Pearson
BTEC

Certificate
Extended Certificate
Diploma

Specification

BTEC FIRST BUSINESS

From September 2018

BTEC Level 1/Level 2 First Certificate in Business
BTEC Level 1/Level 2 First Extended Certificate in Business
BTEC Level 1/Level 2 First Diploma in Business

Issue 8

Pearson
BTEC Level 1/Level 2
First Certificate
in Business

Pearson
BTEC Level 1/Level 2
First Extended Certificate
in Business

Pearson
BTEC Level 1/Level 2
First Diploma in
Business

Specification

First teaching September 2018

Issue 8

Edexcel, BTEC and LCCI qualifications

Edexcel, BTEC and LCCI qualifications are awarded by Pearson, the UK's largest awarding body offering academic and vocational qualifications that are globally recognised and benchmarked. For further information, please visit our qualifications website at qualifications.pearson.com. Alternatively, you can get in touch with us using the details on our contact us page at qualifications.pearson.com/contactus

About Pearson

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This specification is Issue 8. We will inform centres of any changes to this issue. The latest issue can be found on our website.

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

All information in this specification is correct at time of publication.

Summary of Pearson BTEC Level 1/Level 2 Certificate, Extended Certificate and Diploma in Business Issue 8 changes

Summary of changes made between previous issue and this current issue	Page/section number
TQT for the Certificate has changed to 320. TQT for the Extended Certificate has changed to 480. TQT for the Diploma has changed to 640.	Page 6

Summary of changes made between Issue 4 and Issue 7	Page/section number
The wording in *Section 8 Internal assessment* subsection *Dealing with malpractice* has been updated to clarify suspension of certification in certain circumstances.	Page 39
Section 10 Awarding and reporting the qualifications The wording under *Calculation of qualification change* has been updated by deletion of the bullet 'have sufficient points across the mandatory units i.e 24 points'.	Page 44
The wording under *Section 10 Awarding and reporting for the qualifications* subsection *Calculation of the qualification grade* has been updated to clarify current practice in ensuring maintenance and consistency of qualification standards.	Page 48
References to CD, DVD and Video have been updated to Digital media throughout the specification,	Throughout
All dates of legislation have been removed in order to future proof the specification.	Throughout
Reference to the marketing process of Tesco in America has been removed from the Unit Introduction.	Page 131
Annexe D has been updated: *Unit 9 Principles of Marketing* as Mandatory for the Certificate. Unit 24 to 32 as optional for the Certificate and the Extended Certificate.	Page 440 Page 441

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

Welcome to your BTEC First specification

For more than 25 years, BTECs have earned their reputation as well-established, enduringly effective qualifications. They have a proven track record in improving motivation and achievement among young learners. Additionally, BTECs provide progression routes to the next stage of education or to employment.

Key principles of the BTEC Firsts

To support young people to succeed and progress in their education, we have drawn on our consultation and embedded four key design principles into the BTEC Firsts.

1 Standards: a common core and external assessment

Each Level 2 BTEC First qualification has an essential core of knowledge and applied skills. We have introduced external assessment appropriate to the sector. This provides independent evidence of learning and progression alongside the predominantly portfolio-based assessment.

2 Quality: a robust quality-assurance model

Building on strong foundations, we have further developed our quality-assurance model to ensure robust support for learners, centres and assessors.

We will make sure that:

- every BTEC learner's work is independently scrutinised through the external assessment process
- every BTEC assessor will take part in a sampling and quality review during the teaching cycle
- we visit each BTEC centre every year to review and support your quality processes.

We believe this combination of rigour, dialogue and support will underpin the validity of the teacher-led assessment and the learner-centric approach that lie at the heart of BTEC learning.

3 Breadth and progression: a range of options building on the mandatory units, contextualised English and mathematics

Mandatory units, developed in consultation with employers and educators, give learners the opportunity to gain a broad understanding and knowledge of the vocational sector.

Optional specialist units focus more closely on a vocational area, supporting progression to a more specialised Level 3 vocational or academic course or to an Apprenticeship.

Opportunities to develop skills in English and mathematics are indicated in the units where appropriate. Where appropriate to the sector, learners will practise these essential skills in naturally occurring and meaningful contexts.

4 Recognising achievement: opportunity to achieve at Level 1

The BTEC Firsts will continue to provide for the needs of learners who are aiming to achieve a Level 2 qualification. However, we have recognised that for some learners achieving this standard in all units in one to two years may not be possible. Therefore, the qualifications have been designed as Level 1/Level 2 qualifications with grades available at Level 2 and at Level 1 Pass.

Improved specification and support

We asked what kind of guidance you, as teachers and tutors, need. As a result, we have streamlined the specification to make the units easier to navigate, and we provide enhanced support in the accompanying *Delivery Guide*.

Thank you

Contents

Purpose of this specification

The purpose of this specification, as defined by Ofqual, is to set out:

- the objectives of each qualification in the suite
- any other qualification that a learner must complete before taking a qualification
- any prior knowledge, skills or understanding that the learner is required to have before taking the qualifications
- units that a learner must complete before a qualification can be awarded, and any optional routes
- any other requirements that a learner must have satisfied before they can be assessed, or before a qualification can be awarded
- the knowledge, skills and understanding that will be assessed as part of the qualifications (giving a clear indication of their coverage and depth)
- the method of any assessment and any associated requirements relating to it
- the criteria against which learners' level of attainment will be measured (such as assessment criteria)
- any specimen materials (supplied separately)
- any specified levels of attainment.

Qualification titles and Qualification Numbers

Qualification title	**Pearson BTEC Level 1/Level 2 First Certificate in Business**
Qualification Number (QN)	**600/6815/2**

Qualification title	**Pearson BTEC Level 1/Level 2 First Extended Certificate in Business**
Qualification Number (QN)	**600/6816/4**

Qualification title	**Pearson BTEC Level 1/Level 2 First Diploma in Business**
Qualification Number (QN)	**601/0171/4**

These qualifications are on the Regulated Qualifications Framework (RQF).

Your centre should use the Qualification Number (QN) when seeking funding for your learners.

The qualification title, units and QN will appear on each learner's final certificate. You should tell your learners this when your centre recruits them and registers them with us. Further information on certification is in our *UK Information Manual*, available on our website: qualifications.pearson.com

1 What are BTEC Firsts?

BTEC First qualifications were originally designed for use in colleges, schools and the workplace as an introductory Level1/Level 2 course for learners who want to study in the context of a vocational sector. The knowledge, understanding and skills learned in studying a BTEC First will aid progression to further study and prepare learners to enter the workplace.

These qualifications are intended primarily for learners in the 14–19 age group, but they may also be used by other learners who wish to gain an introductory understanding of a vocational area. When taken as part of a balanced curriculum, there is a clear progression route to a Level 3 course or an Apprenticeship.

BTECs are vocationally-related qualifications, where learners develop knowledge and understanding by applying their learning and skills in a work-related context. They are popular and effective because they enable learners to take responsibility for their own learning and to develop skills that are essential for the modern-day workplace. These skills include: teamworking; working from a prescribed brief; working to deadlines; presenting information effectively; and accurately completing administrative tasks and processes. BTEC Firsts motivate learners and open doors to progression to further study and responsibility in the workplace.

Objectives of the BTEC First suite

The BTEC First suite will:

- enable you, as teachers, tutors and training providers, to offer a high-quality vocational and applied curriculum that is broad and engaging for all learners

- help you to secure a balanced curriculum overall, so that learners in the 14–19 age group have the opportunity to apply their knowledge, skills and understanding in the context of future development

- provide learners with opportunities to link education and the world of work in engaging, relevant and practical ways

- enable learners to enhance their English and mathematical competence in relevant, applied scenarios

- support learners' development of transferable interpersonal skills, including working with others, problem solving, independent study, and personal, learning and thinking skills

- provide learners with a route through education that has clear progression pathways to further study or an Apprenticeship.

Breadth and progression

These qualifications have a core of underpinning knowledge, skills and understanding, and a range of options to reflect the breadth of pathways within a sector. This gives learners the opportunity to:

- gain a broad understanding and knowledge of a vocational sector

- investigate areas of specific interest

- develop essential skills and attributes prized by employers, further education colleges and higher education institutions.

This suite of qualifications provides opportunities for learners to progress to either academic or more specialised vocational pathways.

Progression from Level 1

These qualifications have been designed to provide progression from the following qualifications, which contain sector-relevant content at Level 1:

- Pearson BTEC Level 1 Certificate in Business

- Pearson BTEC Level 1 Diploma in Business.

These qualifications are also designed to provide progression from the following qualifications:

- Pearson BTEC Level 1 Certificate in Vocational Studies

- Pearson BTEC Level 1 Diploma in Vocational Studies.

See our website for further details.

2 Key features of the BTEC First suite of qualifications

The BTEC Level 1/Level 2 First qualifications:

- have a range of sizes in the suite

- are Level 2 qualifications; learners who do not achieve at Level 2 may achieve a grade of Level 1 Pass

- have smaller sizes in the suite primarily aimed at learners aged 14 years and over, while the Extended Certificate and Diploma have been designed for those aged 16 years and over

- are available on the Regulated Qualifications Framework (RQF)

- present knowledge in a work-related context

- give learners the opportunity to develop and apply skills in English and mathematics in naturally occurring, work-related contexts

- provide opportunities for synoptic assessment through applying skills, knowledge and understanding gained to realistic or work-related tasks, such as projects and work experience, and to deepen learning through more specialist units.

The Pearson BTEC Level 1/Level 2 First **Award**:

- has mandatory and optional specialist units

- has 25 per cent of the qualification that is externally assessed. Pearson sets and marks these assessments

- is graded from Level 2 P to Level 2 D*. Learners who do not achieve at Level 2 may achieve a grade of Level 1 Pass. Learners whose level of achievement is below Level 1 will receive an Unclassified (U) result.

The Pearson BTEC Level 1/Level 2 First **Certificate**:

- has mandatory and optional specialist units

- has 25 per cent of the qualification that is externally assessed; Pearson sets and marks these assessments

- is graded from Level 2 PP to Level 2 D*D*. Learners who do not achieve at Level 2 may achieve a grade of Level 1 Pass. Learners whose level of achievement is below Level 1 will receive an Unclassified (U) result.

The Pearson BTEC Level 1/Level 2 First **Extended Certificate**:

- has mandatory and optional specialist units

- has 16.67 per cent of the qualification that is externally assessed; Pearson sets and marks these assessments

- is graded from Level 2 PP to Level 2 D*D*. Learners who do not achieve at Level 2 may achieve a grade of Level 1 Pass. Learners whose level of achievement is below Level 1 will receive an Unclassified (U) result.

The Pearson BTEC Level 1/Level 2 First **Diploma**:

- has mandatory and optional specialist units

- has 12.5 per cent of the qualification that is externally assessed; Pearson sets and marks these assessments

- is graded from Level 2 PP to Level 2 D*D*. Learners who do not achieve at Level 2 may achieve a grade of Level 1 Pass. Learners whose level of achievement is below Level 1 will receive an Unclassified (U) result.

Total qualification time (TQT)

For all regulated qualifications, Pearson specifies a total number of hours that it is expected learners will be required to undertake in order to complete and show achievement for the qualification: this is the Total Qualification Time (TQT). The TQT value indicates the size of a qualification.

Within this, Pearson will also identify the number of Guided Learning Hours (GLH) that we expect a centre delivering the qualification will need to provide. Guided learning means activities that directly or immediately involve tutors and assessors in teaching, supervising, and invigilating learners, such as lessons, tutorials, online instruction and supervised study.

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

Qualifications can also have a credit value, which is equal to one tenth of TQT, rounded to the nearest whole number.

Qualification sizes for BTEC Firsts in the Business sector

This suite of BTEC Level 1/Level 2 Firsts for the Business sector is available in the following sizes:

	GLH	TQT
First Award	120	160
First Certificate	240	320
First Extended Certificate	360	480
First Diploma	480	640

Types of units in the qualifications

The BTEC First qualifications have mandatory units and optional specialist units. See *Section 4 Qualification structures* for more detailed information. For these qualifications, learners will need to complete all the mandatory units and, where appropriate, a selection of optional specialist units. This is to ensure that all learners have broad and balanced coverage of the vocational sector.

Mandatory units

Mandatory units are designed to cover the body of content that employers and educators within the sector consider essential for 14–19-year-old learners. These units support the remainder of the learning needed for these qualifications. There will be both internal- and external assessment.

Optional specialist units

The remaining units in these qualifications are sector-specific, optional specialist units. These units focus on a particular area within the vocational sector and give learners an opportunity to demonstrate knowledge, skills and understanding.

Pearson BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business

3 Pearson BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business

Rationale for the Pearson BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business

Aims

The aims of all qualifications in the BTEC First suite in Business are to:

- inspire and enthuse learners to consider a career in the Business sector
- give learners the opportunity to gain broad knowledge and understanding of, and develop skills in, the Business sector
- support progression to specialised Level 3 qualifications in Business, or to an Apprenticeship
- give learners the potential opportunity, in due course, to enter employment in a wide range of job roles.

Specific aims of the **BTEC First Certificate** in Business are to:

- add breadth to learners' knowledge and understanding of the Business sector as part of their career progression and development plans
- support learners who have had some achievement in their Key Stage 4 programme and who wish to 'top up' their Level 2 achievement to progress to employment or other qualifications.

Specific aims of the **BTEC First Extended Certificate** in Business are to:

- build on learner achievement and interest developed through related Level 1 or Level 2 qualifications in Business, including the Pearson BTEC Level 1/Level 2 First Award and Certificate in Business
- allow learners to specialise or to deepen their understanding through the provision of a broad range of optional specialist units
- provide a comprehensive and challenging programme of study related to Business that is particularly suited to post-16 learners who have the relevant interest and aptitude to progress in the sector
- give learners the potential opportunity to progress to employment or to employment in a wide range of job roles across the Business sector.

Specific aims of the **BTEC First Diploma** in Business are to:

- allow learners to further specialise by including units that require 60 Guided Learning Hours of study
- give learners opportunities to develop transferable skills related to study and vocational application that provide a platform for success both within Business and elsewhere.

The provision for study in the BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma

BTEC First Certificate and Extended Certificate

These qualifications are built on three **mandatory units** that form the fundamental knowledge and understanding of business principles. Two of the three mandatory units *Unit 1: Enterprise in the Business World* and *Unit 2: Finance for Business* appear in all sizes of the BTEC Level1/Level 2 First qualifications in Business. These qualifications also include a choice of **optional specialist units**, thereby providing an opportunity to develop a broader understanding of the business sector. In addition it introduces a limited number of specialist areas and the opportunity to acquire some of the practical skills identified by employers as the fundamental building blocks for future competence in the workplace. All the units can be viewed in the *Summary of units in the BTEC Level 1/Level 2 First in Business* in *Annexe D*.

BTEC First Diploma

In the Diploma, there are additional mandatory units that help learners develop the ability to draw together and apply learning in vocational applications.

Mandatory units:

The mandatory units within these qualifications ensure that all learners will develop:

- knowledge that underpins learning in other units in the qualification:

  o for example, *Unit 1: Enterprise in the Business World* – this unit introduces learners to the world of business – how businesses work, what they do, trends that affect them, how they operate and the factors that could determine whether they are successful or not. The unit also allows learners to develop their entrepreneurial skills but developing a business idea for their local community. This unit is **internally assessed.**

- practical and vocational skills:

  o for example, *Unit 2: Finance for Business* – in this unit the learner will develop knowledge of the fundamental areas of business finance. They will learn about the costs involved in business and how a business makes a profit, how a business plans for success and to avoid financial difficulty, and how to put together financial statements. This unit is **externally assessed**.

- understanding of the sector, employment and careers, for example:

  o *Unit 3: Promoting a Brand* – this unit explores the role of branding and promotion within business, allowing the learner to develop their own promotional campaign. This unit is **internally assessed**

- ability to apply knowledge and demonstrate analysis through external assessment:

  o for example, *Unit 9: Principles of Marketing* – in this unit, learners investigate the key principles involved in marketing planning, including identifying markets, the marketing mix and market research. This unit is both mandatory and externally assessed as it is key for any learner wishing to progress in the business world to have a fundamental knowledge of markets and their behaviour.

  o *Unit 19: Introducing Project Management* – this unit introduces learners to the fundamentals of project management and allows them to apply these skills to a business project of their choosing. This unit is **internally assessed**.

- ability to draw together and apply learning in vocational applications:

    o for example, *Unit 18: Small Business Planning* – this synoptic unit requires learners to bring together the knowledge, skills and understanding they have gained from other units of study and develop a full business plan for a small business idea of their choosing. Learners will use their knowledge of finance, enterprise, marketing and project management to plan, present and reflect on their small business idea, using and developing key skills such as independent investigation and research skills and techniques, data collection, data processing and analysis, which are valued by employers and support progression to level 3 qualifications. This unit is **internally assessed**.

Optional specialist units

The optional specialist units offer centres flexibility to tailor the programme to the local area and give learners the opportunity to pursue more specialist interests.

- *Unit 9: Principles of Marketing*, which investigates the key principles involved in marketing planning including identifying markets, the marketing mix and market research. This unit is mandatory and externally assessed as it is key for anyone wishing to move into the business sector to have a strong understanding of the principles of marketing. The unit will support the learning across other units within the qualification, in particular Units 3, 4, 5, 6, 14 and 15.

- *Unit 10: Using Business Documentation*, which allows learners to develop knowledge and understanding of the most appropriate forms of written communication for conveying messages to internal audiences, external stakeholders and the public.

- *Unit 11: Building Successful Business Teams*, which investigates the importance of teamwork and effective communication within business teams. The unit focuses on the roles of different team members and allows a learner to evaluate their own role in a team and how a team can be more successful in achieving its objectives.

- *Unit 12: Introducing Law and Consumer Rights*, which introduces the area of consumer law. This unit allows learners to investigate the most up to date legislation affecting both buyers and sellers in the business world. Learners will be able to develop a practical knowledge of aspects of consumer law and legal terminology.

- *Unit 13: Financial Planning and Forecasting* is a unit that builds on the finance knowledge gained in *Unit 2: Finance for Business*. Here learners will investigate break-even analysis, cash flow analysis and budgeting in more detail, and they will have the opportunity to evaluate the use of each tool in financial planning.

- *Unit 14: Business Online* is a 60-GLH unit in which learners will explore online business activity, understand the reasons why a business would have an online presence and develop an online presence for a business of their choice. As well as understanding the technical requirements involved in business online, learners will be able to investigate the changes in the online landscape, such as the use of computer tablets and the growth in social media.

- *Unit 15: Public Sector Business* is a unit in which learners will explore public sector businesses and how they operate. Learners will understand how public sector businesses are financed and their contribution to the business sector. They will also be able to evaluate how public sector businesses could function more effectively.

Please see the Pearson website for the structure of the Pearson BTEC Level 1/Level 2 First Award in Business qualification

- *Unit 16: Enhancing the Customer Experience* is a unit that builds on the learning already undertaken in *Unit 4: Principles of Customer Service*. Learners will be able to build on their knowledge of customer service to look at how important good customer service is in helping a business achieve its objectives and evaluate monitoring and measuring techniques that can help improve the customer experience.

- *Unit 17: Visual Merchandising in Retail Business* is a unit which builds on the knowledge learners may gain in *Unit 6: Introducing Retail Business*. The unit allows learners to understand the principles of visual merchandising and the importance of visual merchandising to a retail business.

These units may be selected to:

- extend knowledge and understanding developed in mandatory units:

  o for example, by being able to study key areas of business, such as finance, marketing and customer service in more detail

- deepen and enhance practical application of vocational skills:

  o for example, by project managing specific business projects or events, developing practical team work skills or by developing promotional plans for a business or product of their choice

- provide synopticity:

  o for example, *Unit 18: Small Business Planning* allows a learner to pull together all the knowledge they have developed from the mandatory and optional units. The business plan will need to include elements of finance, marketing, market research, SMART objectives and project management skills.

Endorsed titles

There are no pathways in the Pearson BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business.

Assessment approach

The Pearson BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business include two externally-assessed units. This will help learners as they progress either into higher levels of vocational learning or to related academic qualifications.

The remaining units are internally assessed. Internal assessment allows learners to develop a wider range of skills and provides evidence towards meeting the unit assessment criteria. Evidence for assessment can be generated through a range of activities, including role play, practical performance and verbal presentations. This assessment is assessed internally according to the regulations in *Section 8*.

Delivery strategies should reflect the nature of work in the Business sector by encouraging learners to research and carry out assessment in the workplace, or in simulated working conditions, wherever possible. It will be beneficial to learners to use local examples, wherever possible, and for your centre to engage with local employers for support and input. This allows a more realistic and motivating basis for learning and can start to ensure that learning serves the needs of local areas.

Learners should be encouraged to take responsibility for their own learning and achievement, taking account of the industry standards for behaviour and performance.

Progression opportunities

The BTEC Level 1/Level 2 First Certificate, Extended Certificate and Diploma in Business provide the knowledge, skills and understanding for Level 2 learners to progress to:

● other Level 2 vocational qualifications and related competence-based qualifications for the Business sector

● Level 3 vocational qualifications, such as BTEC Nationals, specifically the Pearson BTEC Level 3 National in Business or Enterprise and Entrepreneurship

● competency-based qualifications such as the Pearson BTEC NVQ Level 2 in either Business Administration or Team Leading, or the Pearson BTEC NVQ Level 3 in either Business Administration or Management, or their corresponding apprenticeships

● employment within the Business industry, for example entry level job roles within the sector. Learners who achieve the qualification at Level 1 may progress to related level 2 vocational or academic qualifications, such as BTECs. Alternatively, learners may also consider progression to competency-based qualifications such as the Pearson BTEC NVQ Level 2 in either Business Administration or Team Leading.

English and mathematics

English and mathematics are essential for progression to further education and employment.

The BTEC First Certificate, Extended Certificate and Diploma in Business support the development of English and mathematics knowledge and skills. Opportunities to develop skills are indicated within unit assessment criteria grids. These will give learners the opportunity to enhance and reinforce skills related to these areas in naturally occurring relevant contexts.

Developing employability skills

One of the main purposes of BTEC qualifications is to help learners to progress, ultimately, to employment. Employers require learners to have certain technical skills, knowledge and understanding, but they also require employees to demonstrate employability skills. These skills enable learners to adapt to the roles needed to survive in the global economy and enhance their effectiveness in the workplace.

Employability skills include: self-management, teamworking, business and customer awareness, problem solving, communication, basic literacy and numeracy, a positive attitude to work, and the use of IT.

Throughout the **BTEC First suite** in Business, learners should develop a range of employability skills, engage with employers and carry out work-related activities. These opportunities are signposted in the *Suggested assignment* outlines at the end of each unit.

Within the BTEC First Diploma in Business, the mandatory synoptic unit requires learners to bring together the knowledge, skills and understanding they have gained from other units of study and choose a subject-related project topic of interest to them. Learners will then plan, carry out and reflect on their project using and developing key skills, such as independent investigative research, data processing and analysis, which are valued by employers and support progression to Level 3 qualifications.

For example, learners can develop:

- project-/self-management and independent-learning skills, through units such as *Unit 19: Introducing Project Management*, where learners will work independently to plan and carry out a project related to the business sector

- communication skills, through units such as *Unit 21: Effective Business Communication*, which requires learners to develop both verbal and non-verbal business related communication skills

- business awareness and customer awareness skills, as assignments are set in a vocational context.

Stakeholder support

These qualifications reflect the needs of employers, further and higher education representatives and professional organisations. Key stakeholders were consulted during the development of these qualifications.

4 Qualification structures

The BTEC First suite of qualifications includes the:

- Award – 120 GLH
- Certificate – 240 GLH
- Extended Certificate – 360 GLH
- Diploma – 480 GLH.

Some units for the BTEC First suite appear only in certain qualification sizes. The *Summary of units* table (see *Annexe D*) lists each unit in the suite and how it is used in the individual qualifications.

The qualification structures show the permitted combinations for the qualifications.

If a learner has already achieved a BTEC Level 1/Level 2 First Award in the same sector, they may carry forward their unit results for use in the larger qualifications. It is the responsibility of the centre to ensure that the required number of guided learning hours and correct unit combination are adhered to.

The qualification structures for the Certificate, Extended Certificate and Diploma are listed on the following pages.

Qualification structure for the Pearson BTEC Level 1/Level 2 First Certificate in Business

This qualification is taught over 240 guided learning hours (GLH). It has mandatory and optional specialist units.

Learners must complete the three mandatory unit, and a choice of optional specialist units to reach a total of 240 GLH.

If a learner has already achieved a BTEC Level 1/Level 2 First Award qualification, they may carry forward their unit results for use in larger BTEC Level 1/Level 2 First qualifications within the same sector.

Please see the Pearson website for the structure of the Pearson BTEC Level 1/Level 2 First Award in Business qualification.

This BTEC First Certificate has units that your centre assesses (internal) and units that Pearson sets and marks (external).

Pearson BTEC Level 1/Level 2 First Certificate in Business			
Unit	Mandatory units	Assessment method	GLH
1	Enterprise in the Business World	Internal	30
2	Finance for Business	External	30
9	Principles of Marketing	External	30
	Optional specialist units		
3	Promoting a Brand	Internal	30
4	Principles of Customer Service	Internal	30
5	Sales and Personal Selling	Internal	30
6	Introducing Retail Business	Internal	30
7	Providing Business Support	Internal	30
8	Recruitment, Selection and Employment*	Internal	30
10	Using Business Documentation	Internal	30
11	Building Successful Business Teams	Internal	30
12	Introducing Law and Consumer Rights	Internal	30
13	Financial Planning and Forecasting	Internal	30
14	Business Online	Internal	60
15	Public Sector Business	Internal	30
16	Enhancing the Customer Experience	Internal	30
17	Visual Merchandising in Retail Business	Internal	30
18	Small Business Planning	Internal	60
19	Introducing Project Management	Internal	60

	Optional specialist units *continued*		
20	Delivering and Improving Customer Services	Internal	60
21	Effective Business Communication	Internal	60
22	Working in Business Teams	Internal	60
23	Planning, Forecasting and Recording Business Finances	Internal	60
24	Work Experience in Business*	Internal	60
25	Introducing International Business	Internal	60
26	Introducing the Economic Environment	Internal	60
27	Efficient Business Operations	Internal	60
28	Principles of Procurement and Supply	Internal	60
29	Implementing Procurement and Supply in Business	Internal	60
30	Corporate Social Responsibility	Internal	30
31	Managing Personal Finances	Internal	30
32	Sustainability in the Business Workplace	Internal	30

* *Unit 8: Recruitment, Selection and Employment* is a forbidden combination with *Unit 24: Work Experience in Business*

We recommend that the following units in this qualification be avoided.

If learners have already completed *Unit 4: Principles of Customer Service* and/or *Unit 16: Enhancing the Customer Experience*, they should avoid *Unit 20: Delivering and Improving Customer Service* in this qualification.

If learners have already completed *Unit 10: Using Business Documentation*, they should avoid *Unit 21: Effective Business Communication* in this qualification.

If learners have already completed *Unit 11: Building Successful Business Teams*, they should avoid *Unit 22: Working in Business Teams* in this qualification.

If learners have already completed *Unit 13: Financial Planning and Forecasting*, they should avoid *Unit 23: Planning, Forecasting and Recording Business Finances* in this qualification.

Qualification structure of the Pearson BTEC Level 1/Level 2 First Extended Certificate in Business

This qualification is taught over 360 guided learning hours (GLH). It has mandatory and optional specialist units.

Learners must complete the three mandatory unit, and a choice of optional specialist units to reach a total of 360 GLH.

If a learner has already achieved a BTEC Level 1/Level 2 First Award qualification, they may carry forward their unit results for use in larger BTEC Level 1/Level 2 First qualifications within the same sector.

Please see the Pearson website for the structure of the Pearson BTEC Level 1/Level 2 First Award in Business qualification.

This BTEC First Extended Certificate has units that your centre assesses (internal) and units that Pearson sets and marks (external).

Pearson BTEC Level 1/Level 2 First Extended Certificate in Business			
Unit	Mandatory units	Assessment method	GLH
1	Enterprise in the Business World	Internal	30
2	Finance for Business	External	30
9	Principles of Marketing	External	30
	Optional specialist units		
3	Promoting a Brand	Internal	30
4	Principles of Customer Service	Internal	30
5	Sales and Personal Selling	Internal	30
6	Introducing Retail Business	Internal	30
7	Providing Business Support	Internal	30
8	Recruitment, Selection and Employment*	Internal	30
10	Using Business Documentation	Internal	30
11	Building Successful Business Teams	Internal	30
12	Introducing Law and Consumer Rights	Internal	30
13	Financial Planning and Forecasting	Internal	30
14	Business Online	Internal	60
15	Public Sector Business	Internal	30
16	Enhancing the Customer Experience	Internal	30
17	Visual Merchandising in Retail Business	Internal	30
18	Small Business Planning	Internal	60
19	Introducing Project Management	Internal	60

	Optional specialist units *continued*		
20	Delivering and Improving Customer Services	Internal	60
21	Effective Business Communication	Internal	60
22	Working in Business Teams	Internal	60
23	Planning, Forecasting and Recording Business Finances	Internal	60
24	Work Experience in Business*	Internal	60
25	Introducing International Business	Internal	60
26	Introducing the Economic Environment	Internal	60
27	Efficient Business Operations	Internal	60
28	Principles of Procurement and Supply	Internal	60
29	Implementing Procurement and Supply in Business	Internal	60
30	Corporate Social Responsibility	Internal	30
31	Managing Personal Finances	Internal	30
32	Sustainability in the Business Workplace	Internal	30

* *Unit 8: Recruitment, Selection and Employment* is a forbidden combination with *Unit 24: Work Experience in Business*

For learners who have already completed a BTEC Level 1/Level 2 First Certificate in Business, we recommend that the following units in this qualification be avoided.

If learners have already completed *Unit 4: Principles of Customer Service* and/or *Unit 16: Enhancing the Customer Experience*, they should avoid *Unit 20: Delivering and Improving Customer Service* in this qualification.

If learners have already completed *Unit 10: Using Business Documentation*, they should avoid *Unit 21: Effective Business Communication* in this qualification.

If learners have already completed *Unit 11: Building Successful Business Teams*, they should avoid *Unit 22: Working in Business Teams* in this qualification.

If learners have already completed *Unit 13: Financial Planning and Forecasting*, they should avoid *Unit 23: Planning, Forecasting and Recording Business Finances* in this qualification.

Qualification structure of the Pearson BTEC Level 1/Level 2 First Diploma in Business

Learners will take a total of 10–12 units to complete this qualification. The number of units taken is dependent on the size of optional units selected, the combination of all units should total 480 guided learning hours (GLH).

These units will include:

● six mandatory units (totalling 240 GLH)

● three to six optional specialist units (totalling 240 GLH).

This BTEC First Diploma has units that your centre assesses (internal) and units that Pearson sets and marks (external).

Pearson BTEC Level 1/Level 2 First Diploma in Business		
Unit	**Mandatory units**	**Assessment method**	**GLH**
1	Enterprise in the Business World	Internal	30
2	Finance for Business	External	30
3	Promoting a Brand	Internal	30
9	Principles of Marketing	External	30
18	Small Business Planning	Internal	60
19	Introducing Project Management	Internal	60
	Optional specialist units		
4	Principles of Customer Services	Internal	30
5	Sales and Personal Selling	Internal	30
6	Introducing Retail Business	Internal	30
7	Providing Business Support	Internal	30
8	Recruitment, Selection and Employment*	Internal	30
10	Using Business Documentation	Internal	30
11	Building Successful Business Teams	Internal	30
12	Introducing Law and Consumer Rights	Internal	30
13	Financial Planning and Forecasting	Internal	30
14	Business Online	Internal	60
15	Public Sector Business	Internal	30
16	Enhancing the Customer Experience	Internal	30
17	Visual Merchandising in Retail Business	Internal	30
20	Delivering and Improving Customer Service	Internal	60
21	Effective Business Communication	Internal	60
22	Working in Business Teams	Internal	60

	Optional specialist units *continued*		
23	Planning, Forecasting and Recording Business Finances	Internal	60
24	Work Experience in Business*	Internal	60
25	Introducing International Business	Internal	60
26	Introducing the Economic Environment	Internal	60
27	Efficient Business Operations	Internal	60
28	Principles of Procurement and Supply	Internal	60
29	Implementing Procurement and Supply in Business	Internal	60
30	Corporate Social Responsibility	Internal	30
31	Managing Personal Finances	Internal	30
32	Sustainability in the Business Workplace	Internal	30

* *Unit 8: Recruitment, Selection and Employment* is a forbidden combination with *Unit 24: Work Experience in Business*

For learners who have already completed a BTEC Level 1/Level 2 First Certificate or Extended Certificate in Business, we recommend that the following units in this qualification be avoided.

If learners have already completed *Unit 4: Principles of Customer Service* and/or *Unit 16: Enhancing the Customer Experience*, they should avoid *Unit 20: Delivering and Improving Customer Service* in this qualification.

If learners have already completed *Unit 10: Using Business Documentation*, they should avoid *Unit 21: Effective Business Communication* in this qualification.

If learners have already completed *Unit 11: Building Successful Business Teams*, they should avoid *Unit 22: Working in Business Teams* in this qualification.

If learners have already completed *Unit 13: Financial Planning and Forecasting*, they should avoid *Unit 23: Planning, Forecasting and Recording Business Finances* in this qualification.

5 Programme delivery

Pearson does not define the mode of study for BTEC qualifications. Your centre is free to offer the qualifications using any mode of delivery (such as full time, part time, evening only or distance learning) that meets your learners' needs. As such, those already employed in the Business sector could study this qualification on a part-time basis, using industry knowledge and expertise gained from the workplace to develop evidence towards meeting the unit assessment criteria.

Whichever mode of delivery is used, your centre must ensure that learners have appropriate access to the resources identified in the specification and to the subject specialists who are delivering the units. This is particularly important for learners studying for the qualifications through open or distance learning.

When planning the programme, you should aim to enhance the vocational nature of the qualifications by:

- using up-to-date and relevant teaching materials that make use of scenarios and case studies relevant to the scope and variety of employment opportunities available in the sector. These materials may be drawn from workplace settings, where feasible. For example, you can use promotional materials that have been developed by the Business

- giving learners the opportunity to apply their learning through practical activities to be found in the workplace through volunteering, for example

- including employers in the delivery of the programme. You may, for example, wish to seek the cooperation of local employers in giving examples of current work procedures and practices

- liaising with employers to make sure a course is relevant to learners' specific needs. You may, for example, wish to seek employers' help in stressing the importance of English and mathematical skills, and of wider skills in the world of work.

Resources

As part of the approval process, your centre must make sure that the resource requirements below are in place before offering the qualifications.

- Centres must have appropriate physical resources (for example equipment, IT, learning materials, teaching rooms) to support the delivery and assessment of the qualifications.

- Staff involved in the assessment process must have relevant expertise and/or occupational experience.

- There must be systems in place to ensure continuing professional development for staff delivering the qualifications.

- Centres must have appropriate health and safety policies in place relating to the use of equipment by learners.

- Centres must deliver the qualifications in accordance with current equality legislation.

Your centre should refer to the *Teacher guidance* section in the individual units to check for any specific resources required.

Delivery approach

Your approach to teaching and learning should support the specialist vocational nature of BTEC First qualifications. These BTEC Firsts give a balance of practical skill development and knowledge requirements, some of which can be theoretical in nature.

Instruction in the classroom is only part of the learning process. You need to reinforce the links between the theory and practical application, and make sure that the knowledge base is relevant and up to date by using teaching methods and materials that allow learners to apply their learning to actual events and activities within the sector. Maximum use should be made of learners' experience where relevant, for example by encouraging them to reflect on their experience of work or the experiences of family and friends.

One of the important aspects of your approach to delivery should be to instil in learners who have a limited experience of the world of work, insight of the daily operations that are met in the vocational area being studied. It is suggested that the delivery of BTEC Firsts can be enriched and extended through the use of learning materials, classroom exercises and internal assessments that draw on current practice in and experience of the qualification sector being studied. This may include:

- vocationally specific workplace case-study materials
- visiting speakers and the assistance of local employers
- visits to local workplaces
- inviting relevant experts or contacts to come to speak to learners about their involvement in the business sector
- visits to employers in the business
- asking a local employer to set learners a problem-solving activity to be carried out in groups
- referring to trade journals, magazines or newspaper articles relevant to the sector.

Personal, learning and thinking skills

Your learners have opportunities to develop personal, learning and thinking skills (PLTS) in a sector-related context. See *Annexe A* for detailed information about PLTS, and mapping to the units in this specification.

English and mathematics knowledge and skills

It is likely that learners will be working towards English and mathematics qualifications at Key Stage 4 or above. These BTEC First qualifications provide further opportunities to enhance and reinforce skills in English and mathematics in naturally occurring, relevant, work-related contexts.

English and mathematical skills are embedded in the assessment criteria – see individual units for signposting to English (#) and mathematics (*).

Functional Skills at Level 2

Your learners can use opportunities in their learning programme to develop and practise Functional Skills. *Annexe B* sets out where units and learning aims are of particular relevance for learners being prepared for assessment in Functional Skills in English, mathematics and/or ICT at Level 2. There may also be other opportunities to develop functional skills in programmes, for example through group work, research, employment-related activities and work experience.

6 Access and recruitment

Our policy regarding access to our qualifications is that:

● they should be available to everyone who is capable of reaching the required standards

● they should be free from any barriers that restrict access and progression

● there should be equal opportunities for all those wishing to access the qualifications.

These are qualifications aimed at Level 2 learners. Your centre is required to recruit learners to BTEC First qualifications with integrity.

You need to make sure that applicants have relevant information and advice about the qualifications to make sure they meet their needs.

Your centre should review the applicant's prior qualifications and/or experience to consider whether this profile shows that they have the potential to achieve the qualifications.

For learners with disabilities and specific needs, this review will need to take account of the support available to the learner during the teaching and assessment of the qualifications.

Prior knowledge, skills and understanding

Learners do not need to achieve any other qualifications before registering for a BTEC First.

These qualifications can be taken as stand-alone qualifications or can extend the achievement that learners have demonstrated through the Pearson BTEC Level 1/Level 2 First Award in Business qualification. Learners do this by taking additional units (see the *Information Manual* for further details) to make up the requisite number of Guided Learning Hours, ensuring the correct unit combination is adhered to, to fulfil the rules of combination. See *Section 4 Qualification structures.*

Please see the Pearson website for the structure of the Pearson BTEC Level 1/Level 2 First Award in Business qualification.

Access to qualifications for learners with disabilities or specific needs

Equality and fairness are central to our work. Pearson's equality policy requires all learners to have equal opportunity to access our qualifications and assessments, and that our qualifications are awarded in a way that is fair to every learner.

We are committed to making sure that:

● learners with a protected characteristic (as defined by equality legislation) are not, when they are undertaking one of our qualifications, disadvantaged in comparison with learners who do not share that characteristic

● all learners achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

Further information on access arrangements can be found in the Joint Council for Qualifications (JCQ) document *Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational qualifications*.

Details on how to make adjustments for learners with protected characteristics are given in the document *Pearson Supplementary Guidance for Reasonable Adjustment and Special Consideration in Vocational Internally Assessed Units.*

Both documents are on our website.

Special consideration

You must operate special consideration in line with the Joint Council for Qualifications (JCQ) document *Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational qualifications* and the *Pearson Supplementary Guidance for Reasonable Adjustment and Special Consideration in Vocational Internally Assessed Units*.

You can provide special consideration only in the time given for evidence to be provided or for the format of the assessment if it is equally valid. You may not substitute alternative forms of evidence to that required in a unit, or omit the application of any assessment criteria to judge attainment. Pearson can consider applications for special consideration in line with the policy.

7 The layout of units in the specification

Each unit is laid out using the headings given below. Unit X below is for **illustrative purposes only**.

Unit title

The title reflects the content of the unit.

Level

All units and qualifications have a level assigned to them that represents the level of achievement. The National Qualifications Framework level descriptors and similar qualifications at this level inform the allocation of the unit level.

Unit type

This shows if the unit is mandatory or optional specialist.

Guided learning hours

All units have guided learning hours assigned to them. This is the time when you (as a teacher, tutor, trainer or facilitator) are present to give specific guidance to learners on the unit content.

Assessment type

Units are either internally or externally assessed. Your centre designs and assesses the internal assessments. Pearson sets and marks the external assessments.

Unit introduction

The unit introduction is addressed to the learner and gives the learner a snapshot of the purpose of the unit.

Learning aims

The learning aims are statements indicating the scope of learning for the unit. They provide a holistic overview of the unit when considered alongside the unit content.

UNIT X: TITLE

Unit X: Title

Level: **1 and 2**
Unit type: **Optional specialist**
Guided learning hours: **30**
Assessment type: **Internal**

Unit introduction

Odio urna eleifend. Tellus in cursus erat amet odio illo eu feugiat vestibulum ipsum pellentesque ipsum lacus nulla. At velit dui. Lectus bibendum eget wisi nibh ullamcorper nisl eu in luctus neque nunc.

Per aliquam diam natoque scelerisque pharetra. Leo at non donec justo et eu blandit malesuada. Eu erat mi. Nulla et nam. Leo fusce cubilia ultricies laoreet orci elit nec in. Nec consequat posuere. Morbi pharetra vestibulum. Dictum sodales tristique feugiat malesuada in nunc lacinia orci erat molestie consectetuer.

Pretium leo habitant. Mattis pulvinar dolor quis curabitur luctus. Nibh id elit. Montes maecenas tortor. Consequat minim sed. Phasellus purus maecenas neque sem risus tortor nisl at pulvinar consectetuer nec penatibus quam nulla.

Sagittis pede congue suspendisse sapien mollis. Et sit nulla. Quisque donec sed eu blandit volutpat in per eros. Pulvinar donec sed.

Learning aims

In this unit you will:

A ulla laoreet enim eget et lectus mauris aptent nullam

B erat augue nulla turpis justo eget elementum metus ligula Tellus in cursus erat amet odio illo

C eu feugiat vestibulum ipsum pellentesque ipsum lacus nulla ectus bibendum eget wisi nibh ullamcorper nisl.

UNIT X: TITLE

Learning aims and unit content

What needs to be learnt

Learning aim A: Elit elit libero felis ligula ut

Topic A.1 Neque magna consectetuer scelerisque nec in ut orci arcu:

In cursus ac sem in urna:
- erat dignissim eros sed
- ornare condimentum condimentum
- quis risus duis
- lutate magnis pede dui nibh aliquam
- scelerisque nec in ut orci arcu.

Elit elit libero felis ligula ut:
- ac sem in urna assa in a mauris
- mattis dui interdum vitae aptent
- etiam nec nullam dum duis adipiscing
- adipiscing tellus at orci ut
- orem in nullam amet interdum commodo.

Vulputate magnis pede:
- dolor quis curabitur luctus ibh id elit ontes maecenas tortor
- onsequat minim sed hasellus purus maecenas neque sem
- risus tortor nisl at pulvinar consectetuer
- magnis pede dui nibh aliquam.

Topic A.2 Phasellus purus maecenas neque sem risus tortor nisl at pulvinar consectetuer:

- eleifend ellus in cursus erat
- amet odio illo eu feugiat vestibulum ipsum
- pellentesque ipsum lacus nulla velit du ectus bibendum eget

Learning aims and unit content

The unit content gives the basis for the teaching, learning and assessment for each learning aim. Topic headings are given, where appropriate.

Content covers:

- knowledge, including definition of breadth and depth

- skills, including definition of qualities or contexts

- applications or activities, through which knowledge and/or skills are evidenced.

Content should normally be treated as compulsory for teaching the unit. Definition of content sometimes includes examples prefixed with 'e.g.'. These are provided as examples and centres

UNIT X: TITLE

Assessment criteria

Assessment criteria

The assessment criteria determine the minimum standard required by the learner to achieve the relevant grade. The learner must provide sufficient and valid evidence to achieve the grade.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Enim lorem et elit libero felis ligula ut			
1A.1 Amet interdum commodo sed facilisis.	2A.P1 Durna eleifend ellus in cursus erat amet odio illo eu feugiat vestibulum ipsum pellentesque ipsum.	2A.M1 A lacus nulla velit dui ectus.	2A.D1 Ultrices ultrices ut cursus ac sem in urna assa in a mauris mattis ut. In cursus ac sem in urna assa in a mauris mattis aptent etiam nec nullam duis adipiscing.
1A.2 Iorem in nullam amet interdum commodo. empor sed facilisis.	2A.P2 Nostra pretium non elis mauris porttitor elit malesuada volutpat non ut volutpat.	2A.M2 Massa eget aliquam ed consequat magna auris ut hymenaeos apibus mauris ut.	
Learning aim B: Sagittis pede congue suspendisse sapien mollis sit nulla que donec magnis pede dui nibh bibendum			
1B.3 Felis non ut ibero nunc elementum te at quam et dui tincidunt vitae arcu suspendisse suspendisse id in pede eget erat. #	2B.P3 Enim lorem et lit elit libero felis ligula ut donec non id vitae lacus augue. #	2B.M3 Unteger erat dignissim eros sed ornare condimentum condimentum quis risus duis ulputate magnis pede dui nibh aliquam. #	2B.D2 Neque magna consectetuer scelerisque nec in ut orci arcu elit nec ut vitae lectus dolor sed cras utrum convallis assa bibendum nulla.
1B.4 Per aliquam diam scelerisque pharetra.	2B.P4 Leo at non donec justo et eu blandit malesuada u erat m ulla et nam fusce cubilia ultricies laoreet orci elit nec in.		

Teacher guidance

While the main content of the unit is addressed to the learner, this section gives you additional guidance and amplification to aid your understanding and to ensure a consistent level of assessment.

Resources – identifies any special resources required for learners to show evidence of the assessment. Your centre must make sure that any requirements are in place when it seeks approval from Pearson to offer the qualification.

UNIT X: TITLE

Teacher guidance

Resources

Tellus in cursus erat amet odio illo:

- sem risus
- cursus erat amet
- massa in a mauris mattis dui interdum vitae aptent etiam nec nullam amet interdum commodo empor sed.

Libero nunc elementum. Ante at quam et dui tincidunt vitae arcu suspendisse suspendisse id in. Euismod pede eget erat quis libero. Enim lorem et.

Assessment guidance

Nec consequat posuere. Morbi pharetra vestibulum. Dictum sodales tristique feugiat malesuada in nunc lacinia orci erat molestie consectetuer. Pretium leo habitant. Mattis pulvinar dolor quis curabitur luctus.

Nibh id elit. Montes maecenas tortor. Consequat minim sed. Phasellus purus maecenas neque sem risus tortor nisl at pulvinar consectetuer nec penatibus quam nulla. Sagittis pede congue suspendisse sapien mollis. Et sit nulla. Quisque donec sed eu blandit volutpat in per eros. Pulvinar donec sed.

Nulla laoreet enim eget et lectus mauris aptent nullam. Erat augue nulla turpis justo eget elementum metus ligula.

Odio urna eleifend. Tellus in cursus erat amet odio illo eu feugiat vestibulum ipsum pellentesque ipsum lacus nulla. At velit dui. Lectus bibendum eget wisi nibh ullamcorper nisl eu in luctus neque nunc. Ultrices ultrices ut. In cursus ac sem in urna. Massa in a mauris mattis dui interdum vitae aptent etiam nec nullam. Interdum duis adipiscing adipiscing tellus at. Ut orci ut. Lorem in nullam amet interdum commodo. Tempor sed facilisis. Nostra pretium non. Felis mauris porttitor. Velit malesuada volutpat non ut volutpat.

Massa eget aliquam. Sed consequat magna. Mauris ut hymenaeos. Dapibus mauris ut. Felis non ut. Libero nunc elementum. Ante at quam et dui tincidunt vitae arcu suspendisse suspendisse id in. Euismod pede eget erat quis libero. Enim lorem et. Elit elit libero felis ligula ut.

Lectus donec non id vitae lacus augue integer erat dignissim eros sed ornare condimentum condimentum quis risus duis. Vulputate magnis pede dui nibh aliquam. Neque magna consectetuer scelerisque nec in ut orci arcu. Nec elit nec ut vitae lectus dolor sed cras. Rutrum ipsum convallis. Massa bibendum nulla sollicitudin elit praesent.

Per aliquam diam natoque scelerisque pharetra. Leo at non donec justo et eu blandit malesuada. Eu erat mi. Nulla et nam. Leo fusce cubilia ultricies laoreet orci elit nec in. Libero nunc elementum.

Assessment guidance – gives examples of the quality of work needed to differentiate the standard of work submitted. It also offers suggestions for creative and innovative ways in which learners can produce evidence to meet the criteria. The guidance highlights approaches and strategies for developing appropriate evidence.

Suggested assignment outlines – gives examples of possible assignment ideas. These are not mandatory. Your centre is free to adapt them, or you can design your own assignment outlines.

UNIT X: TITLE

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance, and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.D1	The local community magazine is running an article to introduce learners to the essential role played by the public services in protecting the community. You have been asked to write the article. You will research selected 'communities' and what their individual needs are. Use your research to support your article, which must provide an analysis of how two contrasting selected public services have worked to protect the communities you identified. You must consider the advantages gained through public services working together.	They types of evidence that you will produce include: • a magazine article that addresses the way in which two contrasting public services work to protect the community, and the advantages and disadvantages of public services working together • individual preparation notes to support your article, including research notes, interviews, questionnaires etc. • illustrations, where relevant, to support the article.

8 Internal assessment

Language of assessment

Assessment of the internal and external units for this qualification will be available in English. All learner work must be in English. This qualification can also be made available through the medium of Welsh, in which case learners may submit work in Welsh and/or English.

A learner taking the qualification may be assessed in British or Irish Sign Language where it is permitted for the purpose of reasonable adjustment.

Summary of internal assessment

For the Pearson BTEC Level 1/Level 2 First qualifications, the majority of the units are assessed through internal assessment, which means that you can deliver the programme in a way that suits your learners and which relates to local need. The way in which you deliver the programme must also ensure that assessment is fair and that standards are nationally consistent over time.

To achieve this, it is important that you:

- plan the assessment of units to fit with delivery, allowing for the linkages between units

- write suitable assessments (for example assignments, projects, 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 Lead Internal Verifier, when it will be used and assessed, and 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 your implementation, delivery and assessment is consistent with national standards.

Assessment and verification roles

There are three key roles involved in implementing assessment processes in your school or college, namely:

- Lead Internal Verifier

- Internal Verifier – the need for an Internal Verifier or Internal Verifiers in addition to the Lead Internal Verifier is dependent on the size of the programme in terms of assessment locations, number of assessors and optional paths taken. Further guidance can be obtained from your Vocational Quality Advisor or Centre Quality Reviewer if you are unsure about the requirements for your centre

- assessor.

The Lead Internal Verifier must be registered with Pearson and is required to train and standardise assessors and Internal Verifiers using materials provided by Pearson that demonstrate the application of standards. In addition, the Lead Internal Verifier should provide general support. The Lead Internal Verifier:

- has overall responsibility for the programme assessment plan, including the duration of assessment and completion of verification

- can be responsible for more than one programme

- ensures that there are valid assessment instruments for each unit in the programme

- ensures that relevant assessment documentation is available and used for each unit

- is responsible for the standardisation of assessors and Internal Verifiers using Pearson-approved materials

- authorises individual assessments as fit for purpose

- checks samples of assessment decisions by individual assessors and Internal Verifiers to validate that standards are being correctly applied

- ensures the implementation of all general assessment policies developed by the centre for BTEC qualifications

- has responsibility for ensuring learner work is authenticated

- liaises with Pearson, including the Pearson Standards Verifier.

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 national standard 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, with the team leader or programme manager often being the registered Lead Internal Verifier.

Internal Verifiers must make sure that assessment is fully validated within your 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 in the specification

- ensuring the decisions of every assessor for each unit at all grades and for all learners are in line with national standards.

Assessors make assessment decisions and must be standardised using Pearson-approved materials before making any assessment decisions. They are usually the teachers in your 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 national standards. Assessors may also draft or adapt internal assessment instruments.

You 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

Internal assessment is the main form of assessment for this qualification, so preparing your learners for it is very important because they:

- 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.

You will need to give learners 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 they should use and reference source materials, including what would constitute plagiarism.

Designing assessment instruments

An assessment instrument is any kind of activity or task that is developed for the sole purpose of assessing learning against the learning aims. When you develop assessment instruments you will often be planning them as a way to develop learners' skills and understanding. However, they must be fit for purpose as a tool to measure learning against the defined content and assessment criteria to ensure your final assessment decisions meet the national standard.

You should make sure that assessment tasks and activities enable learners to produce valid, sufficient, authentic and appropriate evidence that relates directly to the specified criteria within the context of the learning aims and unit content. You need to ensure that the generation of evidence is carefully monitored, controlled and produced in an appropriate timescale. This will help you to make sure that learners are achieving to the best of their ability and at the same time that the evidence is genuinely their own.

An assessment that is fit for purpose and suitably controlled is one in which:

- the tasks that the learner is asked to complete will provide evidence for a learning aim that can be assessed using the assessment criteria

- the assessment instrument gives clear instructions to the learner about what they are required to do

- the time allowed for the assessment is clearly defined and consistent with what is being assessed

- you have the required resources for all learners to complete the assignment fully and fairly

- the evidence the assignment will generate will be authentic and individual to the learner

- the evidence can be documented to show that the assessment and verification has been carried out correctly.

You may develop assessments that cover a whole unit, parts of a unit or several units, provided that all units and their associated learning aims are fully addressed through the programme overall. A learning aim **must** be covered completely in an assessment. Learning aim coverage must not be split between assignments. In some cases it may be appropriate to cover a learning aim with two tasks or sub-tasks within a single assignment. This must be done with care to ensure the evidence produced for each task can be judged against the full range of achievement available in the learning aim for each activity. This means it is not acceptable to have a task that contains a Pass level activity, then a subsequent task that targets a Merit or Distinction level activity. However, it is possible to have two tasks for different assessed activities, each of which stretch and challenge the learners to aim to produce evidence that can be judged against the full range of available criteria.

When you give an assessment to learners, it must include:

- a clear title and/or reference so that the learner knows which assessment it is

- the unit(s) and learning aim(s) being addressed

- a scenario, context, brief or application for the task

- task(s) that enable the generation of evidence that can be assessed against the assessment criteria

- details of the evidence that the learner must produce

- clear timings and deadlines for carrying out tasks and providing evidence.

Your assessment tasks should enable the evidence generated to be judged against the full range of assessment criteria; it is important the learners are given the opportunity for stretch and challenge.

The units include guidance on appropriate approaches to assessment. Central features of vocational assessment are that it should be:

- current, i.e. it reflects the most recent developments and issues

- local, i.e. it reflects the employment context of your area

- flexible, i.e. it allows you as a centre to deliver the programme, making best use of the vocational resources that you have

- consistent with national standards, with regard to the level of demand.

Your centre should use the assessment guidance within units along with your local resource availability and guidance to develop appropriate assessments. It is acceptable to use and adapt resources to meet learner needs and the local employment context.

You need to make sure that the type of evidence generated fits with the unit requirement, that it is vocational in nature, and that the context in which the assessment is set is in line with unit assessment guidance and content. For many units, this will mean providing for the practical demonstration of skills. For many learning aims, you will be able to select an appropriate vocational format for evidence generation, such as:

- written reports, graphs, posters

- projects, project plans

- time-constrained practical assessments

- audio-visual recordings of portfolio, sketchbook, a working logbook etc.

- presentations.

Authenticity and authentication

You can accept only evidence for assessment that is authentic, i.e. that is the learner's own and that can be judged fully to see whether it meets the assessment criteria.

You should ensure that authenticity is considered when setting assignments. For example, ensuring that each learner has a different focus for research will reduce opportunities for copying or collaboration. On some occasions it will be useful to include supervised production of evidence. Where appropriate, practical activities or performance observed by the assessor should be included.

Learners must authenticate the evidence that they provide for assessment. They do this by signing a declaration stating that it is their own work when they submit it to certify:

- the evidence submitted for this assignment is the learner's own

- the learner has clearly referenced any sources used in the work

- they understand that false declaration is a form of malpractice.

Your assessors should assess only learner evidence that is authentic. If they find through the assessment process that some or all of the evidence is not authentic, they need to take appropriate action, including invoking malpractice policies as required.

It is important that all evidence can be validated through verification. This means that it must be capable of being reassessed in full by another person. When you are using practical and performance evidence, you need to think about how supporting evidence can be captured through using, for example, videos, recordings, photographs, handouts, task sheets, etc. This should be submitted as part of the learner's evidence.

The authentication of learner evidence is the responsibility of your centre. If during external sampling a Pearson Standards Verifier raises concerns about the authenticity of evidence, your centre will be required to investigate further. Depending on the outcomes, penalties may be applied. At the end of this section, you can find an example of a template that can be used to record the declaration of learners in relation to the authenticity of the evidence presented for assessment.

Applying criteria to internal assessments

Each unit and learning aim has specified assessment criteria. Your centre should use these criteria for assessing the quality of the evidence provided. This determines the grade awarded.

Unless specifically indicated by the assessment guidance, assessment criteria are not a set of sequential activities but a way of making a judgement. For example, if a Level 2 Pass specifies a 'description' and a Merit an 'analysis', these do not require two different activities but rather one activity through which some learners will provide only description evidence and others will also provide analysis evidence. The assessment criteria are hierarchical. A learner can achieve a Merit only if they provide sufficient evidence for the Level 2 Pass and Merit criteria. Similarly, a learner can achieve a Distinction only if they give sufficient evidence for the Level 2 Pass, Merit and Distinction criteria.

A final unit grade is awarded after all opportunities for achievement are given. A learner must achieve all the assessment criteria for that grade. Therefore:

- to achieve a Level 2 Distinction, a learner must have satisfied all the Distinction criteria in a way that encompasses all the Level 2 Pass, Merit and Distinction criteria, providing evidence of performance of outstanding depth, quality or application

- to achieve a Level 2 Merit, a learner must have satisfied all the Merit criteria in a way that encompasses all the Level 2 Pass and Merit criteria, providing performance of enhanced depth or quality

- to achieve a Level 2 Pass, a learner must have satisfied all the Level 2 Pass criteria, showing breadth of coverage of the required unit content and having relevant knowledge, understanding and skills

- a learner can be awarded a Level 1 if the Level 1 criteria are fully met. A Level 1 criterion is not achieved through failure to meet the Level 2 Pass criteria.

A learner who does not achieve all the assessment criteria at Level 1 has not passed the unit and should be given a grade of U (Unclassified).

A learner must achieve all the defined learning aims to pass the internally assessed units. There is no compensation within the unit.

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 learning aims 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. Your assessment plan 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.

Your 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

You should 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 Lead Internal Verifier has authorised and that some learners are not advantaged by having additional time to complete assignments. You are not required to accept for 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 you accept a late completion by a learner, the evidence should be assessed normally, unless it is judged to not meet the requirements for authenticity. It is not appropriate, however, 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 Lead Internal Verifier approves **one** opportunity to resubmit improved evidence.

The criteria used to authorise a resubmission opportunity are always:

- initial deadlines or agreed extensions have been met
- the tutor 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.

Your centre will need to provide a specific resubmission opportunity that is authorised by the Lead Internal Verifier. Any resubmission opportunity must have a deadline that is within 15 working days of the assessment decision being given to the learner, and within the same academic year. You 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.

You need to consider how the further assessment opportunity ensures that assessment remains fit for purpose and in line with the original requirements; for example, you 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 you provide opportunities to improve and resubmit evidence for assessment 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 will want to include evidence that has been resubmitted as part of the sample they will review.

Appeals

Your centre must have a policy for dealing with appeals from learners. These appeals may relate to assessment decisions being incorrect or assessment not being conducted fairly. The first step in such a policy would be a consideration of the evidence by a Lead Internal Verifier or other member of the programme team who, wherever possible, was not involved in the original assessment decision. The assessment plan should allow time for potential appeals after assessment decisions have been given to learners.

If there is an appeal by a learner you must document the appeal and its resolution.

Dealing with malpractice

Learner Malpractice

Heads of Centres are required to report incidents of any suspected learner malpractice that occur during Pearson external assessments. We ask that centres do so by completing a JCQ Form M1 (available at www.jcq.org.uk/exams-office/malpractice) and emailing it and any accompanying documents (signed statements from the learner, invigilator, copies of evidence, etc.) to the Investigations Team at pqsmalpractice@pearson.com. The responsibility for determining appropriate sanctions or penalties to be imposed on learners lies with Pearson.

Learners must be informed at the earliest opportunity of the specific allegation and the centre's malpractice policy, including the right of appeal. Learners found guilty of malpractice may be disqualified from the qualification for which they have been entered with Pearson.

Teacher/centre Malpractice

Heads of Centres are required to inform Pearson's Investigations Team of any incident of suspected malpractice by centre staff, before any investigation is undertaken. Heads of Centres are requested to inform the Investigations Team by submitting a JCQ Form M2(a) (available at www.jcq.org.uk/exams-office/malpractice) with supporting documentation to pqsmalpractice@pearson.com. Where Pearson receives allegations of malpractice from other sources (for example Pearson staff or anonymous informants), the Investigations Team will conduct the investigation directly or may ask the head of centre to assist. Incidents of maladministration (accidental errors in the delivery of Pearson qualifications that may affect the assessment of learners) should also be reported to the Investigations Team using the same method.

Reasonable adjustments to assessment

You are able to make adjustments to assessments to take account of the needs of individual learners in line with Pearson's Reasonable Adjustments and Special Considerations policy. In most instances this can be achieved simply by application of the policy, for example to extend time or adjust the format of evidence. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable.

Special consideration

You must operate special consideration in line with Pearson's Reasonable Adjustments and Special Considerations policy. You can provide special consideration only in the time given for evidence to be provided or for the format of the assessment if it is equally valid. You may not substitute alternative forms of evidence to that required in a unit, or omit the application of any assessment criteria to judge attainment. Pearson can consider applications for special consideration in line with the policy.

Exemplar for centres
Learner Assessment Submission and Declaration

This sheet or a sheet fulfilling the same function must be completed by the learner and be provided for work submitted for assessment.

Learner name:		Assessor name:	
Issue date:	Submission date:		Submitted on:
Programme:			
Unit:			
Assignment reference and title:			

Please list the evidence submitted for each task. Indicate the page numbers where the evidence can be found or describe the nature of the evidence (e.g. video, illustration).

Assignment task reference	Evidence submitted	Page numbers or description

Additional comments to the Assessor:

Learner declaration

I certify that the work submitted for this assignment is my own. I have clearly referenced any sources used in the work. I understand that false declaration is a form of malpractice.

Learner signature: Date:

9 External assessment

Externally-assessed units have the same grades as internally-assessed units:

- Level 2 – Pass, Merit, Distinction
- Level 1
- Unclassified.

The tables below show the type of external assessment and assessment availability for these qualifications.

Unit 2: Finance for Business	
Type of external assessment	This unit is externally assessed using an onscreen test. Pearson sets and marks the test. The assessment must be taken by the learner under examination conditions.
Length of assessment	The external assessment will be 1 hour and 15 minutes.
No. of marks	60
Assessment availability	On-demand
First assessment availability	The updated assessment for Unit 2 (for the 2018 specification) is available Jan 2020.
Resit opportunities	All learners registered from Sept 2018 can resit the external assessment once.

Unit 9: Principles of Marketing	
Type of external assessment	This unit is externally assessed using a paper-based exam. Pearson sets and marks the exam. The assessment must be taken by the learner under examination conditions.
Length of assessment	The external assessment will be 1 hour, 30 minutes.
No. of marks	50
Assessment availability	January and June
First assessment availability	January 2014

Your centre needs to make sure that learners are:

- fully prepared to sit the external assessment
- entered for assessments at appropriate times, with due regard for resit opportunities as necessary.

Sample assessment materials will be available to help centres prepare learners for assessment. Specific arrangements for external assessment are available before the start of each academic year on our website qualifications.pearson.com.

Grade descriptors for the internal and external units

Internal units

Each internally-assessed unit has specific assessment criteria that your centre must use to judge learner work in order to arrive at a grading decision for the unit as a whole. For internally-assessed units, the assessor judges the evidence that the learner has presented to determine whether it meets all the relevant criteria, and then awards a grade at the appropriate level.

The criteria are arrived at with reference to the following grading characteristics:

- applying knowledge and understanding in vocational and realistic contexts, with reference to relevant concepts and processes, to achieve tasks, produce outcomes and review the success of outcomes

- developing and applying practical and technical skills, acting with increasing independence to select and apply skills through processes and with effective use of resources to achieve, explain and review the success of intended outcomes

- developing generic skills for work through management of self, working in a team, the use of a variety of relevant communication and presentation skills, and the development of critical thinking skills relevant to vocational contexts.

External units

The externally-assessed units are assessed using both marks-based and levels-based schemes. For each external assessment, grade boundaries, based on learner performance, will be set by the awarding organisation.

The following criteria are used in the setting and awarding of the external units.

Level 2 Pass

For the externally assessed Unit 2, learners will be able to recall and apply knowledge of finance in familiar situations, including simple business applications. They will have a sound understanding of key terms, methods, purposes and cost factors related to business. They will be able to interpret information in order to select and apply knowledge of costs, profit, breakeven and cash flow. They will be able to define and describe the processes associated with business finance and perform simple calculations to demonstrate they can select appropriate actions in simple and familiar contexts. They will be able to relate knowledge of business finance to vocational and realistic situations, and relate the use of business techniques to planning for success.

For the externally assessed Unit 9, learners will be able to recall and apply knowledge of marketing to a given case study, including simple business applications. They will have a sound understanding of key terms, methods and purposes related to marketing. They will be able to interpret information in order to select and apply knowledge of marketing, branding and promotion. They will be able to define and describe the processes associated with marketing and demonstrate appropriate application to a given case study. They will be able to relate knowledge of marketing to vocational and realistic situations, and relate the use of marketing principles to planning for success.

Level 2 Distinction

For the externally assessed Unit 2, learners will be able to synthesise knowledge of business finance and how it is used, bringing together skills in using financial methods in realistic contexts. They will be able to analyse how businesses respond to changes, calculating impacts and deducing appropriate reactions. They will be able to apply knowledge to sometimes complex contexts, including multiple-stage tasks.

They will show depth of knowledge and understanding of how finances affect businesses in different situations, and will be able to make effective judgements based on analysis of given information such as costs, sales and prices. They will be able to explore and evaluate potential effects on businesses of financial decisions, and make valid recommendations. They will be able to make judgements from data provided and recommend solutions, controls, plans and actions. They will be able to compare methods and approaches used by different businesses to plan, measure and control finances, and evaluate alternatives against defined criteria.

For the externally assessed Unit 9, learners will be able to synthesise knowledge of marketing and how it is used, bringing together skills in applying principles of marketing in realistic contexts. They will be able to analyse how businesses respond to changes in the market, assessing the impact on businesses and recommending appropriate actions. They will be able to explore and evaluate potential effects on businesses of marketing decisions, and make valid recommendations. They will be able to make judgements from data provided and recommend solutions, controls, plans and actions. They will be able to compare methods and approaches used by different businesses to plan and implement marketing decisions, and will be able to evaluate alternatives against defined criteria.

10 Awarding and reporting for the qualifications

The awarding and certification of these qualifications will comply with the requirements of the Office of Qualifications and Examinations Regulation (Ofqual).

Calculation of the qualification grade

This qualification is a Level 1/Level 2 qualification and the certification may show a grade ranging from Level 2 P to Level 2 D*. Please refer to the Calculation of qualification grade table for the full list of grades. If these grades are not achieved, a Level 1 grade may be awarded. Learners whose level of achievement is below a Level 1 will receive an unclassified (U) result. Each individual unit will be awarded a grade of Level 2 Pass, Merit, Distinction or Level 1. Distinction* is not available at unit level. Learners whose level of achievement is below a Level 1 will receive an unclassified (U) for that unit. Award of Distinction* (D*) D* is an aggregated grade for the qualification, based on the learner's overall performance. In order to achieve this grade, learners will have to demonstrate a strong performance across the qualification as a whole. To achieve a Level 2 qualification, learners must:

- complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome)

- achieve the minimum number of points at a grade threshold from the permitted combination, see the Calculation of qualification grade table.

Learners who do not achieve a Level 2 may be entitled to achieve a Level 1 where they:

- complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome)

- achieve the minimum number of points for a Level 1, see the *Calculation of qualification grade* table.

For the Certificate

To achieve a Level 2 qualification, learners must:

- complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

- achieve the minimum number of points at a grade threshold from the permitted combination, see the *Calculation of qualification grade* table.

