promotion plan should be sufficiently developed to be capable of being implemented and all parts of the plan should coordinate with other parts, for example leaflets, language and chosen media all likely to appeal to targeted customer group.

For D1, each aspect of the marketing mix and promotion plan will complement all other aspects and has been designed to appeal to a defined group of potential customers. The plan will include a description of the attributes and needs of this target group.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P4, M1, M2, D1	Assignment 1: Marketing and Promotion Plan	Learners develop marketing and promotion plans for their own planned microbusinesses or social enterprises.	Written and costed marketing and promotion plan drawing on marketing theory and specific to customer needs.

Suggested resources

Books

Barrow P – *The Best-Laid Business Plans* (Virgin Books, 2005)
ISBN 978-0753509630

Carysforth C and Neild M – *BTEC First Business Student Book, 2nd Edition* (Heineman, 2006) ISBN 978-0435499075

Ford, B, Bornstein J, and Pruitt P – *The Ernst and Young Business Plan Guide* (Wiley, 2007) ISBN 978-0470112694

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Reuvid J – *Start Up and Run Your Own Business* (Kogan Page, 2009)
ISBN 978-0749454159

Websites

www.peterjones.tv	Peter Jones TV
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Unit 20: Managing Personal Finances

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20639G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' skills and knowledge to manage their personal finances and be able to plan for a secure future.

Unit introduction

Planning personal finances is a skill which all business people need to develop if they are to have a secure financial future, and it is important for learners to appreciate the factors that can impact on this as well as the consequences of not planning properly. This unit will enable learners to investigate all sources of personal income and items of expenditure, although not all of these may currently apply to them. Personal organisation and problem-solving skills are needed to manage personal finance, and learners will be able to apply these when constructing their own realistic budgets.

Business people must have a good understanding of the financial issues and responsibilities regarding taxation of income. Learners will be able to examine the different types of taxes which are applicable to them, current rates, and how taxes are used.

Getting sound and impartial financial advice on savings and investments is important and in this unit learners will learn about different financial services and how these can help when making critical personal financial decisions. The unit aims to develop knowledge and understanding of different financial products and services available, showing the benefits and risks involved when making investment or borrowing decisions.

Outcomes of learning

On completion of this unit a learner should:

1 Know ways to manage personal finance

2 Know common financial products and services

3 Be able to produce a personal budget that takes account of personal remuneration and expenditure.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Outline ways of managing personal financial planning and accurate record keeping	M1 Explain the reasons for budgetary decisions	D1 Justify reasons for financial planning decisions
P2 Identify sources of advice for ways of managing financial products and services	M2 Analyse the different features of financial products and services relating to current and savings accounts	
P3 Describe financial products and services appropriate to self		
P4 Construct a personal budget that takes account of personal remuneration and expenditure.		

Unit content

1 Know ways to manage personal finance

Managing personal finance:

- importance, e.g. to avoid getting into debt, controlling costs, remaining solvent, saving, maintaining a good credit rating
- keeping financial records, e.g. bank statements, cheque stubs, receipts, bills, pay slips
- contingency planning
- personal taxation (purpose, types, rates)
- security of money, e.g. setting up direct debits and standing orders, using ATMs and PINs
- online banking
- skills needed to manage personal finance, e.g. problem solving, risk taking, decision making, time management

2 Know common financial products and services

Financial services providers:

- banks, building societies, independent financial advisers, financial companies, retailers (store cards, personal loans)
- purpose, e.g. giving financial advice on managing money, providing savings or investment accounts, providing insurance against sickness/loss, lending money subject to specific criteria
- other sources of information and advice

Types of products and services:

- features, benefits and charges, e.g. current or savings accounts, insurance protection, life assurance, mortgages, pensions
- risks and benefits of borrowing money, e.g. secured and unsecured loans, overdrafts, credit cards
- comparing options
- making suitable choices based on accurate information

3 Be able to produce a personal budget that takes account of personal remuneration and expenditure

Personal budget:

- purpose
- construction and key elements
- regular and irregular income and expenditure
- sources of income, e.g. wages, salary, overtime, tips, fees, bonus or commission earned, allowances, state benefits, grants, interest from savings or investments, gifts, inheritances
- types of expenditure, e.g. accommodation, taxes, household expenses (utilities), travelling, food, clothing, communication (landline, mobile, internet), leisure activities, insurance, savings, special occasions, credit card or loan payments

Information for delivery staff

Essential requirements

Many of the outcomes for this unit require learners to undertake research. To enable research skills to be developed effectively they should be introduced to as many different forms of information as possible, for example libraries and other research facilities including the internet, national newspapers, local banks and start-up business training agencies.

Learners will also benefit from case study materials, which may be able to focus on specific aspects of financial planning. Tutors should gather exemplar materials to help develop learners' understanding. They should also prepare suitable exercises to enable learners to practise the skills needed to prepare a personal budget. This should include some manual exercises as well as more complex spreadsheet exercises. Tutors can save time by preparing templates for learners to use to input data.

Employer engagement and vocational contexts

Visits to companies and from guest speakers working in financial services is useful to the delivery of this unit. Centres should develop links with financial institutions that are willing to come in and talk about managing personal finances in an unbiased way (if possible). Alternatively, learners should be able to visit different financial institutions to research and collect information on a variety of products and services.

Delivery guidance

All learners have experience of money in their everyday lives. This unit may be introduced by establishing the importance of managing personal finance through avoiding debt and learners should understand the difference between good debt and bad debt. If a large purchase needs financing then debt can be unavoidable and can be more easily managed. It is important to avoid debt that cannot be managed, and so, in this unit, 'debt' is interpreted to mean being unable to pay back money that is owed, getting behind on repayments, etc. Case studies from the 'Credit Crunch' global financial crisis could be used to illustrate the effects of not controlling costs and the subsequent inability to get credit, causing financial problems if personal finance is not managed. Borrowing money and the implications of paying interest can be illustrated using a credit card example of borrowing £1000 to pay for a purchase such as a car, where if paying the minimum amount each month, interest would accumulate and thus it would take over 25 years to clear the debt. It is important for learners to understand the security issues relating to personal finance, especially fraud and theft with ATMs and PINs, and purchasing goods online. Topical issues such as identity fraud can be explained with a guest speaker from a bank for example.

Learners need to learn about the different financial records that should be kept for personal finances such as bank statements, cheque stubs, receipts, bills etc. Tutors could provide a range of examples, and learners could produce their own (obviously respecting confidentiality of information) to use as realistic record entries to demonstrate the purpose of different records. Tutors should also ensure that what may be perceived by learners as a random selection of records does in fact form a comprehensive system. Learners can work through simple exercises prepared by the tutor and practise their skills by completing records such as spreadsheets of inflows and outflows, both manually and computer-based.

Most learners will understand the concept of budgeting and can use their own experience to practise budgeting, even though they may not be familiar with the term. If learners have part-time jobs they can share experiences with the group of paying tax (and National Insurance if applicable). Learners can plan a budget they would need if they went on to higher education, researching the types of expenditure they could expect such as rent, electricity, food, books, travel fares, phone, entertainment etc, and sources of income such as parental help, part-time earnings, student grants and loans. They could draw up a realistic budget and draw conclusions from that, sharing findings with the group. Learners could also research sources of income available to people if they are, or are not, in work. Tutors can provide exercises for calculating tax.

Learning about common products and financial services could start with banking services and proceed to savings and investments. Banking services may be presented with the use of commercial bank publicity material in both hard and soft copy. At each stage of learning, distinctive product features such as interest rates and accessibility may be discussed in order to develop learners' ability to make informed judgements supported by evidence. Learners lacking confidence should be gradually encouraged to progress beyond description to higher order skills of explanation, analysis and evaluation. They could be helped by presentations from, and discussions with, professional financial advisers. It should be noted that the programme assumes no prior learning of either general business studies or applied financial services.

Many learners will know about banks and building societies from personal experience, but they will need to develop their knowledge by investigating a range of these organisations and additional providers of financial services, and the products they all offer. Visits to, or guest speakers from, these financial organisations will allow learners to experience the realities of financial advice. Group work and presentations, for example where different groups present their findings on different sources, are likely to be valuable techniques to use. Research using the internet and paper-based publications is also appropriate. It would be useful for learners to compare the features of different products and select a range of actual products, completing the paperwork (which can usually be accessed from banks and building societies in their literature).

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor-led introduction to the unit and the programme of learning.
Range of guest speakers from, or visits to, financial services supporting delivery of aspects of personal finance.
Learner group research on remaining features – this could be through internet research or visits to services.
Learner group exercises to practise preparing simple budgets based on case study data.
Learner research on current and savings accounts, collating information for analysis of features.

Topic and suggested assignments/activities/assessment
Learner research on benefits and risks to business of a personal budget.
Learners work on own personal budgets.
Learner group research on sources of advice, learners work with case studies of problem budgets and select suitable sources of advice and guidance.
Assignment 1: Reviewing Services
Learners work on commentary on personal budgets drawing on study to explain and justify the reasons for their budgetary decisions.
Assignment 2: Developing a Budget

Assessment guidance

To achieve a pass grade, learners must meet all the P1-P4 assessment requirements. This will require careful and regular monitoring of the progress of each learner in completing the assessment. Assignments should be designed so that each learner is appropriately challenged and not overburdened with higher grade requirements before all pass grade criteria have been met.

Outcome of learning 2 could be evidenced through a portfolio of evidence designed for the learner's own future use.

Pass level work will be characterised by brief descriptions and reviews. It is envisaged that this work will be presented in a format accessible for learners to use in the future. If they are involved in planning a future microbusiness or social enterprise, then they could include details relevant to their future needs. However, assessment of this unit focuses on learners' own finances. To achieve a merit, learners will focus on an analysis of the features of savings and current accounts and could be encouraged to analyse features with a view to what best meets their needs.

Outcomes of learning 1 and 3 can be evidenced through a personal budget prepared either manually or on a computer, showing inflows and outflows, together with a conclusion of the results.

To achieve a pass, the budget should be annotated with a commentary outlining the importance of different aspects of the budget. The budget itself should be accurate and contain the features of a budget described in the content. At merit level the commentary will explain the reasons for the format and structure of the budget. At distinction level there will be evidence of justification of all decisions made in the financial planning.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P2, P3, M2	Assignment 1: Reviewing Services	Development of a portfolio of services for own use.	Review the range of personal financial services applicable for own current or future use.
P1, P4, M1, D1	Assignment 2: Developing a Budget	Development of a budget for own use.	Develop a personal budget drawing on services reviewed.

Suggested resources

Books

Work Out Pack (The Basic Skills Agency) ISBN 9781859900864

Gorham J – *Mastering Personal Finance* (Palgrave Study Guides, 2007) ISBN 9780230553019

Hall A – *Money for Life* (Coronet, 2000) ISBN 9780340793213

Hall A – *Your Money or Your Life* (Coronet, 2003) ISBN 9780340823200

Lowe J – *Personal Finance Handbook, 2nd Edition* (Child Poverty Action Group, 2007) ISBN 9781906076016

Journals

The Economist and quality newspapers, especially the business sections

Websites

www.gov.uk/government/organisations/department-for-business-innovation-skills	Department for Business, Innovation and Skills
www.bizhelp24.com	Advice on business finance
www.hmrc.gov.uk	HM Revenue and Customs
www.lloydstsbbusiness.com	Small Business Guide Lloyds TSB
www.moneysavingexpert.com	Martin Lewis
www.moneysupermarket.com	Compare UK bank and building society accounts to choose the most suitable
www.pfeg.org	Personal Finance Education Group (PFEG)
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.smallbusiness.co.uk	Information on small company investment
www.startups.co.uk	Information on starting up a new business
www.thisismoney.co.uk	Advice on small businesses

Unit 21: Promoting and Branding in Retail Business

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20653G**

This unit is internally assessed

Unit aim

The aim of this unit is to enable learners to have an awareness of the different sectors and channels used in retail and understand the importance of supply chains, branding and promotion to retail business.

Unit introduction

In this unit learners will learn how there has been rapid change in retailing over the last 30 years. There has been a major shift in focus from the high street to out-of-town shopping, the emergence of more sophisticated and demanding shoppers and a general intensification of competition as many retail sectors reach maturity. New retail formats caused by changing customer needs, advances in technology and demographics have emerged. For example, some retailers only have an online presence and boast of it in their name as does 'Not On The High Street'. Others operate in niche sub-markets such as Gap with its Baby Gap and Gap Kids stores.

Learners will examine how retail businesses are organised into sectors and channels with associated supply chains. A retail channel is the retailer's route to market. Developments in technology and society have resulted in a need for alternative methods of getting goods to customers in order to remain competitive in a rapidly changing trading environment. Successful retailers identify and develop innovative ways of developing new business opportunities, including retail channels that make best use of available information and resources.

Learners will develop a product brand suitable for a retail channel together with promotional materials for the product brand.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the structure of retail businesses and their supply chains

2 Understand the importance of branding and promotion to retail businesses

3 Be able to develop and promote a product brand.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain the main channels, formats, business models and locations used by retail sub-sectors	M1 Compare how different chosen businesses operate in terms of channel, sub-sector, location and support	D1 Evaluate the choice of channels for a selected business
P2 Explain how other businesses support the retail sector		
P3 Explain the importance of branding and promotion to retail channels	M2 Compare the branding and promotion of different businesses/products	
P4 Assess the marketing mix for a specified product		
P5 Generate ideas and possibilities for a product brand	M3 Compare and contrast ideas for a product brand	D2 Justify the choice of brand ideas in terms of customers' needs
P6 Produce promotional materials for a product brand taking into account ethical and cultural considerations		D3 Evaluate promotional materials for a product brand

Unit content

1 Understand the structure of retail businesses and their supply chains

Retail sub-sectors:

- product related sub-divisions of the retail industry, grocery, fashion, automotive, electrical, health and beauty, homeware

Retail channels:

- outlets (shops, stores, showrooms), e-tailing, mobile technology, catalogues, home shopping, market stalls

Retail formats and sizes:

- small, medium, large
- convenience stores, specialist outlets, market stalls, kiosks, discounter stores, cooperatives, franchises
- department stores, superstores and hypermarkets
- non store
- web-based

Formats:

- mail order, E-tailing, catalogues, telephone selling, vending

Types of location:

- city/town, district, out of town, retail parks, primary locations, secondary locations
- choice of location by retailers
- virtual

Businesses that support the retail sector and the supply chain:

- supply chains, transport businesses, delivery companies, suppliers, manufacturers, computing businesses, finance houses and banks, trades people, shop fitters, marketing and advertising agencies, web design businesses, web hosting businesses

2 Understand the importance of branding and promotion to retail businesses

Branding:

- meaning
- reasons
- benefits achieved from successful branding
- methods and techniques used including logos, straplines, celebrity endorsements
- promotion including the marketing mix
- brand image across channels
- reviewing and updating brands including if business objectives change and refreshing a brand

Promotion:

- meaning
- types
- reasons for
- benefits achieved

Development of ideas for brands:

- considerations, e.g. race, nationality, religion, children, infirm and disabled, environmental

Development of promotional ideas:

- media, practical issues, techniques to measure effectiveness,
- market research

3 Be able to develop and promote a product brand

Branding:

- methods and techniques used including logos, straplines, celebrity endorsements
- promoting brand image across channels

Development of ideas for brand:

- considerations, e.g. race, nationality, religion, children, infirm and disabled, environmental

Development of promotional ideas:

- media, practicalities, techniques to measure effectiveness, market research

Information for delivery staff

Essential requirements

For this unit learners must have access to a suitable business teaching environment with access to the internet to do research, and access to retail businesses or a mock shop. Teachers should build a bank of resource materials to ensure there is a sufficient supply of relevant information.

