BTEC

Level 3

Pearson BTEC Level 3 in Enterprise and Entrepreneurship

Specification

Pearson BTEC Level 3 Subsidiary Diploma
Pearson BTEC Level 3 90-credit Diploma
Pearson BTEC Level 3 Diploma
Pearson BTEC Level 3 Extended Diploma

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PEARSON

Edexcel, BTEC and LCCI qualifications

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This specification is Issue 3. Key changes are sidelined. We will inform centres of any changes to this issue. The latest issue can be found on our website at qualifications.pearson.com

These qualifications were previously entitled

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship

Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship

Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship

Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship

The QNs remain the same.

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.

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Contents

The units for the Pearson BTEC qualifications in this specification are available on our website (qualifications.pearson.com).

Pearson BTEC qualification titles covered by this specification

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship

Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship

Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship

Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship

These qualifications have been accredited to the National framework.

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

The Qualification Number (QN) for the qualifications in this publication are:

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship	500/6245/1
Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship	601/0501/X
Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship	500/6246/3
Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship	601/0502/1

The appropriate qualification title, QN unit reference number (URN) will appear on each learner's certificate. You should tell your learners this when your centre recruits them and registers them with us.

What are Pearson BTEC Level 3 qualifications?

The Pearson BTEC qualifications in this specification are undertaken in further education, by sixth-form colleges, schools and other training providers, and have been since they were introduced in 1984. Their purpose, approaches to teaching, learning and assessment are established and understood by teaching professionals, employers and learners alike.

The Pearson BTEC qualifications in this specification are:

- Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship
- Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship
- Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship
- Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship.

They maintain the same equivalences, benchmarks and other articulations (for example SCAAT points, UCAS Tariff points) as their predecessor qualifications. The table below identifies the titling conventions and variations between the predessor and new qualifications:

Predecessor BTEC Nationals (accredited 2007)	**Pearson BTEC Level 3 qualifications** (for delivery from September 2010)
Not applicable	Pearson BTEC Level 3 Certificate
Edexcel Level 3 BTEC National Award	Pearson BTEC Level 3 Subsidiary Diploma
Not applicable	Pearson BTEC Level 3 90-credit Diploma
Edexcel Level 3 BTEC National Certificate	Pearson BTEC Level 3 Diploma
Edexcel Level 3 BTEC National Diploma	Pearson BTEC Level 3 Extended Diploma

The Pearson BTEC qualifications in this specification are designed to provide highly specialist, work-related qualifications in a range of vocational sectors. They give learners the knowledge, understanding and skills that they need to prepare for employment. These qualifications accredit the achievement for courses and programmes of study for full-time or part-time learners in schools, colleges and other training provider organisations. The qualifications provide career development opportunities for those already in work, and progression opportunities to higher education, degree and professional development programmes within the same or related areas of study, within universities and other institutions.

The Pearson BTEC qualifications in this specification provide much of the underpinning knowledge and understanding for the National Occupational Standards for the sector, where these are appropriate. They are supported by the relevant Sector Skills Councils (SSCs) and/or Standards Setting Bodies (SSBs). Certain Pearson BTEC qualifications are recognised as Technical Certificates and form part of the Apprenticeship Framework. They attract UCAS points that equate to similar-sized general qualifications within education institutions within the UK.

On successful completion of a Pearson BTEC level 3 qualification, a learner can progress to or within employment and/or continue their study in the same, or related vocational area.

Total Qualification Time

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

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, supervised study giving feedback on performance.

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.

These qualifications also have a credit value, which is equal to one tenth of TQT. Pearson consults with users of these qualifications in assigning TQT and credit values.

This suite of BTEC Level 3 qualifications is available in the following sizes:

- Subsidiary Diploma – 600 TQT (60 credits, 360 GLH)
- 90-credit Diploma – 900 TQT (90 credits, 540 GLH)
- Diploma – 1200 TQT (120 credits, 720 GLH)
- Extended Diploma – 1800 TQT (180 credits, 1080 GLH)

Pearson BTEC Level 3 Subsidiary Diploma – 60 credits

The 60-credit Pearson BTEC Level 3 Subsidiary Diploma extends the specialist work-related focus of the Pearson BTEC Level 3 Certificate qualification and covers the key knowledge and practical skills required in the appropriate vocational sector. The Pearson BTEC Level 3 Subsidiary Diploma offers greater flexibility and a choice of emphasis through the optional units. It is broadly equivalent to one GCE A Level.

The Pearson BTEC Level 3 Subsidiary Diploma offers an engaging programme for those who are clear about the area of employment that they wish to enter. These learners may wish to extend their programme through the study of a general qualifications such as GCE AS Levels, additional specialist learning (eg through another Pearson BTEC qualification) or a complementary NVQ. These learning programmes can be developed to allow learners to study related and complementary qualifications without duplicating of content.

For adult learners, the Pearson BTEC Level 3 Subsidiary Diploma can extend their experience of work in a particular sector. It may also be a suitable qualification for those wishing to change career or move into a particular area of employment following a career break.

Pearson BTEC Level 3 90-credit Diploma – 90 credits

This qualification broadens and expands the specialist work-related focus of the Pearson BTEC Level 3 Subsidiary Diploma and encompasses the essential skills, knowledge and understanding needed to gain confidence and progression.

There is potential for the qualification to prepare learners for progression within education or into employment in the appropriate vocational sector and it is suitable for those who have decided that they wish to study in detail or work in a particular area of work. It is broadly equivalent to 1.5 GCE A Levels and provides a programme of study manageable in a year so that learners can bank and then build on their achievement. In this way it encourages progression for those learners who wish to undertake a one-year course of study because of individual circumstances.

Some learners may wish to gain the qualification in order to enter a specialist area of employment or to progress to a larger or different level 3 programme. Other learners may want to extend the specialism they studied on the Pearson BTEC Level 3 Certificate or the Pearson BTEC Level 3 Subsidiary Diploma programme. Learners may also be able to use the Pearson BTEC Level 3 90-credit Diploma to gain partial achievement and have the requisite skills, knowledge and understanding needed in the sector.

For adult learners the Pearson BTEC Level 3 90-credit Diploma can extend their experience of working in a particular sector. It could also be a suitable qualification for those wishing to change career or move into a particular area of employment following a career break.

Pearson BTEC Level 3 Diploma – 120 credits

The 120-credit Pearson BTEC Level 3 Diploma broadens and expands the specialist work-related focus of the Pearson BTEC Level 3 Subsidiary Diploma and the Pearson BTEC Level 3 90-credit Diploma qualifications. There is potential for the qualification to prepare learners for employment in the appropriate vocational sector and it is suitable for those who have decided that they wish to enter a particular area of work. It is broadly equivalent to two GCE A Levels.

Some learners may wish to gain the qualification in order to enter a specialist area of employment or to progress to a level 4 programme. Other learners may want to extend the specialism they studied on the Pearson BTEC Level 3 Certificate, Pearson BTEC Level 3 Subsidiary Diploma or the Pearson BTEC Level 3 90-credit Diploma programme.

Pearson BTEC Level 3 Extended Diploma – 180 credits

The 180-credit Pearson BTEC Level 3 Extended Diploma extends and deepens the specialist work-related focus of the Pearson BTEC Level 3 90-credit Diploma and the Pearson BTEC Level 3 Diploma qualifications. There is potential for the qualification to prepare learners for appropriate direct employment in the vocational sector and it is suitable for those who have decided that they clearly wish to enter a particular specialist area of work. It is broadly equivalent to three GCE A Levels.

Some learners may wish to gain the qualification in order to enter a specialist area of employment or to progress to a higher education foundation degree, HND or other professional development programme. Other learners may want to extend the specialist nature of the subjects they studied on the Pearson BTEC Level 3 Diploma or another programme of study.

Key features of these Pearson BTEC qualifications in Enterprise and Entrepreneurship

The Pearson BTEC qualifications in this specification have been developed in the Enterprise and Entrepreneurship sector to:

- provide the opportunity for learners to achieve a nationally recognised Level 3 vocationally specific qualification
- give learners the opportunity to gain a nationally recognised vocationally specific qualification which requires them to start and run their own business
- give learners the opportunity to progress to higher education vocational qualifications such as the Level 5 BTEC Higher Nationals in Business or an honours degree
- give learners the opportunity to develop a range of skills and techniques, personal skills and attitudes essential for successful performance in working life.

Rationale for these Pearson BTEC qualifications in Enterprise and Entrepreneurship

The Pearson BTEC Level 3 qualifications in Enterprise and Entrepreneurship addresses the need for enterprise in tertiary education identified by the Department for Business, Enterprise and Regulatory Reform (BERR) in 'Enterprise: Unlocking the UK's Talent' (March 2008).

The qualification has been developed in partnership with the National Enterprise Academy (NEA), in consultation with entrepreneurs and business people, experienced teachers and learners. The design principles have been to develop a qualification that:

- requires learners to start up and run a fully functioning legal business to develop their entrepreneurial skills
- requires learners to focus on their own self development through the start-up process
- ensures that learners interact with entrepreneurs and business people throughout the course of their study to enable them to learn from experienced professionals.

The specification is designed for learners aged 16-19 who wish to know how to start up a business or social enterprise. Therefore, the mandatory units of the qualification reflect the essential aspects of starting and running a business. Optional units provide choice for specialisms in areas that will augment learners' understanding of enterprise. The qualifications have been designed to enable learners to start up a social enterprise instead of a profit-making business, should this be their preference.

Learners are required to start up and run a business during the course of this qualification.

The qualification has been developed in consultation with the Small Firms Enterprise Development Initiative (SFEDI) and map to the National Occupational Standards in Business Enterprise, and in Social Enterprise.

National Occupational Standards

These Pearson BTEC Level 3 qualifications are designed to relate to the National Occupational Standards (NOS) in the appropriate vocational sector.

The Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship and the Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship provide learners with underpinning knowledge to plan a business but do not provide competence to set up and run a microbusiness.

The Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship relates to the following NOS developed by the Small Firms Enterprise Development Initiative (SFEDI):

- Understanding Enterprise.

The Pearson BTEC Level 3 Diploma and Extended Diploma in Enterprise and Entrepreneurship provides learners with competence in setting up and operating a microbusiness.

The Pearson BTEC Level 3 Diploma and Extended Diploma in Enterprise and Entrepreneurship relates to the following NOS developed by the Small Firms Enterprise Development Initiative (SFEDI):

- Business Enterprise
- Social Enterprise.

See *Annexe B* for details of NOS mapping against units.

Rules of combination for Pearson BTEC Level 3 qualifications in this specification

The rules of combination specify the:

- total credit value of the qualification
- the minimum credit to be achieved at, or above, the level of the qualification
- the mandatory unit credit
- the optional unit credit
- the maximum credit that can come from other level 3 Pearson BTEC units.