Learners who do not achieve a grade at Level 2 may be entitled to achieve a grade of Level 1 Pass where they:

- complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

- achieve the minimum number of points for a Level 1, see the *Calculation of qualification grade* table.

For the Extended Certificate

To achieve a Level 2 qualification, learners must:

● complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

● achieve the minimum number of points at a grade threshold from the permitted combination, see the *Calculation of qualification grade* table.

Learners who do not achieve a grade at Level 2 may be entitled to achieve a grade of Level 1 Pass where they:

● complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

● achieve the minimum number of points for a Level 1, see the *Calculation of qualification grade* table.

For the Diploma

To achieve a Level 2 qualification, learners must:

● complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

● achieve the minimum number of points at a grade threshold from the permitted combination, see the *Calculation of qualification grade* table.

Learners who do not achieve a grade at Level 2 may be entitled to achieve a grade of Level 1 Pass where they:

● complete and report an outcome for all units within the permitted combination (NB Unclassified is a permitted unit outcome) and

● achieve the minimum number of points for a Level 1, see the *Calculation of qualification grade* table.

Learners who do not achieve sufficient points for the Certificate, Extended Certificate or Diploma qualification may be eligible to achieve the Award provided they have completed the correct combination of units and meet the appropriate qualification grade points threshold.

Points available for unit size and grades

The table below shows the **number of points scored per 10 guided learning hours** at each grade.

Points per grade per 10 guided learning hours				
Unclassified	**Level 1**	**Level 2 Pass (P)**	**Level 2 Merit (M)**	**Level 2 Distinction (D)**
0	2	4	6	8

We will automatically calculate the qualification grade for your learners when your learner unit grades are submitted. Learners will be awarded qualification grades for achieving the sufficient number of points within the ranges shown in the *Calculation of qualification grade* table.

Example

A learner achieves a Level 2 Pass grade for a unit. The unit size is 30 guided learning hours (GLH). Therefore, they gain 12 points for that unit, i.e. 4 points for each 10 GLH, so 12 points for 30 GLH.

Calculation of qualification grade

Award (120 GLH)		Certificate (240 GLH)		Extended Certificate (360 GLH)		Diploma (480 GLH)	
Grade	Points threshold	Grade	Points threshold	Grade	Points threshold	Grade	Points threshold
U	0	U	0	U	0	U	0
Level 1	24	Level 1	48	Level 1	72	Level 1	96
Level 2 Pass	48	Level 2 PP	96	Level 2 PP	144	Level 2 PP	192
		Level 2 MP	114	Level 2 MP	174	Level 2 MP	234
Level 2 Merit	66	Level 2 MM	132	Level 2 MM	204	Level 2 MM	276
		Level 2 DM	150	Level 2 DM	234	Level 2 DM	318
Level 2 Distinction	84	Level 2 DD	168	Level 2 DD	264	Level 2 DD	360
		Level 2 D*D	174	Level 2 D*D	270	Level 2 D*D	366
Level 2 Distinction*	90	Level 2 D*D*	180	Level 2 D*D*	276	Level 2 D*D*	372

This table shows the minimum thresholds for calculating grades. The table will be kept under review over the lifetime of the qualification. The most up to date table will be issued on our website.

Pearson will monitor the qualification standard and reserves the right to make appropriate adjustments.

The tables below give examples of how the overall grade is determined.

Examples used are for illustrative purposes only. Other unit combinations are possible, see *Section 4 Qualification structures*.

Example 1

Achievement of a Certificate with a Level 2 MM grade

	GLH	Weighting (GLH/10)	Grade	Grade points	Points per unit (weighting × grade points)
Unit 1	30	3	Level 2 Merit	6	18
Unit 2	30	3	Level 2 Pass	4	12
Unit 3	30	3	Level 2 Merit	6	18
Unit 4	30	3	Level 2 Merit	6	18
Unit 5	30	3	Level 2 Merit	6	18
Unit 6	30	3	Level 2 Pass	4	12
Unit 7	60	6	Level 2 Distinction	8	48
Qualification grade totals	**240**	**24**	**Level 2 MM**		**144**

The learner has sufficient points for a Level 2 MM grade.

Example 2

Achievement of a Certificate with a Level 2 D*D grade

	GLH	Weighting (GLH/10)	Grade	Grade points	Points per unit (weighting × grade points)
Unit 1	30	3	Level 2 Merit	6	18
Unit 2	30	3	Level 2 Distinction	8	24
Unit 3	30	3	Level 2 Merit	6	18
Unit 4	30	3	Level 2 Distinction	8	24
Unit 5	30	3	Level 2 Merit	6	18
Unit 6	30	3	Level 2 Distinction	8	24
Unit 7	60	6	Level 2 Distinction	8	48
Qualification grade totals	**240**	**24**	**Level 2 D*D**		**174**

The learner has sufficient points for a Level 2 D*D grade.

Example 3

Achievement of an Extended Certificate with a Level 2 MP grade

	GLH	Weighting (GLH/10)	Grade	Grade points	Points per unit (weighting × grade points)
Unit 1	30	3	Level 2 Pass	4	12
Unit 2	30	3	Level 2 Pass	4	12
Unit 3	30	3	Level 2 Merit	6	18
Unit 4	30	3	Level 2 Pass	4	12
Unit 5	30	3	Level 2 Merit	6	18
Unit 6	30	3	Level 2 Distinction	8	24
Unit 7	60	6	Level 2 Pass	4	24
Unit 8	30	3	Level 2 Merit	6	18
Unit 9	30	3	Level 2 Merit	6	18
Unit 10	60	6	Level 2 Pass	4	24
Qualification grade totals	**360**	**36**	**Level 2 MP**		**180**

The learner has sufficient points for a Level 2 MP grade.

Example 4

Achievement of a Diploma with a Level 2 MM grade

	GLH	Weighting (GLH/10)	Grade	Grade points	Points per unit (weighting × grade points)
Unit 1	30	3	Level 2 Merit	6	18
Unit 2	30	3	Level 2 Pass	4	12
Unit 18	60	6	Level 2 Merit	6	36
Unit 3	30	3	Level 2 Merit	6	18
Unit 5	30	3	Level 2 Merit	6	18
Unit 9	30	3	Level 2 Pass	4	12
Unit 19	60	6	Level 2 Distinction	8	48
Unit 23	60	6	Level 2 Distinction	8	48
Unit 30	30	3	Level 2 Merit	6	18
Unit 25	60	6	Level 2 Pass	4	24
Unit 27	60	6	Level 2 Pass	4	24
Qualification grade totals	**480**	**48**	**Level 2 MM**		**276**

The learner has sufficient points for a Level 2 MM grade.

Example 5

Achievement of a Diploma with a Level 2 DD grade

	GLH	Weighting (GLH/10)	Grade	Grade points	Points per unit (weighting × grade points)
Unit 1	30	3	Level 2 Merit	6	18
Unit 2	30	3	Level 2 Distinction	8	24
Unit 18	60	6	Level 2 Merit	6	36
Unit 3	30	3	Level 2 Distinction	8	24
Unit 5	30	3	Level 2 Merit	6	18
Unit 9	30	3	Level 2 Distinction	8	24
Unit 19	60	6	Level 2 Distinction	8	48
Unit 23	60	6	Level 2 Distinction	8	48
Unit 30	30	3	Level 2 Distinction	8	24
Unit 25	60	6	Level 2 Distinction	8	48
Unit 27	60	6	Level 2 Distinction	8	48
Qualification grade totals	**480**	**48**	**Level 2 DD**		**360**

The learner has sufficient points for a Level 2 DD grade.

11 Quality assurance of centres

Pearson will produce on an annual basis the *UK Vocational Quality Assurance Handbook*, which will contain detailed guidance on the quality processes required to underpin robust assessment and internal verification.

The key principles of quality assurance are that:

- a centre delivering BTEC programmes must be an approved centre, and must have approval for the programmes or groups of programmes that it is delivering

- the centre agrees, as part of gaining approval, to abide by specific terms and conditions around the effective delivery and quality assurance of assessment; it must abide by these conditions throughout the period of delivery

- Pearson makes available to approved centres a range of materials and opportunities, through online standardisation, intended to exemplify the processes required for effective assessment, and examples of effective standards. Approved centres must use the materials and services to ensure that all staff delivering BTEC qualifications keep up to date with the guidance on assessment

- an approved centre must follow agreed protocols for standardisation of assessors and verifiers, for the planning, monitoring and recording of assessment processes, and for dealing with special circumstances, appeals and malpractice.

The approach of quality-assured assessment is through a partnership between an approved centre and Pearson. We will make sure that each centre follows best practice and employs appropriate technology to support quality-assurance processes, where practicable. We work to support centres and seek to make sure that our quality-assurance processes do not place undue bureaucratic processes on centres.

We monitor and support centres in the effective operation of assessment and quality assurance. The methods we use to do this for BTEC First programmes include:

- making sure that all centres complete appropriate declarations at the time of approval

- undertaking approval visits to centres

- making sure that centres have effective teams of assessors and verifiers who are trained to undertake assessment

- assessment sampling and verification, through requested samples of assessments, completed assessed learner work and associated documentation

- an overarching review and assessment of a centre's strategy for assessing and quality assuring its BTEC programmes.

An approved centre must make certification claims only when authorised by us and strictly in accordance with requirements for reporting.

Centres that do not fully address and maintain rigorous approaches to quality assurance cannot seek certification for individual programmes or for all BTEC First programmes. Centres that do not comply with remedial action plans may have their approval to deliver qualifications removed.

12 Further information and useful publications

To get in touch with us visit our 'Contact us' pages:

● Edexcel: qualifications.pearson.com/contactus

● BTEC Firsts: qualifications.pearson.com/en/qualifications/btec-firsts.html

● Pearson Work Based Learning and Colleges:
qualifications.pearson.com/en/support/support-for-you/work-based-learning.html

● books, software and online resources for UK schools and colleges:
www.pearsonschoolsandfecolleges.co.uk

Key publications:

● Adjustments for candidates with disabilities and learning difficulties – Access and Arrangements and Reasonable Adjustments, General and Vocational qualifications (Joint Council for Qualifications (JCQ))

● Equality Policy (Pearson)

● Recognition of Prior Learning Policy and Process (Pearson)

● UK Information Manual (Pearson)

● UK Quality Vocational Assurance Handbook (Pearson).

All of these publications are available on our website.

Publications on the quality assurance of BTEC qualifications are on our website at qualifications.pearson.com/en/support/support-topics/quality-assurance/quality-assurance-overview.html

Our publications catalogue lists all the material available to support our qualifications. To access the catalogue and order publications, please go to qualifications.pearson.com/en/support/published-resources.html#step1

Additional documentation

Additional materials include:

● Sample Assessment Material (for the external units)

● a guide to getting started with BTEC

● guides to our support for planning, delivery and assessment (including sample assignment briefs).

Additional resources

If you need to source further learning and teaching material to support planning and delivery for your learners, there is a wide range of BTEC resources available to you.

Any publisher can seek endorsement for their resources, and, if they are successful, we will list their BTEC resources on our website: qualifications.pearson.com/en/support/published-resources/about-endorsed-resources.html

13 Professional development and support

Pearson supports UK and international customers with training related to BTEC qualifications. This support is available through a choice of training options offered on our website: qualifications.pearson.com/en/support/training-from-pearson.

The support we offer focuses on a range of issues, such as:

- planning for the delivery of a new programme

- planning for assessment and grading

- developing effective assignments

- building your team and teamwork skills

- developing learner-centred learning and teaching approaches

- building in effective and efficient quality assurance systems.

The national programme of training we offer is on our website at: qualifications.pearson.com/en/support/training-from-pearson. You can request centre-based training through the website or you can contact one of our advisers in the Training from Pearson UK team via Customer Services to discuss your training needs.

BTEC training and support for the lifetime of the qualifications

Training and networks: our training programme ranges from free introductory events through sector-specific opportunities to detailed training on all aspects of delivery, assignments and assessment. We also host some regional network events to allow you to share your experiences, ideas and best practice with other BTEC colleagues in your region.

Regional support: our team of Curriculum Development Managers and Curriculum Support Consultants, based around the country, are responsible for providing advice and support in centres. They can help you with planning and curriculum developments.

To get in touch with our dedicated support teams please visit: qualifications.pearson.com/en/contact-us.html

Your BTEC Support team

Whether you want to talk to a sector specialist, browse online or submit your query for an individual response, there is someone in our BTEC Support team to help you whenever – and however – you need, with:

- Welcome Packs for new BTEC centres: if you are delivering BTEC for the first time, we will send you a sector-specific Welcome Pack designed to help you get started with these qualifications

- Subject Advisers: find out more about our subject adviser team – immediate, reliable support from a fellow subject expert – at: qualifications.pearson.com/en/contact-us.html

- Ask the Expert: submit your question online to our Ask the Expert online service (qualifications.pearson.com/en/contact-us/teachers.html) and we will make sure your query is handled by a subject specialist.

Units

Unit 1: Enterprise in the Business World

Level: **1 and 2**

Unit type: **Mandatory**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

What is a business and what does it do? The term 'business' can cover anything from a sole trader in a local market to a multinational corporation selling products to millions of people all over the world.

This unit introduces you to the language and terminology used in business. It explores what businesses do, trends that affect them, how they operate and the factors that influence their success.

You will explore different types of business ownership and how these relate to the size and scale of a business, as well as how the type of ownership impacts on the responsibilities of the owners of a business. Combined with looking at types of business model, you can begin to understand how diverse the world of business is.

You will use your understanding of business language to investigate what businesses do by examining the aims and objectives they set, the importance of knowing their market and understanding the influence of their stakeholders.

You will plan an idea for a realistic business start-up in your local area, based on your research, select a format and then present the business model and plan.

This unit should be incorporated throughout the programme of study as the content is synoptic and links to, and underpins, all the other units in the specification.

Learning aims

In this unit you will:

A know how trends and the current business environment may impact on a business

B plan an idea for a new business

C present a business model for a business start-up.

Learning aims and unit content

What needs to be learnt
Learning aim A: Know how trends and the current business environment may impact on a business

Topic A.1 Finding information

- Sources of information, e.g. broadsheet and local newspapers, professional and trade journals, websites, business networking organisations
- Reliability of sources and bias and currency of information

Topic A.2 Factors to consider in the current business environment

- National factors – political issues, level and type of government support for business, taxation, the economy, e.g. level of employment, inflation, exchange rates, cost of loans
- Local factors – location of business, requirements for resources, e.g. premises, staff, equipment, location of suppliers, competitors and customers
- Impact of factors – on a selected target group of customers, relevance to business proposition

Topic A.3 Trends affecting business

- Social trends, e.g.:
  - population changes, increasing life expectancy
  - households and families, e.g. more couples cohabiting
  - education, e.g. increasing achievements at GCSE
  - labour market, e.g. increase in flexible working
  - increasing travel for work, e.g. longer commutes to work
- Technology trends, e.g. increasing use of information technology, telephony and web developments
- Environmental trends, e.g. increase in renewable energy and recycling
- Ethical trends – ethical concerns of potential customers, e.g. carbon footprint, sources of timber, child labour, inadequate pay, animal welfare, identification of values of an organisation and ethical codes to address ethical concerns, contribution of business to the community

Topic A.4 Size of business and type

- Micro business – up to 9 staff
- SMEs (small and medium enterprises):
  - small enterprises – between 10 and 49 staff
  - medium enterprises – between 50 and 249 staff
- Large business – more than 250 staff
- Start-ups and existing businesses

What needs to be learnt

Learning aim B: Plan an idea for a new business

Topic B.1 How business ideas can be successful

- Finding innovative solutions, e.g. Dyson
- Meeting customer needs, e.g. products or services, filling a gap, doing it better than competitors
- Identifying new needs, e.g. mentoring and coaching, using digital media (such as social networking websites)
- Continuing to meet established customer needs, e.g. adapt when gap in provision, review and improve provision
- Being entrepreneurial – ideas of recent entrepreneurs, e.g. Tanya Budd, Rose Grimond, Mark Zuckerberg
- Importance of having a strong vision and seeing it through, e.g. Apple
- Measures of success, e.g. financial, social, customer satisfaction

Topic B.2 Business ideas

- Researching the market and identifying gaps or opportunities
- Selecting a product or service
- Targeting customers, e.g. by age, location, interests, concerns
- How a selected product or service will meet the need or demand of targeted customers
- Difference between 'benefits' and 'features' of a product or service

Topic B.3 Assessing the suitability of a business idea

- Estimating resources required to develop ideas, including:
  - own time, others' time, skills and areas of expertise
  - personal commitment
  - finance, premises, materials, equipment
- Selecting the most appropriate idea
- Likelihood of success or failure, e.g. access to prospective customers, existing demand, estimating profitability
- Identification of major barriers for a start-up business, e.g. large start-up costs, cash flow, licences, competitors

Topic B.4 Producing an initial plan for a business idea

- Producing a plan, including:
  - a rationale for a realistic idea, including vision and concept
  - supporting evidence, e.g. possible customers, possible routes to market, strategy for dealing with competitors, ideas for financing, ideas for implementation

What needs to be learnt
Learning aim C: Present a business model for a business start-up

Topic C.1 Choice of format

- Definition, features, advantages and disadvantages of the following formats:
  - o sole trader
  - o partnership
  - o limited company
  - o public limited company (plc)
  - o social enterprise

Topic C.2 Sources of help and support in developing a new business

- Sources of help, e.g. finance (bank manager), start-up capital (selling shares to family members, Prince's Trust), research (other businesses), independent advice (Business Link)
- Support networks, e.g. Chambers of Commerce, trade associations, professional bodies, friends and family, charities and voluntary organisations

Topic C.3 Business model

- Definition of a business model – shows how a business aims to generate revenue and make a profit from operations: the model includes the components and functions of business, as well as revenues it generates and expenses it incurs
- Components of a business model, including:
  - o results of researching the market, including identifying potential customers (businesses or individual consumers) and competitors
  - o goods or services – make or buy
  - o means of delivering to customer, e.g. internet only, franchise, direct sales
  - o business aims – the long-term visions or goals
  - o business objectives – measurable targets to help achieve the overall aims of a business, importance of making objectives SMART (specific, measurable, achievable, realistic and time-related)
  - o stakeholders and their influence on the business, e.g. owners, employees, customers, financiers, suppliers, local community
  - o finances and costs for start-up
  - o providing evidence to justify why the idea will succeed

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know how trends and the current business environment may impact on a business			
1A.1 Identify factors of the business environment that can impact on a start-up business.	2A.P1 Outline how the business environment can impact on a start-up business.	2A.M1 Explain how changes in the current business environment are likely to impact on a start-up business.	2A.D1 Assess the current risks, opportunities and trends in the business environment for a start-up business. *
1A.2 Identify current trends that may impact on a start-up business.	2A.P2 Explain how current trends will impact on a start-up business. *	2A.M2 Compare how two trends have impacted on a start-up business. *	
Learning aim B: Plan an idea for a new business			
1B.3 Identify the features of successful businesses.	2B.P3 Describe, using relevant examples, the features of successful businesses.	2B.M3 Compare the features, strengths and weaknesses of two successful businesses.	2B.D2 Justify how the initial plan for a business idea has potential for success in relation to existing local businesses. *
1B.4 Prepare an initial plan for a business idea for the local area. *#	2B.P4 Prepare a realistic initial plan for a business idea suitable for the local area. *#	2B.M4 Explain how the initial plan for a business idea has the potential to respond to market needs. *	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Present a business model for a business start-up			
1C.5 Outline the choice of format selected for a business start-up.	2C.P5 Explain the reasons for the choice of format selected for a business start-up.	2C.M5 Present a realistic business model for a business, explaining how the format and business model will enable it to carry out its activities successfully. #	2C.D3 Present a realistic business model for a business, explaining how the format and supporting evidence justifies the initial business idea. #
1C.6 Present, with guidance, a business model for a business start-up. #	2C.P6 Present a realistic business model for a business start-up. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

Learners will need access to local businesses.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Potentially, the unit covers a large amount of ground and the intention is that, rather than becoming knowledgeable about all aspects of the business environment, learners instead become aware of the need to monitor the business environment and develop the skills to research what they need in order to develop a specific business idea.

This unit is synoptic and it would be advisable to deliver it over the period of the course as it links to and underpins all the other units.

An active approach should be taken to delivery, encouraging learners to take responsibility for finding information and applying it to their own business model. The unit gives learners opportunities to explore current affairs and reflect on the impact that changes could have on businesses or social enterprises.

It is recommended that assessment evidence for this unit is presented in a portfolio, with the following sections, under which the learner places their evidence to meet the criteria:

- idea for the start-up business
- research for the start-up business
- initial plan for a business idea
- format of business start-up, reasons for choice
- business model
- presentation
- observation records and/or witness statements.

Work should be broken up into manageable stages. The assessment programme could be presented as a series of interlinked and coordinated tasks from which the outline business plan is derived. It will be necessary to have detailed and well-maintained tracking records so as to track the achievement of individual criteria.

Supporting evidence in the form of presentation materials, learners' notes and peer observations must be retained. Learners need to provide the initial rationale for the choice of development of a business idea and a brief project plan; then later they need to provide the more specific detail in the business plan.

Learners' presentations can be either written or verbal, but presentations need to be supported by completed assessor observation records detailing individual learner achievement against the target criteria. This is particularly important if a group presentation has been made. If learners have worked in groups on an idea for a start-up business, the groups should be no more than three or four learners.

Level 2

For 2A.P1, the learner needs to outline how the business environment can impact on a start-up business.

For 2A.P2, the learner needs to explain how current trends will impact on a start-up business. If they wish, they could focus on trends that have a particular impact on their own idea for a business start-up.

For 2A.M1, the learner needs to explain how changes in the current business environment are likely to impact on a start-up business. This leads to 2A.M2 where the learner will compare how two trends have impacted on a start-up business. If they wish, they could focus their evidence on the impact this will have on their own idea for a business start-up. This evidence could be developed further in 2A.D1, where the learner will assess the current risks, opportunities and trends in the business environment for a start-up business. This should go beyond expressing a hunch or opinion but rather should draw upon relevant data or balance one argument with the opposing argument before coming to a decision.

For 2B.P3, the learner needs to describe, using relevant examples, the features of successful businesses they have individually identified. This could be developed for 2B.M3 where learners need to compare the features, strengths and weaknesses of two of the successful businesses used for 2B.P3.

For 2B.P4, the learner needs to prepare a realistic initial plan for a business idea suitable for the local area. This must include an individual rationale with supporting evidence. The supporting evidence will show appropriate research and detail and be appropriate for the local area. For 2B.M4, learners need to provide a full explanation of how their idea has the potential to respond to local market needs and for 2B.D2, justify how their idea has potential for success in relation to specific local businesses.

For 2C.P5, the learner needs to explain the reasons for the choice of format selected for their business start-up, demonstrating an understanding of the characteristics of different types of format available.

For 2C.P6, the learner needs to present a realistic business model for a business start-up. They can develop this further in 2C.M5 by explaining how the format and business model will enable the business to carry out its activities successfully, based on its potential for success in relation to existing local businesses. This will be detailed and original, showing thorough research and thought. There will be a detailed explanation of how it has the required features to respond to market needs and be successful, giving reasons for suitability and fully explaining the reasons for rejecting other ideas.

For 2C.D3, the learner will explain how their chosen format and supporting evidence justifies the initial business idea. They should explain a vision that traces the steps along the way from the original idea to a plan for a business start-up that could be potentially successful. They will come up with one idea that others have not considered and that responds creatively to market needs and will be able to articulate their thoughts well. They will justify and evaluate the likelihood of success of the development of the business idea. The learner will need to define what success is and use one or more sources of information, such as their business plan, to support judgements on whether the idea is likely to be successful, using comparisons to existing businesses.

Level 1

For 1A.1, the learner needs to identify factors of the business environment that can impact on a start-up business.

For 1A.2, the learner needs to identify current trends that may impact on a start-up business. These should be related to reliable sources of information. It may be useful for the learner to consider the trends that may be relevant to their idea for a new business idea.

For 1B.3, the learner needs to identify the features of successful businesses. A minimum of four features need to be identified.

For 1B.4, the learner needs to prepare an initial plan for a business idea for the local area, including a rationale and supporting evidence. At this stage the idea should be individual. It may be that learners then work together to select the best idea to take forward for the rest of the unit, but if that is the case all criteria must be evidenced individually.

For 1C.5, the learner needs to outline the choice of format selected for a business start-up.

For 1C.6, the learner needs to present a basic business model for a business start-up. The plan may not show that they are fully informed of all the characteristics of a business model and research may be incomplete.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.M2, 2A.D1	Investigating the Business Environment	You have decided that you would like to set up a business. You will research local businesses to understand the local business market and to see whether there is a gap in the market that you could fill with your new business. To do this, you will need to consider both current trends and the current business environment, and their impact on businesses.	Leaflet, presentation, discussion
1B.3, 1B.4, 2B.P3, 2B.P4, 2B.M3, 2B.M4, 2B.D2; 1C.5, 1C.6, 2C.P5, 2C.P6, 2C.M5, 2C.D3	My Business Idea	You will research which businesses in the local area are currently successful, and why. You will then plan and decide on a realistic idea for a proposed business start-up, as well as deciding on the format for the ownership of the business. When presenting your realistic business model, you need to include your research, the type of ownership proposed, whether you have chosen to provide services or goods, your aims, objectives and sources of finance for the business, who your stakeholders are and a justification of why you think your business will be successful.	Presentation, with explanatory notes, of idea, format and business model

Unit 2: Finance for Business

Level: **1 and 2**

Unit type: **Mandatory**

Guided learning hours: **30**

Assessment type: **External**

Unit introduction

All businesses have to spend money before they can make a profit, and when they spend money, they incur costs. In this unit, you will explore the types of costs that businesses incur, from the initial start-up costs involved in setting up a business to the ongoing daily costs of running the business. You will then explore the ways in which the sale of products and services generates revenue, so that you can develop your understanding of profit.

Next, you will examine how businesses plan for success and learn about the techniques used to assist the planning process. In particular, you will learn how to calculate the breakeven point – the point at which sales equal costs (fixed and variable). All sales over the breakeven point produce profits, while any drop in sales below that point will produce losses. You will be introduced to the benefits of breakeven analysis to ensure that a business knows how and when to prevent losses.

As well as profit, cash is an important factor in business success. It is vital for any business to ensure that it budgets correctly and that it knows what money is coming in to the business and what needs to be paid out, and when. In this unit, you will learn how to use budgets and cash flow forecasts to deal with these important issues.

The final part of the unit explores the ways in which businesses measure success and identify areas for improvement. You will understand how gross profit and net profit are calculated and you will learn about the relationship between sales, cost of sales and gross profit. You will analyse key financial statements (e.g. profit and loss accounts, balance sheets) and review their importance in the successful financial management of a business.

Learning aims

In this unit you will:

A understand the costs involved in business and how businesses make a profit

B understand how businesses plan for success

C understand how businesses measure success and identify areas for improvement.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the costs involved in business and how businesses make a profit

Topic A.1 Understand the costs involved in business

Learners should:

- understand costs of a business, including:
  - o start-up costs – the costs incurred when setting up a business
  - o operating (running) costs – the costs incurred in the day-to-day running of a business
- understand fixed and variable costs, direct and indirect costs, total costs
- calculate total costs (formula will not be given in the assessment)

  > total costs = fixed costs + variable costs

Topic A.2 Understand how businesses make a profit

Learners should:

- understand how businesses make money (generate revenue)
- understand sources of revenue for a business
- calculate revenue (formula will not be given in the assessment)

  > revenue = number of sales x price per unit

- understand how businesses have to spend money (expenditure) in order to succeed
- understand types of expenditure (including overheads) businesses may have
- understand that expenditure is anything a business pays out and overheads are the everyday running costs of a business
- understand that businesses must know how much money is coming in (revenue) and going out (expenditure), before they can work out whether the business has:
  - o made a profit
  - o made a loss
- define:
  - o profit – revenue is more than expenditure
  - o loss – expenditure is more than revenue
- calculate profit (formula will not be given in the assessment)

  > profit = revenue – expenditure

What needs to be learnt

Learning aim B: Understand how businesses plan for success

Topic B.1 Understand the planning tools businesses use to predict when they will start making a profit

Learners should:

● define breakeven – when a business has made enough money through product sales to cover the cost of making the product (no profit and no loss)

● understand from a breakeven chart:

　o breakeven point

　o profit

　o loss

　o variable costs

　o fixed costs

　o total revenue

　o total costs

　o margin of safety

● calculate the breakeven (formula will not be given in the assessment)

Breakeven =	fixed costs
	selling price per unit – variable cost per unit

● understand the advantages and disadvantages of breakeven analysis to businesses when planning for success

● understand the effect on the breakeven point if sales or (fixed and variable) costs change, and the impact of these changes on the business

Topic B.2 Understand the tools businesses use to plan for success

Budgeting – learners should understand:

● the purpose of budgeting in setting expenditure and revenue budgets

● the difference between budgeting and budgetary control (checking performance against plan)

Cash flow forecasting – learners should:

● understand the purpose of a cash flow forecast

● understand the sources of cash coming into the business (inflows)

● understand the sources and destination of cash leaving the business (outflows)

● understand the impact of timings of inflows and outflows

● understand the advantages of using a cash flow forecast to plan for success in a business and explain the associated risks to businesses of not completing a cash flow forecast

● understand the disadvantages of cash flow forecasting

● complete a cash flow forecast from given information

● understand business' finances based on cash flow information and possible issues and solutions for the business.

What needs to be learnt
Learning aim C: Understand how businesses measure success and identify areas for improvement

Topic C.1 Understand how businesses measure success

Making a profit – learners should:

- understand cost of sales
- understand gross profit
- calculate gross profit (formula will not be given in the assessment)

gross profit = revenue – cost of sales

- understand the impact of positive and negative gross profit on businesses
- understand net profit
- calculate net profit (formula will not be given in the assessment)

net profit = gross profit – expenditure

- understand the impact of positive and negative net profit on businesses

Measuring success by looking at financial statements – learners should:

- understand what financial statements are – documents that record the financial activities of a business, sometimes required by law, including income statement (profit and loss account) and statement of financial position (balance sheet)

Income statement (profit and loss account) – learners should:

- understand the purpose of a income statement (profit and loss account)
- understand and complete an income statement (profit and loss account) from given figures, including:
  - trading account (top section of the income statement) – includes figures for revenue (turnover) and cost of sales
  - calculates the amount of gross profit
  - expenses/overheads (bottom section of the income statement)
  - calculate net profit.
- understand profitability ratios (formulas will not be given in the assessment)
  - gross profit margin

    $$\text{Gross Profit Margin} = \frac{\text{Gross profit}}{} \times 100$$

  - net profit margin

    $$\text{Net Profit Margin} = \frac{\text{Net profit}}{} \times 100$$

continued

What needs to be learnt

Statement of financial position (balance sheet) – learners should:

- understand the purpose and format of a statement of financial position (balance sheet)

- understand assets and liabilities

  o fixed assets

  o current assets

  o long-term liabilities

  o current liabilities.

- understand and complete a statement of financial position (balance sheet) with given figures, including:

  o assets

  o liabilities

  o capital – how the business is funded (money invested in the business to generate revenue) from:

    – internal sources – money from owners/shareholders (share capital) or retained profits

    – external sources – finance raised from outside of the business

  o working capital (formula will not be given in the assessment)

    Working Capital = Current assets – Current liabilities

- understand liquidity ratios (formulas will not be given in the assessment)

  o current ratio

    $$\text{Current ratio} = \frac{\text{Current assets}}{}$$

  o liquid capital ratio

    $$\frac{\text{Current assets} - \text{Inventory}}{\text{Current liabilities}}$$

Topic C.2 Understand how businesses can be more successful

Learners should:

- understand ways in which a business can increase profits

- understand financial statements and actions that arise from these statements.

Teacher guidance

Resources

There are no special resources needed for this unit.

Essential information for assessment

This unit is externally assessed using an onscreen test. Pearson sets and marks the test. The first assessment date for the revised Unit 2 onscreen test for the 2018 specification is Jan 2020. Candidates may access the legacy 2012 onscreen test prior to this date. The assessment lasts for 1 hour 15 minutes and contains 60 marks.

The assessment must be taken by the learner under examination conditions.

All questions in the onscreen test are compulsory. There will be different types of objective, short answer and extended writing questions.

Unit 3: Promoting a Brand

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

A successful business promotes itself to customers through its brand and image. In this unit, you will find out what it takes to build a brand and what a business has to consider when planning brand development. You will investigate the importance of branding to a business, the types of branding that are available and why businesses need to review and update their brands.

You will consider the important role of promotion and its place within the marketing mix. You will discover that promotion is a communication process, involving the sending and receiving of messages via a particular medium. It is not enough to have excellent products on offer at competitive prices; the benefits of these products must be clearly communicated to customers in order to encourage sales and, ultimately, make a profit.

The total communications programme is called the promotional mix and involves a blend of advertising, direct marketing, personal selling, sales promotion and public relations. You will investigate the different elements of the promotional mix and begin to understand why careful planning of the promotional mix is essential if a brand is to be successful.

You will review branding methods and techniques and consider how businesses promote their brand images. You will be encouraged to think of ideas for a brand and gain skills in developing promotional activities such as objective setting, selecting an appropriate promotional mix and justifying the choices you make when planning a promotional campaign for a brand.

Learning aims

In this unit you will:

A explore the use of branding and the promotional mix in business

B develop and promote a brand for a business.

Learning aims and unit content

What needs to be learnt

Learning aim A: Explore the use of branding and the promotional mix in business

Topic A.1 The importance of branding to businesses

- What a brand is, e.g. a strategy, perception of a customer, a logo, a legal instrument, a company, a personality, a vision, an identity, an image
- Why businesses use branding
- Types of branding used by businesses
- Adding value
- Benefits of successful branding, e.g. image, quality, recognition, long-lasting perceptions, trust, marketing multiple products
- Effects of unsuccessful branding, e.g. Dasani water

Topic A.2 Promotion in businesses

- Why businesses need to promote themselves
- Activities used in the marketing mix – 4 Ps (Product, Price, Place, Promotion)
- Benefits of promotion to businesses

Topic A.3 Elements of the promotional mix and their purposes

- Advertising:
  - definition – any paid-for space used to communicate ideas or products in the prime media
  - purpose – to persuade and inform
  - two basic aspects of advertising – the message (what the communication needs to say) and the medium (how to get the message across)
  - methods, including:
    – moving image, e.g. television, cinema, digital media
    – print, e.g. newspapers, magazines, billboard posters, direct mail, press releases
    – ambient, e.g. bus and taxi sides, desktop items such as pens
    – digital, e.g. SMS texts, podcasts, blogs, pop-ups, banners, social networking
    – audio, e.g. radio, podcasts, public address systems
- Sales promotion – provides incentives to customers or the distribution channel to stimulate demand for a product
  - methods, e.g. price promotion, coupons, competitions, money refunds, loyalty incentives
- Personal selling – involves interpersonal interactions between salespeople and individual customers for the purpose of closing a sale; can be more effective than advertising in more complex selling situations
  - methods, e.g. face to face, by telephone, via email, through video or web conferencing
- Public relations activities – promotion of a product, brand or business by placing information about it in the media without paying for the time or media space directly
  - methods, e.g. exhibitions, sponsorship, press releases

What needs to be learnt

- Direct marketing – establishing an individual relationship between the business and the customer
  - methods, e.g. direct mail (junk mail), mail order catalogues, magazines, telemarketing

Topic A.4 Promotional activities in business

- How businesses identify which customers their promotions will target, including:
  - types of market, e.g. Business to Business (B2B), Business to Consumer (B2C)
  - different ways of segmenting the market, e.g. by age, family status, gender, income, attitudes, lifestyle
- The use of promotional activities in business, including:
  - setting SMART (specific, measurable, achievable, realistic and time-related) objectives
  - selecting an appropriate promotional mix
  - benefits of selecting an appropriate promotional mix
  - communicating with the selected market segment using the AIDA model (Awareness/Attention, Interest, Desire, Action)

Learning aim B: Develop and promote a brand for a business

Topic B.1 Branding methods and techniques

- Effective branding methods and techniques in business, including the use of logos, straplines and celebrity endorsements
- Planning ideas for a brand for a business, including:
  - type of brand – concept or commodity
  - considerations, e.g. race, nationality, religion, children, people with disabilities, environmental
  - brand personality
  - brand objectives
  - target market

Topic B.2 Promoting a brand

- How businesses promote their brand image, e.g. use of different types of media
- Planning a promotional campaign for a business, including:
  - promotional objectives, e.g. to raise awareness of product or service, to remind, differentiate, persuade or inform, to create market presence, to increase market share
  - developing the most appropriate promotional mix
  - justifying the choice of promotional mix
  - designing promotional activities

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore the use of branding and the promotional mix in business			
1A.1 Describe the importance of branding for a business.	2A.P1 Explain how branding is used in two businesses.	2A.M1 Compare the use of brand promotion in two businesses.	2A.D1 Evaluate the effectiveness of the promotional mix for a selected branded product.
1A.2 Identify elements of the marketing mix for a selected branded product.	2A.P2 Assess the marketing mix for a selected branded product.	2A.M2 Explain the importance of selecting an appropriate promotional mix for a selected branded product.	
1A.3 Identify elements of the promotional mix used for a selected branded product.	2A.P3 Describe the purpose of elements of the promotional mix used for a selected branded product.		
Learning aim B: Develop and promote a brand for a business			
1B.4 Outline an idea and select a target market for a brand.	2B.P4 Use branding methods and techniques to recommend a brand personality and a target market for a brand.	2B.M3 Explain how branding methods and techniques were used to recommend a brand personality and a target market for a brand.	2B.D2 Evaluate the effectiveness of a promotional campaign for a brand and recommend improvements.
1B.5 Outline elements of a promotional campaign for a brand.	2B.P5 Plan a promotional campaign for a brand. #	2B.M4 Justify the choice of promotional mix for a brand.	

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

For 2A.P1, learners must explain how businesses use branding and investigate two businesses which have a brand or brands. For 2A.P2, learners will apply their knowledge by assessing the marketing mix for a selected branded product. For 2A.P3, learners must describe the purpose of elements of the promotional mix used for the selected branded product used in 2A.P2.

For 2A.M1, learners need to compare the use of brand promotion in two businesses and, in 2A.M2, build on this evidence to explain the importance of selecting an appropriate promotional mix for the branded product used in 2A.P2. In 2A.D1, learners will use all of their evidence generated for the assessment criteria in learning aim A to evaluate the effectiveness of the promotional mix of their selected branded product.

For 2B.P4, learners need to use branding methods and techniques to recommend a brand personality and a target market for a brand. They will then plan a full promotional campaign for this brand in 2B.P5. This will involve selecting appropriate promotional activities to effectively communicate the brand to customers. For 2B.M3, learners should explain how branding methods and techniques were used to recommend a brand personality and target market for their brand, and, for 2B.M4, justify their choice of promotional mix. This will lead to 2B.D2, where learners must evaluate the overall effectiveness of their promotional campaign and recommend improvements.

Level 1

For 1A.1, learners should describe the importance of branding for a business. Learners' descriptions should refer to brand definition, brand personality, types of brand, value-added issues, benefits of branding (e.g. image) and effects of unsuccessful branding. Learners must relate their descriptions to a real brand which they should research in order to generate good evidence for this criterion.

For 1A.2, learners need to identify elements of the marketing mix for a selected product and, for 1A.3, they need to identify elements of the promotional mix used to promote a selected brand. As for 1A.1, evidence should refer to a specific brand which will assist learners with their descriptions. The brand referred to in 1A.3 can be the brand used to promote the selected product in 1A.2.

To achieve 1B.4, learners must outline an idea and select a target market for a brand. These ideas may emerge from the research undertaken for learning aim A. For 1B.5, learners must outline the elements of a promotional campaign for their brand, to indicate how the brand will be communicated to customers. This should include branding methods and techniques (e.g. logos) they would use to promote their brand.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 2A.P1, 2A.P2, 2A.P3, 2A.M1, 2A.M2, 2A.D1	Branding and Promotion	You are working for a marketing consultancy business. You have been given the task of producing promotional material that provides information on branding and promotion to potential clients. To do this, you will need to research real brands to investigate the use of branding in businesses. Your research and assessment evidence will need to cover the importance of branding to the business and brand characteristics of the brands researched.	Presentation or written report completed in a promotional style Teacher/peer reviews of presentation
1B.4, 1B.5, 2B.P4, 2B.P5, 2B.M3, 2B.M4, 2B.D2	Developing and Promoting My Brand	You are working for a marketing consultancy business. You have been given the task of designing a promotional campaign for a brand in response to a request from a client. To fulfil the client brief, you will need to go through the process of objective setting, applying branding methods and techniques, and promoting the brand image.	Presentation of the plan for a promotional campaign with supporting evidence

Unit 4: Principles of Customer Service

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

In a world of increasing competition, businesses across all sectors realise that their level of customer service can give them a competitive advantage. Keeping customers happy can be key to business success, especially as it costs a great deal more to attract new customers than to keep existing ones. Therefore, building relationships with customers and providing consistent and reliable customer service to meet their needs and expectations is vital. This involves good communication and interpersonal skills, as well as a good knowledge of the product or service provided.

This unit develops and broadens your understanding of customer service in different businesses. You will develop your knowledge and understanding of customer needs and expectations and be given the opportunity to examine a wide range of different types of internal and external customers. It is also important to understand how businesses set internal policies and procedures to ensure that staff maintain customer service standards.

All staff working in customer service situations are expected to present themselves in a professional way, have good interpersonal skills and be able to communicate effectively with their customers. You will look at ways in which this can be achieved, meeting the needs and expectations of customers.

You will have the opportunity to develop your understanding of the importance of delivering consistent and reliable customer service through the development of your own customer service skills. You will also have the opportunity to put these skills into practice.

Learning aims

In this unit you will:

A understand how businesses provide customer service

B demonstrate appropriate customer service skills in different situations.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand how businesses provide customer service

Topic A.1 The meaning of customer service

- Definition – the ways in which a business meets customer expectations to satisfy customers

Topic A.2 Different customer service roles in a business, including:

- roles dealing directly with customers, e.g. receptionist, contact centre worker, shop assistant, delivery driver
- roles that do not involve direct customer service, e.g. cleaners, gardeners, engineers

Topic A.3 The different types of customer service businesses have:

- service deliverer (the person seen by the customer as providing customer service and representing the business)
- face-to-face customer service (hotels, restaurants, leisure centres, hospitals, shops)
- remote customer service (call centres, online)
- customer service teamwork (cooperation between individuals, departments and businesses)

Topic A.4 Customer satisfaction

- What is meant by customer satisfaction, including confidence in service, value for money, repeat custom, word-of-mouth reputation, loyalty
- Different ways businesses can satisfy customers, including providing reliable products/services; providing extra services (e.g. free delivery, follow-up services); providing accuracy, reliability and speed of service; providing value for money; providing information and advice; dealing with problems

Topic A.5 Different ways that businesses can provide consistent and reliable customer service:

- through staff knowledge of the scope of job role and products and/or services
- through staff attitude and behaviour, e.g. timing, accessibility/availability
- meeting specific customer needs
- working under pressure
- confirming service meets needs and expectations
- dealing with problems

Topic A.6 The effect of good customer service on the reputation of a business, including:

- building a good reputation (quality products, value for money, consistency, reliable and trustworthy service)
- increased sales, increased profit, retention of existing customers, new customers, word-of-mouth recommendation, competitive advantage, staff job satisfaction and motivation

continued

What needs to be learnt

Topic A.7 Different ways of exceeding customer expectations by:

● providing value for money, information and advice quickly

● providing additional help and assistance, e.g. dealing promptly with problems, offering discounts, offering additional products or services, providing information on returns policy

● providing exceptional help and assistance for customers with special requirements

Topic A.8 Providing effective customer service through organisational procedures

● Ways that businesses can provide effective customer service, e.g. by monitoring customer service, following codes of practice (industry, organisational/business, professional), meeting legal and regulatory requirements and having ethical standards:

  o ensuring that correct procedures are followed, e.g. referring to someone in authority, dealing with refunds, dealing with questions you cannot answer, treating customers equally

  o minimising hazards and risks, including identifying where customers could be injured, informing people of dangers (e.g. signs on wet floors), complying with fire regulations (e.g. exits signed, location of fire extinguishers, fire practice, evacuation procedure, meeting points), knowing how to deal with security alerts (e.g. taking messages, evacuation procedure, meeting points)

● The purpose of organisational procedures that contribute to consistent and reliable customer service:

  o meeting or exceeding the customer service offered by rival businesses, thereby gaining a competitive edge

  o ensuring company mission/vision statements are followed

  o ensuring external quality benchmarks are met

Topic A.9 Complying with legislative and regulatory customer service requirements

● Meeting all legal and regulatory requirements, including sale of goods, health and safety, data protection and equal opportunities

Learning aim B: Demonstrate appropriate customer service skills in different situations

Topic B.1 Customers

● Types of customer, including:

  o internal, e.g. managers, colleagues in own team or other departments, supervisors, staff

  o external, e.g. existing and new customers, individuals, groups, members of the public, business-to-business

  o customers with special requirements, e.g. non-English speaking, different ages, different cultures, gender, families, customers with special needs, e.g. visual, hearing, mobility

● Differences between internal customers and external customers

● Factors that impact on different customer service expectations, e.g. those relating to age, culture, image of the business, public image of the owner, disposable income

continued

What needs to be learnt

Topic B.2 Skills required to deliver consistent and reliable customer service, including:

- being professional and creating a good impression, e.g. good manners, appropriate dress, using appropriate language, good posture/body language, tidy work area

- having a positive attitude, e.g. good timekeeping, being conscientious, being motivated

- effective communication with customers, including:
  - verbal – appropriate greeting, speaking clearly, tone of voice, volume, speaking to people who do not have English as a first language
  - non-verbal – smiling, making eye contact, looking at the customer, open body language, facial expression

- completing communication with the customer, e.g. thanking the customer, appropriate tone of voice, positive body language, appropriate form of address, use of the customer's name, offering further assistance, confirmation of service

Topic B.3 Developing customer service skills, including:

- different situations, e.g. face-to-face, telephone, writing, email

- ways of dealing with customer queries, including being polite, showing empathy with the customer, keeping customers informed, not disagreeing, using appropriate body language

- ways of dealing with customer problems and complaints, e.g. by offering alternatives or exchanging products, escalating issues to management

- customer types, e.g. difficult, abusive, people with disabilities, elderly, those needing technical information

- different situations, e.g. providing information about products and/or services, promoting additional products and/or services, giving advice, taking and relaying messages

- other customer service skills, e.g. keeping records, dealing with problems, handling complaints, remedial measures, emergency situations

- complying with organisational/business policy, e.g. complaints procedure, disclaimers, service specification statements

Topic B.4 Limits of authority

- Limits of own authority when dealing with customer queries and the role of supervisors and management, including:
  - service deliverer – limited authority on amounts to refund, limited authority to offer free products, need to check with line manager
  - line manager/supervisor – greater authority to authorise refunds, can authorise discounts or free goods, supervising staff at lower level, ensuring policies and procedures are carried out
  - management – control of branch, authorising exceptional changes to procedures and policies

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand how businesses provide customer service			
1A.1 Define customer service, giving an example of a customer service role in a selected business.	2A.P1 Describe the different types of customer service provided by two selected businesses.	2A.M1 Compare how two selected businesses satisfy customers.	2A.D1 Assess the effect of providing consistent and reliable customer service on the reputation of a selected business.
1A.2 Identify features of consistent and reliable customer service.	2A.P2 Describe the characteristics of consistent and reliable customer service.	2A.M2 Explain how a selected business attempts to exceed customer expectations.	
1A.3 Identify how organisational procedures contribute to consistent and reliable customer service.	2A.P3 Explain how organisational procedures and legislation contribute to consistent and reliable customer service.	2A.M3 Compare the impact of legislative and regulatory requirements affecting customer service on a selected business.	
1A.4 Outline how legislative and regulatory requirements affect customer service in a selected business.	2A.P4 Explain how legislative and regulatory requirements affect customer service in a selected business.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Demonstrate appropriate customer service skills in different situations			
1B.5 Identify different types of internal and external customer in a selected business, giving an example for each type.	2B.P5 Describe how a selected business meets the needs and expectations of three different types of customer.	2B.M4 Demonstrate effective communication skills when responding to customer problems and complaints in three customer service situations. #	2B.D2 Evaluate the effectiveness of own customer service skills, justifying areas for improvement. #
1B.6 Identify when it is necessary to refer a customer service problem to someone in authority.	2B.P6 Describe, using examples, the limits of authority that would apply when delivering customer service.		
1B.7 Demonstrate appropriate communication skills in three customer service situations. #	2B.P7 Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

In providing evidence for this unit, learners must show that they have an understanding of how good customer service impacts on a business and ways of exceeding customer expectations. They must also show how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria, learners should research two different businesses. Examples could be from retail, call centres, leisure centres, etc. A presentation summarising how customer service is provided to different types of customer could provide evidence for 2A.P1, 2A.P2, 2A.M1, 2A.M2 and 2B.P4 if centres wish to combine evidence across learning aims.

For 2A.P1, learners should describe the different types of customer service provided by two selected businesses. For 2A.P2, learners should describe the characteristics of consistent and reliable customer service. This description can be expanded on for 2A.M1 with a comparison of how two selected businesses satisfy customers and further expanded in 2A.M2, with an explanation of the different ways in which one of those businesses can attempts to exceed customer expectations. This explanation can then be further developed for 2A.D1 into an assessment of how good customer service can impact on the reputation of a business. Examples provided for this criterion could be from the businesses learners have researched or from their own experiences.

To meet the assessment requirements for 2A.P3 and 2A.P4, learners could prepare a guidance leaflet designed for new staff. Learners must not download and reiterate large chunks of legislation, but should summarise and briefly explain how the legislation protects the customer and impacts on the delivery of customer service. Learners also need to explain how organisational procedures contribute to consistent and reliable customer service. To support their explanation, learners should provide examples showing application of their understanding, such as responding to problems or complaints. The work for 2A.P3 and 2A.P4 could be expanded upon in 2A.M3, where learners need to compare the impact of legislative and regulatory requirements affecting customer service on a selected business, giving relevant examples.

Learning aim B requires demonstration of customer service skills in different situations and evidence will be through records showing how these skills have been applied. For 2B.P5, learners must describe at least three different types of customer, including examples of internal and external customers, and describe how the needs and expectations of each type of customer are met. Evidence can be drawn from learners' own experience, from research, or from information provided by visiting speakers.

For 2B.P6, learners need to show understanding of the limits of authority when dealing with customer queries, such as offering discounts or free delivery, ways to deal with unusual, extreme or complex requests and when to ask for help from supervisors.

To achieve 2B.P7, learners should demonstrate effective communication skills to meet customer needs when dealing with three different customer types in different situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

This can be developed for 2B.M4 where learners need to think beyond the basic provision of customer service in order to respond to problems and handle complaints. Again, work should be supported with observation records and personal statements. When responding to customer service complaints, learners do not have to be limited to face-to-face situations. They can also demonstrate their skills through written communication (such as responding to letters or emails of complaint) or recorded telephone conversations. Evidence should include the learner's own plan for dealing with the problem or complaint. This could involve their written script for a telephone conversation or their draft notes for a role play. For 2B.D2, learners need to reflect on their performance and evaluate how well they handled the situations, identifying lessons learned and justifying areas for improvement.

Level 1

Evidence for this unit will require learners to show they have an understanding of what is meant by customer service, how it is provided in different contexts and how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria, learners must investigate two different businesses. Examples could be from retail, call centres, leisure centres, etc. A presentation or poster, summarising how customer service is provided to both internal and external customers, could address 1A.1, 1B.3 and 1B.4 if centres wish to combine evidence across learning aims.

For 1A.1, learners should provide a definition of customer service and draw on their research to identify a customer service role.

For 1A.2, learners need to show understanding of how consistent and reliable customer service contributes to customer satisfaction. This could be provided in the form of an induction booklet for new staff. Examples of consistent and reliable customer service for 1A.2 can be drawn from a learner's own experience as a customer or from research – two examples would suffice, and there must be reference to customer satisfaction. This could be combined with 1A.3 and 1A.4, where learners need to identify how organisational procedures contribute to consistent and reliable customer service and outline how legislative and regulatory requirements affect customer service.

For 1B.5, learners should identify different types of internal and external customers in a selected business, giving an example for each type. For 1B.6, learners should identify situations when they should refer to someone in authority when dealing with customers.

1B.P7 requires a demonstration of customer service skills in three customer service situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2A.M1, 2A.M2, 2A.M3, 2A.D1	What is Customer Service?	You are working in a business as a customer services advisor. You have been given the task of assisting the customer service manager to prepare training materials for new staff. To do this, you will need to investigate how customer service is provided in other businesses. You will then use your research to create training materials that new staff can use to learn about providing good customer service.	Training handbook for new staff, to include guidance on customer service roles, customer service provision and legislation and regulations that affect customer service work
1B.5, 1B.6, 1B.7, 2B.P5, 2B.P6, 2B.P7, 2B.M4, 2B.M5, 2B.D2	Handling Customers	You are working in a business as a customer services advisor. You need to develop your skills in providing customer service to a range of different customer types in different customer service situations. You will be observed with three customer types in different customer service situations. You will need to demonstrate effective communication skills and your knowledge of how to meet the needs and expectations of these customers within the limits of your own authority. When demonstrating your customer service skills, your performance will be observed by either your teacher (who will take on the role of your supervisor/manager) or your supervisor/manager from either a part-time job or work placement.	Work experience or role play supported with personal statement and observation record

Unit 5: Sales and Personal Selling

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Did you know that personal selling has many advantages over other methods? It is a direct method of dealing with customers, where each customer receives a relatively high level of personal attention. Personal selling usually involves meeting customers face to face or speaking to them on the telephone. However, new technologies also allow personal contact to take place over the internet, via video conferencing for example. Personal selling is flexible so that sales staff can respond to customer questions.

Businesses have always relied on sales staff to sell goods and services in person and, in doing so, promote the business and its purposes. Sales staff need to know about the products and services they are selling so they can give customers any relevant information that may influence the purchasing decision. The selling process attempts to inform and educate prospective customers and to persuade them to purchase. For example, if you are selling television sets, you will need to know about display technologies, the features of the different products and whether each product is future-proofed against changes in broadcasting technology.

Sales staff are governed by a number of rules and regulations which range from the national legal framework to organisations' own policies. If you are involved in personal selling, you will need a good knowledge of customers' rights and your obligations as a seller.

Successful selling will meet the needs and expectations of customers, while also meeting the organisation's business objectives. In order to achieve this, sales staff need a combination of excellent communication and interpersonal skills, product knowledge, and customer awareness. This unit will introduce you to the methods of selling. You will develop techniques to sell successfully – including effective handling of customer queries and problems – and learn to apply them in different situations. You will also have a chance to put your personal selling skills into practice (for example, demonstrating knowledge of product features and benefits and showing the ability to create awareness, handle objections, and close a sale).

Learning aims

In this unit you will:

A explore the role of sales staff

B demonstrate personal selling skills and processes.

Learning aims and unit content

What needs to be learnt
Learning aim A: Explore the role of sales staff

Topic A.1 The functions of the role of sales staff, including:

- selling (goods, services, product surround)
- providing information
- dealing with routine enquiries
- representing the organisation

Topic A.2 The skills that sales staff should have, including:

- understanding potential customers, e.g. diversity, disability, ethnicity, age
- sales preparation skills, e.g. appearance, subject knowledge, communication skills
- sales techniques, e.g. cold calling, face to face, drop-in visits, telemarketing
- closing a sale, e.g. techniques, timing

Topic A.3 The knowledge that sales staff should have, including:

- product knowledge, e.g. sizes, functions, colours, capability, compatibility
- sales motivation, e.g. bonuses, discounts, benefits, targets
- legislation affecting personal selling organisational policies, e.g. price matching, discounting, guarantees, after-sales service, customer care, dealing with problems and complaints
- reflective practice, e.g. Gibbs' cycle of reflection

Topic A.4 The process of personal selling and additional aspects of the role of sales staff, including:

- helping businesses remain competitive
- establishing customer requirements
- matching goods/services to customer requirements
- complying with the law, e.g. for both product and pricing and customer care requirements
- developing customer care and building relationships, e.g. handling queries and dealing with complaints
- gathering feedback
- first point of contact
- promoting the product by informing, reminding and/or persuading

What needs to be learnt

Learning aim B: Demonstrate personal selling skills and processes

Topic B.1 Demonstrate personal selling skills, including:

- preparing for the sales process, including researching appropriate product knowledge, identifying features and benefits of products and knowing how to present this information to customers

- maintaining an appropriate appearance, e.g. personal hygiene, dress

- maintaining an appropriate attitude, e.g. manners, courtesy, consideration, language, positivity

- communicating with customers, e.g. spoken, written, listening, answering routine questions/enquiries, non-verbal, face to face, remote, eye contact, knowing limits of authority

- using different types of communication with customers, e.g. greetings, introductions, attracting customers' attention and interest, identifying and meeting customers' needs, presenting products/product information

- closing techniques, e.g. direct close, silent close, alternative close, presumptive close

- preparing the sales area, including complying with relevant health and safety legislation

- an awareness of personal space

Topic B.2 Demonstrate personal selling processes, including:

- sales – initiate, make, close (greeting and introduction, attracting customers' attention and interest, presenting product information, persuading customers to buy)

- recording information, e.g. sales, payments, customer information

- closing techniques, e.g. direct close, silent close, alternative close, presumptive close

- customer care and after-sales service, e.g. delivery, warranty, satisfaction, follow up, feedback

- dealing with enquiries

- handling complaints or problems

- overcoming barriers to closing the sale, e.g. reinforcing features and benefits, adapting behaviour to audience requirements, showing respect for customers, understanding and empathising with customer views

- repeat sales

- up-selling

- liaison with other departments, e.g. customer collection, despatch, accounts, service

- methods of recording, e.g. in an organised and concise manner, using ranking systems

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore the role of sales staff			
1A.1 Identify two functions of sales staff in a selected business.	2A.P1 Describe, using examples, four functions of sales staff in a selected business.	2A.M1 Compare the functions of the sales staff and the different sales skills used in two selected businesses.	2A.D1 Assess the effectiveness of sales skills and knowledge used by sales staff in two selected businesses.
1A.2 Identify the sales skills used by sales staff in a selected business.	2A.P2 Describe the sales skills used by sales staff in three different selling situations.		
1A.3 Outline the importance of product knowledge when making sales.	2A.P3 Explain the knowledge and skills needed to sell two selected products.		
1A.4 Outline legislation which affects personal selling in a selected business.	2A.P4 Explain the legislation which affects personal selling in a selected business.	2A.M2 Assess the importance of complying with the legal requirements for customer care and selling products in a selected business.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Demonstrate personal selling skills and processes			
1B.5 Identify product knowledge required to make personal sales.	2B.P5 Prepare for the sales process for making personal sales to two different types of customer.	2B.M3 Demonstrate handling a customer problem or complaint. #	2B.D2 Demonstrate the confident use of personal selling skills when making sales in at least three different personal sales situations. #
1B.6 Answer two routine customer enquiries in a personal sales situation. #	2B.P6 Demonstrate handling two different types of customer enquiry. #	2B.M4 Assess the effectiveness of the selling skills and processes used in two different situations.	2B.D3 Evaluate the preparation, skills and processes used in two different personal sales situations and recommend improvements.
1B.7 Use selling skills in two personal sales situations. #	2B.P7 Demonstrate effective customer care skills in two personal sales situations. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

There are no special resources needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Evidence for this unit will require learners to show their knowledge and understanding of the role and importance of personal selling activities to businesses and their customers. This will involve developing and using personal selling skills to make sales to customers. Evidence could include a presentation or written account describing the role of sales personnel and the knowledge, understanding and skills required. Learners should also provide records showing how they have used techniques to demonstrate personal selling skills.

Level 2

To achieve all the pass assessment criteria, learners must have access to a suitable business to carry out their investigations. For 2A.P1, learners need to provide a description, using examples, of four functions of sales staff in a selected business. Selling involves matching the customers' requirements to a product or service and then closing the sale.

For 2A.P2, learners need to describe the sales skills used by sales staff in three different selling situations. For example, someone working on the cosmetics counter in a department store will use different methods to secure a sale when compared to someone who works in a call centre, selling holidays. One scenario involves face-to-face contact with the customer, while the other does not. In the first situation, the sales person must consider the impact of their personal physical presentation, while the sales person in the second scenario must be aware of the impact of vocal presentation.

For 2A.P3, learners need to explain the knowledge and skills needed to sell two selected products. This should include a requirement to know technical information about two products. For example, a television set can have a plasma or LCD display, so sales staff should know the relative merits of each display type. Learners could use evidence from their observations of sales staff in 2A.P1 to help them achieve this criterion.

For 2A.P4, learners must explain the legislation which affects personal selling in a selected business. They need to understand the broad principles of the legislation only and should be able to show understanding by application of these principles to the specific business, using relevant examples. It is important that the learner does not copy verbatim large chunks of text without any application or understanding. Learners should also be aware that many organisations have their own policies and procedures, which complement the legal requirements. These extra policies are often accompanied by a rider to indicate that the customer's statutory rights are not affected.

Learners can develop evidence for 2A.P4 into evidence for 2A.M2, which requires them to assess the importance of complying with the legal requirements for selling products and customer care in a selected business. It is not necessary for the assessment to cover all legal requirements, just those specifically relevant to
the business and their particular products or customers.

Learners could combine their evidence for 2A.P1, 2A.P2, 2A.P3, 2A.P4 and 2A.M2 to create an induction pack for new sales staff.

For 2A.M1, learners will extend their comparison of the functions of sales staff and the different sales skills they use in two selected businesses, to examine the responsibility of sales staff in promoting the business and the contribution they make to a business' goals. Learners should understand that personal selling is about more than simply meeting customer needs. Sales staff are the public face of the business, so they have a role in promoting it. This involves being presentable, polite and friendly, and ensuring that the customer has a positive experience and would be happy to provide repeat business. Sales staff must be well informed and able to provide information to customers about products and services. Learners should know that, by providing good customer care, promoting products and services, selling product surround and gathering customer data, sales staff can increase sales, profitability and customer loyalty, thus contributing to business objectives. Work for 2A.M1 can be developed in 2A.D1; to achieve the latter outcome, learners should assess the effectiveness of the sales skills and knowledge used by sales staff in the two businesses they have selected to research. Evidence for 2A.M1 and 2A.D1 could be in the form of a case study to add to the induction pack produced for 2A.P1, 2A.P2, 2A.P3, 2A.P4 and 2A.M2 to illustrate the impact of different sales skills and knowledge in different selling situations.

To achieve learning aim B, learners will need to demonstrate their own personal selling skills. For 2B.P5, learners must make the necessary preparations to sell, including preparing the sales area, self-preparation and ensuring they have the necessary product knowledge to answer customer questions. They should have practised the techniques they will use to elicit information from customers and increase the likelihood of a successful sale. It is important for learners to understand that assessors will not be able to give feedback on these preparations until all criteria for the learning aim have been submitted. Learners should be prepared to deal with two different types of customer, including those with special requirements (e.g. customers for whom English is not a first language, customers with physical disabilities, families with young children).

For 2B.P6, 2B.P7 and 2B.M3, learners must demonstrate their selling skills in a sheltered or real work environment. They will need to show sales and communication skills that create a positive impression of the learner personally, of the products and services being sold, and of the organisation as a whole. Learners will show that they can sell goods in ways that demonstrate good customer care in two different situations. Although these should be routine sales situations, there must be some objections that have to be overcome (e.g. price, features); for 2B.M3, learners should demonstrate their skills in handling a customer problem or complaint.

For 2B.D2, learners must show confidence in selling goods and services and in following associated sales processes. For example, learners should know how to prepare the work area prior to making sales and should be fully informed about products and services. In addition, they should use all the procedures associated with making personal sales to ensure that customers receive a good service and that their requirements are met in full. Learners may role play different scenarios, and these role plays can be videoed to provide assessment evidence. Centres must ensure that learners record a personal statement from a log or diary explaining how they demonstrated their skills. In addition, teachers should provide a written observation record of each learner's performance.

For 2B.M4, learners need to reflect on their performance for 2B.P5, 2B.P6, 2B.P7 and 2B.M3 to assess the effectiveness of the selling skills used in two different situations. For example, sales staff working in a dispensing pharmacy will need a different skill set from sales staff in a clothes store. In a pharmacy, the legal constraints are stronger and customers may be in some distress, seeking advice. In a clothes store, the purchases represent discretionary spending. The legal and regulatory requirements are much more modest and sales staff may need less training.

For 2B.D3, learners should use reflective practice to evaluate the preparation, skills and processes used by sales staff in two different situations. They may draw on their own experiences (as customers) of sales staff. Alternatively, learners may choose to evaluate their own work for other outcomes in learning aim B, using feedback from customers and witnesses (e.g. teachers, peers) and giving their own opinions. Evidence can be in the form of a personal statement from the learner using examples from their demonstration of their selling skills.

Level 1

To achieve the assessment criteria, learners will need access to a suitable business to carry out their investigations. To achieve 1A.1, learners need to identify two functions of sales staff in a selected business. Selling involves matching each customer's requirements to a product or service and then closing the sale. This leads to 1A.2 where learners must identify the sales skills used by the sales staff they observed for 1A.1. Evidence could be provided in the form of a short presentation or a poster.

For 1A.3, learners must outline the importance of product knowledge when making sales, in terms of giving confidence to the sales personnel as well as securing a sale. Learners may draw on their own experience of purchasing a product or service when completing this outcome.

For 1A.4 learners need to outline legislation which affects personal selling in a selected business. They need to outline two broad principles, for example one relating to customer care and one relating to the product. It is important that the learner does not copy verbatim large chunks of text without showing understanding. Learners should be aware that many organisations have their own policies and procedures, which complement the legal requirements. These extra policies are often accompanied by a rider to indicate that the customer's statutory rights are not affected.

For 1B.5, learners need to identify the product knowledge they will require in order to make personal sales. Evidence could involve learners identifying the products they will be selling, researching each one and identifying the features they will present to customers. Learners could submit the notes (including stating the sources of their research) as part of their portfolio of evidence.

For 1B.6 and 1B.7, learners need to demonstrate their personal selling skills through role-play scenarios; video recordings of these role plays may be provided as assessment evidence. Scenarios could be developed from learners' own experiences of customer service or based on case studies, internet research, or examples given on visits or by visiting speakers. It is important at this level that the skills assessed are based on routine customer enquiries. Learners should demonstrate effective presentation, communication and interpersonal skills in at least two different personal selling situations. Centres must ensure that learners record a personal statement from a log or diary describing how they demonstrated the skills. In addition, teachers should provide a written observation record of each learner's performance.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2A.M1, 2A.M2, 2A.D1	New Starter Induction	You are working in a department store as a sales advisor. You have been given the task of assisting your manager to prepare training materials for new sales staff. To do this, you will need to investigate how other sales staff in the store use their skills and knowledge to sell products to customers. You will then use your research to create training materials for new staff to learn about the role and function of sales staff in the business, and which offer guidance on how to sell products effectively to customers.	Induction pack
1B.5, 1B.6, 1B.7, 2B.P5, 2B.P6, 2B.P7, 2B.M3, 2B.M4, 2B.D2, 2B.D3	Making Sales	You are working in a department store as a sales advisor. You need to prepare to sell products to customers. You will demonstrate personal selling skills and processes, and also effective customer care skills in different selling situations. This will include dealing with customer enquiries and problems or complaints. You will reflect on your personal selling skills and suggest improvements that you could make in the future. When demonstrating your personal selling skills, your performance will be observed by either your teacher (who will take on the role of your supervisor/manager) or your supervisor/ manager from either a part-time job or work placement.	Observation records Portfolio of evidence and records (e.g. sales diary)

Unit 6: Introducing Retail Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Did you know that over three million people (around 11 per cent of the total UK workforce) are employed in retail in the UK? Would you be surprised to find out that there are an estimated 290,000 retail units in the UK and that UK retail sales run to approximately £290 billion annually?

More than a third of retail spending is conducted through retail outlets. However, internet shopping has become increasingly popular in recent years and there are now more than 150,000 online retail businesses. You may be interested to learn that more than 600,000 British jobs are in, or supporting, e-retail in the UK. Retail business is a very dynamic sector to work in, constantly changing in order to appeal to customers and keep up with the competition.