Employer engagement and vocational contexts

By incorporating practical work into the unit, centres can engage with employers who can offer specialist speakers, encourage visits, offer work experience and provide projects.

Delivery guidance

For outcome of learning 1, learners should investigate a range of retail business types and how the retail sector is evolving and changing. They should be encouraged to consider their own insights and experiences of retailing. Learners should explore the different types of ownership/business models that exist and how they relate to other parts of the supply chain and logistical arrangements. Retail websites contain a wealth of information regarding ownership, markets, channels, formats and locations. Visits to different types of outlet would be useful as would guest speakers from local and national retail groups to discuss retailing and supply chain management.

Learners need to know the main features of retail channels and how the channels vary in the ways that they operate. Learners can map the many types of retail channels available in selected locations.

Visits will enable learners to acquire practical insights about the variety and size of channels as well as their different features. Case studies, discussions, guest speakers and organised trips can all be used as engaging ways of teaching about the subject. Projects can be used to collect primary and secondary data to help identify how services offered by different retail channels encourage consumers to shop. Part-time employment within retail channels will reinforce understanding and knowledge and support group discussion.

Observations in local high streets can be used to identify both primary and secondary shopping locations and also examine the relationships with transport systems and car parking.

Learners can use the internet to identify and analyse online shopping channels to investigate alternative retail channel formats and see how technology is influencing retail channels.

Outcome of learning 2 could be delivered by allocating groups of learners different well-established businesses (for example Coca Cola, Marks & Spencer, McDonald's, Nike) which are active in retail channels and getting learners to consider and contrast how the organisations have used their brand name and image in promoting their product(s).

Learners could conduct group discussions to evaluate the effectiveness of different promotional activities and how to measure the effectiveness of promotional campaigns.

Learners could conduct an investigative activity to show how an organisation has reacted to changing ethical, cultural and environmental influences by re-developing its brand image.

For outcome of learning 3, learners can do practical work to produce a variety of marketing information such as posters, point-of-sale material and newspaper advertisements. Learners should be given the opportunity to discuss in groups existing promotional campaigns from television, newspapers and magazines. Visits to local retail businesses and talks from retail managers would be beneficial in providing practical illustrations of effective promotion and branding. Students can generate evidence from a work placement or from work experience. Some learners may have access to information to family owned and run businesses.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on structure of retail business and the supply chain.
Speakers from local businesses.
Visits from local businesses.
Research.
Group work.
Assignment 1: Retail Business
Formal theory input on branding and promotion.
Speakers from local businesses.
Visits from local businesses.
Research.
Group work.
Assignment 2: The Importance of Branding and Promotion
Input on developing a brand for a retail channel.
Research and group work.
Practical work.
Assignment 3: My Brand
Supervised assignment work.
Non-supervised individual study time and completion of assignments.

Assessment guidance

The assessment strategies used in this unit need to reflect the evidence required within the grading criteria and should be assessed through appropriate investigative and practical assignments, where communication can be considered through the learner's presentations, reports, posters, graphs, charts etc.

For P1 and P2, learners need to collect information on businesses, their sectors and sub-sectors, their marketing channels, location and business models to see how appropriate these are. Learners also need to investigate the other businesses to see how they contribute to product promotion and distribution through different channels in retailing.

For P3, learners need to explain the importance of branding and promotion to retail channels and assess how products are marketed.

For P4, learners must assess the marketing mix for a specified product.

For P5, learners should research a product brand and generate ideas and possibilities to develop this. For P6, learners should produce promotional materials for a product brand based on their ideas in P5. Learners must ensure that the materials produced take ethical and cultural considerations into account.

For M1 learners will build on the work from P1 and P2 to examine how two specific businesses operate in terms of their chosen sectors, channels and locations when promoting their products. This will involve carrying out research and giving reasons for the operational differences.

For M2, learners will compare the branding and promotion techniques used by two specific businesses to see the methods that are available and to look at their impact on purchasers.

For M3, learners will build on P5 and develop ideas for a product brand by looking at alternatives and making judgements about their effectiveness and suitability for use with customers.

For D1, learners will look at the distribution channel choices made by a specified business and gather information to judge the reasons for the channel choices and how effective each of the channels is in promoting and selling goods to particular sub-market.

For D2, learners should build on their work completed for P5 and M3 to justify their choice of brand ideas in terms of meeting customer needs.

For D3, learners will evaluate the promotional materials they have designed and developed for a product brand, building on the work done for P5, P6 and M3 and combining it with the work done for D2.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Retail Business	Businesses' choice of channel.	Report, presentation.

Criteria covered	Assignment title	Scenario	Assessment method
P3, P4, M2	Assignment 2: The Importance of Branding and Promotion	Brand design.	Design, presentation, research.
P5, P6, M3, D2, D3	Assignment 3: My Brand	Promotion materials.	Posters etc.

Suggested resources

Books

Cox R and Brittain P – *Retailing: An Introduction* (FT Prentice Hall, 2004) ISBN 0273678191

Dion J – *The Complete Idiot's Guide to Starting and Running a Retail Store* (Alpha Books, 2008) ISBN 1592577261

Fernie J, Fernie S and Moore C – *Principles of Retailing* (Heinemann, 2003) ISBN 0750647035

Pilgrim D – *Retailing* (Real Life Guides) (Trotman & Co, 2008) ISBN 1844551555

Segel R – *Retail Business Kit for Dummies* (John Wiley & Sons, 2008) ISBN 0470293306

Journals

Convenience Store

Independent Retailer

Retail Week

The Grocer

Websites

www.mrs.org.uk	The Market Research Society
www.skillsmartretail.com	The Sector Skills Council for Retail
www.theretailbulletin.com	The complete retail news resource
www.tradingstandards.gov.uk	Consumer protection information in the UK

Unit 22: Visual Merchandising and Display Techniques for Retail Business

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20654G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the techniques that retailers use to merchandise and display their products and make the best use of space in different outlets. Learners will plan the layout of an outlet that takes full account of the associated health and safety risks.

Unit introduction

In this unit learners will learn how different types of retail outlet make the best use of space to give customers opportunities to buy a range of goods. Learners will investigate and experience, through practical application, the techniques retailers use to entice customers into retail outlets and into buying goods.

Careful consideration needs to be given to the merchandising and display techniques retailers use to allow customers to move naturally and freely from one area to another in order to make purchasing decisions. Visual merchandising has to be attractive and appropriate, while the smart use of space can stimulate customers into purchasing and so contribute to businesses meeting their objectives. Learners will plan a retail layout and ensure that it complies with health and safety regulations.

Outcomes of learning

On completion of this unit a learner should:

1 Know the techniques retail outlets use to merchandise and display their products visually

2 Understand the techniques used to influence customers to buy

3 Be able to design a positive sales environment

4 Be able to carry out health and safety risk assessments related to visual merchandising and displays in retail outlets.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe how the size, location and nature of a retail outlet affects the way it visually merchandises and displays products		
P2 Explain the visual merchandising and display techniques used in a chosen retail outlet and how they influence customers to buy	M1 Analyse the different merchandising and display techniques used in a chosen outlet and how they influence customers' buying behaviour	D1 Evaluate the success of displays, display techniques and visual merchandising used in different outlets and in own designs for a display
P3 Use sketches, diagrams and photographs to redesign how space is used in a retail outlet	M2 Analyse how designs for layout and display are effective in a retail outlet	
P4 Plan a positive, display for a variety of goods in a retail outlet		
P5 Carry out a health and safety assessment on two displays in a retail outlet		

Unit content

1 Know the techniques retail outlets use to merchandise and display their products visually

Merchandising and display techniques:

- planograms, shelf layout, positioning, stock facings, horizontal and vertical blocking, price marking legislation, use of point-of-sale material, location, corporate policy and procedures, different products, themes, promotions, special events, balance, sales appeal, link with merchandise on sale, 'open-sell' display
- ticketing, correct temperature, substitute food, containers, enhancing of store image, different products, themes, promotions, special events, use of props, lighting, colour

Different kinds of products:

- impulse goods, convenience goods, search and compare lines, speciality goods, complimentary merchandise placement, seasonal goods

Size and nature of retail outlets:

- small, independent, multiple, variety chain, factory outlet, specialist, franchise, department store, hypermarket, superstore, wholesaler/cash and carry, confectioner, tobacconist and newsagent (CTN), discount stores

Location:

- high street, out-of-town, village, retail park, leisure/tourism attraction

Business objectives:

- sales generation, profit generation, corporate image, expansion, survival

2 Understand the techniques used to influence customers to buy

Tangibles:

- windows – transition zone, use of company/brand name, fixture positioning, use of mirrors, signage, promotions, odd versus, even pricing, price lining,
- using price premiums, fitting rooms, packaging design

Intangibles:

- using senses – sight, touch, smell, taste, hearing
- use of 'open-sell' display, sales staff use, trials/ sampling, add-ons, tidiness, colour, light

Display evidence:

- plans, relation to business objectives, marketing strategy, seasonal trends, historical sales data, new stock ranges, expand market, frequency of change
- display – location, corporate policy and procedures, different products, themes, promotions, special events, balance, sales appeal, link with merchandise on sale, open-sell display, ticketing
- correct temperature, substitute food, containers, enhance store image, different products, themes, promotions, special events, use of props, lighting, colour

3 Be able to design a positive sales environment

Layouts:

- gridiron, open/free-flow, boutique
- gondola

Space management:

- storage versus selling, shelf space for groceries, toiletries, fridges and freezers, hanging, folded garments, slow sellers, fast sellers, new ranges, old stock

Customer traffic flow:

- entrance design – flat, recess, open
- automatic doors, access, multi-level outlets

Assembling and dismantling:

- display plan, timing, product availability, lifting and handling techniques, support merchandise, safety and security of merchandise, safety of merchandise, cleanliness, mannequin handling and dressing, equipment, maintenance of lighting, ambience, background, ceiling and wall coverings

4 Be able to carry out health and safety risk assessments related to visual merchandising and displays in retail outlets

Risk assessment preparation:

- factors to be assessed, permission, types of outlet, types of display, timing, legal and regulatory requirements, e.g. food storage, fireworks, tobacco products

Risks:

- potential, actual
- action to control
- training
- legislative, e.g. food storage, fireworks
- referrals
- documentation
- costs

Information for delivery staff

Essential requirements

Learners must have access to a learning resource centre with a good range of retail trade journals, local and national newspapers, consumer surveys and specialist periodicals that include planograms. Tutors must ensure that learners have up-to-date information regarding local and national organisations.

Employer engagement and vocational contexts

By incorporating practical work into the unit, centres can engage with employers who can offer specialist speakers, encourage visits, offer work experience and provide projects.

Delivery guidance

This unit balances research and theory with practical activities. The aim of the unit is to introduce learners to the factors that affect the way space is used to present merchandise to customers, to entice them to make purchasing decisions. It is important that learners identify the many techniques used by retailers to show goods to customers. They also need to be aware of how the store environment and point-of-sale material contribute to visual merchandising and display.

Delivery should involve learners investigating their local retail environment and different types of retail outlet by visiting a variety of retail organisations with display and merchandising environments, including display studios.

Access to a range of products or product substitutions can provide learners with first-hand practical display experiences. Point-of-sale material and ticketing samples can enhance learners' understanding of price marking in relation to displays. Visits to retail trade shows are recommended.

Learners should be encouraged to draw on their own experiences as customers and their reactions to the placement of goods. Learners should be involved in part-time employment within retail services as this experience will reinforce both understanding and knowledge. It will also support discussion, as will guest speakers from a variety of retail outlets, to identify how promotion and location of products affect business objectives.

The unit lends itself to evaluating the success of display and visual merchandising through organised visits and the collection of photographs, sketches and other visual support graphics. Observations will enable learners to gain first-hand knowledge of merchandise positioning, window displays, foot traffic-flow and purchasing patterns. Learners need to understand how retailers use a variety of techniques to influence customers to buy and provide evidence of different display and visual merchandising techniques. Access to a range of merchandise and appropriate fixtures is recommended. Learners will develop an understanding of the importance of price marking and health and safety legislation in relation to display and visual merchandising.

By applying the knowledge and understanding to the practical outcome, learners will be able to create a display of goods that will produce sales appeal and show retail competence and skills. Learners will identify the health, safety and security risks associated with assembling, dismantling and locating different types of display in a number of outlets and be able to recommend appropriate corrective and preventative action.

Learners will also develop an understanding of how retail organisations have to continually change their techniques in order to meet customers' ever-changing needs.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on techniques to display products.
Group Work and research.
Visits and speakers.
Assignment 1: Location and its Effects on Visual Merchandising
Formal theory input on techniques used to influence buying.
Research and group work.
Visits and speakers.
Assignment 2: Visual Merchandising and Display Techniques in Existing Outlets
Formal theory input on designing a positive environment.
Visits and speakers.
Research and group work.
Assignment 3: Redesign of an Outlet
Formal theory input on health and safety.
Visits and speakers.
Research and group work.
Assignment 4: Health and Safety Assessment of Existing Outlet
Supervised assignment work.
Non-supervised study time and completion of assignments.