When combining units for a Pearson BTEC qualification, it is the centre's responsibility to ensure that they adhere to the following rules of combination.

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship

1. Qualification credit value: a minimum of 60 credits.
2. Minimum credit to be achieved at, or above, the level of the qualification: 45 credits.
3. Mandatory unit credit: 30 credits.
4. Optional unit credit: 30.

Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship

1. Qualification credit value: a minimum of 90 credits.
2. Minimum credit to be achieved at, or above, the level of the qualification: 70 credits.
3. Mandatory unit credit: 50 credits.
4. Optional unit credit: 40.

Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship

1. Qualification credit value: a minimum of 120 credits.
2. Minimum credit to be achieved at, or above, the level of the qualification: 90 credits.
3. Mandatory unit credit: 85 credits.
4. Optional unit credit: 35.

Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship

1. Qualification credit value: a minimum of 180 credits.
2. Minimum credit to be achieved at, or above, the level of the qualification: 135 credits.
3. Mandatory unit credit: 100 credits.
4. Optional unit credit: 80.

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship

The Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship consists of **three** mandatory units providing a total of 180 hours of guided learning (30 credits) **plus** optional units that provide for a combined total of 360 hours of guided learning (GLH) or 60 credits for the completed qualification.

Centres should note that there is no compensation for the mandatory units. These units must be successfully achieved.

The units for the Pearson BTEC qualifications in this specification are available on our website (qualifications.pearson.com).

Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship			
Unit	**Mandatory units**	**Credit**	**Level**
1	The Innovative Entrepreneur	**5**	**3**
2	Business Planning and Pitching	**15**	**3**
3	Leadership and Teamwork	**10**	**3**
	Optional units		
9	Working as an Intrapreneur	**10**	**3**
10	Market Research and Analysis	**10**	**3**
11	Financial Literacy and Awareness	**5**	**3**
12	Business in an International Context	**5**	**3**
13	E-marketing and Website Design	**10**	**3**
14	Brand Development and Promotion	**5**	**3**
15	Social Enterprise	**10**	**3**

Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship

The Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship consists of **five** mandatory units (providing 300 hours of guided learning or 50 credits) **plus** optional units that provide for a combined total of 540 hours of guided learning or 90 credits for the completed qualification.

Centres should note that there is no compensation for the mandatory units. These units must be successfully achieved.

The units for the Pearson BTEC qualifications in this specification are available on our website (qualifications.pearson.com).

Pearson BTEC Level 3 90-credit Diploma in Enterprise and Entrepreneurship			
Unit	**Mandatory units**	**Credit**	**Level**
1	The Innovative Entrepreneur	**5**	**3**
2	Business Planning and Pitching	**15**	**3**
3	Financial Planning and Implementation	**10**	**3**
4	Launching your Business Vision	**10**	**3**
8	Leadership and Teamwork	**10**	**3**
	Optional units		
5	Monitoring the Performance of your Business	**15**	**3**
6	Operating your Business	**10**	**3**
7	Planning the Future Strategy of your Business	**10**	**3**
9	Working as an Intrapreneur	**10**	**3**
10	Market Research and Analysis	**10**	**3**
11	Financial Literacy and Awareness	**5**	**3**
12	Business in an International Context	**5**	**3**
13	E-marketing and Website Design	**10**	**3**
14	Brand Development and Promotion	**5**	**3**
15	Social Enterprise	**10**	**3**

Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship

The Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship consists of **eight** mandatory units (providing 510 hours of guided learning or 85 credits) **plus** optional units that provide for a combined total of 720 hours of guided learning or 120 credits for the completed qualification.

Centres should note that there is no compensation for the mandatory units. These units must be successfully achieved.

The units for the Pearson BTEC qualifications in this specification are available on our website (qualifications.pearson.com).

Pearson BTEC Level 3 Diploma in Enterprise and Entrepreneurship			
Unit	**Mandatory units**	**Credit**	**Level**
1	The Innovative Entrepreneur	**5**	**3**
2	Business Planning and Pitching	**15**	**3**
3	Financial Planning and Implementation	**10**	**3**
4	Launching your Business Vision	**10**	**3**
5	Monitoring the Performance of your Business	**15**	**3**
6	Operating your Business	**10**	**3**
7	Planning the Future Strategy of your Business	**10**	**3**
8	Leadership and Teamwork	**10**	**3**
	Optional units		
9	Working as an Entrepreneur	**10**	**3**
10	Market Research and Analysis	**10**	**3**
11	Financial Literacy and Awareness	**5**	**3**
12	Business in an International Context	**5**	**3**
13	E-marketing and Website Design	**10**	**3**
14	Brand Development and Promotion	**5**	**3**
15	Social Enterprise	**10**	**3**

Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship

The Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship consists of **ten** mandatory units (providing 600 hours of guided learning or 100 credits) **plus** optional units that provide for a combined total of 1080 hours of guided learning or 180 credits for the completed qualification.

Centres should note that there is no compensation for the mandatory units. These units must be successfully achieved.

The units for the Pearson BTEC qualifications in this specification are available on our website (qualifications.pearson.com).

Pearson BTEC Level 3 Extended Diploma in Enterprise and Entrepreneurship			
Unit	**Mandatory units**	**Credit**	**Level**
1	The Innovative Entrepreneur	5	3
2	Business Planning and Pitching	15	3
3	Financial Planning and Implementation	10	3
4	Launching your Business Vision	10	3
5	Monitoring the Performance of your Business	15	3
6	Operating your Business	10	3
7	Planning the Future Strategy of your Business	10	3
8	Leadership and Teamwork	10	3
10	Market Research and Analysis	10	3
14	Brand Development and Promotion	5	3
	Optional units		
9	Working as an Entrepreneur	10	3
11	Financial Literacy and Awareness	5	3
12	Business in an International Context	5	3
13	E-marketing and Website Design	10	3
15	Social Enterprise	10	3
16	Managing a Business Event	10	3
17	e-Commerce	10	3
18	Understand Retail	10	3
19	Relationship Marketing	10	3
20	Business Project Management	10	3
21	Recruitment and Selection in Business	10	3
22	Development Planning for a Career in Business	10	3
23	Business Markets and the Economy	10	3

Assessment and grading

All units are internally assessed in the Pearson BTEC qualifications in this specification.

All assessment for the Pearson BTEC qualifications in this specification is criterion referenced, based on the achievement of specified learning outcomes. Each unit within the qualification has specified assessment and grading criteria which are to be used for grading purposes. A summative unit grade can be awarded at pass, merit or distinction:

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

Learners who complete the unit but who do not meet all the pass criteria are graded 'unclassified'.

Grading domains

The grading criteria are developed in relation to grading domains which are exemplified by a number of indicative characteristics at the level of the qualification.

There are four Pearson BTEC grading domains:

- application of knowledge and understanding
- development of practical and technical skills
- personal development for occupational roles
- application of generic skills.

Please refer to *Annexe B* which shows the merit and distinction indicative characteristics.

Guidance

The purpose of assessment is to ensure that effective learning has taken place to give learners the opportunity to:

- meet the assessment and grading criteria and
- achieve the learning outcomes within the units.

All the assignments created by centres should be reliable and fit for purpose, and should build on the assessment and grading criteria. Assessment tasks and activities should enable learners to produce valid, sufficient and reliable evidence that relates directly to the specified criteria. Centres should enable learners to produce evidence in a variety of different forms and including, written reports, graphs and posters, along with projects, performance observation and time-constrained assessments.

Centres are encouraged to emphasise the practical application of the assessment and grading criteria, providing a realistic scenario for learners to adopt, and making maximum use of practical activities and work experience. The creation of assignments that are fit for purpose is vital to achievement and their importance cannot be over-emphasised.

The assessment and grading criteria must be clearly indicated in the fit-for-purpose assignments. This gives learners focus and helps with internal verification and standardisation processes. It will also help to ensure that learner feedback is specific to the assessment and grading criteria.

When looking at the assessment and grading grids and designing assignments, centres are encouraged to identify common topics and themes.

The units include guidance on appropriate assessment methodology. A central feature of vocational assessment is that it allows for assessment to be:

- current, ie to reflect the most recent developments and issues
- local, ie to reflect the employment context of the delivering centre
- flexible to reflect learner needs, ie at a time and in a way that matches the learner's requirements so that they can demonstrate achievement.

Calculation of the qualification grade

Pass qualification grade

Learners who achieve the minimum eligible credit value specified by the rule of combination will achieve the qualification at pass grade (see *Rules of combination for Pearson BTEC Level 3 qualifications in this specification*).

Qualification grades above pass grade

Learners will be awarded a merit or distinction or distinction* qualification grade (or combination of these grades appropriate to the qualification) by the aggregation of points gained through the successful achievement of individual units. The number of points available is dependent on the unit level and grade achieved, and the credit size of the unit (as shown in the *points available for credits achieved at different levels and unit grades* below).

Points available for credits achieved at different Levels and unit grades

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

Unit level	Points per credit		
	Pass	Merit	Distinction
Level 2	5	6	7
Level 3	**7**	**8**	**9**
Level 4	9	10	11

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

Qualification grade

Pearson BTEC Level 3 Subsidiary Diploma

Points range above pass grade	Grade	
460-499	Merit	M
500-519	Distinction	D
520 and above	Distinction*	D*

Pearson BTEC Level 3 90-credit Diploma

Points range above pass grade	Grade
660-689	MP
690–719	MM
720-749	DM
750–769	DD
770-789	D*D
790 and above	D*D*

Pearson BTEC Level 3 Diploma

Points range above pass grade	Grade
880-919	MP
920-959	MM
960-999	DM
1000-1029	DD
1030-1059	D*D
1060 and above	D*D*

Pearson BTEC Level 3 Extended Diploma

Points range above pass grade	Grade
1300-1339	MPP
1340-1379	MMP
1380-1419	MMM
1420-1459	DMM
1460-1499	DDM
1500-1529	DDD
1530-1559	D*DD
1560-1589	D*D*D
1590 and above	D*D*D*

Please refer to *Annexe C* for examples of calculation of qualification grade above pass grade.

Quality assurance of centres

Pearson's qualification specifications set out the standard to be achieved by each learner in order for them to gain the qualification. This is done throughout the learning outcomes, and assessment and grading criteria in each unit. Further guidance on delivery and assessment is given in the *Essential guidance for tutors* section in each unit. This section is designed to provide guidance related to the unit to support tutors, deliverers and assessors and to provide coherence of understanding and consistency of delivery and assessment.

Approval

Centres that have not previously offered Pearson BTEC qualifications will first need to apply for, and be granted, centre approval before they can apply for approval to offer the programme.

When a centre applies for approval to offer a Pearson BTEC qualification they are required to enter into an approvals agreement.

The approvals agreement is a formal commitment by the head or principal of a centre to meet all the requirements of the specification and any linked codes or regulations. Sanctions and tariffs may be applied if centres do not comply with the agreement. Ultimately, this could result in the suspension of certification or withdrawal of approval.