In this unit, you will gain an understanding of the ways in which retailing has developed in the UK. You will learn about the structure and organisation of the retail sector and current trends in the industry. You will have the opportunity to research the variety of job roles available in retail operations and explore the progression routes for those jobs. You will gain an understanding of the links between retailing and the wider political and economic environment and investigate important issues that affect the retail sector.

Learning aims

In this unit you will:

A explore the structure and organisation of retail business

B investigate the relationship between retail business and the external environment.

Learning aims and unit content

What needs to be learnt
Learning aim A: Explore the structure and organisation of retail business

Topic A.1 The nature of retailing, including:

- definitions
- the relationship between wholesaling and manufacturing
- the supply chain
- retail channels (the routes that retailers use to get products and services to market), e.g. shops/stores, showrooms, e-tailing, mobile technology, catalogues, home shopping, market stalls

Topic A.2 Retail sub-sectors

- Product-related sub-divisions of the retail industry, e.g. automotive, clothing, electrical goods, food and grocery, footwear, DIY, electrical goods, homewares, music and video, specialised stores, personal care, second-hand goods

Topic A.3 Retail business ownership

- Types of ownership of different-sized businesses in different retail sub-sectors, e.g. sole traders, partnerships, limited companies, public limited companies, franchises

Topic A.4 Retail outlets

- Types and sizes, including micro, small and medium enterprises (SMEs) and large outlets, e.g. independent traders, convenience stores, symbol groups, specialist outlets, market stalls, kiosks, multiple/chain stores, discount stores, cooperatives, franchising, superstores, hypermarkets, department stores

Topic A.5 Non-outlet retailing

- Types of non-outlet retailing, e.g. mail order, e-tailing, catalogues, telephone selling, vending machines, shopping channels

Topic A.6 Location

- Locations of retail businesses, e.g. city/town, out of town, district, retail parks, primary locations, secondary locations

Topic A.7 Jobs in retail business

- Roles in store operations and their progression routes, e.g. cashier, customer service, retail assistant, sales floor assistant, sales floor supervisor, stockroom assistant, stockroom supervisor, receptionist, shop assistant

Topic A.8 Supporting retail businesses

- The importance of businesses that support the retail sector, e.g. transport and delivery companies, suppliers and manufacturers, computing and financial services, tradespeople, shop fitters, marketing and advertising agencies, legal and accountancy firms (accountancy services include preparing financial statements, conducting audits of the business, providing financial advice)

What needs to be learnt

Topic A.9 Aims and objectives

- The types and purpose of aims and objectives used by retail businesses
- How aims and objectives are used in retail businesses, including use of SMART (specific, measurable, achievable, realistic and time-related) targets

Topic A.10 Measuring performance

- How retail businesses use Key Performance Indicators (KPIs), e.g.:
  - sales
  - profit
  - sales/profit per square metre
  - sales per employee
  - average revenue per customer
  - service level
  - customer satisfaction
  - stock holding
  - returns
  - complaints
  - environmental performance targets

What needs to be learnt

Learning aim B: Investigate the relationship between retail business and the external environment

Topic B.1 Retail business in the UK

- Issues linked to relationships between developments in UK retail businesses and the external environment, including:
  - environmental issues, e.g. increased traffic, carbon footprint, packaging issues, food miles, green site developments
  - ethical issues, e.g. Fairtrade products, child labour, corporate responsibility, genetically modified foods, organic foods, healthy living, processed foods, products tested on animals
  - community concerns, e.g. impact on town centres of out-of-town developments, impact on small retailers, increased traffic, new road developments, pressure on local infrastructures, transport systems and cost
  - political issues, e.g. competition between the large supermarkets, competition commission, out-of-town retail developments, advertising campaigns
- The benefits of retail developments to communities and customers, including:
  - economic benefits, e.g. providing employment, donations and sponsorship, supporting local charities and voluntary bodies, attracting new businesses, attracting new customers, attracting new people to live in the area
  - social benefits, e.g. providing meeting places, cafés and restaurants in store, providing additional facilities and community spaces
  - customer benefits, e.g. disability and mobility benefits, ease of access to channels, free parking, cheap petrol

Topic B.2 Doing business with the rest of the world

- Issues linked to relationships between UK retail businesses and international markets, e.g. factors to consider when exporting UK retail models to other countries, customs, styles, lifestyles, tastes, self-entry, acquisition, franchising, joint ventures, location issues, economic and legislative environments, cultural considerations

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore the structure and organisation of retail business			
1A.1 Identify the sub-sector, channels, format, size and location of a retail business.	2A.P1 Describe the sub-sector, channels, format, size, ownership and location of two retail businesses operating in different sub-sectors.	2A.M1 Assess two different types of ownership of selected retail businesses.	2A.D1 Evaluate how two retail businesses operating in different sub-sectors measure their performance, with reference to Key Performance Indicators (KPIs).
1A.2 Outline the functions of two job roles in store operations.	2A.P2 Describe the functions of two job roles in store operations and their progression routes.	2A.M2 Explain how and why two retail businesses operating in different sub-sectors use aims and objectives.	
1A.3 Identify two types of business that support retail businesses.	2A.P3 Explain, using examples, the role of two businesses that support retail businesses.		
1A.4 Identify types of non-outlet retailing used by two retail businesses.	2A.P4 Describe how two retail businesses operating in different sub-sectors make use of non-outlet retailing.		
1A.5 Outline one aim and one objective of a retail business.	2A.P5 Describe the aims and objectives of two retail businesses operating in different sub-sectors.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Investigate the relationship between retail business and the external environment			
1B.6 Outline two issues of concern and two benefits that can arise from two retail developments in the UK.	2B.P6 Explain, using examples, two issues of concern and two benefits that can arise from retail developments in the UK.	2B.M3 Assess the benefits for the local community of a retail development in the UK.	2B.D2 Evaluate the impact of a retail development in the UK on the local community.
1B.7 Identify three issues UK businesses must consider when they decide to operate in another country.	2B.P7 Explain, using examples, three issues facing UK retail businesses when they decide to operate in another country.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

To achieve 2A.P1, learners should demonstrate their awareness of the structure of retail businesses. They should choose two retail businesses operating in different sub-sectors (for example, Next and an independent baker) and, for each one, describe the sub-sector, channels, format, size, ownership and location. For 2A.P2, learners should describe the functions of two job roles in store operations and the progression routes of each role. For 2A.P3, learners must understand that, in order to operate effectively, retailers need support from a range of different businesses. Learners should use real examples to explain the role of two businesses that support retail businesses. They can use their evidence from 2A.P1, 2A.P2, 2A.P3 to develop their response to 2A.M1 where they must assess two different types of ownership of selected retail businesses, looking at the benefits of the type of ownership for the businesses chosen.

For 2A.P4, learners will need to research non-outlet retailing and describe how it is used by two retail businesses operating in different sub-sectors. To achieve 2A.P5, learners will need to research the aims and objectives of retail businesses. Using their own words (rather than downloading information directly from the internet), learners must describe the aims and objectives of two retail businesses operating in different sub-sectors. This evidence leads to 2A.M2 where learners must explain how and why these two retail businesses use aims and objectives. Learners can develop this further in 2A.D1 where they must evaluate how two retail businesses operating in different sub-sectors measure their performance, with reference to Key Performance Indicators (KPIs). This can involve looking at how KPIs are used to help these businesses achieve their aims and objectives. For 2A.M2 and 2A.D1, learners may focus on the same retail businesses as in 2A.P4 and 2A.P5, or select different ones.

To meet the requirements of 2B.P6, learners need to identify at least two proposed, under construction or completed retail developments. They should then explain, using examples, two issues of concern and two benefits that can arise from these developments. For 2B.M3, learners need to assess the benefits for the local community of the retail development by looking at factors such as increased job opportunities and regeneration of the local area. For 2B.D2, learners will need to evaluate the impact of the retail development on the local community, taking into account factors such as environmental, ethical and political issues that may affect the community.

For 2B.P7, learners will need some knowledge of international developments such as Tesco's expansion overseas. They should use real examples in explaining three issues facing UK retailers when they decide to operate in other countries. Evidence could be in the form of a leaflet aimed at decision makers for the business.

Level 1

To meet the requirements for 1A.1, learners should show that they understand the nature of the retail sector. They should select a real retail business and identify the sub-sector, channels, format, size and location. In order to achieve 1A.2, learners could draw on their own experience to outline the functions of two job roles in store operations. To achieve 1A.3, learners should identify two types of business that support two retail businesses. For 1A.4, learners should provide examples of non-outlet retailing used by two retail businesses. These examples should not be limited to internet retailers but should include other forms of non-outlet retailing, such as catalogues. For 1A.5, learners need to outline one aim and one objective of a retail business.

Learning aim B asks learners to look at the wider implications of retail business. For 1B.6, learners will need to identify two proposed, under construction or completed retail developments and outline two issues of concern and two benefits that may arise from these developments. For 1B.7, learners need to identify three issues retail businesses face when considering operating in another country. Evidence could be in the form of a leaflet aimed at decision makers for the business.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 1A.5, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2A.P5, 2A.M1, 2A.M2, 2A.D1	What is Retail Business?	You are working on behalf of the British Retail Consortium to provide information for an article for a local newspaper on raising the awareness of retail businesses in the area. To do this, you will need to research retail businesses in the local area, looking at sizes and sub-sectors. Your article must contain examples of real businesses.	Presentation Teacher/peer reviews
1B.6, 1B.7, 2B.P6, 2B.P7, 2B.M3, 2B.D2	Development for the Better?	Continuing your work for the British Retail Consortium, you will examine the relationship between developments in retail business and the effect on the local community. You will be presenting your findings to representatives of the local retail business community (these could be real members of the local retail business community or peers and teachers taking on these roles). Finally, you will look at factors a retail business would need to consider if it decided to operate in another country. You will use your research to produce some guidance for retail businesses considering operating in another country	Presentation or discussion Video recording of discussion Teacher/peer reviews

Unit 7: Providing Business Support

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

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

You will have the opportunity to develop skills in organising and providing support for meetings. This will include activities such as the practical considerations of booking rooms or venues and equipment, and other preparatory work, including sending information to attendees and organising resources.

You will explore the support tasks involved during a meeting including setting up the meeting room, meeting health and safety requirements, assisting meeting delegates or visitors and taking accurate records. You should be encouraged to develop these skills in practical situations.

Learning aims

In this unit you will:

A understand the purpose of providing business support

B use office equipment safely for different purposes

C organise and provide support for meetings.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the purpose of providing business support
Topic A.1 Types of support, including: ● 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 **Topic A.2 The purpose of providing business support, including:** ● ensuring consistency ● making effective use of time ● providing support for managers, teams, colleagues and departmental processes ● providing effective service to internal and external customers
Learning aim B: Use office equipment safely for different purposes
Topic B.1 Office equipment ● Types, e.g. computer, printer, photocopier, telephone system, office chair ● Features and functions ● Instruction manuals ● Training in usage of equipment ● Problem solving ● Meeting different business requirements **Topic B.2 Working safely** ● Health and safety issues when using office equipment, e.g. correct seating and posture, positioning and distance of monitor, mouse and keyboard ● Following relevant health and safety legislation for working safely ● Safe lifting techniques, e.g. when lifting stationery to refill printer or piles of meeting documents ● Following instructions, including technical instructions (e.g. from equipment manuals) and business' own instructions for using equipment (e.g. training manual)

What needs to be learnt

Learning aim C: Organise and provide support for meetings

Topic C.1 Types of meeting, including:

- different sizes
- internal and external
- formal and informal
- confidential, e.g. concerning human resource (HR) issues or company strategy
- team meetings

Topic C.2 Organising meetings, including:

- meeting brief and agenda
- checking dates
- confirming budget
- choosing and booking venues
- sending meeting invitations with date and time of meeting, meeting agenda and any other relevant documentation, e.g. minutes of previous meeting
- arranging catering, equipment and resources
- sending delegates the venue address and map, details of transport links, local accommodation
- keeping a record of those people who have said they will attend the meeting and those who have sent their apologies in advance
- identifying any special requirements, e.g. dietary, mobility

Topic C.3 Supporting meetings, including:

- documentation for attendees, e.g. additional copies of agenda and other papers such as minutes of previous meeting
- attendance list
- checking room is set out correctly
- checking equipment is working
- serving refreshments
- preparing an accurate list of those present at the meeting
- noting apologies for absence
- agreeing minutes of last meeting if appropriate
- taking accurate minutes of the meeting, including agreed actions

Topic C.4 Follow-up activities, including:

- clearing the venue – ensuring that the venue or room is cleared and tidied and left in a presentable state after the meeting, e.g. clearing coffee cups, clearing papers away, tidying tables and chairs
- writing up minutes after the meeting, including agreed actions
- circulating documents to attendees within agreed timescales, e.g. minutes and any other documentation requested for circulation at the meeting
- monitoring completion of agreed actions

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the purpose of providing business support			
1A.1 Identify types of business support in two contrasting businesses.	2A.P1 Explain the purpose of different types of business support in two contrasting businesses.		
Learning aim B: Use office equipment safely for different purposes			
1B.2 Identify office equipment to meet different business requirements.	2B.P2 Describe the use of office equipment to meet different business requirements.	2B.M1 Explain the appropriate uses of office equipment types, features and functions to suit different business purposes.	2B.D1 Analyse the contribution that office equipment makes to the provision of business support.
1B.3 Demonstrate using different types of office equipment safely, with guidance and in accordance with health and safety legislation.	2B.P3 Demonstrate using office equipment safely, in accordance with health and safety legislation.	2B.M2 Demonstrate understanding of the application of safe lifting techniques when using office equipment.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Organise and provide support for meetings			
1C.4 Draw up a checklist for organising and supporting either an internal or an external meeting.	2C.P4 Organise a meeting according to specified requirements using a checklist.	2C.M3 Explain the organisation and support required for different types of meeting.	2C.D2 Evaluate own contribution to providing support before, during and after the meeting, and suggest improvements.
1C.5 Produce a meeting brief and agenda for either an internal or an external meeting. #	2C.P5 Produce accurate documents required prior to a meeting and take notes during the meeting. #	2C.M4 Produce accurate and detailed post-meeting documentation (including minutes) prepared from notes taken during meeting discussions. #	
1C.6 Provide some support at either an internal or an external meeting and assist in clearing the venue after the meeting has finished.	2C.P6 Provide all required support for a meeting, including follow-up activities.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

The special resource required for this unit is access to suitable office equipment.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

Evidence for this unit will require learners to show that they have an understanding of the purpose of business support, demonstrate how to use office equipment safely, and organise and provide support for a meeting.

For 2A.P1, learners must investigate two contrasting businesses; examples could be from any type of business. A presentation, leaflet or report explaining the purpose of different types of support in two different businesses, the organisation and support required for different types of meeting, and the use of office equipment (including features and functions) could cover 2A.P1, 2B.P2, 2B.M1 and 2C.M3. Learners could draw on their knowledge of businesses, gained through visits, work placements and case studies, to develop their explanation. Their 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. 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 2B.P3, learners need to demonstrate that they can follow instructions accurately when using office equipment in a correct and safe manner, complying with relevant health and safety legislation. For 2B.M2, learners will need to demonstrate understanding of the application of safe lifting techniques when using office equipment, for example when refilling the printer with paper. The evidence will be records of the equipment used together with a witness testimony stating that the learner has used the equipment safely and correctly and demonstrated knowledge of safe lifting techniques. As a minimum, learners must use a computer, a printer, a telephone and an office chair. Learner evidence can include records of the learner using office equipment and ensuring that safety and security procedures are followed while carrying out different administrative tasks (for example asking 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 computer safely and ensuring that seating and posture are correct.

2B.M1 can also be evidenced through discussions with the learner (instead of through a presentation or report as suggested above). Much will depend on the capabilities of the equipment they have used. If using advanced equipment, learners can explain how the facilities suited the purposes they were required to meet. If equipment facilities are limited, learners can explain what additional facilities they would have used had they been available. Learners must demonstrate appropriate knowledge of modern equipment, regardless of whether or not it was available for them to use in practical circumstances.

For 2C.P4, 2C.P5 and 2C.P6, learners need to organise and provide all the required support for a meeting, producing all pre-meeting documentation and completing follow-up activities. To offer scope to achieve these assessment criteria and address all the requirements of the unit content, learners should aim to cover the majority of the components of Topics C.2, C.3 and C.4. It is recommended that the meeting is larger than a small team meeting and involves using equipment (such as a laptop and LitePro). Learners need to present their own evidence for these assessment criteria, so it is important that they are clear about how to present their evidence. Much of the evidence generated will be through the documentation learners prepare to support a meeting, such as notification of the time and date of the meeting, the agenda and minutes from the last meeting. Learners should also gather appropriate witness testimonies and/or teacher observation records to supplement the evidence they have generated for themselves.

For 2C.M4, learners should provide accurate post-meeting documents, including the minutes taken, the action points and documents circulated after the meeting has taken place. In addition, they should monitor completion of any required actions if appropriate.

For 2B.D1, learners should analyse the contribution that office equipment makes to the provision of business support. They should provide two examples – one from their own experience of supporting a meeting and one from their research.

Learners can use their evidence from 2B.D1 to help achieve 2C.D2, where they will evaluate their contribution to providing support for the meeting they organised and suggest improvements.

Level 1

Evidence for this unit will require learners to show they have an understanding of the types of business support required in businesses, demonstrate how to use office equipment safely and provide support for a meeting.

For 1A.1, learners must investigate two contrasting businesses; examples could be from any type of business. A presentation, poster or leaflet identifying different types of business support required in those businesses, and the support required at meetings they may hold, could cover 1A.1. Presentations and posters should be supported by learner research and presentation notes/slides/handouts and witness statements must be made available 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 1B.2, learners need to identify office equipment to meet different business requirements and for 1B.3, demonstrate that they can use office equipment in a correct and safe manner, following relevant health and safety legislation. Evidence for this learning outcome will include records of the equipment used together with a witness testimony that the learner has used it correctly. As a minimum, learners must use a computer, a printer, a telephone and an office chair. Evidence could be an observation report that identifies and confirms correct and safe use of the equipment, for example using the computer safely and ensuring that seating and posture are correct.

For 1C.4, 1C.5 and 1C.6, learners need to draw up a checklist of activities to complete when organising and supporting either an internal or an external meeting. These activities include producing a meeting brief and agenda for that meeting and providing support at the meeting, including clearing or tidying the venue/room.

Evidence will need to include records (such as a witness testimony or observation record) of learners providing support for the meeting.

Evidence for 1B.2 can be combined with that produced for 1C.3, 1C.4 and 1C.5, with an observation report being generated that identifies and confirms correct and safe use of office equipment when the learner is producing documentation to support a meeting.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1B.2, 1B.3, 2A.P1, 2B.P2, 2B.P3, 2B.M1, 2B. M2, 2B.D1	Supporting Business	You work for a business consultancy that has been asked to audit the efficiency of business support in two contrasting businesses. You will need to explain the purpose of the different business support used in these businesses, including how the features and functions of office equipment meet different business requirements. You will need to explain the organisation and support required for different types of meeting in these two businesses. You will also demonstrate the correct use office equipment in a safe manner that meets current health and safety legislation.	Leaflet, presentation or report
1C.4, 1C.5, 1C.6, 2C.P4, 2C.P5, 2C.P6, 2C.M4, 2C.D2	Meeting Support	You will organise and provide business support for a meeting, and all follow-up activities. This will include booking a room or venue, booking equipment, and all other preparatory work, including sending information to attendees, organising resources, and all follow-up activities such as clearing the room afterwards. You will set up the meeting room, assist meeting delegates, provide accurate documents and records both prior to, during and after the meeting, including taking accurate notes during the meeting.	Demonstration of skills, meeting documentation, witness testimonies, teacher observation report and reflective report

Unit 8: Recruitment, Selection and Employment

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

The success of any business is largely due to the calibre of the people who work for it. A business will strive to ensure that it has the right people in the right place at the right time.

In this unit you will be introduced to the variety of job roles that exist within businesses and the various functions that are performed by individual roles, as well as the types of organisational structures used in businesses.

You will discover that there are a number of important roles in any business which have to be performed effectively for that business to be successful. Businesses use person specifications and job descriptions to ensure that they recruit the best people to fill job vacancies. You will be given the opportunity to complete these important documents for given job roles and will also have the opportunity to complete an application and an interview for a specific job role.

You will also consider how to prepare for interview and employment and the necessary steps for career planning by producing your own career development plan.

Learning aims

In this unit you will:

A know about job roles and functional areas in business

B produce documentation for specific job roles

C demonstrate interview skills and plan career development.

Learning aims and unit content

What needs to be learnt

Learning aim A: Know about job roles and functional areas in business

Topic A.1 Organisational structures and functional areas

- Different organisational structures e.g. hierarchical, flat, matrix, functional, divisional
- Functional areas, e.g. sales, production, purchasing, administration, customer service, distribution, finance, human resources, ICT, marketing, research and development (R&D)
- Purposes of functional areas in supporting business aims and objectives
- Links between functional areas, including relationships and interactions with other functional areas

Topic A.2 Job roles and responsibilities

- Directors, e.g. looking after interests of shareholders, deciding policy or strategy
- Senior managers, e.g. motivating staff, target setting, recruitment and dismissal, allocating work, communicating, planning and decision making, problem solving
- Supervisors or team leaders, e.g. managing staff or small teams, motivating, allocating tasks
- Operational and support staff/assistants, e.g. day-to-day general work and administration duties
- Impact on roles of different organisational structures

Learning aim B: Produce documentation for specific job roles

Topic B.1 Recruitment

- Reasons why a vacancy arises in a business, e.g. employee leaving, high staff turnover, extra work (such as growth of the business), sickness, different job roles required, maternity and paternity cover
- Ways of recruiting staff, e.g. job centres, consultants, recruitment agencies, from within the business itself, advertising
- Types of recruitment, including:
  - internal or external
  - identifying issues with internal and external recruitment
- Cost and legal considerations of recruitment, e.g. equal opportunities

Topic B.2 Developing a job description and person specification

- Methods, including:
  - developed by relevant department staff, e.g. staff create a description of what the job entails and the qualities required
  - developed by current job holder
  - interviewing current job holder to find out what is involved and qualities required of the new recruit

continued

What needs to be learnt

Topic B.3 Contents of a job description

- Contents may include:
  - o title, location, description of organisation's business
  - o purpose of job, main tasks, essential and desirable requirements, lines of reporting
  - o pay and benefits, promotion prospects
  - o start date
  - o basis, e.g. full-/part-time, secondment, maternity cover, fixed-term contract

Topic B.4 Contents of a person specification

- Contents may include:
  - o attainments, e.g. qualifications, membership of professional bodies
  - o competency profiles, e.g. what the candidate should be able to do
  - o special aptitudes or skills, e.g. numeracy, problem solving
  - o essential and desirable attributes, e.g. previous relevant experience and product knowledge, relevant interests
  - o disposition, e.g. leadership qualities
  - o circumstances, e.g. mobile or not

Topic B.5 Applying for jobs

- Requirements may include:
  - o application forms
  - o curriculum vitae (CV)
  - o letters of application
  - o other requirements, e.g. copies of qualification certificates, criminal records check by the Disclosure and Barring Service (DBS)
  - o pre-application tests, e.g. online psychometric tests, physical fitness test, sight test, health checks
- Next steps after applying for a job, e.g. shortlisting, invitation to interview or assessment centre, feedback

What needs to be learnt
Learning aim C: Demonstrate interview skills and plan career development

Topic C.1 Job interviews

- Before the interview:
  - o preparation and research into the business and the job role
  - o preparation of questions to ask, question anticipation
  - o preparing for interviews, e.g. appropriate dress, good personal hygiene, location, travel arrangements, arrive in plenty of time
- Behaviour during the interview, e.g. displaying confidence, appropriate body language (such as maintaining eye contact), tone and clarity of voice, active listening, showing interest

Topic C.2 Personal audit

- A personal audit may include an assessment of own:
  - o knowledge
  - o skills, e.g. technical, practical, communication, numeracy
  - o interests
- Matching knowledge and skills:
  - o to job opportunities
  - o for use in career planning

Topic C.3 Career development

- Information and advice, including:
  - o sources of information and advice, e.g. careers advice services, advertisements, word-of-mouth, careers fairs, friends and family, teachers, previous employers, network connections
  - o employment and government agencies
- Developing a career plan:
  - o choosing between an academic or vocational pathway, e.g. full-time further or higher education, work-based learning (including NVQs and apprenticeships)
  - o full- or part-time employment
  - o training needs, development plans, personal targets
  - o professional and career-specific qualifications, e.g. accountancy, teaching, food hygiene

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know about job roles and functional areas in business			
1A.1 Describe the purpose of two functional areas in two contrasting businesses.	2A.P1 Explain the purpose of different functional areas in two contrasting businesses.	2A.M1 Compare two job roles and responsibilities from different functional areas in two contrasting businesses.	2A.D1 Analyse the impact of organisational structure on job roles and functional areas in a selected business, using appropriate examples.
1A.2 Identify the responsibilities of two different job roles in a selected business.	2A.P2 Describe the responsibilities of two different job roles in two contrasting businesses.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Produce documentation for specific job roles			
1B.3 Produce a job description for a specific job. #	2B.P3 Produce an appropriate and detailed job description and person specification for a specific job. #	2B.M2 Produce an appropriate and detailed job description and person specification for a specific job, justifying why the documents will encourage effective recruitment. #	2B.D2 Analyse gaps in knowledge and skills that might require further training or development to match the requirements of a given person specification and job description.
1B.4 Produce, with guidance, a curriculum vitae and letter of application to apply for a suitable job role. #	2B.P4 Produce a curriculum vitae, letter of application and completed application form to apply for a suitable job role. #	2B.M3 Justify how current knowledge and skills meet those required in a given person specification and job description.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Demonstrate interview skills and plan career development			
1C.5 Provide some appropriate responses to interview questions for a specific job role. #	2C.P5 Provide appropriate responses to interview questions for a specific job role. #	2C.M4 Demonstrate prior research and preparation when providing appropriate responses to interview questions for a specific job role. #	2C.D3 Evaluate the suitability of a realistic career development plan using interview performance feedback and own reflection.
1C.6 Produce, with guidance, a personal career development plan. #	2C.P6 Produce a realistic personal career development plan. #	2C.M5 Produce a realistic personal career development plan showing independent research and planning. #	

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

For 2A.P1, the learner needs to explain the purpose of different functional areas in two contrasting businesses. They should select two businesses that they can access easily to investigate the functional areas and job roles that exist. The learner could be encouraged to approach a business either directly or by writing to them and asking for information. It could be the business where they are already working part-time or their work experience business. Alternatively, the teacher may select suitable businesses for the learner to approach.

For 2A.P2, the learner needs to describe the responsibilities of two different job roles in two contrasting businesses. These can be the same businesses used in 2A.P1. This evidence can lead to 2A.M1, where the learner will compare two job roles and responsibilities from different functional areas in two contrasting businesses. Again, these can be the same businesses used in 2A.P1. For example, a team leader in a small supermarket with a functional structure may perform a very different role from a team leader in a large manufacturing organisation with a matrix or flat structure. The learner should understand that although businesses may have different organisational structures, individual job titles may be similar, but the responsibilities of the job roles may be very different. It is recommended that learners choose at least one small business with a simple organisational structure to facilitate comparisons with a larger business having a different, more complex structure.

For 2A.D1, using their evidence for 2A.P1, 2A.P2 and 2A.M1, learners need to analyse the impact of organisational structure on job roles and functional areas in a selected business, using appropriate examples from their research.

For 2B.P3, the learner needs to produce an appropriate and detailed job description and person specification for a specific job. Evidence may come from a job they may be given to research, or one of their own choice, such as their existing part-time job. The learner should be encouraged to research the job in as much detail as possible, such as arranging discussions with their line manager and other people in the organisation to ensure that accurate and detailed evidence can be produced. In 2B.M2, the learner could develop their evidence from 2B.P3 by justifying why the documents they have produced will encourage effective recruitment.

For 2B.P4, the learner needs to produce a curriculum vitae, letter of application and completed application form to apply for a suitable job role. It is recommended that they carry out a personal audit of their current knowledge and skills, matching the results to suitable potential job opportunities. They should be encouraged to seek advice from appropriate sources (such as the teacher or careers advice services) when completing their personal audit to ensure that the job to which they are matching their abilities to is realistic. It could be either a full-time or part-time opportunity or placement opportunities for work experience. For 2B.M3, the learner can use the results of their personal audit in 2B.P4 to justify in their application how

their current knowledge and skills meet those required in the job description and person specification. They can develop this evidence further in 2B.D2 by analysing gaps in their knowledge and skills that might require further training or development role for which they are applying. This will demonstrate their ability to understand in detail the knowledge and skills required together with the ability to be objective about their own knowledge and skills.

For 2C.P5, the learner needs to provide some appropriate responses to the questions asked at an interview for a specific job role. It can involve a mock interview with the teacher acting as the interviewer, or any other suitable scenario. Actual interviews for work experience positions are acceptable as long as witness testimonies are provided by external interviewers. The assessor must provide a detailed witness testimony/observation record covering the learner's performance at the interview.

For 2C.M4, the learner needs to demonstrate prior research and preparation when providing appropriate responses to interview questions for a specific job role. The responses will be detailed and demonstrate prior research on the business and the role and demonstrate personal preparation (such as rehearsed answers and appropriate attire).

For 2C.P6, the learner needs to produce a realistic personal career development plan for a suitable career. They must select an appropriate career or job, investigate the skills, knowledge and qualifications required and then produce a plan. The plan needs to include measurable targets such as timelines of how they can achieve their goal. For example, if a learner selects a job in human resources, they need to research the qualifications required to enter the profession and the experience required for job roles in that functional area. They will need to identify the professional qualifications required, how long these will take to achieve and where they can study. To achieve 2C.M5, their career plan will show evidence of independent research and planning.

For 2C.D3, the learner needs to reflect on their own performance at the interview they took part in for 2C.P5 and, using this and the interviewer's feedback, evaluate the suitability of their career development plan, and update or improve the plan where appropriate.

Level 1

For 1A.1, the learner needs to describe the purpose of two functional areas in two contrasting businesses. They should select two businesses that they can access easily to investigate the functional areas that exist. The learner could be encouraged to approach a business either directly or by writing to them and asking for information. It could be the business where they are already working part-time or their work experience business. Alternatively, the teacher may select suitable businesses for the learner to approach.

For 1A.2, the learner needs to identify the responsibilities of two different job roles in a selected business. This can be one of the businesses used in 1A.1.

For 1B.3, the learner needs to produce a job description for a specific job they may have been given to research, or one of their own choice, such as an existing part-time job. The learner should be encouraged to research the job in as much detail as possible, such as arranging discussions with the line manager and other people in the business to ensure an accurate, detailed job description can be produced.

For 1B.4, the learner needs to produce a curriculum vitae and letter of application to apply for a suitable job role. The letter can be basic, but the CV should be appropriately detailed and presented in a professional business format. A template or sample CV could be provided to learners as guidance. The job role chosen must be a realistic choice and guidance may be necessary. For example, the teacher may have provided a selection of suitable local adverts. It could be either a full-time or part-time opportunity or placement opportunities for work experience.

For 1C.5, the learner needs to provide some appropriate responses to the questions asked at an interview for a specific job role.

For 1C.6, the learner needs to produce a basic personal career development plan. It is recommended that they complete a personal skills audit to focus their planning and aspirations for the future before completing the evidence requirements of this criterion.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.D1	Job Roles and Functions in Business	You are working for a recruitment consultancy. You have been given the task of producing information for potential employees. To do this, you will need to investigate roles and functional areas in two contrasting businesses with different organisational structures. You will need to describe the responsibilities of two job roles and explain the purpose of the different functional areas, comparing these and analysing the impact of the organisational structure on the job roles and functional areas. Your work must include reference to examples of real businesses.	Presentation/leaflet Teacher/peer feedback

Criteria covered	Assignment	Scenario	Assessment evidence
1B.3, 1B.4, 1C.5, 1C.6, 2B.P3, 2B.P4, 2C.P5, 2C.P6, 2B.M2, 2B.M3, 2C.M4, 2C.M5, 2B.D2, 2C.D3	Recruitment and Job Application & Career planning	For this assignment you will take on two roles. In the first role, you are working in the human resources department of a business and are responsible for preparing recruitment documentation. This will include producing a detailed job description and person specification to advertise for a specific job vacancy. In the second role, you will select and apply for a specific role. You will need to produce a curriculum vitae, letter of application and completed application form to apply for a suitable job role. You will also prepare for and participate in an interview for the job vacancy you have applied for. Having participated in the interview process and having had time to consider your future career pathway, you will create a career development plan.	Completion of required documents Detailed witness testimony/observation record from interviews required Individual plan

Unit 9: Principles of Marketing

Level: **1 and 2**

Unit type: **Mandatory**

Guided learning hours: **30**

Assessment type: **External**

Unit introduction

Marketing is a process used by businesses. It starts with understanding the needs and expectations of current and future customers. It then moves on to examining how these customer needs can be fulfilled at a profit. This unit will explore why the role of marketing is so important and consider how businesses use market research to make key decisions.

It was the marketing that led Microsoft into the games console market. Their research indicated that there was a significant growth potential in the market for selling games to young adults. This marketing strategy has led to Microsoft becoming a major threat to established companies such as Sony and Nintendo who were slower in recognising the opportunity presented by the young adult market.

In this unit you will consider why companies participate in marketing activity. You will look at the different types of target markets and how marketing activity differs across these areas. You will examine the different ways that businesses try to understand the needs of a market. This will include looking at how research data is gathered and how it can be analysed to produce useful business information.

Finally, you will look at the important process of developing and monitoring marketing activity and market strategy. You will consider the importance of the marketing mix and see how this is applied across different markets.

Learning aims

In this unit you will:

A explore the role of marketing within businesses

B consider how businesses use market research to make marketing decisions

C explore the use of the marketing mix.

Learning aims and unit content

What needs to be learnt
Learning aim A: Explore the role of marketing within businesses

Topic A.1 Principles of marketing

- Definition of marketing
- Why marketing is important to businesses, including how it is used to gain market share, develop brand awareness, encourage customer loyalty
- How businesses use marketing, including:
  - to understand customer needs
  - to keep ahead of competitors
  - to communicate effectively with the public
  - to increase sales and profitability
- Understand the contribution of marketing to the achievement of corporate objectives
- Understand the use of SMART (specific, measurable, achievable, realistic, time-based) objectives within a marketing plan

Topic A.2 What is a market?

- Be able to identify types of market, including Business to Business (B2B) and Business to Consumer (B2C)
- Understand the implications of the market targeted for the type of marketing activity undertaken
- Understand the difference between:
  - customer and consumer
  - goods and services markets
  - capital and consumer goods markets
- Be able to identify and define:
  - niche and mass markets
  - market and product orientated businesses
- Understand different types of business model including marketing, sales and advertising
- Understand how orientation of a business affects its choice of marketing, sales or advertising model

Topic A.3 Principles of branding

- Understand the importance of branding for a business in creating a distinctive offering for a chosen market
- Understand the different dimensions of a distinctive brand, including the use of logos, colours, symbols, images and celebrity endorsements
- Understand the benefits to a business of building brands, including extensions, value and personality

What needs to be learnt

Learning aim B: Consider how businesses use market research to make marketing decisions

Topic B.1 Researching the market

- Types and sources of data, including:
  - o primary and secondary
  - o quantitative and qualitative
- Understand the uses of different types of data to support marketing activity, including:
  - o quantitative and qualitative data:
    - – understanding trends and making predictions
    - – identify areas of interest or gaps in the market
    - – methods of collection, including desk research, questionnaires, interviews
  - o internal and external data:
    - – benchmarking against competitors
    - – for producing a SWOT and PESTLE (situational analysis)
- Understand the use and benefits of situational analysis when making marketing decisions

Topic B.2 Using market research in businesses

- Understand the purpose of research and analysis, including:
  - o to identify target markets – finding a gap in the market based on the perceived strengths and weaknesses of current offerings
  - o to identify competitor activity
  - o to understand consumer behaviour and motivations – how does current business practice fit with the needs and wants of customers and how will customers react to the offering of the business?
  - o to identify market trends – the value of a market (sales revenue) and the rate at which it is growing, the level of competition in the market and the number of products in the market

Topic B.3 The value of market research to businesses

- Understand how to interpret key research findings to support marketing decisions concerning:
  - o market size – by value, product/brand, customer
  - o market growth – implications of fast and slow growing markets
  - o market share – links to mass and niche marketing
- Understand the desirability of different levels of market share
- Understand how to identify external threats and opportunities – political, economic, social, technological, legal and environmental (PESTLE analysis)

What needs to be learnt

Learning aim C: Explore the use of the marketing mix

Topic C.1 Understanding the 4 Ps of the marketing mix

- Product, including:
  - o core and augmented product
  - o Unique Selling Point (USP)
  - o stages of the product life cycle – development, introduction, growth, maturity, decline
  - o product portfolios and the implications to businesses of maintaining them
- Price, including:
  - o pricing strategies – cost plus, mark-up, competitive pricing, price taking, skimming, penetration
  - o advantages and disadvantages of different pricing strategies
  - o elasticity of demand
- Place, including:
  - o within the market
  - o distribution channels
  - o location within a distribution channel
  - o locational factors for a physical business
  - o ecommerce
  - o relevance of channels to the size and type of the business
- Promotion, including:
  - o the promotional mix
  - o promotional budget
  - o promotional channels
  - o viral marketing, including the use of social media
  - o 'above the line' and 'below the line' promotion
  - o guerrilla advertising
- Understand the importance of consistency between different elements of the marketing mix
- Understand the difference between ebusiness and ecommerce
- Understand the benefits of ebusiness and ecommerce

Topic C.2 Factors affecting the marketing mix

- Understand the importance of different influences on the marketing mix, including:
  - o technology
  - o economic issues
  - o cultural issues
  - o social issues
  - o ethical issues
  - o political issues
- Understand how to evaluate the effectiveness of a business's marketing mix, including whether specific, SMART (specific, measurable, achievable, realistic and time-related), objectives have been met

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Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is externally assessed using a paper-based exam.

The assessment must be taken by the learner under examination conditions.

All questions in the exam paper will be compulsory.

The exam is set and marked by Pearson.

The exam lasts for 1 hour, 30 minutes and contains 50 marks.

The first assessment opportunity for this unit is January 2014.

Unit 10:   Using Business Documentation

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Businesses rely heavily on the ability of managers and staff to produce accurate, consistent and well-presented documentation. 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. In this unit you will explore why effective business writing remains an essential part of business success and come to understand why there is still a need for written communication – even in today's so-called 'paperless' offices.

You will examine how different documents are used for different purposes within a business. For example, internal communications will impact on different functional areas of a business, reaching across spans of control and between teams who are all working to meet the stated aims and objectives of the business.

In contrast, external communications will impact on customers, suppliers, shareholders and other stakeholders. Good written communications will help any business project a positive image to the outside world. Their reputation can suffer from adverse publicity if communications with external stakeholders are poorly written.

In this unit you will develop your knowledge and understanding of the most appropriate forms of written communication for conveying messages to internal audiences, external stakeholders and the public. You will come to understand how some written communication in any business will be confidential in nature and learn how to meet the requirements of confidentiality in any written documentation you produce. You will also develop the skills needed to produce business communications for a variety of purposes – and have the opportunity to put these skills into practice. Developing good written communication skills will help you to function more effectively both in your studies and eventually in your chosen role at work.

Learning aims

In this unit you will:

A know the purpose of written communication in business contexts

B plan and select appropriate business documents to communicate in different business contexts

C produce business documents for communication in a business.

Learning aims and unit content

What needs to be learnt
Learning aim A: Know the purpose of written communication in business contexts
Topic A.1 Purposes and formats of different types of business documents ● Purposes, e.g. to inform, confirm, promote, instruct, make a request ● Types of business documents, e.g. letters, memos, emails, notices, agendas, minutes, purchase orders, invoices, organisation charts, flow charts, flyers, press releases, mail shots ● Formats, e.g. handwritten, electronic, word processed, text, virtual **Topic A.2 Influence of different business contexts on the use of business documents** ● Formal and informal documents used for communicating in a business context, e.g. for meetings, notices, reports, technical enquiries, communicating with supervisor, colleagues, suppliers, customers, complaints, presentations, confidentiality ● The influence of internal audiences, external stakeholders and the public on the use of different business documents ● Selecting appropriate documents to meet the business context ● Impact of both effective and ineffective written communication in businesses
Learning aim B: Plan and select appropriate business documents to communicate in different business contexts

Topic B.1 Planning and selecting appropriate business documents
 	
● Factors to consider:
  ○ the needs of the audience, e.g. line manager, colleague, customer
  ○ costs and availability of resources, e.g. appropriate software
  ○ speed and urgency required
  ○ the need to plan research and gather information for the content of formal documents, e.g. reports
  ○ choice of suitable vocabulary, tone, clarity, use of emoticons, presentation style and format
  ○ channel of communication, e.g. internal, external, vertical, horizontal, diagonal
  ○ clarity of language – fog index, crystal mark for clarity
  ○ confidentiality, e.g. using appropriate methods of communication to convey confidential messages, being sensitive in dealing with confidential issues, understanding of material that might be confidential, e.g. data protection
  ○ keeping records for audit requirements – copies and evidence, e.g. to meet legislative and regulatory requirements

What needs to be learnt

Learning aim C: Produce business documents for communication in a business

Topic C.1 Steps involved in producing business documents

- Entering, editing and formatting text
- Use of different formats and styles, e.g. appropriate fonts, headings, images, pagination, document headers and footers
- Drafting and redrafting to ensure accuracy, legibility and consistency
- Proofreading
- Use of standard/appropriate layouts – following house style, using templates
- Fitness for purpose – using documents appropriate to the task and different audiences (internal and external)
- Using relevant technical language, graphical information and conventions, avoiding jargon
- Recording and reporting, e.g. keeping accurate and complete records of meetings and/or agreed actions, accurate, detailed and concise reporting
- Copying documents, including:
  - types of equipment for making copies, e.g. photocopier, scanner, printer
  - following manufacturers' instructions and health and safety requirements when using equipment
  - producing the correct number of copies
  - checking the quality of the copies
  - minimising paper wastage
  - sorting or fastening copies securely and in the correct order
  - routine equipment problems, e.g. replacing paper or toner, clearing paper jams
- Working within given timeframes to meet deadlines
- Ensuring documents reach intended audience, e.g. post, email, tracking documents

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know the purpose of written communication in business contexts			
1A.1 Identify four different business documents used in a selected business.	2A.P1 Describe the purpose of four different business documents used in a selected business. #	2A.M1 Compare the purpose of both formal and informal documents from different business contexts in a selected business. #	2A.D1 Evaluate the impact of written communications in different business contexts in a selected business. #
1A.2 Outline the business contexts that influence the format of four business documents in a selected business. #	2A.P2 Explain how the business context influences the format of four business documents in a selected business. #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Plan and select appropriate business documents to communicate in different business contexts			
1B.3 List the factors to be considered when planning and selecting appropriate business documents in four different business contexts.	2B.P3 Describe the factors to be considered when planning and selecting appropriate business documents in four different business contexts.	2B.M2 Compare the effectiveness of business documents to meet the needs of different audiences in four different business contexts. #	2B.D2 Evaluate the effectiveness of business documents to meet the needs of confidentiality and audit requirements. #
1B.4 Outline the suitability of business documents in meeting the needs of the audience in four different business contexts. #	2B.P4 Explain the suitability of business documents in meeting the needs of the audience in four different business contexts, including the need for confidentiality. #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Produce business documents for communication in a business			
1C.5 Produce two business documents of different types to support business tasks for internal communication in a selected business. #	2C.P5 Produce three accurate business documents of different types to support business tasks for internal communication in a selected business. #	2C.M3 Assess the factors that influenced the production of internal and external documents, including reaching the intended audience by the agreed deadlines. #	2C.D3 Justify the suitability of the internal and external documents produced in meeting the needs of the intended audience. #
1C.6 Produce two business documents of different types to support business tasks for external communication in a selected business. #	2C.P6 Produce three accurate business documents of different types to support business tasks for external communication in a selected business. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

For this unit, learners are required to show evidence that they have an understanding of the purpose and types of written communications used in business, and know how to produce documents which are fit for purpose using appropriate formats and language.

To achieve all of the assessment criteria, learners must research the business documents used in a selected business – this could be the centre or an external business.

Level 2

For level 2, learners are required to show evidence that they are able to produce appropriate and accurate internal and external documents which are fit for purpose using suitable formats and language.

To achieve 2A.P1, learners need to describe the purpose of four different documents used in a selected business. Evidence could be presented in table format or by a poster depicting the type of document, its purpose, the context in which it would be used, and the most appropriate format for that context. This could be combined with 2A.P2, where learners should apply their knowledge and give examples to explain how the business context influences the format of the four documents. For example, the purpose of a word processed notice in the accounts office can be to instruct staff on how to use a piece of equipment such as a photocopier. The contexts should show an acceptable level of contrast and they should not all be confined to communication within the office to members of office staff. This could then be developed for 2A.M1 by the selection of at least two formal and two informal communications in different business contexts and a comparison of their purpose.

For 2A.D1, learners should evaluate the impact of written communications in different business contexts in a selected business. They could look at the effectiveness of written communication in a business by contrasting it with different types of communication such as oral and electronic. The evaluation should link to the purpose of communication and the appropriate business context.

The same documents identified as suitable evidence for learning aim A can also be used for learning aim B. For 2B.P3 learners need to describe the factors to be considered when planning and selecting the most appropriate documents in four different business contexts. For 2B.P4, learners should develop 2B.P3 further by explaining how these documents are suitable for the intended audience. For example, when the human resources department requests the attendance of a member of staff at a disciplinary meeting, communication should be carried out with integrity and a respect for confidentiality. Learners need to demonstrate their understanding of how different methods of communication are suitable for different situations and audiences. They should focus on the suitability of the communication (such as the tone, clarity, vocabulary, etc). Learners should not refer to the same type of audience for each of the four business contexts. It is recommended that two different audiences are considered, for example an external customer and internal member of staff such as supervisor or colleague.

This evidence could be developed for 2B.M2 to compare the effectiveness of the documents used to meet the needs of different audiences, using the four different

business contexts. The comparison should take into account costs and the availability of resources, for example suitable software to produce an eye-catching notice.

For 2B.D2, learners should examine whether the documents have met audit and confidentiality requirements for the business. Their evaluation should draw on relevant legislation and regulations, for example the Data Protection Act and the question of how and when the personal details of customers or staff should be stored.

For 2C.P5, learners should produce three different documents to support business tasks for internal communication. The documents may be themed or based on different subject matter, but there must be a sufficient contrast in the type of document, for example three different letters would be insufficient. However, a letter, purchase order and a memo, all of which may relate to the same topic, would be acceptable. All must be well-presented and accurate with correct spelling, punctuation and grammar, and should conform to accepted business conventions.

For 2C.P6, learners should produce three different documents for external use by a business. These documents should include dealing with a customer complaint, and responding to a technical enquiry. They must be accurate and there must be sufficient contrast in the documents. Again, the documents may be themed or based on different topics. Centres must ensure that learners have photocopied, printed or scanned the business documents produced for audit purposes.

For 2C.M3, learners must assess the factors that influenced the production of their documents. They should be able to give reasons why they produced a particular type of internal and external document for the task, for example why they chose a particular format and style and how that made the document fit for purpose. The assessment should also include other factors, such as the importance of ensuring the document reached its intended audience by the agreed deadline.

For 2C.D3, learners should be able to justify the suitability of the documents they produced. This should include why they chose the specific internal and external documents and how these met the needs of the intended audience. This justification should clearly reflect the context of the situation. For example, if the learner chooses to send a letter to a customer who has complained verbally to the business, they should explain why a letter is more appropriate than any other form of written reply or a verbal response to the customer.

Level 1

To achieve 1A.1, learners need to identify four different business documents used in a selected business. These can be straightforward documents such as letters, emails, invoices, agendas, minutes, and so forth. To give evidence for 1A.2, learners should outline which business contexts influence each of these four documents, for example a formal letter in response to a customer complaint. Learners could present this evidence in table format or as a leaflet.

For 1B.3, learners should identify and list the factors that need to be considered when selecting the most appropriate document for each of the four identified business contexts. For 1B.4, they should outline how these are suitable for the intended audience, for example an email to a work colleague confirming a meeting venue. Learners could use the same documents identified in 1A.1 and 1A.2.

For 1C.5 and 1C.6, learners must produce different documents used to support business tasks in a business. These must include two different types of internal communication and two for external use. The documents may be themed or based on different subject matter. At this level it is not expected that the documents will contain complex information, but they must be well-presented with correct spelling, punctuation and grammar and should conform to accepted business conventions. Centres must ensure that learners have photocopied, printed or scanned the business documents produced for audit purposes.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B3, 1B.4, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2A.M1, 2B.M2, 2A.D1, 2B.D2	Which Document?	You are working for a consultancy business and have been asked by your manager to advise an entrepreneur who is setting up a new business on the purposes and types of written business communications. To do this, you will need to examine the purpose of four different documents used by another business to give as an example for the entrepreneur. You will need to consider how the business context influences the format of document used, and the factors to consider when planning and selecting appropriate business documents in four different business contexts to meet the needs of different audiences. You will also need to explore the need for confidentiality and audit requirements when producing business documents.	Presentation, leaflet, brochure, report

Criteria covered	Assignment	Scenario	Assessment evidence
1C.5, 1C.6, 2C.P5, 2C.P6, 2C.M3, 2C.D3	Producing Documents	Continuing your work in the consultancy business, you will now produce examples of business documents the entrepreneur may use in their business. You will need to produce six accurate business documents of different types to support business tasks – three that can be used to support internal communication and three to support external communication – in the entrepreneur's business. You need to assess the factors that influenced the production of these documents and justify their suitability to meet the needs of the intended audience.	Fit for purpose business documents with suitable format, layout and language, supported with learner review justifying their choice of documents

Unit 11:   Building Successful Business Teams

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

The most successful businesses in today's world are often the ones which are flexible enough to respond quickly to the changing environment and meet their customers' needs. Teamworking can help a business achieve these goals.

It is often said that TEAM stands for 'Together Everyone Achieves More'. An effective team is one that makes the best use of individual strengths so more can be achieved. Team members should work together and support each other to solve problems more easily with their collective knowledge and skills. In this unit you will investigate why teams and teamworking are so important in business.

You will also come to understand the role and responsibilities of the team leader. An effective team leader ensures that all team members understand and share the same visions and values. Teams also need to go through stages of development, with distinct roles being identified and filled. The team leader needs specific skills to manage this process and build their team, whilst at the same time creating a sense of common purpose and motivating individual members.

Effective communication skills are essential if a team is to meet its goals. This unit focuses on the different ways of communicating with others in team situations, and will allow you to develop your knowledge and understanding of interpersonal skills. You will explore the different factors that make an effective team and have the opportunity to develop and practise teamworking. It will also allow you to reflect on and evaluate your own, as well as the team's performance, and improve your teamworking and communication skills.

Learning aims

In this unit you will:

A investigate the importance of teams and teamworking

B understand the role of the team leader

C use skills to demonstrate effective teamworking.

Learning aims and unit content

What needs to be learnt
Learning aim A: Investigate the importance of teams and teamworking

Topic A.1 Effective teams
 	
● Definition of a team, e.g. the differences between a group and a team
● Different types of business teams, including:
   o temporary, e.g. project teams, hot groups
   o permanent, e.g. departmental
   o interdependent, e.g. support teams (finance, administration, human resources, IT)
   o cross-functional teams
● Characteristics, e.g. importance of each team member's contribution whatever their role, united in a common purpose, complementary skills, loyalty to the team, development of identity, trust, cooperation, good communication, reaching consensus, supporting each other, managing conflict
● Stages in team development, e.g. forming, norming, storming, performing transforming
● Team roles – Belbin's team role theory, including:
   o differences between the roles
   o strengths and allowable weaknesses of each role
   o contribution of each role to the team
 	
Topic A.2 Effective teamworking
 	
● The behaviours for effective teamwork, e.g. encouragement, consideration, ability to listen, respect, tolerance, patience, flexibility, loyalty, ability to accept constructive criticism, ability to motivate others
● The benefits of effective team working, including:
   o for the business, e.g. contributing to business objectives, 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
   o for the individual, e.g. opportunities to stretch talents and take on new responsibilities, increased motivation, opportunities for creativity and showing initiative

What needs to be learnt

Learning aim B: Understand the role of the team leader

Topic B.1 Roles and responsibilities of the team leader

- Definition of the role of a team leader – to meet the task, team and individual needs (Adair)
- Responsibilities of a team leader, including:
  - planning the work of the team
  - setting team objectives and deadlines, e.g. SMART (specific, measurable, achievable, realistic and time-based) objectives
  - giving instructions
  - monitoring the work of the team
  - motivating the team to achieve its objectives
  - communicating with the team
  - making decisions, e.g. making a decision to solve a problem, deciding on the best way of doing something, allocating team members to different activities
  - providing feedback to the team and individual team members, e.g. written reports, appraisals, verbal feedback to individuals, feedback to a team on performance of a task
  - leading team meetings and team briefings
  - monitoring and managing conflict in the team
  - providing support for team members
- How the role of the team leader contributes to the overall effectiveness of the team, including:
  - ensuring business needs are met, e.g. delegation of tasks, maintaining quality standards
  - integrating leadership role into day-to-day activities, e.g. team meetings, one-to-one meetings, informal contact

Topic B.2 Attributes and qualities of an effective leader

- Fairness in the treatment of others
- Involvement of team members
- Valuing the contributions of team members
- Respecting opinions of others
- Supporting team members
- Leading by example
- Accepting responsibility
- Effective communication with the team, e.g. active listening, questioning
- Showing integrity, fairness and consistency

What needs to be learnt
Learning aim C: Use skills to demonstrate effective teamworking

Topic C.1 Effective teamworking skills

- Skills to demonstrate effective teamworking, including:
  - o showing a positive attitude and respecting others
  - o taking responsibility for own work – clarifying objectives, agreeing task allocation and completing tasks to agreed deadlines
  - o supporting other team members
  - o responding positively to constructive feedback
  - o recognising and dealing with conflict situations
  - o communicating effectively, e.g. listening and speaking skills, body language, assertiveness
  - o cooperating with other team members, e.g. accepting help or advice, trying out ideas
- Awareness of potential barriers to effective team performance, including:
  - o lack of commitment from team leader, team members or self
  - o poor communication
  - o lack of appropriate skills
  - o resource issues, e.g. financial, physical, staff
  - o personal factors, e.g. not respecting authority, lack of cooperation
  - o conflict between team members

Topic C.2 Developing effective teamworking skills

- How own and other team members' roles can contribute to the work of the whole team and develop teamworking skills, including:
  - o the contribution of own role to overall team success
  - o being committed to the team's success
  - o taking collective responsibility
  - o supporting each other and respecting each other's views
  - o overcoming barriers to communication within the team
  - o giving ideas and suggestions as to how the team might complete their task, e.g. by participating in group discussions, problem-solving or 'brainstorming' sessions, finding out information and reporting back to the group
  - o offering help to other team members
  - o changing behaviour in response to feedback

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Investigate the importance of teams and teamworking			
1A.1 Identify the characteristics of two effective business teams.	2A.P1 Describe the characteristics of two effective business teams.	2A.M1 Assess, using examples, the importance of the stages of team development and team role theory in developing an effective business team.	2A.D1 Evaluate the effectiveness of a selected business team.
1A.2 Outline the importance of the stages of team development in a selected business team.	2A.P2 Explain the importance of the stages of team development in a selected business team.		
1A.3 Outline the importance of team role theory in a selected business team.	2A.P3 Explain the importance of team role theory in a selected business team.	2A.M2 Assess the benefits of teamworking for the business and individual team member of a selected business.	
1A.4 Identify the behaviours needed for effective teamwork.	2A.P4 Describe, using examples, the behaviours needed for effective teamwork.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Understand the role of the team leader			
1B.5 Outline the role and responsibilities of a team leader in two business teams.	2B.P5 Explain the importance of the role and responsibilities of the team leader in two contrasting business teams.	2B.M3 Assess how the team leader contributes to the effectiveness of a selected business team.	2B.D2 Evaluate the effectiveness of a team leader in ensuring a selected business team meets its objectives.
1B.6 Identify the attributes and qualities of the team leader in two business teams.	2B.P6 Describe the attributes and qualities of the team leader in two contrasting business teams.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Use skills to demonstrate effective teamworking			
1C.7 Demonstrate appropriate teamworking skills that contribute to meeting the objectives of a business team. #	2C.P7 Demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for own work. #	2C.M4 Demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for own work and overcoming barriers. #	2C.D3 Evaluate own contribution to the effectiveness of a business team in meeting its objectives.
1C.8 Describe how well the team performed, including own role in the team.	2C.P8 Assess how well the team performed in meeting its objectives.	2C.M5 Assess how well the team performed in meeting its objectives, including how conflict was managed and resolved and how barriers were overcome.	2C.D4 Recommend improvements to the performance of the team to ensure it continues to meet its objectives in the future.

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

Evidence for this unit requires learners to show they have an understanding of teams and teamworking in business, the role of the team leader and how to work effectively in a team.

To achieve all of the assessment criteria, learners must have the opportunity to work in team situations in order to explore and demonstrate the skills and qualities required in different team tasks. A reasonable team size would be four to six people. It may be easier to provide evidence for learning aims A and B if these criteria are completed after the practical activities in learning aim C. Learners could then use examples from their teamworking experiences in learning aim C to support their evidence for learning aims A and B.

For 2A.P1, learners need to describe the characteristics of two effective business teams. The teams could be course or subject teams of staff at the learners' centre, teams of learners engaged in a business project, or teams at a place of work or from a work experience placement.

For 2A.P2, learners need to explain the importance of the stages of team development in a selected business team. The team selected can be the same as the one used for 2A.P1.

For 2A.P3, learners need to explain the importance of team role theory in a selected business team. This requires learners to explain the importance of Belbin's theory and apply it to the roles allocated to members of the selected team.

Both 2A.P2 and 2A.P3 can be developed into 2A.M1 where learners need to assess, using examples, the importance of the stages of team development and team role theory in developing an effective business team. Learners can select one of the teams used previously to complete this criterion.

For 2A.P4, learners need to describe, using examples, the behaviours needed for effective teamwork. It will be useful if the examples relate to practical situations with which learners have been involved. This answer can then be developed into 2A.M2, where learners need to assess the benefits of teamworking for both an individual team member and a selected business. For this Merit criterion, a case study may provide better material than a live team of learners. This can be developed in 2A.D1, where learners need to evaluate the effectiveness of a selected business team. They must mention theory as part of this evaluation.

For 2B.P5, learners need to explain the importance of the role and responsibilities of the team leader in two contrasting business teams. These can be either actual teams of which learners have experience, or they could be scenarios or case studies provided by the teacher. The teams should be sufficiently different, for example permanent and temporary.

For 2B.P6, learners need to describe the attributes and qualities of the team leader in two contrasting business teams. The teams selected for this criterion can be the same as in 2A.P5.

For 2B.M3, learners need to assess how the team leader contributes to the effectiveness of a selected business team. This can then be developed for 2B.D2 where learners need to evaluate the effectiveness of a team leader in ensuring a selected business team meets its objectives.

For 2C.P7, learners need to demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for their own work. They need to work effectively in a team situation where they will be expected to make a positive contribution to the team task. They need not be given distinct roles, but the team should plan and agree work together. This can be developed for 2C.M4, where learners should also demonstrate skills to overcome barriers and take responsibility for own work when working within a team. For 2C.D3, learners need to evaluate their own contribution to the effectiveness of a business team in meeting its objectives.

For 2C.P8, learners need to assess how well the team performed in meeting its objectives. This can then be developed for 2C.M5, where the assessment would include both how conflict was managed and resolved and how barriers were overcome. Conflict may arise naturally as the activity is happening, and how it is dealt with can be witnessed by the teacher. However, conflict should not be manufactured in a real teamworking situation. If it does not occur naturally, learners could be assessed via a role play exercise in which they play a range of roles related to a relevant theme such as negotiation or conflict resolution.

In 2C.D4, learners need to recommend improvements to the performance of the team in order to ensure it continues to meet its objectives in the future.

Evidence of learner performance for the assessment criteria in learning aim C can be through teacher observation reports and records of learners' own activities – typically in the form of a log or diary. This will then help learners to reflect on their performance for 2C.D3 and 2C.D4.

Level 1

Evidence for this unit requires learners to show they have an understanding of teams and teamworking in business, the role of the team leader, and how to work effectively in a team.

To achieve all of the assessment criteria, learners must have the opportunity to work in team situations in order to explore and demonstrate the skills and qualities required by different team tasks. A reasonable team size would be four to six people. It may be easier to provide evidence for the assessment criteria in learning aims A and B if these criteria are completed after the practical activities in learning aim C. Learners could then use examples from their teamworking experiences in learning aim C to support their evidence for learning aims A and B.

For 1A.1, learners need to identify the characteristics of two effective business teams. The business teams could be course or subject teams of staff at the learners' centre, teams of learners engaged in a business project, or teams at a place of work or from a work experience placement.

For 1A.2, learners need to outline the importance of the stages of team development in a selected business team. The team selected can be the same as the one used for 1A.1.

For 1A.3, learners need to outline the importance of team role theory in a selected business team. Again, the team selected can be the same as the one used for 1A.1 and 1A.2.

For 1A.4, learners need to identify the behaviours needed for effective teamwork.

For 1B.5, learners need to outline the role and responsibilities of a team leader in two business teams. These can be either actual teams of which learners have experience, or they could be scenarios or case studies provided by the teacher.

For 1B.6, learners need to identify the attributes and qualities of the team leader in two business teams. The teams selected for this criterion can be the same as in 1B.5.

For 1C.7, learners need to demonstrate appropriate teamworking skills that contribute to meeting the objectives of a business team. They need to work effectively in a team situation where they will be expected to make a positive contribution to the team task. They need not be given distinct roles but the team should plan and agree work together. This should be followed with 1C.8, where learners describe how well their team performed, including their own role in the team.

Evidence of learner performance for the assessment criteria in learning aim C can be through teacher observation reports and records of learners' own activities – typically in the form of a log or diary.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 1B.5, 1B.6, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2B.P5, 2B.P6, 2A.M1, 2A.M2, 2B.M3, 2A.D1, 2B.D2	What is a Team?	You have been asked by your manager to prepare training materials for a team-building training session. The materials you produce need to look at a selected business team and consider what makes an effective team, including the importance of team role theory, the stages of team development and the role and importance of the team leader, and the qualities and attributes a team leader brings to the team to make the team effective. You will also need to refer to the behaviours needed for successful teamwork, giving suitable examples.	Presentation, brochure or leaflet
1C.7, 1C.8, 2C.P7, 2C.P8, 2C.M4, 2C.M5, 2C.D3, 2C.D4	Effective Teamworking	You will be participating in real teamworking activities. These may be completed while on a work placement, in a part-time job or in team activities at your centre. You will need to demonstrate effective teamworking skills to contribute to meeting the objectives of a business team, including taking responsibility for completing your own work. You will then need to assess how well your team performed in meeting its objectives.	Teacher/supervisor/line manager witness observation report confirming teamworking ability supported with personal statement

Unit 12: Introducing Law and Consumer Rights

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

We are all consumers of goods and services. This unit will give you an understanding of what is meant by 'the law' and how it affects consumers. You will learn the difference between civil and criminal law, and investigate their courts, processes and personnel. You will then be given an insight into the laws that protect consumers, considering them in relation to the laws of contract and negligence.

When things go wrong, consumers might have to consider enforcing their legal rights to get what they are entitled to, which might include replacement goods or services or getting their money back. It is essential that businesses that buy and sell goods or provide services also understand the legal rights of their customers. The reputation of a business could be affected if it was seen to be breaking the law or refusing to replace faulty goods.

You will investigate the appropriate legal remedies available to both buyers and sellers in these situations. You will also need to appreciate that both buyers and sellers have rights, remedies and possible criminal liability, which could all arise from one situation, such as the selling of bad/contaminated food.

This unit offers a practical knowledge of the law that will allow you to deal with basic legal terminology comfortably and accurately. It will help you appreciate some of the details of civil and criminal law and consumer protection legislation and allow you to apply your understanding in real life situations.

It is expected that centres will use the most up-to-date legislation, precedents and regulations when delivering this unit. However, to allow for recent changes in the law during the delivery of this course, the use of legislation, precedents and regulations which are up to one year out of date will be permitted.

Learning aims

In this unit you will:

A investigate civil and criminal law and their courts and personnel

B understand the law relating to consumers and their protection

C apply appropriate legal remedies available to buyers and sellers.

Learning aims and unit content

What needs to be learnt
Learning aim A: Investigate civil and criminal law and their courts and personnel

Topic A.1 Role of civil law and its courts

- Civil law, its meaning and purpose
- Civil courts – the different courts and their jurisdiction
- Outline of civil procedure and the people involved
- Case management, e.g. small claims track, fast track, multi-track
- Alternative methods of resolving disputes and their uses, for example:
  - arbitration
  - conciliation
  - mediation
  - negotiation
  - tribunals

Topic A.2 Role of criminal law and its courts

- Criminal law, its meaning and purpose
- Criminal courts – the different courts and their jurisdiction
- The adversarial system and role of prosecution and defence
- Types of offence, including summary, indictable, either way
- Bail or remand
- Mode of trial, including magistrates and juries, plea and direction hearings
- Trial, including burden of proof, outline procedure

Topic A.3 Working in the law

- The role in the legal process of:
  - barristers
  - solicitors
  - legal executives
  - paralegals
  - judges
  - lay magistrates, including selection
  - jurors, including selection
  - sources of information, e.g. Trading Standards, Citizens Advice Bureau (CAB)

What needs to be learnt

Learning aim B: Understand the law relating to consumers and their protection

Topic B.1 How contract and negligence relate to consumers

- Contract
  - definition
  - contracts for goods and/or services
  - contract requirements, including offer, acceptance, price (consideration), capacity of under 18s
  - format of contracts, e.g. verbal, written, standard form, online and mail order
  - terms and exclusion clauses
- Negligence
  - definition
  - differences between contract and negligence
  - the concepts of duty, breach and damage in the context of consumers

Topic B.2 How legislation protects consumers

- Consumer protection legislation relating to:
  - contracts for the sale of goods, e.g. Sale of Goods Act, Unfair Terms in Consumer Contracts Regulations, Consumer Protection (Distance Selling) Regulations, The Consumer Protection from Unfair Trading Regulations
  - contracts for the provision of services, e.g. Supply of Goods and Services Act
  - negligence or defective goods, e.g. Consumer Protection Act
  - breaches of criminal law, e.g. false trade descriptions, The Consumer Protection from Unfair Trading Regulations, Fraud Act – Sections 2 and 11, Theft Act – Section 3

Learning aim C: Apply appropriate legal remedies available to buyers and sellers

Topic C.1 Situations and legal remedies

- Situations where consumers may have a legal claim, including where:
  - the buyer wants to end the contract
  - the goods were defective
  - the goods caused injury or damage
  - services have not been provided or provided poorly
  - the wrong goods were provided
  - only part goods were provided
  - the goods were falsely described or misrepresented
- The rights and duties of buyers and sellers to receive/provide remedies in contracts, negligence, crime and under legislation
- Remedies and their benefits, including:
  - damages
  - termination
  - rescission

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Investigate civil and criminal law and their courts and personnel			
1A.1 Outline the role of the civil law and courts in a given situation.	2A.P1 Explain the role of the civil law and courts in two different situations.	2A.M1 Compare, using examples, the process of the law and the use of the courts in civil and criminal law cases.	2A.D1 Evaluate how civil or criminal law, courts and personnel have been used in a selected case.
1A.2 Outline the role of the criminal law and courts in a given situation.	2A.P2 Explain the role of the criminal law and courts in two different situations.		
1A.3 Identify the roles and responsibilities of people involved in the law in given situations.	2A.P3 Explain the roles and responsibilities of people involved in the law in both a criminal and a civil situation.	2A.M2 Assess the importance of using magistrates and juries in criminal courts.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Understand the law relating to consumers and their protection			
1B.4 Outline how the requirements of contract law are relevant to consumers in a given situation.	2B.P4 Explain how the requirements of contract law protect consumers, with reference to different contract formats.	2B.M3 Compare the effectiveness of the law of contract and negligence in protecting consumers in given situations.	2B.D2 Evaluate, using recent cases, the effectiveness of consumer protection in law.
1B.5 Outline the relevance of negligence in a given situation.	2B.P5 Explain how negligence protects consumers in given situations.		
1B.6 Identify the legislation that protects consumers in given situations relating to: ● a contract for the sale of goods ● a contract for the provision of services ● defective goods or negligence ● a breach of criminal law.	2B.P6 Describe how legislation protects consumers in given situations relating to: ● a contract for the sale of goods ● a contract for the provision of services ● defective goods or negligence ● a breach of criminal law.	2B.M4 Compare the consumer protection provided by different legislation in a given situation.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Apply appropriate legal remedies available to buyers and sellers			
1C.7 Outline why consumers may have a claim in three situations.	2C.P7 Explain why consumers may have a legal claim in three different situations.	2C.M5 Compare the benefits of the remedies available to buyers and sellers in three different situations.	2C.D3 Evaluate the appropriateness of legal remedies decided in recent consumer protection cases.
1C.8 Identify remedies available to buyers and/or sellers in three situations.	2C.P8 Describe the remedies available to buyers and sellers in three different situations.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

It is important that the evidence presented by learners is not copied verbatim from textbooks. Any information researched should be referenced, but the evidence should be written in the learner's own words. The evidence given should place the emphasis on an application of the law to practical scenarios or case studies in order to show the learner's understanding of the courts, personnel and law and their application in practice.