Assessment guidance

This unit balances research and theory with practical application through a series of linked learning activities. The research undertaken and the outcomes from the activities are the most likely source of evidence for this unit. Learners should undertake research into different techniques used by a variety of retail outlets for a wide range of products. They must investigate the visual merchandising and display techniques used to influence customers to buy. Learners must demonstrate knowledge and understanding, as well as the practical ability to transfer learning to a practical display. Evidence opportunities exist for covering more than one outcome in an assignment. Evidence of outcomes may be in the form of research documentation, formal reports or oral presentations supported by relevant graphics or a series of practical exercises, which require learners to work alongside specialist practitioners from a number of retail organisations. In such cases, all of the evidence produced must be carefully assessed and validated in order to ensure compliance with the requirements of the stated outcomes. A portfolio of research materials and generated documentation will provide evidence of the tasks and responsibilities undertaken. Peer, self and specialist review could form a valuable addition to tutor observation and assessment.

To achieve a pass, learners must gather information on factors influencing visual merchandising and display techniques. There must be evidence that consideration has been given to influencing factors such as business objectives, type, size, location and ownership of outlet, different products and customer base.

Learners must provide evidence of research in a clear explanation of how one retailer promotes, advertises and positions products. Examples of contrasting and similar retailers should be used. They should give clear descriptions supported by illustrations of how retail outlets use space and influences to entice customers to buy.

For P4, learners must give a clear description of how they planned, assembled and dismantled a display in accordance with legislative procedures. For P5, they must also provide evidence of planning and implementing a thorough risk assessment on different displays of a variety of goods in a variety of retail outlets.

For M1, learners must demonstrate a sound understanding of the reasons for techniques used to merchandise visually and display in their chosen outlet. They must provide relevant examples to support the reasons. They must also provide a logical and well-structured analysis of how retailers use these techniques to influence customers to buy, using detailed, relevant examples.

For M2, learners must produce a logical and well-structured analysis of how space and layout are used by their chosen outlet.

To achieve a distinction, learners must show a comprehensive understanding of the contrasts and comparisons between the visual merchandising and display techniques used by outlets. They must show a critical approach to how and why the techniques achieve business objectives. Learners should provide a critical evaluation of the extensive range of techniques used by retailers to respond to changing customer needs. There must be evidence of a comprehensive analysis of how the retail organisation applies legislation to plan, assemble and dismantle displays.

Clear reference needs to be made to the issues concerning recommendations for alternative visual merchandising and display features in their chosen outlet and how the retailer will respond to and, if necessary, alter its techniques to respond in the future.

Distinction grade learners must be creative in expressing a range of personal solutions in their evaluation of how they planned, assembled and dismantled their displays. Learners should provide reasoned and thorough comments, showing examples of recommended accurate techniques, being influenced by internal and external displays in a variety of retail outlets.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1	Assignment 1: Location and its Effect on Merchandising	Using space.	Written/recorded.
P2, M1, D1	Assignment 2: Merchandising and Display Techniques in Existing Outlets	Presenting merchandise.	Written/recorded/ presentation.
P3, P4, M2, D1	Assignment 3: Redesign of an Outlet	Redesign.	Sketches, plans.
P5	Assignment 4: Health and Safety Assessment of Existing Outlets	Health and safety.	Report.

Suggested resources

Books

Cox R and Brittain P – *Retail Management* (Financial Times: Prentice Hall, 1999) ISBN 0273634283

Dale G – *The Business of Retailing* (Hutchinson, 1989) ISBN 0091822823

Dunne P and Lusch R – *Retailing* (South-Western, Div of Thomson Learning, 2007) ISBN 0324364377

Hasty R and Reardon J – *Retail Management* (McGraw Hill, 1996) ISBN 0070270317

Lewis R and Trevitt R – *Intermediate Retail & Distribution* (Hodder, 1997) ISBN 0340654724

Portas M – *Windows, The Art of Retail Display* (Thames &Hudson, 1999) ISBN 0500019444

Thomas W – *Law for Retailers* (Management Books 2000, 2003) ISBN 1852524235

Underhill P – *Why We Buy, The Science of Shopping* (Texere Publishing, 1999) ISBN 0752813307

Journals

Census of Population

Convenience Store

Independent Retailer

Keynote

Retail Week

Websites

www.consumereducation.org.uk	Consumer Education
www.theretailbulletin.com	The Retail Bulletin: The complete retail news resource

Unit 23: Lean Organisation Techniques in Business

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20655G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' understanding of the concept and principles of lean organisation and manufacturing techniques, and highlighting the differences between lean production and lean office principles to put the concept in context.

Unit introduction

Lean is a term used to express a range of business improvement techniques. It originated from the need to constantly improve quality while reducing the costs of the production performance in the manufacturing industry. The concepts of this approach are now used as the basis for improvement in the workplace in non-manufacturing processes, such as an office or service industry environment, in order to improve business performance by eliminating waste and increasing efficiency.

The unit looks at the factors that affect an organisation's productivity, such as the types of waste and non-value-added work that affect efficiency and ultimately the customer.

To manage and improve productivity, it needs to be measured. In order to do this, learners will initially undertake a Productivity Needs Analysis (PNA) to identify key areas of opportunity. It is important for learners to understand that the purpose of the PNA is to establish a starting point on the productivity improvement journey. It is not a benchmarking exercise to compare one company's performance against another'.

This unit will also introduce learners to flow process analysis through the application of a Service Excellence Needs Analysis (SENA), which will enable them to map the process and measure improvement. The process is mapped in detail and identifies any concerns and improvements needed, defining value-added and non-value-added processing steps and forms of waste that may be inherent. Learners will see how a process map can be applied to their own processes and will produce one for assessment, although this will not be completed until the end of the learning programme.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the concept of a lean environment

2 Be able to implement the productivity needs analysis process

3 Be able to produce a process map.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the principles of lean organisation techniques	M1 Explain the benefits of lean organisation techniques	D1 Analyse the benefits of lean organisation techniques
P2 Explain the benefits of a lean environment		
P3 Describe the process for conducting a productivity needs analysis		
P4 Undertake a productivity needs analysis in a selected organisation	M2 Identify productivity needs analysis improvements and draw up an action plan for their implementation	
P5 Produce a process map using appropriate symbols and terminology for an identified process		

Unit content

1 Understand the concept of a lean environment

Lean principles:

- definition of lean production techniques
- background to lean principles
- design and state of the workspace
- differences between lean production and lean organisation techniques
- benefits of lean

2 Be able to implement the productivity needs analysis process

Purpose:

- starting point of productivity improvement journey
- ways to improve
- meeting targets

Productivity needs:

- common data (turnover, cost of customer services)
- labour (headcount, staff turnover, rewards and benefits, absenteeism rate, temporary staff)
- material (not right first time, rework levels, waste)
- overheads (floor space utilisation, contract penalties)
- supplier information by spend and volume

Process:

- necessary information requirements
- information from appropriate stakeholders
- score the current status of the organisation
- skill control
- gap analysis
- implementation plan

3 Be able to produce a process map

Process map:

- definition of a process in its elements/activities of work
- flow process analysis using symbols and abbreviations defined by ASME (American Standard for Methods Engineering)
- identification of variation
- value-added and non-value-added activities
- waste
- improvements to the process
- action plan
- effectiveness of improvements

Information for delivery staff

Essential requirements

Learners can find information using company annual reports, journals, magazines, company websites and newspapers.

Employer engagement and vocational contexts

Visits to companies and from employee ambassadors are useful to the delivery of this unit. The use of vocational contexts is essential in the delivery and assessment of this unit.

Delivery guidance

This unit explores the principles and techniques of lean manufacturing and how they have affected non-manufacturing environments to improve business performance. The background on the concept and origin of lean principles and techniques must be studied to set this unit in context. Tutors can introduce this topic by asking learners to work in small groups and research the origins of the term 'lean' and to identify lean techniques in an office environment. Next, each group could prepare a short presentation, listing the similarities and differences between lean production and lean organisation techniques. Tutors should raise awareness of the need to modify the techniques to apply to information flows and meet the needs of people in non-manufacturing environments.

Learners should understand that improving productivity is not simply about controlling cost. Discussion groups can think about all the factors involved such as being competitive, introducing change and sustaining performance. The purpose of analysing an organisation's productivity needs can be investigated through group work where learners can discuss the productivity needs in their own workplace and produce a mindmap splitting these into labour, material and overheads categories. Tutors can use case study materials showing examples of different types of organisations to illustrate the three main factors that affect an organisation's operating costs.

In this unit learners will look at how to improve organisational processes and services by undertaking process mapping using Service Excellence Needs Analysis. The aim is to make learners aware of the methodology to produce a process map using symbols and terminology determined by ASME (American Society of Mechanical Engineers). It is important that tutor input on this process is delivered in this unit to raise awareness, although this part of the assessment will not be completed until the end of the learning programme. The process should be mapped in detail and must identify concerns and improvements needed, defining value-added and non-value-added processing steps and forms of waste that may be inherent.

This forms the basis and direction of specific improvement activities and from this current state, an action plan should be devised to bring about an improved 'future state'.

For full-time learners, visits to the workplace, or case studies will be essential.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on lean organisation.
Assignment 1: Lean Organisation Techniques
Research and visits to businesses.
Formal theory input on Productivity Needs Analysis.
Research and visits to businesses.
Assignment 2: Productivity Needs Analysis
Formal theory input on mapping and flow process analysis.
Research and visits to businesses.
Assignment 3: Mapping
Non-supervised study time and completion of assignments.

Assessment guidance

It is important for learners to select an appropriate work area or activity to complete the assessment for this unit. P1 requires learners to explain the background to the concept of 'lean', drawing on its inception in Japanese manufacturing production, and linking this to current lean office application. Learners should explain the benefits of the lean approach for P2.

For P3 and P4, learners should ensure they describe key areas of opportunity which can be used to measure the progress of improvement. This will require analysis of the productivity needs and their purpose to the selected organisation, e.g. an organisation may need to address the three main factors affecting its operating costs: labour, overheads and materials.

P5 will not be assessed until completion of the learning programme. Evidence in the form of a process map, appropriately annotated, will form the basis for an action plan identifying and justifying improvements. Learners must demonstrate their understanding of flow process analysis through identifying value-added, non-value-added processing steps, and waste.

For merit criteria, benefits of lean techniques and identification of improvements and an action plan are needed.

For distinction, the ability to analyse the benefits of these techniques is required.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: Lean Organisation Techniques	Lean organisation.	Assignment.
P3, P4, M2, D1	Assignment 2: Productivity Needs Analysis	Productivity needs.	Assignment.
P5	Assignment 3: Mapping	Process map.	Map.

Suggested resources

Books

Clark A C – *The Gist of Process Mapping: How to Record, Analyse and Improve Work Processes* (Word4Word, 2005) ISBN 095412099X

Madison D – *Process Mapping, Process Improvement and Process Management: A Practical Guide to Enhancing Work and Information Flow* (Paton PR, 2005) ISBN 1932828044

Sayer N J and Williams B – *Lean for Dummies* (Wiley & Sons, 2007) ISBN 0470099313

Sioukas T – *The Solution Path: A Step-by-Step Guide to Turning your Workplace Problems into Opportunities* (Jossey Bass, 2003) ISBN 0787962759

Swanson A R – *Analysis for Improving Performance* (Berrett Koehler, 2007) ISBN 1576753417

Unit 24: Business Improvement Tools and Techniques

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20656G**

This unit is internally assessed

Unit aim

The aim of this unit is to enable learners to investigate the continuous improvement role of process management in business and will equip learners with tools and techniques that can be applied within the workplace to facilitate lean systems of working.

Unit introduction

This unit has been designed to develop learners' understanding and confidence of employing world-class techniques of business improvement within a working environment. These techniques can be applied to improve a wide range of operations, for example from payroll to room usage.

The unit will enable learners to investigate the continuous improvement role of process management and will equip the learner with Kaizen tools and techniques which can be applied within the workplace to facilitate lean systems. Learners will also develop their knowledge and understanding of the principles of workplace organisation to increase the 5S/5C score, and their skills at using visual management systems.

Outcomes of learning

On completion of this unit a learner should:

1 Know about continuous improvement techniques (Kaizen)

2 Understand the principles and techniques of workplace organisation (5S/5C)

3 Be able to use visual indicators to improve the work environment

4 Know ways to eliminate variance from processes in the workplace.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify the main Kaizen principles and their application	M1 Explain the main Kaizen techniques and their application in a given organisation	D1 Evaluate Kaizen and workplace organisation techniques in a given organisation
P2 Explain areas of weakness in workplace organisation and suggest improvements		
P3 Identify elements that contribute to good visual management in the workplace		
P4 Prepare appropriate visual indicators	M2 Suggest visual management improvements to workplace	
P5 Suggest how to eliminate variance to processes, describing the benefits of standard working methods		

Unit content

1 Know about continuous improvement techniques (Kaizen)

Kaizen principles and application:

- definition of Kaizen
- benchmarking to set quantifiable targets and objectives
- identify forms of waste, problems or conditions in the work area or activity
- benefits of improvements (reduced product cost, improved safety, improved quality, improvements to working practices and procedures, reduction in lead time, reduction/elimination of waste)
- standard operating procedures (SOPs) to sustain improvements
- health and safety practices and procedures
- organisational policies and procedures
- limits of own responsibility

2 Understand the principles and techniques of workplace organisation (5S/5C)

Principles of workplace organisation:

- definition of 5S/5C – Seiri (Clear out), Seiton (Configure), Seiso (Clean and Check), Seiketsu (Conformity), Shitsuke (Custom and Practice)
- select work area or activity
- increase 5S/5C score (area score)

Techniques:

- establish area score
- identify missing information, tools and/or equipment
- identify improvements in existing SOPs
- techniques to communicate information using visual controls
- health and safety requirements

3 Be able to use visual indicators to improve the work environment

Indicators:

- purpose
- stages of process
- application, principles (standardisation, format, positioning, relevance) measures of performance
- benefits

4 Know ways to eliminate variance from processes in the workplace

Eliminate variance:

- principles and benefits (safety, quality, efficiency)
- standard working methods
- standardised work documents
- safe working method
- responsibility

Information for delivery staff

Essential requirements

Learners can find information using company annual reports, journals, magazines, company websites and newspapers.

Access to a range of information resources to complete investigative assignments and case studies will be essential.

Employer engagement and vocational contexts

Visits to companies and from employee ambassadors are useful to the delivery of this unit. The use of vocational contexts is essential in the delivery and assessment of this unit.

Delivery guidance

This unit offers learners the opportunity to apply the principles and techniques of workplace organisation to their work area and establish an area score. Tutors can introduce this topic by the interpretation of the 5Ss/5Cs from the Japanese words.

Tutors can explain how to establish an area score using case studies. Learners can then consider their own work area and its activity and determine where information, tools and/or equipment are missing and where improvements to the area or activity could be made.