Centres will be allowed 'accelerated approval' for a new programme where the centre already has approval for a programme that is being replaced by the new programme.

The key principles of quality assurance are that:

- a centre delivering Pearson BTEC programmes must be an approved centre and must have approval for programmes, or groups of programmes, that it is operating
- 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 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 Pearson BTEC qualifications keep up to date with the guidance on assessment
- an approved centre must follow agreed protocols for standardisation of assessors and verifiers; planning, monitoring and recording of assessment processes; and for dealing with special circumstances, appeals and malpractice.

The approach of quality assured assessment is made through a partnership between an approved centre and Pearson. Pearson is committed to ensuring that it follows best practice and employs appropriate technology to support quality assurance processes where practicable. Therefore, the specific arrangements for working with centres will vary. Pearson seeks to ensure that the quality assurance processes that it uses do not place undue bureaucratic processes on centres and works to support centres in providing robust quality assurance processes.

Pearson monitors and supports centres in the effective operation of assessment and quality assurance. The methods which it uses to do this for these Pearson BTEC programmes include:

- ensuring that all centres have completed appropriate declarations at the time of approval, undertaking approval visits to centres where necessary
- requiring all centres to appoint a Lead Internal Verifier for designated groups of programmes and to ensure that this person is trained and supported in carrying out that role
- requiring that the Lead Internal Verifier completes compulsory online standardisation related to assessment and verification decisions for the designated programme
- assessment sampling and verification, through requested samples of assessments, completed assessed learner work and associated documentation
- overarching review and assessment of a centre's strategy for assessing and quality assuring its Pearson BTEC programmes.

Pearson's Quality Assurance Handbook

Centres should refer to the *UK BTEC Quality Assurance Handbook*, issued annually, for detailed guidance.

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

Centres that do not fully address and maintain rigorous approaches to quality assurance will be prevented from seeking certification for individual programmes or for all Pearson BTEC programmes. Centres that do not comply with remedial action plans may have their approval to deliver qualifications removed.

Programme design and delivery

The Pearson BTEC qualifications in this specification consist of mandatory units and optional units. Optional units are designed to provide a focus to the qualification and more specialist opportunities in the sector.

In Pearson BTEC qualifications each unit has a number of *guided learning hours* and centres are advised to take this into account when planning the programme of study associated with this specification.

Mode of delivery

Pearson does not define the mode of study for the Pearson BTEC qualifications in this specification. Centres are free to offer the qualifications using any mode of delivery (such as full time, part time, evening only, distance learning) that meets their learners' needs. Whichever mode of delivery is used, centres must ensure that learners have appropriate access to the resources identified in the specification and to the subject specialists delivering the units. This is particularly important for learners studying for the qualification through open or distance learning.

Learners studying for the qualification on a part-time basis bring with them a wealth of experience that should be utilised to maximum effect by tutors and assessors. The use of assessment evidence drawn from learners' work environments should be encouraged. Those planning the programme should aim to enhance the vocational nature of the qualification by:

- liaising with employers to ensure a course relevant to learners' specific needs
- accessing and using non-confidential data and documents from learners' workplaces
- including sponsoring employers in the delivery of the programme and, where appropriate, in the assessment
- linking with company-based/workplace training programmes
- making full use of the variety of experience of work and life that learners bring to the programme.

Resources

The Pearson BTEC qualifications in this specification are designed to prepare learners for employment in specific occupational sectors. Physical resources need to support the delivery of the programme and the proper assessment of the learning outcomes and should, therefore, normally be of industry standard. Staff delivering programmes and conducting the assessments should be familiar with current practice and standards in the sector concerned. Centres will need to meet any specific resource requirements to gain approval from Pearson.

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

Delivery approach

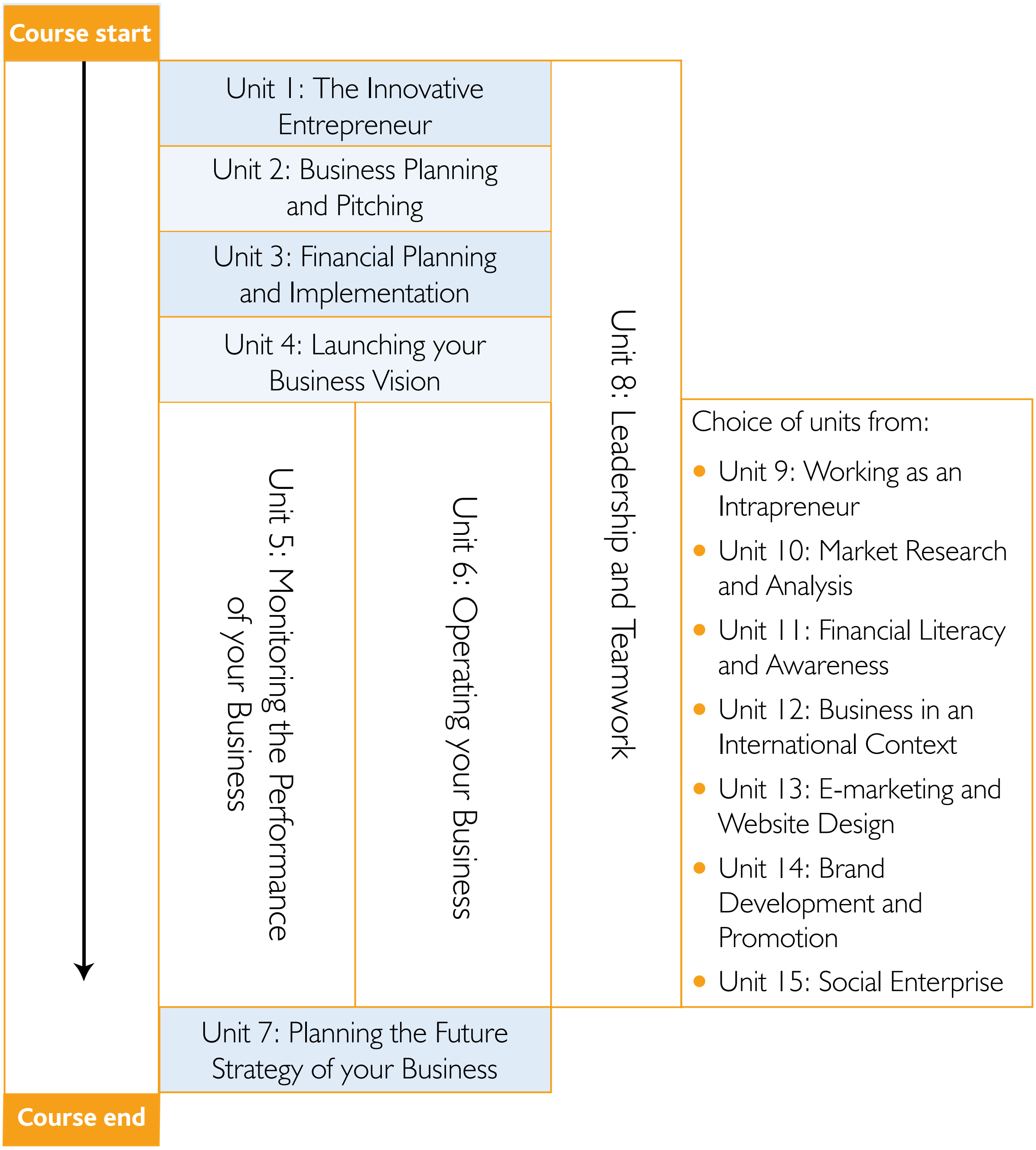
It is important that centres develop an approach to teaching and learning that supports the specialist vocational nature of Pearson BTEC qualifications and the mode of delivery. Specifications give a balance of practical skill development and knowledge requirements, some of which can be theoretical in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

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

Where the qualification has been designated and approved as a Technical Certificate and forms part of an Apprenticeship scheme, particular care needs to be taken to build strong links between the learning and assessment for the Pearson BTEC qualification and the related NVQs and Functional Skills that also contribute to the scheme.

Delivery strategy for the Pearson BTEC Diploma in Enterprise and Entrepreneurship

The model below is a suggestion of how the units could be combined into the Diploma programme. It is envisaged that Units 1, 2, 3 and 4 are delivered in an integrated fashion at the start of the course. Units 5 and 6 will constitute the business management and operation aspects of the course and learners should be able to produce evidence for these units through the running of their business. Unit 8 should be offered throughout the course to encourage learners to develop their leadership and teamwork skills. Unit 7 will be covered when learners have been running their businesses for a short period to enable them to develop a strategy for expansion. Optional units should be offered when learners have established their businesses – though Unit 11 could be integrated with Unit 3 depending on the needs of learners.



Meeting local needs

Centres should note that the qualifications set out in this specification have been developed in consultation with centres and employers and the Sector Skills Councils or the Standards Setting Bodies for the relevant sector. Centres should make maximum use of the choice available to them within the optional units to meet the needs of their learners, and local skills and training needs.

In certain circumstances, units in this specification might not allow centres to meet a local need. In this situation, Pearson will ensure that the rule of combination allows centres to make use of units from other Pearson BTEC specifications in this suite. Centres are required to ensure that the coherence and purpose of the qualification is retained and to ensure that the vocational focus is not diluted.

For information about limitations on variations from standard specifications, see *Rules of combination for Pearson BTEC Level 3 qualifications in this specification*.

These units cannot be used at the expense of the mandatory units in any qualification.

Additional and specialist learning

Additional and specialist learning (ASL) consists of accredited qualifications. The ASL may include Pearson BTEC qualifications which are also available to learners not following a Diploma course of study.

Qualifications that are valid against different lines of principal learning can be identified on the Register of Regulated Qualifications.

Functional skills

The Pearson BTEC qualifications in this specification give learners opportunities to develop and apply Functional Skills.

Functional Skills are offered as stand-alone qualifications at level 2. See individual units for opportunities to cover ICT, Mathematics and English Functional Skills.

Personal, learning and thinking skills

Opportunities are available to develop personal, learning and thinking skills (PLTS) within sector-related context. PLTS are identified in brackets after the unit pass criteria to which they are associated and they are also mapped in *Annexe C*. Further opportunities for learners to demonstrate these skills may arise as learners progress throughout their learning.

Access and recruitment

Pearson's policy regarding access to its 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 wishing to access the qualifications.

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

Centres will need to review the entry profile of qualifications and/or experience held by applicants, considering whether this profile shows an ability to progress to a level 3 qualification. For learners who have recently been in education, the profile is likely to include one of the following:

- a Pearson BTEC level 2 qualification in Enterprise and Entrepreneurship or a related vocational area
- a standard of literacy and numeracy supported by a general education equivalent to four GCSEs at grade A*-C
- other related level 2 qualifications
- related work experience.

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

Restrictions on learner entry

Most Pearson BTEC qualifications are for learners aged 16 years and over.