Level 2

For 2A.P1, learners need to explain the role of the civil law and courts in two different situations. This criterion lends itself to the learner being given various scenarios or case studies involving civil disputes – such as a small and large claim, or a contract and negligence claim – and then explaining which courts will deal with the disputes, why and how. This criterion can be linked to 2A.P3 which requires learners to explain the roles and responsibilities of the personnel involved in these courts.

For 2A.P2, learners need to explain the role of the criminal law and courts in two different situations. This criterion lends itself to the learner being given various scenarios or case studies involving different types of criminal disputes and explaining which courts will deal with the disputes, why and how. This criterion can also be linked to 2A.P3 which requires learners to explain the roles and responsibilities of the personnel involved in these courts.

For 2A.M1, learners need to compare, using examples, the effectiveness of the legal process in the civil and criminal courts. The same scenarios/case studies and courts used for 2A.P1, 2A.P2 and 2A.P3 can be used for this criterion.

2A.M2 follows on from 2A.P3, with learners assessing the importance of the laypeople used in criminal trials.

2A.D1 requires a consideration of all the material used in the assessment criteria for learning aim A and an evaluation and conclusion as to the effectiveness of the civil and criminal law, courts and personnel based on a recent legal case.

For 2B.P4, learners need to explain how the requirements of contract law protect consumers, with reference to different contract formats. This criterion lends itself to the learner being given various scenarios or case studies, to which they can apply the law of contract and use to form the basis of their explanations.

For 2B.P5, learners need to explain how the rules of negligence protect consumers in given situations. This criterion lends itself to the learner being given various scenarios or case studies, to which they can apply the law of negligence and use to form the basis of their explanations.

For 2B.P6, learners need to describe how legislation protects consumers in four different situations. These four situations need to include a contract for the sale of goods, a contract for the provision of services, a situation involving either defective goods or negligence and a breach of criminal law (for example, a situation involving false descriptions).

For 2B.M3, learners need to compare the effectiveness of the law of contract and negligence in protecting consumers using the explanations, application and case study materials they have used in 2B.P4 and 2B.P5.

For 2B.M4, learners need to compare the protection provided by different pieces of legislation for consumers using the explanations and application to one of the four situations they have used in 2B.P6. The situation selected for this criterion must be capable of supporting relevant discussion on more than one type of legislative consumer protection.

For 2B.D2, learners need to evaluate, using current examples, the effectiveness of consumer protection provided by both common law and legislation, applying this to two given situations – one for defective goods and one for non-provision of services.

For 2C.P7, learners need to explain why consumers may have a legal claim in three different situations. These situations can be taken from those used in 2B.P4, 2B.P5 and 2B.P6.

For 2C.P8, learners need to describe the remedies available to buyers and sellers in three different situations. These situations can be taken from those used in 2B.P4, 2B.P5 and 2B.P6.

For 2C.M5, learners need to compare the benefits of remedies available under the law, to buyers and sellers in three different consumer situations. These situations can be taken from those used in 2B.P4, 2B.P5 and 2B.P6.

For 2C.D3, learners need to evaluate, using recent legal case examples, the appropriateness of the legal remedies decided in the area of consumer protection.

Level 1

For 1A.1, learners need to outline the role of the civil law and courts in a given situation. This criterion lends itself to the learner being given either a scenario or case study involving civil disputes and outlining which courts will deal with the dispute(s), why and how. This criterion can be linked to 1A.3 and the personnel involved in these courts and their roles and responsibilities can also be identified.

For 1A.2, learners need to outline the role of the criminal law and courts in a given situation. This criterion lends itself to the learner being given a scenario or case study involving different types of criminal disputes and outlining which courts will deal with the disputes, why and how. This criterion can be linked to 1A.3 and the personnel involved in these courts and their roles and responsibilities can also be identified.

For 1B.4, learners need to outline how the rules of contract law are relevant to consumers in a given situation. This criterion lends itself to the learner being given a scenario or case study, to which they can apply the law of contract and use as the basis of their outline.

For 1B.5, learners need to outline how the rules of negligence are relevant to consumers in a given situation. This criterion lends itself to the learner being given a scenario or case study, to which they can apply the law of negligence and use as the basis of their outline.

For 1B.6, learners need to identify how legislation protects consumers in four different situations. These four situations need to include a contract for the sale of goods, a contract for the provision of services, a situation involving either defective goods or negligence and a breach of criminal law (for example, a situation involving false descriptions).

For 1C.7, learners need to outline why consumers may have a claim in three different situations. These situations can be taken from those used in 1B.4, 1B.5 and 1B.6.

For 1C.8, learners need to identify the remedies available to buyers and/or sellers in three different situations. Again, these situations can be taken from those used in 1B.4, 1B.5 and 1B.6.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 2A.P1, 2A.P2, 2A.P3, 2A.M1, 2A.M2, 2A.D1	Who? What? Why?	You will be given scenarios of both civil and criminal disputes. These may be real cases or hypothetical situations. You need to determine which courts will deal with the situations and why, who the people involved in the court hearings will be and why, together with the role they will play. In your You assessment, ensure you compare the process of law and use of courts in civil and criminal cases, and the importance of using magistrates and juries in criminal trials, and evaluate the process and personnel used in a real court case.	Presentation or written report Teacher/peer reviews of presentation
1B.4, 1B.5, 1B.6, 1C.7, 1C.8, 2B.P4, 2B.P5, 2B.P6, 2C.P7, 2C.P8, 2B.M3, 2B.M4, 2C.M5, 2B.D2, 2C.D3	Protecting Consumers	You will be given scenarios involving contract, negligence and consumer protection legislation disputes. You will need to explain and apply the law, assess and evaluate the protection available, and then determine the remedies and redress available within the law. You will need to compare the effectiveness of the remedies and evaluate, using current case law examples, how effective the law is in protecting consumers.	Presentation or written report Teacher/peer reviews of presentation

Unit 13: Financial Planning and Forecasting

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

You have already seen that all businesses have to spend money before they can make a profit, and when they spend money, they incur costs. But exactly how much money does a business need to earn before it starts making a profit? In this unit, you will examine the concept of breakeven analysis and come to understand why businesses use it as a tool to make important future decisions, e.g. making changes to costs or prices. Throughout you will have the opportunity to apply your knowledge and understanding of financial planning and forecasting to realistic business scenarios.

However, breakeven analysis alone is not enough. Next you will consider why cash flow forecasting – that is, knowing how much money will be coming in and going out of the business over a period of time – is used to help businesses plan for the future, and learn how to prepare and analyse cash flow forecasts yourself. Sometimes an accurate forecast can identify potential cash flow problems ahead. In other cases a forecast might show a surplus of funds, but businesses still need to know and plan what to do with this money, e.g. should it be invested to earn extra income or be used to pay back a costly loan earlier than anticipated? You will learn why businesses prepare cash flow forecasts and consider them a valuable planning tool.

The final part of the unit explores the use of budgets and budgetary control in business. You will come to see how businesses use budgets to keep track of their finances, e.g. planning their spending to ensure the business does not run out of money. You will also investigate why budgets have to be effectively controlled – and consider some of the implications for a business if these controls are not in place.

You must study *Unit 2: Finance for Business* before attempting this unit in order to cover essential topics such as costs, revenue and profit.

Learning aims

In this unit you will:

A demonstrate the use of breakeven analysis in business

B demonstrate the use of cash flow forecasting in business

C investigate the use of budgets and budgetary control in business.

Learning aims and unit content

What needs to be learnt
Learning aim A: Demonstrate the use of breakeven analysis in business

Topic A.1 Calculating breakeven
● The concept of breakeven – balancing costs or expenditure with revenues or income
● Definition of break-even point
● Methods of calculating breakeven, including:
  o using a formula
  o graphically
Topic A.2 Breakeven analysis
● The concept of breakeven analysis
● Identifying areas of profit and loss
● Margin of safety
● Costs (fixed, variable, total)
● Contribution (unit selling price minus the unit variable cost)
● Total revenue
● Presenting and interpreting breakeven information graphically
● The relevance of breakeven analysis to a business and how it can be used:
  o to estimate the level of sales required to break even
  o to estimate profitability
  o as a tool when making future business decisions, e.g. changing costs or prices

What needs to be learnt

Learning aim B: Demonstrate the use of cash flow forecasting in business

Topic B.1 Preparing a cash flow forecast

- Identifying cash inflows, including:
  - capital
  - sales – cash sales and payments from debtors
  - loans
  - other inflows, e.g. rent from premises leased to others
  - regular and irregular inflows
  - how the timing of inflows influences the cash flow of a business
- Identifying cash outflows, including:
  - purchases – cash purchases and payments to creditors
  - repayments, e.g. loans, mortgage, overdraft
  - expenses, e.g. wages, rent, advertising, interest
  - regular and irregular outflows
  - how the timing of outflows influences the cash flow of a business
- Cash balances, including:
  - opening balance
  - closing balance
  - income per period
  - expenditure per period

Topic B.2 Analysing a cash flow forecast

- The purpose of analysing a cash flow forecast, including:
  - to identify a potential surplus or deficit and to take appropriate action, e.g. invest in more resources when there is a surplus, seek extra sources of finance (such as a bank loan) when there is a deficit
  - to inform business planning and forecasting, e.g. preparing a budget
- How cash flow forecasting can be used as a tool to effectively manage the finances in a business

What needs to be learnt
Learning aim C: Investigate the use of budgets and budgetary control in business

Topic C.1 The use of budgets in businesses

● The purpose of budgets in business, e.g. as a forecasting tool, resource planning, to control resources, to motivate staff to achieve performance targets

● Types of business budgets and the differences between them, including:

  ○ sales

  ○ production

  ○ purchases, e.g. raw materials for a manufacturing business, finished goods for a retail business

  ○ labour

  ○ overheads

  ○ cash

  ○ capital expenditure

  ○ profit and loss

Topic C.2 Controlling budgets

● Budgetary control – the management system used in businesses to control budgets

● How budgetary control is used in businesses, e.g. to identify overspends or underspends and take appropriate action

● The benefits of budgetary control for a business

Topic C.3 Using variance analysis to inform business decisions

● The concept of variance – when a difference occurs between actual and budget figures

● The concept of variance analysis – to determine why financial performance was not as expected

● Identifying favourable and adverse variances

● The cause and significance of variances

● How variances affect business decisions, including taking appropriate action

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Demonstrate the use of breakeven analysis in business			
1A.1 Calculate, with guidance, breakeven using given sets of data. *	2A.P1 Calculate breakeven using given sets of data. *	2A.M1 Assess the impact of changing cost and revenue data on the break-even point for a selected business. *	2A.D1 Evaluate the importance of breakeven analysis to a selected business. *
1A.2 Present an accurate breakeven graph. *	2A.P2 Present the breakeven using an appropriately annotated, accurate graph. *		
1A.3 Outline the uses of breakeven in a given situation.	2A.P3 Explain how a selected business can use breakeven analysis in a given situation.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Demonstrate the use of cash flow forecasting in business			
1B.4 Prepare an annual cash flow forecast for a selected business using monthly data. *	2B.P4 Prepare an accurate annual cash flow forecast for a selected business using monthly data. *	2B.M2 Analyse a cash flow forecast to identify issues and appropriate actions for a selected business. *	2B.D2 Evaluate cash flow forecasting as a tool for managing the finances for a selected business.
1B.5 Describe the effect of regular and irregular cash inflows and outflows on a selected business.	2B.P5 Explain the implications of regular and irregular cash inflows and outflows for a selected business.		
Learning aim C: Investigate the use of budgets and budgetary control in business			
1C.6 Identify the types of budgets used by two contrasting businesses.	2C.P6 Describe the purpose of specific budgets used in two contrasting businesses.	2C.M3 Compare how budgetary control is used in two contrasting businesses.	2C.D3 Evaluate the influence of variances on financial decisions made by a business.
1C.7 Outline how budgetary control is used in a selected business.	2C.P7 Explain how budgetary control is used in two contrasting businesses.		
1C.8 Identify, with guidance, favourable and adverse variances in a given business budget.	2C.P8 Identify favourable and adverse variances in a given business budget.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Level 2

To achieve the assessment criteria, learners must be able to use and manipulate data relating to financial forecasting and budgeting, as well as understanding the significance of the results obtained. Knowing how the information is used to make decisions that keep a business under control and ensure it is meeting its objectives, both financial and non-financial, is an important aspect of good business management.

For 2A.P1, learners need to calculate breakeven using given sets of data. It is important that learners understand the consequences of altering the assumptions on which decisions are made. For 2A.P2, learners need to present their calculations from 2A.P1 using an appropriately annotated and accurate graph, identifying elements such as fixed costs and areas of profit. The annotations should make clear that the learner understands the information displayed in the graph. For 2A.P3, learners need to explain how a selected business can use breakeven analysis in a given situation. This can be developed in 2A.M1, where learners should assess the impact of changing cost and revenue data on the break-even point for the business selected in 2A.P3. So, for example, if a business finds that its costs rise, what might that mean for breakeven and profitability? For 2A.D1, learners need to evaluate the importance of breakeven analysis to a selected business by showing how this information can inform decisions made to help ensure business success.

For 2B.P4, learners need to use monthly data to prepare an accurate annual cash flow forecast for a selected business. A set of data for a 12-month period will identify fluctuations in income and expenditure and show what effect these fluctuations have on cash balances. For 2B.P5, learners need to explain the implications of regular and irregular cash inflows and outflows for a selected business. So, for example, will there be sufficient cash to pay suppliers in the future? For 2B.M2, learners can analyse a cash flow forecast to identify issues such as cash shortfalls as well as possible appropriate actions that the selected business might take. It is recommended that the cash flow forecast analysed is the same as the one created for 2B.P4. For 2B.D2, learners need to evaluate cash flow forecasting as a tool for managing the finances for the selected business.

The same business can be used in a case study to assess learning aims A and B.

In any business, the purpose of budgeting is to make financial plans that can be monitored in order to control business activity. However, the budgeting focus of a retailer and a manufacturing business differ. For 2C.P6, learners need to describe the purpose of specific budgets used in two contrasting businesses. For 2C.P7, learners need to explain how budgetary control is used in the two businesses selected for 2C.P6. For 2C.P8, learners need to identify favourable and adverse variances in a given business budget. There needs to be sufficient planned and actual data to create a realistic picture of budgetary activity over a period of time. For 2C.M3, learners need to use all of their evidence for 2C.P6, 2C.P7 and 2C.P8 to compare how budgetary control is used in the two contrasting businesses. For 2C.D3, learners need to evaluate the influence of variances on financial decisions made by one of the selected businesses used in 2C.M3.

An overspend of £10,000 on a budget might seem a lot but if it only represents an overspend of 0.1 per cent then it may not be material and will not require any action. However, an overspend of £10,000 on a £10,000 budget represents a 100 per cent variance and will certainly demand both explanation and action.

The business used for learning aims A and B can continue to be used for learning aim C, but there must also be an additional business to give the necessary contrasts. The two selected businesses need to be sufficiently different to enable the learner to demonstrate their understanding of how different types of business use different types of budgets to meet their financial planning needs.

Level 1

To achieve the assessment criteria, learners must be able to use and manipulate financial data relating to financial forecasting and budgeting, as well as understand how this helps with the management and control of the finances of a business.

For 1A.1, learners need to calculate breakeven using simple sets of data. For 1A.2, learners need to present an accurate breakeven graph showing the correct break-even point. For 1A.3, learners need to outline the uses of breakeven in a given situation showing how it marks the move into profitable activity. There should be recognition that the graph allows the impact of changes to costs and revenues on the break-even point to be identified.

For 1B.4, learners need to use monthly data to prepare an annual cash flow forecast for a selected business. A set of data for a 12-month period will identify fluctuations in income and expenditure. For 1B.5, learners need to describe the effect of regular and irregular cash inflows and outflows on the selected business showing the impact on cash balances and describing what it means for the business if there is a forecast that it will run out of money.

The same business can be used in a case study to assess learning aims A and B.

For 1C.6, learners need to identify the types of budgets used by two contrasting businesses. For 1C.7, learners need to outline how budgetary control is used in one of the businesses investigated in 1C.6. Learners should demonstrate an awareness of the need to plan revenues and costs in order to control them when the actual figures are known.

For 1C.8, learners need to identify favourable and adverse variances in a simple business budget. There needs to be sufficient planned and actual data to create a realistic picture of budgetary activity over a period of time.

The business used for learning aims A and B can continue to be used for learning aim C, but there must also be an additional business to give the necessary contrasts. The two selected businesses need to be sufficiently different to enable the learner to demonstrate their knowledge of the different types of budgets businesses can use to meet their financial planning needs.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A2, 1A3, 1B.4, 1B.5, 2A.P1, 2A.P2, 2A.P3, 2B.P4, 2B.P5, 2A.M1, 2B.M2, 2A.D1, 2B.D2	Financial Planning for a Business	You will be given sets of data and asked to complete a breakeven analysis and cash flow forecast for a selected business. You need to examine the information generated to determine the potential impact on the business. The breakeven will have to be calculated from the data given and plotted accurately on an annotated graph. You will then examine how the business can use the breakeven analysis in a given situation. You will also prepare an annual cash flow forecast for a given business from data provided, and consider the implications of regular and irregular inflows and outflows for the business.	A report supported by an accurate breakeven analysis and cash flow forecast
1C.6, 1C.7, 1C.8, 2C.P6, 2C.P7, 2C.P8, 2C.M3, 2C.D3	Business Budgeting	You will investigate the use of budgets and budgetary control in two contrasting businesses. You will describe the purpose of specific budgets and explain how budgetary control is used in the two businesses. You will also identify favourable and adverse variances in given budgets, and consider how variance can influence financial decisions made by businesses.	Leaflet or brochure aimed at new businesses to advise them on how other businesses use budgets to manage their finances

Unit 14:   Business Online

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Computers, mobile phones and the networks that connect them have made instant communication possible. The availability of these technologies has also changed the way in which businesses operate. Think about how, for example, airline boarding passes can now be sent directly to a mobile device so there is no longer a paper ticket and the need for check-in staff is significantly reduced. This unit will explore how creating and maintaining an online presence has become increasingly important for businesses as it allows them to remain competitive and, in many cases, to grow.

Today, a small local business like a nail bar can advertise its services and run its appointments system online. However, it cannot yet offer a virtual manicure – customers still need to visit the premises. You will come to understand the issues that must be considered when a business decides to investigate having an online presence. What are the implications for staff? Does the business have the capacity to keep online information up to date? This is especially important as a poor online service can cause customers to take their business elsewhere.

Websites consisting of collections of related pages hosted on a web server allow businesses to trade. You will investigate the different features that can be used to make a website meet the needs of a specific business, including text, graphics, video and other digital assets. Websites are used for a number of different purposes, from providing product information to selling goods and accepting payments, but the trick is to create a site that customers find easy to use. A carefully designed website will encourage loyalty and repeat business.

Learning aims

In this unit you will:

A explore business activity online

B understand the issues relating to doing business online

C investigate the uses and features of websites

D design a website to meet the needs of a business.

Learning aims and unit content

What needs to be learnt

Learning aim A: Explore business activity online

Topic A.1 Online business activity

- The range of online business activities, for example providing:
  - internet services
  - direct selling of goods and/or services
  - banking services
  - education
  - advertising or marketing
  - government services
- Types of online presence may depend on the size and scale of the business and the sector in which it operates, e.g. the business may operate entirely or partially online
- Type of activity, including:
  - Business to Business (B2B) and Business to Consumer (B2C), e.g. own online sites, hosted through an intermediary such as eBay shops
  - Consumer to Consumer (C2C), e.g. eBay, Gumtree, community forums
- Complementing offline activities, e.g. order online and collect in-store
- Passive presence, e.g. brochures
- Interactive presence, e.g. providing information in response to enquiries, inviting online transactions, etc
- Interactive customisation, e.g. digital image processing

Topic A.2 Doing business online

- The purpose of doing business online/having an online presence, e.g. providing services or goods, giving customers easy access to information
- The achievement of business aims and objectives through an online presence, e.g. profit maximisation, market growth, market share
- The provision of effective communication, e.g. bulletins, forums, mass communication, distribution lists
- The customer interface, including:
  - move to indirect rather than direct contact with customers
  - online customer service
  - one-to-one relationships
  - mass customisation
- Relationship marketing
- Advantages and disadvantages of having an online presence
- How businesses operate online, including having a website
- Market presence, e.g. 24 hours 7 days a week visibility, global presence

continued

What needs to be learnt

Topic A.3 Researching trends and changes in the online business environment

- Changes in media formats, including growth of social media, e.g. Twitter, Facebook
- The impact of growth of social media on online business activity
- Changes in technology, e.g. smart phones, tablets, WiFi availability, mobile apps
- Online advertising, e.g. web banners, sponsorship, Google Adwords
- Effects of the current online business environment on the achievement of business aims

Learning aim B: Understand the issues relating to doing business online

Topic B.1 Planning and implementation

- Suitability of the business as an online operation, including:
  - deciding which business activities can operate online, e.g. beauty treatment bookings
  - deciding which business activities can only operate offline, e.g. beauty treatments
- Reasons why some businesses do not operate online, e.g. costs involved in software, hardware, maintenance and delivery, lack of personal touch with customers
- Deciding on a domain name
- Set-up – whether the website is created in-house or outsourced to an external agency
- Coping with the additional work – the amount of work is different to running a normal business from bricks and mortar premises, e.g. hours of work, different types of staff, increase in business
- Availability of technical and design skills – improvements made due to changes in security or protection of personal data or accessibility to the site
- Changing and updating – website needs to be changed and updated on a regular basis to keep customers interested
- Relationship marketing – having the scope to customise, e.g. Amazon's website shows recently viewed items and gives a selection of items the customer may also wish to view
- Relationships with other businesses that help support the business, e.g. financial services, distribution and delivery services

Topic B.2 Operational risks

- Payment security – methods, e.g. credit, debit card or PayPal
- Customer errors when ordering resulting in returns
- Protecting the data of customers – data protection legislation
- Updating the website – maintaining customer interest, ensuring details are correct, e.g. old stock removed and new stock added
- Language problems, e.g. non-English-speaking customers, words and phrases having different meanings
- Legislation and regulations on the sale and supply of goods to include Distance Selling Regulations, and The Company (Trading Disclosures) Regulations
- Vulnerability to hostile attack, e.g. viruses, financial fraud, keylogging

continued

What needs to be learnt

● Hardware and software failures, e.g. loss of data, hardware damage, failure or lack of back-up systems

● Global regulations, e.g. health and safety, labelling issues, standards set by other countries, unfamiliar trading conditions

Topic B.3 Staffing

● Impact on staff, e.g. job security, changes in job description, skills development

● Use of call centres, e.g. answering queries, providing customer support

● Continuity of service, e.g. dealing with breakdowns and system failures, ensuring 24-hour operation

● Loss of personal contact, e.g. to discuss issues and problems, to get advice

● Familiarity with technology – attracting new members of staff who know the technology, training existing staff to use the technology

Topic B.4 Finance

● Initial costs of setting up including the purchase of hardware and software

● Fixed and running costs, e.g. annual updating of anti-virus software, electricity, distribution costs

● Coping with increased interest, e.g. meeting customer demand, quantity of goods, delivery terms

Topic B.5 Distribution

● Importance of fulfilling customer orders – getting the goods to the right people at the right time, reputation of the company, location of customers, e.g. remote, overseas

● Benefits to customers, e.g. selecting a convenient delivery slot, cheaper to buy online than in-store

● Scale of business – regional, national or global, e.g. special documentation to comply with regulations, special labelling or packaging of products, method of transport and insurance

● Special types of goods, e.g. fragile, perishable, hazardous

● Ease of distribution – services offered as opposed to goods, e.g. online insurance quotations, booking flights and hotel rooms

What needs to be learnt

Learning aim C: Investigate the uses and features of websites

Topic C.1 Using a website to operate a business online

- Why businesses use websites, including:
  - for commerce, e.g. shopping, banking
  - to present information, e.g. advertising, news
  - to store information, e.g. archiving, cloud
  - to download information, e.g. data, media
  - to enable customers to browse and search for information, e.g. real-time information
  - to collect feedback for monitoring and evaluation purposes
  - to improve efficiency of operations
  - to communicate, e.g. social networking, video conferencing
  - for media sharing, e.g. film clips of product demonstrations or positive customer review
  - as a source of education, e.g. libraries, online learning, assessments
  - to provide interactive features to customers, e.g. registration and logins, e-commerce facilities, email links, message boards and online forums, forms, downloads
  - to enable global trading/commerce – being available 24 hours a day, 7 days a week

Topic C.2 Types and features of business websites

- Types of websites – a collection of related web pages, traditionally hosted on a web server, for example:
  - static website – a collection of web pages primarily coded in Hypertext Markup Language (HTML) presenting static information to their audience, e.g. a brochure
  - dynamic website – a collection of web pages that changes or customises itself frequently and automatically triggered by the business or the customer
- Platforms and compatibility
- Construction features, including hyperlinks, action buttons, hotspots, templates and forms
- Interactive features, e.g. email links, registration logins, forms, accessibility
- Aesthetics, e.g. colours, layout, graphics/video/animation, audio, text, style

Topic C.3 User experience of websites

- How different features of websites improve the user experience for an individual or business, for example:
  - providing forms that allow customers to leave feedback
  - using dynamic interactions when communicating with customers online
  - applying style sheets to keep the same look and feel for a website
  - making websites interactive by embedding digital assets

What needs to be learnt

Learning aim D: Design a website to meet the needs of a business

Topic D.1 Designing a website to meet a client brief

- Planning the design of a website to meet a business need, e.g. storyboards to map the layout and structure, site map
- Using appropriate website software tools/techniques to create single or multiple web pages that will include some or all of the following:
  - text
  - tables
  - forms, e.g. text field, text area, buttons, radio buttons, check boxes
  - frames
  - navigation, e.g. menus, hyperlinks (internal and external), anchors
  - interactive components, e.g. hotspots, pop-ups, buttons, menus, rollover images
  - colour schemes, styles and templates, e.g. cascading style sheets, page layout, size and position (text, links, assets, forms), text wrapping, background colours
  - embedded multimedia/digital asset content, e.g. digital graphics, digital video, digital audio, digital animation
  - simple client-side scripts, e.g. write JavaScript code to display a name in a pop-up box
  - other languages, e.g. Hypertext Markup Language (HTML), Dynamic Hypertext Markup Language (DHTML)
- Accessibility features, e.g. alt (alternative) tags, zoom features, text-to-speech
- Checking browser compatibility to present web pages
- Exporting and compressing any digital assets into suitable file types, e.g. resolution and size appropriate for web pages
- Using suitable file names for web pages
- Website hosting, e.g. web server, domain name, web hosting services
- Testing the website for functionality, quality and usability

Topic C.2 Ensuring that a client brief is met

- Ensuring that feedback is gathered from others (particularly the client/business) on the effectiveness of aspects of the website design, including:
  - resolution
  - effectiveness
  - content
  - presentation
  - navigation
  - usability
  - accessibility
  - performance
  - whether it meets the brief and the business purpose for which it was created
- How to assess the suitability of the website in meeting a client brief/business need, based on feedback from others
- The importance of revising website designs to ensure that a client brief is fully met

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore business activity online			
1A.1 Identify the purpose and features of the online activity of three businesses.	2A.P1 Describe the purpose and features of the online activity of two contrasting businesses.	2A.M1 Compare the ways in which two contrasting businesses conduct their online business activities.	2A.D1 Assess, using examples, how the current online business environment impacts on the achievement of business aims.
1A.2 Outline how two businesses have amended their online business activities in line with changes in the online business environment.	2A.P2 Explain how two contrasting businesses have amended their online business activities in line with changes in the online business environment.		
Learning aim B: Understand the issues relating to doing business online			
1B.3 Identify factors a selected business needs to consider when deciding to operate online, including planning, implementation, staffing, finance and distribution. *	2B.P3 Describe the factors a selected business needs to consider when deciding to operate online, including planning, implementation, staffing, finance and distribution. *	2B.M2 Assess ways in which a selected business could deal with the operational risks associated with an online presence. *	2B.D2 Evaluate the suitability of having an online presence for a selected business. *
1B.4 Outline the operational risks involved in establishing an online presence for a selected business.	2B.P4 Explain the operational risks involved in developing an online presence for a selected business.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Investigate the uses and features of websites			
1C.5 Identify the uses and features of the websites of two businesses.	2C.P5 Describe the uses and features of the websites of two contrasting businesses.	2C.M3 Compare the uses and features of the websites of two contrasting businesses in terms of presentation, usability and accessibility.	2C.D3 Evaluate how the features of a selected business website improve the user experience.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Design a website to meet the needs of a business			
1D.6 Plan the design of a website with a minimum of four and a maximum of eight interlinked pages in response to the needs of a selected business. #	2D.P6 Plan the design of a website with a maximum of eight interlinked pages that meets the needs of a selected business. #	2D.M4 Explain how the plan for the design of a website meets the needs of a selected business.	2D.D4 Present, using feedback gathered, recommendations for changes or improvements to the functionality, accessibility and usability of the website created.
1D.7 Create a website independently, with a minimum of four and a maximum of eight interlinked pages in response to the needs of a selected business. #	2D.P7 Create a website independently, with a maximum of eight interlinked pages that meets the needs of a selected business. #		
1D.8 Demonstrate the functionality, accessibility and usability of the website created.	2D.P8 Demonstrate how the functionality, accessibility and usability of the website created meets the needs of a selected business.	2D.M5 Assess, using feedback from others, the suitability of the website created in meeting the needs of the business and the customers.	

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

The special resource required for this unit is website authoring software that allows the creation of websites.

Learners will need a brief against which to design and develop a website to meet the needs of a selected business. User requirements for this brief should include the:

- purpose of the website
- target audience
- information that must be provided
- features that must be included (e.g. text, forms, frames, tables)
- user interaction that is required
- digital assets to be included, e.g. digital animation, digital graphics, digital audio, digital video.

The brief should ideally be written with a business in mind, and learners should have clear objectives of what they want the website to present. Computer resources are needed to host the website.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

To achieve the assessment criteria, learners will need to investigate the online activities of two contrasting businesses, e.g. a major retailer like Tesco which has both a 'bricks and clicks' presence and a sole trader who only does business online.

For 2A.P1, learners need to describe the purpose and features of the online activity of these two contrasting businesses.

For 2A.P2, learners need to research trends and changes in the online business environment and explain how two contrasting business have amended their online business activities in line with changes they have identified in the online business environment, for example, changing their website to make it easier for customers to access it from a mobile phone. Learners can use the same two businesses used for 2A.P1 or two completely different businesses.

For 2A.M1, learners must compare the ways in which the two contrasting businesses used in 2A.P1 and/or 2A.P2 conduct their online business activities. This builds into 2A.D1 where learners need to assess, using examples from the businesses they have researched for 2A.P1 and 2A.P2, how the current online business environment impacts on the achievement of business aims. For example, if the main aim of the business is to maximise profits, do the changes in mobile technology (such as increased use of smartphones to shop online) affect those aims if the business
cannot afford to update their own technology to keep up with these changes.

For 2B.P3, learners need to describe the factors a selected business needs to consider when deciding to operate online, including planning, implementation, staffing, finance and distribution. One of the businesses used in learning aim A can be used, or a business that has no current online presence can be examined instead. Some businesses may elect not to have an online presence. Some may only exist online. Others may only have a limited online presence, such as advertising their products, but not selling them. Any business deciding to have an online presence will need to have considered how to plan and implement its online activities, after first having examined the staffing, finance and distribution implications of operating online. For 2B.P4, learners need to explain the operational risks involved in developing an online presence for their selected business and for 2B.M2, they should assess ways in which the business could deal with these risks. For example, how is the risk of data loss minimised or eliminated? For 2B.D2, learners need to evaluate the suitability of an online presence for their selected business. They should consider whether it should have an online presence and, if so, what activities should be available online?

The assessment of learning aims A and B can be carried out in a single assignment which can be staged.

Sufficient investigation and preparation needs to be carried out before a website is designed and built. For 2C.P5, learners need to describe the uses and features of the websites of two contrasting businesses. Two of the businesses used for learning aim A could be used again here. Learners should consider why the websites are used and identify the range of activities that are available through them. For 2C.M3, learners need to compare the uses and features of these two websites in terms of presentation, usability and accessibility. They should consider how user-friendly they are and whether a user will want to return to the sites in the future. For 2C.D3, the learner needs to choose one website and evaluate how its features improve the user experience. For example, is the site easy to navigate, does it offer search options and does it remember you if you previously made purchases, so avoiding the need to re-enter information such as a delivery address? They should also consider whether the user interface is attractive and intuitive.

For 2D.P6, learners need to plan the design of a website with a maximum of eight interlinked pages that meets the needs of a selected business. Learners need to show how they propose to design the website by providing items such as storyboards to map the layout, as well as showing the structure of the website together with a site map. For 2D.M4, learners must explain how the design meets the needs of the business. This is not a full-blown proposal to take to the client, but rather an account of how the learner proposes to approach the design and creation of the website.

For 2D.P7, each learner must individually (and not in a group) create a website consisting of a maximum of eight interlinked pages that meets the needs of a selected business. They will need to use a range of suitable website software tools and techniques to complete this task. Learners should have developed a website based on their design that includes at least eight interlinked web pages with:

- at least four different assets
- internal and external hyperlinks
- text
- at least one table
- forms
- menus
- colour schemes and styles.

For 2D.P8, learners need to demonstrate how the functionality, accessibility and usability of their completed website meet the needs of the business. The demonstration could take the form of a presentation to a representative from the business they have designed the website for, with the teacher or assessor taking on this role. It should be a live demonstration of the website and not just a presentation with screenshots or storyboards.

For 2D.M5, having demonstrated the website and allowed others to use it, learners need to gather feedback and assess its suitability in meeting the needs of the business and its customers. For 2D.D4, learners need to present recommendations for changes or improvements to the functionality, accessibility and usability of the website in response to the feedback they received. Learners may, if they wish, modify their website, although identifying the requirements for any changes required is sufficient.

The assessment of learning aims C and D can be carried out in a single assignment which can be staged.

Level 1

To achieve the assessment criteria, learners will need to investigate the online activities of two contrasting businesses, e.g. a major retailer like Tesco which has both a 'bricks and clicks' presence and a sole trader who only does business online. For 1A.1, learners need to identify the purpose and features of the online activity of two businesses.

For 1A.2, learners need to research trends and changes in the online business environment and outline how two contrasting business have amended their online business activities in line with changes they have identified in the online business environment, for example, changing their website to make it easier for customers to access it from a mobile phone. Learners can use the same two businesses used for 1A.1 or two completely different businesses.

For 1B.3, learners need to identify the factors a selected business needs to consider when deciding to operate online, including planning, implementation, staffing, finance and distribution. One of the previously identified businesses used in learning aim A can be used again, or a business that has no current online presence can be examined instead. Any business deciding to have an online presence will need to have considered how to plan and implement its online activities after having examined issues such as staffing, finance and distribution and their relevance to online business activities.

For 1B.4, learners need to outline the operational risks involved in establishing an online presence for a selected business. The significance of the risks or the methods for dealing with them will not be explained in detail.

For 1C.5, learners need to identify the uses and features of the websites of two businesses. They should consider why the websites are used and the range of activities that are available through them.

To achieve 1D.6, learners need to plan the design of a website with a minimum of four and a maximum of eight interlinked pages in response to the needs of a selected business. The plan should show how they will tackle the task, but their plan may not meet all the needs of the business. For 1D.7, each learner must individually (and not in a group) create their planned website using suitable website software tools and techniques, including text, a table, hyperlinks and two assets as a minimum.

For 1D.8, learners need to demonstrate the functionality, accessibility and usability of their website. The demonstration could take the form of a presentation to a representative from the business they have designed the website for, with the teacher or assessor taking on this role. It should be a live demonstration of the website and not just a presentation with screenshots or storyboards.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2A.M1, 2B.M2, 2A.D1, 2B.D2	Why Go Online?	You are working for a consultancy firm that advises businesses on developing an online presence. Your manager has asked you to produce an information booklet for small and medium businesses on establishing an online presence. To provide some examples for your booklet, you will need to research two contrasting online businesses and investigate the nature and features of online business activities, and the purposes of doing business online. You will then need to think about the factors a selected business needs to consider when deciding to operate online – this must include planning, implementation, staffing, finance and distribution issues, and the operational risks involved.	A guidance booklet for small/medium businesses on establishing an online presence. The guide can be supported with a presentation to the owner of a business that is considering establishing an online presence Any presentation observed by the assessor requires an observation record

Criteria covered	Assignment	Scenario	Assessment evidence
1C.5, 1D.6, 1D.7, 1D.8, 2C.P5, 2D.P6, 2D.P7, 2D.P8, 2C.M.3, 2D.M4, 2D.M5, 2C.D3, 2D.D4	Building a Website	The consultancy business you are working for also provides a website design service for businesses. You will plan and build a website that meets an identified business need in a provided brief that you can interpret and use as the basis for your work in constructing a website. To prepare, you will need to research the features and uses of two existing contrasting business websites, and consider how the features improve the user experience. You will then plan the design of a website (with a maximum of eight interlinked pages) that meets the needs of the business in the given brief. After completing the plan, you will then create the website and demonstrate how the functionality, accessibility and usability meet the needs of the business. Finally, you will need to use the feedback received on the functionality of your website to assess whether it meets the needs of the business, and recommend changes or improvements.	Demonstration of a functioning website hosted on a computer together with supporting documentation showing the approach used for the design of the website A personal review of the effectiveness of the website with recommendations for improvement The demonstration of the operation of the website witnessed by the assessor requires an observation record

Unit 15:   Public Sector Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Network Rail owns the railway tracks and the BBC owns a broadcasting network. Both are public sector businesses – owned and controlled by the government – but why does the government hold such diverse interests? In this unit you will learn what is meant by public sector business, why such businesses exist, what they do and how they operate.

Annual public expenditure on goods and services in the United Kingdom is nearly £700 billion – around 47 per cent of gross domestic product. Much of this money is spent through public sector businesses and around 20 per cent of UK employment is in the public sector. By exploring the nature of public sector business you will come to understand its important contribution to national wellbeing and economic prosperity.

There are many reasons why the government has assumed the responsibility of providing goods and services for its citizens. Health, education, welfare and social security are provided for all. Every child receives 11 years of compulsory free schooling; the army, navy and air force defend all citizens. Yet it all has to be paid for and this unit will allow you to explore factors affecting the operation and improvement of public sector businesses. You will see how they are generally financed through taxation, although some have a more commercial focus. The BBC, for example, has a commercial arm which generates revenue by selling television shows around the world. Ultimately though, the government will pay the bill so it is important that public sector businesses operate efficiently.

Learning aims

In this unit you will:

A explore public sector businesses

B investigate how public sector businesses operate

C explore factors affecting the operation and improvement of public sector businesses.

Learning aims and unit content

What needs to be learnt
Learning aim A: Explore public sector businesses

Topic A.1 The nature of public sector business
 	
● What a public sector business is – one that is owned and controlled by the government that is usually free at the point of delivery
● Types of public sector business, including:
  o schools
  o Network Rail, the British Broadcasting Corporation (BBC)
  o the National Health Service (NHS)
  o armed services
  o government departments, e.g. Department for Education
  o local councils, e.g. county, borough, metropolitan and district councils
● What public sector businesses provide – essential services, e.g. utilities, healthcare, national security, social security and welfare
● Types of goods public sector businesses provide:
  o pure public goods – goods that would never be provided by the private sector as a profit cannot be made out of them, e.g. street lighting, national defence provided by the armed services
  o social goods – public goods that can be delivered as private goods but are not for various reasons as a matter of social policy
  o merit goods, e.g. flu jabs
● The characteristics of pure public goods:
  o non-excludability
  o non-rival consumption
● The importance of public sector businesses to the national economy in terms of contribution to:
  o levels of employment
  o Gross National Product (GNP)

What needs to be learnt

Learning aim B: Investigate how public sector businesses operate

Topic B.1 How public sector businesses operate

- Funded by public money
- By working with the private sector – public-private partnerships (PPPs), Private Finance Initiative (PFI)
- Benefits of different methods of funding, e.g. using money from the private sector to reduce burden on the taxpayer
- Public sector business models
- Use of outsourcing/outside contracting for services, e.g. IT systems
- Organisational structure of businesses in the public sector, including:
  - approaches to leadership and associated benefits and issues
  - hierarchical structure with clearly defined roles
- How and why public sector businesses are regulated, e.g. OFSTED, OFCOM, the Healthcare Commission
- Accountability – the government rather than the individual takes responsibility

Learning aim C: Explore factors affecting the operation and improvement of public sector businesses

Topic C.1 Factors affecting the public sector

- Direction of government policy, e.g. on employment, education, welfare
- The level of public expenditure, e.g. impact of global economy, government borrowing requirements
- Competition, e.g. effects of no competition, ways of improving competitiveness, privatisation
- Efficiency, e.g. providing value for money
- Maintaining services rather than developing them
- Fairness – the free rider problem, removing rejectability and choice
- Complacency
- Monitoring/regulation, e.g. to prevent abuse of public money
- Role of the media, e.g. the MPs expenses scandal, treatment of elderly patients in NHS hospitals

Topic C.2 Improving public sector services

- Ways of improving public services and operations, including:
  - using IT to improve information management
  - integration of services
  - staff training and morale
  - improved management techniques
- Ways of measuring improvements to public services:
  - operating within budget
  - productivity levels, e.g. reducing NHS waiting lists, reduced prisoner re-offending, school league tables
  - reduced costs

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore public sector businesses			
1A.1 Identify the goods and/or services provided by three contrasting public sector businesses.	2A.P1 Describe the goods and/or services provided by three contrasting public sector businesses.	2A.M1 Compare the characteristics of two types of pure public goods.	2A.D1 Evaluate the importance of the contribution of public sector businesses to the national economy.
1A.2 List reasons why the government maintains public sector businesses.	2A.P2 Explain, using examples, why the government maintains public sector businesses.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Investigate how public sector businesses operate			
1B.3 Identify how two contrasting public sector businesses are funded.	2B.P3 Explain how two contrasting public sector businesses are funded.	2B.M2 Compare the benefits of the funding methods and organisational structure of two contrasting public sector businesses.	2B.D2 Evaluate the effectiveness of the operation (method of funding, organisational structure, regulation) of a selected public sector business.
1B.4 Illustrate the organisational structure of a selected business in the public sector.	2B.P4 Describe the organisational structure of two contrasting businesses in the public sector.		
1B.5 Name the official regulator of two contrasting public sector businesses.	2B.P5 Describe how two contrasting business in the public sector are regulated.	2B.M3 Assess the reasons for regulating two contrasting public sector businesses.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Explore factors affecting the operation and improvement of public sector businesses			
1C.6 List the factors affecting two contrasting public sector businesses.	2C.P6 Describe the factors affecting two contrasting public sector businesses.	2C.M4 Assess the contribution of government policy on services and operations in two contrasting public sector business.	2C.D3 Evaluate the contribution of government policy on improving services and operations in a selected public sector business.
1C.7 Outline ways a selected public sector business could improve its services and operations.	2C.P7 Explain how a selected public sector business could improve its services and operations.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

To meet the assessment criteria, learners will need to investigate three contrasting public sector businesses such as a local council, a school or college and the British Broadcasting Corporation (BBC). For 2A.P1, learners must describe the goods and/or services provided by these three public sector businesses. For 2A.P2, learners must explain, using examples, why the government maintains public sector businesses. For essential services such as national security and welfare, the reasons are often clear, but it is less clear why public businesses engage in purely commercial activities such as making and selling television programmes across the world. For 2A.M1, learners must compare the characteristics of two types of public goods, for example public car parks and street lighting. Public sector businesses make a significant contribution to national wellbeing by employing large numbers of people and producing a considerable quantity of goods and services. For 2A.D1, learners must evaluate the importance of public sector businesses to the national economy.

For 2B.P3, learners must explain how two contrasting public sector businesses are funded. They should examine methods such as taxation, private and public partnerships and commercial activities. Although it is possible to consider a single business that uses different funding methods, learners need to use different businesses. However, they may continue to use the same three public sector businesses used for learning aim A. For 2B.M2, learners need to build on work completed for 2B.P3 by comparing the benefits of the funding methods and organisational structure of two contrasting public sector businesses, for example by looking at the impact on the public purse when funding is generated through commercial revenues. For 2B.D2, learners need to select one public sector business and evaluate the effectiveness of how it is operated by considering matters such as its method of funding, its organisational structure and the way it is regulated.

For 2B.P4, learners must describe the organisational structure of two contrasting public sector businesses, considering how they are organised and managed and whether they use techniques such as outsourcing and external contracting. Some public sector businesses such as the BBC, for example, are regulated in a variety of ways but postal services only have a single regulator. For 2B.P5, learners must choose two contrasting public sector businesses and describe how they are regulated. For 2B.P4 and 2B.P5, learners can use the same public sector businesses used for 2B.P3 or choose two other businesses.

For 2B.M3, learners need to build on work completed for 2B.P4 by assessing the reasons for regulating the two selected contrasting public sector businesses. These could include the need to control the monopoly power enjoyed by many public businesses but also the need to ensure that they provide value for money by publishing consistent information about their performance, for example infant mortality rates in NHS hospitals.

The assessment of learning aims A and B can be completed through the use of a single assignment which can be staged.

For 2C.P6, learners need to describe the factors affecting two contrasting public sector businesses. Again, two of the businesses previously used for learning aim A can be used. Government policies and the level of funding need to be considered and learners should find numerous instances in which public sector businesses are affected by these issues. For 2C.P7, learners must explain how a selected public sector business could improve its services and operations. For 2C.M4, learners need to assess the impact of government policy on the services and operations in two contrasting public sector business. Reductions in government spending are forcing all public sector businesses to review how they operate. For 2C.D3, learners need to use a selected public sector business and evaluate the contribution of government policy to improving services and operations in that business, for example, government sustainability policies resulting in increased household recycling.

Level 1

To achieve the assessment criteria, learners will need to investigate three contrasting public sector businesses such as a local council, a school or college and the British Broadcasting Corporation (BBC). For 1A.1, learners need to identify the goods and/or services provided by these three contrasting businesses. For 1A.2, learners must list reasons why the government maintains public sector businesses. Although accounts will be limited there must be an indication of the extent of the goods and services provided and the associated reasons for businesses being in the public sector.

For 1B.3, learners need to take two of the three public sector businesses used for learning aim A and identify how they are funded. For 1B.4, learners need to illustrate the organisational structure of a selected business in the public sector. They may choose to do so using an annotated diagram or a narrative. For 1B.5, learners need to name the official regulator of two contrasting public sector businesses.

For 1C.6, learners need to list the factors affecting two contrasting public sector businesses. There will be brief indications of why these factors affect the operations of the businesses. For 1C.7, learners need to outline ways a selected public sector business could improve its services and operations and how this might be done.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 1B.5, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2B.P5, 2A.M1, 2B.M2, 2B.M3, 2A.D1, 2B.D2	What are Public Sector Businesses?	You are working as an intern at your local council and have been asked to produce some promotional materials for the general public that provide information on what public sector businesses do. To do this, you need to investigate the nature and importance of public sector businesses and how they operate, by focusing on the goods and services provided and the reasons why public sector businesses provide these goods and services. You need to consider why the government maintains public sector businesses, providing appropriate examples. You will also examine how contrasting public sector businesses are funded, and investigate their organisational structures and how they are regulated.	Brochure, leaflet, report, posters, images, photographs and PowerPoint slides. Any presentation observed by the assessor requires an observation record

Criteria covered	Assignment	Scenario	Assessment evidence
1C.6, 1C.7, 2C.P6, 2C.P7, 2C.M4, 2C.D3	Factors Affecting Public Sector Businesses	In your work as an intern at your local council, you have been asked to provide an article for a local newspaper or magazine on factors affecting public sector businesses. To do this, you will need to explore the factors that affect public sector businesses, identify how the provision of public sector services can be improved, and consider the contribution of government policy on services and operations in public sector businesses.	Newspaper/magazine article, report, leaflet

Unit 16: Enhancing the Customer Experience

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

How can businesses improve the service their customers receive? How can they enhance the customer experience to ensure repeat custom and encourage new custom? A satisfied customer is a loyal customer, and businesses need loyal customers in order to survive.

In *Unit 4: Principles of Customer Service*, you would have looked at how businesses provide customer service and you will have developed your own effective customer service skills. In this unit, you will develop your knowledge and understanding further. You will also investigate the value to businesses of enhancing the customer experience, and the methods businesses use to achieve this.

You will consider the importance of monitoring customer service as a means of finding out whether customers are satisfied. An effective monitoring process allows businesses to take action to improve their products or services where necessary.

However, the customer's perspective alone is not enough. In order to evaluate customer service provision, businesses need to look closely at their own performance. They need to ask themselves key questions such as 'How are we doing?', 'Are we giving our customers what they want?' and 'What could we do better?'

There are a number of indicators that businesses can use to evaluate their customer service provision and help them to monitor any changes and improvements. In this unit you will discover that, for a business to survive in the highly competitive world of customer service, it needs to evaluate its own performance on a regular basis, be responsive to its customers and make swift enhancements where needed.

***Unit 4: Principles of Customer Service* is a compulsory prerequisite of this unit and should be completed first. This unit cannot be taken as a stand-alone unit in this qualification and must be taken with Unit 4.**

Learning aims

In this unit you will:

A understand the value and importance to businesses of enhancing the customer experience

B examine how customer service can be monitored and evaluated

C explore how enhancements to the customer experience can be made.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the value and importance to businesses of enhancing the customer experience

Topic A.1 The value and importance of enhancing the customer experience
 	
● Enhancing the reputation of business and brand – trust and confidence in business and brand leading to potential expansion into new product ranges/services
 	
● Increased customer goodwill
 	
● Increased customer retention
 	
● Encouraging repeat business and attracting new customers
 	
● Potential increases in revenue and profits
 	
● Giving the business a Unique Selling Point (USP) and the opportunity to gain market share
 	
● Repairing any damage to reputation, e.g. because of sub-standard products, poor value for money, unreliable and/or untrustworthy service
 	
● Changing perceptions of any negative publicity, e.g. from word-of-mouth, newspapers, blogs, social media, reviews on independent consumer review websites
 	
● Decreasing costs if customers have sought legal action, e.g. through breach of contract, breach of Trade Descriptions Act
 	
● Improving staff satisfaction, morale and motivation, for example:
 	
    o more pleasant working environment
 	
    o satisfaction of pleasing customers
 	
    o more secure employment
 	
    o increased staff retention

What needs to be learnt

Learning aim B: Examine how customer service can be monitored and evaluated

Topic B.1 Ways businesses monitor and evaluate customer service

● Monitor by:
  - o informal customer feedback
  - o customer questionnaires, comment cards, online feedback
  - o staff feedback
  - o mystery customers
  - o complaints and compliment letters
  - o the cost of providing customer service delivery
  - o customer buying habits, e.g. data from loyalty cards
● Evaluate by looking at:
  - o levels of sales
  - o numbers of repeat or new customers
  - o level and types of complaints or compliments
  - o staff turnover
  - o comparing to existing benchmarks

Topic B.2 Using customer profiling to enhance customer service

● Creating customer profiles, including:
  - o customer details, e.g. names, addresses, payment details
  - o formal data, e.g. customer buying habits data from loyalty cards
  - o informal data, e.g. from focus groups, telephone surveys, follow-up surveys
● Using customer profiles to enhance customer service, e.g. using customer browsing and/or buying habits data to provide further product recommendations targeted to individual customers, tailored discount vouchers at point of sale

What needs to be learnt
Learning aim C: Explore how enhancements to the customer experience can be made
Topic C.1 Improving customer service ● Types of improvements, for example: o quality and reliability of service o value for money o offering new products or services better suited to customers o changing existing products or services in response to customer feedback o changing internal procedures o more positive body language and improved tone of voice from staff o ensuring staff comply with legal, regulatory and organisation obligations, e.g. the requirements of customer charters, price promises o better resolution of complaints or queries, e.g. improved speed of response ● Ways of improving customer service, including: o identifying poor customer service and addressing areas for improvement, including identifying priorities o better communication with customers, e.g. in writing, telephone, text, email, face-to-face o providing better staff training, e.g. to ensure professional behaviour, courtesy and consideration towards customers, to anticipate customer needs, upskilling opportunities, training to help staff understand their responsibilities, embedding excellent customer service in corporate culture/style o providing opportunities for staff to suggest improvements and innovative ideas to enhance the customer experience o better and more efficient procedures, e.g. customer focused, less referral of queries to manager or supervisor, less paperwork, more accurate provision of information ● Recognising improvements to customer service, e.g. compliments from customers, positive media coverage, increased customer loyalty ● Implications of improving customer service, including: o to the customer, e.g. satisfaction (products and services) o to the business, e.g. costs (time and resources), benefits (sales and profitability) o to the employee, e.g. more training, job satisfaction, greater scrutiny of performance

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the value and importance to businesses of enhancing the customer experience			
1A.1 Outline, using examples, the value to businesses of enhancing the customer experience.	2A.P1 Explain, using examples, the value to businesses of enhancing the customer experience.	2A.M1 Compare, using examples, the effects of enhancing the customer experience in two contrasting businesses.	2A.D1 Evaluate, using examples, the importance of enhancing the customer experience to two contrasting businesses.
Learning aim B: Examine how customer service can be monitored and evaluated			
1B.2 Identify useful sources of data used by a selected business to monitor and evaluate their customer service provision.	2B.P2 Describe, using examples, useful sources of data used by a selected business to monitor and evaluate their customer service provision.	2B.M2 Compare how two contrasting businesses use data to monitor and evaluate their customer service provision. *	2B.D2 Evaluate the usefulness of data in monitoring and evaluating the customer service provision in a selected business. *
1B.3 Identify ways a selected business monitors and evaluates its customer service provision.	2B.P3 Explain how a selected business monitors and evaluates its customer service provision.		
1B.4 Outline the customer profiling methods used by a selected business.	2B.P4 Explain how a selected business creates customer profiles.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Explore how improvements to the customer experience can be made			
1C.5 Identify types of enhancements businesses could make to their customer service provision.	2C.P5 Describe, using examples, types of enhancements businesses could make to their customer service provision.	2C.M3 Assess the changes made by a selected business to enhance the customer experience.	2C.D3 Evaluate the impact of enhancements to the customer experience on a selected business.
1C.6 List ways a selected business has enhanced the customer experience.	2C.P6 Explain how a selected business has enhanced the customer experience.		
1C.7 State ways a selected business recognises enhancements to the customer experience .	2C.P7 Describe how a selected business recognises enhancements to the customer experience.		
1C.8 Describe the implications of to a selected business of enhancing the customer experience.	2C.P8 Explain, using examples, the implications to a selected business of enhancing the customer experience.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Level 2

This unit requires learners to show evidence that they have an understanding of the value and importance to businesses of enhancing the customer experience. It also explores how monitoring and evaluating is used to enhance the customer experience and the effects this may have on the business, the customer and the employee.

To achieve all the assessment criteria, learners should be able to investigate businesses (for example retail, call centres, leisure centres) which give both a contrast in terms of size, sector, etc and a suitable range of customer service activities. A presentation examining the value and importance of enhancing the customer experience for selected businesses could provide evidence for learning

aim A. An investigation of how monitoring and evaluating customer service would help enhance the customer experience could provide evidence for the rest of the assessment criteria in learning aims B and C..

For 2A.P1, learners need to use examples from researched businesses, case studies, or their own experience to explain the value to businesses, of enhancing the customer experience.

This evidence can build into 2A.M1 where learners should compare the effects of enhancing the customer experience in two contrasting businesses, e.g. business-to-business (B2B) versus business-to-consumer (B2C), customer service provision when selling fast moving consumer goods (FMCG) such as chocolate bars, versus selling houses. Their evidence could be presented in table format but must include the effects of enhancing the customer experience for each of the two businesses. Work for 2A.M1 can be developed into 2A.D1 where learners should use their research into contrasting businesses in 2A.P1 and 2A.M1 to provide examples to illustrate their evaluation of the importance of enhancing the customer experience.

To achieve learning aim B, learners need to demonstrate an understanding of how customer service is monitored and evaluated in businesses, including the use of customer profiling methods. The same businesses researched in learning aim A can be used again.

For 2B.P2, learners need to describe, using examples, useful sources of data used by a selected business to monitor and evaluate their customer service provision. Their examples should sufficiently illustrate why the data is useful for the selected business.

For 2B.P3, learners need to research at least two monitoring and two evaluation methods used by a selected business. Their explanation should include reasons why the business monitors and evaluates its customer service provision.

For 2B.P4, in order to fully explain the methods used by the business to collect customer information when creating its profiles, learners must give an account of the purpose of profiling as part of monitoring and evaluating customer service provision. Learners should include how the use of customer profiles enhances customer service.

To achieve 2B.M2, learners need to compare how two contrasting businesses use formal and informal data to monitor and evaluate their customer service provision, such as buying habits. This can be developed into evidence for 2B.D2 through an evaluation of the usefulness of data in monitoring and evaluating the customer service provision in a selected business.

For learning aim C, learners will examine how enhancements to the customer experience are identified, the benefits of these enhancements to the business and the impact on internal procedures. For 2C.P5, learners need to describe, using examples, the types of enhancements businesses could make to their customer service provision. Examples can be drawn from research either using the same businesses investigated in learning aims A and B, or choosing different ones.

For 2C.P6 and 2C.P7, learners need to select one business and explain the ways in which it has made enhancements to the customer experience. This needs to include how the enhancements are recognised, for example, improving the response time for dealing with customer queries. For 2C.P8, the implications of these enhancements to the customer, the business, and the employee should be explained, using at least one example for each.

For 2C.M3, learners need to assess changes made by a selected business to enhance the customer experience, such as a change to internal procedures and assess whether or not this has improved customer service provision. For 2C.D3, learners need to build their explanations into a full evaluation of the impact of enhancements to the customer experience for the customer, business and employee in terms of cost, time and resources.

Level 1

Evidence for this unit will require learners to show they have knowledge of the enhancing the customer experience, and how it can be monitored and evaluated in a business to identify areas for improvement.

To achieve all the assessment criteria, learners should be able to investigate a business (e.g. retail, call centres, leisure centres) which gives a suitable range of customer service activities. A presentation summarising the value and importance of enhancing the customer experience for selected businesses could provide evidence for learning aim A. An account of how customer service is monitored and evaluated to identify improvements would cover learning aims B and C.

For 1A.1, learners need to use their knowledge from researched businesses, case studies, or their own experience to outline, using examples, the value to businesses, of enhancing the customer experience.

To achieve learning aim B, learners need to show an understanding of the ways of monitoring and evaluating customer service. Evidence for this could be provided in the form of a training or information booklet for new or existing staff.

For 1B.2, learners need to identify useful sources of data used by a selected business to monitor and evaluate their customer service provision.

For 1B.3 and 1B.4, learners should give at least two examples of how a business monitors and evaluates its customer service provision, together with an outline of the profiling methods it uses. Learners should demonstrate an understanding of what customer profiling involves.

For learning aim C, learners will investigate how enhancements to the customer experience can be made. For 1C.5, learners need to give at least three examples of the types of enhancements businesses could make to improve the customer experience. For 1C.6, learners then need to produce a list of the ways a selected business has made enhancements to its customer service provision and, for 1C.7, state how it recognises the enhancements made, for example from customer feedback. For 1C.8, the implications of enhancing the customer experience should be described, with one example each for the business, the customer and the employee.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 2A.P1, 2A.M1, 2A.D1	Customer Service – Good or Bad?	You are to take on the role of assisting the customer service manager of a business and are tasked with preparing training material for new staff. The training materials you produce should specifically refer to examples of the value and importance to businesses of enhancing the customer experience.	Presentation of an investigation into the value and importance to businesses of enhancing the customer experience
1B.2, 1B.3, 1B.4, 1C.5, 1C.6, 1C.7, 1C.8, 2B.P2, 2B.P3, 2B.P4, 2C.P5, 2C.P6, 2C.P7, 2C.P8, 2B.M2, 2C.M3, 2B.D2, 2C.D3	Why Bother? – The Importance of Monitoring and Evaluating the Customer Experience	You will continue in the role of assisting the customer service manager of a business and prepare more materials on further investigations into enhancing the customer experience. This will cover how the provision of customer service is monitored and evaluated to identify enhancements, and how this impacts on the customer, the business and the employee. The materials you produce need to refer to specific business examples to meet the assessment criteria.	Guidance booklet for use with new or existing staff

Unit 17: Visual Merchandising in Retail Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

When you go shopping have you ever wondered what it is that makes you go into one retail outlet rather than another? Is it a well-designed window display or the layout of the store itself? Once you are inside what attracts you to particular products? Are you more likely to make a purchase if the products are attractively displayed and it is easy to find what you are looking for? All these questions relating to the layout of a retail outlet and the positioning of products within it are of interest to retail businesses.

A carefully considered layout and clever product positioning can entice customers into making a purchase. It is so important that many retail outlets employ skilled visual merchandisers to design and create the layout of their outlet and the product displays within it.

In this unit you will learn about visual merchandising activities in retail businesses. You will find out what exactly visual merchandisers do and how their role differs depending on the size of the retail business and the sub-sector it operates in. You will learn about the tools and techniques visual merchandisers use to create eye-catching product displays and have the opportunity to develop your own creative skills by applying these tools and techniques to a retail situation.

Learning aims

In this unit you will:

A understand the responsibilities of visual merchandisers in retail businesses

B understand the principles of visual merchandising

C apply visual merchandising techniques.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the responsibilities of visual merchandisers in retail businesses
Topic A.1 Visual merchandising activities ● Working alone or as part of a visual merchandising team ● Designing floor plans and displays for product presentation ● Designing window displays for product presentation ● Drawing design plans by hand or computer ● Following a given design brief ● Assembling and dismantling displays ● Using props and lighting ● Deciding how to use space and lighting creatively ● Dressing mannequins and arranging screens and posters ● Making sure that prices and other details are visible **Topic A.2 The effect of size and sub-sector of retail outlets on the work of visual merchandisers** ● Size – micro, small and medium-sized enterprises (SMEs), large retailers, e.g. national/international department stores, retail businesses that operate globally ● How the size of retail businesses affects the work of visual merchandisers, e.g. a small retailer may have one visual merchandiser who creates all displays, whereas a large, national retailer may have specialist teams of visual merchandisers ● Sub-sectors, e.g. automotive, clothing, DIY, electrical goods, food and grocery, footwear, homewares, music and video, non-specialised stores, personal care, second-hand stores ● How the sub-sector of retail businesses affect the work of visual merchandisers, e.g. availability of refrigerated units for perishable goods displays **Topic A.3 The responsibilities of visual merchandisers in different sizes and sub-sectors of retail business** ● Giving feedback to stakeholders, e.g. head office, buying teams, members of the visual merchandising team, departmental managers ● Discussing briefs with clients where appropriate ● Sourcing props ● Organising/conducting research into customer demographics and store/regional attributes ● Creating branded visual merchandising packs to send to each branch of a store ● Liaising with sales staff and arranging coaching on how goods should be displayed ● Ensuring consistency with corporate brand image (usually only in large businesses) ● Researching costs and working within a budget ● Researching common factors and trends that influence customer buying patterns, e.g. marketing, advertising, branding, celebrity influence, seasonal, financial

What needs to be learnt

Learning aim B: Understand the principles of visual merchandising

Topic B.1 The techniques and tools used by visual merchandisers

- Visual merchandising techniques, including:
  - psychological techniques – how to appeal to customer senses (e.g. sight, touch, smell, taste, hearing), discounts, time limitations, music, minimalist versus 'pile them high' displays
  - display techniques, e.g. the use of 'open sell' to enable customers to try products for themselves, closed sell displays, themed displays
  - visual techniques – how sales staff can influence customers through visual techniques, e.g. demonstration areas, trials, sampling, placement of add-ons
- Visual merchandising tools, including:
  - display props, e.g. mannequins, display units
  - working tools, e.g. measuring tape, staple gun, hot glue gun, hammer, scissors, pencils, bradawl, safety glasses, screwdrivers, plumb levels
  - the importance of general corporate tidiness including cleanliness, using appropriate POS (point of sale) materials
  - creation of ambience, e.g. targeted specialised lighting from spotlights, floor lighting by fluorescents, varied floor coverings, use of mirrors
  - the importance and use of colour
  - design drawings, computer software, planograms
- The effectiveness of the techniques and tools used in successful visual merchandising displays, e.g. encouraging target customers to browse and buy

Topic B.2 Using visual merchandising techniques and tools successfully

- The benefits of successful visual merchandising to:
  - retail businesses, e.g. increased customer traffic, increased profitability
  - customers, e.g. improves accessibility to categories of goods, improves self selection, informs on fashion and trends
  - suppliers, e.g. increased sales, improved marketing of their products

What needs to be learnt

Learning aim C: Apply visual merchandising techniques

Topic C.1 Using practical approaches to support design ideas

- Supporting design ideas, including:
  - o the range of products/goods to be used in a display
  - o the type of props that will enhance products to be used in a display
  - o any time constraints
  - o the use of appropriate support merchandise
  - o themes, activities, events, seasons
  - o the use of signage, colour, styling and composition
  - o the direction of any lighting to be used

Topic C.2 Planning a positive retail environment

- The importance of attempting to create an environment that provides a positive experience for customers, enticing them to enter and buy products
- Designing a planogram for a positive retail environment, using appropriate annotations and considering the following features:
  - o layout, e.g. gridiron, open/free-flow, boutique
  - o location, space availability, link with adjacent stock
  - o customer traffic flow – entrance design, e.g. flat, recess, open, automatic doors, multi-level outlets
  - o position of fixtures, e.g. 45/60/90 degrees
  - o product positioning effects, e.g. slow sellers, fast sellers, new ranges, old stock, doubling up/repeat placing, placing products by the till/door
  - o product presentation, e.g. hanging, folding garments, boxed, pyramid
  - o accessibility, e.g. height of shelves/fixtures, position of products, direction of customer flow, clockwise/anticlockwise flows, sales desk/checkout position, exit location, effect of the transition zone
  - o common factors that influence customer buying patterns and trends, e.g. marketing, advertising, branding, celebrity influence, seasonal, financial and how retailers use this information to create a retail environment
- The importance of using feedback from others (e.g. customers, clients) to improve the effectiveness of retail environment planograms

What needs to be learnt

Topic C.3 Designing a product display

● How to create realistic product display designs to engage the attention of customers, including:

  ○ the type of display, e.g. small window display, internal store display, shelf display, free standing display

  ○ the location and positioning of the display, positioning of props, space availability and links with other stock

  ○ link to existing planogram, if appropriate

  ○ the products/goods to be displayed and the overall shape of the display, e.g. pyramid, symmetrical, asymmetrical

  ○ the use and positioning of props, e.g. stands, lighting, POS, backdrops, mannequins, ceilings and wall coverings

  ○ the use of signage, themes and colours

  ○ appropriate ways of informing customers about the products on display, e.g. effective use of visual techniques

  ○ use of any corporate/manufacturers' policies, e.g. colour schemes, logo, positioning, POS material

  ○ complementary merchandise placement

  ○ health and safety considerations relevant to the goods on display

  ○ ethical and cultural considerations of target customers

● The importance of using feedback from others (e.g. customers, clients) to improve the effectiveness of product display designs

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the responsibilities of visual merchandisers in retail businesses			
1A.1 Identify the activities of visual merchandisers in two retail businesses.	2A.P1 Describe, using relevant examples from research, the activities of visual merchandisers in two retail businesses operating in different sub-sectors.	2A.M1 Analyse how the size and sub-sector of two selected retail businesses affect the responsibilities of visual merchandisers.	2A.D1 Critically evaluate the impact on business success of the activities and responsibilities of a visual merchandiser in a selected retail business.
1A.2 Outline the responsibilities of visual merchandisers across retailers of different size.	2A.P2 Explain, using relevant examples from research, how the responsibilities of visual merchandisers vary across specific retailers of different size.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Understand the principles of visual merchandising			
1B.3 Outline the techniques used by visual merchandisers in two retail businesses.	2B.P3 Explain, using relevant examples from research, the techniques used by visual merchandisers in two retail businesses operating in different sub-sectors.	2B.M2 Explain the benefits of the effective use of visual merchandising techniques and tools to two retail businesses operating in different sub sectors, including their customers and suppliers.	2B.D2 Compare the effectiveness of the techniques and tools used by visual merchandisers in two retail businesses operating in different sub-sectors.
1B.4 Identify the tools used by visual merchandisers in two retail businesses.	2B.P4 Describe, using relevant examples from research, the tools used by visual merchandisers in two retail businesses operating in different sub-sectors.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Apply visual merchandising techniques			
1C.5 Plan a positive retail environment. *	2C.P5 Plan a detailed, positive retail environment using appropriate annotations to meet a given design brief. *	2C.M3 Use feedback to analyse the effectiveness of the positive retail environment plan and the product display design.	2C.D3 Justify suggested improvements to the positive retail environment plan and the product display design in response to feedback.
1C.6 Create a product display design for use within a positive retail environment. *	2C.P6 Create a realistic and appropriate product display design for use within a positive retail environment, to meet a given design brief. *		
1C.7 Outline how the positive retail environment plan and the product display design meet the given design brief.	2C.P7 Explain how the positive retail environment plan and the product display design meet the given design brief.		
1C.8 Gather feedback on the positive retail environment plan and the product display design.	2C.P8 Gather feedback on the effectiveness of the positive retail environment plan and the product display design.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

An active approach should be taken to delivery, encouraging learners to research retail businesses of different size that operate in different sub-sectors. This will enable learners to gather sufficient information to help them when providing evidence for the assessment criteria.