Learners should understand the purpose of producing standard operating procedures and visual controls for the work area in order to improve existing practices. They could work in small groups to research existing standard operating procedures and visual controls, which could cover such things as: producing shadow boards to standardise the storage and location of area equipment, colour coding of equipment, cleaning and maintenance of equipment, production operations and health and safety. Each group could present their findings to the rest of the class for discussion and comparison.

Learners need to be aware that the concept of continuous improvement (Kaizen) is an important part of the lean philosophy. They can work in groups to research the definition of Kaizen and discuss the key features of this approach. Learners need to develop their knowledge and understanding of the importance of setting quantifiable objectives and targets for the improvement activity.

The definition of waste should be introduced, and groups can examine case studies to identify all forms of waste, and problems or conditions within the work area or activity where improvements can be made. This can be developed to explore waste in learners' own work environments and to examine how it can be eliminated. Learners can brainstorm what would reduce product cost, improve safety, improve quality, improve working practices and procedures, reduce lead time and reduce or eliminate waste.

Finally, learners should develop their knowledge of the principles and procedures of visual management systems and the types of information to be displayed. A visit to an organisation carrying out these practices would be useful.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Induction and outline scheme of work/programme of assignments.
Formal theory input on Kaizen principles and application.
Research, visits.
Assignment 1: Kaizen
Formal theory input on workplace improvement and techniques.
Research, visits.
Assignment 2: Workplace Improvement Techniques
Formal theory input on visual indicators and variance.
Research, visits.
Assignment 3: Visual Indicators and Variance
Non-supervised study time and completion of assignments.

Assessment guidance

Learners will be expected to produce evidence that shows their knowledge and understanding of business improvement tools and techniques. For P1, learners should identify the concept of Kaizen and describe the stages involved in the improvement cycle, illustrating them with a diagram.

For P2 and P3, learners are required to conduct an audit of a selected work area to determine where information, tools and/or equipment are missing, and where improvements could be made. Learners should justify the suggested improvements.

P4 requires learners to describe the features of a visual management system. They can build on the work for P2 and P3 and identify any visual management improvements, preparing appropriate visual indicators to support this.

For P5, learners must describe the benefits of having standard operating procedures in terms of safety, quality and efficiency. They should design a procedure for a selected activity or area, and outline the improvements it has made to the process.

The merit criteria requires more detail on the techniques and their application in a particular organisation. Also suggested improvements to the workplace.

The distinction criterion requires evaluation of Kaizen in a specified organisation.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1, D1	Assignment 1: Kaizen	Kaizen exercise.	Practical and witness statement.
P2, P3, D1	Assignment 2: Workplace Improvement Techniques	Improvement techniques.	Practical and witness statement.
P4, P5, M2	Assignment 3: Visual Indicators and Variance	Variance.	Practical and witness statement.

Suggested resources

Books

Mann D – *Creating a Lean Culture: Tools to Sustain Lean Conversions* (Productivity Press, 2005) ISBN 1563273225

Productivity Press Development Team – *Identifying Waste on the Shopfloor* (Productivity Press, 2003) ISBN 1563272873

Productivity Press Development – *Kaizen for the Shopfloor* (Productivity Press, 2002) ISBN 1563272725

Sayer N J and Williams B – *Lean for Dummies* (Wiley & Sons, 2007) ISBN 0470099313

Womack J P and Jones D T – *Lean Thinking: Banish Waste and Create Wealth in your Corporation* (Free Press, New Edition, 2003) ISBN 0743231643

Websites

www.bized.co.uk	A business education resource site
http://businesscasestudies.co.uk/	The Times 100 case studies

Unit 25: Enterprise in the Workplace

Level:	**2**
Notional Learning Hours:	**100 (including 60 GLH)**
Unit value (NLH/10):	**10**
SRF unit code:	**20640G**

This unit is internally assessed

Unit aim

The aim of this unit is to develop learners' skills and knowledge to be entrepreneurial. Learners will do this by undertaking specific projects which involve working on real business problems in the workplace.

Unit introduction

Learners will learn that running your own business can be an exciting yet daunting challenge. Exciting, as the drive to succeed and personal dreams are fulfilled; daunting, as unknown challenges are faced. It is important, therefore, to have the opportunity to experience typical day-to-day entrepreneurial activities first hand and to be able to undertake specific projects or solve real business problems. Learners will develop knowledge and understanding of how businesses succeed and the skills and abilities entrepreneurs draw on when faced with everyday issues or problems. This will be achieved by undertaking enterprise work placements to build confidence and skills.

Learners will undertake a minimum of two work placements working with two organisations in order to broaden their experiences and apply skills to particular projects or real business problems. This experience will enable learners to agree and set goals and to monitor and review the objectives through the process of identifying and developing ideas for the project or problem. Each project or problem, to be agreed with the workplace organisations and tutor, will focus on the production of an action plan with aims, objectives and targets that supports the development of the problem-solving process. Learners will monitor their progress against the agreed action plan targets and review the effectiveness of their own performance through recording experiences in a learning log or diary. Being able to reflect on and evaluate performance and progress and learning from challenges other successful entrepreneurs face, will help learners to understand the importance of planning and monitoring goals and the skills developed whilst in the workplace.

Outcomes of learning

On completion of this unit a learner should:

1 Know the features of the workplace organisations

2 Be able to undertake two agreed workplace projects

3 Be able to review the experience of work

4 Be able to report on the outcomes of the experience of work.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the type, structure and function of two workplace organisations	M1 Explain how organisational structure supports the functioning of two organisations	
P2 Identify the competitors of two workplace organisations		
P3 Prepare a plan showing the agreed objectives and targets for one activity in each of two workplaces	M2 Assess progress against the aims, objectives and targets for one activity in each of two workplaces	
P4 Demonstrate problem-solving skills in carrying out agreed projects		
P5 Maintain a reflective log to monitor the progress of agreed projects and development of own skills and behaviours	M3 Explain how the development of skills and behaviours improves own effectiveness in the workplace	D1 Evaluate how the workplace supports the development of own entrepreneurial skills
P6 Present results of agreed projects in a suitable format describing own contributions		D2 Evaluate the contribution of own skills and abilities to the performance of one organisation

Unit content

1 Know the features of the workplace organisations

Types of organisation:

- public limited company (plc)
- private limited company (ltd)
- partnership
- local authority
- voluntary sector or not for profit organisation
- franchise

Internal structure of organisation:

- aims
- purposes
- policies and procedures of organisation
- organisational charts
- functional interdependence
- staff organisation and roles
- learner's role and place in structure

Sector:

- primary, secondary, tertiary, quaternary

Function:

- purpose, e.g. profit, service provision, not for profit
- scope, e.g. national, international, global

Competitors:

- names
- type of activity
- sphere of operation, e.g. local, national, European Union (EU), global

2 Be able to undertake two agreed workplace projects

Aims, objectives and targets:

- personal/career development, work-related, e.g. job competencies, daily duties and routines, operational, practical, technical, people-related, learning and development, quality, health and safety, equal opportunities, benefit to the learner/organisation, review/achievement dates

Project/problem to solve:

- agreeing scope, terms of reference, budget, time scales, resources
- action planning, setting specific, measurable, achievable, realistic, time-constrained (SMART) objectives

Problem-solving skills:

- being creative and innovative
- methods of achieving aims, objectives and targets
- intended outcomes

3 Be able to review the experience of work

Reflective log:

- diary format, e.g. daily, half daily, hourly
- detail, e.g. tasks, supervisors, location
- signatures, e.g. mentor, supervisor, tutor
- information, e.g. meetings, training
- achievements
- best and worst aspects of own performance
- reflection on own performance
- evaluation of own performance

Skills and behaviours:

- dress code
- punctuality
- working with others
- teamwork
- communication and interpersonal skills
- business etiquette
- respect for diversity
- asking questions
- improved confidence
- reliability

Monitor performance:

- recording activities
- assessing outcomes of project or problem
- judging own performance
- supervisory judgements
- personal achievements against aims and objectives

Review:

- self-review
- review with workplace supervisor
- review with tutor
- formative and summative
- strengths and weaknesses of projects
- use and transferability of new skills and knowledge
- identification of issues
- application of solutions
- implications for future personal and professional development

4 Be able to report on the outcomes of the experience of work

Outcomes:

- benefits to self and to workplace provider
- career development plans
- success of solutions applied to identified issues
- successful and unsuccessful outcomes
- identification of improved knowledge and skills
- development of problem-solving skills

Report:

- written
- verbal
- use of materials, e.g. photographs, work-related forms
- witness testimony
- diary or log

Presentation:

- to tutor, workplace provider, other learners
- one-to-one or to group
- simple format for presentation both written and verbal
- use of information technology, e.g. PowerPoint
- use of activity logs and other records

Information for delivery staff

Essential requirements

The completion of this unit depends on suitable learner placements with appropriate projects to undertake or business problems to solve. Learners must undertake a minimum of two work placements with different organisations. Each placement must be for a minimum of one week. Learners must have access to library and research facilities including the internet.

Employer engagement and vocational contexts

Centres should develop links with organisations that are willing to provide work experience in terms of agreeing an appropriate and challenging work activity, as well as support and guidance for the learner. The work done by learners will be relevant to and supportive of the organisations' purposes and goals.

Delivery guidance

Work experience will be undertaken over two sessions of a minimum of one week each, totalling a minimum of two weeks of placement with two different workplace enterprises. Although one week in each workplace organisation is the minimum required, it is preferable for learners to undertake two weeks with each workplace organisation. Workplace organisations can include social enterprises as well as small businesses.

The placements will be agreed with the tutor, the organisation and the learner, with the aim of undertaking specific projects or business problems to solve. Working in different organisations will broaden learners' experience of working with others in a variety of types of organisation and will consequently enhance the evidence they are able to present for this unit.

Prior to the placements, learners need to understand the features of different types of organisations. Learners can split into groups with each group researching the key features of the organisations, be they public, private, voluntary, franchises or not for profit. Learners should also research competitors, the sector in which the organisation operates and its internal structure and function.

Prior to the placements, the centre must liaise with the employer and ensure that health and safety measures and insurance are in place and are appropriate. The centre should also ensure that they are satisfied with the organised programme of the placement and that the following are in place: an induction, and a set programme of role(s) for the learner, together with the appointment of a mentor who will have regular meetings with the learner.

The key to success in this unit is to ensure that learners undertake experiences that enable them to use problem-solving skills. Employers will need support on the types of work task that could be suitable, but these are likely to include specific projects requiring entrepreneurial skills, such as researching new markets or developing new ideas. Learners will benefit from working with experienced entrepreneurs and staff members in this capacity.

The centre must ensure that a tutor visits the learner as appropriate during the placements to discuss and review progress with both the learner and mentor and to address any concerns or problems which may arise. Learners require supported time to plan, review and evaluate their work experience placements and should be encouraged to be reflective throughout the whole process. They will need encouragement to collect a variety of evidence as they progress through their work experience. Evidence could include, for example, observations or witness statements from colleagues, supervisors or mentors or customers and where confidentiality is not an issue, completed work.

As part of the learning on this unit, and in order to prepare for work experience, learners could carry out skills development training for working with others. The importance of dress code, punctuality, business etiquette, and interpersonal skills should be emphasised. Role plays and videos could be used to illustrate how to create a positive image as well as workplace interactions.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor-led introduction to the unit and the programme of learning.
Learners research types of businesses or social enterprises, or tutor provides examples of suitable workplace opportunities. Learners research specific workplace organisations.
Learners research components of structure, function and competitors of workplace organisations and feed back to class.
Tutor-led consolidation of aspects of structure and function of businesses.
Preparation for assignment including individual learner work on features of workplace organisations. **Assignment 1: The Workplace Organisation**
Entrepreneur-led session on benefits of workplace and learning from experience and the expectations of a learner in the workplace.
Tutor-led group sessions on theory components of aims/objectives of placement.
Learners brainstorm skills and behaviours that might be needed during work experience and discuss in groups.
Learners meet their prospective employers and agree aims and objectives of the workplace. **Assignment 2: Setting Objectives**
Entrepreneur-led session on importance of reviewing own work experience against objectives.
Learners keep a learning log during both work experiences. **Assignment 3: Active Entrepreneurship 1**
Learner-initiated private study and preparation of assignment presenting results of personal development. **Assignment 4: Active Entrepreneurship 2**

Assessment guidance

Evidence for this unit will be generated from work experience and the learners' reflection on the development of their own knowledge, understanding and skills. Assessment should be supported with detailed workplace reports, witness testimonies and, where appropriate, observations. Tutors should seek opportunities to observe learners at their placements wherever possible.

To achieve P1, learners will need to describe their workplace organisations, including structure and internal organisation. This means that, ideally, the chosen organisations need to be of sufficient size and complexity to have different functional departments. This may not be the case with a small entrepreneurial organisation. In these circumstances, learners would describe how the functions are combined within the structure. For P2, learners must identify competitors. If learners are researching social enterprises they should understand the different relationships with competitor organisations.

For P3, P4 and P5, learners should prepare objectives, demonstrate skills and maintain their log for each workplace. For P3, learners need to include evidence which demonstrates agreeing objectives and targets for the workplace activities. Such evidence should include an action plan for the activity/problem clearly setting out aims, objectives and targets, showing when these have been reviewed or completed. For P4, witness testimony from tutors, the workplace or from customers could provide evidence of the demonstration of skills. For P5, learners need to provide a reflective log or diary to monitor the progress of their activities and development of their skills and behaviours in the workplace. It is envisaged that this log or diary will include details of meetings, working in teams, gathering information, problem solving etc., together with any copies of relevant documentation.

For P6, learners will present results of their experiences, particularly on their performance and progress to complete activities. Learners can combine their experiences of the two placements. This evidence would be suitable as either a written report or an oral presentation which must include copies of handouts, slides, and journal/diary notes. It would be useful to have both the mentor and the tutor in the audience.

To achieve merit grade (M1), learners will need to develop their work for P1 to include a deeper understanding and analysis of the sector within which the organisations operate. Learners should relate their understanding of the structure of the organisation to the way in which it functions. For M2, evidence from P3 will be developed, linked, and understanding shown by the use of appropriate examples.

For M3, evidence from P4 and P5 will be developed, linked, and applied using appropriate examples.