In particular sectors the restrictions on learner entry might also relate to any physical or legal barriers, for example, people working in health, care or education are likely to be subject to Disclosure and Barring Service (DBS) checks.

Access arrangements for learners with disabilities and specific needs

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

We are committed to ensuring that:

- learners with a protected characteristic (as defined by the Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic

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

Details on how to make adjustments for learners with protected characteristics are given in the policy document *Reasonable Adjustment and Special Considerations for BTEC and Edexcel NVQ Qualifications*, which can be found on the our website.

Recognition of Prior Learning

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

Pearson encourages centres to recognise learners' previous achievements and experiences whether at work, home or at leisure, as well as in the classroom. RPL provides a route for the recognition of the achievements resulting from continuous learning.

RPL enables recognition of achievement from a range of activities using any valid assessment methodology. Provided that the assessment requirements of a given unit or qualification have been met, the use of RPL is acceptable for accrediting a unit, units or a whole qualification. Evidence of learning must be valid and reliable.

Unit format

All units in Pearson BTEC level 3 qualifications have a standard format. The unit format is designed to give guidance on the requirements of the qualification for learners, tutors, assessors and those responsible for monitoring national standards.

Each unit has the following sections.

Unit title

The unit title will appear on the learner's Notification of Performance (NOP).

Level

All units and qualifications have a level assigned to them, which represents the level of achievement. There are nine levels of achievement, from Entry level to level 8. The level of the unit has been informed by the level descriptors and, where appropriate, the National Occupational Standards (NOS) and/or other sector/professional benchmarks.

Credit value

Each unit in Pearson BTEC qualifications has a credit value; learners will be awarded credits for the successful completion of whole units.

A credit value specifies the number of credits that will be awarded to a learner who has met all the learning outcomes of the unit.

Guided learning hours

Guided learning hours for the unit as defined in page 3.

Aim and purpose

The aim is a succinct statement that summarises the learning outcomes of the unit.

Unit introduction

The unit introduction gives the reader an appreciation of the unit in the vocational setting of the qualification, as well as highlighting the focus of the unit. It gives the reader a snapshot of the unit and the key knowledge, skills and understanding gained while studying the unit. The unit introduction also highlights any links to the appropriate vocational sector by describing how the unit relates to that sector.

Learning outcomes

Learning outcomes state exactly what a learner should 'know, understand or be able to do' as a result of completing the unit.

Unit content

The unit content identifies the breadth of knowledge, skills and understanding needed to design and deliver a programme of learning to achieve each of the learning outcomes. This is informed by the underpinning knowledge and understanding requirements of the related NOS. The content provides the range of subject material for the programme of learning and specifies the skills, knowledge and understanding required for achievement of the pass, merit and distinction grading criteria.

Each learning outcome is stated in full and then the key phrases or concepts related to that learning outcome are listed in italics followed by the subsequent range of related topics.

Relationship between content and assessment criteria

The learner must have the opportunity within delivery of the unit to cover all the unit content.

It is not a requirement of the unit specification that all content is assessed. However, the indicative content will need to be covered in a programme of learning in order for learners to be able to meet the standard determined in the assessment and grading criteria. The merit and distinction grading criteria enable the learner to achieve higher levels of performance in acquisition of knowledge, understanding and skills.

Content structure and terminology

The information below shows how unit content is structured and gives the terminology used to explain the different components within the content.

- Learning outcome: this is given in bold at the beginning of each section of content.
- Italicised sub-heading: it contains a key phrase or concept. This is content which must be covered in the delivery of the unit. Colons mark the end of an italicised sub-heading.
- Elements of content: the elements are in plain text and amplify the sub-heading. The elements must also be covered in the delivery of the unit. Semi-colons mark the end of an element.
- Brackets contain amplification of elements of content which must be covered in the delivery of the unit.
- 'eg' is a list of examples used for indicative amplification of an element (that is, the content specified in this amplification that could be covered or that could be replaced by other, similar material).

Assessment and grading grid

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

Essential guidance for tutors

This section gives tutors additional guidance and amplification to aid understanding and a consistent level of delivery and assessment. It is divided into the following sections.

- *Delivery* – explains the content's relationship with the learning outcomes and offers guidance about possible approaches to delivery. This section is based on the more usual delivery modes but is not intended to rule out alternative approaches.
- *Outline learning plan* – the outline learning plan has been included in every unit as guidance and demonstrates one way in planning the delivery and assessment of a unit. The outline learning plan can be used in conjunction with the programme of suggested assignments.
- *Assessment* – gives amplification about the nature and type of evidence that learners need to produce in order to pass the unit or achieve the higher grades. This section should be read in conjunction with the grading criteria.
- *Suggested programme of assignments* – the table shows how the suggested assignments match and cover the assessment grading criteria.
- *Links to National Occupational Standards, other Pearson BTEC units, other Pearson BTEC qualifications and other relevant units and qualifications* – sets out links with other units within the qualification. These links can be used to ensure that learners make connections between units, resulting in a coherent programme of learning. The links show opportunities for integration of learning, delivery and assessment.
- *Essential resources* – identifies any specialist resources needed to allow learners to generate the evidence required for each unit. The centre will be asked to ensure that any requirements are in place when it seeks approval from Pearson to offer the qualification.
- *Employer engagement and vocational contexts* – provides a short list of agencies, networks and other useful contacts for employer engagement and for sources of vocational contexts.
- *Indicative reading for learners* – gives a list of resource materials for learners that benchmark the level of study.

Further information

For further information please call Customer Services on 020 7010 2188 (calls may be recorded for quality and training purposes) or email: TeachingBusiness@pearson.com.

Useful publications

Further copies of this document and related publications can be obtained by contacting us:

Telephone: 0845 172 0205
Email: publication.orders@edexcel.com

Related information and publications include:

- Functional Skills publications – specifications, tutor support materials and question papers
- the current Pearson publications catalogue and update catalogue.

Edexcel publications concerning the Quality Assurance System and the internal and external verification of vocationally related programmes can be found on our website and in the our publications catalogue.

NB: Most of our publications are priced. There is also a charge for postage and packing. Please check the cost when you order.

How to obtain National Occupational Standards

Please contact:

SFEDI
Business Incubation Centre
Durham Way South
Aycliffe Industrial Park
County Durham
DL5 6XP

Telephone: 0845 224 5928
Website: www.sfedi.co.uk

Professional development and training

Pearson supports UK and international customers with training related to Pearson BTEC qualifications. This support is available through a choice of training options offered in our published training directory or through customised training at your centre.

The support we offer focuses on a range of issues including:

- planning for the delivery of a new programme
- planning for assessment and grading
- developing effective assignments
- building your team and teamwork skills
- developing student-centred learning and teaching approaches
- building Functional Skills into your programme
- building in effective and efficient quality assurance systems.

The national programme of training we offer can be viewed on our website (qualifications.pearson.com). You can request customised training through the website or by contacting one of our advisers in the Training from Pearson UK to discuss your training needs.

The training we provide:

- is active – ideas are developed and applied
- is designed to be supportive and thought provoking
- builds on best practice.

Units

Unit 1: The Innovative Entrepreneur

Unit code: D/600/0343

Level 3: BTEC National

Credit value: 5

Guided learning hours: 30

Aim and purpose

The aim of this unit is for learners to explore how entrepreneurs use new ideas and to enable them to develop as entrepreneurs.

Unit introduction

Entrepreneurs are innovative by nature and new enterprises are usually built on innovation of one type or another. A new enterprise may provide entirely new products, or offer established products in a different way.

In this unit, learners will start to explore different types of creativity including the development of new products or services, new markets and new business models. The common factors for success include that an entrepreneur must have a clear vision for the product or service and that any business or social enterprise must satisfy the needs or aspirations of customers.

Learners will go on to study how to nurture and enhance creativity by considering theoretical models and the climate conducive to creativity. Thereafter, they will explore some methods of developing their own creativity.

They will then learn what an entrepreneur does with each idea before deciding whether it is worthy of using in an enterprise. Much of this work is intangible, relying on developing a detailed vision and then evaluating the idea to determine whether it has the potential to become profitable and take on a life of its own. Testing ideas also relies on communicating with others.

Finally, learners will start to think about their own learning and development and to plan their own development with reference to the perceived needs of their proposed business.

Learning outcomes

On completion of this unit a learner should:

1 Understand how entrepreneurs are creative

2 Be able to encourage creativity

3 Be able to assess proposals developed from new ideas

4 Be able to develop own entrepreneurial skills and attributes.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand how entrepreneurs are creative	P1 explain using examples different types of innovation used by entrepreneurs
2 Be able to encourage creativity	P2 use three methods to encourage creativity (CT1, 2, 3, 4, 5, 6)
3 Be able to assess proposals developed from new ideas	P3 describe two proposals for enterprise including the skills and attributes required to operate them P4 explain why one proposal should be taken forward rather than others
4 Be able to develop own entrepreneurial skills and attributes.	P5 conduct an assessment of self, taking advice from others, against identified needs for the business idea P6 plan own personal development, outlining development needs and how these will be addressed P7 review own personal development, assessing how needs have been met.

Unit content

1 Understand how entrepreneurs are creative

Innovation and customers: meet customers' needs and aspirations; identifying customers' needs not previously identified; different methods of meeting needs already identified, eg online spectacles retailer or laser eye treatment instead of high street opticians, MP3 players instead of CD players, strong glue instead of screws to fix shelves, video conferencing instead of holding face to face meetings, electronic surveillance and alarm systems for community care etc

Types of innovation: product development; market development; business model innovations

Product development: inventions, eg Tanya Budd and Hypo-Hoist, Mark Zukerberg and social networking site Facebook, Sergey Brin and Google

Market development: introduction of online or physical sales environment; exporting concept to different places, eg German Christmas markets in UK, Rose Grimond's Orkney Rose Restaurant in London; finding new target markets for established product, eg different versions of cider launched to different types of customer; accessing niche markets via internet

Business model innovations: increasing efficiency and developing cost advantage, eg outsourcing, changing production methods, remodelling the supply chain, electronic ordering and invoicing; improving processes, eg low cost airlines reduced time between flights; changes in offer to customers to increase revenue, eg changes to bundling of products, changes to units of sale and pricing

2 Be able to encourage creativity

Vision and mindset: focus; taking calculated risks; having a positive attitude; being motivated and dedicated; flexibility and adaptability; intuitiveness; the drive to succeed and grow; openness to change; having the vision and capacity to inspire

Methods: eg theoretical models, eg Graham Wallas (1926) preparation (definition of issue, observation, and study), incubation (laying the issue aside for a time), illumination (the moment when a new idea finally emerges), verification (checking it out); Anderson and West's four factor theory of group climate for innovation: vision, participative safety, task orientation and support for innovation; cultivating own imagination and curiosity; use of mind-maps; problem-solving exercises; overcoming barriers to creativity; the journalistic six (asking who, why, what, where, when, how); lateral thinking exercises such as PMI (Plus Minus Interesting); fostering own learning and development