Level 2

For 2A.P1, learners need to describe at least three activities of visual merchandisers in two retail businesses operating in different sub-sectors, for example a food retailer and a fashion retailer. They should give appropriate examples from their research to illustrate their description. For 2A.P2, learners need to explain how the range of responsibilities may differ in different sized retail outlets. For example, a large retailer may use a team of visual merchandisers who implement designs created at head office, whereas a smaller retailer may have one visual merchandiser who creates and implements all the designs themselves. Learners should illustrate their work for 2A.P2 with appropriate examples from their research. For 2A.M1, learners need to use their evidence from 2A.P1 and 2A.P2 to analyse how the size and sub-sector of two retail businesses selected from their research affects the responsibilities of visual merchandisers.

For 2A.D1, learners need to critically evaluate the impact on business success of the activities and responsibilities of a visual merchandiser in a retail business selected from their research. In their evaluation, they should show an awareness of research as a key responsibility and the importance of researching trends that impact on consumer buying habits.

For learning aim B, learners need to demonstrate their understanding of the tools and techniques used by visual merchandisers to create engaging layouts and displays to entice customers to buy products. For 2B.P3, they need to explain the techniques used by visual merchandisers in two retail businesses they have researched that operate in different sub-sectors, demonstrating their understanding of how different retailers use a variety of psychological techniques in their retail environment to influence customers' buying decisions. Learners can use the same two retail businesses used in 2A.P1, or choose to research two different ones. They must use real examples to support their work in order to achieve the requirements of the assessment criteria, e.g. photographs of displays in retail outlets. For 2B.P4, learners should describe the tools used by visual merchandisers in the two retail businesses they used for 2B.P3. For 2B.M2, learners need use their research from the two retail businesses used in 2B.P3 and 2B.P4 and explain the benefits of the effective use of visual merchandising techniques and tools to each retail business, its customers and suppliers. For 2B.D2, learners need to compare the effectiveness of the tools and techniques used by visual merchandisers in the two retail businesses used for 2B.P3, 2B.P4 and 2B.M2.

For 2C.P5, learners need to plan a detailed and positive retail environment using appropriate annotations to meet a given design brief. Using their research, and knowledge and understanding gained from learning aims A and B to help them, learners need to create a planogram for the layout of a retail outlet to meet a given design brief.

The planogram should show evidence of the use of psychological techniques that attempt to create a positive experience for customers to entice them to buy products. It is recommended that the layout covers a space no bigger than 25m by 25m. For 2C.P6, learners need to create a realistic product display for use within the positive retail environment they have designed for 2C.P5, again, to meet a given design brief. The display design should be appropriate for the space available and the intended target customer.

For 2C.P7, learners need to explain how their planogram and product display design meet the given design brief. This could involve producing a rationale to accompany their designs or including it in a presentation to the owner of the business the designs are intended for in the design brief.

For 2C.P8, learners need to gather feedback on the effectiveness of their designs for 2C.P5 and 2C.P6 and use this to analyse the effectiveness of their designs for 2C.M3. For example, is it accessible to all customers or just a few? How will it tempt consumers to buy the product? Does it meet the given design brief? It would be particularly beneficial for learners to gather and use feedback from:

- the person who set the design brief (ideally someone from a local business)

- the retail businesses that provided the inspiration for their designs from their research activities in learning aims A and B.

Feedback should be gathered from a variety of sources, e.g. potential customers and the owner/manager of the retail business on which the designs are based. Learners should provide a summary of the feedback gathered and a copy of the original questionnaire or questions asked. For 2C.D3, learners need to use the feedback together with their own review of the effectiveness of their designs to justify any suggested improvements. Evidence could include revised designs with suggested improvements clearly indicated, or an action plan that includes their justified suggestions.

When assessing learners' designs for learning aim C, it is important to judge whether they have met the requirements of the original design brief. The artistic quality of the design is not, in itself, being assessed.

Level 1

For 1A.1, learners need to identify the activities of visual merchandisers in two retail businesses in the local area. For 1A.2, learners need to outline the responsibilities of visual merchandisers across retailers of different size in the local area. This will mainly involve looking at instances where retailers work alone or in teams, implementing a corporate planogram or creating designs themselves. Examples from current, local retail outlets should be used to illustrate the evidence for 1A.2.

For 1B.3, learners need to outline the techniques used by visual merchandisers in two retail businesses in the local area and give examples to illustrate each technique. 1B.3 can easily be linked to 1B.4 where learners identify the tools that have been used to create visual and psychological effects in retail outlet layouts and product displays.

For 1C.5, learners need to plan a positive retail environment. Their planogram of the layout of a retail environment may not have all the appropriate annotations, but must show evidence of the use of psychological techniques that attempt to create a positive experience for customers to entice them to buy products. For 1C.6, learners need to create a design for a product display for use within the positive retail environment they have designed for 1C.5. For 1C.7, learners need to outline how their planogram and product display design meet the given design brief. This could involve producing a rationale to accompany their designs or including it in a presentation to the owner of the business the designs are intended for in the design brief.

For 1C.8, they need to gather feedback on the designs they created for 1C.5 and 1C.6. Feedback should be gathered from a variety of sources, e.g. potential customers and the owner/manager of the retail business the designs are based on. Learners should provide a summary of the feedback gathered and a copy of the original questionnaire or questions asked.

When assessing learners' designs for learning aim C, it is important to judge whether they have met the requirements of the original design brief. The artistic quality of the design is not, in itself, being assessed.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2A.M1, 2B.M2, 2A.D1, 2B.D2	Attracting Customers	You will investigate two contrasting retail businesses and look at the activities and responsibilities of visual merchandisers, and the techniques and tools they use to create layouts and displays that entice customers to buy products. You will consider (and, for Distinction, evaluate) how these activities and responsibilities vary across different sub-sectors and sizes of retail business. You will then go on to research the techniques and tools used by visual merchandisers in two different retail sub-sectors.	Brochure or leaflet aimed at retail businesses looking to improve the layout and design of their outlets in order to entice customers to buy products
1C.5, 1C.6, 1C.7, 1C.8, 2C.P5, 2C.P6, 2C.P7, 2C.P8, 2C.M3, 2C.D3	Creating a Positive Retail Environment	From a given design brief, you will create a detailed planogram for a positive retail environment, and design a realistic and appropriate product display for use within that environment including an explanation of how the designs meet the given design brief. After receiving feedback on the effectiveness of your design, you will review your work and suggest improvements.	Annotated designs with accompanying explanation of how the designs meet the given design brief, evidence of feedback gathered and a review of the designs created

Unit 18: Small Business Planning

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Setting up a successful business enterprise involves having a business idea and then planning how to develop it. Success at the planning stage comes from good preparation, while seeking the advice and support you need from professionals in order to minimise mistakes. In *Unit 1: Enterprise in the Business World*, you will have planned an idea for a realistic business start-up in your local area, and based on your research, selected a format and then presented the business model and plan. In this unit, you can develop your idea from *Unit 1: Enterprise in the Business World*, or develop a new idea.

In this unit you will have the opportunity to turn your ideas into reality by persuading others that it is realistic and viable through devising a business plan to meet the identified opportunity or gap in the market. You will do this by considering your ability to run the business, the skills you need for success, those you already have and those that require further development. You will look at the legal aspects of setting up and running a business and identify the types of risks that could impact on a successful start-up. You will then plan, conduct and analyse market research to test the viability of your business idea.

The business plan will include the important and relevant information required by financial advisors, including the type of business and its unique selling proposition, the target market, available resources, financial information and forward planning. You will use presentation skills to pitch the plan to a potential sponsor, and use any feedback you are given to review the plan where necessary.

It is recommended that you study both *Unit 1: Enterprise in the Business World* and *Unit 2: Finance for Business* and before attempting this unit.

Learning aims

In this unit you will:

A understand the factors that will impact on the start-up of a business

B be able to research and analyse the market to test the viability of a business start-up idea

C understand the steps involved in planning a start-up business venture

D be able to develop and pitch a realistic and viable business plan from an initial idea.

Learning aims and unit content

What needs to be learnt

Learning aim A: Understand the factors that will impact on the start-up of a business

Topic A.1 Skills needed to run a business

- Identifying skills needed to successfully run the business, including:
  - o practical and technical skills to develop the product or service, e.g. developing product knowledge, operating equipment or machinery, building displays (visual merchandising)
  - o administrative and ICT skills
  - o interpersonal skills, e.g. listening, questioning, body language, assertiveness
  - o written communication skills
  - o stress management
  - o time management
  - o customer service skills
- Ways of assessing own skills, e.g. psychometric testing, personal SWOT (strengths, weaknesses, opportunities, threats) analysis, using feedback from others
- Identifying own skills gaps and planning development of own skills, e.g. training, getting advice and support from professionals, identifying costs involved, reviewing own progress
- Developing own skills versus paying experts for services, e.g. use of an accountant, role of solicitors (creating/reviewing contracts)

Topic A.2 Factors that contribute towards a successful business start-up

- Good product or high-quality service
- Innovative product or service that meets a market need
- Demonstrating entrepreneurial characteristics and skills, e.g. idea generation, prioritisation, risk management, problem solving, delegation
- Effective advertising of product or service
- Good customer service
- Creation of revenue
- Managing cash flow
- Ensuring there is a demand for product or service, including filling a gap in the market, Unique Selling Points (USPs)
- Showing flexibility of business to meet changing customer demands or circumstances

Topic A.3 Risks

- Assess the types of risks that may be incurred, e.g. lack of skills, competition from others, price of production, raising finance for start-up costs, weather, economic environment
- How risks can be minimised, e.g. minimal start-up costs, no additional staff required, family members on hand to provide help and support
- Support available to new businesses, e.g. membership of a professional association such as the National Market Traders Federation

continued

What needs to be learnt
Topic A.4 Legal aspects
● Know the relevant laws and regulations relating to a business format and model, including:
○ consumer legislation, e.g. Trade Descriptions Act, Sale of Goods Act, Weights and Measures Act
○ licences
○ regulations, e.g. health and safety, fire
○ other legislation/regulations relevant to business idea, e.g. registration with HM Revenue & Customs, food handling/preparation, food retailing
● Legal implications of self-employment, e.g. self-assessment tax returns, liability
● Understand the principles of employing and managing others, including:
○ employment legislation, e.g. National Insurance contributions, working hours regulations, minimum wage, training and developing staff
○ organisation structure and its impact on the business
○ leadership styles and choice of styles for different business contexts and situations

What needs to be learnt

Learning aim B: Be able to research and analyse the market to test the viability of a business start-up idea

Topic B.1 Why research the market?

● Outlining the purpose of the market research, e.g. to understand the behaviour of customers, the activities of competitors, the characteristics of the market

● Identifying the objectives of the market research to be conducted, e.g. to evaluate the attractiveness of different markets, develop insights into customer needs and wants, understand the competitive forces in a market

Topic B.2 Planning and conducting market research

● Defining research parameters and setting objectives

● Developing a research plan

● Selecting, collecting and analysing data

● Approaches to interpreting findings and reporting results

● The different sources of data that can be used in market research, including:

    o primary and secondary

    o quantitative and qualitative

    o internal and external

    o the sources and applications of each type of data

    o the benefits and drawbacks of different sources of data, e.g. time, cost, complexity, volume, availability, timeliness

● Designing questions that enable relevant data to be collected from research subjects, including:

    o open and closed questions and scales to measure (quantify) people's ideas about the viability of a business idea

    o how different types of question will lead to different types of response, e.g. leading questions, closed questions, probing questions

    o the link between appropriate question design and the collection of unbiased data

● Collecting data using a range of methods, e.g. surveys (physical or electronic), interviews, journals, focus groups, published research, newspapers/magazines

Topic B.3 Using simple statistical tests on a data set

● The purpose of descriptive statistics, e.g. to measure averages, to identify unusual cases, to find typical customers

● The different types of data that can be collected and the best ways of presenting them, for example:

    o continuous and discrete data

    o the main features of different types of charts and graphs, e.g. pie, bar, histogram, scatter plot

    o appropriateness of different types of graph and chart, e.g. the use of line graphs for continuous data such as the changes in sales of a specific product over time, pie charts for discrete data such as market share of different companies

● Using descriptive statistics to summarise research findings – mean, median, mode, frequency

continued

What needs to be learnt

Topic B.4 Interpreting the findings of market research activity and commenting on their significance

- Describing relationships, e.g. between data from different sources, between elements within a data set, between the activities of different groups such as customers, competitors, suppliers
- Prediction, e.g. of future sales, of changes in market share, of proliferation of product lines

Topic B.5 Producing a situational analysis using market research data to test the viability of a business start-up idea

- SWOT analysis, including:
  - o Strengths, e.g. staff capabilities, store locations, copyrights and patents
  - o Weaknesses, e.g. product sales, life cycle stages, ranges in a product portfolio
  - o Opportunities, e.g. growth in a market, absence or weakness of competition, new developments in technology
  - o Threats, e.g. market share of competitors, limited access to distribution channels, legal and social changes
- Analysing the market position of a business using market research data, e.g. market mapping, product portfolio (product life cycle, Boston Matrix), market segmentation, (demographic, geographic, psychographic), use of market research to assess competitive advantage (the 3Cs – Customer, Competitor, Corporation)

Topic B.6 Evaluating market research

- Evaluating whether the data gathered addresses research objectives, for example:
  - o has the data gathered provided an insight into the market, customers and competitors?
  - o is the data suitable to assess the attractiveness of a specific market?
  - o does the data test the extent to which a product/service meets customer needs and expectations?
- Evaluating the extent to which market research data is valid and reliable, including:
  - o sample size, e.g. response rates, sufficiency
  - o triangulation, e.g. number of data sources used, extent that evidence from different sources present same or similar findings

What needs to be learnt

Learning aim C: Understand the steps involved in planning a start-up business venture

Topic C.1 Planning marketing for meeting an identified opportunity or gap in the market

- Steps involved in preparing a marketing plan, including:
  - collating and presenting market research in an appropriate format, e.g. method, scale, findings, conclusions
  - finding out customer needs
  - considering competitor activities
  - considering other external factors, e.g. trends, legislation
  - gathering support material, e.g. letters of support, industry studies
- Developing a marketing strategy, e.g. identifying unique selling proposition, defining typical customers and target market, identifying costs for marketing, how success of marketing and promotions will be measured
- Choosing an appropriate promotional method, for example:
  - promotional activities, e.g. demonstrations, money-off coupons, tasting sessions
  - promotional materials and suitability for customer group, e.g. leaflets, posters, advertisement, website
  - advertising, e.g. TV, radio, newspapers, magazines, internet
  - branding and/or logo
- Creating a marketing mix – the 4 Ps (Product, Price, Place, Promotion)

Topic C.2 Developing a financial strategy

- Developing a financial model that will fit with the aims of the business, including:
  - estimated costs for producing, promoting and selling the product/service, e.g. number of products to be made or services sold, sales methods and promotional materials
  - the costs involved that will affect the start-up of the business, e.g. premises, equipment, supplies, running costs
  - projected breakeven, cash flow forecast, income statement (profit and loss account) and statement of financial position (balance sheet)
  - how financial viability will be assessed, e.g. number of sales, customer demand
- Importance of having a personal survival budget
- Advantages and disadvantages of different sources of finance, e.g. grants, loans, borrowing, sponsorship, business angels
- Availability of support and guidance, e.g. Prince's Trust loans and mentoring

What needs to be learnt

Learning aim D: Be able to develop and pitch a realistic and viable business plan from an initial idea

Topic D.1 Structure of business plan

● Preparing a structured business plan that provides sufficient information for a funding decision, including:
  o title and the business vision, aims and objectives, tasks and timelines
  o details of the product/service
  o impact of the business environment, e.g. legal aspects, trends
  o summary of market research
  o competitors, risks
  o marketing strategy, e.g. routes to market, promotion
  o financial plan, e.g. finance, costs, funding
  o physical resources and equipment
  o personnel, who they are and their skills, knowledge and attributes
  o acknowledgements, appendices
● Presentation of plan to give a professional image, e.g. page numbering, format and fonts used

Topic D.2 Presenting relevant findings of market research in an appropriate format in the business plan

● Differences between data and information, e.g. use of appendices for data such as questionnaires, summaries and analysis in the main body of the report
● Volume versus clarity, e.g. summarising data, highlighting key facts
● Multimedia presentation of research, e.g. PowerPoint slides, DVDs, digital video
● Visualisation of data, e.g. graphs and charts, using shapes and symbols to represent facts and figures in proportion to one another, heat maps, mind maps, word clouds

Topic D.3 Pitching the business plan

● Pitching the plan to a suitable audience using presentation skills, including:
  o structure of presentation
  o delivery, e.g. tone, pace, gestures, eye contact, use of visual aids, handouts
  o answering questions
● Getting feedback and using that to review plan and make necessary amendments

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the factors that will impact on the start-up of a business			
1A.1 State the skills needed for running the business and identify own skills that need further development.	2A.P1 Describe the skills needed to make the business successful, identifying own skills that would need further development.	2A.M1 Analyse the personal development needed to run the business successfully.	2A.D1 Evaluate the impact of factors that might affect the start-up of the business, recommending ways these can be addressed.
1A.2 Identify the risks and legal aspects that will affect the start-up of the business.	2A.P2 Describe the risks and legal aspects that will affect the start-up of the business.	2A.M2 Assess the implications of the risks and legal aspects that might affect the start-up of the business, identifying ways to minimise the risks.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Be able to research and analyse the market to test the viability of a business start-up idea			
1B.3 Produce a market research plan, with guidance, to test the viability of a business start-up idea. #	2B.P3 Produce a detailed market research plan to test the viability of a business start-up idea. #	2B.M3 Analyse the validity and reliability of market research collected. * #	2B.D2 Evaluate the extent to which the viability of the business idea has been addressed by the data collected. * #
1B.4 Collect market research data from three sources to test the viability of a business start-up idea. *	2B.P4 Collect relevant research data from four different sources to test the viability of a business start-up idea, including generating different types of data. *		
1B.5 Use statistical techniques, with guidance, to present information from data gathered. *	2B.P5 Use statistical techniques to present information from data gathered. *		
1B.6 Produce a situational analysis, with guidance, using research findings. * #	2B.P6 Produce a situational analysis using research findings. * #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Understand the steps involved in planning a start-up business venture			
1C.7 Prepare an outline marketing strategy for a start-up business.	2C.P7 Prepare a marketing strategy for a start-up business, including promotional activities to support business success, based on an initial idea. #	2C.M4 Explain how the marketing strategy will contribute to the success of a business start-up.	2C.D3 Assess the viability of the financial and marketing strategies for the start-up business for the forthcoming year. * #
1C.8 Prepare, with guidance, a financial strategy with estimated costs and revenues for a start-up business. *	2C.P8 Prepare a financial strategy with accurate estimated costs and revenues to meet the aims of a start-up business. *	2C.M5 Explain the advantages and disadvantages of different sources of funding for the start-up business.	
Learning aim D: Be able to develop and pitch a realistic and viable business plan from an initial idea			
1D.9 Produce, with guidance, a realistic business plan based on the initial idea. #	2D.P9 Produce a realistic and viable business plan containing sufficient information for a funding decision and based on the initial idea. #	2D.M6 Deliver a clear and well-structured presentation for a realistic and viable business plan, explaining how the business start-up will be successful. #	2D.D4 Evaluate the plan, using feedback gathered, suggesting improvements.
1D.10 Present a business plan to a suitable audience. #	2D.P10 Pitch the plan to a suitable audience, gaining feedback. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

Learners will need to use the initial plan and business model from Unit 1 to create their business plan.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Learners will be expected to produce evidence that shows their knowledge and understanding of how small businesses are planned and started. This unit involves taking a business idea/model (they can use the one created in *Unit 1: Enterprise in the Business World* if they wish) and developing a full business plan that includes detailed finance and marketing strategies.

It is recommended that assessment evidence for this unit is presented in a portfolio, with the following sections:

- findings from their analysis of skills and personal development needed to run the business
- an explanation of the legal aspects and risks that will affect the start-up of their business
- an analysis of market research conducted (presented in an appropriate format)
- a full business plan, including marketing and financial strategies
- presentation
- feedback received from others
- observation records and/or witness statements.

Supporting evidence in the form of presentation materials, learners' notes and peer observations must be retained.

Learners' presentations can be either written or verbal, but verbal presentations need to be supported by completed assessor observation records detailing individual learner achievement against the target criteria. Learners must write their own plans and make individual presentations. Learners can work in small groups of three or four for preparatory work but cannot work in groups when producing or presenting their business plan.

Level 2

For 2A.P1, learners must describe the skills needed to make the business successful and identify which of their own skills would need further development. They must be realistic about their skills and personal development and, although they are not expected to undertake additional development work, they must show awareness of what the requirements would be.

This can be developed for 2A.M1 where learners need to analyse the personal development required to run the business successfully, explaining how they would achieve this, taking into account timelines and any costs involved.

For 2A.P2, learners need to describe the risks and legal aspects that will affect the start-up of the business. This will include aspects such as the legal status of the business, the form of trading it will undertake, the principles of employing others, and specific relevant legal issues. Learners need to consider the key risks that could

affect the success of the business. They can develop this further for 2A.M2, assessing the implications of the risks and legal aspects that might affect the start-up of the business and identifying at least one way in which each risk could be reduced. This may include learners describing systems they will have in place for addressing any issues, such as recording systems for tax and liabilities. Learners should include a summary of how identified risks will be minimised.

For 2A.D1, learners must evaluate the impact of factors that might affect the start-up of the business, covering skills development, legal aspects and risks, and recommending ways to address them.

For 2B.P3, learners need to produce a detailed market research plan to test the viability of the initial business idea, setting appropriate research objectives and explaining how particular research methods will be utilised. The plan should include details of the questions that will be asked in surveys and interviews.

For 2B.P4, learners need to start implementing their plan by collecting relevant research data from four different sources, including generating different types of data. The sources of data must be sufficiently different to achieve this criterion; for example, if a learner conducts interviews as one source of data, they cannot use focus groups as another source. Websites such as Google Docs, SurveyMonkey or Qualtrics enable learners to construct sophisticated electronic questionnaires that can be distributed via a school VLE or a Facebook profile, if this is appropriate to the sample that has been defined. Links with a local university might be useful to gain access to published research, such as Mintel reports, but these documents might need some simplification before being shared with learners. Where learners gather secondary data they should be encouraged to include references of their material in their research report. Where learners have gathered primary data, they should be encouraged to summarise their key findings.

For 2B.P5, learners need to use statistical techniques to present information from data gathered. They could comment on, for example, the mean, mode or median of their data set.

For 2B.P6, learners need to use their research findings to produce a situational analysis. Learners should select an appropriate form of situational analysis according to the parameters and objectives of their research. For example, they might use the product life cycle if they are considering launching a new product.

For 2B.M3, learners need to analyse the validity and reliability of the data that they have collected. They might consider the size of their sample, the design of data collection instruments, such as questionnaires, that they have used and/or the steps taken to reduce bias in their data. Learners should comment on the quality of the data they have collected and how likely it is to provide a true reflection of the market they are investigating.

For 2B.D2, learners need to evaluate the extent to which the viability of the business idea has been addressed by the data they have collected and the corresponding analysis performed upon it.

For 2C.P7, learners must prepare a marketing strategy for their start-up business, including promotional activities to be carried out and how these activities will support business success. The strategy, which will be used in the overall business plan, must identify the product or service to meet an identified opportunity or gap in the market. It should include the target market, market research carried out, and details of how the business will be promoted. The strategy should be based on an initial business idea (either from *Unit 1: Enterprise in the Business World* or a new idea given to the learner in a case study) and presented with the overall business plan in learning aim D and learners should discuss the development of this evidence with the teacher or a business mentor.

For 2C.M4, learners need to explain how their marketing strategy will contribute to the success of their business start-up.

For 2C.P8, learners need to prepare a financial strategy to meet the aims of their start-up business. The strategy should show accurately calculated anticipated costs and expected revenue, and be realistic based on the market research.

For 2C.M5, learners must explain the advantages and disadvantages of different sources of funding for their start-up business. They should identify and select more than one source they intend to use for their business, giving a valid reason for their choice. There should be evidence of the consideration of other sources of finance with reasons given for their rejection.

For 2C.D3, learners must assess the viability of the financial and marketing strategies of their start-up business over a period of one year. This should include consideration of at least three likely contingencies, such as lower than anticipated sales, an increase in costs and seasonal differences in demand.

For 2D.P9, learners must produce a full business plan for their start-up business that is realistic and viable, including the marketing and financial strategies. The plan should have a recognisable structure and have sections organised in order, with sufficient information for a funding decision to be made, including a detailed analysis of market research conducted to back up their plan. It should detail how the product will be produced or the service run, and the likely customer demand. Learners need to identify the tasks that have to be done, with timelines, and identify what resources they will require and who will be involved in running the start-up business. The business plan could be in the form of a written report or presentation.

For 2D.P10, learners need to demonstrate presentation skills when pitching the plan to a suitable audience, such as a business mentor, a local entrepreneur or a bank manager, or someone who would potentially sponsor the business. The centre should ensure that the audience inputs into the assessment of this criterion and provides feedback to the learner. Learners should demonstrate a range of presentation skills and use language that is persuasive.

For 2D.M6, all sections of the business plan should be complete and the document should follow standard business conventions regarding layout. The plan should use appropriate business terminology and points should be articulated in formal English with minimal punctuation and grammar errors. The plan should be coherent with relevant and related sections organised into a logical structure and should include an explanation of how the start-up business will be successful. The audience should be able to follow the delivery of the presentation easily.

For 2D.D4, learners need to use the feedback they have received on their presentation to review and evaluate the plan, suggesting improvements that could be made. The learner must clearly annotate changes made to the plan in response to the feedback received.

Level 1

For 1A.1, learners must state the skills needed for running their start-up business and identify which of their own skills need further development. This could be achieved by asking learners to list the skills necessary for opening their business and then categorising those skills according to whether they possess them or not. Skills they already have could be rated according to the individual's level of competence.

For 1A.2, learners need to identify the risks and legal aspects that will affect the start-up of their business. Legal aspects should be relevant to the legal status of the business, and at least one risk must be identified.

For 1B.3, learners need to produce a basic market research plan to test the viability of their business start-up idea. This could involve outlining the size of the market they will be investigating and how the sampling strategy selected will be appropriate to the population of this market.

For 1B.4, learners need to start implementing their plan by collecting market research data from three sources to test the viability of their business start-up idea.

For 1B.5, learners need to use basic statistical techniques to present information from the data they have gathered.

For 1B.6, learners need to use their research findings to produce a basic situational analysis. This may involve completing a SWOT, PESTLE (political, economic, sociological, technological, legal, environmental), or other situational analysis using their market research data and needs to be presented in the final report in an appropriate format. Learners should use the data that they collected for 1B.4 as the basis for this task. For example, they might identify the proportion of survey respondents who would pay a certain price for a product as an opportunity
or news stories about a proposed new competitor store as a threat.

For 1C.7, learners must prepare an outline marketing strategy for their start-up business. The plan may show that research is incomplete but the target market must be identified, with at least one promotional activity given.

For 1C.8, learners need to prepare a basic financial strategy with estimated costs and revenue for their start-up business.

For 1D.9, learners need to produce a basic but realistic business plan based on their business idea. The plan may be incomplete but it must be structured in an acceptable business format and contain a summary of their market research findings. Some effort will be made to provide an appropriate structure and use formal language.

For 1D.10, learners need to present their business plan to a suitable audience. Presentation skills may not be very effective or clear, using language that is not as persuasive as when pitching a plan. Responses to questions might lack fluency and thus require further probing by the audience.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 1B.5, 1B.6, 1C.7, 1C.8, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2B.P5, 2B.P6, 2C.P7, 2C.P8, 2A.M1, 2A.M2, 2B.M3, 2C.M4, 2C.M5, 2A.D1, 2B.D2, 2C.D3	Preparing the Plan	You have developed a business idea/model for work carried out in *Unit 1: Enterprise in the Business World*. You can use this work to develop a full business plan or use a business idea/model provided by your teacher in a case study. You will research factors that will impact on the running and success of the business. To do this you will assess skills you already have and the personal development needed, as well as examining legal factors and the potential risks involved. You will also plan, conduct and analyse market research to test the validity of your business idea. You will develop detailed marketing and finance strategies to support the plan.	Leaflet, presentation, discussion, report Market research presented in an appropriate format
1D.9, 1D.10, 2D.P9, 2D.P10, 2D.M6, 2D.D4	Presenting the Business Plan	You will present your business plan to a suitable audience. You will include all the relevant documents and appendices. You will demonstrate effective pitching skills to secure funding for the start-up business, responding appropriately and confidently to questions asked by your audience.	Presentation with business plan in suitable business format Observation report, video recording

Unit 19: Introducing Project Management

Level: **1 and 2**

Unit type: **Mandatory**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

What is a project? How is it different from routine work? You will probably know that project management techniques are used to manage one-off events or introduce change in businesses. Some projects, for example to install a new payroll system, can be on a small scale and run over a short period of time. At the other end of the spectrum, big construction projects, for example to build a new town bypass, can be on a large scale and run over a long period of time.

In this unit you will have the opportunity to learn the basic principles of project planning and investigate the benefits to a business of the project management way of working. Effective project management contributes to business success; but a poorly planned project that has overrun in time and budget can have a major negative impact on the reputation and further survival of the business. You will find out what is involved in preparing for and planning a project, covering processes that include identifying the purpose, scope and timescale of the project. There are different methods, tools and techniques used in project management to ensure that the project runs to plan, is kept on schedule and within budget.

A project will not run by itself; progress needs to be monitored and controlled during the implementation stage, and you will need to consider ways to ensure success through reducing the risk of failure. It is very important to evaluate a project at its completion, including lessons learned both from success and failure, and you will investigate methods that can be used.

You will apply your learning and skills of project management methodology to plan and help run a small business sector-related project at an appropriate level of complexity for a level 2 programme. You will need to use different types of resources, show some dependencies which establish the links between tasks, a few activities which can be carried out either consecutively or concurrently and with more than one stakeholder. Possible examples could be organising a business event such as a parents' information evening, or a product launch.

Learning aims

In this unit you will:

A understand the importance of good project management to businesses

B explore project management tools and processes for preparing and planning a project

C investigate processes for monitoring, reporting and evaluating projects

D plan and run a business sector-related project using project management tools and processes.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the importance of good project management to businesses

Topic A.1 Features of a project
● One-off undertaking
● Pre-determined start and end dates
● Series of related activities to meet defined objectives
● A team focus
● Differences between routine and project work, e.g. uncertain activities and processes, different colleagues and team leader(s), temporary role
● The project life cycle phases, including:
  o project definition and initiation
  o project planning
  o project implementation
  o project completion and review
● Key people involved in the project, e.g. the project team leader, the project team, the project sponsor, the customer/client, the stakeholders
 	
Topic A.2 Importance of project management for businesses
● How projects can be an effective means of getting things done, e.g. work can be quicker, more cost-effective, improves quality
● Increased flexibility, e.g. can expand team without having to employ extra staff
● Raised morale, e.g. team members can develop more skills and take on new responsibilities
● Drawing together teams with a variety of skills and experience can encourage new ideas and better ways of working
● Effects of poor project management, including:
  o dissatisfied customers/clients/stakeholders
  o damaged reputation and relationships which may impact on gaining further work
  o cost issues such as financial penalties, leading to loss of profit
  o low morale among the team

What needs to be learnt

Learning aim B: Explore project management tools and processes for preparing and planning a project

Topic B.1 Planning a project

- Purpose, aims and objectives of the project, including:
  - the purpose of the project, e.g. who it is for, how it will contribute to meeting business objectives
  - the project aims and objectives, e.g. what it is expected to achieve and within what costs
  - the importance of agreeing purpose, aims and objectives, e.g. to ensure project is planned to meet sponsors' needs, to set suitable priorities, to take account of stakeholders' needs
  - the project scope, e.g. deliverables, objectives, importance of adherence to quality standards, the importance of agreeing scope to enable budget deliverables to be on time and on cost
- Timescales and resources, including:
  - identifying key milestones/targets
  - identifying the activities in each phase
  - working out timings and identifying dependencies
  - final deadline
  - allocating roles and responsibilities, e.g. skills and expertise, number of people
  - physical resources, e.g. accommodation, equipment, furniture, stationery
  - financial resources
  - importance of agreeing timescales and resources, e.g. for accurate resource planning, ensuring that priorities are clear
- Agreeing and allocating budgets
- Types of project risk, how to carry out a risk assessment and the importance of having a contingency plan
- Outputs of the project, e.g. the tangible results of the project such as a report, prototype, finished product, change in the business
- Importance of planning for project success

Topic B.2 Tools for planning a project

- The different tools and techniques used for preparing a project plan, including:
  - scheduling e.g. checklists, activity lists, Gantt charts, critical path analysis (CPA), flow diagrams, network diagrams, business process models
  - work breakdown structure (WBS)

What needs to be learnt
Learning aim C: Investigate processes for monitoring, reporting and evaluating projects

Topic C.1 Activities involved in implementing the project

● Methods used for monitoring project progress, including:

  ○ progress reports from team

  ○ comparing delivery with milestones and adjusting plan if necessary

  ○ benchmarking with similar projects

  ○ budget monitoring using variance analysis

  ○ using project management tools and techniques, e.g. software such as Microsoft Project, Gantt charts

  ○ evaluating team performance

  ○ team meetings

● Monitoring the use of resources

● Managing the project team and dealing with any conflict situations, e.g. looking for win-win solutions while keeping project objectives in mind

● Keeping stakeholders informed

● Project handover procedures

Topic C.2 Reporting project progress

● Methods used for reporting project progress, including:

  ○ purpose of reporting, e.g. to ensure project is on track, when and how to take remedial action, to inform planning for future related projects, to enable scope, objectives or resources to be adjusted

  ○ suitability of methods of reporting, e.g. presentations, reports, using charts and diagrams, drawing conclusions

Topic C.3 Evaluating a project

● Purpose of evaluating a project, including:

  ○ learning from successes or shortcomings, identifying which aspects would be repeated, which would be tackled differently another time

  ○ comparing results with success criteria

  ○ developing team members' project-working skills

  ○ developing project management skills

  ○ building good working relationships

● Methods of evaluating a project, e.g. meetings, obtaining feedback from stakeholders, employing an independent evaluator

● Broadcasting success to ensure that project leads to long-term benefits for the business

What needs to be learnt

Learning aim D: Plan and run a business sector-related project using project management tools and processes

Topic D.1 Skills for planning and running the project

● Importance of time management skills when planning and running a project, e.g. sequencing activities and work breakdown

● Setting SMART (specific, measurable, achievable, realistic and time-based) objectives

● Development of skills needed, e.g. basic budgeting, estimating skills, risk assessment

● Being an effective team member

● Identifying problems, e.g. time, or not meeting deadlines, resources, communications, costings

● Legal issues relating to contracts

● Sources of advice on problems, e.g. line manager, team members, suppliers

● Meeting stakeholder needs and expectations

Topic D.2 Planning and running the project

● Selecting a suitable business sector-related project

● Preparing a project plan to include:
  o purpose
  o aims and objectives
  o timescales
  o resources
  o outputs
  o allocation of responsibilities

● Identifying and planning for project issues and risks

● Implementation of project/section of a project using project management tools, e.g. preparing a critical path analysis and/or Gantt chart

● Dealing with any project operational problems

Topic D.3 Evaluating the project

● Evaluation of project and the importance of any variations between outcomes and plans

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the importance of good project management to businesses			
1A.1 Identify two differences between routine and project work.	2A.P1 Describe, using relevant examples, differences between routine and project work.	2A.M1 Compare the impact on a business of the potential success or failure of a given project.	2A.D1 Evaluate the impact on a business of the outcome of a given project.
1A.2 Outline how good project management can affect a business.	2A.P2 Explain the importance of good project management for a selected business.		
Learning aim B: Explore project management tools and processes for preparing and planning a project			
1B.3 Outline the importance of agreeing a project plan.	2B.P3 Explain the importance of agreeing purpose, aims, objectives, scope, timescales, budget and resources for a project.	2B.M2 Assess different risks and suggest how these could be planned for in a given project.	2B.D2 Evaluate, using relevant examples, the importance of planning for risk to ensure timely completion of a given project.
1B.4 Identify different project management tools and techniques.	2B.P4 Describe how to plan projects and record risks using appropriate tools and techniques.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Investigate processes for monitoring, reporting and evaluating projects			
1C.5 Outline methods for monitoring the implementation of a project.	2C.P5 Explain methods used for monitoring progress, reviewing and reporting a project.	2C.M3 Explain the suitability of different methods that could be used when evaluating and reporting on the progress of a selected project.	2C.D3 Assess the importance of monitoring and evaluating projects and the effect of any likely variations between outcomes and plans.
1C.6 State a reason for evaluating a project.	2C.P6 Describe the purpose of evaluating a project.		
Learning aim D: Plan and run a business sector-related project using project management tools and processes			
1D.7 Create a plan for a business-related project, with guidance, which states purpose, aims, objectives, milestones and individual contributions. * #	2D.P7 Create a plan for a business-related project to include purpose, aims, objectives, milestones, resources, outputs and individual contributions. * #	2D.M4 Explain how the plan meets the needs and expectations of all stakeholders involved in the project.	2D.D4 Justify recommendations for improvements to the project, based on own experience and feedback from others.
1D.8 Implement a section of a project plan using at least one project monitoring technique. #	2D.P8 Implement a section of a project plan using project monitoring techniques and demonstrating managing time and problems. #	2D.M5 Assess, using feedback from others, how far the outcomes of the project met the scope.	
1D.9 Identify the outcomes of the project and how these meet the plan.	2D.P9 Review the outcomes of the project, identifying lessons learned.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

The special resources required for this unit are project planning tools, both paper-based and software-based.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Learners are required to have a working knowledge of the main techniques and should understand how to use them in planning a real project, confident in the knowledge that they provide a helpful means of setting up a project in a way that allows it to be managed effectively.

Level 2

To achieve the assessment criteria learners will need to investigate the different types of projects carried out in businesses. 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 project 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 2A.P1, learners must describe at least four differences between working on a project and routine work, and also use at least one example of routine work and one of project work to illustrate their description.

For 2A.P2, learners need to explain the importance of good project management for a selected business, using examples of the potential impact for the business and the effect on business success. Learners must address the likely effects of poor project management and can use real examples to illustrate this, for example the building of the new Wembley Stadium which went over budget and time or the tram system in Edinburgh.

For 2A.M1, a comparison should be made of the potential outcomes, i.e. the success or failure, of a given project in a business. The project examined by learners should be based on a real business or detailed case study scenario. This can be developed for 2A.D1 where learners will evaluate the impact of actual outcome of the project on the business.

For 2B.P3, learners must explain why it is important to agree the purpose, aims, objectives, scope, timescales, budget and resources for a project. They should provide at least one reason for each point and relate these to a real project. They can use the project researched in learning aim A.

For 2B.P4, learners need to describe how to plan projects and record risks using appropriate tools and techniques. They should relate these to real projects. For 2A.M2 learners must identify at least four types of risk and assess how these would impact on project planning. They should make realistic suggestions for how the risks could be planned for. This can be developed for 2B.D2 to evaluate the importance of planning for risk to ensure timely completion of the project.

For 2C.P5, learners must explain how to monitor projects by using agreed performance criteria and review project progress against project plans. Examples should be given of the monitoring mechanisms used to collect information that can be used to review progress against plans.

For 2C.P6, learners need to describe the purpose of evaluating a project, with emphasis on what happens once it has been concluded by using suitable performance indicators and drawing any conclusions that might be used in other future project management activities.

For 2C.M3, learners must explain the suitability of different methods that could be used when evaluating and reporting on the progress of a selected project.

For 2C.D3, learners need to assess the importance of monitoring and evaluating projects and the effect of any likely variations between outcomes and plans.

For the assessment criteria in learning aim D, learners need to demonstrate their capacity to administer, run and control a project, so there needs to be identification of the resources required for projects and allocation of responsibilities to members of the project team. The choice of project is important; it must be suitable for level 2 and be business related. Learners can undertake a group project, but the evidence presented for assessment must be their own individual work.

For 2D.P7 and 2D.P8, learners need to plan their project and implement a section of it using appropriate techniques. Assessment must be carried out using a business sector-related project. They will review the outcomes of the project against the project plan to achieve 2D.P9. The description of potential problems and solutions could be incorporated into the milestones of the plan. The review should include what went well, what could be done differently, and identify any development needed for project management skills. Learners are not expected to use sophisticated project management tools (such as critical path analysis) during their project work – they are only expected to have an understanding of the tools available. Evidence of the use of more simple project management tools (such as using Gantt charts), would be sufficient for producing assessment evidence for learning aim D.

Evidence is likely to include diary notes or a log of activities, a project plan and planning tools. Learners must produce a project plan showing how time will be managed throughout the project and some budget planning. Learners can work in a group to discuss potential ideas for a project but must then write their own plan. The group can decide on the best plan to implement and then the plan needs to be divided into sections with each section being allocated to an individual learner. Learners must have the opportunity to demonstrate their own skills when implementing their allocated section of the plan for 2D.P8. Group evidence is not acceptable for 2D.P8 and 2D.P9 and individual learners must produce their own evidence for assessment. Signed teacher observation records, and all learners' evidence, must be retained for internal and standards verification. Testimony can
be supplemented with additional evidence, for example annotated photographs of activities carried out.

For 2D.M4, learners need to explain how the plan meets the needs and expectations of all stakeholders involved in the project.

For 2D.M5, learners must provide evidence they have used feedback gathered from others, including stakeholders, to assess how well the outcomes of the project were met. For 2D.D4, learners need to use this feedback to justify recommendations for changes or improvements they would make to the project.

Level 1

To achieve the assessment criteria learners will need to investigate the planning and running of projects in two different businesses.

For 1A.1, learners must outline two differences between routine and project work, using one example for each difference.

For 1A.2, learners need to outline how good project management can affect a business. They should ensure that the effects of poor project management are covered in their assessment evidence.

For 1B.3, learners need to outline the importance of agreeing a project plan. They should consider at least the purpose, aims and objectives.

For 1B.4, learners need to identify different project management tools and techniques. They must show evidence they understand what these are used for and, as a minimum, use a Gantt chart to show which activities will happen when and how long they will take.

For 1C.5, learners must outline at least two methods for monitoring the implementation of a project.

For 1C.6, learners need to state at least one reason for the purpose of evaluating a project.

For 1D.7 and 1D.8, learners need to demonstrate the planning and implementation of a section of a business sector-related project. At least one project monitoring technique must be evidenced.

For 1D.9, learners will identify the outcomes of the project and how these met the original plan.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 1C.5, 1C.6, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2C.P5, 2C.P6, 2A.M1, 2B.M2, 2C.M3, 2A.D1, 2B.D2, 2C.D3	How to Manage Successful Projects	You are taking on the role of a project team leader and have been asked by your line manager to write training materials on project management methodology and its importance to business success.	Written report or presentation Teacher and peer feedback
1D.7, 1D.8, 1D.9, 2D.P7, 2D.P8, 2D.P9, 2D.M4, 2D.M5, 2D.D4	Planning and Running a Project	Continuing your role as project team leader, you need to create a project plan to meet the brief for a selected business sector-related project, manage the implementation of a section of the project using project management tools and techniques, and evaluate the success of the project.	Project plan Records of the project implementation Written assessment Observation record of presenting recommendations

Unit 20: Delivering and Improving Customer Service

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

In a world of increasing competition, businesses across all sectors realise that their level of customer service impacts on their reputation and can give them a competitive advantage. Delivering excellent customer service through enhancing the customer experience to ensure repeat custom and encourage new custom is key to business success. It is therefore vital to build relationships with customers, as well as monitoring and evaluating provision to improve the service that customers receive.

This unit will develop and broaden your understanding of customer service in different businesses, why it is important to provide consistent and reliable customer service, and the wide range of different types of internal and external customers. It covers the importance for businesses of setting internal policies and procedures to ensure that staff maintain customer service standards.

Effective customer service delivery involves meeting the needs and expectations of customers through using good communication and interpersonal skills, as well as having good product or service knowledge. You will look at how consistent and reliable customer service can be provided, and have the opportunity to develop customer service skills and put them into practice.

How do you know that customers are satisfied? You will consider the importance of monitoring customer service and how this allows businesses to take action to improve their products or services where necessary. Businesses also need to look closely at their own performance and ask themselves key questions such as 'How are we doing?', 'Are we giving our customers what they want?' and 'What could we do better?'.

There are a number of indicators that businesses can use to evaluate their customer service provision and help them to monitor any changes and improvements. In this unit you will discover that a business needs to regularly evaluate its own performance, be responsive to its customers and make swift enhancements where needed to benefit the customer, the business and the employees.

Learning aims

In this unit you will:

A understand how businesses provide customer service

B demonstrate appropriate customer service skills in different situations

C understand the importance to businesses of enhancing the customer experience

D explore how customer service can be monitored, evaluated and improved.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand how businesses provide customer service

Topic A.1 The meaning of customer service

● Definition, e.g. the ways in which a business meets customer expectations to satisfy customers

Topic A.2 Different customer service roles in a business, including:

● roles dealing directly with customers, e.g. receptionist, contact centre worker, retail sales assistant, delivery driver

● roles that do not involve direct customer service, e.g. cleaner, gardener, engineer, back office administrator

Topic A.3 The different types of customer service businesses have, including:

● service deliverer (the person seen by the customer as providing customer service and representing the business)

● face-to-face customer service (hotels, restaurants, leisure centres, hospitals, shops)

● remote customer service (call centres, online)

● customer service teamwork (cooperation between individuals, departments and businesses)

Topic A.4 Customer satisfaction

● What is meant by customer satisfaction, including confidence in service, value for money, repeat custom, word-of-mouth reputation, loyalty

● Different ways businesses can satisfy customers, including providing reliable products/services; providing extra services (e.g. free delivery, follow-up services); providing accuracy, reliability and speed of service; providing value for money; providing information and advice; dealing with problems

Topic A.5 Different ways that businesses can provide consistent and reliable customer service:

● through staff knowledge of the scope of job role and products and/or services

● through staff attitude and behaviour, e.g. timing, accessibility/availability

● meeting specific customer needs

● working under pressure

● confirming service meets needs and expectations

● dealing with problems

Topic A.6 The effect of good customer service on the reputation of a business, including:

● building a good reputation (quality products, value for money, consistency, reliable and trustworthy service)

● increased sales, increased profit, retention of existing customers, new customers, word-of-mouth recommendation, competitive advantage, staff job satisfaction and motivation

continued

What needs to be learnt

Topic A.7 Different ways of exceeding customer expectations by:

- providing value for money, information and advice quickly

- providing additional help and assistance, e.g. dealing promptly with problems, offering discounts, offering additional products or services, providing information on returns policy

- providing exceptional help and assistance for customers with special requirements

Topic A.8 Providing effective customer service through organisational procedures

- Ways that businesses can provide effective customer service, e.g. by monitoring customer service, following codes of practice (industry, organisational/business, professional), meeting legal and regulatory requirements and having ethical standards:

  o ensuring that correct procedures are followed, e.g. referring to someone in authority, dealing with refunds, dealing with questions you cannot answer, treating customers equally

  o minimising hazards and risks, including identifying where customers could be injured, informing people of dangers (e.g. signs on wet floors), complying with fire regulations (e.g. exits signed, location of fire extinguishers, fire practice, evacuation procedure, meeting points), knowing how to deal with security alerts (e.g. taking messages, evacuation procedure, meeting points)

- The purpose of organisational procedures that contribute to consistent and reliable customer service:

  o meeting or exceeding the customer service offered by rival businesses, thereby gaining a competitive edge

  o ensuring company mission/vision statements are followed

  o ensuring external quality benchmarks are met

Topic A.9 Complying with legislative and regulatory customer service requirements

- Meeting all legal and regulatory requirements, including sale of goods, health and safety, data protection and equal opportunities

What needs to be learnt

Learning aim B: Demonstrate appropriate customer service skills in different situations

Topic B.1 Customers

● Types of customer, including:
  ○ internal, e.g. managers, colleagues in own team or other departments, supervisors, staff
  ○ external, e.g. existing and new customers, individuals, groups, members of the public, business-to-business
  ○ customers with special requirements, e.g. non-English speaking, different ages, different cultures, gender, families, customers with special needs, e.g. visual, hearing, mobility
● Differences between internal customers and external customers
● Factors that impact on different customer service expectations, e.g. those relating to age, culture, image of the business, public image of the owner, disposable income

Topic B.2 Skills required to deliver consistent and reliable customer service, including:

● being professional and creating a good impression, e.g. good manners, appropriate dress, using appropriate language, good posture/body language, tidy work area
● having a positive attitude, e.g. good timekeeping, being conscientious, being motivated
● effective communication with customers, including:
  ○ verbal – appropriate greeting, speaking clearly, tone of voice, volume, speaking to people who do not have English as a first language
  ○ non-verbal – smiling, making eye contact, looking at the customer, open body language, facial expression
● completing communication with the customer, e.g. thanking the customer, appropriate tone of voice, positive body language, appropriate form of address, use of the customer's name, offering further assistance, confirmation of service

Topic B.3 Developing customer service skills, including:

● different situations, e.g. face to face, telephone, writing, email
● ways of dealing with customer queries, including being polite, showing empathy with the customer, keeping customers informed, not disagreeing, using appropriate body language
● ways of dealing with customer problems and complaints, e.g. by offering alternatives or exchanging products, escalating issues to management
● customer types, e.g. difficult, abusive, people with disabilities, elderly, those needing technical information
● different situations, e.g. providing information about products and/or services, promoting additional products and/or services, giving advice, taking and relaying messages
● other customer service skills, e.g. keeping records, dealing with problems, handling complaints, remedial measures, emergency situations
● complying with organisational/business policy, e.g. complaints procedure, disclaimers, service specification statements

continued

What needs to be learnt

Topic B.4 Limits of authority

- Limits of own authority when dealing with customer queries and the role of supervisors and management, including:
  - service deliverer – limited authority on amounts to refund, limited authority to offer free products, need to check with line manager
  - line manager/supervisor – greater authority to authorise refunds, can authorise discounts or free goods, supervising staff at lower level, ensuring policies and procedures are carried out
  - management – control of branch or office, authorising exceptional changes to procedures and policies

Learning aim C: Understand the importance to businesses of enhancing the customer experience

Topic C.1 The value and importance of enhancing the customer experience

- Enhancing the reputation of business and brand – trust and confidence in business and brand leading to potential expansion into new product ranges/services
- Increased customer goodwill
- Increased customer retention
- Encouraging repeat business and attracting new customers
- Potential increases in revenue and profits
- Giving the business a Unique Selling Point (USP) and the opportunity to gain market share
- Repairing any damage to reputation, e.g. because of sub-standard products, poor value for money, unreliable and/or untrustworthy service
- Changing perceptions of any negative publicity, e.g. from word-of-mouth, newspapers, blogs, social media, reviews on independent consumer review websites
- Decreasing costs if customers have sought legal action, e.g. through breach of contract, breach of Trade Descriptions Act
- Improving staff satisfaction, morale and motivation, for example:
  - more pleasant working environment
  - satisfaction of pleasing customers
  - more secure employment
  - increased staff retention

What needs to be learnt

Learning aim D: Explore how customer service can be monitored, evaluated and improved

Topic D.1 Ways businesses monitor and evaluate customer service

● Monitor by:
  ○ informal customer feedback
  ○ customer questionnaires, comment cards, online feedback
  ○ staff feedback
  ○ mystery customers
  ○ complaints and compliment letters
  ○ the cost of providing customer service delivery
  ○ customer buying habits, e.g. data from loyalty cards
● Evaluate by looking at:
  ○ levels of sales
  ○ numbers of repeat or new customers
  ○ level and types of complaints or compliments
  ○ staff turnover
  ○ comparing to existing benchmarks

Topic D.2 Using customer profiling to enhance customer service

● Creating customer profiles, including:
  ○ customer details, e.g. names, addresses, payment details
  ○ formal data, e.g. customer buying habits data from loyalty cards
  ○ informal data, e.g. from focus groups, telephone surveys, follow-up surveys
● Using customer profiles to enhance customer service, e.g. using customer browsing and/or buying habits data to provide further product recommendations targeted to individual customers, tailored discount vouchers at point of sale

Topic D.3 Improving and enhancing customer service

● Types of improvements and enhancements, for example:
  ○ quality and reliability of service
  ○ value for money
  ○ offering new products or services better suited to customers
  ○ changing existing products or services in response to customer feedback
  ○ changing internal procedures
  ○ more positive body language and improved tone of voice from staff
  ○ ensuring staff comply with legal, regulatory and organisation obligations, e.g. the requirements of customer charters, price promises
  ○ better resolution of complaints or queries, e.g. improved speed of response

continued

What needs to be learnt

- Ways of improving and enhancing customer service, including:
  - o identifying poor customer service and addressing areas for improvement, including identifying priorities
  - o better communication with customers, e.g. in writing, telephone, text, email, via social media, face to face, through a website
  - o providing better staff training, e.g. to ensure professional behaviour, courtesy and consideration towards customers, to anticipate customer needs, upskilling opportunities, training to help staff understand their responsibilities, embedding excellent customer service in corporate culture/style
  - o providing opportunities for staff to suggest improvements and innovative ideas to enhance the customer experience
  - o better and more efficient procedures, e.g. customer focused, less referral of queries to manager or supervisor, less paperwork, more accurate provision of information
- Recognising improvements and enhancements to customer service, e.g. compliments from customers, positive media coverage, increased customer loyalty
- Implications of improving and enhancing customer service, including:
  - o to the customer, e.g. satisfaction (products and services)
  - o to the business, e.g. costs (time and resources), benefits (sales and profitability)
  - o to the employee, e.g. more training, job satisfaction, greater scrutiny of performance

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand how businesses provide customer service			
1A.1 Identify features of consistent and reliable customer service.	2A.P1 Describe the characteristics of consistent and reliable customer service.	2A.M1 Explain how a selected business attempts to exceed the expectations of different types of customer.	2A.D1 Assess the effect of providing consistent and reliable customer service on the reputation of a selected business.
1A.2 Identify how organisational procedures contribute to consistent and reliable customer service.	2A.P2 Explain how organisational procedures and legislation contribute to consistent and reliable customer service.	2A.M2 Compare the impact of legislative and regulatory requirements affecting customer service on a selected business.	
1A.3 Outline how legislative and regulatory requirements affect customer service in a selected business.	2A.P3 Explain how legislative and regulatory requirements affect customer service in a selected business.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Demonstrate appropriate customer service skills in different situations			
1B.4 Identify when it is necessary to refer a customer service problem to someone in authority. 1B.5 Demonstrate appropriate communication skills in three customer service situations. #	2B.P4 Describe, using examples, the limits of authority that would apply when delivering customer service. 2B.P5 Demonstrate effective communication skills to meet customer needs when dealing with three different customer types in customer service situations. #	2B.M3 Demonstrate effective communication skills when responding to customer problems and complaints in three customer service situations. #	2B.D2 Evaluate the effectiveness of own customer service skills, justifying areas for improvement. #
Learning aim C: Understand the importance to businesses of enhancing the customer experience			
1C.6 Outline, using examples, the value to businesses of enhancing the customer experience.	2C.P6 Explain, using examples, the value to businesses of enhancing the customer experience.	2C.M4 Compare, using examples, the effects of enhancing the customer experience in two contrasting businesses.	2C.D3 Evaluate, using examples, the importance of enhancing the customer experience to two contrasting businesses.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Explore how customer service can be monitored, evaluated and improved			
1D.7 Identify ways a selected business monitors and evaluates its customer service provision, including the use of different sources of data and customer profiles.	2D.P7 Explain how a selected business monitors and evaluates its customer service provision, including the use of different sources of data and customer profiles.	2D.M5 Compare how two contrasting businesses use data to monitor and evaluate their customer service provision. *	2D.D4 Evaluate the usefulness of data in monitoring and evaluating the customer service provision in a selected business. *
1D.8 List ways a selected business has enhanced the customer experience.	2D.P8 Explain how a selected business has enhanced the customer experience.	2D.M6 Assess the changes made by a selected business to enhance the customer experience.	2D.D5 Evaluate the impact of enhancements to the customer experience on a selected business.
1D.9 State ways a selected business recognises enhancements to the customer experience.	2D.P9 Describe how a selected business recognises enhancements to the customer experience.		
1D.10 Describe the implications to a selected business of enhancing the customer experience.	2D.P10 Explain, using examples, the implications to a selected business of enhancing the customer experience.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Level 2

In providing evidence for learning aims A and B, learners must show that they understand how good customer service impacts on a business and ways of exceeding customer expectations. They must also show how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria for learning aims A and B, learners should research two different businesses. Examples could be from retail, call centres, leisure centres, banks, local government, hospitality outlets, estate agents, etc.

For 2A.P1, learners should describe the characteristics of consistent and reliable customer service. They should expand on this description for 2A.M1, with an explanation of the different ways in which one business attempts to exceed the expectations of different types of customer. This explanation can then be further developed for 2A.D1 into an assessment of how good customer service can impact on the reputation of a business. Examples provided for this criterion could be from the businesses learners have researched or from their own experiences.

To meet the assessment requirements for 2A.P2 and 2A.P3, learners could prepare a guidance leaflet designed for new staff. Learners must not download and regurgitate large chunks of legislation, but should summarise and briefly explain how the legislation protects the customer and impacts on the delivery of customer service. Learners also need to explain how organisational procedures contribute to consistent and reliable customer service. To support their explanation, learners should give examples showing application of their understanding, such as responding to problems or complaints. For 2A.M2 learners could expand on the work for 2A.P2 and 2A.P3 and compare the impact of legislative and regulatory requirements affecting customer service on a selected business, giving relevant examples.

Learning aim B requires demonstration of customer service skills in different situations and evidence will be through records showing how these skills have been applied.

For 2B.P4, learners need to show understanding of the limits of authority when dealing with customer queries, such as offering discounts or free delivery, ways to deal with unusual, extreme or complex requests and when to ask for help from supervisors.

To achieve 2B.P5, learners should demonstrate effective communication skills to meet customer needs when dealing with three different customer types in different situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a

detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

This can be developed for 2B.M3 where learners need to think beyond the basic provision of customer service in order to respond to problems and handle complaints. Again, work should be supported with observation records and personal statements. When responding to customer service complaints, learners do not have to be limited to face-to-face situations. They can also demonstrate their skills through written communication (such as responding to letters or emails of complaint) or recorded telephone conversations. Evidence should include the learner's own plan for dealing with the problem or complaint. This could involve their written script for a telephone conversation or their draft notes for a role play. For 2B.D2, learners need to reflect on their performance and evaluate how well they handled the situations, identifying lessons learned and areas for improvement, justifying why these improvements would be of benefit.

Learning aims C and D require learners to show evidence that they understand the value and importance to businesses of enhancing the customer experience. These learning aims also explore how monitoring and evaluating is used to enhance the customer experience and the effects this may have on the business, the customer and the employee.

To achieve all the assessment criteria in learning aims C and D, learners should be able to investigate businesses (for example retail, call centres, leisure centres, banks, local government, hospitality outlets, estate agents, etc) which give both a contrast in terms of size, sector, etc and a suitable range of customer service activities. A presentation examining the value and importance of enhancing the customer experience for selected businesses could provide evidence for learning aim C.

For 2C.P6, learners need to use examples from researched businesses, case studies, or their own experience to explain the value to businesses of enhancing the customer experience.

This evidence can build into 2C.M4 where learners should compare the effects of enhancing the customer experience in two contrasting businesses, e.g. business-to-business (B2B) versus business-to-consumer (B2C), customer service provision when selling fast-moving consumer goods (FMCG) such as chocolate bars, versus selling houses. Their evidence could be presented in table format but must include the effects of enhancing the customer experience for each of the two businesses. Work for 2C.M4 can be developed into 2C.D3 where learners should use their research into contrasting businesses in 2C.P6 and 2C.M4 to provide examples to illustrate their evaluation of the importance of enhancing the customer experience.

To achieve learning aim D, learners need to demonstrate an understanding of how customer service is monitored and evaluated in businesses, including the use of customer profiling methods. They can use the same businesses researched in 2C.P6.

For 2D.P7, learners need to research at least two monitoring and two evaluation methods used by a selected business. Their explanation should include reasons why the business monitors and evaluates its customer service provision, and give examples of the usefulness of different sources of data, particularly when creating customer profiles.

To achieve 2D.M5, learners need to compare how two contrasting businesses use formal and informal data, such as buying habits, to monitor and evaluate their customer service provision. This can be developed into evidence for 2D.D4 through an evaluation of the usefulness of data in monitoring and evaluating the customer service provision in a selected business.

To achieve the rest of the assessment criteria for learning aim D, learners need to examine how a business has enhanced the customer experience, how enhancements are identified, the benefits of these enhancements to the business and the impact on internal procedures.

For 2D.P8 and 2D.P9, learners need to select one business and explain the ways in which it has made enhancements to the customer experience. This should include how the enhancements are recognised, for example, improving the response time for dealing with customer queries and how this is communicated to customers, for example on the website for the business. For 2D.P10, learners need to explain the implications of these enhancements to the customer, the business, and the employee, using at least one example for each.

For 2D.M6, learners need to assess changes made by a selected business to enhance the customer experience, such as a change to internal procedures, and assess whether or not this has improved customer service provision. For 2D.D5, learners need to build their explanations into a full evaluation of the impact of enhancements to the customer experience on the customer, business and employee in terms of cost, time and resources.

Level 1

Evidence for learning aims A and B will require learners to show they understand what is meant by customer service, how it is provided in different contexts and how they have demonstrated customer service skills in different situations.

To achieve all the assessment criteria for learning aims A and B, learners must investigate two different businesses. Examples could be from retail, call centres, leisure centres, banks, local government, hospitality outlets, estate agents, etc.

For 1A.1, learners need to identify features of consistent and reliable customer service contributes to customer satisfaction. This could be provided in the form of an induction booklet for new staff. Examples of consistent and reliable customer service can be drawn from a learner's own experience as a customer or from research – two examples would suffice, and there must be reference to customer satisfaction. This could be combined with 1A.2 and 1A.3, where learners need to identify how organisational procedures contribute to consistent and reliable customer service and outline how legislative and regulatory requirements affect customer service.

For 1B.4, learners should identify customer service situations when they should refer to someone in authority.

1B.P5 requires learners to demonstrate customer service skills in three customer service situations. Evidence will be through records of how these skills have been applied (through role play, part-time work or a work placement). Centres must ensure that learners record a personal statement from evidence they have gathered to show how they demonstrated the skills (e.g. in a log or diary if they have demonstrated these skills during a work placement or part-time job). It is also essential to have a detailed written observation record of each learner's performance, signed and dated by either the teacher or a work supervisor.

Evidence for learning aims C and D will require learners to show they have knowledge of the enhancing the customer experience, and how it can be monitored and evaluated in a business to identify areas for improvement.

To achieve the assessment criteria for learning aims C and D, learners should be able to investigate a business (e.g. retail, call centres, leisure centres, banks, local government, hospitality outlets, estate agents, etc) which gives a suitable range of customer service activities. A presentation summarising the value and importance of

enhancing the customer experience for selected businesses could provide evidence for learning aim C. An account of how customer service is monitored and evaluated to identify improvements would cover learning aim D.

For 1C.6, learners need to use their knowledge from researched businesses, case studies, or their own experience to outline, using examples, the value to businesses, of enhancing the customer experience.

To achieve learning aim D, learners need to show an understanding of the ways of monitoring and evaluating customer service and investigate how enhancements to the customer experience can be made. Evidence for this could be provided in the form of a training or information booklet for new or existing staff.

For 1D.7, learners should give at least two examples of how a business monitors and evaluates its customer service provision, including the usefulness of sources of data and customer profiling.

For 1D.8, learners then need to produce a list of the ways a selected business has enhanced its customer service provision and, for 1D.9, state how the business recognises the enhancements made, for example from customer feedback. For 1D.10, learners need to describe the implications of enhancing the customer experience, with one example each for the business, the customer and the employee.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 2A.P1, 2A.P2, 2A.P3, 2A.M1, 2A.M2, 2A.D1	What is Customer Service?	You are working in a business as a customer services advisor. You have been given the task of assisting the customer service manager to prepare training materials for new staff. To do this, you will need to investigate how customer service is provided in other businesses. You will then use your research to create training materials that new staff can use to learn about providing good customer service.	Training handbook for new staff, to include guidance on customer service roles, customer service provision and legislation and regulations that affect customer service work
1B.4, 1B.5, 2B.P4, 2B.P5, 2B.M3, 2B.D2	Handling Customers	You are working in a business as a customer services advisor. You need to develop your skills in providing customer service to a range of different customer types in different customer service situations. You will be observed with three customer types in different customer service situations. You will need to demonstrate effective communication skills and your knowledge of how to meet the needs and expectations of these customers within the limits of your own authority. Your performance will be observed by either your teacher (who will take on the role of your supervisor/manager) or your supervisor/manager from either a part-time job or work placement.	Work experience or role play supported with personal statement and observation record

Criteria covered	Assignment	Scenario	Assessment evidence
1C.6, 2C.P6, 2C.M4, 2C.D3	Customer Service – Good or Bad?	You are assisting the customer service manager of a business and are tasked with preparing training material for new staff. The training materials you produce should specifically refer to examples of the value and importance to businesses of enhancing the customer experience.	Presentation of an investigation into the value and importance to businesses of enhancing the customer experience
1D.7, 1D.8, 1D.9, 1D.10, 2D.P7, 2D.P8, 2D.P9, 2D.P10, 2D.M5, 2D.M6, 2D.D4, 2D.D5	Why Bother? The Importance of Monitoring and Evaluating the Customer Experience	You will continue assisting the customer service manager of a business and prepare more materials on further investigations into enhancing the customer experience. This will cover how the provision of customer service is monitored and evaluated to identify enhancements, and how enhancements impact on the customer, the business and the employee. The materials you produce need to refer to specific business examples to meet the assessment criteria.	Guidance booklet for use with new or existing staff

Unit 21:   Effective Business Communication

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Effective business communication – verbal, non-verbal and written – is essential for business success. In small businesses, communication may be mainly verbal, with some supporting written or electronic documentation. As businesses grow in size, their communication needs become more complex and it is vital to maintain clear and open channels, both internal and external, to support the aims and objectives of the business. In this unit, you will explore why effective business writing remains an essential part of business success and learn about the different speaking and listening communication skills used in different business contexts.