Distinction level work is characterised by the ability to use problem-solving skills, be innovative and think creatively. To achieve D1, learners should develop their ideas for merit grade and make an objective evaluation of how the work experience supported the development of entrepreneurial skills. D2 requires learners to evaluate their own contribution to the workplace organisations and it is envisaged that workplace activities will have been substantial enough for impacts to be assessable.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

The following assignments should be conducted for **each** placement.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	Assignment 1: The Workplace Organisation	A research portfolio prepared prior to working in the selected businesses.	Prepare a report describing the key features of the workplace organisations.
P3, P4, M2	Assignment 2: Setting Objectives	Brief to include agreed work project.	Prepare a plan outlining agreed objectives and targets.
P5, M3	Assignment 3: Active Entrepreneurship 1	Keeping records of projects carried out.	Prepare a reflective practice journal on skills and behaviours.
P6, M3, D1, D2	Assignment 4: Active Entrepreneurship 2	Brief to include outcome of activity and own contribution in each work placement.	Deliver a presentation on own contribution to each work placement.

Suggested resources

Books

Avery C, Walker M and O'Toole Murphy E – *Teamwork is an Individual Skill: Getting your work done when sharing responsibility* (Berett-Koehler, 2001) ISBN 9781576751558

Evans K, Unwin L, Rainbird H and Hodkinson P – *Improving Workplace Learning* (Routledge, New Edition, 2006) ISBN 9780415371209

Munro A, Rainbird H and Hodkinson P – *Workplace Learning in Context* (Routledge, 2004) ISBN 9780415316316

Journals

Business Review Magazine (Phillip Allan Publishers – see www.philipallan.co.uk)

The Economist and quality newspapers, especially the business sections

Website

www.work-experience.org.uk National Council for Work Experience

Unit 26: Sourcing and Buying in the Supply Chain

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20641G**

This unit is internally assessed

Unit aim

The unit gives learners an overview of the knowledge needed for the key aspects of sourcing and buying activities in the supply chain. Learners will also gain the skills needed to source and buy products in the supply chain, from raw to manufactured goods.

Unit introduction

This unit is designed to give learners an introduction to the key aspects of sourcing and buying activities in the supply chain. They will learn about the fundamental objectives of and processes for effective sourcing, and the main aims and procedures for efficient buying. Effective relationships with suppliers are of paramount importance to the buyer and this unit explores ways of achieving these and the effects of poor relationships.

Selecting the source from what to buy is only the beginning of the process. Expediting, monitoring and controlling placed orders are also essential parts of the total buying process. This unit will enable learners to understand the main procedures for achieving this.

Outcomes of learning

On completion of this unit a learner should:

1 Know how sourcing is undertaken in the supply chain

2 Know the buying activities involved in the supply chain

3 Understand the requirements of relationships with suppliers

4 Be able to carry out a review of monitoring and control procedures.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Identify sources of information	M1 Explain sources of information and the organisational requirements for the information sourced	D1 Analyse how the use of IT systems can help in sourcing and buying
P2 Outline organisational requirements for the information sourced		
P3 Describe sourcing strategies	M2 Explain sourcing strategies and the use of IT systems in the processes	
P4 Describe the requirement of effective buying activities		
P5 Explain the factors that may impact on the relationship with the supplier		
P6 Explain organisational procedures to maintain professional relationship with the supplier		
P7 Demonstrate the skills needed to carry out a review of monitoring and control procedures		D2 Analyse how the use of IT systems can help in carrying out a review of monitoring and control procedures

Unit content

1 Know how sourcing is undertaken in the supply chain

Sources of information:

- on potential suppliers
- internal
- external
- other suppliers
- directories and buyers' guides, catalogues, brochures
- qualitative, quantitative, financial, e.g. service levels, reputation
- availability of data which may be protected, e.g. Data Protection Act

Organisational requirements:

- for suppliers
- cost effective, efficient, organisational policies and plans, e.g. laid-down procedures
- formal/informal, e.g. relationships, communications
- non-statutory/statutory, e.g. health and safety, other relevant codes of practice

Sourcing strategies:

- supply chain market analysis, make or buy, single or multiple sources, international sourcing, supply agreements, partnerships

IT systems:

- Electronic Data Interchange (EDI), barcoding, functional compatibility and integration, intranets and extranets, websites

2 Know the buying activities involved in the supply chain

Buying activities:

- in the supply chain
- buying procedures, total acquisition cost (TAC)
- determining current and future needs, quantity, quality, continuity of supply, timescales, lead times
- stockholding costs versus Just-In-Time (JIT)
- identifying sources, tendering, establishing contracts/agreements
- product and performance specifications, negotiating price, placing orders, security, expediting
- receipt confirmation, quality assurance, authorising payment, retentions

Buying requirements:

- cost effective, efficient, organisational systems, e.g. approved procedures formal/ informal communications, e.g. verbal, written, records

IT systems:

- Electronic Data Interchange (EDI), electronic point of sale (EPOS), barcoding functional compatibility and integration of systems access through intranets, extranets, websites

3 Understand the requirements of relationships with suppliers

Professional relationships:

- across the supply chain
- codes of ethics, professional bodies, e.g. UK's trade facilitation body – Simplifying International Trade (SITPRO)
- regulatory bodies, e.g. European Union (EU), Department of Trade and Industry (DTI), General Agreement on Tariffs and Trades (GATT)
- existing industry regulations, guidelines, codes of conduct/practice that regulate purchasing and supply activities, the role of statutory and non-statutory organisations, constraints set down by existing industry regulations, guidelines, sources of information on the implementation of the codes of ethics, action necessary to ensure that existing industry regulations, guidelines and codes of conduct/practice are observed, the consequences of not following the codes of ethics, incorporating ethical behaviour into work
- consequences of not maintaining good relationships
- history of suppliers

Organisational procedures:

- supplier appraisal systems, vendor rating systems
- supplier development, trust
- negotiation strategies, methods and techniques
- buying records, content, purpose
- working relationships,
- nature of relationship, competitive or partnership/collaborative, roles of contacts, responsibilities and level of influence, colleagues, suppliers opportunities, existing, new
- what contributes towards goodwill and trust, when to pass on enquiries beyond own areas of responsibility

4 Be able to carry out a review of monitoring and control procedures

Monitoring:

- across the supply chain when sourcing and buying
- who – individual buyer
- confidentiality
- duties, responsibilities
- when – procedures, timeframes, order/supplier classifications
- what – selection for expediting, order progress, delivery schedules
- information technology (IT)

Control:

- across the supply chain when sourcing and buying
- how – action, developing suitable contacts, formal/informal approach, written/electronic reminder, verbal contact visit
- IT control

Information for delivery staff

Essential requirements

Learners will benefit from visiting to the sourcing and buying departments of different organisations in the supply chain. This will enable them to understand that, although the procedures and processes utilised in different organisations are rarely the same, the underlying aims and objectives do not vary. They should have access to the internet, for research purposes, and to up-to-date textbooks in order to keep abreast of any developments that may occur.

Health, safety and welfare issues must be considered at all times and risk assessments should be undertaken for all site visits used in the delivery or assessment of the unit. Access to suitable development sites may require permission from the owner, especially if learners require to visit the site for research.

Employer engagement and vocational contexts

The use of vocational contexts is essential in the delivery and assessment of this unit. Much of the work can be set in the context of case studies of local employers. Outcome of learning 4 lends itself to investigating industrial practices.

Delivery guidance

Tutors delivering this unit have opportunities to use a wide range of techniques. Lectures, discussions, seminar presentations, site visits, supervised practical activities, research using the internet and/or library resources, and the use of personal and/or industrial experience, are all suitable. Delivery should stimulate, motivate, educate and enthuse learners. Visiting expert speakers could add to the relevance of the subject.

Learners should be encouraged to read an appropriate range of documents and library/internet source material relating to the unit content. Overall delivery of the unit should be supported by the use of case studies and other industry-related documents.

The outcomes of learning are linked and form a logical, consistent and progressive structure, starting with the sourcing and buying processes and strategies policies followed by relationship management and review of monitoring and control procedures.

Teaching and learning strategies designed to support delivery of the outcomes of learning should take an integrated learner-centred approach. This would involve learners carrying out extensive investigative work. Learners will benefit from researching logistics-orientated organisations and outlets to find out about sourcing. Learners should also be given the opportunity to relate their experiences of the logistics industry in relation to organisational buying policies.

This unit should be based on both a classroom approach and learner investigations of the subject area in the logistics industry. Learners may benefit from the theory for sourcing and buying being delivered together, with a wide range of examples, comparing the logistics industry with other areas of business. Unit content may be linked to learners' experiences in relation to the procedures and practices of logistics operations.

Learners will benefit from visits to outlets and visits from guest speakers directly involved in procurement in range of establishments in the logistics industry. Visitors will provide an excellent current industry perspective. Sources and buyers from other industries may provide useful information so learners can see the similarities and differences in their approach. Specialists in the area of employment legislation may also be useful sources of information for learners.

Group activities are permissible, but tutors will need to ensure that individual learners have equal experiential and assessment opportunities.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor explanation: introduction to the unit.
Tutor explanation/class discussion: sourcing: what does it mean?
Tutor input: sources of information.
Class exercise: group work on sourcing followed by short presentations to the class.
Tutor input: IT systems and their application in sourcing.
Class exercise: group work on sourcing followed by short presentations to the class.
Class discussion: what do we want? Organisational requirements.
Tutor input: what do we want? Organisational requirements.
Learner activity: investigating statutory requirements followed by a brief group discussion – tutor to facilitate.
Class discussion: what is buying? Possible procedures.
Tutor explanation: buying activities.
Learner activity: investigate the buying sequence for a given tutor brief – followed by individual presentations.
Tutor input: decisions to be made: activity sequencing.
Class discussion: buying requirements.
Tutor explanation: buying requirements.
Tutor input: IT systems and their application in buying.
Preparation for assignment. **Assignment 1: Sourcing and Buying in the Logistics Industry**
Tutor explanation/class discussion: what is a professional relationship?
Tutor explanation: professional and regulatory bodies.
Learner activity: group work on professional bodies followed by short in-class presentations.
Tutor input: role of these bodies.

Topic and suggested assignments/activities/assessment
Tutor explanation/class discussion: codes: do these stop us? Are these mandatory?
Class exercise: role of regulators and codes – individual investigative piece of work to be presented to the class.
Tutor explanation: relationship management – organisational procedures.
Tutor explanation/class discussion: monitoring and control – when, how and why?
Tutor input: IT systems and their application in monitoring and control.
Preparation for assignment. **Assignment 2: Professional Relationships, Monitoring and Control**
Review of unit delivery and assessment.

Assessment guidance

Evidence for this unit may be gathered from a variety of sources, including well-planned investigative assignments, case studies or reports of practical assignments.

There are many suitable forms of assessment that could be used, and centres are encouraged to consider and adopt these where appropriate. Some examples are suggested below. However, these are not intended to be prescriptive or restrictive, and are provided as an illustration of the different forms of assessment evidence that would be acceptable.

Some criteria could be assessed directly by the tutor during practical activities. If this approach is used, suitable evidence from guided activities would be observation records or witness statements. Guidance on the use of these is provided on the Edexcel website.

Evidence for outcomes of learning can be achieved through well-planned assignments and projects. These will usually be undertaken individually but it is possible to introduce elements of teamwork into the collection or collation of data or in simulations of the planning process such as public consultation or inquiry. Where available, evidence from the workplace can be incorporated provided that is appropriate and authenticated as the learner’s own work. Integrative assignments will help to link this unit with other units. The volume of evidence required for each assessment should take into account the total number of assessments and the design of the overall teaching programme.

Formative assessments should be used throughout the unit, giving learners the opportunity to receive developmental and constructive guidance and feedback. This will allow them to gain an understanding of their personal achievement and the methods they can use to develop their learning.

Formative assessment should consider diverse sources of evidence. These may come from activity-based projects, observation and questioning, peer/tutor/logistics organisation witness testimony or personal statements. Group or individual planning and implementation documents are also an invaluable source of evidence.

The structure of the unit suggests that the grading criteria may be fully addressed by using two assignments. The first assessment would cover outcomes of learning 1 and 2 (P1, P2, P3, P4, M1, M2 and D1) and the second outcomes of learning 3 and 4 (P5, P6, P7 and D2).

To achieve a pass grade, learners must meet the seven pass criteria listed in the grading grid.

For P1, learners must be able to identify sources of information. This could include internal and external suppliers, websites, directories etc. Evidence for this criterion could be a report and/or presentation/oral questioning.

For P2, learners must be able to outline organisational requirements for the information sourced. This may include issues such as cost and other statutory issues such as health and safety. Suitable evidence approaches are the same as for P1.

For P3, learners must be able to describe sourcing strategies. Factors such as market analysis, international market, multiple sourcing etc should be included. Suitable evidence approaches are the same as for P1.

For P4, learners must describe the requirements of effective buying activities. This should be a comprehensive list considering areas such as just-in-time delivery. Suitable evidence approaches are the same as for P1.

For P5, learners must be able to explain the factors that can impact on the relationship with the supplier. These should include professional and regulatory bodies, codes of ethics and other industrial codes. Suitable evidence approaches are the same as for P1.

For P6, learners must be able to explain organisational procedures to ensure a professional relationship with the supplier. Learners should be able to include at least five procedures. Suitable evidence approaches are the same as for P1.

For P7, learners must be able to demonstrate the skills needed to carry out review of monitoring and control procedures. Learners should be given access to industrial documentation or their work experience should be considered. The overall approach should be to provide a simulated work experience. Learners should be able to answer the questions of what and when. Suitable evidence approaches are the same as for P1.

To achieve a merit grade, learners must meet all of the pass grade criteria and the two merit grade criteria.

For M1, learners must explain sources of information and the organisational requirements for information sourced. This can be set as an extension to P1. Suitable evidence approaches are the same as for P1.

For M2, learners must explain sourcing strategies and the use of IT systems in the processes. This may include EDI systems, websites (intra and extra nets), etc. Learners must look into the question of how an IT system provides support in buying and sourcing. Suitable evidence approaches are the same as for P1.

To achieve a distinction grade, learners must meet all of the pass and merit grade criteria and the two distinction grade criteria.

For D1, learners must be able to analyse how the use of IT systems can help in sourcing and buying. This can be set as an extension to M1. Suitable evidence approaches are the same as for P1.

For D2, learners must analyse how the use of IT systems can help in carrying out a review of monitoring and control procedures. This can be set as an extension to P7. Suitable evidence approaches are the same as for P1.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P4, M1, M2, D1	Assignment 1: Sourcing and Buying in the Logistics Industry	You have recently joined Transport for London (TfL) as a purchasing clerk. Your manager has asked you to carry out research into sourcing and buying processes, information sources and the requirements.	A portfolio/report containing a description of information sources, sourcing strategies, buying processes and the use of IT systems in supporting these.
P5, P6, P7, D2	Assignment 2: Professional Relationships, Monitoring and Control	Your first report has been well received. Your manager has now asked you to look into how professional relationships can be maintained and how monitoring and control procedures can be reviewed.	A portfolio/report containing an explanation of professional bodies, codes, review procedures and the use of IT systems in supporting these.