Common elements in theoretical models: preparation including use of observation, imagination and curiosity creating store of concepts; analysis of problem; generation of ideas through seeking links between concepts; harvesting of ideas; enhancing and evaluating of ideas

3 Be able to assess proposals developed from new ideas

Define the 'proposal': purpose (to enable idea to be assessed); potential customers; competitors; benefits to customers and sponsors of innovation; overall vision and purpose; core values; brand; brand personality; difference from others' ideas; discussing ideas with trusted others; listening to and critiquing other entrepreneurs' ideas

Assess an idea: distinguishing probable from improbable (importance of evidence); scorecards; detailed mental simulation of idea; SWOT analysis (strengths, weaknesses, opportunities and threats); viability; likelihood of success; potential return on capital invested (ROI); barriers, eg licences, large start-up costs; potential market; ability of entrepreneur to launch innovation

Protect an idea: patents; copyright; non-disclosure agreements, intellectual property rights; trademarks; sources of advice

4 Be able to develop own entrepreneurial skills and attributes

Business skills and attributes: skills envisaged for new ideas: eg paperwork, sales, marketing, finance, production, purchasing, business law, obtaining supplies, maintaining equipment, monitoring quality, getting publicity, writing promotional materials, strategic thinking, communication, dealing with stakeholders, negotiation, decision making, problem solving, delegation

Assessing own skills: skills audit eg psychometric tests, personal SWOT analysis, assessment of skills needs against current skills, feedback from others eg family, funders, stakeholders, customers

Development plan: eg setting goals; training; qualifications; working with business associates, business advice centres, advisers, mentors, counsellors, consultants, non-executive directors, accountants and other professionals

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 explain using examples different types of innovation used by entrepreneurs	**M1** analyse types of innovation used by entrepreneurs	
P2 use three methods to encourage creativity [CT1, 2, 3, 4, 5, 6]	**M2** evaluate methods for encouraging creativity	
P3 describe two proposals for enterprise including the skills and attributes required to operate them **P4** Explain why one proposal should be taken forward rather than others	**M3** assess business proposals, including predicted skills and attributes required to operate them.	**D1** evaluate business proposals, including predicted skills and attributes required to operate them.
P5 conduct an assessment of self, taking advice from others, against identified needs for the business idea **P6** plan own personal development, outlining development needs and how these will be addressed **P7** review own personal development, assessing how needs have been met.		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Ideally, this unit should be delivered to give learners some of the elements required to enhance their creativity such as encouraging them to develop curiosity, be imaginative and express new ideas. Methods of developing an appropriate atmosphere or group culture for the unit include negotiating 'group rules for behaviour' so that learners take some responsibility for developing the right culture and also using a range of new learning methods that constantly challenge them. Attention should be paid to the language and pacing as these can all contribute to creating the desired atmosphere of excitement tempered by self-discipline. Ice-breakers, energisers and innovative endings to each group meeting could all be used to good effect in this unit.

For learning outcome 1, the learners should be exposed to the spirit, passion and drive of entrepreneurs and to a range of their ideas. Small groups of learners could investigate the stories of different entrepreneurs and then use role play to present key moments to the whole group. The end result should be that the learners become conversant with the different types of innovation and the common characteristics of successful entrepreneurs.

Learning outcome 2 provides opportunities for the use of challenging activities such as designing and making things out of limited materials, developing a marketing proposal for an apparently worthless item etc. It would be best to ensure that a variety of activities are used so that all learners take part in some activities with which they feel comfortable and others that are not within their usual comfort zone. These activities should be carefully briefed and debriefed to ensure that the learners reflect on what helped them to develop ideas and how this links with the theoretical content of the outcome.

Learning outcome 3 requires learners to develop ideas or proposals which depends on being highly imaginative and also to evaluate both the potential and pitfalls inherent within the proposals. Learners should be encouraged to value their developing ability to use different methods of thinking at different times.

Learning outcome 4 requires learners to conduct an assessment of their own skills and attributes and to develop a personal development plan. The assessment of own skills and attributes should draw on a range of feedback and could include psychometric testing, a personal SWOT analysis and an assessment of current skills against the skills that will be needed to operate the business in the future. Learners could also draw on feedback from tutor, entrepreneurs, peers, friends and family. Learners should be encouraged to develop a critical approach to feedback, accepting valid feedback but challenging feedback if they feel it is unjustified. This applies also to psychometric testing.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning.	0.5
Negotiation of contract for developing 'safe learning environment' in which risks can be taken.	1.0
Learners investigate inspirational stories of entrepreneurs leading to role plays of key moments.	3.0
Investigations of a range of innovative ideas covering product development, market development and business model innovations – learners create posters of idea development.	3.0
Assignment: **Entrepreneurs (P1, M1) .**	4.0
Outline of a basic theoretical model for encouraging innovation.	0.5
Series of challenges requiring innovation – learners keep personal innovation diaries reflecting on what helped or hindered their creativity. De-briefing of activities linking to discussion of theory.	10.0
Assignment: **Being Creative (P2, M2).**	6.0
Exercises on developing proposals so that they can be assessed – use of vision to develop details.	3.0
Brainstorm of criteria for assessing a business idea.	1.0
Practice in assessing business ideas.	3.0
Assignment: **My Innovative Enterprise (P3, M3, D1).**	3.0
Learners undertake self assessment exercises to ascertain their skills and attributes.	3.0
Learners review own personal development at end of course of study.	3.0
Assignment: **My Personal Development Plan (P5, P6, P7).**	6.0
Total learning time hours	**50**

Assessment

To achieve P1, learners need to use examples to explain three different types of innovation used by entrepreneurs including product development, market development and changes to a business model.

At merit level this will be developed into an analysis of the examples of the different types of innovation.

For P2, learners should use at least three creativity methods and could use one method to encourage creativity when working with others.

For M2, learners will need to produce evidence of their evaluation of different methods of creativity. They should keep a log of the different methods used, the benefits and disadvantages of each, and how successful each method was.

For P3, learners need to take new ideas and develop them into defined proposals that have enough detail to enable them to be assessed. Two well developed ideas are sufficient. For each idea the learners should build up the detail as specified in the relevant section of the unit content. For P4, learners should explain why one proposal should be taken forward in preference to others. For the proposals at least four of the methods of assessing an idea from the unit content should be used.

For M3, the different strengths and weaknesses are drawn together and an assessment made of each proposal, including the skills and attributes that will be needed to operate the business.

At distinction level, learners will have completed a full evaluation of each proposal and made well reasoned decisions, which take a realistic view of the likelihood of success.

For P5, learners should undertake a self assessment using a self-assessment tool such as a psychometric test, and briefly assess the results in terms of their applicability to self, the validity of the method and the outcomes they have experienced. They should draw on the results of this, and the analysis of the business proposal, to develop a personal development plan (P6) that plans out the skills and attributes they may need to operate their business. For P7, learners should review their development against the plan at the end of their course of study. This should be integrated with P14 from *Unit 6: Operating your Business*, if learners are completing the Diploma in Enterprise and Entrepreneurship.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1	Entrepreneurs	Learners to decide who is the most creative entrepreneur.	Learners write to entrepreneurs explaining why they would like to meet them and what it is about their creativity and innovation that has impressed them.
P2, M2	Being Creative	Learners undertake a series of challenges requiring innovation both on their own and with others.	Learners maintain a video or other form of diary reflecting on their experiences – from this they draw conclusions about how to encourage innovation.
P3, P4, M3, D1	My Innovative Enterprise	Learners undertake to develop and evaluate ideas for their own enterprise.	Learners develop new ideas into proposals and evaluate the ideas.
P5, P6, P7	My Personal Development Plan	Learners undertake a self-assessment and devise a personal development plan.	The personal development plan.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all other units in the BTEC Enterprise and Entrepreneurship sector suite.

It also includes knowledge and skills from the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- EE1 Achieve the goals for your business
- UE1 Choosing your business enterprise
- BD1 Check the likely success of your business
- EE4 Find innovative ways to improve your business.

Essential resources

Employer engagement and vocational contexts

Learners will benefit from discussion and interaction with entrepreneurs on their experiences of how ideas are developed.

Indicative reading for learners

Textbooks

Branson R – *Screw it, Let's do it* (Virgin, 2006) ISBN 0-75351099 5

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Mawson A – *The Social Entrepreneur, Making Communities Work* (Atlantic Books, 2008) ISBN 978-1843456610

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Materials for teachers

Hare K and Reynolds L – *The Trainer's Toolkit* (Crown House Publishing Ltd, 2005) ISBN 978-1904424239 (for teachers)

Websites

www.businesslink.co.uk	Business Link
www.directedcreativity.com	A range of information from a business consultant
www.enchantedmind.com	Brain puzzles
www.hypohoist.co.uk	Website for Tanya Budd's invention
www.orkneyrose.com/about	Website for Orkney Rose
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Creative thinkers	P2 using three methods to encourage creativity (CT1, 2, 3, 4, 5, 6)
Reflective learners	P5 conducting an assessment of self, taking advice from others, against identified needs for the business idea P6 planning own personal development, outlining development needs and how these will be addressed.

Although PLTS opportunities are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	researching work of other entrepreneurs (IE1, 2)
Reflective learners	assessing the feasibility of their own ideas, reflecting on the creative process (RL1)
Team workers	undertaking team challenges. (TW1, 6)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	explaining, using examples, different types of innovation used by entrepreneurs
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	explaining, using examples, different types of innovation used by entrepreneurs
Manage information storage to enable efficient retrieval	explaining, using examples, different types of innovation used by entrepreneurs
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	explaining, using examples, different types of innovation used by entrepreneurs
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	explaining, using examples, different types of innovation used by entrepreneurs
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	explaining, using examples, different types of innovation used by entrepreneurs
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	using one method to encourage creativity in others.

Unit 2: Business Planning and Pitching

Unit code: L/600/0340

Level 3: BTEC National

Credit value: 15

Guided learning hours: 90

Aim and purpose

This unit aims to enable the learners to develop a professionally-presented business plan for a micro start-up business.

Unit introduction

It has been said that failing to plan is planning to fail and this is never more pertinent than when planning the setting up of a new business. Developing a new business and bringing a product or service to market is a complex and creative operation, and systematic planning and reflection will enhance the chances of success.

In this unit, learners will develop an idea for a micro start-up business. Learners will then go on to plan and undertake market research that will be used to develop marketing and promotion plans, which form an essential part of their business plans.

Learners will then learn to use key financial techniques to aid them in making business decisions that will be needed to make viable business plans.

Learners will then go on to consider the key legal aspects of starting up a small business, including the selection of a legal business format for the business and essential aspects of contract and health and safety legislation.