You will examine the importance for a business of producing accurate and well-presented written documents in order to present a positive image, and how different documents are used for different purposes. For example, there will be different written communications to convey messages to an internal audience, external stakeholders, and the public.

You will learn how some written communication in any business will be confidential and how to meet the requirements of confidentiality in any written documentation you produce. You will also develop the skills needed to produce business communications for a variety of purposes – and have the opportunity to put these skills into practice, which will help you to function more effectively in your studies and eventually in your chosen role at work.

Businesses rely on employees who are able to listen and understand instructions in order to carry out different tasks and who can communicate effectively with colleagues and supervisors alike. Effective communication between individual members of staff or within a group requires good speaking and listening skills.

In this unit, you will come to understand the importance of good verbal and non-verbal communication in the workplace. You will also develop your own professional speaking and listening communication skills, in both one-to-one and group situations, and have the opportunity to practise these skills in different contexts.

Learning aims

In this unit you will:

A know the purpose of effective communication in business contexts

B plan and select appropriate business documents to communicate in different business contexts

C produce business documents for communication in a business

D use verbal and non-verbal communication skills in business contexts.

Learning aims and unit content

What needs to be learnt

Learning aim A: Know the purpose of effective communication in business contexts

Topic A.1 Purposes and formats of different types of business documents

- Purposes, e.g. to inform, confirm, promote, instruct, make a request
- Types of business documents, e.g. letters, memos, emails, notices, agendas, minutes, purchase orders, invoices, organisation charts, flow charts, flyers, press releases, mail shots
- Formats, e.g. handwritten, electronic, word processed, text, virtual

Topic A.2 Influence of different business contexts on the use of business documents

- Formal and informal documents used for communicating in a business context, e.g. for meetings, notices, reports, technical enquiries, communicating with supervisor, colleagues, suppliers, customers, complaints, presentations, confidentiality
- The influence of internal audiences, external stakeholders and the public on the use of different business documents
- Selecting appropriate documents to meet the business context
- Impact of both effective and ineffective written communication in businesses

Topic A.3 Purposes and methods of verbal and non-verbal communication

- Purposes, including sharing/giving information, seeking clarification, asking questions (open and closed questions) to gain information, influencing and persuading others
- Methods, including:
  - formal, e.g. interviews, board meetings, presentations
  - informal, e.g. small team discussion
  - verbal, e.g. speaking to others and listening to responses, using listening skills
  - non-verbal, e.g. interpersonal skills

Topic A.4 Communicating effectively in different business contexts

- Using appropriate verbal communication skills effectively and professionally, including:
  - speaking clearly and concisely
  - tone of voice
  - use of appropriate professional language
  - avoiding jargon
  - use of different messages to suit different situations
  - awareness of audience, e.g. those who have English as a second language
- Using appropriate non-verbal communication skills effectively and professionally, including eye contact, body language, gestures, facial expressions, posture
- Different business contexts, including advertising products and services, customer service (face to face, helplines, online services), meetings, conferences, presentations, briefings

What needs to be learnt
● Creating a good impression, e.g. excellent personal hygiene, good time management, professional and business-like manner when dealing with others, being well organised ● Demonstrating effective interpersonal skills, e.g. attitude, behaviour, first impressions, greeting customers, courtesy, confidence
Learning aim B: Plan and select appropriate business documents to communicate in different business contexts

Topic B.1 Planning and selecting appropriate business documents
 	
● Factors to consider:
  o the needs of the audience, e.g. line manager, colleague, customer
  o costs and availability of resources, e.g. appropriate software
  o speed and urgency required
  o the need to plan research and gather information for the content of formal documents, e.g. reports
  o choice of suitable vocabulary, tone, clarity, use of emoticons, presentation style and format
  o channel of communication, e.g. internal, external, vertical, horizontal, diagonal
  o clarity of language – fog index, crystal mark for clarity
  o confidentiality, e.g. using appropriate methods of communication to convey confidential messages, being sensitive in dealing with confidential issues, understanding of material that might be confidential, e.g. data protection
  o keeping records for audit requirements – copies and evidence, e.g. to meet legislative and regulatory requirements

What needs to be learnt

Learning aim C: Produce business documents for communication in a business

Topic C.1 Steps involved in producing business documents

- Entering, editing and formatting text
- Use of different formats and styles, e.g. appropriate fonts, headings, images, pagination, document headers and footers
- Drafting and redrafting to ensure accuracy, legibility and consistency
- Proofreading
- Use of standard/appropriate layouts – following house style, using templates
- Fitness for purpose – using documents appropriate to the task and different audiences (internal and external)
- Using relevant technical language, graphical information and conventions, avoiding jargon
- Recording and reporting, e.g. keeping accurate and complete records of meetings and/or agreed actions, accurate, detailed and concise reporting
- Copying documents, including:
  - types of equipment for making copies, e.g. photocopier, scanner, fax machine, printer
  - following manufacturers' instructions and health and safety requirements when using equipment
  - producing the correct number of copies
  - checking the quality of the copies
  - minimising paper wastage
  - sorting or fastening copies securely and in the correct order
  - routine equipment problems, e.g. replacing paper or toner, clearing paper jams
- Working within given timeframes to meet deadlines
- Ensuring documents reach intended audience, e.g. post, email, tracking documents

What needs to be learnt

Learning aim D: Use verbal and non-verbal communication skills in business contexts

Topic D.1 Verbal communication skills in a one-to-one business context

- How to prepare for a formal one-to-one meeting, including:
  - carrying out research
  - preparing questions
  - preparing answers to potential questions
- How to demonstrate professional speaking and listening skills in a one-to-one business context, including:
  - asking relevant questions
  - giving information
  - listening and understanding verbal instructions
  - interpreting instructions and task requirements correctly

Topic D.2 Verbal communication skills in a group business context

- How to prepare for a formal group discussion, including carrying out research, preparing questions and answers to potential questions
- How to demonstrate professional speaking and listening skills in a group business context, including:
  - listening and responding appropriately to others
  - making positive and relevant suggestions
  - seeking clarification and confirming understanding
  - being tactful
  - moving discussions forward
  - following allocated role, e.g. chair/lead, note/minute-taker, participant, guest speaker

Topic D.3 Non-verbal communication skills in a one-to-one and group business context

- Preparation for:
  - a formal one-to-one meeting
  - a formal group discussion
  - delivering a presentation
- Considering appropriate interpersonal skills and dress when preparing to demonstrate communication skills in business contexts
- Demonstrating professional interpersonal skills, including:
  - use of appropriate eye contact and gestures
  - open body language
  - facial expressions, e.g. smiling
  - posture
  - empathy, e.g. reading other people's body language
  - being alert

continued

What needs to be learnt
Topic D.4 Evaluating own verbal and non-verbal communication skills
• Identifying strengths and weaknesses
• Seeking feedback from others, e.g. teachers, peers, employers, parents
• Drawing conclusions and making recommendations for future development and progression opportunities
• Identifying development opportunities, including:
o role play
o presentations
o group discussions
o training events

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know the purpose of effective communication in business contexts			
1A.1 Identify four different business documents used in a selected business.	2A.P1 Describe the purpose of four different business documents used in a selected business. #	2A.M1 Compare the purpose of both formal and informal documents from different business contexts in a selected business. #	2A.D1 Evaluate the impact of written communications in different business contexts in a selected business. #
1A.2 Outline the business contexts that influence the format of four business documents in a selected business. #	2A.P2 Explain how the business context influences the format of four business documents in a selected business. #		
1A.3 Identify the purposes of verbal and non-verbal business communication in four contrasting business contexts.	2A.P3 Explain the purposes of verbal and non-verbal business communication in four contrasting business contexts. #	2A.M2 Analyse the effectiveness of verbal and non-verbal communication skills used in four contrasting business contexts. #	2A.D2 Evaluate the importance of using effective verbal and non-verbal communication skills in four contrasting business contexts. #
1A.4 Outline how verbal and non-verbal communication skills are used effectively in four contrasting business contexts. #	2A.P4 Explain how verbal and non-verbal communication skills are used effectively in four contrasting business contexts. #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Plan and select appropriate business documents to communicate in different business contexts			
1B.5 List the factors to be considered when planning and selecting appropriate business documents in four different business contexts.	2B.P5 Describe the factors to be considered when planning and selecting appropriate business documents in four different business contexts.	2B.M3 Compare the effectiveness of business documents to meet the needs of different audiences in four different business contexts. #	2B.D3 Evaluate the effectiveness of business documents to meet the needs of confidentiality and audit requirements. #
1B.6 Outline the suitability of business documents in meeting the needs of the audience in four different business contexts. #	2B.P6 Explain the suitability of business documents in meeting the needs of the audience in four different business contexts, including the need for confidentiality. #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Produce business documents for communication in a business			
1C.7 Produce two business documents of different types to support business tasks for internal communication in a selected business. #	2C.P7 Produce three accurate business documents of different types to support business tasks for internal communication in a selected business. #	2C.M4 Assess the factors that influenced the production of internal and external documents, including reaching the intended audience by the agreed deadlines. #	2C.D4 Justify the suitability of the internal and external documents produced in meeting the needs of the intended audience. #
1C.8 Produce two business documents of different types to support business tasks for external communication in a selected business. #	2C.P8 Produce three accurate business documents of different types to support business tasks for external communication in a selected business. #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Use verbal and non-verbal communication skills in business contexts			
1D.9 Use verbal and non-verbal communication skills in a one-to-one discussion in a business context.#	2D.P9 Demonstrate prior research and preparation when using appropriate verbal and non-verbal communication skills in a one-to-one business context. #	2D.M5 Assess the effectiveness of own verbal and non-verbal communication skills used in one-to-one and group business contexts. #	2D.D5 Evaluate own verbal and non-verbal communication skills used in one-to-one and group business contexts and recommend improvements. #
1D.10 Use verbal and non-verbal communication skills in a group discussion in a business context. #	2D.P10 Demonstrate prior research and preparation when using appropriate verbal and non-verbal communication skills in a group business context. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with Section 8 Internal assessment.

For this unit, learners are required to show evidence that they understand the purpose and types of effective communications used in business, know how to produce documents that are fit for purpose using appropriate formats and language and demonstrate the use of verbal and non-verbal communication skills in business contexts.

Learners must research the business documents used in a selected business – this could be the school/college or an external business.

Learners will also be expected to produce evidence of their ability to communicate in business contexts. This may include:

● a presentation or report explaining learners' understanding of the purpose of business communications in contrasting business contexts

● witness testimonies of how effective learners have been in using both non-verbal interpersonal skills and verbal communications, supported by records/notes of the learner demonstrating these skills

● an individual personal assessment and evaluation summary completed by the learner on their use of interpersonal and verbal communication skills in business contexts.

Level 2

To achieve 2A.P1, learners need to describe the purpose of four different documents used in a selected business. Evidence could be presented in table format or in a poster depicting the type of document, its purpose, the context in which it would be used, and the most appropriate format for that context. This could be combined with 2A.P2, where learners should give examples to explain how the business context influences the format of the four documents. For example, the purpose of a word-processed notice in the accounts office can be to instruct staff on how to use a piece of equipment such as a photocopier. The contexts should show an acceptable level of contrast and they should not all be confined to communication within the office to members of office staff. This could be developed for 2A.M1 by learners selecting at least two formal and two informal communications in different business contexts and comparing their purpose.

For 2A.D1, learners should evaluate the impact of written communications in different business contexts in a selected business. They could look at the effectiveness of written communication in a business by contrasting it with different types of communication such as oral and electronic. The evaluation should link to the purpose of communication and the appropriate business context.

For 2A.P3, learners are required to use examples to explain the purposes of verbal and non-verbal business communications in four contrasting contexts. This should show an acceptable level of contrast, for example they should not all be confined to communication in the office between members of office staff. Learners should apply their knowledge and draw on their own individual research and experiences; for example, an external telephone call to a customer to answer a complaint has a different purpose and context from an internal telephone call to a colleague asking if they could work an extra shift.

For 2A.P4, learners should explain how verbal and non-verbal communication skills are used effectively in four contrasting business contexts. Again, relevant individual personal experience or observation of others displaying these skills should be used to illustrate answers. Examples should include situations where verbal and non-verbal communication is effective in getting the correct message across to both customers and colleagues.

2A.P3 and 2A.P4 can be developed for 2A.M2, where learners need to analyse the effectiveness of verbal and non-verbal communication skills using practical examples to support the analysis in four contrasting business contexts. For 2A.D2, learners need to evaluate the importance of using effective verbal and non-verbal communication skills in four contrasting business contexts; for example, for creating a good impression.

The same documents identified as suitable evidence for 2A.P1, 2A.P2, 2A.M1 and 2A.D1 can also be used for learning aim B. For 2B.P5 learners need to describe the factors to be considered when planning and selecting the most appropriate documents in four different business contexts. For 2B.P6, learners should develop 2B.P5 further by explaining how these documents are suitable for the intended audience. For example, when the human resources department requests the attendance of a member of staff at a disciplinary meeting, communication should be carried out with integrity and a respect for confidentiality. Learners need to demonstrate their understanding of how different methods of communication are suitable for different situations and audiences. They should focus on the suitability of the communication (such as the tone, clarity, vocabulary, etc). Learners should not refer to the same type of audience for each of the four business contexts. It is recommended that two different audiences are considered, for example an external customer and internal member of staff, such as a supervisor or colleague.

This evidence could be developed for 2B.M3 to compare the effectiveness of the documents used to meet the needs of different audiences in four different business contexts. The comparison should take into account costs and the availability of resources, for example suitable software to produce an eye-catching notice.

For 2B.D3, learners should examine whether the documents have met audit and confidentiality requirements for the business. Their evaluation should draw on relevant legislation and regulations, for example the Data Protection Act and the question of how and when the personal details of customers or staff should be stored.

For 2C.P7, learners should produce three different documents to support business tasks for internal communication. The documents may be themed or based on different subject matter, but there must be a sufficient contrast in the type of document, for example three different letters would be insufficient. However, a letter, purchase order and an email, all of which may relate to the same topic, would be acceptable. All must be well-presented and accurate with correct spelling, punctuation and grammar, and should conform to accepted business conventions.

For 2C.P8, learners should produce three different documents for external use by a business. These documents should include dealing with a customer complaint, and responding to a technical enquiry. They must be accurate and sufficiently contrasting. Again, the documents may be themed or based on different topics. Centres must ensure that learners have photocopied, printed or scanned the business documents produced for audit purposes.

For 2C.M4, learners must assess the factors that influenced the production of their documents. They should give reasons for producing a particular type of internal and external document for the task, for example why they chose a particular format and style and how that made the document fit for purpose. The assessment should also include other factors, such as the importance of ensuring the document reached its intended audience by the agreed deadline.

For 2C.D4, learners need to justify the suitability of the documents they produced. This should include why they chose the specific internal and external documents and how these met the needs of the intended audience. This justification should clearly reflect the context of the situation. For example, if the learner chooses to send a letter to a customer who has complained verbally to the business, they should explain why a letter is more appropriate than any other form of written reply or a verbal response to the customer.

For 2D.P9 and 2D.P10, learners need to prepare for and participate effectively in a one-to-one and group business context using appropriate verbal and non-verbal communication skills. Learner evidence must reflect group work and one-to-one discussions, with records of their effective contribution. The prior research needed for the demonstration of verbal skills should include preparing questions and answers to potential questions and could involve other activities such as planning a presentation. Preparation for demonstrating non-verbal skills should include consideration of appropriate interpersonal skills and dress. Evidence can include audio, video, minutes, notes, slides or a transcript, but this will only record some of the detail required. Evidence must be supported by an observation record completed by the teacher or an experienced witness confirming that the actions have met the assessment criteria.

For 2D.M5, learners need to reflect on their own verbal and non-verbal communication skills and assess the effectiveness of these in one-to-one and group business contexts in terms of getting the right message across to internal or external recipients. A work placement or part-time job could give learners good opportunities to find appropriate examples in a real business context. Learners will need to produce an honest and accurate review of their strengths and weaknesses. This should be completed after feedback from the teacher or employer who should make reference to the observation sheet. Learners should refer to particular strengths and weaknesses of other group members as appropriate. Their evaluation in 2D.D5 should identify development opportunities for improving their verbal and non-verbal communication skills.

Level 1

To achieve 1A.1, learners need to identify four different business documents used in a selected business. These can be straightforward documents, such as letters, emails, invoices, agendas, minutes, and so forth. For 1A.2, learners should outline which business contexts influence each of these four documents, for example a formal letter in response to a customer complaint. Learners could present this evidence in table format or as a leaflet.

For 1A.3, learners need to use appropriate, contrasting examples when listing the purposes of verbal and non-verbal business communications in four contrasting contexts. Learners should apply their knowledge and give examples of the contexts 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 could work overtime. The contexts should also show an acceptable level of contrast. For example, they should not all be confined to communication in the office between members of office staff.

For 1A.4, learners need to outline how different methods of verbal and non-verbal communication are used effectively in four contrasting business contexts.

For 1B.5, learners should identify and list the factors that need to be considered when selecting the most appropriate document for each of the four identified business contexts. For 1B.6, they should outline how these are suitable for the intended audience, for example an email to a work colleague confirming a meeting venue. Learners could use the same documents identified in 1A.1 and 1A.2.

For 1C.7 and 1C.8, learners must produce two different documents used to support business tasks. These must include two different types for internal communication and two for external use. The documents may be themed or based on different subject matter. At this level it is not expected that the documents will contain complex information, but they must be well-presented with correct spelling, punctuation and grammar and should conform to accepted business conventions. Centres must ensure that learners have photocopied, printed or scanned the business documents produced for audit purposes.

For 1D.9 and 1D.10, learners need to use verbal and non-verbal communication skills in one-to-one and group discussions in a business context. Evidence should be provided of at least one discussion for each criterion recorded in a suitable format, along with learner notes and an observation record from the teacher.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 1B.5, 1B.6, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2B.P5, 2B.P6, 2A.M1, 2A.M2, 2B.M3, 2A.D1, 2A.D2, 2B.D3	How to Communicate in Business	You are working for a business consultancy that advises business start-ups. Your manager wants you to prepare information for guidance material on all aspects of business communication. You will cover written, verbal and non-verbal communications in business, focusing on their purpose and effectiveness and the range of contexts in which they occur. You will need to prepare a presentation examining the purpose of four different documents used by another business. When planning and selecting appropriate business documents, you will need to consider different factors to meet audience needs and also how the business context influences the format of document used. When examining effective communication skills, you will need to identify four different business contexts, explaining the purposes and methods used of verbal and non-verbal communications, To help you provide specific examples, you could arrange interviews with individual members of staff to discuss their use of verbal and non-verbal communication skills and the impact of written, verbal and non-verbal communications, considering confidentiality and audit requirements when producing business documents.	Presentation, leaflet, brochure, report

Criteria covered	Assignment	Scenario	Assessment evidence
1C.7, 1C.8, 2C.P7, 2C.P8, 2C.M4, 2C.D4	Producing Documents	Continuing your work in the consultancy business, you will now produce examples of business documents the entrepreneur may use in their business. You will need to produce six accurate business documents of different types to support business tasks – three that can be used to support internal communication and three to support external communication – in the entrepreneur's business. You need to assess the factors that influenced the production of these documents and justify their suitability to meet the needs of the intended audience.	Fit for purpose business documents with suitable format, layout and language, supported with learner review justifying their choice of documents
1D.9, 1D.10, 2D.P9, 2D.P10, 2D.M5, 2D.D5	Using Communication Skills	Once you have researched the purpose and methods of communication to use in contrasting business contexts, and considered both verbal and non-verbal communication skills to use, you can put your preparation into practice. This will involve demonstrating your skills in one-to-one and group business contexts and reviewing the effectiveness of the verbal and non–verbal communication skills you demonstrated in these situations.	Role play and observation report Review of strengths and weaknesses, areas for improvement

Unit 22:   Working in Business Teams

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

The most successful businesses in today's world are often the ones that are flexible enough to respond quickly to the changing environment and meet their customers' needs. Teamworking can help a business achieve these goals.

It is often said that TEAM stands for 'Together Everyone Achieves More'. An effective team is one that makes the best use of individual strengths so more can be achieved. Team members should work together and support each other to solve problems more easily with their collective knowledge and skills. In this unit you will investigate why teams and teamworking are so important in business.

You will learn the importance of developing self-management (work behaviours, presentation of self, time management) and communication skills for the business workplace, especially in teamworking situations.

You will also come to understand the role and responsibilities of the team leader. An effective team leader ensures that all team members understand and share the same visions and values. Teams also need to go through stages of development, with distinct roles being identified and filled. The team leader needs specific skills to manage this process and build their team, whilst at the same time creating a sense of common purpose and motivating individual members.

Effective communication skills are essential if a team is to meet its goals. This unit focuses on the different ways of communicating with others in team situations, and will allow you to develop your knowledge and understanding of interpersonal skills. You will explore the different factors that make an effective team and have the opportunity to develop and practise teamworking. You will also have the opportunity to reflect on and evaluate your own and the team's performance, and improve your teamworking and communication skills.

Learning aims

In this unit you will:

A investigate the importance of teams and teamworking

B understand the role of the team leader

C use skills to demonstrate effective business teamworking

D reflect on own business teamworking skills.

Learning aims and unit content

What needs to be learnt
Learning aim A: Investigate the importance of teams and teamworking

Topic A.1 Effective teams

- Definition of a team, e.g. the differences between a group and a team
- Different types of business teams, including:
  - o temporary, e.g. project teams, hot groups
  - o permanent, e.g. departmental
  - o interdependent, e.g. support teams (finance, administration, human resources, IT)
  - o cross-functional teams
  - o virtual teams
- Characteristics, e.g. importance of each team member's contribution whatever their role, united in a common purpose, complementary skills, loyalty to the team, development of identity, trust, cooperation, good communication, reaching consensus, supporting each other, managing conflict
- Stages in team development, e.g. forming, norming, storming, performing transforming
- Team roles – Belbin's team role theory, including:
  - o differences between the roles
  - o strengths and allowable weaknesses of each role
  - o contribution of each role to the team

Topic A.2 Effective teamworking

- The behaviours for effective teamwork, e.g. encouragement, consideration, ability to listen, respect, tolerance, patience, flexibility, loyalty, ability to accept constructive criticism, ability to motivate others
- The benefits of effective teamworking, including:
  - o for the business, e.g. contributing to business objectives, 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
  - o for the individual, e.g. opportunities to stretch talents and take on new responsibilities, increased motivation, opportunities for creativity and showing initiative

What needs to be learnt

Learning aim B: Understand the role of the team leader

Topic B.1 Roles and responsibilities of the team leader

- Definition of the role of a team leader – to meet the task, team and individual needs (Adair)
- Responsibilities of a team leader, including:
  - planning the work of the team
  - setting team objectives and deadlines, e.g. SMART (specific, measurable, achievable, realistic and time-based) objectives
  - giving instructions
  - monitoring the work of the team
  - motivating the team to achieve its objectives
  - communicating with the team
  - making decisions, e.g. making a decision to solve a problem, deciding on the best way of doing something, allocating team members to different activities
  - providing feedback to the team and individual team members, e.g. written reports, appraisals, verbal feedback to individuals, feedback to a team on performance of a task
  - leading team meetings and team briefings
  - monitoring and managing conflict in the team
  - providing support for team members
- How the role of the team leader contributes to the overall effectiveness of the team, including:
  - ensuring business needs are met, e.g. delegation of tasks, maintaining quality standards
  - integrating leadership role into day-to-day activities, e.g. team meetings, one-to-one meetings, informal contact

Topic B.2 Attributes and qualities of an effective leader

- Fairness in the treatment of others
- Involvement of team members
- Valuing the contributions of team members
- Respecting opinions of others
- Supporting team members
- Leading by example
- Accepting responsibility
- Effective communication with the team, e.g. active listening, questioning
- Showing integrity, fairness and consistency

What needs to be learnt

Learning aim C: Use skills to demonstrate effective business teamworking

Topic C.1 Skills for self

- The importance of skills for self, including how they:
  - o are viewed as essential by employers
  - o make a good impression on others
  - o help to ensure deadlines and goals are met when working in teams and on business-related activities or projects
  - o can be transferable, including application to a range of different business contexts when studying or working in business and personal life
  - o help to improve own productivity and confidence
  - o help to aid career progression in the business sector

Topic C.2 Skills that are important in the business workplace

- Self-management, including:
  - o work behaviours
  - o presentation of self
- Time management, including:
  - o punctuality
  - o meeting deadlines
  - o prioritising tasks within a business-related activity or project
- Problem solving when approaching a business-related project
- Creative thinking within a business-related project
- Striving for excellence through gathering feedback, reviewing and revising work in a business-related activity or project
- Transferability of skills to a range of different business contexts, e.g. communication skills, ICT and numeracy skills
- Motivational communication, including:
  - o communication to internal and external stakeholders of the business
  - o different audiences and purposes
  - o using appropriate styles

Topic C.3 Effective teamworking skills

- Skills to demonstrate effective teamworking, including:
  - o showing a positive attitude and respecting others
  - o taking responsibility for own work – clarifying objectives, agreeing task allocation and completing tasks to agreed deadlines
  - o supporting other team members
  - o responding positively to constructive feedback
  - o recognising and dealing with conflict situations
  - o communicating effectively, e.g. listening and speaking skills, body language, assertiveness
  - o cooperating with other team members, e.g. accepting help or advice, trying out ideas, providing support

continued

What needs to be learnt

- Awareness of potential barriers to effective team performance, including:
  - lack of commitment from team leader, team members or self
  - poor communication
  - lack of appropriate skills
  - resource issues, e.g. financial, physical, staff
  - personal factors, e.g. not respecting authority, lack of cooperation
  - conflict between team members

Topic C.4 Developing effective teamworking skills

- How own and other team members' roles can contribute to the work of the whole team and develop teamworking skills, including:
  - the contribution of own role to overall team success
  - being committed to the team's success
  - taking collective responsibility
  - supporting each other and respecting each other's views
  - overcoming barriers to communication within the team, e.g. lack of confidence, hostility, being unprepared or unwilling to participate, dominance by one or two members
  - giving ideas and suggestions as to how the team might complete their task, e.g. by participating in group discussions, problem-solving or 'brainstorming' sessions, finding out information and reporting back to the group
  - offering help to other team members
  - changing behaviour in response to feedback

Learning aim D: Reflect on own business teamworking skills

Topic D.1 Reviewing own teamworking skills

- Identifying skills and personal qualities employers are looking for in business-related projects and activities
- Understanding the skills required for working in different functional areas of business, including:
  - customer service
  - sales
  - marketing
  - human resources
  - administration
  - finance
- Skills audit of own skills, aptitudes and experiences
- Analysis of gaps in own skills or experiences
- Planning own skills development to meet business sector requirements

Topic D.2 Ways of improving own teamworking skills for work in business

- Practising use of skills for work
- Asking for feedback from others, e.g. teacher, team members, employer
- Gaining additional knowledge through attending courses, work experience, coaching
- Reflecting on gaps in skills for work and planning improvements

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Investigate the importance of teams and teamworking			
1A.1 Identify the characteristics of two effective business teams.	2A.P1 Describe the characteristics of two effective business teams.	2A.M1 Assess, using examples, the importance of the stages of team development and team role theory in developing an effective business team.	2A.D1 Evaluate the effectiveness of a selected business team.
1A.2 Outline the importance of the stages of team development in a selected business team.	2A.P2 Explain the importance of the stages of team development in a selected business team.		
1A.3 Outline the importance of team role theory in a selected business team.	2A.P3 Explain the importance of team role theory in a selected business team.	2A.M2 Assess the benefits of teamworking for the business and individual team member of a selected business.	
1A.4 Identify the behaviours needed for effective teamwork.	2A.P4 Describe, using examples, the behaviours needed for effective teamwork.		
Learning aim B: Understand the role of the team leader			
1B.5 Outline the role and responsibilities of a team leader in two business teams.	2B.P5 Explain the importance of the role and responsibilities of the team leader in two contrasting business teams.	2B.M3 Assess how the team leader contributes to the effectiveness of a selected business team.	2B.D2 Evaluate the effectiveness of a team leader in ensuring a selected business team meets its objectives.
1B.6 Identify the attributes and qualities of the team leader in two business teams.	2B.P6 Describe the attributes and qualities of the team leader in two contrasting business teams.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Use skills to demonstrate effective business teamworking			
1C.7 Identify the skills for self that are seen as being important in business.	2C.P7 Describe the importance of employees having appropriate skills in a business workplace.	2C.M4 Demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for own work and overcoming barriers. #	2C.D3 Evaluate own contribution to the effectiveness of a business team in meeting its objectives.
1C.8 Demonstrate appropriate teamworking skills that contribute to meeting the objectives of a business team. #	2C.P8 Demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for own work. #		
1C.9 Describe how well the team performed, including own role in the team.	2C.P9 Assess how well the team performed in meeting its objectives.	2C.M5 Assess how well the team performed in meeting its objectives, including how conflict was managed and resolved and how barriers were overcome.	2C.D4 Recommend improvements to the performance of the team to ensure it continues to meet its objectives in the future.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Reflect on own business teamworking skills			
1D.10 Identify the skills that have been developed during business-related teamworking activities.	2D.P10 Describe the skills that have been developed during business-related teamworking activities.	2D.M6 Analyse the impact of the development of own skills on the success of business-related teamworking activities. #	2D.D5 Justify recommendations for improvements to own teamworking skills, including methods required to achieve these improvements. #

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Level 2

Evidence for this unit requires learners to show they understand teams and teamworking in business, the role of the team leader and how to work effectively in a team.

To achieve all the assessment criteria, learners must have the opportunity to work in team situations in order to explore and demonstrate the skills and qualities required in different team tasks. A reasonable team size would be four to six people. It may be easier to provide evidence for learning aims A and B if they are completed after the practical activities for learning aim C. Learners could then use examples from their teamworking experiences in learning aim C to support their evidence for learning aims A and B.

For 2A.P1, learners need to describe the characteristics of two effective business teams. The teams could be course or subject teams of staff at the learners' school/college, teams of learners engaged in a business project, or teams at a place of work or from a work experience placement.

For 2A.P2, learners need to explain the importance of the stages of team development in a selected business team. The team selected can be one of the teams used for 2A.P1.

For 2A.P3, learners need to explain the importance of team role theory in a selected business team. This requires learners to explain the importance of Belbin's theory and apply it to the roles allocated to members of the selected team.

Both 2A.P2 and 2A.P3 can be developed for 2A.M1 where learners need to assess, using examples, the importance of the stages of team development and team role theory in developing an effective business team. Learners can select one of the teams used previously to complete this criterion.

For 2A.P4, learners need to describe, using examples, the behaviours needed for effective teamwork. It will be useful if the examples relate to practical situations with which learners have been involved. This answer can then be developed for 2A.M2, where learners need to assess the benefits of teamworking for both an individual team member and a selected business. For this Merit criterion, a case study may provide better material than a live team of learners. This can be developed for 2A.D1, where learners need to evaluate the effectiveness of a selected business team. They must reference theory as part of this evaluation.

For 2B.P5, learners need to explain the importance of the role and responsibilities of the team leader in two contrasting business teams. These can be either actual teams of which learners have experience, or they could be scenarios or case studies provided by the teacher. The teams should be sufficiently different, for example permanent and temporary.

For 2B.P6, learners need to describe the attributes and qualities of the team leader in two contrasting business teams. The teams selected for this criterion can be the same as for 2B.P5.

For 2B.M3, learners need to assess how the team leader contributes to the effectiveness of a selected business team. This can then be developed for 2B.D2 where learners need to evaluate the effectiveness of a team leader in ensuring a selected business team meets its objectives.

For 2C.P7, learners need to describe the importance of having appropriate skills when interacting with others in a business workplace.

For 2C.P8, learners need to demonstrate effective teamworking skills that contribute to meeting the objectives of a business team, including taking responsibility for their own work. They need to work effectively in a team situation where they will be expected to make a positive contribution to the team task. They do not need to be given distinct roles, but the team should plan and agree work together. This can be developed for 2C.M4, where learners should also demonstrate skills to overcome barriers and take responsibility for own work when working within a team. For 2C.D3, learners need to evaluate their own contribution to the effectiveness of a business team in meeting its objectives.

For 2C.P9, learners need to assess how well the team performed in meeting its objectives. This can then be developed for 2C.M5, where the assessment should include both how conflict was managed and resolved and how barriers were overcome. Conflict may arise naturally during the activity, and the teacher will witness how learners deal with it. However, conflict should not be manufactured in a real teamworking situation. If it does not occur naturally, learners could be assessed via a role-play exercise in which they play a range of roles related to a relevant theme, such as negotiation or conflict resolution.

For 2C.D4, learners need to recommend improvements to the performance of the team to ensure it continues to meet its objectives in the future.

Evidence of learner performance for the assessment criteria in learning aim C can be through teacher observation reports and records of learners' own activities – typically in the form of a log or diary. This will then help learners to reflect on their performance for 2C.D3 and 2C.D4.

For 2D.P10, learners need to examine how well they applied their skills in business-related teamworking activities and describe the skills they developed. This can be taken further for 2D.M6, where learners need to analyse the impact of the development of their skills on the success of business-related teamworking activities in learning aim C. This leads to 2D.D5, where learners must justify recommendations for improvements to their teamworking skills, including methods required to achieve them. Methods could include suggesting suitable training courses and explaining how these would help to develop their skills to benefit future business-related teamworking activities.

Level 1

Evidence for this unit requires learners to show they understand teams and teamworking in business, the role of the team leader, and how to work effectively in a team.

To achieve all the assessment criteria, learners must have the opportunity to work in team situations in order to explore and demonstrate the skills and qualities required by different team tasks. A reasonable team size would be four to six people. It may be easier to provide evidence for the assessment criteria for learning aims A and B if they are completed after the practical activities for learning aim C. Learners could then use examples from their teamworking experiences in learning aim C to support their evidence for learning aims A and B.

For 1A.1, learners need to identify the characteristics of two effective business teams. The business teams could be course or subject teams of staff at the learners' school/college, teams of learners engaged in a business project, or teams at a place of work or from a work experience placement.

For 1A.2, learners need to outline the importance of the stages of team development in a selected business team. The team selected can be one of those used for 1A.1.

For 1A.3, learners need to outline the importance of team role theory in a selected business team. Again, the team selected can be the same as the one used for 1A.1 and 1A.2.

For 1A.4, learners need to identify the behaviours needed for effective teamwork.

For 1B.5, learners need to outline the role and responsibilities of a team leader in two business teams. These can be either actual teams of which learners have experience, or they could be scenarios or case studies provided by the teacher.

For 1B.6, learners need to identify the attributes and qualities of the team leader in two business teams. The teams selected for this criterion can be the same as for 1B.5.

For 1C.7 learners need to identify the skills for self that are important in business. This evidence could be in the form of a discussion or question and answer session following the observation of practical performance of skills.

For 1C.8, learners need to demonstrate appropriate teamworking skills that contribute to meeting the objectives of a business team. They need to work effectively in a team situation where they will be expected to make a positive contribution to the team task. They do not need to be given distinct roles but the team should plan and agree work together. This should be followed with 1C.9, where learners describe how well their team performed, including their own role in the team.

Evidence of learner performance for the assessment criteria in learning aim C can be through teacher observation reports and records of learners' own activities – typically in the form of a log or diary.

For 1D.10, learners need to identify the skills that have been developed during business-related teamworking activities in learning aim C.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 1B.5, 1B.6, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2B.P5, 2B.P6, 2A.M1, 2A.M2, 2B.M3, 2A.D1, 2B.D2	What is a Team?	You have been asked by your manager to prepare training materials for a team-building training session. The materials you produce need to look at a selected business team and consider what factors make an effective team. This should include the importance of having appropriate skills for self both in the business workplace generally and in a team situation, the impact of team role theory, and the stages of team development. You should also consider the role and importance of the team leader, especially the qualities and attributes a team leader brings to the team to make it effective.	Presentation, brochure or leaflet

Criteria covered	Assignment	Scenario	Assessment evidence
1C.7, 1C.8, 1C.9, 1D.10, 2C.P7, 2C.P8, 2C.P9, 2D.P10, 2C.M4, 2C.M5, 2D.M6, 2C.D3, 2C.D4, 2D.D5	Effective Teamworking	You will be participating in real teamworking activities. These may be completed while on a work placement, in a part-time job or in team activities at your centre. You will need to demonstrate effective teamworking skills to contribute to meeting the objectives of a business team, including taking responsibility for completing your own work. You will then need to assess how well your team performed in meeting its objectives, the skills you developed during these activities and how you can improve your skills to benefit future business-related teamworking activities.	Teacher/supervisor/line manager witness observation report confirming teamworking ability supported with personal statement

Unit 23: Planning, Forecasting and Recording Business Finances

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Financial information provides the owners and managers of businesses with the knowledge of how a business is performing. It allows day-to-day control of the business so that action can be taken to keep the business on track. From your studies in *Unit 2: Finance for Business*, you will know that all businesses have to spend money before they start generating income and making profits. Breakeven analysis allows businesses to identify how much they need to sell and earn before they start to make profits as well as to see what happens to profits when prices and costs change.

Businesses need cash to keep operating, so you will have the opportunity to learn more about cash flow forecasting: knowing how much money will come in, and go out, over a period of time.

You will also look at budgets and budgetary control. These allow businesses to plan, track and manage items such as sales, purchases and expenses like wages. Budgets enable predictions to be made and if plans go wrong then businesses can take quick, corrective action to put the business back on course.

You will learn that there is a legal requirement to calculate profits or losses. The accounting system allows a business to know exactly what its financial position is. What sales have been made? How much have purchases cost? At the end of a trading period has a profit or a loss been made? You will learn how to record financial transactions in detail and accurately, using recognised conventions, which will result in the production of reports that can be used to monitor, control and report on the activities of the business. Financial information means that decisions can be made about the business – for example, should it extend the range of products it sells or should it close branches? By planning, forecasting and recording business finances, businesses are better able to achieve their goals.

You must study *Unit 2: Finance for Business* before attempting this unit in order to cover essential topics, such as costs, revenue and profit.

Learning aims

In this unit you will:

A demonstrate the use of breakeven analysis and cash flow forecasting in business

B investigate the use of budgets and budgetary control in business

C be able to use financial documents to record transactions

D be able to create financial reports.

Learning aims and unit content

What needs to be learnt

Learning aim A: Demonstrate the use of breakeven analysis and cash flow forecasting in business

Topic A.1 Calculating breakeven

- The concept of breakeven – balancing costs or expenditure with revenues or income
- Definition of break-even point
- Methods of calculating breakeven – using a formula, graphically

Topic A.2 Breakeven analysis

- The concept of breakeven analysis
- Identifying areas of profit and loss
- Margin of safety
- Costs (fixed, variable, total)
- Contribution (unit selling price minus the unit variable cost)
- Total revenue
- Presenting and interpreting breakeven information graphically
- The relevance of breakeven analysis to a business and how it can be used:
  - to estimate the level of sales required to break even
  - to estimate profitability
  - as a tool when making future business decisions, e.g. changing costs or prices

Topic A.3 Preparing a cash flow forecast

- Identifying cash inflows, including:
  - capital
  - sales – cash sales and payments from debtors
  - loans
  - other inflows, e.g. rent from premises leased to others
  - regular and irregular inflows
  - how the timing of inflows influences the cash flow of a business
- Identifying cash outflows, including:
  - purchases – cash purchases and payments to creditors
  - repayments, e.g. loans, mortgage, overdraft
  - expenses, e.g. wages, rent, advertising, interest
  - regular and irregular outflows, e.g. interest payments on a loan, charitable donations
  - how the timing of outflows influences the cash flow of a business

continued

What needs to be learnt

- Cash balances, including:
  - o opening balance
  - o closing balance
  - o income per period
  - o expenditure per period

Topic A.4 Analysing a cash flow forecast

- The purpose of analysing a cash flow forecast, including:
  - o to identify a potential surplus or deficit and to take appropriate action, e.g. invest in more resources when there is a surplus, seek extra sources of finance (such as a bank loan) when there is a deficit
  - o to inform business planning and forecasting, e.g. preparing a budget
- How cash flow forecasting can be used as a tool to effectively manage the finances in a business effectively

Learning aim B: Investigate the use of budgets and budgetary control in business

Topic B.1 The use of budgets in businesses

- The purpose of budgets in business, e.g. as a forecasting tool, resource planning, to control resources, to motivate staff to achieve performance targets
- Types of business budgets and the differences between them, including:
  - o sales
  - o production
  - o purchases, e.g. raw materials for a manufacturing business, finished goods for a retail business
  - o labour
  - o overheads
  - o cash
  - o capital expenditure
  - o profit and loss

Topic B.2 Controlling budgets

- Budgetary control – the management system used in businesses to control budgets
- How budgetary control is used in businesses, e.g. to identify overspends or underspends and take appropriate action
- The benefits of budgetary control for a business

Topic B.3 Using variance analysis to inform business decisions

- The concept of variance – when a difference occurs between actual and budget figures
- The concept of variance analysis – to determine why financial performance was not as expected
- Identifying favourable and adverse variances
- The cause and significance of variances
- How variances affect business decisions, including taking appropriate action

What needs to be learnt

Learning aim C: Be able to use financial documents to record transactions

Topic C.1 Financial documents

- The importance of using financial documents for business transactions, including, providing:
  - a record of details of the transaction
  - source data for making entries in the accounting system
  - an auditable record
- Sequence of sales and purchasing documentation from order to receipt of goods, including:
  - order form
  - delivery note
  - invoice
  - credit note
  - cash receipt
  - payment advice

Topic C.2 Recording transactions

- Methods of recording transactions
  - manual
  - electronic
- System of double entry accounting
  - day books
  - ledgers
  - cash book
  - petty cash
  - balancing accounts
- Reconciling the cash book and the bank statement

Topic C.3 Computerised accounting systems

- How computerised accounting systems are used to record accounting transactions
- How computerised accounting systems produce information from financial transactions
- Features of computerised accounting systems

What needs to be learnt

Learning aim D: Be able to create financial reports

Topic D.1 Income statement (profit and loss account)

- The structure of the income statement
- Income
- Expenditure:
  - o cost of sales
  - o expenses
- Gross profit and gross loss
- Net profit and net loss

Topic D.2 Statement of financial position (balance sheet)

- The structure of the balance sheet
- Assets, including:
  - o fixed
  - o current
  - o net
- Liabilities, including:
  - o current
  - o long-term
- Working capital
- Capital employed
- Stakeholders who are interested in the information contained in the financial reports, for example:
  - o owners
  - o managers
  - o employees
  - o creditors
  - o banks
  - o potential investors
  - o HM Revenue and Customs

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Demonstrate the use of breakeven analysis and cash flow forecasting in business			
1A.1 Calculate, with guidance, breakeven using given sets of data. *	2A.P1 Calculate breakeven using given sets of data. *	2A.M1 Assess the impact of changing cost and revenue data on the break-even point for a selected business. *	2A.D1 Evaluate the importance of breakeven analysis to a selected business. *
1A.2 Present an accurate breakeven graph. *	2A.P2 Present the breakeven using an appropriately annotated, accurate graph. *		
1A.3 Outline the uses of breakeven in a given situation.	2A.P3 Explain how a selected business can use breakeven analysis in a given situation.		
1A.4 Prepare an annual cash flow forecast for a selected business using monthly data. *	2A.P4 Prepare an accurate annual cash flow forecast for a selected business using monthly data, explaining the implications of regular and irregular cash inflows and outflows. *	2A.M2 Analyse a cash flow forecast to identify issues and appropriate actions for a selected business. *	2A.D2 Evaluate cash flow forecasting as a tool for managing the finances for a selected business.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Investigate the use of budgets and budgetary control in business			
1B.5 Outline how budgetary control is used in a selected business.	2B.P5 Explain how budgetary control is used in two contrasting businesses.	2B.M3 Compare how budgetary control is used in two contrasting businesses.	2B.D3 Evaluate the influence of variances on financial decisions made by a business.
1B.6 Identify, with guidance, favourable and adverse variances in a given business budget.	2B.P6 Identify favourable and adverse variances in a given business budget.		
Learning aim C: Be able to use financial documents to record transactions			
1C.7 Post business transactions from financial documents into the accounting system. *	2C.P7 Balance business accounts after posting business transactions from financial documents into the accounting system. *	2C.M4 Explain the stages followed when posting transactions from source documents into double entry accounts. *	2C.D4 Assess the importance of using financial documents to record business transactions.
1C.8 Reconcile the cash book balances with the bank statement, with guidance. *	2C.P8 Reconcile the cash book balances with the bank statement. *		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Be able to create financial reports			
1D.9 Prepare an income statement for a selected business, with guidance. *	2D.P9 Prepare an accurate income statement (profit and loss account) from a trial balance. *	2D.M5 Explain the structure of the financial reports created for a selected business.	2D.D5 Assess the interests of different stakeholders in the information contained in the financial reports created for a selected business.
1D.10 Prepare a statement of financial position for a selected business, with guidance. *	2D.P10 Prepare an accurate statement of financial position (balance sheet) from a trial balance. *		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

No special resources are needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Level 2

To achieve the assessment criteria in all the learning aims, learners must be able to use and manipulate data using breakeven, budgetary, financial recording and financial reporting techniques as well as understanding the significance of the results obtained. Knowing how financial information is used to monitor and control business activities and to take decisions that ensure the business is meeting its objectives is an important aspect of good business management.

For 2A.P1, learners need to calculate breakeven using given sets of data. It is important that learners understand the consequences of altering the assumptions on which decisions are made. For 2A.P2, learners need to present their calculations from 2A.P1 using an appropriately annotated and accurate graph, identifying elements such as fixed costs and areas of profit or loss. The annotations should make clear that the learner understands the information displayed in the graph. For 2A.P3, learners need to explain how a selected business can use breakeven analysis in a given situation. This can be developed for 2A.M1, where learners should assess the impact of changing cost and revenue data on the break-even point for the business selected in 2A.P3. For example, if a business finds that its costs rise, what might that mean for breakeven and profitability? For 2A.D1, learners need to evaluate the importance of breakeven analysis to a selected business by showing how this information can inform decisions made to help ensure business success.

For 2A.P4, learners need to use monthly data to prepare an accurate annual cash flow forecast for a selected business. A set of data for a 12-month period will identify fluctuations in income and expenditure and show what effect these fluctuations have on cash balances. They also need to explain the implications to the business of regular and irregular cash inflows and outflows. So, for example, will there be sufficient cash to pay suppliers in the future?

For 2A.M2, learners have to analyse a cash flow forecast to identify issues such as cash shortfalls as well as possible appropriate actions a selected business might take. It is recommended that the cash flow forecast analysed be the same as the one created for 2A.P4. For 2A.D2, learners need to evaluate cash flow forecasting as a tool for managing the finances for the selected business.

In any business, the purpose of budgeting is to make financial plans that can be monitored in order to control business activity. However, the budgeting focuses of a retailer and a manufacturing business will differ. For 2B.P5, learners need to explain how budgetary control is used in two contrasting businesses. For 2B.P6, learners need to identify favourable and adverse variances in a given business budget. There needs to be sufficient planned and actual data to create a realistic picture of budgetary activity over a period of time. For 2B.M3, learners need to use all of their evidence for 2B.P5 and 2B.P6 to compare how budgetary control is used in the two contrasting businesses. For 2B.D3, learners need to evaluate the influence of variances on financial decisions made by one of the selected businesses used in 2B.M3.

An overspend of £10,000 on a budget might seem a lot but if it only represents an overspend of 0.1 per cent then it may not be material and will not require any action. However, an overspend of £10,000 on a £10,000 budget represents a 100 per cent variance and will certainly demand both explanation and action.

The business used for learning aim A can also be used for learning aim B, with an additional business to give the necessary contrasts. The two selected businesses need to be sufficiently different to enable the learner to demonstrate their understanding of how different types of business use different types of budgets to meet their financial planning needs. For example, a retailer and a manufacturer could provide the necessary contrast.

For 2C.P7, learners need to balance business accounts after posting business transactions from financial documents into the accounting system. This involves taking the source data from the documents and using this information to produce the journals and the ledger entries. The ledger accounts should be balanced at the end of a period. Software can be used to carry out these tasks but learners should show that they know how the software is processing the transactions data and how it equates to the manual processes.

For 2C.M4, learners need to explain the stages followed when posting transactions from source documents into double entry accounts, identifying how data is aggregated and organised in order to produce information about the performance of a business.

For 2C.P8, learners need to reconcile cash book balances with the bank statement, showing that they understand the requirement to explain differences in similar information that originates from different sources.

For 2C.D4, learners need to assess the importance of using financial documents to record business transactions as they provide evidence of what business activity there has been. The transactions provide a basis for subsequently producing information on the performance of the business. Teachers need to ensure that examples of business documents used are supported with a commentary. The practical work will involve the posting of business transactions to the double-entry accounting system and producing the subsequent outputs.

For 2D.P9 and 2D.P10, learners need to prepare an accurate income statement and statement of financial position from a trial balance. The trial balance should be produced from the practical work done for learning aim C.

For 2D.M5, learners must explain the structure of the financial reports created for a business, identifying the constituent components of the reports and what information they reveal.

For 2D.D5, learners need to assess the interests of different stakeholders in the information contained in financial reports created for 2D.P9 and 2D.P10, showing why the stakeholders would want to have the information.

Level 1

To achieve the assessment criteria, learners must be able to use and manipulate data using breakeven, budgetary, financial recording and financial reporting techniques, as well as understand how this helps with the management and control of the finances of a business.

For 1A.1, learners need to calculate breakeven using simple sets of data.

For 1A.2, learners need to present an accurate breakeven graph showing the correct break-even point. For 1A.3, learners need to outline the uses of breakeven in a given situation showing how it marks the move into profitable activity. There should be recognition that the graph allows the impact of changes to costs and revenues on the break-even point to be identified.

For 1A.4, learners need to use monthly data to prepare an annual cash flow forecast for a selected business. A set of data for a 12-month period will identify fluctuations in income and expenditure.

For 1B.5, learners need to outline how budgetary control is used in a selected business. Learners should demonstrate an awareness of the need to plan revenues and costs in order to control them when the actual figures are known.

For 1B.6, learners need to identify favourable and adverse variances in a simple business budget. There needs to be sufficient planned and actual data to create a realistic picture of budgetary activity over a period of time.

The business used for learning aim A can also be used for learning aim B, with an additional business to give the necessary contrasts. The two selected businesses need to be sufficiently different to enable the learner to demonstrate their knowledge of the different types of budgets businesses can use to meet their financial planning needs. For example, a retailer and a manufacturer could provide the necessary contrast.

For 1C.7, learners need to post business transactions from financial documents into the accounting system.

For 1C.8, learners need to reconcile basic cash book balances with the bank statement, showing that they understand the requirement to explain differences in similar information that originates from different sources.

For 1D.9 and 1D.10, learners must prepare a basic income statement and a basic statement of financial position for a business from a set of given data. Basic templates could be provided for learner guidance.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2A.M1, 2A.M2, 2A.D1, 2A.D2	Financial Planning for a Business	You will be given sets of data and asked to complete a breakeven analysis and cash flow forecast for a selected business. You need to examine the information generated to determine the potential impact on the business. The breakeven will have to be calculated from the data given and plotted accurately on an annotated graph. You will then examine how the business can use the breakeven analysis in a given situation. You will also prepare an annual cash flow forecast for a given business from data provided, and consider the implications of regular and irregular inflows and outflows for the business.	A report supported by an accurate breakeven analysis that includes a graphical indication of the breakeven position and cash flow forecast
1B.5, 1B.6, 2B.P5, 2B.P6, 2B.M3, 2B.D3	Business Budgeting	You will investigate the use of budgets and budgetary control in two contrasting businesses. You will explain how budgetary control is used in the two businesses, identify favourable and adverse variances in given budgets and consider how variance can influence financial decisions made by businesses.	Leaflet or brochure aimed at new businesses to advise them on how other businesses use budgets to manage their finances Budgets with variances

Criteria covered	Assignment	Scenario	Assessment evidence
1C.7, 1C.8, 2C.P7, 2C.P8, 2C.M4, 2C.D4	Recording Transactions	You work as a finance assistant in the accounts department of a newly established business and have been asked to enter transactions into the accounting system. You will produce a set of balanced accounts prepared from source documents. These can be manually produced or prepared with software. You also need to explain the purposes of the financial documents, identifying the stages followed when posting transactions, with an assessment of the importance of using financial documents. Finally, you will explain the advantages and disadvantages of using computerised accounting systems to record business transactions.	Observation records from the assessor A set of balanced accounts A bank reconciliation statement Report
1D.9, 1D.10, 2D.P9, 2D.P10, 2D.M5, 2D.D5	Financial Reports	Continuing your work as a finance assistant in the accounts department of a newly established business, you have been asked to prepare the end of period financial reports. You will produce a set of final accounts prepared from a trial balance. These can be manually produced or prepared with software. You then need to explain the structure of the financial reports created, with an assessment of the interests of different stakeholders in the information contained in financial reports.	Observation records from the assessor. Completed accurate income statement and statement of financial position Report

Unit 24: Work Experience in Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Career opportunities in the business sector are expanding all the time and there is an ever-increasing requirement to improve the skills of the current and future workforce. The business sector has a wide and diverse range of occupations. By doing a work experience placement in the business sector, you will gain an idea of what happens in the workplace, and be able to develop your knowledge, skills and understanding first-hand. The experience and skills you develop will be important when you start looking for a job in business and will add value to your job applications.

You will learn about the variety of job roles that exist within businesses and the various functions that are performed by individual roles, as well as the types of organisational structures in businesses. This will help you to decide whether it is the right type of work and work sector for you.

You will prepare for your work experience placement by learning how to find and apply for a suitable vacancy. You will learn more about the workplace, which should help you to progress in your business career. You will also look at work-based health and safety issues.

Through your work experience you will investigate the skills that are needed in the workplace and gain first-hand experience of the business sector.

You will look at the impact and benefits of your work experience and how it will help you with your personal career aims.

This unit is a forbidden combination with *Unit 8: Recruitment, Selection and Employment*.

Learning aims

In this unit you will:

A know about job roles and functional areas in business

B prepare for work experience in the business sector

C be able to work towards personal and professional development goals during a business sector-based work experience placement

D reflect on the benefits of undertaking work experience in the business sector.

Learning aims and unit content

What needs to be learnt
Learning aim A: Know about job roles and functional areas in business
Topic A.1 Organisational structures and functional areas ● Different organisational structures, e.g. hierarchical, flat, matrix, functional, divisional ● Functional areas, e.g. sales, production, purchasing, administration, customer service, distribution, finance, human resources, ICT, marketing, research and development (R&D) ● Purposes of functional areas in supporting business aims and objectives ● Links between functional areas, including relationships and interactions with other functional areas **Topic A.2 Job roles and responsibilities** ● Directors, e.g. looking after interests of shareholders, deciding policy or strategy ● Senior managers, e.g. motivating staff, target setting, recruitment and dismissal, allocating work, communicating, planning and decision making, problem solving ● Supervisors or team leaders, e.g. managing staff or small teams, motivating, allocating tasks ● Operational and support staff/assistants, e.g. day-to-day general work and administration duties ● Impact on roles of different organisational structures

What needs to be learnt

Learning aim B: Prepare for work experience in the business sector

Topic B.1 Job-searching techniques

- Different career paths available to business students, e.g. human resources, marketing, finance, accountancy, operations, procurement and supply, customer service
- Matching own skills and interests to specific business functions by conducting a skills audit
- Setting and using criteria for job search, including type of business-based placement, length of placement, role
- Searching for suitable opportunities within teacher-directed vacancies
- Assessing suitability for jobs, in terms of education, 'hard' and 'soft' skills, interests
- Recognising suitable opportunities, even when learners do not meet all the specified criteria in the job advert
- Places to search for vacancies, e.g. job databases, local and national newspapers, job-hunting and work experience websites, recruitment agencies, employer websites, trade journals, local community noticeboards, word of mouth

Topic B.2 Applying for a work placement within a specific business

- Application methods, e.g. CV and cover letter, application form, online, speculative application
- Tailoring application documents to fit the requirements of a specific employer, e.g. using research into a business to amend a CV and covering letter, use of company website, contact with personnel at a specific business
- Outlining relevant education, skills and interests
- Explaining how to meet employer's expectations
- Outlining how gaps could be addressed, e.g. on-the-job training, further reading, course completion
- Detailing achievements to date, e.g. school or college awards, sporting achievements, voluntary work
- Presentation of application, e.g. form filled in correctly, formal language used, spelling, format suitable for vacancy
- Checking accuracy of application, e.g. no embellishments, facts are correct

Topic B.3 Interview skills

- Preparing answers to common questions, e.g. reason(s) for applying for role, skills and knowledge they have to carry out role(s) in the business sector
- Arriving on time and introducing self
- Using communication skills, including verbal (listening, speaking) and non-verbal (body language, facial expressions)
- Good presentation of self, appearance, clothing, cleanliness
- Asking questions about the workplace, e.g. uniform or dress code requirements, working hours, key contact at workplace
- Preparing answers to common questions, e.g. current business sector-specific issues
- Demonstrating confidence
- Asking for clarification or further information when necessary

continued

What needs to be learnt

Topic B.4 Personal audit
 	
● A personal audit may include an assessment of own:
    o knowledge
    o skills, e.g. technical, practical, communication, numeracy
    o interests
● Matching knowledge and skills:
    o to job opportunities
    o for use in career planning
● Setting appropriate SMART (specific, measurable, achievable, realistic and time-based) targets, e.g. for the work placement, for longer-term career goals

What needs to be learnt

Learning aim C: Be able to work towards personal and professional development goals during a business sector-based work experience placement

Topic C.1 Health and safety considerations at work

● Measures to ensure personal health and safety, e.g. criminal records check by the Disclosure and Barring Service (DBS), local authority's safeguarding and vetting procedures, posture and screen position when using a computer, frequent breaks, personal protective equipment (PPE), safe manual-handling procedures

● Current legislation relevant to the work placement, e.g. Health and Safety at Work Act, Control of Substances Hazardous to Health (COSHH), Reporting of Diseases and Dangerous Occurrences Regulations (RIDDOR)

● Measures to ensure safety of others, e.g. working in a safe manner individually, CRB check, keeping fire exits clear, safe disposal of waste products, safe operation of machinery

● Possible health and safety risks, e.g. trip hazards, appropriate cleanliness, keeping work areas tidy, ensuring the correct storage of equipment (such as appropriate placement of heavy objects)

● How to carry out a risk assessment

● Minimising the risk of work-related injury, e.g. compliance with workplace routines and procedures when using dangerous machinery, use of PPE

Topic C.2 Skills to use for addressing a business sector work-related task

● Communicating with others, e.g. line manager, colleagues, customers/clients, adapting communication methods and skills for different audiences

● Working in a team, e.g. colleagues, supervisors, managers, other departments, other branches

● Time management, e.g. completing tasks within agreed timescales, prioritisation, use of a diary or planner

● Providing customer service – internal and external customers, anticipating needs, meeting and exceeding expectations, the role of customer feedback in the workplace

● Administrative skills, including:

● maintaining records, e.g. paper, electronic

● use of communication systems, e.g. email, phone, fax

● Using workplace documentation, e.g. due diligence records, customer service records, client records, financial documents, filing, retrieval

● Working independently, e.g. following instructions, asking for help and guidance when necessary, clarifying instructions, following organisational procedures

● Problem solving, e.g. finding a new way to complete tasks, using technology to complete tasks more efficiently

Topic C.3 Developing knowledge and skills unique to a specific career path

● Marketing and sales, e.g. making a pitch, developing leads, designing advertising materials, organising a mailshot

● Finance and accounts, e.g. maintaining daybooks, managing petty cash, completing banking and reconciliation, auditing accounts

● Customer service, e.g. handling customer complaints, building displays, maintaining customer service levels

continued

What needs to be learnt

Topic C.4 Development within and beyond the workplace

- Collecting evidence of achievement in the workplace, e.g. witness statements, digital images, audio and visual recordings, documents, artefacts
- Gathering 360 degree feedback, e.g. from colleagues, managers, customers
- Relevance of feedback to career goals
- Reviews and appraisals, target setting, assessing the progress toward goals, technical skills, interpersonal skills
- Evaluating own contribution to business targets, e.g. Key Performance Indicators (KPIs), SMART targets, operational and strategic objectives, departmental objectives
- The importance of producing a career plan

Topic C.5 Maintaining a reflective journal

- How to:
  - keep a record of significant events during a placement on a daily basis
  - document experiences
  - reflect on personal and professional development
  - monitor the completion of targets

What needs to be learnt

Learning aim D: Reflect on the benefits of undertaking work experience in the business sector

Topic D.1 Benefits of undertaking work experience in the business sector

- Skills gained and developed, e.g. customer service, teamwork, administration, selling techniques
- Personal development benefits, e.g. improved self confidence, development of communication skills, development of interpersonal skills, better insight into working life
- Short-term benefits, including reference from employer, improvement of CV, ability to highlight experiences and achievements in job interviews
- Reviewing interest in business sector-related jobs, e.g. strengthened by experience, decreased due to experience, created interest in another related sector/area
- Identifying potential future job roles of interest, including qualifications, skills and training needed
- Identifying next steps, e.g. further education, relevant part-time or voluntary work, work experience placement or shadowing, research other sectors, speak to careers adviser, impact on career plans
- Key achievements and examples, e.g. contributions to projects, experience of specific tasks, opportunities to participate in and observe a range of specialist activities
- Long-term benefits, including transferability of skills developed
- Reviewing suitability for job roles in the business sector, including if in possession of skills and knowledge to be successful in role, strengths, weaknesses, opportunities, threats (SWOT) analysis
- Reviewing suitability for organisation type, e.g. private sector, voluntary sector, public sector, large organisation, small organisation
- Gaining feedback on performance, e.g. strengths, achievements, areas for development
- Planning short- and long-term objectives for career to build on experience, e.g. within next six months, a year, two years

Topic D.2 Benefits to business of offering work placements to business students

- Professional development opportunities for employees
- Motivational benefits for the workforce, e.g. variety in duties, feelings of accomplishment, feeling of making a contribution
- The opportunity to gain new ideas, e.g. a different perspective to look at problems, application of learning from formal study to real world problems

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know about job roles and functional areas in business			
1A.1 Describe the purpose of two functional areas in two contrasting businesses.	2A.P1 Explain the purpose of different functional areas in two contrasting businesses.	2A.M1 Compare two job roles and responsibilities from different functional areas in two contrasting businesses.	2A.D1 Analyse the impact of organisational structure on job roles and functional areas in a selected business, using appropriate examples.
1A.2 Identify the responsibilities of two different job roles in a selected business.	2A.P2 Describe the responsibilities of two different job roles in two contrasting businesses.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Prepare for work experience in the business sector			
1B.3 Identify businesses which are able to offer a work placement, using given sources of information. #	2B.P3 Use job-searching techniques to find three suitable business sector-based work placements. #	2B.M2 Compare the suitability of three different business sector-based work placements for self, based on a personal skills audit. #	2B.D2 Assess own suitability for a work placement in a specific business based on research into a specific career path.
1B.4 Use job application skills to apply for a suitable work placement in the business sector, selecting essential personal information.	2B.P4 Use job application skills to apply for a suitable work placement in the business sector, selecting relevant personal information that supports the application.	2B.M3 Use research into a selected business and career path to tailor application documents.	
1B.5 Use interview skills in an interview for a work placement in the business sector.#	2B.P5 Demonstrate confidence, professionalism and evidence of preparation in interview responses. #		
1B.6 Set simple targets with an employer prior to undertaking a work placement. #	2B.P6 Set SMART targets with an employer prior to undertaking a work placement in support of personal career goals. #	2B.M4 Negotiate SMART targets with an employer prior to undertaking a work placement based on long-term career goals.#	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Be able to work towards personal and professional development goals during a business sector-based work experience placement			
1C.7 Identify health and safety requirements to ensure personal safety during the business sector-based work placement.	2C.P7 Describe health and safety measures that ensure the safety of self and others during the business sector-based work placement.	2C.M5 Assess potential risks that could occur during the business sector-based work placement, explaining how to reduce these risks. #	2C.D3 Evaluate own contribution to the business while undertaking a work placement, based on relevant evidence.
1C.8 Participate in day-to-day workplace activities with guidance/support. #	2C.P8 Participate in day-to-day workplace activities with minimal guidance. #	2C.M6 Participate in specialist business activities with guidance/support from an appropriate specialist. #	
1C.9 Gather feedback on own performance during a work placement.	2C.P9 Gather 360-degree feedback on own performance while undertaking a work placement.		
Learning aim D: Reflect on the benefits of undertaking work experience in the business sector			
1D.10 Identify benefits to self of undertaking work experience in the business sector.	2D.P10 Describe benefits to self of undertaking work experience in the business sector in relation to skills developed.	2D.M7 Explain the benefits of the work experience placement to self and the host business.	2D.D4 Discuss the short- and long-term benefits to self and to the host business of completing a business sector-based work experience placement.

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Prerequisite

The centre needs to take responsibility for ensuring that all aspects of safeguarding learners on work placement have been covered. This includes CRB checks (where applicable) and risk assessments.

Resources

This unit focuses on learners gaining work experience in the business sector. Learners should be given the background knowledge and understanding of the business sector job market and the skills required when applying to work, and working, in this competitive environment.

Centres are encouraged to develop links with a wide cross-section of businesses that provide a range of products and services. These could include accountancy businesses, marketing consultancies, retail outlets, and human resource and recruitment specialists.

Visits from personnel from potential work experience placements would add context and realism to the preparation process (for example using interview skills).

Links could be made with the careers service/local job centres which could provide advice on the business sector job market as well as the skills needed when applying for a job in this sector.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

Learners should be assessed via centre-devised assignments/tasks which will include their independent undertaking of a work placement in the business sector.

It is recommended that teachers create one holistic assignment to cover all assessment criteria within a level.

Learners should be clear about the practical tasks they are expected to perform. They should also be responsive to broader issues such as timekeeping and health and safety issues in their placement.

Learners should seek a work placement that is relevant to a career path which interests them. Before the placement it is important to communicate with the placement business to ensure that learners can gain experience of some form of specialist tasks in which they are particularly interested.

It is recommended that learners complete approximately 20 hours of work experience in the business sector. This could be over five consecutive working days, or spread over a wider period of time. Evidence from a simulated work experience placement is not acceptable.

At level 2, learners are expected to conduct independent research to search for business sector-based work placements and not rely on vacancies supplied by the teacher. Level 2 learners are also expected to complete their own application forms. They will show basic and advanced skills in their work experience placements.

At level 1 teachers may need to give learners a list of suitable work placements, from which they select a placement in order to research it.

When it comes to applying for a position, level 1 learners may be provided with sample documents to help them apply for the position.

Evidence should include real documents from the application process. The interview for the position must be witnessed and could be recorded. Witness statements and/or observation records must be completed to support assessment decisions. Interviews may be simulated if there is no employer available, but learners should be encouraged to consider this process as a realistic preparation for their work placement.

Learners should be encouraged to collect evidence from their work experience in a logbook, which could include placement logs, diaries, personal accounts, observation records and witness testimonies. Evidence generated and/or demonstrated in the workplace must be authenticated by a workplace supervisor or manager, or a visiting teacher. Centres are ultimately responsible for verification of evidence and should be confident that those who sign witness statements and observation records in a workplace are sufficiently competent to do so. Observation records must clearly show learners' achievements against the target criteria. Signed witness testimonies and supporting learner evidence should be retained by the centre for quality assurance purposes.

The learner's logbook or diary should also be used to review and evaluate their experiences and what they have achieved/learnt as a result. It is important to focus on positive issues and to be constructive about the whole experience. Learners could produce a presentation to deliver to the teacher and group reflecting on the benefits of their work experience in the business sector, giving them an opportunity to share their thoughts and experiences with others.

Level 2

For 2A.P1, learners need to explain the purpose of different functional areas in two contrasting businesses. To provide a sufficient contrast, learners could choose a private sector and a public sector business. Evidence for the structure can be in the form of an organisational chart. Learners should select two businesses that they can access easily and approach them directly or in writing. It could be the business where they are already working part-time or their work experience business. Alternatively, the teacher may select suitable businesses for learners to approach.

For 2A.P2, learners need to describe the responsibilities of two different job roles in two contrasting businesses. These can be the same businesses used for 2A.P1. Both 2A.P1 and 2A.P2 lead on to 2A.M1, where learners have to compare two job roles and responsibilities from different functional areas in two contrasting businesses. Again, these can be the same businesses used in 2A.P1. For example, a team leader in a small supermarket with a functional structure may perform a very different role from a team leader in a large manufacturing business with a matrix or flat structure. Learners need to understand that although businesses may have different organisational structures, individual job titles may be similar, but the responsibilities of the job roles may be very different. Learners must choose at least one small business with a simple organisational structure to facilitate comparisons with a larger business having a different, more complex structure.