Suggested resources

Books

Paquette A – *The Sourcing Solution – A Step-by-Step Guide to Creating a Successful Purchasing Program* (Amacom, 2004) ISBN 9780814471913

Rushton A, Croucher P and Baker P – *The Handbook of Logistics and Distribution Management, 3rd edition* (Kogan Page, 2006)
ISBN 9780749446697

Sudhi S – *Sourcing Strategy: Principles, Policy and Designs* (Springer, 2005) ISBN 9780387251820

Websites

www.gov.uk/government/organisations/department-for-business-innovation-skills	The Department for Business Innovation and Skills
www.ciltuk.org.uk	The Chartered Institute of Logistics and Transport
www.cips.org	Charted Institute of Purchasing and Supply
www.europa.eu/index_en.htm	Europa – The European Union online

Unit 27: Technology in the Logistics Sector

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20642G**

This unit is internally assessed

Unit aim

This unit develops learners' understanding of the importance of technology in the logistics sector, in particular warehousing, distribution and transport operations.

Unit introduction

Technology has had a huge impact on today's logistics industry. There are new warehouse systems that are completely automated to maximise efficiency and include computerised stock monitoring systems. These systems, in turn, feed data into track and trace systems that inform the customer via the internet of the exact location of goods at any one time. As well as maximising efficiency, new technology has enabled the industry to put the customer first. It has also enabled logistics organisations to communicate to a higher degree with all their internal customers, which has a positive impact on the quality of service offered.

Learners will investigate the use of technology within the modern logistics industry using specific examples taken from the warehousing, transport and distribution sections of the industry. New developments will be looked at, specifically to see how technology impacts certain areas, along with the advantages and disadvantages. Legislation will also be covered as this has changed over the last few years to account for increased mechanisation and new issues that technology brings to the workplace.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the use of technology in logistics operations

2 Understand automated warehousing systems

3 Know the legislation governing the use of technologies in logistics operations.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Explain how technology is used in warehousing operations		
P2 Explain how technology contributes to efficient distribution and transport operations		
P3 Explain new technological developments in distribution and transport systems	M1 Assess new technological developments in distribution and transport systems	
P4 Examine how automated warehousing systems are used within a warehouse	M2 Analyse how automated warehousing systems link to other systems in the supply chain	D1 Evaluate how automated warehousing systems link to other systems in the supply chain
P5 Outline legislation governing the use of technologies in logistics operations		D2 Evaluate how legislation affects the use of technology in logistics operations

Unit content

1 Understand the use of technology in logistics operations

Warehousing technology:

- stock barcode readers – processing
- storage devices, SMS to driver, email, internet, voice traffic; terminology
- how information moves between systems (including store, warehouse and corporate servers), e.g. order processing and distribution
- computer integrated management systems
- importance of accurate and timely data, e.g. Just-In-Time (JIT) systems

Benefits required:

- flexibility, reduction in stock keeping unit level, speed of response, e.g. JIT competitive advantage, global strategy

Distribution and transport operations technology:

- information technology systems which contribute to the effective delivery of goods, e.g. long- and short-term planning and scheduling systems, route planning software
- tracking systems, e.g. analogue and digital tachographs

New developments:

- in transport systems and software, in warehouse/store interface systems allowing improvements to load planning

2 Understand automated warehousing systems

Systems:

- automated stock control systems (ingoing and outgoing), type and characteristics of different stock keeping units, stock rotation and replenishment, space allocation, picking routines
- use of automated equipment, e.g. automated warehouse cranes, automated guided vehicles, very narrow aisle trucks, pick by light, garment handling, automated conveyance systems
- warehouse links to other systems in the supply chain, e.g. manufacturing control systems, transport systems, order processing systems, retail store allocation systems, e-ordering and mail order systems

3 Know the legislation governing the use of technologies in logistics operations

Legislation:

- Health and Safety at Work Act 1974
- Manual Handling Operations Regulations 1992
- COSHH (Control of Substances Hazardous to Health)
- RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations)
- Misuse of Computers Act 1990
- Data Protection Act 1998
- controls on driver hours (UK and EU), implications of relevant traffic acts

Information for delivery staff

Essential requirements

Learners will benefit from having access to logistics outlets and sufficient library and/or internet resources to allow them to research the current activities of logistics organisations.

Visits to and/or visiting speakers from logistics organisations will be helpful. Learners should have access to a learning resource centre with a good range of logistics trade journals, local and national newspapers and specialist periodicals.

Tutors will need to ensure that learners have up-to-date information regarding local and national logistics organisations.

Health, safety and welfare issues must be considered at all times and risk assessments should be undertaken for all site visits used in the delivery or assessment of the unit. Access to suitable development sites may require permission from the owner, especially if learners need to visit the site for research.

Employer engagement and vocational contexts

The use of vocational contexts is essential in the delivery and assessment of this unit. Much of the work can be set in the context of case studies of local employers. Outcomes of learning 1 and 2 lend themselves to investigating industrial practices.

Delivery guidance

Tutors delivering this unit have opportunities to use a wide range of techniques. Lectures, discussions, seminar presentations, site visits, role play, research using the internet and/or library resources, and the use of personal and/or industrial experience, are all suitable. Delivery should stimulate, motivate, educate and enthuse learners.

Visiting expert speakers could add to the relevance of the subject. Learners should be encouraged to read an appropriate range of documents and library/internet source material relating to the unit content. Overall delivery of the unit should be supported by the use of case studies and other industry-related documents.

The outcomes of learning are linked and form a logical, consistent and progressive structure, starting with the use of technology in warehousing, distribution and transport systems and then examining automated systems.

Access to up-to-date resources is essential but it is important to stress to learners that the degree of automation will vary between organisations and within different functional areas.

Visits from speakers who work in these areas of the business should be encouraged, although care should be taken to ensure that the terminology they use, and the examples they provide, do not go beyond the level of this qualification. Learners will benefit from visits to a variety of retail and distribution companies that are using this technology. This will enable learners to see the technology in operation.

When dealing with legislation and regulations learners do not need to go into great depth. They should be aware of the main points of the legislation and regulations and how they apply to the sector.

Learners could collect information from appropriate organisations, for example annual reports and trade journals. Warehouses can be dangerous places and it is vital that learners have the necessary understanding of health and safety requirements before any visit.

The use of role play, group discussions and presentations will give learners an opportunity to bring the topic 'to life'. Real-life case studies should be used to illustrate the use and importance of technology in logistics operations.

Group activities are strongly recommended, but tutors will need to ensure that individual learners have equal experiential and assessment opportunities.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor explanation: introduction to the unit.
Tutor explanation/class discussion: what technology can do.
Tutor input: available technologies: warehouse operations.
Class exercise: investigative group work on common technologies used in warehouses followed by in-class presentations.
Tutor input: available technologies: distribution and transportation operations.
Class exercise: investigative group work on common technologies used in distribution and transportation for a tutor-led brief followed by in-class presentations.
Tutor explanation/class discussion: What benefits does technology bring to distribution and transportation?
Learner activity: visit to a warehouse: learner to make notes on how technology is used in operations.
Tutor explanation: new technological developments.
Class exercise: investigative group work on new technologies used in logistics operations followed by in-class presentation.
Tutor input: automated systems.
Tutor explanation/class discussion: automated systems – case study.
Tutor explanation/class discussion: legislation relevant to the use of technology.
Class exercise: investigative group work on a given piece of legislation followed by in-class presentations.
Tutor input: 'putting it all together', integration of processes.
Preparation for assignment. **Assignment 1: Use of Technology in Logistics**
Review of unit delivery and assessment.

Assessment guidance

Evidence for this unit may be gathered from a variety of sources, including well-planned investigative assignments, case studies or reports of practical assignments.

There are many suitable forms of assessment that could be used, and centres are encouraged to consider and adopt these where appropriate. Some examples are suggested below. However, these are not intended to be prescriptive or restrictive, and are provided as an illustration of the different forms of assessment evidence that would be acceptable.

Some criteria could be assessed directly by the tutor during practical activities. If this approach is used, suitable evidence from guided activities would be observation records or witness statements.

Evidence for outcomes of learning can be achieved through well-planned assignments and projects. These will usually be undertaken individually but it is possible to introduce elements of teamwork into the collection or collation of data or in simulations of the planning process such as public consultation or inquiry. Where available, evidence from the workplace can be incorporated provided that is appropriate and authenticated as the learner's own work. Integrative assignments will help to link this unit with other units. The volume of evidence required for each assessment should take into account the total number of assessments and the design of the overall teaching programme.

Formative assessments should be used throughout the unit, giving learners the opportunity to receive developmental and constructive guidance and feedback. This will allow them to gain an understanding of their personal achievement and the methods they can use to develop their learning.

Formative assessment should consider diverse sources of evidence. These may come from activity-based projects, observation and questioning, peer/tutor/logistics organisation witness testimony or personal statements. Group or individual planning and implementation documents are also an invaluable source of evidence.

The structure of the unit suggests that the grading criteria may be fully addressed by using one assignment covering P1, P2, P3, P4, P5, M1, M2, D1 and D2. Learners should be given a brief which will give them an opportunity to explore technologies, systems and legal requirements in a real world context.

To achieve a pass grade, learners must meet the five pass criteria listed in the grading grid.

For P1, learners must be able to examine how technology is used in warehousing operations.

Learners should show that they understand the basic level technologies, such as bar readers, and higher order system wide technologies, which ensure integration of information. This could be done through producing a report, with a brief explanation of how these technologies work. Evidence for this criterion could be a report supported by suitable examples.

For P2, learners must be able to explain how technology contributes to efficient distribution and transport operations. This should include scheduling, route planning and tracking systems and take into account both long- and short-term planning. Suitable evidence approaches are the same as for P1.

For P3, learners must be able to explain new technological developments in distribution and transport systems. The evidence could be a report or a presentation followed by oral questioning.

For P4, learners must examine how automated warehousing systems are used within a warehouse. They should be able to approach this criterion in a holistic way taking into account all major warehouse operations and their automation. Suitable evidence approaches are the same as for P1.

For P5, learners must be able to outline legislation governing the use of technologies in logistics operations. This should include legislation relating to health, safety and welfare as well as that relating to data protection and misuse of computers. Evidence for this criterion could be a report/presentation and/or oral questioning.

To achieve a merit grade, learners must meet all of the pass grade criteria and the two merit grade criteria.

For M1, learners must assess how technology contributes to efficient distribution and transport operations. Learners should clearly demonstrate their understanding of technology as an enabler. This could be set as an extension to P2 and/or P3 and, ideally, as a case study. Suitable evidence approaches are the same as for P1.

For M2, learners must analyse how automated warehousing systems link to other systems in the supply chain. This should include links to at least three other systems in the supply chain such as manufacturing control systems, transport systems, order processing systems, retail store allocation systems, e-ordering and mail order systems. This can be set as an extension to P4. Suitable evidence approaches are the same as for P1.

To achieve a distinction grade, learners must meet all of the pass and merit grade criteria and the two distinction grade criteria.

For D1, learners must be able to evaluate how automated warehousing systems link to other systems in the supply chain. The brief provided should give learners opportunities to carry out this evaluation. Learners should also include some real world examples. This could be set as an extension to M2. Suitable evidence approaches are the same as for P1.

For D2, learners must be able to evaluate how legislation affects the use of technology in logistics operations. This evaluation should include legal requirements regarding health and safety, EU regulations, data protection, misuse of computers etc. The brief provided should give learners opportunities to carry out this evaluation.

Learners should also include some real world examples. This could be set as an extension to P5. Suitable evidence approaches are the same as for P1.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P4, P5, M1, M2, D1, D2	Assignment 1: Use of Technology in Logistics	You have recently joined a national logistics organisation. Your manager has asked you to carry out a research project into the use of technologies in warehousing, distribution and transport operations. The research would also include new developments and relevant legislation. Most of the goods are domestic appliances and other non-perishable items However, your organisation is expanding to deal with food, drink and DIY type materials, including paints and a range of chemicals. You have also been asked to analyse/evaluate the systems and procedures needed to cater for this expansion.	A portfolio/report containing a discussion of technologies and an outline of legislative requirements. For higher level achievement, an analysis and evaluation of systems and their links with other supply chain operations will be required.

Suggested resources

Books

Ackerman K – *Practical Handbook of Warehousing, 4th edition* (Kluwer Academic Publishers Group, 1997) ISBN 9780412125119

Frazelle E – *World-class Warehousing and Material Handling* (McGraw-Hill Education, 2001) ISBN 9780071376006

Websites

www.bcs.org.uk	Chartered Institute for IT
www.gov.uk/government/organisations/department-for-business-innovation-skills	The Department for Business Innovation and Skills
www.bmhf.org.uk	British Materials Handling Federation
www.ciltuk.org.uk	The Chartered Institute of Logistics and Transport
www.sema.org.uk	Storage Equipment Manufacturers' Association – the British trade association of the storage equipment industry
www.gov.uk/government/organisations/uk-trade-investment	UK Trade and Investment – helping UK businesses trade in international markets

Unit 28: Warehousing Skills in Logistics

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20643G**

This unit is internally assessed

Unit aim

This unit will enable learners to develop an understanding of the warehousing skills needed to work effectively and safely in a warehouse environment. This unit will also help learners to understand the workflow of activities, from receiving goods and processing to selecting and assembling goods for customer orders.

Unit introduction

In this unit learners will learn about warehousing skills. Consideration will be given to the work carried out in a warehouse, covering the knowledge and understanding learners need when working in a warehouse environment.

A warehouse is a place where stock arrives in bulk and is then broken down into smaller parcels and redistributed. The stock may then go to the shop floor, as it would in the case of a warehouse within a large retail outlet such as a superstore, or it may go to a distribution centre operated by a logistics company. Stock could also arrive directly at the premises of a local firm that then distributes goods such as frozen foods or petroleum products, or stock could go to a cash and carry business.

Whatever form the warehouse takes, the principles are the same: to receive goods and redistribute them as efficiently and securely as possible in accordance with customer needs. Some warehouses are fully automated and controlled with computers, whilst others are still operated manually.