Finally, learners will learn how to present their written business plan in a coherent and professional manner and to negotiate funding with a sponsor. Learners will learn the differences between the planning needed for the development and operation of a business and how this differs from the concise version that will be presented to potential sponsors.

Learning outcomes

On completion of this unit a learner should:

1 Be able to develop a business idea

2 Be able to develop a marketing plan

3 Be able to use financial techniques for planning a business

4 Know legal provisions which affect microbusinesses

5 Be able to develop a business plan

6 Be able to present a pitch for business funding.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Be able to develop a business idea	P1 create a business vision and proposal for a micro start-up business (CT1) P2 devise a business model that includes routes to market P3 consult sources of advice and information, and networks, about a new business proposal
2 Be able to develop a marketing plan	P4 conduct market research, including into competitors and customer needs, designed to inform a business plan for a micro start-up business (IE1/IE2) P5 develop a marketing and sales plan which includes customer needs and addresses the competitive environment for a micro start-up business (SM3)
3 Be able to use financial techniques for planning a business	P6 produce business planning forecasts using financial techniques P7 describe how to respond if the business is not on target
4 Know legal provisions which affect microbusinesses	P8 describe the main legal provisions which may affect a proposed microbusiness
5 Be able to develop a business plan	P9 produce a viable structured business plan, which includes risks and skills needed for a micro start-up business (SM3)
6 Be able to present a pitch for business funding.	P10 pitch for funding for a small business P11 negotiate support with a business sponsor for a new business.

Unit content

1 Be able to develop a business idea

Create a business idea: identifying opportunity for meeting customers' needs or aspirations: new needs; increased needs

Mindset: passion for idea; area of interest; personal commitment to the idea; long term vision; deficiencies in current provision; ability to attract customers from existing providers; use of imagination

Business model: eg internet only, franchise, sole owner etc

Feasibility: resources required to develop idea: own time, others' time, skills, finance, premises; likelihood of success: access to prospective customers, existing demand, competitors, estimating profitability; identification of major barriers for start-up business, eg using PESTLE, large start-up costs, licences; longer-term benefits in terms of skills development

Sources of advice and information and networks: eg bank, government (eg Business Link, HMRC), specialist companies, friends and family, Citizens Advice Bureau, Chambers of Commerce, trade associations; where to find advice

2 Be able to develop a marketing plan

Planning research: clarification of research questions, eg how large is the potential market, what price are potential customers prepared to pay; who are the competitors; selection of type of research; sources of data; importance of cost-effectiveness; limitations of validity of small samples

Market research: purposes for micro start-up business: reduce risks, convince sponsors, make first link with potential customers; types of research: primary, secondary; primary research methods: observations, questionnaires, telephone surveys, interviews, collection of data on web-site activity, focus groups; secondary research sources of data: websites, purchased research material eg Mintel, omni-bus surveys

Market segmentation: definition; purpose; methods of segmenting a market: demographic, lifestyle, geographic for consumer markets, size, industry for business markets

Customer needs research: size of market, prices customers are prepared to pay; who customers are, customers' current and future requirements, why customers choose to work with/use a business, who the most valuable customers might be, customers with specific needs

Competitors research: who they are; why they are successful; why some are unsuccessful

Marketing plan: market definition: proposed target market segments, demand for product/service; competition; other external influences, eg trends, legislation; marketing mix; market research: method, scale, findings, conclusions; sales forecasts; promotion methods to be used; coordination with rest of marketing mix; image to be developed; costs; schedule for proposed promotion campaign; marketing tactics: marketing mix: product or service, place or distribution, price, promotion; importance of designing marketing mix to meet customers' needs

Sales plan: different ways to sell products or services; different selling methods and how these will affect sales; how many sales of a product or service can be made; how, where and when sales can be made

3 Be able to use financial techniques for planning a business

Profit and loss calculations: costs: start-up costs; operating costs: fixed, variable; revenue (sales, grants); gross profit; net profit; simple profit and loss statements; break-even chart: purpose; calculating break-even points

Projected cash flow: cash inflows: capital, sales, loans, timing of inflows, cash outflows: purchases, loan repayments, wages, rent; promotion costs; purpose of having projected cash flow: determine working capital requirements, make business decisions; use of projected cash flow software; interpretation of results; forecasts that include remedial responses should the business not be on target

Sources of finance: own savings; loans from family; bank loans; loans from charitable trusts; leasing instead of buying, purchasing on credit; advantages and disadvantages of each source, eg costs; limits on freedom

4 Know legal provisions which affect microbusinesses

Legal business formats for small business: eg sole trader, partnership, private limited company, social enterprise formats

Sole trader: one owner; sole responsibility; liability for all debts of business; risks to own property; cheap; simple; few legal requirements

Partnership: shared ownership; shared responsibility; joint liability for all debts of business; value of legal partnership agreement

Private limited company: separate legal entity; shared ownership through share-holding; liability limited to investment in business; need for company registration and ongoing submission of accounting statements

Social enterprise formats: trusts; associations; community interest company; industrial and provident societies; charity: reporting requirements, business values, role of trustees

Legislation: Health and Safety at Work Act 1974; principles of contracts; principles of consumer protection legislation

5 Be able to develop a business plan

Business plan headings: eg executive summary: vision, purpose, summary of proposition, outline of rewards; management: goals, risks to business, skills requirements, legal structure, professional advisors; summary of finance: profit and loss forecast, cash-flow forecast, break-even analysis; funding required: purpose, timing of requirements, preferred sources; summary of markets and competition: local business environment, market research, marketing, promotion; production or service supply: supplies of materials; accommodation, equipment; appendices: any other evidence to support business plan

Business plan document presentation: cover, binding or loose-leaf file, contents page, dividers, consistent use of fonts, headings and page numbering, professional image

6 Be able to present a pitch for business funding

Investor needs from potential investment opportunity: compelling idea; skills, experience and knowledge; trust; business acumen; able to work with; robust assessment of risks; good potential return on investment

Planning stage of the pitch: gather supporting evidence; identify and overcome risks; determine amount of finance needed; assess return on investment (ROI); design presentation of business and financial plan; select and become familiar with venue for meeting; structure of presentation: introductions, outline of idea, main points in logical order, questions, courteous close; visual aids: presentation software, handouts, selection of key parts of plan, use of graphics

Presentation skills: personal presentation to portray desired image: dress, professional manner; importance of appearing to be confident; importance of honesty; importance of being fluent about content of pitch; importance of practising presentation; importance of portraying energy, enthusiasm and commitment

Negotiation: identification of expected questions: robustness of evidence of market; own skills and expertise; security of supply; assumptions behind sales forecasts and return on investment calculations; capacity to meet high demand etc; techniques for handling challenging questions; having a bottom line for level of sponsorship

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 create a business vision and proposal for a micro start-up business [CT1] **P2** devise a business model that includes routes to market **P3** consult sources of advice and information, and networks, about a new business proposal	**M1** assess feasibility of a business idea for a micro start-up business **M2** create an innovative business vision and proposal for a micro start-up business	
P4 conduct market research, including into competitors and customer needs, designed to inform a business plan for a micro start-up business [IE1/IE2] **P5** develop a marketing and sales plan which includes customer needs and addresses the competitive environment for a micro start-up business [SM3]	**M3** develop a coordinated marketing mix	
P6 produce business planning forecasts using financial techniques **P7** describe how to respond if the business is not on target	**M4** analyse financial statements for planned microbusiness	
P8 describe the main legal provisions which may affect a proposed micro business		
P9 produce a viable structured business plan, which includes risks and skills needed for a micro business [SM3]	**M5** develop an integrated business plan which includes risks and skills needed for a micro start-up business	**D1** develop an integrated innovative business plan which includes risks and skills needed for a micro start-up business

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P10 pitch for funding for a small business **P11** negotiate support with a business sponsor for a new business.	**M6** present a coherent pitch that addresses investors' needs.	**D2** present a pitch that convinces the audience of the viability of the investment opportunity.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Many learners will start this unit without having completed the *BTEC Level 2 Certificate or Diploma in Understanding Enterprise and Entrepreneurship*. Others who have completed this course and have developed a business plan could use this plan as a basis for study for this unit, and this unit provides the opportunity for the plan to be revised and updated for business launch.

For learning outcome 1, the learners should examine as many business ideas as possible, including ideas for completely new products or services and the development of new markets for established products and services. The importance of identifying potential customers cannot be over-emphasised. Ideally, the tutor should seek to create an atmosphere where enthusiasm and excitement are cultivated. Suitable visiting speakers, stimulus material, encouragement for the learners, good pacing and an active style of learning can be used to develop an appropriate atmosphere. Learners could then move on to considering the feasibility of different business ideas. This could be done through small group activities where learners have to consider a range of possible business proposals and decide which is the most feasible. The final part of this outcome is about sources of advice and support for small businesses; learners could meet with business advisors perhaps at the local Business Link, as well as examine websites. Young Enterprise, The Prince's Trust, Small Business Federation and other local organisations may be able to make a contribution to this and other parts of the unit.

For learning outcome 2, the tutor could build on the experiences of learners as consumers and customers of business organisations. The fundamental principles of marketing need to be covered and contextualised into the microbusiness environment. Once the principles have been established through exploration of suitable case studies, learners should learn actively through developing market research plans and marketing and promotion plans for small businesses. Learners should ensure that their research and planning includes the competitive environment as well as the needs of customers.

Learning outcomes 3 and 4 cover the basic principles of start-up business finance and awareness raising about legal issues. Most business finance programmes start with simple examples based on microbusinesses, so finding suitable examples for the profit and break-even calculations should not present any difficulty. Learners can, initially, develop a projected cash flow for their own personal finances before going on to develop them for small business scenarios. It is envisaged that a workshop style of learning be used, with an emphasis on understanding how to use the techniques to make decisions about a micro start-up business. When dealing with the sources of finance the emphasis is again on practical aspects, and learners should become conversant with the advantages and disadvantages of the different sources of funding from the point of view of the start-up entrepreneur. Learners will need to be taught the principles of health and safety at work, contracts and consumer protection legislation before considering a number of case studies based on the microbusiness sector. Investigating the specific issues surrounding their own developing proposals for a start-up business should be a motivating way of delivering the 'sources of information' part of this outcome.

Learning outcome 5 builds on the previous learning outcomes in that learners will already have covered most of the learning needed to develop a business plan. They will need to add detail about goals, people, supply chain, production, premises and equipment. Much of this will vary considerably depending on the type of business envisaged. Some attention should be given to how to create a professional-looking document and ideally learners should have the opportunity to examine some completed business plans. Learners should understand the value of brevity in the plan which is presented to sponsors, and how this will contrast with the planning that will be used in setting up and running the business. This is because most sponsors are likely to be short of time and will want to make a quick assessment of an opportunity with all required information to hand. It is advised that a business plan be no longer than three sides of A4, with any additional information contained in appendices.