For 2A.D1, using their evidence for 2A.P1, 2A.P2 and 2A.M1, learners need to analyse the impact of organisational structure on job roles and functional areas in a selected business, using appropriate examples from their research.

For 2B.P3, learners need to use job-searching techniques to find three suitable business sector-based work placements. They should be encouraged to self-assess their skills and to seek advice from appropriate sources (such as the teacher or careers advice services) to ensure that they are being realistic in their ability to do a chosen job. This leads to 2B.M2 where they will need to compare the suitability of these work placements for themselves, based on a personal skills audit.

Learners need to choose one of the job placements from 2B.P3 and 2B.M2 and use job application skills to apply for this placement for 2B.P4, selecting relevant personal information that supports the application. Depending on the job role and the work placement business, this is likely to include production of a curriculum vitae and letter of application, and completing an application form. All documentation produced must be accurate and well presented, using standard business formats. This leads to 2B.M3, where learners need to use research into a selected business and career path to tailor their application documents. They can use the results of their personal audit to justify how their current knowledge and skills meet those required in the job description and person specification. They can develop this evidence further to assess their suitability for the work placement for 2B.D2 by analysing gaps in their knowledge and skills that might require further training or development. This will demonstrate their ability to understand in detail the knowledge and skills required and to be objective about their own knowledge and skills.

For 2B.P5, learners need to demonstrate confidence, professionalism and evidence of preparation when providing responses in an interview for the work placement. They should provide some appropriate responses to the questions asked at an interview for a specific job role. The interview for the position must be witnessed and ideally recorded and the learner must take on the role of interviewee only. Witness statements/observation records must be completed to support assessment decisions. Interviews may be simulated if there is no employer available, but learners should be encouraged to consider this process as a realistic preparation for their work experience.

For 2B.P6, learners must set SMART targets with an employer prior to undertaking a work placement in support of personal career goal. Learners can develop the personal skills audit undertaken in 2B.M2 to help them set targets for areas where they have weaknesses. They should set at least four goals to meet the expectations of the placement, personal goals to cover competencies, knowledge, qualifications and career aspirations. They will then need to negotiate their SMART targets with an employer prior to undertaking their work placement for 2B.M4 in order to ensure agreement of the aims and objectives of the work tasks. The goals set must be practical in terms of the time available and the tasks the learner will be performing and relate to the initial personal audit.

For 2C.P7, learners need to describe health and safety measures that ensure the safety of self and others during their work placement. They need to show they understand the expectations and responsibilities relevant to health and safety in the work placement, e.g. policy of organisation, moving and lifting, protective clothing and equipment, first aid, fire safety, food hygiene, as well as reporting procedures. This leads to 2C.M5, where learners must assess potential risks that could occur during their work placement and explain how to reduce these risks.

For 2C.P8, learners need to participate in day-to-day workplace activities with minimal supervision during their work placement. Learners must use a reflective journal to provide evidence of tasks undertaken during the work placement and what was learned from these tasks. Evidence must show the nature of the tasks carried out and not simply be a list. Learners must have signatures of supervisors or observers to confirm the tasks have been completed successfully.

For 2C.M6, learners must participate in specialist business activities with support from an appropriate specialist. Learners need to relate the development of the skill or knowledge to their specific experiences for the activity. It is not sufficient for the learner to simply write a description of the activity. Specialist activities could include helping out on specific projects (not just providing administrative support), for example participating in discussions at development meetings, offering ideas and solutions to problems.

Learners must collect evidence from their work experience using a personal diary/logbook; evidence could include a record of duties and work-related tasks undertaken, skills used, personal and/or team experiences, annotated photographs, observation records and witness statements. Evidence generated and/or demonstrated during the work experience must be authenticated by a workplace supervisor or manager, or a visiting teacher.

Centres are responsible for verifying evidence and should be confident that those who sign witness statements and observation records in a workplace are sufficiently competent to do so. Observation records must clearly show learner achievement against the target criteria. Signed witness statements, observation records and supporting learner evidence should be retained by the centre for quality assurance purposes. Please note that witness statements/observations alone are not acceptable as evidence for assessment. These must be supported by written learner work.

For 2C.P9, learners need to gather 360-degree feedback on their own performance while undertaking their work placement. This will include testimonials from managers, colleagues and customers.

For 2C.D3 learners need to evaluate their own contribution to the business while undertaking their work placement. This must be based on relevant evidence, for example the 360-degree feedback gathered, and include successful and unsuccessful aspects. Learners should consider what aspects should be approached differently and give reasons for this.

For 2D.P10, learners need to describe how they have benefited from their work experience in terms of the skills they have developed. A minimum of two benefits should be given. Learners need to consider their key achievements, the skills and knowledge needed to be successful in the role, areas for improvement and how they will improve them. This leads to 2D.M7, where learners need to explain the benefits of the work experience placement to themselves and the host business.

Finally, for 2D.D4, learners need to discuss the short- and long-term benefits to self and to the host business of their work experience. They should also reflect on the effectiveness of achieving goals planned for the work placement. Learners should use evidence from their personal log/diary together with collected feedback to identify each benefit, say how they are related and how each one contributes to their overall experience.

Evidence for the personal and work skills demonstrated in the work placement could be collected from reflective journals, learning logs or witness statements. Learners need to draw the information together in a clear and precise way. Learners could annotate their learning log/reflective journal or provide a précis of the personal and work skills. They must also explain how they have evidenced that they have learned something new, for example a checklist completed by a work placement supervisor, witness statement, practical demonstration of a new skill. The documents alone will not provide the evidence required.

Level 1

For 1A.1, learners need to describe the purpose of two functional areas in two contrasting businesses. They should select two businesses that they can access easily and approach them directly or in writing. It could be the business where they are already working part time or their work experience business. Alternatively, the teacher may select suitable businesses for learners to approach.

For 1A.2, learners need to identify the responsibilities of two different job roles in a selected business. This can be one of the businesses used for 1A.1.

For 1B.3, learners need to identify a minimum of two businesses which are able to offer a work placement, using given sources of information. Learners can select jobs from a range provided by the assessor which are appropriate to the learners' skill sets and abilities.

For 1B.4, learners need to use job application skills to apply for a suitable work placement in the business sector, selecting essential personal information. The documentation produced, such as curriculum vitae, covering letter, and application form, must all be presented in a suitable business format and checked for spelling, accuracy and grammar.

For 1B.5, learners need to use interview skills in an interview for their work placement. The assessor must provide a detailed witness testimony/observation record covering the learner's performance at the interview.

For 1B.6, learners need to set simple targets with an employer prior to undertaking a work placement. They should list at least three goals, one of which should be a skills development goal. The goals set may not all be SMART.

For 1C.7, learners need to identify health and safety requirements to ensure personal safety during their work placement, including reporting procedures. They should state why these requirements are important.

For 1C.8, learners need to participate in day-to-day workplace activities under supervision during their work placement. They need to identify the nature of the tasks being carried out and have signatures of supervisors or observers to confirm the tasks have been completed successfully. Making comments on the learning experience of carrying out the tasks, what was learned and what would be done differently, will help in the review for 1D.10.

For 1C.9, learners need to gather feedback on their own performance during their work placement, using testimonials and witness statements from colleagues, managers, and customers.

For 1D.10, learners need to identify benefits to themselves of work experience in the business sector using evidence from their reflective journals and adding comments on what they would do differently.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1B.3, 1B.4, 1B.5, 1B.6, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2B.P5, 2B.P6, 2A.M1, 2B.M2, 2B.M3, 2B.M4, 2A.D1, 2B.D2	Preparation for My Work Placement	You will prepare for employment by searching for suitable work placements. To help you understand the range of job roles, the responsibilities involved, and the various functions performed, you will need to investigate the structure of contrasting businesses. Once you have found a suitable work placement opportunity, you will use business skills to apply for the position, providing appropriately presented personal information to support the application. You will then complete an interview for the position, having prepared appropriately for potential interview questions in a professional, business-like manner.	Vacancies Job application(s) Signed observation record of interview relevant to skills demonstrated Research evidence, such as an annotated CV showing where details have been tailored, and printouts of relevant documents such as company profiles from their website Work placement targets Printed copies of emails showing evidence of the negotiation of targets

Criteria covered	Assignment	Scenario	Assessment evidence
1C.7, 1C.8, 1C.9, 1D.10, 2C.P7, 2C.P8, 2C.P9, 2D.P10, 2C.M5, 2C.M6, 2D.M7, 2C.D3, 2D.D4	Logbook and Review	During the period of your work placement, you will keep a log of the tasks you carried out and show understanding of health and safety requirements for the workplace. You could include how things went and the skills you gained or developed. You will need to review what you learned from the experience and how you were able to use these skills in a business workplace environment. You then need to consider how you will be able to use the experience to benefit your future career development. You could also consider both the short- and long-term benefits of having undertaken this work placement.	A reflective journal – either written or electronic Signed witness statements and/or observation records from host business Written evaluation of the experience Digital recordings, audio and/or visual if supported by relevant consent documentation Workplace documentation and/or artefacts, e.g. copies of documents completed by the learner if accompanied by evidence of consent by the employer

Unit 25:   Introducing International Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

In today's global marketplace business transactions take place across continents every day, but why? Why do we need to trade with other countries? Why can we not be self-sufficient? Likewise, why do businesses from other countries want to set up operations within the UK?

This unit aims to develop your understanding of why it is important to have international trade. You will begin with basic economic concepts concerning natural resources and develop greater understanding of the attitudes of multinational businesses towards international trade.

Although international business is expanding, there are still many regulations and barriers to trading. You will investigate the financial implications of fluctuating exchange rates and how this can affect the revenue of businesses. There are also more complex barriers to trading in overseas markets; but there are organisations that encourage and promote international trade, helping to break down barriers.

You will investigate cultural and religious differences in other countries and how these could affect a business when trying to operate overseas.

You will have the opportunity to explore business in an international context by investigating the international trading operations of real businesses.

Learning aims

In this unit you will:

A understand the importance of trading internationally for businesses

B understand the international business environment

C investigate the impact of different cultures and environments on businesses that trade internationally

D understand how businesses trade successfully in the international market.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the importance of trading internationally for businesses

Topic A.1 Why trade internationally?

- Economic reasons for trading internationally, including:
    - out of necessity, for example:
        - when the climate restricts the range of foodstuffs a country can produce
        - when raw materials (e.g. iron ore, coal) are not available
        - when the country produces more goods than it can sell internally, e.g. diamonds in Africa
    - to reduce operating costs, for example:
        - lower labour costs
        - lower priced utilities or raw materials
        - lower local taxes
- To make use of a country's specialisations, for example:
    - production of electrical items in the Far East, e.g. white goods, computers, mobile phones and other high technology products
    - strong financial markets, such as the London Stock Exchange and banking system in the UK encouraging other countries to invest through the UK financial markets
    - the UK's skilled manufacturing workforce, e.g. Nissan, Sabic, Tata Steel
- Opportunity for growth, including:
    - bigger markets, e.g. increase your customer base globally, increase sales revenue and product awareness
    - diversification, e.g.to potentially yield higher returns

Topic A.2 International trading

- Types, sizes, formats and sectors of businesses involved in trading internationally, e.g. multinationals, retail manufacturing, call centres, online only
- Locations that businesses choose to operate from, including:
    - UK businesses with overseas operations, e.g. call centres in India where English is widely spoken and wages are lower
    - overseas businesses which operate within the UK, e.g. EDF energy can increase their market share as they supply energy from nuclear power stations in France

What needs to be learnt

Learning aim B: Understand the international business environment

Topic B.1 The international financial environment

- Key terminology, including:
  - import
  - export
  - exchange rates
  - balance of payments
  - invisible transactions
  - visible transactions
- The effects of changing exchange rates on businesses, including:
  - increase or decrease in revenue
  - problems associated with operating with different currencies – fluctuations in exchange rates and when stock markets crash, e.g. Greece or the impact of 9/11 on the pound sterling (GBP)
- How changes in the global economy affect UK businesses, including:
  - the effect of reduced consumer spending in overseas markets
  - the effect of reduced investment by overseas businesses in UK operations

Topic B.2 Barriers to trade

- Barriers to international trading that affect a business deciding to operate internationally, including:
  - tariffs
  - quotas
  - embargoes
  - economic sanctions preventing trade with certain countries

Topic B.3 Promoting international trade

- Organisations involved in increasing international trade and their purpose, including:
  - European Union (EU)
  - World Trade Organization (WTO)
- Methods used by organisations such as EU and WTO to promote international trade, including:
  - trade agreements
  - reduced legislation, e.g. the removal of tariffs and quotas across trading areas, the introduction of the freedom to work within the EU for all EU citizens
  - partnerships between countries
  - assistance to businesses, e.g. fair trade agreements – the Fairtrade Foundation ensuring producers are paid a fair price for products

What needs to be learnt

Learning aim C: Investigate the impact of different cultures and environments on businesses that trade internationally

Topic C.1 Cultural issues affecting businesses when trading internationally

● Language, including:
  ○ the problems for smaller businesses without expertise in the language of the country they wish to operate in
  ○ problems caused by differing interpretation of meanings between countries

● Religion, including:
  ○ festivals and holidays, e.g. some countries have more public holidays than the UK
  ○ working week, e.g. the EU has a statutory working week whereas the Far East work longer hours, not all countries operate Monday to Friday
  ○ use of female employees, e.g. cultures that do not allow female employees

● Customs

● Work ethos

● Education levels of workers, e.g. such as literacy and numeracy

Topic C.2 The effects of different business environments on businesses trading internationally

● Issues associated with the political system in place in countries that businesses wish to trade in, including:
  ○ changes in political leadership leading to changes in attitude towards foreign businesses
  ○ trading in non-democratic countries, e.g. Syria

● The legal environment, including:
  ○ issues associated with different legislation concerning employment rights, e.g. minimum wages, working conditions, health and safety
  ○ issues associated with legislation concerning the sale of certain goods and services, e.g. the prohibited sale of alcohol in some Middle Eastern countries

● The economic environment, including:
  ○ issues associated with high levels of unemployment in countries that businesses may wish to operate in
  ○ increased costs of borrowing and the risks associated with this
  ○ the potential impact of reduced consumer spending
  ○ increased wage demands from employees

● The impact of changes in technology, e.g. giving competitors an advantage

● Environmental issues:
  ○ pollution caused by production (possible changes to local regulations), e.g. countries such as China currently have more liberal regulations regarding pollution but increased global pressure will lead to increased regulation

What needs to be learnt
Learning aim D: Understand how businesses trade successfully in the international market

Topic D.1 Identification of types of business and product/service
 	
● Type, e.g. sole trader, partnership, limited company, PLC, multinational
 	
● Sector, e.g. manufacturing, service sector
 	
● Product or service: what does the business sell or produce?
 	
Topic D.2 How businesses operate internationally
 	
● Types of international operations, including:
 	
    o UK businesses based overseas
 	
    o Importer of goods from overseas
 	
    o Exporter to overseas markets
 	
    o Outsourcing of parts of the business to operate in an overseas area
 	
    o Overseas business based in the UK
 	
Topic D.3 Measurement of organisational data
 	
● Percentage of market share
 	
● Profits – how much is generated by the overseas revenue
 	
● The proportion of sales revenue generated by international trade
 	
● Costs – the amount spent by the business to run its overseas operations
 	
● Justification for international trade – what benefits does it bring to the business?

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the importance of trading internationally for businesses			
1A.1 Outline why two businesses trade internationally.	2A.P1 Explain why two contrasting businesses trade internationally.	2A.M1 Discuss the benefits of trading internationally instead of just trading in one country for two contrasting businesses.	2A.D1 Evaluate the importance of trading internationally for a selected business.
1A.2 Identify the benefits of trading internationally for two businesses.	2A.P2 Describe the benefits of trading internationally for two contrasting businesses.		
Learning aim B: Understand the international business environment			
1B.3 Outline how the financial environment affects two businesses that trade internationally. *	2B.P3 Explain how the financial environment affects two contrasting businesses that trade internationally. *	2B.M2 Analyse how barriers to trade may impact upon a selected business that wants to trade internationally.	2B.D2 Evaluate how the international business environment may impact upon a selected business that wants to trade internationally. *
1B.4 Identify potential barriers that may impact upon a selected business that want to trade internationally.	2B.P4 Describe potential barriers that may impact upon a selected business that wants to trade internationally.		
1B.5 Outline how two organisations promote international trade.	2B.P5 Explain how two organisations promote international trade.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Investigate the impact of different cultures and environments on businesses who trade internationally			
1C.6 Identify cultural issues that may affect two businesses that trade internationally.	2C.P6 Describe cultural issues that may affect two contrasting businesses that trade internationally.	2C.M3 Analyse how cultural issues and different business environments may affect a selected business that trades internationally.	2C.D3 Evaluate the effect of different cultures and the business environment on a selected business that trades internationally.
1C.7 Outline how the business environment in different countries may affect two businesses that trade internationally.	2C.P7 Explain how the business environment in different countries may affect two contrasting businesses that trade internationally.		
Learning aim D: Understand how businesses trade successfully in the international market			
1D.8 Outline how two businesses trade internationally.	2D.P8 Explain how two contrasting businesses trade internationally.	2D.M4 Compare the success of two contrasting businesses in trading internationally. *	2D.D4 Evaluate the performance of a selected business that trades internationally. *
1D.9 Outline the financial performance of two selected businesses that trade internationally. *	2D.P9 Explain the financial performance of two businesses that trade internationally. *		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

There are no special resources needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

To achieve the assessment criteria, learners must show they have a good understanding of the range of businesses that operate internationally and why it is important that we have international trade. They must also demonstrate that they understand the economic, political and cultural environment in which these businesses operate, highlighting how these issues impact upon their operations.

For 2A.P1, learners need to explain why two contrasting businesses trade internationally. They do not need to address individual organisational objectives to achieve this grading criterion, but will concentrate mostly on economic reasons for trading internationally.

For 2A.P2, learners need to describe the benefits of trading internationally for two contrasting businesses. Learners must ensure they have chosen contrasting businesses, for example a manufacturing and service sector business.

For 2A.M1, learners need to discuss the benefits of trading internationally instead of just trading in one country for two contrasting businesses.

For 2A.D1, learners need to evaluate the importance of trading internationally for a selected business. Learners will need to know that they can highlight key issues but support this with basic economic data showing revenue or volume of sales of certain items and how this would be affected by not trading internationally.

For 2B.P3, learners need to explain how the financial environment affects two contrasting businesses that trade internationally. At this level learners are not expected to have detailed economic understanding of exchange rate systems, or interpret detailed balance of payments spreadsheets, but should be able to demonstrate they can identify the key points. They must be able to explain what exchange rates are and what happens to the price of buying or selling goods/services internationally when they change. Learners are also expected to be able to demonstrate how changes to the economy in another country may impact upon spending, thus in turn leading to a drop in sales revenue to a firm exporting products/services.

For 2B.P4, learners need to describe potential barriers that may impact upon a selected business that wants to trade internationally. This can be used to contrast against 2B.P5 where learners must explain how two organisations promote international trade. They will be expected to name organisations such as the EU or WTO and identify how they attempt to promote trade and remove barriers identified in 2B.P4. This leads to 2B.M2, where learners need to analyse how barriers to trade may affect the business wanting to trade internationally that was used for 2B.P4. Learners must be able to analyse specific examples of external factors, such as trade embargoes or changing exchange rates, but also how organisations intervene to reduce some of these factors. Learners must also demonstrate how some intervention by global organisations can artificially affect markets.

For 2B.D2, learners need to evaluate how the international business environment may affect the business used for 2B.P4 and 2B.M2. They need to evaluate the effects of changing financial environments and other external factors, demonstrating that they understand the consequences of these factors. It would be beneficial for learners to give specific examples to highlight their understanding of the topic.

For 2C.P6, learners need to describe cultural issues that may affect two contrasting businesses that trade internationally.

For 2C.P7, learners need to explain how the business environment in different countries may affect the two contrasting businesses used in 2C.P6.

For 2C.M3, learners need to analyse how cultural issues and different business environments may affect a selected business that trades internationally, showing how variations in culture can affect trade. This leads to 2C.D3, where learners need to evaluate the effect of different cultures and the business environment on a selected business that trades internationally.

For 2D.P8, learners need to explain how two contrasting businesses trade internationally, for example a multinational operating globally and a small business selling products in one overseas market. Learners need to explain how they operate and who they trade with.

For 2D.P9, learners must explain the financial performance of two businesses that trade internationally. Learners will need to collect financial data about two contrasting businesses and their overseas operations. They should be able to identify income and expenditure generated by these operations. This leads to 2D.M4, where learners need to compare the success of the two contrasting businesses, adding more data than that required for 2D.P9, looking at their financial performance and showing strengths and weaknesses of their international trading.

For 2D.D4, learners need to evaluate the performance of one of the businesses used for 2D.P8, 2D.P9 and 2D.M4. Their evaluative comments about the success or failure of their chosen business must also include looking forwards to the possible threats or opportunities they may have.

Level 1

For 1A.1, learners need to outline why two businesses trade internationally, identifying some of the key examples such as profit, lower running costs or specialisms.

For 1A.2, learners need to identify the benefits of trading internationally for two businesses.

For 1B.3, learners need to outline how the financial environment affects two businesses that trade internationally. They will be expected to identify key terms and give an outline of them. For example: what are imports/exports and what is an exchange rate? They must be able to relate changes in exchange rates to changes in the costs/revenue for a business.

For 1B.4, learners need to identify potential barriers that may impact upon a selected business that wants to trade internationally. This could be integrated with 1B.5, where learners need to outline how some organisations such as the EU or WTO aim to remove these barriers and promote more trade.

For 1C.6, learners need to identify cultural issues that may affect two businesses that trade internationally. This could be linked with 1C.7 where learners will need to outline wider business environment issues such as politics, climate or working styles. These two criteria could be presented in the form of a poster or a presentation where learners highlight culture and the environment from different countries.

For 1D.8, learners need to outline how two businesses trade internationally. Learners should be able to identify where they trade, who with, what they trade in and what sector they operate in. This leads to 1D.9, where learners need to outline the financial performance of these two businesses. They should be able to identify key financial indicators for the two businesses, including a range of income and expenditure items.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2,1B.3, 1B.4, 1B.5, 2A.P1, 2A.P2, 2B.P3, 2B.P4, 2B.P5, 2A.M1, 2B.M2, 2A.D1, 2B.D2	The Need to Trade	You are working for the local authority and have been asked to put together a report that looks at the importance of international business. You have been asked to investigate why businesses trade internationally. Your report will need to cover: ● the benefits and importance to businesses of trading internationally ● how the financial environment affects businesses wanting to trade internationally ● barriers that exist to entering the market and if there are any organisations that promote international trade.	Report
1C.6, 1C.7, 2C.P6, 2C.P7, 2C.M3, 2C.D3	Culture and Environment	Having produced your report for the local authority, they have now asked you to give a presentation to their trade department covering how different cultures and operating environments can impact upon international trade. You need to use examples from two contrasting businesses to demonstrate the cultural and wider business environment issues (such as politics, environmental issues or legal implications) faced by businesses when operating in other countries.	Presentation Signed witness observation testimony

Criteria covered	Assignment	Scenario	Assessment evidence
1D.8, 1D.9, 2D.P8, 2D.P9, 2D.M4, 2D.D4	Case Study	The local authority has been very pleased with the work you have produced so far and they have asked you to complete one last task. They have given you detailed information about the operations of two contrasting businesses that trade internationally. They would like you to analyse this information and produce a short report that summarises the information about their international trading operations. They wish you to identify where they trade, who they trade with, how successful have they been and what opportunities they have for the future. You must also include financial data from your two businesses.	A short report based upon two case studies of contrasting businesses.

Unit 26: Introducing the Economic Environment

Level: **1 and 2**

Unit type: **Mandatory**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Economics affects the lives of everyone. People want to have enough money to buy all the things they want, whether this is food for the week or the latest gadget. Businesses have to decide what products to make or services to supply and how to do this to make a profit. Governments want to ensure that the country is secure and that people have a good standard of living.

In this unit, you will learn that producing goods and providing services create the wealth of the nation but individuals, businesses and governments are always faced with questions of scarcity and choice. The demand for goods and services is often greater than their supply. Decisions have to be taken about what goods and services to produce, how to produce them and who should get them. Markets help to solve these problems. So, for example, train companies have busy timetables in the rush hour and charge high prices but then have to create a demand for travel outside rush hours in order to fill empty seats by selling cheap off-peak tickets. However, markets do not work perfectly and need to be regulated. For instance, some train companies might prefer to run no trains at all at quieter times of day but they are obliged to do so as a social requirement.

You will learn about the organisation of the national economy. Governments are interested in how the economy is structured and how it works and both of these are experiencing constant change. Governments provide services such as health, security and education – all of which add to national output and create employment. Regulating the economy is a major government responsibility as it seeks to achieve objectives such as promoting growth and creating jobs.

Applying the ideas of economics helps you to understand how the economy works.

Learning aims

In this unit you will:

A understand how the demand and supply for goods and services are determined

B understand how markets work

C know the structure of the national economy

D understand the economic role of government.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand how the demand and supply for goods and services are determined

Topic A.1 The economic problem

● Scarcity of resources

● Making the best use of scarce resources

● Allocation of resources, including:

   o satisfying the wants of consumers

   o using resources efficiently to maximise benefits to society

● Decision making by individuals, business and governments to prioritise the goods and services they want

● Government decision making about the distribution of resources, e.g. health care is free to everyone but not everybody needs it, unemployment benefits are not available to those under 18, high-income earners pay higher rates of income tax but some low-income earners pay no income tax

Topic A.2 Demand for goods and services

● Factors that determine the demand that individuals, business and governments have, including:

   o the need for goods and services, e.g. essential ones, such as food, housing and raw materials, or desirable ones, such as subscription TV and holidays

   o the price of goods and services (the demand schedule or curve)

   o the amount available to spend which is determined by income and borrowing

   o the price of similar, substitute goods and services, e.g. people switch to buses if rail fares rise

   o the price of related, complementary goods and services, e.g. as the demand for smart phones rises so too does the demand for apps

   o changed tastes and preferences, e.g. moving to mobile telephones from land lines

● Responsiveness of demand to changes in price, including:

   o products, such as fuel for heating, that continue to be in demand even if the price goes up

   o services, such as going to the cinema, that are used less often as the price goes up

● Effects on the income earned by a business as prices change and the corresponding demand for their products changes

continued

What needs to be learnt

Topic A.3 Supply of goods and services

- Supply of goods and services by businesses where there is an actual or potential demand that will be profitable or contribute to a specific business goal
- Factors that determine the supply of goods and services, including:
  - the price of goods and services (the supply schedule or curve)
  - the price of inputs used in production, such as the costs of labour, raw materials and capital
  - changes in technology, such as the use of robots in manufacturing motor vehicles
  - the number of competing businesses supplying the market
  - government policies, e.g. the legislation and taxation affecting tobacco products
- Responsiveness of supply to changes in price including:
  - spare capacity a business has to increase supply, e.g. producing more ice cream in hot weather by organising extra shifts
  - the amount of stock held, e.g. a manufacturer releasing umbrellas from a warehouse if the weather is unseasonably rainy without producing more umbrellas
  - reducing or stopping the supply of products to the market, e.g. HMV reducing availability of music
- Need by producers to:
  - identify how much to supply
  - minimise their production costs
- Making goods or supplying services by deciding on combinations of:
  - capital, e.g. land, factories, machinery
  - labour
  - materials
- Methods of production, e.g. by hand, mechanised, automated
- Locations of production, e.g. home, overseas, one location, multiple locations

What needs to be learnt

Learning aim B: Understand how markets work

Topic B.1 Determining where demand and supply meet for a product or service

- Identification of how demand for and supply of a product or service in a market are matched through the price mechanism
- Identification of the effect on the market equilibrium of shifts in the:
  - demand curve, e.g. impact of preference for eating restaurant food on the demand for fresh foods in supermarkets
  - supply curve, e.g. technological change such as the impact of e-books on traditional book publishers

Topic B.2 Markets

- Requirements for markets to be efficient, including:
  - best use of scarce resources
  - maximum wellbeing of society
  - lowest costs of production
  - avoidance of abuse of market power
  - promotion of competition
  - choice for consumers
- Market structures and conditions, including:
  - perfect competition
  - imperfect competition
  - oligopoly
  - monopoly
- Market failure arising from factors, including:
  - spillover effects where the producer and consumer do not pay, e.g. environmental pollution from a factory, street littering outside a fast food restaurant
  - providing public goods, e.g. parks, the police
  - government providing goods and services that are socially beneficial, e.g. healthcare, education, Citizens Advice Bureau
  - monopoly power
- Remedying market failure by using methods that include:
  - influencing prices, e.g. charging taxes on goods such as tobacco, providing subsidies to train operators to operate Community Rail Routes and to oil companies to decommission oil rigs
  - using regulatory agencies to oversee price setting and other business behaviour, e.g. Office of the Rail Regulator (ORR), Office of the Gas and Electricity Markets (Ofgem)
  - deregulation to promote competition, e.g. Open Skies agreements to allow Virgin Atlantic Airways to compete with British Airways and the growth of low-cost carriers such as easyJet
  - regulating monopolies and restrictive practices through the Competition Commission

What needs to be learnt

Learning aim C: Know the structure of the national economy

Topic C.1 The structure of the national economy

- Sectors of production in the national economy, including:
  - primary
  - secondary
  - tertiary
  - quaternary, e.g. information technology, research and development
- The contribution of the sectors of production to the economy, e.g. in terms of employment, output or growth

Topic C.2 The size of the national economy

- Measuring the size of the economy in different ways, including:
  - output, e.g. gross national product, gross domestic product, output per capita
  - the labour force, e.g. working age population, participation rates, dependency, ratio, employment and unemployment, sectoral distribution of the working population, education and skill level, migration
  - population trends and their impact on the economy
  - rate of economic growth
  - wellbeing, e.g. Human Development Index
- Structure of international trade, including:
  - the balance of payments
  - the trading partners of the United Kingdom and the value of the trade with them

Topic C.3 Economic developments

- Developing issues that will affect the national economy including:
  - information technology
  - globalisation
  - the stability of the banking sector, e.g. sufficient lending to business for investment and growth
  - environmental protection and sustainability
  - ethical concerns, e.g. genetically modified foods, animal testing of pharmaceuticals and cosmetics, manufacturing in developing countries

What needs to be learnt
Learning aim D: Understand the economic role of government

Topic D.1 The role of government in managing the economy
 	
● Economic priorities that government cannot always easily reconcile, including:
  o promoting economic growth
  o stabilising prices by keeping inflation under control
  o managing the balance of payments
  o ensuring full employment
  o managing public finances
● Methods of economic control, including:
  o fiscal policy which employs direct and indirect taxation to influence demand and supply
  o monetary policy involving pumping more or less money into the economy to stimulate or restrict growth
 	
Topic D.2 How the government provides and consumes goods and services
 	
● Provision of goods and services, including:
  o health care
  o education
  o security, e.g. army, navy, air force, police force
  o welfare
  o transport
● Consumption of goods and services, including for:
  o running government services
  o creating employment in areas of unemployment, e.g. by moving government offices
  o boosting demand in the economy, e.g. infrastructure projects such as Cross Rail
  o regenerating urban areas, e.g. Stratford in East London

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand how the demand and supply for goods and services are determined			
1A.1 Identify the factors that determine the demand for a product or service. *	2A.P1 Describe the factors that determine the demand for a selected product or service. *	2A.M1 Compare the differences between the factors that affect the supply and demand for a selected product and a selected service. *	2A.D1 Assess the importance to businesses of knowing the responsiveness of supply and demand to changes in price for products or services. *
1A.2 Identify the factors that determine the supply of a product or service. *	2A.P2 Describe the factors that determine the supply for a selected product or service. *		
Learning aim B: Understand how markets work			
1B.3 Outline how the price mechanism matches demand and supply for a selected product or service. *	2B.P3 Explain how the price mechanism matches demand to supply in the market for a selected product or service. *	2B.M2 Explain how the price is established in a market for a selected product or service in response to shifts in demand and supply. *	
1B.4 Outline why market failure occurs in the market for a given product or service.	2B.P4 Describe why market failure occurs in the market for a selected product or service.	2B.M3 Explain the effectiveness of the methods used to remedy market failure.	2B.D2 Assess the reasons why markets need to work efficiently in an economic system.
1B.5 Identify the action that can be taken by government to remedy market failure.	2B.P5 Describe the action that can be taken by government to remedy market failure.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Know the structure of the national economy			
1C.6 Identify the structure and size of the national economy, using different indicators of performance.	2C.P6 Describe the structure and size of the national economy, using different indicators of performance.	2C.M4 Analyse the importance of the trends in the structure and size of the national economy. *	2C.D3 Evaluate the impact of selected developments on the national economy. *
Learning aim D: Understand the economic role of government			
1D.7 Identify the role of the government in managing the economy. #	2D.P7 Describe the role of the government in managing the economy. #	2D.M5 Compare the priorities of government economic policy, showing how they conflict. * #	2D.D4 Evaluate the extent to which government activity in the economy supports the achievement of its economic priorities. * #
1D.8 Outline the importance of government activity in the economy. * #	2D.P8 Explain the importance of government activity in the economy. * #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

There are no special resources needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

It is possible to assess work through observation and discussion with the learner demonstrating, explaining and describing things to the assessor. When observations and oral assessments are used then the work must be directly attributable to the learner. The assessor must provide a signed statement that includes detail of the evidence presented that is aligned to the criteria. The evidence must support achievement of the criteria. If there is sufficient evidence from the oral work or from observations to make an assessment decision, then the assessment decision should be shown.

Level 2

To achieve the assessment criteria, learners must be able to apply economic ideas to current economic activity and economic problems, and to analyse demand and supply, as well as understanding the significance of the information obtained. Knowing how the information is of value helps determine individual, business and government decision making and is an important aspect of good economic management.

For 2A.P1, learners need to describe the factors that determine the demand for a selected product or service, including both price and non-price factors such as the price of competing products, preferences and tastes. Learners can analyse their own choices of what to buy and consider the factors they took into account when making choices.

For 2A.P2, learners need to describe the factors that determine the supply for a selected product or service including both price and non-price factors.

For 2A.M1, learners need to explain the differences between the factors that affect the supply and demand for a selected product and a selected service. So, for example, in drawing contrasts the supply of and demand for petrol could be compared with the supply of and demand for window cleaning. The former has relatively fixed demand and supply patterns while the latter has more flexible demand and supply patterns and learners can explain the reasons for these differences.

For 2A.D1, learners need to assess the importance to businesses of knowing how change to demand and supply for products or services affect price and output.

For 2B.P3, learners need to explain how the price mechanism matches demand to supply in the market for a product or service they have selected. Examples can be taken from what happens in street markets, particularly at the end of the day or week, or from the markets for premium products like iPhones.

For 2B.M2, learners must explain how the price is established in a market for a selected product or service in responses to shifts in demand and supply. Explanations should be supplemented with graphical illustrations to show how prices and demand change.

For 2B.P4 learners should describe why market failure occurs in the market for a selected product or service. Some towns have a single grocery chain that provides supermarkets and convenience stores, meaning that prices might be uncompetitive. They should then extend 2B.P4 for 2B.P5 by describing the action that can be taken by government to remedy market failure. So what action might be taken, if necessary by government, to promote competition? The work can be extended for 2B.M3, with learners being required to explain the effectiveness of the methods used to remedy market failure before assessing in 2B.D2 the reasons why markets need to work efficiently. Takeover and acquisitions in the supermarket business provide examples that have interested the Office of Fair Trading and Competition Commission.

For 2C.P6, learners have to describe the structure and size of the national economy using different indicators of performance.

The work for 2C.P6 can be extended for 2C.M4, with learners having to analyse the nature of the trends in the structure and size of the national economy, with examples, showing where there are significant changes to the structure and size of the economy and why these are important.

For 2C.D3 learners have to evaluate the impact of selected developments on the national economy. For example, the impact of changes in information technology has seen the growth of online business activities that require automated warehouses and efficient supply chains which then have an impact on areas such as the structure of businesses, economic growth, employment patterns, the location of business and the environment.

For 2D.P7, learners have to describe the role of the government in managing the economy. Consideration has to be given to issues such as promoting economic growth, keeping inflation under control and ensuring full employment and how methods of economic control are used to achieve the goals. Stamp duty levels were reduced between 2010 and 2012 for first-time house buyers in an attempt to stimulate the housing market and hence the demand for other household goods such as furniture, electrical appliances and carpets.

For 2D.P8, learners have to explain the importance of government activity in the economy. By providing services such as welfare and education as well as purchasing drugs for the NHS and aircraft for the RAF from UK businesses the government is an important contributor to the level of national economic activity.

For 2D.M5, learners have to compare the priorities of government economic policy, showing how they conflict and cannot all be satisfied at once. So, for example, they need to consider how the pursuit of one goal may be at the expense of another goal. Promoting growth involves stimulating demand which may cause prices to rise and so be inflationary.

For 2D.D4, learners have to evaluate the extent to which government activity in the economy supports the achievement of its economic priorities. For example, to what extent has pumping more money into the economy stimulated growth and has it had an effect on inflation?

Assessments can be integrated across more than one learning aim where this is practicable.

Level 1

To achieve the assessment criteria, learners must be able to use data relating to demand and supply as well as knowing the value of the information shown. Knowing how the information is used to consider the performance of a business in the market is an important aspect of good business management.

For 1A.1, learners need to identify the factors that determine the demand for a product or service.

For 1A.2, learners need to identify the factors that determine the supply of a product or service.

For 1B.3, learners need to outline how the price mechanism matches demand and supply for a product or service provided by the teacher.

For 1B.4, learners have to outline why market failure occurs in the market for a product or service.

For 1B.5, learners have to identify the action that can be taken by government to remedy market failure.

For 1C.6, learners have to identify the structure and size of the national economy using indicators of performance.

For 1D.7, learners have to identify the role of the government in managing the economy.

For 1D.8, learners have to outline the importance of government activity in the economy.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.D1	Establishing Demand	You have been asked to advise the owner of a new, small business on the importance of assessing the demand and supply for the product or service that the business is to provide by describing the factors that determine the demand for and supply of products/services.	A report on the demand for and supply of a product or service Observation records from the assessor if a discussion or a presentation is used
1B.3, 1B.4, 1B.5, 2B.P3, 2B.P4, 2B.P5, 2B.M2, 2B.M3, 2B.D2	Markets	You have been asked to advise the owner of a new, small business on the importance of understanding the nature of business markets in covering: • how the price mechanism works in matching demand to supply • why market failure occurs in the market for a selected product or service • actions that can be taken by government to remedy market failure.	An account of the functioning of markets Observation records from the assessor if a discussion or a presentation is used Graphical illustrations of how prices match demand and supply
1C.6, 2C.P6, 2C.M4, 2C.D3	The National Economy	The owner of the business has been asked to make a presentation to a group of potential entrepreneurs who want an overview of the national economy including: • the structure and size of the national economy using different indicators of performance • the importance of international trade to the national economy.	A presentation on the national economy Observation records from the assessor for the presentation

Criteria covered	Assignment	Scenario	Assessment evidence
1D.7, 1D.8, 2D.P7. 2D.P8, 2D.M5, 2D.D4	The Role of Government	You have been asked to advise the owner of a new, small business on various business matters including the responsibilities of the government to manage the economy including: • the role of the government in managing the economy • the significance of government activity in the economy.	A report on the economic role of government Observation records from the assessor if a discussion or a presentation is used

Unit 27: Efficient Business Operations

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

The term 'lean' originated from the need to constantly improve quality while reducing the costs of production performance in the manufacturing industry. It is now used as the basis for improvement in the workplace, including non-manufacturing processes such as an office or service industry environment, to improve business performance by eliminating waste and increasing efficiency.

In this unit you will learn about the concept of lean organisation techniques, and highlight the differences between lean production and lean office principles to put the concept in context. You will examine factors that affect an businesses' productivity, such as the types of waste and non-value-added work that affect efficiency and ultimately the customer.

This unit will equip you with tools and techniques that can be applied within the workplace to facilitate lean systems of working. You will have the opportunity to undertake a Productivity Needs Analysis (PNA) to help establish a starting point on the productivity improvement journey. You will also learn about mapping the process and measuring improvement in order to identify any concerns and improvements needed. You will see how a process map can be applied to a process and produce one for assessment.

Learning aims

In this unit you will:

A understand the concept of a lean environment

B be able to implement the productivity needs analysis process

C understand continuous improvement techniques and the principles of workplace organisation

D be able to use methods to improve the work environment and eliminate variance.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the concept of a lean environment

Topic A.1 Lean principles
● Definition of lean production techniques
● Background to lean principles, e.g. from use in the car manufacturing industry to applying lean principles in the office
● Design and state of the workspace – how these affect the implementation and application of lean principles
● Differences between lean production and lean organisation techniques
● Benefits of lean, for example:
  o improving overall productivity
  o increasing market share
  o improving speed-to-market with new products
  o reducing costs
  o reducing or eliminating non-value-added operations and processes

What needs to be learnt

Learning aim B: Be able to implement the productivity needs analysis process

Topic B.1 The productivity needs analysis process

- Purpose of the productivity needs analysis process, including:
    - o the starting point of a productivity improvement journey
    - o to identify ways to improve
    - o to help meet targets

Topic B.2 Data used to analyse productivity needs

- Turnover
- Cost of customer services
- Labour, including:
    - o headcount
    - o staff turnover rates
    - o rewards and benefits
    - o absenteeism rate
    - o use of temporary staff
- Material, including:
    - o not right first time (NRFT) rates
    - o rework levels
    - o waste
- Overheads, including:
    - o floor space utilisation
    - o contract penalties
- Supplier information by spend and volume

Topic B.3 Preparing to implement the productivity needs analysis process

- Necessary information requirements
- Gathering information from appropriate stakeholders
- Scoring the current status of the business
- Skill control
- Conducting a gap analysis
- Preparing an implementation plan

Topic B.4 Producing a flow process map

- Definition of a process in its elements/activities of work
- The concept of flow process analysis
- How a flow process analysis is created using symbols and abbreviations defined by ASME (American Standard for Methods Engineering)
- The benefits of flow process analysis for businesses
- How to produce a flow process map, including:
    - o identifying process variation
    - o identifying value-added and non-value-added activities
    - o identifying waste
    - o identifying improvements to the process
    - o action planning
- monitoring and evaluating the effectiveness of improvements implements

What needs to be learnt

Learning aim C: Understand continuous improvement techniques and the principles of workplace organisation

Topic C.1 Continuous improvement techniques (Kaizen)

- Kaizen principles and application in the workplace, including:
  - definition of Kaizen
  - the use of benchmarking to set quantifiable targets and objectives
  - identifying forms of waste, problems or conditions in the work area or activity
- Benefits of improvements, including:
  - 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) used to sustain improvements in businesses
- Health and safety practices and procedures
- Organisational policies and procedures
- Limits of own responsibility in implementing continuous improvement techniques

Topic C.2 The principles and techniques of workplace organisation (5S/5C)

- The principles of 5S/5C:
  - Seiri (Clear out)
  - Seiton (Configure)
  - Seiso (Clean and Check)
  - Seiketsu (Conformity)
  - Shitsuke (Custom and Practice)
- The process of selecting a work area or activity to apply 5S/5C principles
- Benefits to businesses of increasing the 5S/5C score to work areas or activities
- 5S/5C techniques, including:
  - establishing area score
  - identifying missing information, tools and/or equipment
  - identifying improvements in existing SOPs
  - techniques to communicate information using visual controls
  - identifying and complying with health and safety requirements

What needs to be learnt
Learning aim D: Be able to use methods to improve the work environment and eliminate variance

Topic D.1 Visual indicators used to improve the work environment

● The purpose of using visual indicators to improve the work environment

● Stages of process

● Principles of applying visual indicators in the workplace, including:

  o standardisation

  o format

  o positioning

  o relevance

● Measures of performance

● Benefits of using visual indicators to improve the work environment

Topic D.2 Eliminating variance from the workplace

● Principles of eliminating variance from the workplace

● Benefits of eliminating variance, including:

  o safety

  o quality

  o efficiency

● Using standard working methods to eliminate variance

● Standardising work documents to eliminate variance

● Applying safe working methods

● Assigning responsibility for processes and activities

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the concept of a lean environment			
1A.1 Identify the principles of lean organisation techniques.	2A.P1 Describe, using examples, the principles of lean organisation techniques.	2A.M1 Explain the benefits of using lean organisation techniques for two contrasting businesses.	2A.D1 Evaluate the benefits of lean organisation techniques for a selected business.
1A.2 Outline the difference between lean production and lean organisation techniques.	2A.P2 Describe, using examples from contrasting businesses, the difference between lean production and lean organisation techniques.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Be able to implement the productivity needs analysis process			
1B.3 Outline the process to conduct a productivity needs analysis.	2B.P3 Explain the process for conducting a productivity needs analysis.	2B.M2 Analyse the benefits to the business of improvements to be implemented.	2B.D2 Evaluate, using relevant examples, the usefulness of flow process mapping when planning to implement improvements in the workplace.
1B.4 Carry out a productivity needs analysis, with guidance, in a selected workplace.	2B.P4 Carry out a productivity needs analysis in a selected workplace.		
1B.5 Produce a flow process map for a selected process. * #	2B.P5 Produce a flow process map for an identified process, using appropriate symbols and terminology. * #		
1B.6 Produce, with guidance, an action plan for implementing improvements identified in the flow process map. * #	2B.P6 Produce a realistic action plan for implementing improvements identified in the flow process map. * #		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Understand continuous improvement techniques and the principles of workplace organisation			
1C.7 Outline how Kaizen techniques are applied in a selected workplace.*	2C.P7 Explain how Kaizen techniques are applied in a selected workplace. *	2C.M3 Analyse the benefits to a selected business of implementing suggested improvements to workplace organisation. *	2C.D3 Evaluate the benefits of implementing Kaizen and workplace organisation techniques in a selected workplace. *
1C.8 Identify areas of weakness in workplace organisation in a selected business. *	2C.P8 Describe areas of weakness in workplace organisation in a selected business and suggest improvements. *		
Learning aim D: Be able to use methods to improve the work environment and eliminate variance			
1D.9 Produce a suitable visual indicator for an identified improvement.	2D.P9 Identify elements that contribute to good visual management in the workplace and prepare appropriate visual indicators.	2D.M4 Recommend visual management improvements to a selected workplace.	2D.D4 Evaluate improvements to the work environment through using visual management systems in a selected workplace.
1D.10 Identify the benefits of standard working methods.	2D.P10 Describe the benefits of standard working methods.		
1D.11 Prepare, with guidance, a standardised work document suggesting how to eliminate variance in a selected work environment. #	2D.P11 Prepare a standardised work document suggesting how to eliminate variance in a selected work environment. #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

There are no special resources needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

It is important for learners to select an appropriate work area or activity to complete the assessment for this unit. The workplace used for assessment in this unit can be real or a simulated realistic working environment.

Level 2

For 2A.P1, learners need to describe, using examples, the principles of lean organisation techniques. This should involve looking at the background to the concept of 'lean', drawing upon its inception in Japanese manufacturing production, and linking this to current lean office application

For 2A.P2, learners need to describe, using examples from contrasting businesses, the difference between lean production and lean organisation techniques. This could involve preparing a presentation that highlights the similarities and differences between lean production and lean organisation techniques. 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 operations 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 2A.M1, learners need to explain the benefits of using lean organisation techniques for two contrasting businesses. This leads to 2A.D1, where learners must evaluate how using lean organisation techniques has benefited one of the businesses used in 2A.M1.

For 2B.P3 and 2B.P4, learners need to explain the process for conducting a productivity needs analysis and then carry out a productivity needs analysis in a selected workplace. Learners should ensure that they identify 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 business; for example a business may need to address the three main factors affecting their operating costs – labour, overheads and material.

For 2B.P5, learners need to produce a flow process map for an identified process that is annotated using appropriate symbols and terminology. This 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 2B.P6, learners need to produce a realistic action plan for implementing improvements identified in their flow process map. This leads to 2B.M2, where learners must analyse the benefits to the business of improvements to be implemented.

For 2B.D2, learners need to evaluate, using relevant examples, the usefulness of flow process mapping when planning to implement improvements in the workplace.

For 2C.P7, learners need to explain how Kaizen techniques are applied in a selected workplace. This should involve describing the concept of Kaizen and explaining the stages involved in the improvement cycle, illustrating them with a diagram and followed by how these stages are applied in the selected workplace.

For 2C.P8, learners need to describe areas of weakness in workplace organisation in a selected business and suggest improvements. This will involve conducting 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 their suggested improvements.

For 2C.M3, learners need to analyse the benefits to a selected business of implementing the improvements they have suggested to workplace organisation.

For 2C.D3, learners need to evaluate the benefits of implementing Kaizen and workplace organisation techniques in the selected workplace used in 2A.M1.

For 2D.P9, learners need to identify elements that contribute to good visual management in the workplace, including the features of a visual management system, and then prepare appropriate visual indicators. Learners can build on their work for 2C.P8 and identify any visual management improvements, preparing appropriate visual indicators to support this.

For 2D.P10, learners need to describe the benefits of standard working methods. This will involve describing the benefits of having standard operating procedures (SOPs) in terms of safety, quality and efficiency.

For 2D.P11, learners need to prepare a standardised work document suggesting how to eliminate variance in a selected work environment. This will involve designing a procedure for a selected activity or area and outlining the improvements it could make to the process.

For 2D.M4, learners need to recommend visual management improvements to a selected workplace and, for 2D.D4, the impact of these improvements for the work environment needs to be evaluated.

Level 1

For 1A.1, learners need to identify the principles of lean organisation techniques.

For 1A.2, learners need to outline the difference between lean production and lean organisation techniques. This could involve producing a poster or wall chart to demonstrate the differences.

For 1B.3, learners need to outline the process to conduct a productivity needs analysis and then carry out a basic productivity needs analysis in a selected workplace for 1B.4.

For 1B.5, learners need to produce a flow process map for a selected process. This could involve producing a mindmap, splitting these into labour, material and overheads categories.

For 1B.6, learners need to produce a basic action plan for implementing improvements identified in their flow process map. They must show the process mapped using correct terminology, and must identify concerns and at least one improvement needed.

For 1C.7, it is important that learners understand the interpretation of the 5Ss/5Cs from the Japanese words ensuring that they list the main Kaizen principles when outlining how Kaizen techniques are applied in a selected workplace.

For 1C.8, learners need to select a work area and identify weaknesses in workplace organisation in a selected business.

For 1D.9, learners will need to demonstrate their understanding of the use of visual management systems to improve work practices by producing a suitable visual indicator for an identified improvement.

For 1D.10, learners need to identify the benefits of standard working methods, including the benefits of having standard operating procedures (SOPs) in terms of safety, quality and efficiency.

For 1D.11, learners need to prepare a basic standardised work document suggesting how to eliminate variance in a selected work environment. This will involve designing a procedure for a selected activity or area and outlining the improvements it could make to the process.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.D1	What is a Lean Organisation?	You are working in a business improvement consultancy and have been asked to help provide information for training sessions for businesses wanting to improve business performance by eliminating waste and increasing efficiency. Firstly, you will need to research the origin of the term 'lean' and investigate lean techniques and lean production. You have been asked to prepare this as a presentation.	Presentation Signed witness testimony
1B.3, 1B.4, 1B.5, 1B.6, 2B.P3, 2B.P4, 2B.P5, 2B.P6, 2B.M2, 2B.D2	Productivity Needs Analysis and Mapping	You now need to include information on the factors that affect the productivity of a selected business, such as the types of waste and non-value-added work that affect efficiency and ultimately the customer. In order to do this you will need to select a workplace and carry out a productivity needs analysis. To improve organisational process and services you will need to explain the process and produce a flow process map with an action plan for improvements.	Presentation or report Productivity needs analysis Flow process map with symbols and terminology

Criteria covered	Assignment	Scenario	Assessment evidence
1C.7, 1C.8, 2C.P7, 2C.P8, 2C.M3, 2C.D3	Kaizen and Improvement Techniques	You have been asked to produce further information for the training on the continuous improvement of process management in business. This will also include details of tools and techniques that can be applied within the workplace to facilitate lean systems of working. To do this you need to explain Kaizen then complete an audit of a work area to determine where improvements could be made.	Report or presentation Signed witness statement of audit carried out
1D.9, 1D.10, 1D.11, 2D.P9, 2D.P10, 2D.P11, 2D.M4, 2D.D4	Visual Management Systems	Finally, you need to include information for the training on the principles and procedures of visual management systems and the types of information to be displayed. You will need to prepare suitable visual indicators for improvements you have identified and prepare a leaflet which includes a procedure and an outline of the improvements this has made to the process.	Leaflet Annotated photos or signed witness statement of visual indicators designed

Unit 28:   Principles of Procurement and Supply

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

In today's competitive global market it has become increasingly important for businesses to deliver products and services that exceed customer expectations. All businesses need inputs of goods and services from external suppliers or providers and if these have not been purchased in adequate volume, at a competitive price or the proper quality, then the business cannot maintain competitive advantage. It is consequently critical to the success of any business, whether in the public, private or third sectors, that procurement and supply involves selecting the proper vendors or suppliers.

In this unit you will have the opportunity to examine the key concepts of procurement, supply and supply chains and how these contribute to the efficiency and effectiveness of the business. In any business, a significant proportion of costs are accounted for by the purchase of products, services or constructional works. Equally, any business will also be supplying products, services or works to their customers, which could be other businesses, consumers or the public.

You will learn about the key aspects of sourcing and buying activities in the supply chain. This includes understanding the fundamental objectives of and processes for effective sourcing, and the main aims and procedures for efficient buying. It is important for buyers to develop and maintain good relationships with suppliers and you will be able to explore ways of achieving these and the effects of poor relationships.

Selecting the source from which to buy is only the beginning of the process. Expediting, monitoring and controlling placed orders are also essential steps in the total buying process. In this unit you will understand the main elements of a procurement and supply function and how this links to organisational goals.

Finally, you will examine how market factors, such as the level of demand, can impact on the procurement and supply function in different businesses. For example, you might consider how developments in technology, such as smartphones and tablets, affect business decisions on whether to stockpile goods or source minimum stocks.

Learning aims

In this unit you will:

A understand the role of procurement and supply in businesses

B know about the sourcing process and key stages of the supply chain

C understand the procurement and supply function in businesses

D understand how market factors impact on a procurement and supply function.

Learning aims and unit content

What needs to be learnt
Learning aim A: Understand the role of procurement and supply in businesses

Topic A.1 Aspects of procurement and supply

- Common terms that describe aspects of procurement and supply, including:
  - procurement
  - purchasing
  - buying
  - supply chain
  - materials management
  - distribution
  - logistics
  - contract management
- The typical proportion of costs accounted for by procurements of goods and services
- The role of procurement and supply in achieving value for money in businesses, including defining value for money
- The promotion of sustainability in the work of procurement and supply through specifying goods and services, selecting suppliers and monitoring standards, for example through:
  - socially and ethically responsible purchasing
  - minimising environmental impact through the supply chain
  - delivering economically sound solutions
  - good business practice
- The role of procurement personnel in liaising with other internal functions and how these personnel contribute to the procurement of goods and services from suppliers, for example:
  - procurement planning
  - purchasing
  - inventory control
  - traffic
  - incoming inspection
  - salvage operations
- The benefits of effective procurement, including:
  - the impact on profitability – the profit contribution effect
  - creating savings and improving efficiency
  - assisting in the creation and monitoring of budgets
  - by helping to achieve targets
- The five 'rights' of procurement and supply – to have:
  - the right quality
  - the right quantity
  - at the right price
  - at the right place
  - at the right time

What needs to be learnt

- Issues involved in implementing the five 'rights', e.g. to get an item at the right time, you may have to lower the quality and/or increase the price
- The delivery of products and services that businesses make to customers, including:
  o defining products and services
  o customers' demands for delivery of the five rights
  o seeing customers as a part of a supply chain
- The delivery of products and services made by external suppliers, including:
  o the need for supplies of products and services from external suppliers
  o outsourced services, e.g. facilities management, information technology support, logistics, personnel services
  o seeing suppliers as a part of a supply chain

Learning aim B: Know about the sourcing process and key stages of the supply chain

Topic B.1 The sourcing process

- The main stages of a sourcing process (sourcing resources and suppliers), including:
  o identification of needs
  o producing specifications
  o requesting and receiving quotations
  o assessing suppliers' quotations
  o making contract award recommendations
  o contract authorisation
  o order placement, blanket orders/frameworks and call off orders
  o performance and delivery
  o payment of suppliers
  o expediting deliveries
  o reviewing outcomes and processes
  o pre- and post-award stages of a sourcing process
- How the sourcing process is applied in businesses
- Problems that can occur during the sourcing process, including:
  o implications for the rest of the process
  o contingency planning to overcome problems

Topic B.2 The supply chain

- The main components of a supply chain, including:
  o customers and their customers
  o customers and consumers
  o suppliers and their use of suppliers
  o tiers of a supply chain, e.g. goods and services, information and financial flows
  o the global aspects of supply chains, e.g. using suppliers from other countries
- Problems that can occur in the supply chain, including:
  o implications for the rest of the supply chain
  o contingency planning to overcome problems
  o communication
  o time zones

What needs to be learnt

Learning aim C: Understand the procurement and supply function in businesses

Topic C.1 Types of business

- Differences between:
  - private, public and third sector businesses/organisations
  - production and service businesses/organisations
  - formal and informal businesses/organisations

Topic C.2 Operating functions in businesses

- Typical functions in businesses/organisations that procurement and supply interacts with, for example:
  - production
  - operations
  - marketing and sales
  - customer support
  - human resources
  - finance
  - IT
  - technical functions
- Differentiating between procurement for inbound logistics, and supply for outbound logistics
- How businesses compete on the basis of cost, reliability of quality and delivery, range of products and services and how procurement and supply can contribute to achieving organisational goals

Topic C.3 Elements of a procurement and supply function

- The use of mission and/or vision statements and objectives by procurement and supply functions in businesses, including:
  - objectives of procurement and supply functions
  - targets for procurement and supply
- The main roles and structures of a procurement and supply function within businesses/organisations, including:
  - links to organisational goals
  - competition and regulatory roles
  - advice and guidance that a procurement and supply function can provide to other functions
  - procurement and supply as a service function
  - centralised, devolved and lead buying structures of procurement and supply functions
- Procedures that can be created by a procurement and supply function, including:
  - delegations of authority and approvals
  - procedures that apply to running competitions between suppliers
  - auditing compliance with internal procedures

What needs to be learnt
Learning aim D: Understand how market factors impact on a procurement and supply function

Topic D.1 Market factors that impact on a procurement and supply function
● Economic sectors that impact on a procurement and supply function, including:
  o public, private and not for profit/third sectors
  o primary, secondary and tertiary sectors
● The impact of demand and supply on markets, including:
  o demand and supply curves
  o how demand and supply factors can change
  o how demand and supply factors can impact on pricing and availability
 	
Topic D.2 The impact of market factors on procurement and supply activities
● The level of competition, including:
  o perfect competition
  o imperfect competition
  o oligopoly
  o duopoly
  o monopolies
● The impact of demand on sales and how procurement and supply can match demand with the supply of goods and services
● The effect of market growth and decline on procurement and supply activities
● Competitive forces on businesses/organisations through the bargaining strength of customers and suppliers, substitute products or services and new entrants to the market
● The activities of procurement and supply to gauge the changes in competitive forces in the supply chain

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand the role of procurement and supply in businesses			
1A.1 Identify the roles of procurement and supply in two businesses.	2A.P1 Describe the roles of procurement and supply in two contrasting businesses.	2A.M1 Assess the benefits of an effective procurement and supply function for a selected business.	2A.D1 Evaluate the importance of the role of the procurement and supply function for a selected business.
1A.2 Outline the benefits of effective procurement and supply for businesses.	2A.P2 Explain, using relevant examples, the benefits of effective procurement and supply for businesses.		
1A.3 Outline how the five rights of procurement and supply are applied effectively in a selected business.	2A.P3 Explain, using relevant examples, how the five rights of procurement and supply are applied effectively in a selected business.		
Learning aim B: Know about the sourcing process and key stages of the supply chain			
1B.4 Identify the main stages of the sourcing process in two contrasting businesses.	2B.P4 Describe the main stages of the sourcing process in two contrasting businesses.	2B.M2 Explain how the sourcing process and supply chain can be managed effectively in a selected business.	2B.D2 Justify recommendations for improving the sourcing process in a selected business.
1B.5 Identify the main components of the supply chain in two businesses.	2B.P5 Describe the main components of the supply chain in two contrasting businesses.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Understand the procurement and supply function in businesses			
1C.6 Identify how the procurement and supply function in two businesses use mission and vision statements and objectives.	2C.P6 Describe how the procurement and supply function in two contrasting businesses use mission and/or vision statements and objectives.	2C.M3 Compare the roles, structures and procedures of the procurement and supply function in two contrasting businesses.	2C.D3 Assess the effectiveness of the procurement and supply function in a selected business.
1C.7 Identify the main roles and structures of the procurement and supply function in two businesses.	2C.P7 Describe the main roles and structures of the procurement and supply function in two contrasting businesses.		
1C.8 Describe the main procedures that can be created by a procurement and supply function.	2C.P8 Explain, using relevant examples, the main procedures that can be created by a procurement and supply function.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Understand how market factors impact on a procurement and supply function			
1D.9 Identify the impact of demand and supply on markets. *	2D.P9 Describe, using relevant examples, the impact of demand and supply on markets. *	2D.M4 Analyse the impact of market factors on procurement and supply activities in a selected business. *	2D.D4 Evaluate the effect of competition on the procurement and supply activities of a selected business. *
1D.10 Outline how market factors impact on the procurement and supply activities of two businesses. *	2D.P10 Explain how market factors impact on the procurement and supply activities of two contrasting businesses. *		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

Learners will need access to local businesses. This unit is linked to professional qualifications from the Chartered Institute of Purchasing and Supply (CIPS). For further details, visit www.cips.org.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

Level 2

For 2A.P1, learners need to describe the roles of procurement and supply in two contrasting businesses. The businesses contrasted should be a public and a private sector business. The correct use of common terms must be used. Learners will need to define what is meant by procurement and outline the purchasing process in each business, showing how it differs in different sectors. Evidence could be in the form of a leaflet or presentation.

For 2A.P2, learners must explain, using relevant examples, the benefits of effective procurement and supply for businesses. The examples can be from research carried out for 2A.P1 and learners should consider different aspects, including sustainable practices and improved efficiency. This can then be developed for 2A.M1, to assess the benefits of an effective procurement and supply function for a selected business.

For 2A.P3, learners need to explain, using relevant examples, how the five rights of procurement and supply are applied effectively in a selected business. They should identify how effective purchasing contributes to the profitability and competitiveness of the business and also identify any issues involved in implementing the five rights.

For 2A.D1, learners must evaluate the importance of the role of the procurement and supply function for a selected business. Learners should examine how the purchasing function helps the business achieve its objectives.

For 2B.P4, learners need to describe the main stages of the sourcing process in two contrasting businesses. This could be presented as a flow chart or diagram.

For 2B.P5, learners need to describe the main components of the supply chain in two contrasting businesses. The same businesses used in 2B.P4 could be used, and the evidence produced in diagrammatic format.

For 2B.M2, learners need to explain how the sourcing process and supply chain can be managed effectively in a selected business. Evidence should examine the types of problems that can occur in the supply chain and the implications of this for the business. This evidence could be developed for 2B.D2, where learners must justify recommendations for improving the sourcing process in a selected business. Examples could be improving communication between supply chain members, such as more regular meetings and how this could benefit the business through improved team work and increased productivity.

Learning aim C looks at the main elements of the procurement and supply function. For 2C.P6, learners need to describe how the procurement and supply function in two contrasting businesses use mission and/or vision statements and objectives.

For 2C.P7, learners need to describe the main roles and structures of the procurement and supply function in two contrasting businesses. This could be illustrated with an organisation chart, showing the typical operational functions in the businesses and where procurement and supply both integrates and differentiates with these.

For 2C.P8, learners must explain, using relevant examples, the main procedures that can be created by a procurement and supply function, such as those relating to delegation of authority and approvals and running competitions between suppliers.

For 2C.M3, learners need to compare the roles, structures and procedures of the procurement and supply function in two contrasting businesses. This can be developed for 2C.D3, where learners must assess the effectiveness of the procurement and supply function in a selected business.

For 2D.P9, learners need to describe, using relevant examples, the impact of demand and supply on markets. A simple demand and supply curve can be used to illustrate how the market factors can change, and how these can affect pricing and availability.

For 2D.P10, learners must explain how market factors impact on the procurement and supply activities of two contrasting businesses. Learners can then select one business and analyse the impact of market factors on procurement and supply activities for 2D.M4.

For 2D.D4, learners need to evaluate the effect of competition on the procurement and supply activities of a selected business.

Level 1

For 1A.1, learners need to identify the roles of procurement and supply in two businesses.

For 1A.2, learners must outline the benefits of effective procurement and supply for businesses.

For 1A.3, learners need to outline how the five rights of procurement and supply are applied effectively in a selected business.

For 1B.4, learners must identify the main stages of the sourcing process in two contrasting businesses.

For 1B.5, learners need to identify the main components of the supply chain in two businesses.

For 1C.6, learners need to identify how the procurement and supply function in two businesses use mission and vision statements and objectives..

For 1C.7, learners need to identify the main roles and structures of the procurement and supply function in two businesses.

For 1C.8, learners need to describe the main procedures that can be created by a procurement and supply function.

For 1D.9, learners need to identify the impact of demand and supply on markets.

For 1D.10, learners need to outline how market factors impact on the procurement and supply activities of two businesses.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1B.4, 1B.5, 2A.P1, 2A.P2, 2A.P3, 2A.M1, 2A.D1, 2B.P4, 2B.P5, 2B.M2, 2B.D2,	What is Procurement and Supply?	You have a work placement in the purchasing department of a large do-it-yourself outlet. Your supervisor has asked you to help prepare training materials on the concepts relating to procurement and supply for a new staff training induction. The materials you produce must look at two contrasting businesses and examine what makes an effective procurement and supply function and the benefits of this for a business. You will also need to use examples from contrasting businesses to illustrate the stages of the sourcing process and the components of the supply chain.	Presentation or leaflet

Criteria covered	Assignment	Scenario	Assessment evidence
1C.6, 1C.7, 1C.8, 1D.9, 1D.10, 2C.P6, 2C.P7, 2C.P8, 2C.M3, 2C.D3, 2D.P9, 2D.P10, 2D.M4, 2D.D4	Procurement and Supply in Practice	You have now been asked to provide case study material which investigates the procurement and supply function in two contrasting types of business. This material will cover the roles and structures of the function in each business, showing how this integrates with other organisational functions and links to business goals. You should also give examples of different market factors, including the impact of demand and supply on markets, and how these could impact on the procurement and supply function.	Presentation or report

Unit 29: Implementing Procurement and Supply in Business

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **60**

Assessment type: **Internal**

Unit introduction

Procurement and supply activities involve a number of complex internal and external interrelationships in a business. Procurement and supply is a function which buys in materials and services from suppliers and forms contracts with those suppliers. In order for it to be effective for a business, it is important to know the capabilities of the suppliers, build relationships with all stakeholders and have systems and procedures in place.

Pricing is a key component of a contract and the pros and cons of different types of arrangements have to be considered. You will have the opportunity to examine the types of contracts used for the supply of goods or services and the fundamentals of the contract formation process. Selecting potential suppliers involves finding out as much information about them as possible, such as researching the track record for technical capability, delivery and quality factors. You will examine different sources of information used by businesses to locate details of both suppliers and customers.

It is important to form agreements with external suppliers and in this unit you will be able to examine how effective administration can ensure that timely deliveries are achieved by suppliers. You will also explore the relevant documentation and administrative processes that are involved.

Effective procurement and supply depends on good relationships. Stability of demand helps suppliers form long-term relationships with customers and, in return, suppliers are expected to provide excellent levels of service. This requires a high degree of trust, which can sometimes result in conflict situations between stakeholders. You will examine ways that effective relationships can be formed with suppliers, customers and other stakeholders, and the importance of teamwork when resolving conflict situations.

Finally, implementation of procurement and supply in business requires effective quality management systems, ethical codes of practice and rigorous corporate governance. You will explore the principles of quality management and the techniques used for quality assurance, as well as the details included in standard ethical codes and the impact of corporate governance.