Outcomes of learning

On completion of this unit a learner should:

1 Know the safe working arrangements in a warehouse environment

2 Understand how goods are received into a warehouse

3 Understand how logistics organisations meet customer needs

4 Understand how logistics organisations select stock and assemble goods for customer orders.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the safe working arrangements for individuals working in a warehouse	M1 Explain why safe working arrangements are needed for individuals working in a warehouse	D1 Evaluate how effective the working arrangements are for an individual working in a specific warehouse environment
P2 Explain the processes used to receive and verify goods arriving at a warehouse		
P3 Describe the environmental arrangements for the storage of goods		
P4 Explain the methods used to meet customer needs	M2 Analyse the purpose of the methods used to meet customer needs	
P5 Describe the procedures used to select and assemble customer orders	M3 Assess the purposes of the procedures used to select and assemble customer orders	D2 Evaluate how the procedures used to select stock and assemble goods meet customer needs

Unit content

1 Know the safe working arrangements in a warehouse environment

Working arrangements:

- individual work roles, standards, output targets and requirements in a warehouse
- special clothing
- maintain the work area
- work quality and work standards
- warehouse operations
- warehouse organisation
- warehouse processes and procedures

Health and safety considerations:

- individual rights and responsibilities
- designated first aider, location of first aid equipment
- accident recording book
- protective clothing
- safe storage of goods
- mechanical and manual handling
- visual signs and indicators
- safety checks
- different types of fire extinguishers
- escape routes and their location

2 Understand how goods are received into a warehouse

Receiving goods:

- security procedures in the goods reception area
- document completion, e.g. check accuracy of deliveries against delivery note
- accepting the goods when they arrive
- disposing of pallets and packaging safely, securely and in accordance with legal requirements
- handling and lifting techniques, e.g. manual and mechanical methods
- stock rotation systems that apply to goods of different types
- identifying and dealing with defective goods
- confirming any special environmental arrangements for the storage of goods, e.g. flammable, toxic, frozen, containing alcohol e.g. wines, spirits

3 Understand how logistics organisations meet customer needs

Customer needs:

- identifying customer needs
- meeting customer needs both internal and external e.g. by checking stock levels for availability of goods
- communicating with customers, e.g. face to face and via telephone, post, fax and email
- speaking to customers appropriately, e.g. politely, clearly, promptly, asking questions, listening, answering queries, dealing with customer complaints

4 Understand how logistics organisations select stock and assemble goods for customer orders

Select stock and assemble goods:

- stock levels – availability of goods
- stock location
- assembling orders by selecting stock from the warehouse using picking lists
- wrapping and packing goods for dispatch, appropriate packaging materials, complying with legislation, e.g. recyclable materials
- completing paperwork, e.g. picking lists, delivery notes, stock transfers, stock pick-ups

Customer orders:

- large-scale
- small-scale
- individual
- types of goods, e.g. perishable such as foodstuffs and beverages, non-perishable such as clothing and equipment

Information for delivery staff

Essential requirements

Learners will need access to sufficient library and/or internet resources to allow them to research the current activities of logistics organisations.

Learners should have access to a learning resource centre with a good range of logistics trade journals, local and national newspapers and specialist periodicals.

Tutors will need to ensure that learners have up-to-date information regarding local and national logistics organisations.

Health, safety and welfare issues must be considered at all times and risk assessments should be undertaken for all site visits used in the delivery or assessment of the unit.

Employer engagement and vocational contexts

The use of vocational contexts is essential in the delivery and assessment of this unit. Much of the work can be set in the context of case studies of local employers. Outcomes of learning 1, 2 and 4 lend themselves to investigating industrial practices. Visits to and/or visiting speakers from logistics organisations will be helpful in emphasising the practical aspects of warehousing.

Delivery guidance

Tutors delivering this unit have opportunities to use a wide range of techniques. Lectures, discussions, seminar presentations, site visits, role play, research using the internet and/or library resources, and the use of personal and/or industrial experience, are all suitable. Delivery should stimulate, motivate, educate and enthuse learners. Visiting expert speakers could add to the relevance of the subject.

Learners should be encouraged to read an appropriate range of documents and library/internet source material relating to the unit content. Overall delivery of the unit should be supported by the use of case studies and other industry-related documents.

The outcomes of learning are linked and form a logical, consistent and progressive structure, starting with the organisational arrangements followed by procedures to receive and verify goods, meeting customer needs, assembling goods and the relevant legislation governing warehousing operations.

This unit creates opportunities for delivery based on practical activities rather than a purely theoretical approach. Learners will benefit from visits to warehouses and visits from guest speakers directly involved in a range of establishments in the logistics industry. Visitors will provide an excellent, current industry perspective. Specialists in the area of health and safety legislation may also be useful sources of information for learners.

Learners could collect information from appropriate organisations, for example annual reports and trade journals. Warehouses can be dangerous places and it is vital that learners have the necessary understanding of the health and safety requirements before any visit.

Learners need to know the standards and output targets in a warehouse and their contribution to its effective operation. They need to understand why it is necessary to work in an organised and tidy manner and the effect on colleagues and health and safety if this does not happen.

The use of role play, group discussions and presentations will give learners an opportunity to bring the topic 'to life'. Real-life case studies should be used to illustrate all aspects of warehousing operations and the impact of problems or issues, which may cause hold ups in meeting customer needs.

Group activities are strongly recommended, but tutors will need to ensure that individual learners have equal experiential and assessment opportunities.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor explanation: introduction to the unit.
Tutor explanation/class discussion: how a warehouse operates.
Tutor input: organisational processes and procedures.
Tutor explanation: individual roles and output targets.
Class exercise: role play on individual roles with support from the tutor.
Tutor input: health and safety issues: special clothing, handling, checks etc.
Class exercise: group work on the health and safety requirements for a given work environment followed by short presentations to the class.
Tutor explanation: receiving goods – goods characteristics, health and safety requirements.
Tutor input: receiving and verifying goods.
Learner activity: visit to a warehouse: learners to make notes on goods handling, verifying and receiving procedures.
Preparation for assignment. **Assignment 1: Warehousing Operations**
Tutor explanation/class discussion: What is a customer? How can we identify needs? Types of order.
Tutor input: communicating with customers: methods and skills.
Class exercise: group work on meeting customer needs effectively – tutor to support (role play and presentation).
Tutor explanation/class discussion: selecting stock and assembling goods.
Tutor input: relevant legislation and documentation.
Preparation for assignment. **Assignment 2: Meeting Customer Needs**
Review of unit delivery and assessment.

Assessment guidance

Evidence for this unit may be gathered from a variety of sources, including well-planned investigative assignments, case studies or reports of practical assignments.

There are many suitable forms of assessment that could be used, and centres are encouraged to consider and adopt these where appropriate. Some examples are suggested below. However, these are not intended to be prescriptive or restrictive, and are provided as an illustration of the different forms of assessment evidence that would be acceptable.

Some criteria could be assessed directly by the tutor during practical activities. If this approach is used, suitable evidence from guided activities would be observation records or witness statements.

Evidence for outcomes of learning can be achieved through well-planned assignments and projects. These will usually be undertaken individually but it is possible to introduce elements of teamwork into the collection or collation of data or in simulations of the planning process such as public consultation or inquiry. Where available, evidence from the workplace can be incorporated, provided that is appropriate and authenticated as the learner's own work. Integrative assignments will help to link this unit with other units. The volume of evidence required for each assessment should take into account the total number of assessments and the design of the overall teaching programme.

Formative assessments should be used throughout the unit, giving learners the opportunity to receive developmental and constructive guidance and feedback. This will allow them to gain an understanding of their personal achievement and the methods they can use to develop their learning.

Formative assessment should consider diverse sources of evidence. These may come from activity-based projects, observation and questioning, peer/tutor/logistics organisation witness testimony or personal statements. Group or individual planning and implementation documents are also an invaluable source of evidence.

The structure of the unit suggests that the grading criteria may be fully addressed by using two assignments. The first assessment would cover outcome of learning 1 and 2 (P1, P2, P3, M1 and D1) and the second outcome of learning 3 and 4 (P4, P5, M2, M3 and D2).

Learners should be given a brief which gives them an opportunity to explore systems, procedures and legal requirements in a real world context.

To achieve a pass grade, learners must meet the five pass criteria listed in the grading grid.

For P1, learners must be able to describe the working arrangements for an individual working in a warehouse. Learners should show that they understand the roles of the different staff who work in a warehouse. This could be through a chart showing the different levels of staff and the job roles, providing a brief description of the work they carry out. Evidence for this criterion could be a report supported by a suitable chart/illustration.

For P2, learners must be able to explain processes used to receive and verify goods arriving at a warehouse. These should include receiving and verification procedures such as security and accuracy checks. Suitable evidence approaches are the same as for P1.

For P3, learners must be able to describe environmental arrangements for the storage of goods. This should include a differentiation of the type of goods such as flammable, toxic, frozen etc. Suitable evidence approaches are the same as for P1.

For P4, learners must explain the methods used to meet customer needs effectively. They should be able to demonstrate an awareness of how customer needs are identified and the importance of using different forms of communication to meet these needs. Suitable evidence approaches are the same as for P1.

For P5, learners must be able to discuss the procedures used to select and assemble customer orders. This could be through learners taking an example order and describing which goods they would select and the methods they would use to assemble the goods to meet customer needs. Evidence for this criterion could be a report/presentation and/or oral questioning.

To achieve a merit grade, learners must meet all of the pass grade criteria and the three merit grade criteria.

For M1, learners must explain the working arrangements, including health and safety requirements, for an individual working in a warehouse. Learners should demonstrate that they have an awareness of health and safety requirements and can apply them to the warehouse environment. This can be set as an extension to P1 and, ideally, as a case study. Suitable evidence approaches are the same as for P5.

For M2, learners must analyse the purpose of the methods used to meet customer needs effectively. This should include both internal and external customers. This can be set as an extension to P4. Suitable evidence approaches are the same as for P5.

For M3, learners must analyse how the procedures used to select and assemble customer orders ensure customer needs are met. This should include checking stock levels and wrapping/packaging orders. This can be set as an extension to P5. Suitable evidence approaches are the same as for P5.

To achieve a distinction grade, learners must meet all of the pass and merit grade criteria and the two distinction grade criteria.

For D1, learners must be able to evaluate the working arrangements, including health and safety requirements, for an individual in a warehouse environment. They should be able to apply their knowledge of health and safety regulations in a warehouse. Learners should also explain accurately the effects of non-compliance with health and safety regulations. The brief provided should give learners opportunities to carry out this evaluation. Learners should also include some real world examples. Suitable evidence approaches are the same as for P5.

For D2, learners must be able to evaluate the legislative requirements regarding goods received and despatched. This evaluation should include legal requirements regarding disposal of packaging, handling of goods, recyclable materials, documentation etc. The brief provided should give learners opportunities to carry out this evaluation. Learners should also include some real world examples. Suitable evidence approaches are the same as for P5.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1, D1	Assignment 1: Warehousing Operations	You have recently joined a warehouse which also has a retail outlet. Your manager has asked you to carry out research into the existing organisational arrangements to operate the warehouse. Most of the goods are domestic appliances and other non-perishable items. The findings should be presented in the form of a report.	A portfolio/report containing a discussion of individual roles/responsibilities, output targets and other arrangements needed to operate a warehouse. It would also include a report on procedures to receive and verify goods For higher level achievement, an analysis and evaluation of these arrangements would be needed in terms of health and safety requirements.
P4, P5, M2, M3, D2	Assignment 2: Meeting Customer Needs	Your report was well received. As your organisation is expanding to deal with food, drink and DIY type materials, including paints and a range of chemicals for a large customer base, you have also been asked to analyse/evaluate the systems and procedures needed to cater for this expansion.	A portfolio/report containing an explanation of methods used to meet customer needs as well as a discussion of selecting and assembling goods For higher level achievement, an analysis, explanation and evaluation of these aspects will have to be carried out.

Suggested resources

Books

Ackerman K – *Practical Handbook of Warehousing, 4th edition*
(Kluwer Academic Publishers Group, 1997) ISBN 9780412125119

Culinane T, Tompkins J and Smith J – *How to Plan and Manage Warehouse Operations, 2nd edition* (AMACOM, 1994) ISBN 9780761207115

Frazelle E – *World-class Warehousing and Material Handling*
(McGraw-Hill Education, 2001) ISBN 9780071376006

Websites

www.gov.uk/government/organisations/department-for-business-innovation-skills	The Department for Business Innovation and Skills
www.ciltuk.org.uk	The Chartered Institute of Logistics and Transport
www.europa.eu/index_en.htm	Europa – The European Union online

Unit 29: Transport, Distribution and the Storage of Goods within the Logistics Industry

Level:	**2**
Notional Learning Hours:	**50 (including 30 GLH)**
Unit value (NLH/10):	**5**
SRF unit code:	**20644G**

This unit is internally assessed

Unit aim

This unit provides an overview of transport, storage systems and distribution networks together with their regulation and importance to the efficient functioning of the economy.

Unit introduction

Learners will learn that all logistics businesses rely on logistical support systems, especially transport, distribution and storage. Different transport systems are used to transfer goods and freight using different types of vehicles. Container trains move goods from ports to distribution centres. Tankers move petroleum from refineries to garages forecourts. Routing has to be scheduled. It is important that the distribution of goods is done efficiently and that costs are controlled. Goods have to be stored properly so their condition does not deteriorate. In this unit, consideration is given to the legislation that covers both the transportation and storage of goods which ensure they are moved and handled safely and securely to the benefit of suppliers, shippers and customers.

Outcomes of learning

On completion of this unit a learner should:

1 Understand the operation of transport systems
2 Know how distribution networks function
3 Understand the storage systems used for goods
4 Know the legislation in respect of the transportation, distribution and storage of goods.