For learning outcome 6, learners could analyse the pitches for funding from a television programme and identify strengths and weaknesses from each one. This would then need to be drawn together by the tutor who could introduce any important aspects not already discussed. The tutor could also lead a discussion on what should be done to avoid any pitfalls identified. Learners may benefit from updating or extending their skills using presentation software. Tactics for negotiation should be identified and discussed. It is likely that learners will benefit from some individual support and formative feedback as they develop and practise their pitches. Learners should then negotiate with the sponsor to establish whether support is to be provided and how much. Learners are not required to be successful in negotiations for assessment, as it is accepted that some will find alternative sources of finance. However, learners should use negotiation skills and use feedback to amend their business plan should this be necessary.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning.	1.0
Discussion based on case studies of several different business start-ups and leading to identifying methods for developing business ideas – visiting speakers or stimulus material could be used.	4.0
Learners in groups undertake exercises in developing creative ideas.	4.0
Practice session – all learners develop a range of start-up options.	4.0
Small group activity: learners investigate the feasibility of some of the business ideas generated and present, showing which ideas are the most feasible. Learners critique each others' ideas.	6.0
Visit to Business Link to find out about support available to support business start-ups.	2.0
Assignment Part One: **My Business Plan and Pitch** – each learner identifies one business idea to develop further and makes a guide to the sources of information that will be most useful.	5.0
Whole-group session – introduction to the importance of a marketing plan and the content of the plan.	2.0
Whole-group session – methods of market research and planning cost-effective market research.	3.0
Small group activity: learners plan and carry out initial stages of market research for given product/ service proposal. Findings and conclusions discussed in plenary.	7.0
Whole-group session – market segmentation and targeting using case studies of small businesses.	3.0
Whole-group session – watch a DVD about the marketing mix followed by application to own business ideas and sharing of ideas.	4.0
Whole-group session – examination of model marketing plans.	2.0
Assignment Part Two: **My Business Plan and Pitch** – each learner develops and undertakes market research plan and use information to devise marketing plans.	15.0
Whole-group session – start-up costs, ongoing costs and revenues based on examples of small business.	4.0
Whole-group session – projected cash flow based on an example small business.	4.0
Individual – learners practise cash flow forecasts with examples using small business scenarios then devise their own personal projected cash flows.	15.0
Whole-group session – visiting entrepreneur discusses sources of finance for micro start-up businesses,	3.0
Whole-group session – discuss business formats and advantages and disadvantages of each.	3.0

Topic and suggested assignments/activities	Hours
Small-group activity – learners decide on business format and finance requirements and how best to meet them for a given small business proposal.	3.0
Small-group research on principles of legislation – health and safety and consumer protection, sources of information. Learners feed back to group.	4.0
Individual activity – learners use internet resources to identify legal issues for their own proposed small business start-ups.	3.0
Assignment Part Three: **My Business Plan and Pitch** – learners develop section of their business plans covering financial and legal requirements.	15.0
Small-group activity – learners examine several real business plans produced by small businesses and draw up a list of what is required and how they should be presented. Main points presented to rest of group.	3.0
Assignment Part Four: **My Business Plan and Pitch** – using previous work as a base, learners develop their written business plan.	15.0
Whole-group activity – using recorded pitches, such as those from Dragons' Den, learners draw up a list of what makes a good pitch. Tutor fills in gaps.	3.0
Learners prepare their pitches.	4.0
Assignment Part Five: **My Business Plan and Pitch** – learners prepare and present their pitches, and negotiate sponsorship.	15.0
Individual mentoring and support.	4.0
Total learning time hours	**150**

Assessment

The assessment criteria are based on learners developing an idea for a micro start-up business or social enterprise, producing a full business plan and pitching for funding for the business. This could be presented to learners as one large assignment with staged submission dates for each learning outcome. This would give learners the opportunity to benefit from feedback from their assessors before moving on to the next section.

For P1, learners should describe the idea they have developed, including the group of customers envisaged and how the proposed venture could satisfy customers' needs and aspirations. The attributes of the targeted customers should be described, as well as the product or service and how learners could meet the needs. P2 requires learners to describe the business model they will use in the plan, including routes to market for the product or service.

For P3, learners should consult at least two sources of advice and information, and/or networks for micro start-up businesses. Evidence could be included in the business plan appendices or references.

For M1, learners should assess their proposal and come to a justified conclusion as to its feasibility. This should include consideration of the resources required, any barriers to entry, access to customers and benefits of developing the business. For M2, the idea created should be innovative in that it is an innovative solution to an identified market service or product need, or an innovative business solution for an existing service or product.

To achieve P4, learners need to design and implement some market research which they then go on to use to make decisions about their business plan. Research can be primary, secondary or a combination of both, but learners should have a rationale for the selection of research methods and must have drawn conclusions from their research.

For P5, learners should develop a marketing and sales plan that includes a description of the proposed target market, anticipated demand for the product or service, information on competitors, how products and/or services are to be sold and other key external influences, a marketing mix and a promotion plan.

For M3, the different elements of the marketing mix should be coordinated so that they all seek to meet the needs of a defined group of customers.

To achieve P6, learners need to produce a profit calculation, break-even analysis and projected cash flow and draw some logical conclusions from the use of the tools. For P7, learners should consider what their financial response would be if a business were not on target.

For M4, these conclusions should be developed into an assessment of the financial prospects for the business.

For P8, learners should describe the principles of the different business formats for the proposed business and describe the impact of at least two relevant aspects of health and safety legislation, contract law and consumer protection legislation in relation to their own business.

For P9, learners should produce a business plan that includes information on the proposed business, the market for it, marketing and promotion plans, financial and legal aspects, risks, skills needs and practical plans relating to premises, equipment and supplies.

At merit level (M5) this basic plan would be fully developed and be an integrated coherent whole. This means that the sections should relate to each other comprehensively.

At distinction level (D1) the business plan forms a coherent whole with logical reasoning and accurate and consistent links between the different sections; there are also innovative solutions to market and other problems.

For P10, learners must deliver a pitch which should explain the case for investing in their proposed microbusinesses. Evidence for this should include an observation record prepared by the assessor, together with supporting evidence such as the visual aids and feedback from peers and witness statements from the audience. P11 requires learners to negotiate for funding, and this could be evidenced through a question and answer session at the end of the presentation. Learners are not assessed on whether their negotiations are successful, but on their ability to present their views, respond to questions and to maintain a bargaining position.

For M6, the presentation should take into account the needs and interests of the sponsor by, for example, providing Return on Investment (ROI) data and giving reassurances about sales forecasts and the learners' own experience of the sector. The presentation should also be coherent in that the different parts complement one another and follow through logically from beginning to end.

For D2, the pitch should have that extra quality of being convincing. This could be achieved through excellent attention to detail leading to an ability to answer questions in a convincing way or through showing a level of enthusiasm and commitment that impresses the audience.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
All	My Business Plan and Pitch	Learners develop a full business plan for a start-up microbusiness or social enterprise and pitch for funding.	This should be presented as one assignment with staged submission dates for sections based on each learning outcome. The final deliverables from the assignment should be a written business plan and an orally-presented pitch for funding from each learner.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all the other units in the BTEC Enterprise and Entrepreneurship sector suite.

The unit also includes knowledge and skills from the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- EE1 Achieve the goals for your business
- EE2 Win and keep customers
- MN1 Decide on the financial needs of your business
- BD1 Check the likely success of your business
- BD2 Define the product or service of your business
- BD3 Plan where your business is going
- BD10 Get support for a creative business idea
- LG1 Choose a legal format that suits your business
- WB3 Plan how you will sell your products or services.

Employer engagement and vocational contexts

Tutors should exploit opportunities for learners to engage with entrepreneurs and business advisers as they develop their business plans.

Indicative reading for learners

Textbooks

Barrow P – *The Best-Laid Business Plans* (Virgin, 2008) ISBN 978-0073509630

Cohen B and Warwick M – *Values Driven Business – How to Change the World, Make Money and Have Fun* (Berrett-Koehler, 2006) ISBN 978-1576753583

Ford B R et al – *Business Plan Guide* (Wiley, 2007) ISBN 978-0470112694

Green J – *Starting Your Own Business* (How To Books, 2005) ISBN 1845280709

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Mawson A – *The Social Entrepreneur, Making Communities Work* (Atlantic Books 2008) ISBN 978-1843456610

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Websites

www.businessballs.com	Business resources, including a business plan template
www.businesslink.co.uk	Business Link
www.directedcreativity.com	A range of information from a business consultant
www.enchantedmind.com	This site has links to many other sites with brain puzzles
www.hypohoist.co.uk	Website for Tanya Budd's invention
www.orkneyrose.com/about	Website for Orkney Rose
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 conducting market research, including into competitors and customer needs, designed to inform a business plan for a micro start-up business (IE1/IE2)
Creative thinkers	P2 creating a business vision and proposal for a micro start-up business (CT1)
Self-managers	P5 developing a marketing and sales plan which includes customer needs and addresses the competitive environment for a micro start-up business (SM3) P9 producing a viable structured business plan, which includes risks and skills needed for a micro start-up business. (SM3)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	enquiring into new business ideas (IE1, 2)
Reflective learners	reflecting on their business plan, drawing on the sections and considering the validity of the proposal (RL2, 3, 4) reflecting on their pitch, accepting feedback from peers (RL4)
Team workers	accepting comments on their presentation pitches and comment on pitches by peers (TW3, 4)
Self-managers	planning their time, working towards development of their business plan. (SM2, 3)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Manage information storage to enable efficient retrieval	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Bring together information to suit content and purpose	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Present information in ways that are fit for purpose and audience	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	describing sources of advice and information for a microbusiness start-up developing a business plan for a micro start-up business

Skill	When learners are …
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	using financial techniques to produce business planning forecasts
Identify the situation or problem and the mathematical methods needed to tackle it	using financial techniques to produce business planning forecasts
Select and apply a range of skills to find solutions	using financial techniques to produce business planning forecasts
Use appropriate checking procedures and evaluate their effectiveness at each stage	using financial techniques to produce business planning forecasts
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	using financial techniques to produce business planning forecasts
Draw conclusions and provide mathematical justifications	using financial techniques to produce business planning forecasts
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	presenting a pitch for funding for a small business
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	developing a business plan for a micro start-up business.

Unit 3: Financial Planning and Implementation

Unit code: J/600/0336

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to gain the skills and knowledge to prepare and use simple business budgets and accounts, and to explore sources of funding and advice.

Unit introduction

A successful microbusiness or social enterprise needs to be financially sound. It is not just about how much money is needed to set up the enterprise, conduct market research, establish premises or pay for equipment etc, but the running costs that need to be met on a day-to-day basis such as advertising, rent, utilities and services that keep the business afloat.