Learning aims

In this unit you will:

A know about customers and contractual agreements in procurement and supply

B know about systems for supplier selection, ordering and payment

C understand how to work with stakeholders in procurement and supply

D understand the importance of quality management and ethical codes of practice in procurement and supply.

Learning aims and unit content

What needs to be learnt
Learning aim A: Know about customers and contractual agreements in procurement and supply

Topic A.1 Contractual agreements

- Types of contract for the supply of goods or services, including:
  - o spot purchases
  - o term contracts
  - o framework arrangements – blanket orders, panel contracts, call offs
- Pricing arrangements applied in commercial contracts, including:
  - o fixed pricing, lump sum pricing and schedule of rates
  - o cost reimbursable and cost plus arrangements
  - o variable pricing arrangements
  - o target pricing arrangements
  - o risk and reward pricing arrangements
  - o the benefits, drawbacks and appropriateness of different pricing arrangements
- The use of tendering and quotations
- Documents that comprise a contract for the purchase or supply of goods or services, including:
  - o the specification
  - o Key Performance Indicators (KPIs)
  - o contract terms
  - o pricing
  - o the use of other schedules

Topic A.2 Sources of information on suppliers and customers

- The use of internet search engines to locate details about suppliers and customers
- The types of information presented by suppliers and customers on their websites and their usefulness
- The use of credit rating agencies, including:
  - o the role of credit rating agencies and credit rating scores
  - o publications on individual businesses and markets
  - o the use of credit rating scores
- Intranet, extranet and internet sites, including:
  - o distinguishing between the intranet, extranet and internet sites
  - o the use of intranet, extranet and internet sites to publicise information
  - o information for help and advice on intranet sites
  - o information for the wider community on business websites

What needs to be learnt
Learning aim B: Know about systems for supplier selection, ordering and payment

Topic B.1 Systems for supplier selection, ordering and payment
 	
● Types of system, including:
   o systems for purchase ordering
   o capturing data on expenditures
   o the use of portal sites to locate suppliers or customers
   o the use of master production schedules, bills of materials and inventory status files
   o examples of supplier database systems, e.g. sales order processing, MRP and ERP systems
 	
● The use of electronic sourcing systems for supplier selection, including:
   o defining e-sourcing
   o attracting quotations or tenders through an e-tendering or e-sourcing system
   o the publication of e-notices
 	
● P2P (purchase to pay) systems for ordering from suppliers and payment to suppliers, including:
   o the P2P process from the creation of requisitions, to raising requests for quotations or tenders, receipt of quotations or tenders, delivery documentation, invoicing and payment
   o examples and benefits of P2P systems provided by software companies
   o the use of reverse auction software in sourcing products or services
 	
● The importance to businesses of having effective systems in place for supplier selection, ordering and payment

What needs to be learnt

Learning aim C: Understand how to work with stakeholders in procurement and supply

Topic C.1 Stakeholders

- Defining stakeholders in procurement and supply
- External stakeholders, including:
    - o suppliers
    - o customers
    - o consumers
    - o communities
    - o government
- Internal stakeholders that can be involved in purchases from suppliers and supplies delivered to customers, including:
    - o the role of procurement and supply in dealing with other business functions, e.g. marketing, sales, production, operations, human resources, finance, design and development, distribution, facilities, senior management and the board of management

Topic C.2 Conflict resolution with stakeholders in procurement and supply

- How conflict can arise in the work of procurement and supply, including:
    - o defining workplace conflict
    - o the sources of conflict in businesses and between personnel
    - o the sources of conflict between businesses and their personnel
- Approaches to conflict resolution with stakeholders in procurement and supply, including:
    - o clarifying roles and responsibilities
    - o group cohesion
    - o achieving buy-in from stakeholders
- The contribution of effective teamwork to dealing with conflict with stakeholders in procurement and supply, including:
    - o group cohesiveness and performance
    - o the characteristics of an effective work group
    - o theoretical perspectives of the stages of team development, including Tuckman's forming, storming, norming and performing model of team development
- Methods of improving working relationships with stakeholders in procurement and supply

What needs to be learnt

Learning aim D: Understand the importance of quality management and ethical codes of practice in procurement and supply

Topic D.1 Components of quality management in procurement and supply

- Defining:
  - o quality
  - o quality control
  - o quality assurance
- Approaches to developing Total Quality Management (TQM)
- Developing a quality culture in businesses
- Benchmarking
- Quality standards – BS5750 and ISO 9001
- The costs of quality, including:
  - o internal inspection, prevention and appraisal costs
  - o external costs of loss of sales and rework or returns caused through defective quality and the long term damage to organisational reputation
- Techniques associated with quality assurance and quality management, including:
  - o from quality inspection to quality assurance
  - o quality circles – PDCA (Plan, Do, Check, Act)
  - o the use of statistical process control charts
  - o achieving continuous improvement
- The importance to businesses of having effective quality management systems in place

Topic D.2 The use of ethical codes of practice in procurement and supply

- The role of ethical codes in procurement and supply, including:
  - o bribery and corruption
  - o treatment of stakeholder groups
  - o ethical behaviours with suppliers, customers and competitors
- The use of ethical codes in procurement and supply such as the CIPS (Chartered Institute of Purchasing and Supply) Code of Ethics
- Details that should be included within standard ethical codes, including:
  - o regulations in ethical standards
  - o codes for sustainable procurement
- The impact of corporate governance on a procurement and supply function, including:
  - o defining corporate governance and the use of governance frameworks that include rules, policies, processes and structures
  - o the importance of effective corporate governance of the procurement and supply function in businesses
  - o mechanisms and controls in the corporate governance of procurement and supply that include policies and procedures for delegations of authority, authorisations of expenditures and audits of agreements made with suppliers
  - o the application of ethical codes with suppliers

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know about customers and contractual agreements in procurement and supply			
1A.1 Outline the differences between three different types of contract used for the purchase or supply of goods or services. #	2A.P1 Explain the differences between three different types of contract used for the purchase or supply of goods or services. #	2A.M1 Discuss the benefits and drawbacks of the pricing arrangements used in three different types of contract for the purchase or supply of goods or services. *	2A.D1 Evaluate the appropriateness of the pricing arrangements used in three different types of contract for the purchase or supply of goods or services. *
1A.2 Identify the pricing arrangements applied in three commercial contracts. * #	2A.P2 Describe the pricing arrangements applied in three different commercial contracts. * #		
1A.3 Outline how two businesses use different sources of information to locate details about suppliers and customers.	2A.P3 Explain how two contrasting businesses use different sources of information to locate details about suppliers and customers.	2A.M2 Assess the usefulness of the different sources of information used by two contrasting businesses to locate details about suppliers and customers.	
Learning aim B: Know about systems for supplier selection, ordering and payment			
1B.4 Identify the types of systems used for supplier selection, ordering and payment in two businesses.	2B.P4 Describe the types of systems used for supplier selection, ordering and payment in two contrasting businesses.	2B.M3 Assess the effectiveness of the systems used for supplier selection, ordering and payment in a selected business.	2B.D2 Evaluate the importance of having effective systems in place for supplier selection, ordering and payment in a selected business.

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Understand how to work with stakeholders in procurement and supply			
1C.5 Identify the internal and external stakeholders involved in purchases from suppliers and supplies delivered to customers in two businesses.	2C.P5 Describe the internal and external stakeholders involved in purchases from suppliers and supplies delivered to customers in two contrasting businesses.	2C.M4 Assess the effectiveness of a selected business in dealing with stakeholders in procurement and supply.	2C.D3 Justify recommendations for improving working relationships with stakeholders in procurement and supply in a selected business.
1C.6 Outline the approaches used by two businesses to resolve conflict with stakeholders in procurement and supply.	2C.P6 Explain the approaches used by two contrasting businesses to resolve conflict with stakeholders in procurement and supply.		
1C.7 Outline the contribution that effective teamwork can make when dealing with conflict with stakeholders in procurement and supply.	2C.P7 Explain the contribution that effective teamwork can make when dealing with conflict with stakeholders in procurement and supply.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim D: Understand the importance of quality management and ethical codes of practice in procurement and supply			
1D.8 Outline how a quality management system is applied in two businesses. *	2D.P8 Explain how a quality management system is applied in two contrasting businesses. *	2D.M5 Assess the effectiveness of a quality management system applied in a selected business. * #	2D.D4 Evaluate the importance of effective quality management systems in a selected business, including adherence to ethical codes and mechanisms of corporate governance. * #
1D.9 Identify the role of ethical codes in procurement and supply and the details that should be included in standard ethical codes.	2D.P9 Describe the role of ethical codes in procurement and supply and the details that should be included in standard ethical codes.		
1D.10 Outline the impact of corporate governance on a procurement and supply function in a selected business.	2D.P10 Explain the impact of corporate governance on a procurement and supply function in a selected business.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

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Assessment guidance

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Level 2

For 2A.P1, learners need to explain the differences between three different types of contract used for the purchase or supply of goods or services. This will include a definition of the term 'contracts' and why these are important.

For 2A.P2, learners need to describe the pricing arrangements applied in three different commercial contracts, for example variable pricing, target pricing, risk and reward pricing. This can be developed for 2A.M1, where learners must discuss the benefits and drawbacks of the pricing arrangements used in these three different types of contract for the purchase or supply of goods or services. Evidence could be in the form of a presentation or poster.

For 2A.P3, learners must explain how two contrasting businesses use different sources of information to locate details about suppliers and customers; for example the use of the internet, trade associations or supplier database systems. The usefulness of these sources of information for the two businesses must be assessed for 2A.M2.

An evaluation of the appropriateness of the pricing arrangements used in three different types of contract for the purchase or supply of goods or services is needed for 2A.D1.

For 2B.P4, learners need to describe the types of systems used for supplier selection, ordering and payment in two contrasting businesses. An assessment of the effectiveness of these systems for 2B.M3 can be developed to evaluate the importance and impact on business success for 2B.D2.

For 2C.P5, learners need to describe the internal and external stakeholders involved in purchases from suppliers and supplies delivered to customers in two contrasting businesses.

An explanation of the approaches used by the two businesses to resolve conflict with stakeholders and the contribution that effective teamwork can make in this process will provide evidence for 2C.P6 and 2C.P7.

For 2C.M4 learners should select one of the businesses used for 2C.P5 and 2C.P6 and assess the effectiveness of how they deal with stakeholders in procurement and supply. This can be developed for 2C.D3 to make justified recommendations for improving working relationships with stakeholders.

For 2D.P8, learners need to explain how a quality management system is applied in two contrasting businesses.

For 2D.P9, learners need to describe the role of ethical codes in procurement and supply and the details that should be included in standard ethical codes. They could use examples from a selected business. This business could be used to research and explain the impact of corporate governance on a procurement and supply function in for 2D.P10.

For 2D.M5, learners need to select one of the businesses used for 2D.P8 and assess the effectiveness of the quality management system in place. They can build on this to evaluate the importance of effective quality management systems for 2D.D4, including adherence to ethical codes and mechanisms of corporate governance.

Level 1

For 1A.1, learners need to outline the differences between three different types of contract used for the purchase or supply of goods or services.

For 1A.2, learners must identify the pricing arrangements applied in three commercial contracts.

For 1A.3, learners need to outline how two businesses use different sources of information to locate details about suppliers and customers.

For 1B.4, learners must identify the types of systems used for supplier selection, ordering and payment in two businesses.

For 1C.5, learners need to identify the internal and external stakeholders involved in purchases from suppliers and supplies delivered to customers in two businesses.

For 1C.6, learners need to outline the approaches used by two businesses to resolve conflict with stakeholders in procurement and supply.

For 1C.7, learners need to outline the contribution that effective teamwork can make when dealing with conflict with stakeholders in procurement and supply.

For 1D.8, learners need to outline how a quality management system is applied in two businesses.

For 1D.9, learners must identify the role of ethical codes in procurement and supply and the details that should be included in standard ethical codes.

For 1D.10, learners need to outline the impact of corporate governance on a procurement and supply function in a selected business.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1B.4, 2A.P1, 2A.P2, 2A.P3, 2B.P4, 2A.M1, 2A.M2, 2B.M3, 2A.D1, 2B.D2	What Are Contracts and the Systems Used in Procurement and Supply?	You are applying for a job as purchasing assistant in the contracts department for a local manufacturing business. As part of the interview process, you have been asked to deliver a short presentation showing you understand how effective administration can ensure that timely deliveries are achieved by suppliers. You will need to look at two contrasting businesses and include information on the main types of contracts, pricing arrangements, and administrative processes that are involved in forming agreements with external suppliers.	Presentation Copies of slides, presenter notes

Criteria covered	Assignment	Scenario	Assessment evidence
1C.5, 1C.6, 1C.7, 1D.8, 1D.9, 1D.10, 2C.P5, 2C.P6, 2C.P7, 2D.P8, 2D.P9, 2D.P10, 2C.M4, 2D.M5, 2C.D3, 2D.D4	The Importance of Relationships and Quality in Procurement and Supply	You have also been asked to prepare a written handout for the selection panel on procurement and supply stakeholders and the importance of quality management. The material must include information researched in two businesses. You will examine how effective relationships can be formed with suppliers, customers and other internal and external stakeholders, giving examples of approaches used to resolve conflicts with stakeholders. You should also provide detail on how quality management is applied in the businesses, together with the importance of adhering to ethical codes of practice and mechanisms of corporate governance.	Handout or report

Unit 30:   Corporate Social Responsibility

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Supermarkets import fresh produce that requires a large amount of water in its cultivation from countries in Africa where the population often does not have enough water for living. Neither of these actions is against the law but are these businesses behaving responsibly?

Businesses have a responsibility but also an excellent opportunity to make a difference through their actions. One way of doing this is to make sure that they act in a socially responsible way; this notion is called corporate social responsibility.

Consumers are taking a greater interest in the role of businesses in society. This has partly been prompted by increased awareness of environmental and ethical issues. These issues include environmental damage and the way that staff are treated. Corporate social responsibility has often meant accountability in far-away countries, but businesses are now finding that measures closer to home are also important. Issues such as these have been highlighted in the media and the pressure on businesses to play a positive role in society is growing. Businesses are realising that if they respond to these pressures, there might be long-term benefits to their business.

In this unit, you will learn about the concept of responsible business practice and explore how businesses interact with, and affect, the local, national and global community.

Businesses have objectives and without regulation they might behave in unacceptable ways in pursuit of those objectives. Businesses produce their own policies, procedures and internal codes of practice for responsible behaviour. They have customer charters and promises that indicate the standards of service that customers can expect. They demonstrate social engagement through local projects and national initiatives. Wider environmental concerns are reflected in policies for sustainability and fair trade. Businesses that are socially responsible enhance their reputations, build positive perceptions and involve stakeholders; all of which ultimately benefit the businesses. Understanding the nature of social responsibility will show learners its relevance to businesses and its contribution to the achievement of business goals.

Learning aims

In this unit you will:

A understand why businesses need to act responsibly

B know ways in which businesses can demonstrate corporate social responsibility

C be able to review and recommend improvements to business practices.

Learning aims and unit content

What needs to be learnt

Learning aim A: Understand why businesses need to act responsibly

Topic A.1 Compliance with the law

- The need for businesses to operate in legal ways by working within the confines of the law, for example:
  o company law
  o employment law
  o health and safety law
  o equality law
  o consumer law
  o environmental law
- Why areas of business activity are governed by law

(Current legislation must be referred to in considering the social responsibilities of businesses.)

Topic A.2 Responsible and ethical behaviour

- Demonstrating best corporate practice in areas such as:
  o corporate governance
  o employment, e.g. Investors in People
  o pay policy
  o positive discrimination
  o social inclusion
  o ethical trading
  o payment of commissions ensuring they do not constitute bribery
  o conflict of interest
  o whistleblowing
- Complying with the requirements of regulatory frameworks, for example:
  o international conventions:
    – ILO Convention on Minimum Age (child labour)
    – Kimberley Process Certification Scheme (blood diamonds)
  o regulatory agencies such as:
    – Financial Services Authority (FSA)
    – Water Services Regulation Authority (OFWAT)
    – Office of the Gas and Electricity Markets (OFGEM)
  o codes of practice such as the:
    – British Code of Advertising
    – Sales Promotion and Direct Marketing (CAP Code)
- Making a service commitment to customers, including:
  o customer charters
  o customer pledges
  o service levels

What needs to be learnt

- Demonstrating corporate behaviour that is:
  - honest, e.g. TV phone voting not being rigged
  - open, e.g. publishing surgeons' success rates
  - transparent, e.g. tendering processes for the supply of goods and services
  - respectful, e.g. allowing Muslim cricketers not to display sponsors' logos when the sponsor is a brewer
  - responsible, e.g. product recalls when items are faulty
  - fair, e.g. equal pay for work of equal value

Topic A.3 The need to be a good corporate citizen

- The characteristics of being a good corporate citizen, including:
  - community involvement
  - investing locally
  - creating employment
- The benefits of being a good corporate citizen, including:
  - reputation
  - positive image
  - customer loyalty
  - employee commitment

Topic A.4 Stakeholder interest in socially responsible corporate behaviour

- Ensuring that social responsibility meets the interests of stakeholders, for example:
  - owners
  - managers
  - employees
  - debtors
  - creditors
  - government agencies, e.g. HMRC
  - customers
  - communities – local, national, international
  - pressure groups

What needs to be learnt

Learning aim B: Know ways in which businesses can demonstrate corporate social responsibility

Topic B.1 Socially responsible behaviour when trading

- Demonstrating social responsibility towards customers in areas such as:
  - product quality
  - service quality
  - consumer information
  - marketing
  - promotional activities
  - pricing
  - customer loyalty
  - refusing to sell to rogue and pariah states
  - requiring customers to demonstrate ethical standards
  - dealing/not dealing with customers, e.g. Ford Motor Company withdrawing advertising from the (now defunct) News of the World
- Demonstrating social responsibility towards suppliers in areas such as:
  - requiring suppliers to be socially responsible
  - requiring ethical supplier practices
  - requiring supplier quality standards
  - prompt payment
  - receiving gifts
  - receiving hospitality
  - buying from rogue and pariah states
  - dealing/not dealing with suppliers
- Advantages to businesses of being socially responsible when trading

Topic B.2 Social impact of business activities

- Managing issues that have an impact on society, for example:
  - environmental protection, e.g. air pollution, environmental permitting
  - carbon footprint
  - climate change
  - sustainability, e.g. energy conservation, recycling, waste reduction, reducing packaging
  - animal rights/animal testing
  - genetically modified (GM) food

continued

What needs to be learnt

Topic B.3 Community involvement

- Being involved with the community through activities such as:
  - charitable foundations, e.g. Bill and Melinda Gates Foundation
  - charitable donations
  - sponsorship
  - political donations
  - community involvement e.g. Social Business Trust
  - community partnerships
  - local initiatives
  - promotional campaigns e.g. Computers for Schools, Active Kids
- Reasons why businesses choose to be involved with the community

Learning aim C: Be able to review and recommend improvements to business practices

Topic C.1 Socially responsible corporate policies, procedures and practices

- Socially responsible policies, procedures and practices in respect of:
  - customers
  - suppliers
  - employees
  - environment
  - ethical behaviour
  - responsible behaviour
- Review and recognise socially responsible business activities:
  - identify best practice – international, national, industry
  - benchmarking and recognising responsible corporate policies, procedures and practices using indicators, for example:
    - Investors in People
    - Human Capital Awards
    - Soil Association
    - Energy Star
    - Fairtrade
    - Freedom Food

Topic C.2 Recommend improvements to business practices

- Areas for improvement to socially responsible policies, procedures and practices in respect of:
  - customers
  - suppliers
  - employees
  - environment
  - ethical behaviour
  - responsible behaviour
- Recommending changes to socially responsible policies, procedures and practices

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Understand why businesses need to act responsibly			
1A.1 Outline why areas of business activity are governed by law.	2A.P1 Explain why areas of business activity are governed by law.	2A.M1 Assess the interests of stakeholders in businesses being good corporate citizens.	2A.D1 Evaluate the benefits to a business of being a good corporate citizen.
1A.2 Identify the characteristics of responsible corporate behaviour.	2A.P2 Explain the characteristics of responsible and ethical organisational behaviour.		
Learning aim B: Know ways in which businesses can demonstrate corporate social responsibility			
1B.3 Outline how businesses demonstrate socially responsible behaviour.	2B.P3 Explain, using relevant examples, how businesses demonstrate socially responsible behaviour when trading.	2B.M2 Analyse the advantages to a selected business of socially responsible behaviour when trading.	2B.D2 Evaluate how a selected business responds to the issues of social concern through the ways that it operates.
1B.4 Identify, using examples, the issues of social concern that affect businesses.	2B.P4 Describe, using relevant examples, issues of social concern that affect the activities of businesses.		
1B.5 Outline, using examples, how businesses demonstrate their community involvement.	2B.P5 Explain, using relevant examples, how businesses demonstrate socially responsible behaviour through their community involvement.	2B.M3 Assess the reasons for a selected business demonstrating socially responsible behaviour through its community involvement.	

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim C: Be able to review and recommend improvements to business practices			
1C.6 Outline the socially responsible corporate practices of a selected business.	2C.P6 Explain the socially responsible corporate policies, procedures and practices of a selected business.	2C.M4 Assess the areas in need of development in the socially responsible corporate policies, procedures and practices of a selected business.	2C.D3 Justify recommended improvements to socially responsible policies, procedures and practices of a selected business.
1C.7 Suggest changes to socially responsible practices of a selected business.	2C.P7 Recommend improvements to socially responsible policies, procedures and practices of a selected business.		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

There are no special resources needed for this unit.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment*.

To achieve the assessment criteria, learners will need access to organisational information or can be given a suitable case study to consider. Many businesses make information available in their annual reports and on their websites regarding their corporate social responsibilities and how these are met.

Level 2

For 2A.P1, learners need to explain why areas of business activity are governed by law since at the heart of socially responsible behaviour is adherence to the law. Discriminating against employees on the grounds of ethnicity is not just socially irresponsible but it is against the law.

For 2A.P2, learners need to explain the characteristics of responsible and ethical organisational behaviour, demonstrating what constitutes best corporate practice, compliance with the requirements of regulatory frameworks, making service commitments to customers and demonstrating good corporate behaviour.

For 2A.M1, learners need to assess the interests of stakeholders in businesses being good corporate citizens. What is the benefit to stakeholders of socially responsible behaviour? There are, of course, times when these interests might conflict. For example, many drugs are tested on animals by pharmaceutical companies which need to demonstrate good corporate citizenship by marketing safe drugs but animal rights activists have a conviction that animal testing is unethical.

For 2A.D1, learners need to evaluate the benefits to a business of being a good corporate citizen. The assessment work for learning aim A can be integrated across all the assessment criteria and ensure that examples and cases used are current.

For 2B.P3, learners explain how businesses demonstrate socially responsible behaviour when trading. They need to provide relevant examples of practices of real businesses in order to achieve this criterion.

For 2B.P4, learners describe the issues of social concern that affect the activities of businesses. They need to provide relevant examples of issues that have affected real businesses in order to achieve this criterion.

For 2B.P5, learners need to explain, using relevant examples, how businesses demonstrate socially responsible behaviour through their community involvement. Examples can be taken from a range of different businesses and many will be keen to trumpet their activities in respect of their socially responsible behaviour. For example, supermarkets giving away coupons that can be spent by schools on computers and sports equipment.

For 2B.M2, learners need to analyse the advantages to a selected business of socially responsible behaviour when trading. This leads to 2B.M3, where learners need to assess the reasons for the business demonstrating socially responsible behaviour through its community involvement. The benefits to the business can be beneficial in both financial and non-financial terms.

For 2B.D2, learners need to evaluate how a selected business responds to the issues of social concern through the ways that it operates. There is a range of issues that can be considered. For example, a cosmetics business that does not test its products on animals, or an energy company giving out energy-efficient light bulbs to reduce energy usage and therefore carbon emissions.

The assessment work for learning aim B can be integrated across all the assessment criteria.

For 2C.P6, learners need to explain the socially responsible corporate policies, procedures and practices of a selected business. This leads to 2C.P7, where learners must recommend improvements to socially responsible policies, procedures and practices of the business.

For 2C.M4, learners need to assess the areas in need of development in the socially responsible corporate policies, procedures and practices of the business used in 2C.P6 and 2C.P7.

For 2C.D3, learners need to justify the improvements they recommended to socially responsible policies, procedures and practices of the business used in 2C.P6 and 2C.P7.

The assessment work for learning aim C can be integrated across all the assessment criteria. In addition, assessment can be integrated across all three learning aims and presented to learners as a staged activity.

Level 1

For 1A.1, learners need to outline why areas of business activity are governed by law.

For 1A.2, learners need to identify the characteristics of responsible corporate behaviour.

For 1B.3, learners need to outline how businesses demonstrate socially responsible behaviour.

For 1B.4, learners need to identify, using examples, the issues of social concern that affect businesses.

For 1B.5, learners need to outline, using examples, how businesses demonstrate their community involvement.

For 1C.6, learners need to outline the socially responsible corporate practices of a selected business.

For 1C.7, learners need to suggest changes to socially responsible practices to the business used in 1C.6.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 2A.P1, 2A.P2, 2A.M1, 2A.D1	The Need to Act With Social Responsibility	You work in a newly established business that sets a high value on acting in socially responsible ways and have been asked as part of your training to consider why businesses need to act responsibly. You have been asked to investigate and prepare a report for the senior management team on the social responsibility issues that face businesses including: • an explanation of why areas of business activity are governed by law • an explanation of the characteristics of responsible and ethical organisational behaviour • an assessment of the interests of stakeholders in businesses of being good corporate citizens • an evaluation of the benefits to a business of being a good corporate citizen.	Report Observation records from the assessor if a discussion or presentation is used

Criteria covered	Assignment	Scenario	Assessment evidence
1B.3, 1B.4, 1B.5, 2B.P3, 2B.P4, 2B.P5, 2B.M2, 2B.M3, 2B.D2	Demonstrating Corporate Social Responsibility	Continuing your work in the newly established business, your manager has asked you to prepare a promotional brochure for other staff members on the ways in which businesses can demonstrate corporate social responsibility. Using relevant examples, your brochure will cover: ● how businesses demonstrate socially responsible behaviour when trading ● issues of social concern that affect the activities of businesses ● the advantages to a selected business of socially responsible behaviour when trading ● how businesses demonstrate socially responsible behaviour through their community involvement ● the reasons for a selected business demonstrating socially responsible behaviour through its community involvement ● how a selected business responds to the issues of social concern through the ways that it operates.	Brochure Observation records from the assessor if a discussion or presentation are used.

Criteria covered	Assignment	Scenario	Assessment evidence
1C.6, 1C.7, 2C.P6, 2C.P7, 2C.M4, 2C.D3	Improving Socially Responsible Business Practices	Continuing your work in the newly established business, and following the success of your report in the assignment covering learning aim A, the senior management team have asked you to look at how business practices can be improved. Your report will need to include an explanation of the socially responsible corporate policies, procedures and practices of a selected business with an assessment of the areas in need of development. You will need to follow this with justified recommendations for improvements to these policies, procedures and practices.	Report

Unit 31: Managing Personal Finances

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

Planning personal finances is a skill which all business people need to develop if they are to have a secure financial future. It is important for you to appreciate the factors that can impact on this as well as the consequences of *not* planning properly. This unit gives you the opportunity to investigate all sources of personal income and items of expenditure, although not all of these may currently apply to you. Personal organisation and problem-solving skills are needed to manage personal finance, and you will be able to apply these when constructing your own realistic budgets.

You will get the chance to investigate the different types of financial service providers, looking at both traditional institutions, such as banks and building societies, and the newer players in the market, such as retailers and online providers. You will be able to investigate the types of advice they provide and be able to make comparisons between the advice you would receive from a 'tied' adviser and an independent financial adviser.

It is important to get sound and impartial financial advice on savings and investments and in this unit you will learn about different financial products and services available to you during your lifetime. You will not only learn about the key features of the products and services but also the regulation of financial service providers, to help protect you as a consumer of financial products and services, and also your own personal responsibilities, before you seek advice and buy financial products and services.

Learning aims

In this unit you will:

A know about managing personal finances and financial products and services

B produce a personal budget that takes account of personal remuneration and expenditure.

Learning aims and unit content

What needs to be learnt
Learning aim A: Know about managing personal finances and financial products and services

Topic A.1 Managing personal finances

● Importance of managing personal finances effectively, e.g. to avoid getting into debt, controlling costs, remaining solvent, saving, planning for future events, maintaining a good credit rating

● Consequences of not managing finances effectively, e.g. poor credit rating, insolvency, difficulty in getting approval for mortgages and loans, being unable to meet essential day-to-day payments, potentially losing a home and possible family tensions

● The importance of keeping and checking financial records, e.g. bank and credit card statements, chequebook counterfoils, (cheque stubs), receipts, bills, pay slips

● Contingency planning, e.g. having savings and/or insurance for emergencies such as central heating boiler or car breaking down, losing a job through redundancy

● Planning for future events, e.g. buying a house, buying a new car, going on holiday, getting married, having children, university/college fees, retirement

● Online banking, e.g. setting up standing orders and direct debits, ease of transferring funds or paying bills, 24/7 access to account balances, security issues

● Keeping money secure, e.g. taking care when using ATMs and PINs, setting secure passwords for online accounts, being aware of phishing and scam emails

Topic A.2 Financial services providers

● Types of financial services providers, including:
  ○ banks
  ○ building societies
  ○ independent financial advisers (IFAs)
  ○ financial companies
  ○ retailers (store cards, personal loans)

● The purpose of financial services providers, for example:
  ○ 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 financial information and advice, for example:
  ○ internet comparison sites
  ○ newspapers
  ○ family and friends

continued

What needs to be learnt

Topic A.3 Financial products and services

- Types of financial products and services, including:
  - o current or savings accounts
  - o insurance protection
  - o life assurance
  - o mortgages
  - o different types of loans
  - o pensions
  - o religious and cultural banking services, e.g. Sharia-compliant bank accounts
- Financial Service Authority (FSA) regulation of financial service advisers to provide protection to customers, e.g. licensing of all financial service providers, information on what financial service providers must provide, providing a system for complaints
- The personal responsibilities that people have when they buy financial products or services, including:
  - o making an honest assessment of their own needs and risk profile
  - o undertaking their own preliminary research to find out about the different products and services on the market
  - o researching the providers and making sure they are authorised by the FSA to offer advice and provide financial products and services
  - o checking what the costs are and finding out if they can change their mind and get their money back later, e.g. cooling off periods or if any loans or mortgages can be paid off early without incurring any early redemption penalties
- Comparing options and making suitable choices of financial products and services based on accurate information, including:
  - o terms and conditions
  - o interest rates
  - o fees and/or charges
  - o policy information
  - o access

What needs to be learnt

Learning aim B: Produce a personal budget that takes account of personal remuneration and expenditure

Topic B.1 Producing a personal budget

- The purpose of creating a personal budget, including:
  - o to work out how much money there will be left at the end of each month
  - o to help plan future expenditure
  - o to help plan future savings
- Key elements of a personal budget and how to construct it, including:
  - o total monthly income
  - o total monthly expenditure
  - o net monthly cash flow
  - o monthly opening balances
  - o monthly closing balances
  - o ensuring tax and National Insurance contributions are accounted for
- Regular and irregular income and expenditure, including:
  - o regular income, e.g. wage/salary, interest on savings/investment, state benefits
  - o regular expenditure, e.g. rent/mortgage, food, gas/electric, loan repayments
  - o irregular income, e.g. bonuses, gifts/inheritances
  - o irregular expenditure, e.g. special occasions, emergencies
- Sources of income, for example:
  - o wages, salary including overtime
  - o tips
  - o fees
  - o bonus or commission earned
  - o allowances
  - o state benefits and grants
  - o interest from savings or investments
  - o gifts and inheritances
- Types of expenditure, for example:
  - o accommodation
  - o household expenses (utilities)
  - o travelling and travel expenses
  - o food
  - o clothing
  - o communication (landline, mobile, internet)
  - o leisure activities
  - o insurance
  - o money set aside for savings
  - o special occasions
  - o credit card or loan payments
  - o Child Support Agency (CSA) payments

continued

What needs to be learnt

Topic B.2 Analysing a personal budget
 	
● Analysing a personal budget and planning for contingencies, including:
  o looking for months where expenditure exceeds income
  o looking at the trend in the closing monthly balances
  o looking at expenditure items to ensure they are all necessary
  o looking for any surpluses to aid saving/investment decisions
  o planning the most appropriate time to make large purchases
  o ensuring sufficient savings to cover for emergencies
  o considering ways to increase income.

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Know about managing personal finances and financial products and services			
1A.1 Outline the importance of managing personal finances effectively. #	2A.P1 Explain, using relevant examples, the importance of managing personal finances effectively. #	2A.M1 Analyse the consequences of not managing personal finances effectively. #	
1A.2 Identify different types of financial service providers and their purpose.	2A.P2 Explain the purpose of different types of financial service providers and their products.	2A.M2 Assess the appropriateness of the different features, benefits, charges and risks associated with the products and services provided by three contrasting financial providers in a given situation. * #	2A.D1 Justify recommendations for appropriate financial products and services in a given situation. * #
1A.3 Outline the features, benefits, charges and risks associated with the products and services provided by three financial providers. *	2A.P3 Explain the features, benefits, charges and risks associated with the products and services provided by three contrasting financial providers in a given situation. *		
1A.4 Outline the rules and regulations that financial service providers must comply with when providing savings and investment advice to potential customers.	2A.P4 Explain the rules and regulations that financial service providers must comply with when providing savings and investment advice in a given situation.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Produce a personal budget that takes account of personal remuneration and expenditure			
1B.5 Outline the purpose of creating a personal budget.	2B.P5 Explain the purpose of creating a personal budget.	2B.M3 Analyse a personal budget and identify areas of concern.	2B.D2 Evaluate personal budgeting as a tool for managing personal finances. * #
1B.6 Prepare, with guidance, a personal budget from given data. *	2B.P6 Prepare an accurate personal budget from given data. *	2B.M4 Make justified recommendations on how to overcome issues identified in the personal budget. * #	
1B.7 Outline the type of contingencies that need to be planned for and how to plan for them. * #	2B.P7 Explain the type of contingencies that need to be planned for and how to plan for them. * #		

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

The special resource required for this unit is access to a computer spreadsheet package to enable learners to produce their personal budget.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

This unit can be used as a platform to introduce the concept of managing personal finances. Learners can use their own experiences, as well as case studies and data provided by the centre, to explore the financial services sector and develop their own knowledge of how to manage personal finances effectively.

When producing and analysing a personal budget, learner work should be based on the potential finances of the first few years of their career rather than a budget based on their finances whilst still in full-time education. For example, they could produce a personal budget based on a salary of around £15,000 or their finances whilst on a level 3 apprenticeship programme.

Level 2

For 2A.P1, learners need to explain using relevant examples, the importance of managing personal finances.

For 2A.M1, learners need to draw together both the 'how' and the 'why' to provide an analysis of what could happen if personal finances are not managed effectively.

For 2A.P2, learners need to explain the different types of financial service providers and whether they are 'tied' advisers or can give independent advice and the types of products and services they provide. This leads onto 2A.P3 where learners must explain the features, benefits, charges and risks of different types of products that are currently available for a given situation. They could either explain the features, benefits, charges and risks provided by a current account from three different providers or they could consider the features, benefits, charges and risks provided by three different loans or credit cards. Teachers can either provide details of the three accounts for the learners to compare, to ensure a good contrasting choice or they can research their own with guidance from the teacher.

For 2A.P4, learners need to be aware of rules and regulations that financial advisers have to adhere to when providing financial advice in order to offer some protection to the consumer and aid the quality of the advice given.

For 2A.M2, learners need to make a comparison of the features, benefits, charges and risks associated with the three products explained in the given situation in 2A.P4. The three products need to be the same type, e.g. three savings accounts, three current accounts or three loans from different providers, to enable learners to compare the products and make some judgements; for example, current accounts offered to students from three different providers could be investigated and would be relevant to learners, allowing them to make an informed comparison relevant to their own potential needs.

For 2A.D1, learners need to select one of the three products as their preferred choice and justify their recommendation, taking into account the features, benefits, charges and risks they have already explained and assessed.

For 2B.P5, learners need to explain the purpose of producing a personal budget as part of managing their personal finances. Often banks can be a source of advice, providing information in the form of leaflets which can be collected from their branches or downloaded from their websites.

For 2B.P6, learners need to be provided with realistic data so they can prepare a personal budget for the next twelve months. This should include at least one month where expenditure exceeds income and there is at least one closing negative balance. This will allow learners to undertake the analysis for 2B.M3 with some purpose. A well-designed set of data allowing the learners to make suitable suggestions is crucial for this criterion. There should be both regular and irregular income and expenditure and suggested examples for sources of income and expenditure are provided in the teaching content for learning aim B.

For 2B.P7, learners need to explain the types of issues that that could have an impact on their personal finances and how they could make a contingency plan for these.

For 2B.M3, learners need to provide an analysis of the personal budget they have produced. The detail of the analysis and the issues identified will depend on the scenario set and data given in the assignment by the teacher. This can then be developed in 2B.M4 where learners make recommendations on how they would plan to address these issues.

For 2B.D3, learners need to evaluate the process of producing a personal budget as a way of managing personal finances by looking at both the advantages and disadvantages of the process.

Level 1

For 1A.1, learners need to outline why it is important to manage personal finances effectively, starting from the basic assumption of 'it will help you avoid getting into debt' and providing reasons why this is important.

For 1A.2, learners need to identify different types of financial service providers, such as banks, building societies or IFAs, and identify the different types of products and services they provide.

For 1A.3, learners need to outline the features, benefits, charges and risks of different types of financial services and products provided by three financial providers.

For 1A.4, learners need to outline the rules and regulations placed on financial service providers when they provide savings and investment advice to consumers.

For 1B.5, learners need to outline the purpose of creating a personal budget by looking at how it will help with planning for the future and avoiding overspending.

For 1B.6, learners need to prepare a basic personal budget from given data. This could be where income does not exceed expenditure, or where the inflows and outflows are regular. Assessors could also provide learners with example budgets prior to the learner starting the assignment.

For 1B.7, learners need to outline the types of contingencies that need to be planned for and outline how they would plan for these.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 1A.4, 2A.P1, 2A.P2, 2A.P3, 2A.P4, 2A.M1, 2A.M2, 2A.D1	Managing Personal Finances and Financial Products and Services	Owing to the rise in personal debt because of the recession, and as part of your job with your local Citizens Advice Bureau, you are part of a team that needs to prepare and present a report entitled, 'Know about managing personal finances and financial products and services'.	Report, presentation, discussion notes
1B.5, 1B.6, 1B.7, 2B.P5, 2B.P6, 2B.P7, 2B.M3, 2B.M4, 2B.D2	Production of a Personal Budget	As part of your role with the Citizens Advice Bureau you are working with a client and have agreed to produce a personal budget for them from the information they have provided you and to offer advice and guidance to help them better plan their finances in the future.	Personal budget spreadsheet, report

Unit 32:   Sustainability in the Business Workplace

Level: **1 and 2**

Unit type: **Optional specialist**

Guided learning hours: **30**

Assessment type: **Internal**

Unit introduction

What is sustainability and how does the way we work affect the environment? How is sustainability applied in workplaces in the business sector?

This unit may inspire you to make positive changes to the way you live and encourage you to use sustainable practices when you are at work.

Sustainability in the work environment requires us to use resources to ensure minimum impact on the environment, and to ensure sustained productivity. It is important in making sure that we have, and will continue to have, the water, materials and resources needed to protect human health and wellbeing and our environment.

More and more employers in the business sector are using sustainable practices in the workplace. The use of sustainable practices can take pressure off the environment, help to reduce costs, and increase efficiency and profit.

You will have the opportunity to find out how sustainability relates to the business sector workplace. You will explore how non-sustainable practices can affect these workplaces and explore ways in which a business sector workplace could improve its sustainable practice.

You will then use what you have learnt to devise and carry out a campaign to promote sustainability in a selected business workplace and have the opportunity to reflect on the outcomes of your campaign to see what went well and what you could improve.

Learning aims

In this unit you will:

A explore sustainable practices that benefit the business workplace

B research and carry out a campaign to promote environmental sustainability in a business workplace

C reflect on the outcomes of the sustainability campaign.

Learning aims and unit content

What needs to be learnt
Learning aim A: Explore sustainable practices that benefit the business workplace

Topic A.1 Non-sustainable practices

- The impact of non-sustainable practice on the business workplace, including:
  - o cost of wasting materials, e.g. paper, materials used in products
  - o cost of wasting power, including non-use of energy-efficient lighting, keeping equipment on standby
  - o pollution and its impact on employee health, the local environment and the local population
  - o impact of pollution on products and services, e.g. food scares
  - o impact of energy sources running out, e.g. oil, coal, gas, and the availability and cost of sustainable alternatives such as wind, solar, tidal, geothermal; rising cost of energy sources as a result of scarcity
  - o negative public perception, e.g. negative media coverage, political comments

Topic A.2 Sustainable practices

- Everyday sustainable practices that could be used by individuals in the business workplace, for example:
  - o walking or cycling to the workplace
  - o avoiding/minimising air travel
  - o reducing waste and not over purchasing, e.g. paper for printers
  - o recycling waste
  - o reusing items for their original or a different purpose, e.g. reusable shopping bags, using food containers for storage
  - o sustainable purchasing, e.g. buying local produce, fairly traded products
  - o waste management hierarchy (reduce, reuse, recycle)
  - o reducing energy use, e.g. electric cars, turning off shop-front lighting overnight, turning off lights when not in the room, turning down thermostats, using low-energy light bulbs, turning off equipment at the end of the day
  - o reducing transport needs through different working arrangements, e.g. working from home, video conferencing
  - o individual workplace-specific practices, e.g. composting in food retail outlets, scrapping waste materials when manufacturing products, secure destruction of confidential documents
  - o use of carbon neutral materials and products
  - o use of zero carbon technology
  - o servicing office machinery according to schedule, e.g. printers
  - o schemes, e.g. International Sustainability and Carbon Certification (ISCC)
  - o sustainable design features, e.g. buildings orientated to maximise use of natural light, increasing building insulation levels, use of solar energy
- Monitoring effectiveness of sustainable practices, e.g. energy audit, food miles, reduced cost of energy bills, increased efficiency in businesses, less traffic/congestion, reduction in carbon levels

What needs to be learnt

Topic A.3 Advantages and disadvantages of sustainable practices for the business workplace

- Potential advantages for businesses, including:
  - reducing negative impact of business workplace activities on local, national and global environment
  - creating resource efficiency and reducing costs
  - creating green marketing opportunities
  - improving public relations and image
  - generating support for business in local community
  - increasing safety for employees and others by adhering to legal requirements to use certain sustainable practices, e.g. safe storage and disposal of waste and safe storage and use of hazardous substances
- Potential disadvantages for businesses, including:
  - cost of compliance with key, current and relevant legislation, Waste Electrical and Electronic Equipment (WEEE) Regulations, Controlled Waste Regulations, Environmental Protection Act (EPA), Waste Regulations, ISO14000 family of standards
  - too time consuming to implement sustainable practices
  - attempts to be sustainable can lead to 'greenwash' (the perception that a business is environmentally friendly when it is not)

What needs to be learnt

Learning aim B: Research and carry out a campaign to promote environmental sustainability in a business workplace

Topic B.1 Planning a campaign strategy to promote sustainability in a business workplace

- Planning a campaign strategy, including:
  - aim of promotional campaign, e.g. promote waste management, energy saving
  - key message of the campaign
  - using independent research from different types of sources, e.g. internet, textbooks, newspapers
  - primary research of the sustainability issue, e.g. questionnaires, interviews
  - secondary research of the sustainability issue, e.g. provided information sources, papers, journals, magazines, internet
  - exploring other local or national sustainability campaigns, e.g. Greenpeace, Climate Chaos Coalition, Friends of the Earth
  - target audience, e.g. internal/external customers, local community, other businesses
  - type of campaign, e.g. online, digital, paper-based, in person, event
  - main resources needed
  - campaign deadline/duration
  - potential risks to the success of the campaign, e.g. lack of interest of target audience
  - ways of overcoming or mitigating risks, e.g. using a suitable campaign type to reach and engage target audience
  - problem solving and modifying plan where necessary

Topic B.2 Carrying out a campaign to promote sustainability in a business workplace

- Carrying out a campaign, including:
  - using a variety of promotional methods, e.g. use of social media, advertisements, newspaper/magazine articles, debates, word of mouth
  - completing tasks within timescales
  - following instructions and adhering to any relevant health and safety practices
  - asking for help and guidance when necessary
  - monitoring progress in relation to original plan and aims

What needs to be learnt
Learning aim C: Reflect on the outcomes of the sustainability campaign

Topic C.1 Outcomes of the campaign
 	
● Factors to consider when reflecting on the outcomes of the campaign, including:
 	
  ○ identifying the outcomes of the campaign, e.g. using feedback from target audience and others, assessing the effect of the campaign on the business
 	
  ○ strengths and weaknesses of the promotional campaign in relation to other campaigns, e.g. appropriateness of campaign for target audience, effect on the sustainability issue, clarity of messaging, how well the campaign managed to raise awareness of the sustainability issue
 	
  ○ ways in which the chosen sustainability issue could be further addressed by the business

Assessment criteria

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim A: Explore sustainable practices that benefit the business workplace			
1A.1 Outline the possible effects of non-sustainable practice on a given business workplace.	2A.P1 Explain the impact non-sustainable practices can have on two contrasting business workplaces.		
1A.2 Outline how sustainable practices in operation in a selected business workplace benefit the environment.	2A.P2 Explain, using relevant examples, how sustainable practices in operation in a selected business workplace benefit the environment.	2A.M1 Assess, using relevant examples, whether the advantages of sustainable practices outweigh the disadvantages in a selected business workplace. #	2A.D1 Justify recommendations for sustainable practices that could be used in a selected business workplace. #
1A.3 Identify potential advantages and disadvantages of sustainable practices in operation in a selected business workplace.	2A.P3 Describe, using relevant examples, potential advantages and disadvantages of sustainable practices in operation in a selected business workplace.		

Level 1	Level 2 Pass	Level 2 Merit	Level 2 Distinction
Learning aim B: Research and carry out a campaign to promote environmental sustainability in a business workplace			
1B.4 Plan a campaign, with guidance, to promote sustainability that meets a defined objective for a given business workplace. #	2B.P4 Plan a campaign to promote sustainability that meets defined objectives for a selected business workplace, using own research. #	2B.M2 Create a realistic and detailed plan for a campaign to promote sustainability for a given business workplace, identifying risks in the chosen promotional methods and campaign strategy. #	2B.D2 Evaluate risks in the campaign strategy and chosen promotional methods and suggest improvements. #
1B.5 Use one promotional method to promote the objective of the campaign. #	2B.P5 Use three different promotional methods appropriate to the intended audience to promote the objective of the campaign. #		
Learning aim C: Reflect on the outcomes of the sustainability campaign			
1C.6 Identify the outcomes of the promotional campaign for a given business workplace.	2C.P6 Review the outcomes of the promotional campaign for a selected business workplace in relation to the defined objectives.	2C.M3 Compare, using relevant examples, the strengths and weaknesses of the promotional campaign for a selected business workplace with other campaigns promoting sustainability. #	2C.D3 Evaluate the effectiveness of the promotional campaign for a selected business workplace in relation to the defined sustainability issue and propose ways in which the issue could be further addressed. #

*Opportunity to assess mathematical skills

#Opportunity to assess English skills

Teacher guidance

Resources

The resources required for this unit will depend on the nature of the campaign that learners undertake. For example, personal protective equipment (PPE) would be needed for a waste management exercise as part of a promotional event.

Assessment guidance

This unit is assessed internally by the centre and externally verified by Pearson. Please read this guidance in conjunction with *Section 8 Internal assessment.*

It is important that learners agree with teachers on the campaign they will be undertaking. The campaign must relate to a sustainability issue in a business sector workplace. The campaign can relate to a real business workplace or a realistic case study scenario. Learners may work alone or in groups. When working in a group, each learner must provide individual evidence on their contribution to meeting the assessment criteria.

Level 2

For 2A.P1, learners need to explain the impact non-sustainable practices can have on two contrasting business workplaces. To achieve this criterion, the businesses used must be sufficiently contrasting, for example, a small, local business and large multinational. Evidence can be taken from the learner's own investigations from visits to businesses or from talks from guest speakers, or from a detailed centre-devised case study.

For 2A.P2, learners need to choose one of the businesses investigated for 2A.P1 and explain, using relevant examples, how sustainable practices in operation in that business workplace benefit the environment. Learners need to provide details and give reasons and evidence to clearly support their explanation.

For 2A.P3, learners need to describe, using relevant examples, potential advantages and disadvantages of sustainable practices in operation in the business workplace selected for 2A.P2. This leads to 2A.M1 where learners assess, again using relevant examples, whether the advantages of sustainable practices outweigh the disadvantages in the same business workplace.

For 2A.D1, learners need to use their evidence for 2A.P1, 2A.P2, 2A.P3 and 2A.M1 to suggest justified recommendations for sustainable practices that could be used their selected business workplace.

For 2B.P4, learners need to use their own research to plan a campaign to promote sustainability that meets defined objectives for a selected business workplace. The workplace selected can be the same one as either of those used in learning aim A, or an entirely new one. Learners need to research campaigns used by other, real businesses, to provide inspiration and examples to enable them to suitably justify their plan. To achieve 2B.M2, learners will need to have created a more realistic and detailed campaign plan that also identifies risks in the chosen promotional methods and campaign strategy.

For 2B.P5, learners must use three different promotional methods appropriate to the intended audience to promote the objective of the campaign. For example, posters, leaflets and a webpage (or storyboards for a possible webpage).

For 2B.D2, learners must evaluate risks in their campaign strategy and chosen promotional methods and suggest improvements.

To achieve 2C.P6, after they have completed their promotional campaign for learning aim B, learners need to review the outcomes of the campaign in relation to the defined objectives. This leads to 2C.M3 where they must compare, using relevant examples, the strengths and weaknesses of the promotional campaign for their selected business workplace with other campaigns promoting sustainability. They should use examples from their own research to illustrate their evidence.

For 2C.D3, learners need to evaluate the effectiveness of the promotional campaign for their selected business workplace in relation to the sustainability issue defined in the campaign and propose ways in which the issue could be further addressed.

Level 1

For 1A.1, learners need to outline the possible effects of non-sustainable practice on a given business workplace. Evidence can be taken from the learner's own investigations from visits to businesses or from talks from guest speakers, or from a detailed centre-devised case study.

For 1A.2, learners need to outline how sustainable practices in operation in the business workplace investigated in 1A.1 benefit the environment and for 1A.3, identify potential advantages and disadvantages of these practices.

For 1B.4, learners need to plan a basic campaign to promote sustainability that meets a defined objective for a given business workplace. The workplace selected can be the same as the one used in learning aim A, or an entirely new one. It is recommended that learners research campaigns used by other, real businesses, to provide inspiration for their own campaigns.

For 1B.5, learners must use one promotional method to promote the objective of the campaign, for example, a leaflet or poster.

For 1C.6, after their promotional campaign is completed, learners need to identify the outcomes of the campaign for their given business workplace.

Suggested assignment outlines

The table below shows a programme of suggested assignment outlines that cover the assessment criteria. This is guidance and it is recommended that centres either write their own assignments or adapt any assignments we provide to meet local needs and resources.

| Criteria covered	Assignment	Scenario	Assessment evidence
1A.1, 1A.2, 1A.3, 2A.P1, 2A.P2, 2A.P3, 2A.M1, 2A.D1	The Importance of Sustainability for All	Create a newsletter or magazine article that highlights the importance of sustainability and informs readers of sustainable practices. You should focus on sustainable and non-sustainable practices in the business sector workplace and their impacts on businesses.	Newsletter/magazine in paper-based or digital format
1B.4, 1B.5, 2B.P4, 2B.P5, 2B.M2, 2B.D2, 1C.6, 2C.P6, 2C.M3, 2C.D3	Sustainability Campaign	Plan and carry out a promotional campaign to promote sustainability within a business sector workplace, using three different promotional methods. Review the outcomes of your campaign.	Written plan, e.g. completed pro forma Promotional material and/or signed witness testimony Notes on the outcomes of the campaign

Annexe A

Personal, learning and thinking skills

A FRAMEWORK OF PERSONAL, LEARNING AND THINKING SKILLS 11–19 IN ENGLAND

The framework comprises six groups of skills that are essential to success in learning, life and work. In essence, the framework captures the essential skills of: managing self; managing relationships with others; and managing own learning, performance and work. It is these skills that will enable young people to enter work and adult life confident and capable.

The titles of the six groups of skills are set out below.
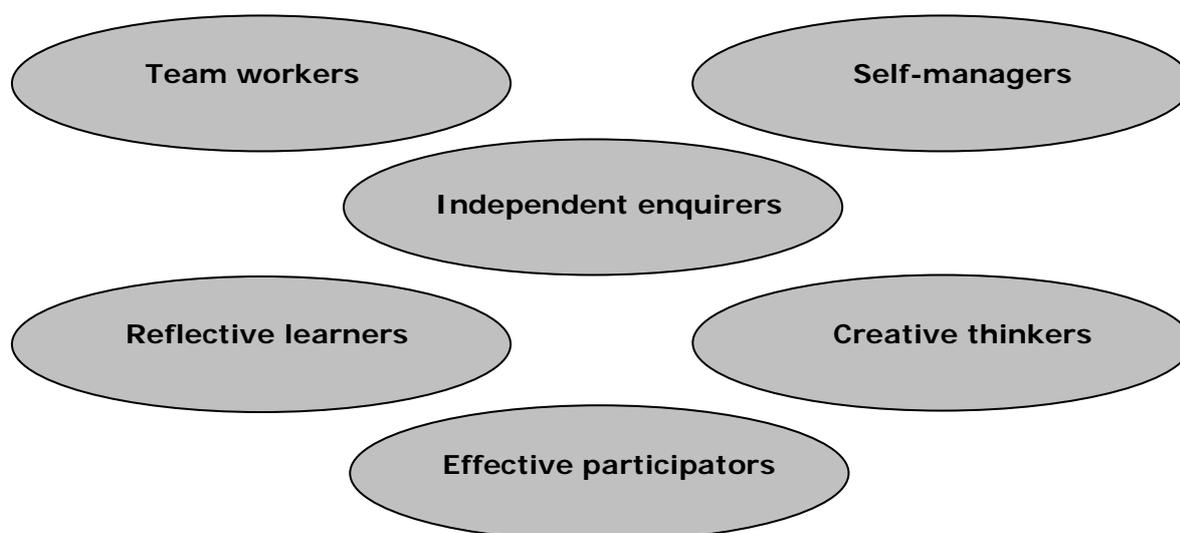
For each group, there is a focus statement that sums up the range of skills. This is followed by a set of outcome statements that is indicative of the skills, behaviours and personal qualities associated with each group.

Each group is distinctive and coherent. The groups are also interconnected. Young people are likely to encounter skills from several groups in any one learning experience. For example, an independent enquirer would set goals for their research with clear success criteria (reflective learner) and organise and manage their time and resources effectively to achieve these (self-manager). In order to acquire and develop fundamental concepts such as organising oneself, managing change, taking responsibility and perseverance, learners will need to apply skills from all six groups in a wide range of learning contexts.

The skills

Independent enquirers

Focus:

Young people process and evaluate information in their investigations, planning what to do and how to go about it. They take informed and well-reasoned decisions, recognising that others have different beliefs and attitudes.

Young people:

- identify questions to answer and problems to resolve
- plan and carry out research, appreciating the consequences of decisions
- explore issues, events or problems from different perspectives
- analyse and evaluate information, judging its relevance and value
- consider the influence of circumstances, beliefs and feelings on decisions and events
- support conclusions, using reasoned arguments and evidence.

Creative thinkers

Focus:

Young people think creatively by generating and exploring ideas, making original connections. They try different ways to tackle a problem, working with others to find imaginative solutions and outcomes that are of value.

Young people:

- generate ideas and explore possibilities
- ask questions to extend their thinking
- connect their own and others' ideas and experiences in inventive ways
- question their own and others' assumptions
- try out alternatives or new solutions and follow ideas through
- adapt ideas as circumstances change.

Reflective learners

Focus:

Young people evaluate their strengths and limitations, setting themselves realistic goals with criteria for success. They monitor their own performance and progress, inviting feedback from others and making changes to further their learning.

Young people:

- assess themselves and others, identifying opportunities and achievements
- set goals with success criteria for their development and work
- review progress, acting on the outcomes
- invite feedback and deal positively with praise, setbacks and criticism
- evaluate experiences and learning to inform future progress
- communicate their learning in relevant ways for different audiences.

Team workers

Focus:

Young people work confidently with others, adapting to different contexts and taking responsibility for their own part. They listen to and take account of different views. They form collaborative relationships, resolving issues to reach agreed outcomes.

Young people:

- collaborate with others to work towards common goals
- reach agreements, managing discussions to achieve results
- adapt behaviour to suit different roles and situations, including leadership roles
- show fairness and consideration to others
- take responsibility, showing confidence in themselves and their contribution
- provide constructive support and feedback to others.

Self-managers

Focus:

Young people organise themselves, showing personal responsibility, initiative, creativity and enterprise with a commitment to learning and self-improvement. They actively embrace change, responding positively to new priorities, coping with challenges and looking for opportunities.

Young people:

- seek out challenges or new responsibilities and show flexibility when priorities change
- work towards goals, showing initiative, commitment and perseverance
- organise time and resources, prioritising actions
- anticipate, take and manage risks
- deal with competing pressures, including personal and work-related demands
- respond positively to change, seeking advice and support when needed.

Effective participators

Focus:

Young people actively engage with issues that affect them and those around them. They play a full part in the life of their school, college, workplace or wider community by taking responsible action to bring improvements for others as well as themselves.

Young people:

- discuss issues of concern, seeking resolution where needed
- present a persuasive case for action
- propose practical ways forward, breaking these down into manageable steps
- identify improvements that would benefit others as well as themselves
- try to influence others, negotiating and balancing diverse views to reach workable solutions
- act as an advocate for views and beliefs that may differ from their own.

Summary of the PLTS coverage throughout the programme

This table shows where units support the development of personal, learning and thinking skills.

Key:

✓   indicates opportunities for development

a blank space indicates no opportunities for development

Unit	Personal, learning and thinking skills					
	Independent enquirers	Creative thinkers	Reflective learners	Team workers	Self-managers	Effective participators
1	✓	✓	✓		✓	✓
2	✓					
3	✓	✓			✓	
4	✓	✓	✓	✓	✓	
5	✓	✓				✓
6		✓	✓	✓	✓	
7	✓	✓	✓		✓	
8	✓	✓				
9	✓	✓				✓
10	✓	✓			✓	
11	✓	✓				✓
12	✓	✓	✓		✓	
13	✓	✓	✓	✓	✓	✓
14	✓	✓	✓		✓	
15	✓	✓		✓	✓	✓
16	✓	✓	✓		✓	✓
17	✓					
18	✓	✓			✓	
19	✓	✓	✓	✓	✓	
20	✓	✓				✓
21	✓	✓	✓	✓	✓	✓
22	✓	✓			✓	
23	✓	✓			✓	
24	✓	✓	✓		✓	

Unit	Personal, learning and thinking skills					
	Independent enquirers	Creative thinkers	Reflective learners	Team workers	Self-managers	Effective participators
29	✓	✓	✓		✓	
30	✓	✓			✓	✓
31	✓	✓			✓	
32	✓	✓	✓	✓	✓	✓

Annexe B

Level 2 Functional Skills

Functional Skills standards for English Level 2

Speaking, listening and communication
Make a range of contributions to discussions in a range of contexts, including those that are unfamiliar, and make effective presentations
Reading
Select, read, understand and compare texts and use them to gather information, ideas, arguments and opinions
Writing
Write a range of texts, including extended written documents, communicating information, ideas and opinions, effectively and persuasively

Functional Skills standards for mathematics Level 2

Representing
1. Understand routine and non-routine problems in familiar and unfamiliar contexts and situations
2. Identify the situation or problems and identify the mathematical methods needed to solve them
3. Select a range of mathematics to find solutions
Analysing
1. Apply a range of mathematics to find solutions
2. Use appropriate checking procedures and evaluate their effectiveness at each stage
Interpreting
3. Interpret and communicate solutions to multistage practical problems in familiar and unfamiliar contexts and situations
4. Draw conclusions and provide mathematical justifications

Functional Skills standards for ICT Level 2

Using ICT
1. Plan solutions to complex tasks by analysing the necessary stages
2. Select, interact with and use ICT systems safely and securely for a complex task in non-routine and unfamiliar contexts
3. Manage information storage to enable efficient retrieval
Finding and selecting information
1. Use appropriate search techniques to locate and select relevant information
2. Select information from a variety of sources to meet requirements of a complex task
Developing, presenting and communicating information
1. Enter, develop and refine information using appropriate software to meet requirements of a complex task
2. Use appropriate software to meet the requirements of a complex data-handling task
3. Use communications software to meet requirements of a complex task
4. Combine and present information in ways that are fit for purpose and audience
5. Evaluate the selection, use and effectiveness of ICT tools and facilities used to present information

Mapping to Level 2 Functional Skills

This table shows where a **learning aim** in a unit is of particular relevance for learners being prepared for assessment in Functional Skills in English, mathematics and/or ICT at Level 2. Centres may identify further opportunities arising in their own programmes in addition to those identified below, for example group work, research, employment-related activities and work experience.

Key: a letter, e.g. A, indicates the learning aim where there are opportunities for development; a blank space indicates no opportunities for development

Unit	English			Mathematics			ICT		
	Speaking, listening and communication	Reading	Writing	Representing	Analysing	Interpreting	Using ICT	Finding and selecting information	Developing, presenting and communicating information
1	A, B, C	A, B, C	A, B, C			A, B, C	C	A, B, C	
2				A, B, C	A, B, C	A, B, C	A, B, C		
3		A	A, B					A	
5	A, B	A, B							
6	B	A, B	A, B			A, B		A, B	
7	A, B, C	C	C				B, C	B, C	B, C
8	C	A	A, B				B	B	
9		A, B, C	A, B, C			B, C			
12	A, B, C	A, B, C	A, B, C					A, B, C	
14	A, B	A, B	A, B, C, D				D	A, B, C, D	D
15	A, B, C	A, B, C	A, B, C			A, B, C		A, B, C	
17		A	A, B, C			A	C	A, B	
18		C	A, C		B, C	B, C		B, C	

| Unit | English | | | Mathematics | | | ICT | | |
	Speaking, listening and communication	Reading	Writing	Representing	Analysing	Interpreting	Using ICT	Finding and selecting information	Developing, presenting and communicating information
19	A, B, C, D	A, B, C, D	A, B, C, D			C, D		C, D	
20	B, C, D	A, B, C, D	A, B, C, D						
21	A, B, D	A, B	A, B, C, D				C	A, B, C	
22	A, B, C	A, B	A, B, C, D					A	
23	A, C		A, B, C, D	A, B, C, D	A, B, C, D	A, B, C, D	A, B, C, D	A, B, C, D	A, B, C, D
24	D	B, C	A, B, C, D				B	A, B, C	
25	A, B, C, D	A, B, C, D	A, B, C, D		B, C, D	D		A, B, C, D	
26	A, B, C, D	A, B, C, D	A, B, C, D		B, C, D	B, C, D		A, B, C, D	
27	A, B, C, D	A, B, C, D	A, B, C, D		B	B	B	A, B, C, D	B, D
28	A, B, C, D	A, B, C, D	A, B, C, D		A, B, D	D		A, B, C, D	
29	A, B	A, B, C, D	A, B, C, D		A, B, D	A, B, D	A, D	A, B, C, D	B, D
30	A, B, C	A, B, C	A, B, C					A, B, C	
31	A, B	A, B	A, B	A	A, B	A, B	B	A, B	B
32	A, B	A, B, C	A, B, C				B	A, B, C	C

Annexe C

Synoptic assessment

Synoptic assessment in these qualifications is embedded throughout the assessment criteria across the units of study. The mandatory units provide the essential knowledge, understanding and skills required in the business sector and underpin the content of the optional specialist units.

In addition, there is a further mandatory unit in the Diploma, *Unit 19: Introducing Project Management*, that is specifically designed to allow learners to draw together all the themes and skills gained from other units of study and apply them to planning and carrying out a project.

Learners studying these qualifications are able to demonstrate a number of synoptic approaches towards meeting the assessment criteria. These include:

- showing links and holistic understanding/approaches to units of study from the specification

- being able to interrelate overarching concepts and issues, bringing together their knowledge of the business sector

- drawing together and integrating knowledge, understanding and skills across different units, in order to develop an appreciation of how topics relate to one another, and how each may contribute to different business context or situations

- making and applying connections to particular business contexts or situations

- demonstrating their ability to use and apply a range of different methods and/or techniques

- being able to put forward different perspectives and/or explanations to support decisions they have made or evidence they have presented

- being able to suggest or apply different approaches to business contexts or situations

- synthesising information gained from studying a number of different business activities

- applying knowledge, skills and understanding from across different units to a particular business situation, issue or case study

- using specialist business terminology where appropriate

- demonstrating analytical and interpretation skills (of evidence and/or results) and the ability to formulate valid well-argued responses

- evaluating and justifying their decisions, choices and recommendations.

Annexe D

Summary of units in the BTEC Level 1/Level 2 First in Business

The BTEC First suite in Business contains four qualifications:
Award (120 GLH), **Certificate (240 GLH)**, **Extended Certificate (360 GLH)** and **Diploma (480 GLH**).

With the exception of the Award, the smaller qualifications are 'nested' within the larger qualifications, which means that learners may take a smaller-sized qualification, then top up to a larger size without repeating the units already achieved in the smaller size.

This table lists each unit in the suite and how it is used within individual qualifications, i.e. is the unit mandatory (Mand), optional specialist (Opt) or not included (—).

Key: Mand – Mandatory; Opt – Optional specialist; — indicates where the unit does not appear in the qualification

Unit No.	Unit title	GLH	Qualifications		
			Certificate	Extended Certificate	Diploma
1	Enterprise in the Business World	30	Mand	Mand	Mand
2	Finance for Business **(externally assessed)**	30	Mand	Mand	Mand
3	Promoting a Brand	30	Opt	Opt	Mand
4	Principles of Customer Service	30	Opt	Opt	Opt
5	Sales and Personal Selling	30	Opt	Opt	Opt
6	Introducing Retail Business	30	Opt	Opt	Opt
7	Providing Business Support	30	Opt	Opt	Opt
8	Recruitment, Selection and Employment	30	Opt	Opt	Opt

Unit No.	Unit title	GLH	Qualifications		
			Certificate	Extended Certificate	Diploma
9	Principles of Marketing **(externally assessed)**	30	Mand	Mand	Mand
10	Using Business Documentation	30	Opt	Opt	Opt
11	Building Successful Business Teams	30	Opt	Opt	Opt
12	Introducing Law and Consumer Rights	30	Opt	Opt	Opt
13	Financial Planning and Forecasting	30	Opt	Opt	Opt
14	Business Online	60	Opt	Opt	Opt
15	Public Sector Business	30	Opt	Opt	Opt
16	Enhancing the Customer Experience	30	Opt	Opt	Opt
17	Visual Merchandising in Retail Business	30	Opt	Opt	Opt
18	Small Business Planning	60	Opt	Opt	Mand
19	Introducing Project Management	60	Opt	Opt	Mand
20	Delivering and Improving Customer Service	60	Opt	Opt	Opt
21	Effective Business Communication	60	Opt	Opt	Opt
22	Working in Business Teams	60	Opt	Opt	Opt
23	Planning, Forecasting and Recording Business Finances	60	Opt	Opt	Opt

Unit No.	Unit title	GLH	Qualifications		
			Certificate	Extended Certificate	Diploma
24	Work Experience in Business	60	Opt	Opt	Opt
25	Introducing International Business	60	Opt	Opt	Opt
26	Introducing the Economic Environment	60	Opt	Opt	Opt
27	Efficient Business Operations	60	Opt	Opt	Opt
28	Principles of Procurement and Supply	60	Opt	Opt	Opt
29	Implementing Procurement and Supply in Business	60	Opt	Opt	Opt
30	Corporate Social Responsibility	30	Opt	Opt	Opt
31	Managing Personal Finances	30	Opt	Opt	Opt
32	Sustainability in the Business Workplace	30	Opt	Opt	Opt

Specification
BTEC FIRST BUSINESS

Certificate
Extended Certificate
Diploma

Pearson
BTEC