Assessment and grading grid

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the outcomes of learning for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 Describe the transportation systems and related vehicle types that can be used to move goods	M1 Compare the systems used for transporting two types of goods with different characteristics	D1 Evaluate the effectiveness of the transportation systems and networks used for transporting two types of goods with different characteristics
P2 Explain the importance of costing and routing systems in supply chains		
P3 Describe the distribution networks used in the supply chain	M2 Compare the distribution networks used for transporting two types of goods with different characteristics	
P4 Explain the systems used for ensuring the efficient movement of goods inwards		
P5 Explain the systems used for ensuring the efficient movement of goods outwards		
P6 Describe the legislation that applies to the transporting, distribution and storage of goods	M3 Analyse health and safety legislation that impacts on the development of safe storage systems	

Unit content

1 Understand the operation of transport systems

Transportation systems:

- techniques including road, rail, air, sea, pipeline
- vehicle types including motor vehicles and trailers, rail freight vehicles, aircraft, ships/barges

Freight systems:

- types, e.g. containerisation, palletisation
- selection of systems, e.g. routing, distance to be travelled by goods, type of goods to be moved; quantity e.g. individual items, bulk, unit size, urgency, value, frequency

Costing systems:

- the importance of and methods used for the budgeting of costs including transport resources, e.g. personnel, machinery, materials

Routing and scheduling to maximise efficiency and minimise costs

- manual, electronic, daily, strategic

2 Know how distribution networks function

Networks

- e.g. roads, canals, pipelines, ports, airports, rail, sea routes

Location:

- production
- storage facilities
- network services

Supply chain

- from ‘dust to rust’ including producer/manufacturer, transportation, warehousing, wholesaler, retailer, consumer

Characteristics of goods and the factors that affect the distribution process:

- weight
- dimensions
- sensitivity
- out of gauge cargo
- value
- perishability
- seasonality
- hazardous products

Cash flow

- when goods are imposing a cost and when goods are generating revenue

3 Understand the storage systems used for goods

Goods inwards:

- receiving goods
- security procedures
- documentation
- use of machinery, e.g. fork-lift trucks

Stock control

- correct handling, manual lifting, stock rotation, disposal of waste

Receiving and verifying goods:

- accepting goods
- identifying and dealing with defective goods
- special environmental arrangements for storage of goods,
- booking in systems for high capacity/turnover storage

Goods outwards:

- selecting stock, e.g. using picking lists
- wrapping and packing goods
- documentation

Health and safety considerations for employers and employees:

- rights and responsibilities
- location of first aid equipment
- accident record book
- safety checks
- escape routes

4 Know the legislation in respect of the transportation, distribution and storage of goods

Transport legislation and regulations:

- licences, e.g. 'O' licence for goods exceeding 3.5 tonnes gross weight
- Heavy Goods Vehicle licence for goods exceeding 7.5 tonnes gross weight
- dangerous substances conveyed in road tankers and tank containers
- regulations and legislation to include Road Traffic Acts 1988 and 1991, Carriage of Goods by Road Act 1965, Carriage by Road and Air Act 1979, Transport Act 1968 (Parts I and V) 1982, Health and Safety at Work Act 1974, Food Safety Act 1990, Manual Handling Operations Regulations 1992, Control of Substances Hazardous to Health Regulations (COSHH) 2002
- EU regulations relating to food, drink and animal feeds requiring Hazard Analysis Critical Control Point (HACCP)

Information for delivery staff

Essential requirements

Learners must have access to logistics outlets and sufficient library and internet resources to allow them to research the current activities of logistics organisations.

Tutors will need to ensure that learners have up-to-date information regarding local and national logistics organisations.

Health, safety and welfare issues must be considered at all times and risk assessments should be undertaken for all site visits used in the delivery or assessment of the unit. Access to suitable development sites may require permission from the owner, especially if learners need to visit the site for research.

Employer engagement and vocational contexts

Vocational contexts are used in the delivery and assessment of this unit so much of the work can use case studies and problems based on local employers. The practical nature of the work can be emphasised by visits to and speakers from logistics organisations. Outcome of learning 3 lends itself to doing practical work that involves investigating practices in a local logistics business. Employers may prefer to offer work experience and/or employment to those learners who have indicated their interest in logistics by studying the subject as part of their qualification.

Delivery guidance

Tutors delivering this unit have opportunities to use a wide range of techniques. Lectures, discussions, seminar presentations, site visits, supervised practical activities, case studies, research using the internet and/or library resources, and the use of personal and/or industrial experience, are all suitable. Delivery should stimulate, motivate, educate and enthuse learners.

The outcomes of learning are linked and can be taught in sequence starting with transport systems and distribution networks followed by storage procedures and relevant EU/UK legislation governing transport, distribution and storage of goods.

Learners should be encouraged to create a paper-based and a computer-based supply chain and apply transport systems, distribution networks and storage systems to these in order to consider their inter-relationship and dependency. This will allow them to see how what they have learned can be applied.

Visits to logistics organisations would be desirable as would visiting speakers who have knowledge, perspectives and current industry expertise in the fields of transport, distribution and storage.

Role play, discussion groups and presentations will give learners an opportunity to bring the topic to life. Current case studies can be used to illustrate aspects of distribution, transport and storage and the impact of problems or issues, which may cause delays in the systems or affect profitability.

Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way in planning the delivery and assessment of this unit.

Topic and suggested assignments/activities/assessment
Tutor explanation: introduction to the unit.
Tutor explanation/class discussion: what is freight and how can we transport it?
Tutor input: freight systems.
Class exercise: group work on freight systems followed by short presentations to the class.
Tutor input: vehicle types and their characteristics.
Class exercise: group work on vehicles followed by short presentations to the class.
Tutor explanation/class discussion: Which system/vehicle is suitable?
Tutor input: costing systems.
Learner activity: investigating costing systems followed by a brief group discussion – tutor to facilitate.
Class discussion: How do we cost appropriately?
Tutor explanation – case study: routing and scheduling.
Learner activity: investigate routing and scheduling for a given tutor brief – followed by individual learners' presentations.
Didactic input: distribution networks and the supply chain.
Learner activity: investigating the supply chain for a given tutor brief followed by a brief group discussion – tutor to facilitate.
Tutor explanation: characteristics of goods, health and safety requirements.
Tutor input: storage systems: goods inwards.
Learner activity: visit to a warehouse: learners to make notes on goods handling, verifying and receiving procedures.
Tutor explanation/class discussion: goods outwards.
Tutor input: relevant legislation.
Learner activity: investigate important UK/EU legislation, present findings before the class as a group illustrating the 'check points' where legislation applies.
Preparation for assignment. **Assignment 1: Transport, Distribution and Storage**
Review of unit delivery and assessment.

Assessment guidance

Evidence for this unit may be gathered from a variety of sources, including investigative assignments, case studies and reports of practical assignments.

Assessment evidence can come from, but is not confined to, assignments, practical work, presentations, diaries, reports, proposals, plans, discussions, displays, observations and witness statements.

Assessments are usually undertaken individually but it is possible to introduce elements of teamwork into the collection or collation of data or in simulations of the planning process such as public consultation or inquiry. Where available, evidence from the workplace can be incorporated provided that is appropriate and authenticated as the learner's own work. Integrative assignments will help to link this unit with other units. The structure of the unit suggests that the grading criteria may be fully addressed by using one assignment covering P1, P2, P3, P4, P5, P6, M1, M2, M3 and D1. Learners should be given a brief and problem which will give them an opportunity to explore current systems, procedures and legal requirements.

For P1, learners must be able to discuss the systems and related vehicle types that can be used to transport freight. This should include a range of systems and vehicle types. Evidence for this criterion could be a section in the report supported by suitable examples.

For P2, learners must be able to explain the importance of costing and routing systems. Learners should first describe the routing systems and factors to be considered for costing. Both manual and electronic systems should be included. Evidence for this criterion could be a section in the report supported by suitable examples.

For P3, learners must be able to describe the distribution networks across the supply chain. They should be able to describe the discrete stages 'from dust to rust' clearly and should include issues such as servicing by type of network and location. Evidence for this criterion could be a section in the report supported by suitable examples.

For P4, learners must explain the systems used for receiving and verifying goods inwards. This is essentially a 'procedural' and learners should consider the required plant/equipment. Evidence for this criterion could be a section in the report.

For P5, learners must explain the systems used for goods outwards. The main focus should be on selecting stock but other aspects, such as packaging goods and documentation, should also be included. Evidence for this criterion could be a section in the report illustrated with suitable examples.

For P6, learners must be able to outline the legislation relating to the transporting, distribution and storage of goods. This includes health and safety legislation, transport legislation and legislation relating to storage and distribution. Evidence for this criterion could be a section in the report illustrated with suitable examples supported with responses to oral questions.

For M1, learners must analyse the systems used for transporting freight. They should relate freight systems to the type of vehicle and the factors that influence towards selecting a system. This is an extension to the work done for P1. Evidence for this criterion could be a section in the report supported by suitable examples of transportation systems.

For M2, learners must analyse the distribution networks across the supply chain for goods with different characteristics. This could include perishable, heavy and seasonal items or items covered under COSHH. Learners must analyse the effects of these characteristics on the choice of a network. This is an extension to P3. Evidence for this criterion could be a section in the report supported by suitable examples of distribution networks.

For M3, learners must analyse the health and safety legislation that impacts on the development of safe storage systems. They should consider some 'what-if' scenarios, especially in dealing with faulty goods. This is an extension to P6. Evidence for this criterion could be a section in the report illustrated with suitable examples supported with responses to oral questions

For D1, learners must be able to compare and evaluate the networks and systems used in the transport, distribution and storage of goods. The brief provided should give learners opportunities to carry out this evaluation. Learners should also include some real world examples. Evidence for this criterion could be a section in the report supported by suitable examples comparing and evaluating logistics networks and systems.

Programme of suggested assignments

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any suggested assignments to meet local needs and resources.

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P4, P5, P6, M1, M2, D1	Assignment 1: Transport, Distribution and Storage	You have recently joined a national logistics organisation. Your manager has asked you to carry out research into transport systems and the associated vehicles, distribution networks, storage requirements and procedures, and relevant legislation. Most of the goods are domestic appliances and other non-perishable items. However, your organisation is expanding to deal with food, drink and DIY type materials, including paints and a range of chemicals. You have also been asked to analyse/evaluate the systems and procedures needed to cater for this expansion.	A portfolio/report containing a discussion of freight systems, vehicles, distribution networks, storage procedures and legislation.

Suggested resources

Book

Rushton A, Croucher P and Baker P – *The Handbook of Logistics and Distribution Management, 3rd edition* (Kogan Page, 2006) ISBN 9780749446697

Journals

The Baker

Convenience Store

Drapers Record

The Grocer

Independent Retailer

Websites

www.gov.uk/government/organisations/department-for-business-innovation-skills	The Department for Business Innovation and Skills which can be searched for transport and logistics topics.
www.ciltuk.org.uk	The Chartered Institute of Logistics and Transport which requires membership to access the materials.
www.europa.eu/index_en.htm	Europa – The European Union online which has a section on transport.

Annexe

Annexe A: Calculation of the qualification grade

Generic examples of calculation of the qualification grade above pass grade

Pearson will automatically calculate the qualification grade for learners when unit grades are submitted by the centre.

The two tables below (which are also included in *Section 5: Assessment and grading*) are used to calculate the qualification grade above pass. The generic examples that follow the tables demonstrate how the tables are used.

Points available per unit value at specified unit grades and levels

The table below shows the number of points scored per unit value at the unit level and grade.

Unit level	Points per unit value		
	Pass	Merit	Distinction
Level 1	3	4	5
Level 2	**5**	**6**	**7**
Level 3	7	8	9

Learners who achieve the correct number of points within the ranges shown in the 'qualification grade' table below will achieve the qualification merit or distinction or distinction* grade.

Qualification grade

Qualification	Points range above pass grade		
	Merit	Distinction	Distinction*
Pearson BTEC International Level 2 Certificate	85–94	95–99	100 and above
Pearson BTEC International Level 2 Extended Certificate	170–189	190–199	200 and above
Pearson BTEC International Level 2 Diploma	340–379	380–399	400 and above

Generic examples

Please note the following examples are generic and are not based on the units included in this specification.

Generic example 1

Achievement of pass qualification grade

A learner completing a Pearson BTEC International Level 2 Certificate, qualification value of 15, achieves the points required to gain a pass qualification grade and does not achieve the points to gain a merit grade.

	Level	Unit value	Grade	Grade points	Points per unit = unit value x grade points
Unit 1	2	5	Pass	5	5 × 5 = 25
Unit 2	2	5	Pass	5	5 × 5 = 25
Unit 3	2	5	Merit	6	5 × 6 = 30
Qualification grade totals		**15**	**Pass**		**80**

Generic example 2

Achievement of merit qualification grade

A learner completing a Pearson BTEC International Level 2 Certificate, qualification value of 15, achieves the points required to gain a merit qualification grade.

	Level	Unit value	Grade	Grade points	Points per unit = unit value x grade points
Unit 1	2	5	Pass	5	5 × 5 = 25
Unit 2	2	5	Merit	6	5 × 6 = 30
Unit 3	2	5	Merit	6	5 × 6 = 30
Qualification grade totals		**15**	**Merit**		**85**

Generic example 3

Achievement of distinction qualification grade

A learner completing a Pearson BTEC International Level 2 Certificate, qualification value of 15, achieves the points required to gain a distinction qualification grade.

	Level	Unit value	Grade	Grade points	Points per unit = unit value x grade points
Unit 1	2	5	Merit	6	5 × 6 = 30
Unit 2	2	5	Merit	6	5 × 6 = 30
Unit 3	2	5	Distinction	7	5 × 7 = 35
Qualification grade totals		**15**	**Distinction**		**95**

Generic example 4

Achievement of merit qualification grade

A learner completing a Pearson BTEC International Level 2 Extended Certificate, qualification value of 30, achieves the points required to gain a merit qualification grade.

	Level	**Unit value**	**Grade**	**Grade points**	**Points per unit = unit value x grade points**
Unit 1	2	5	Merit	6	5 × 6 = 30
Unit 2	2	5	Pass	5	5 × 5 = 25
Unit 3	2	5	Distinction	7	5 × 7 = 35
Unit 6	2	10	Pass	5	10 x 5 = 50
Unit 8	3	5	Pass	7	5 x 7 = 35
Qualification grade totals		**30**	**Merit**		**175**

Generic example 5

Achievement of merit qualification grade

A learner completing a Pearson BTEC International Level 2 Diploma, qualification value of 60, achieves the points required to gain a merit qualification grade.

	Level	**Unit value**	**Grade**	**Grade points**	**Points per unit = unit value x grade points**
Unit 1	2	5	Merit	6	5 × 6 = 30
Unit 2	2	5	Pass	5	5 × 5 = 25
Unit 3	2	5	Distinction	7	5 × 7 = 35
Unit 6	2	10	Merit	6	10 x 6 = 60
Unit 9	1	5	Merit	4	5 x 4 = 20
Unit 10	2	10	Distinction	7	10 x 7 = 70
Unit 11	2	10	Merit	6	10 x 6 = 60
Unit 14	2	10	Merit	6	10 x 6 = 60
Qualification grade totals		**60**	**Merit**		**360**

For more information about Edexcel or BTEC qualifications from
Pearson, visit www.edexcel.com or www.btec.co.uk

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