Raising sufficient finance to get the enterprise up and running and knowledge of who can provide relevant advice and guidance to do this is vital. This unit will enable learners to examine the advantages and disadvantages of using various private and public sources of funding, and where they can get appropriate advice to meet their particular needs.

Effective financial control and planning involves the generation of financial information. This unit will enable learners to understand and use sources of income and expenditure, starting with a cash-flow forecast which requires the setting of cash flow targets that can be monitored and adjusted on a regular basis to highlight any potential problems which could result in business failure. The measurement of a microbusiness's financial performance requires an understanding of a basic profit and loss account and balance sheet. This unit gives learners the opportunity to prepare them.

Learning outcomes

On completion of this unit a learner should:

1 Know sources of funding for establishing new business operations

2 Know sources of business enterprise financial advice and guidance

3 Be able to prepare a cash-flow forecast

4 Be able to use budgetary techniques

5 Be able to prepare business accounts.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Know sources of funding for establishing new business operations	P1 describe the sources of initial finance, together with cash flow and investment factors needed when setting up a new business P2 describe the sources of finance, together with cash flow and investment factors needed when running a new business
2 Know sources of business enterprise financial advice and guidance	P3 describe the sources of financial advice and guidance available for business enterprises
3 Be able to prepare a cash-flow forecast	P4 create a 12-month cash-flow forecast to enable a business to manage its cash (IE1)
4 Be able to use budgetary techniques	P5 describe the purpose of budgets for a new business P6 prepare affordable budgets for your business (IE1)
5 Be able to prepare business accounts.	P7 produce a simple set of final accounts using information from the accounting systems of own business. (RL1)

Unit content

1 Know sources of funding for establishing new business operations

Sources of initial finance: own savings; retained profit from previous trading; legacies; lottery winnings; lottery funding; grants; gifts from family and friends; bank loans and overdraft facilities; corporate credit cards; business mortgages; leasing facilities; venture capital, eg from Investors in Industry (3i); share capital; government grants; ROI; community development funding; advantages and disadvantages of different sources; exit options for potential investors

Cash flow support: factoring invoices; overdraft facilities; leasing arrangements, eg premises, equipment, computers and network management, vehicles; trade finance; export finance; tax returns, VAT returns

Obtaining finance: devising well-evidenced business plan, eg cash-flow forecast, forecast of financial accounts for pre-start-up, start-up, post-start-up and growth periods; investment of entrepreneur's personal capital; entrepreneur's significant industry-related experience; objective and regular review procedures; backing from key supporters; legal requirements, eg tax liabilities for type of business ownership

2 Know sources of business enterprise financial advice and guidance

Advice and guidance: advice and guidance on financial planning, eg checking costing and pricing, cash flow monitoring and planning, setting up robust record-keeping systems, ensuring appropriate financial reserves and contingency plans, availability of both emergency and long-term finance for growth; advice on online operations and project management

Sources of advice: eg Small Business Service (SBS); Confederation of British Industry (CBI); Institute of Directors (IOD); Department for Business, Enterprise and Regulatory Reform; clearing banks; Business Link Partnerships; HM Revenue and Customs; Companies House; Charity Commission; Social Enterprise Coalition; Regional Development Agencies (RDAs); Sector Skills Councils (SSCs), eg Financial Services Skills Council (FSSC), e-skills UK; Sector Skills Bodies (SSBs), eg Management Standards Centre (MSC), Small Firms Enterprise Development Initiative (SFEDI); trade associations; local authority business support units; non-governmental sources of support, eg Prince's Trust, Shell Livewire; market research reports from specialist agencies, eg Datastream, Federation of Small Businesses; Chambers of Commerce; accountants; solicitors; independent financial advisers; business press, eg Financial Times; published materials from government agencies, eg The Stationery Office (TSO), Eurostat and dedicated publishing houses, eg Kogan Page

3 Be able to prepare a cash-flow forecast

Cash-flow forecast: structure; timescale; credit periods; receipts (cash sales, debtors, capital, loans, other income); payments (cash purchases, trade creditors, revenue expenditure, capital expenditure, Value Added Tax (VAT)); opening and closing cash/bank balances

Cash flow management: problems within the cash-flow forecast, eg insufficient cash to meet payments due; solutions, eg overdraft arrangements, negotiating terms with creditors, reviewing and rescheduling capital expenditure, monitoring bank balance

4 Be able to use budgetary techniques

Budgets: master; sales; production; purchases; debtors; creditors; cash; departmental (consolidation); standard costing; analysis of variances, eg change of activity levels, costs and prices; use of accounting and statistical information

Budgetary techniques: preparing and revising budgets (changes to costs and selling prices); use of budgets for short-term target setting; monitoring (comparison of standard or budgeted costs with actual costs, calculation and explanation of variances); control measures (decision making, taking action); reliability (importance of accuracy, results of error, inaccurate assumptions); relationship between costs and incomes at different activity levels; strengths and weaknesses of budgetary techniques

5 Be able to prepare business accounts

Profit and loss account: purpose and use; trading account and calculation of gross profit (sales, purchases, opening and closing stocks); calculation of net profit (overheads, other revenue income, eg discounts received); commission received; transfer of net profit to balance sheet

Balance sheet: purpose and use; vertical presentation; order of permanence; fixed assets; current assets (stock, debtors, bank, cash); intangible assets; long-term liabilities; current liabilities (trade creditors, bank overdraft, other creditors, debts to be paid within one year, corporation tax); working capital; net assets; transfer of net profit from profit and loss account; drawings; capital employed

Sources: trial balance; list of ledger balances

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the sources of initial finance, together with cash flow and investment factors needed when setting up a new business **P2** describe the sources of finance, together with cash flow and investment factors needed when running a new business	**M1** explain the steps which should be taken to ensure a successful start-up and financial support	
P3 describe the sources of financial advice and guidance available for business enterprises		
P4 create a 12-month cash-flow forecast to enable a business to manage its cash [IE1]		
P5 describe the purpose of budgets for a new business **P6** prepare affordable budgets for your business [IE1]	**M2** analyse the impact on a budget of changes in costs and selling prices	
P7 produce a simple set of final accounts using information from the accounting systems of own business. [RL1]	**M3** explain similarities and differences between original forecasts and final accounts.	**D1** make recommendations on the steps to be taken by a selected business over the next three years to improve financial performance.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

This unit should be delivered to correspond with the development of learners' microbusiness or social enterprise start-ups. This means that although much of the learning will occur before and during the start-up process, accounts will not be generated until after the business has become operational. Therefore, it is recommended that this unit is delivered alongside other units in the Level 3 Enterprise and Entrepreneurship suite and that assessment opportunities are taken from real activities.

The need for a microbusiness to be profitable or for a social enterprise to be sustainable may be obvious to learners, but they may not appreciate the central importance of cash flow management and its implications for working capital. This unit may therefore be introduced with simple case study figures for a profitable business with cash flow problems, inviting learners to assess the relative importance of each. This discovery may lead to the notion of cash-flow forecasting, and the basis on which future costs and revenues may be planned for and balanced.

Learning outcomes 1 and 2 can be delivered mainly using a research approach and visits from guest speakers. It is important that learners have engagement with a subject that can often seem complex. Learners could work in small groups to research the different organisations which offer financial help, guidance, support and training specifically for young entrepreneurs and which they consider useful and relevant to their own microbusiness or social enterprise start-up. Each group could then collect information and describe each source with a view to maintaining records for their own reference in the future.

Learning outcomes 3, 4 and 5 will result in development of instruments for planning and use in learners' own start-up businesses.

The initial concepts of cash flow in learning outcome 3 could be introduced by considering personal finance. Learners might be encouraged to produce a personal cash flow forecast in which they consider how they might deal with having insufficient funds to meet expenditure. The concepts of business cash flow must be introduced by demonstrating the format of a cash flow forecast and the way in which the figures will be added. Banks and business advisory organisations, such as Business Link, produce preset formats for business start-ups that can be used to assist delivery. The management of cash flow can be taught through case studies, group work and business games. Learners could then use computerised spreadsheets to prepare cash flow forecasts for their own microbusiness or social enterprise start-up and suitable templates may be available online. Spreadsheets will be adjusted to illustrate the effects of various events, such as reduced sales revenue, debtors taking longer to pay, or a delay in expenditure.

Experiences on cash flow, finance for growth and the need for sound advice may all be addressed through scenarios of a fictitious business progressing though its life or using Business Link case studies. At each stage, the balance between internally-generated finance and externally-supplied funds may be considered, especially as the former is the principal source of business finance, contrary to many learners' expectations. Work placements may also provide acceptable business examples for analysis.

Learning outcome 4 covers the initial preparation of budgets and their subsequent comparison with actual figures. Many organisations will begin with a sales budget and all the other budgets will follow from this, including budgets for production, purchases, debtors, creditors and cash. Ultimately, these budgets give the information needed for the master budget and it is vital that learners understand how they are so closely linked. The preparation of these budgets will be demonstrated and learners will then continue their calculations using case studies and simulations. The use of computerised spreadsheets will allow learners to link the budgets directly and then to observe the effects of changes to sales volume, prices or costs on the budgets. Learners will discuss, in small groups, any assumptions made for each budget and consider any strengths and weaknesses. Learners will also calculate and comment on variances between budgeted and actual figures. Group discussion will enable learners to consider the implications of adverse and favourable variances before suggesting decisions that might be made to address the differences. Learners will then start to apply their learning to their own microbusiness or social enterprise start-up to develop a budget or budgets that are relevant to their business. This exercise will provide evidence for assessment.

It is envisaged that learners who are generating evidence from their microbusiness or social enterprise start-up may produce evidence for learning outcome 5 following a period of operation of their businesses.

Learning outcome 5 can be delivered with a combination of simulation, learner research, discussion, practical exercises and reference to learners' experiences from their business start-up. Tutor input is needed on the purpose of accounts, for example to provide information for stakeholders such as customers, shareholders, suppliers, etc, to enable the business to monitor its own activities, to provide transparency to enable the firm to attract investment, and to reduce the risk of fraud. Learners must discuss what is meant by the term 'profit' and how it is calculated. They should realise that social enterprises may also make profit, but that the way that profit is spent may differ from a standard business. They will investigate real profit and loss accounts and balance sheets to ascertain their format, content and the rationale behind them. These might be obtained using the internet or an organisation's intranet. Published accounts may be too technical and complex for learners to understand fully and tutors may want to adjust their content or produce accounts for a fictitious business. Through discussion, group tasks and individual practical exercises, learners must be encouraged to use their understanding of the nature of income and expenditure to appreciate the accounting treatment of each of the components. Tutors must be able to direct what learners are investigating in order to highlight different styles of balance sheet presentation, such as that of a bank and that of an engineering company, to enable comparisons to be made. Learners will then use the most appropriate presentations for developing accounts for their own microbusiness or social enterprise for assessment.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor introduction to the unit and the programme of learning.	2.0
Entrepreneur-led session on sources of funding, including details of how specific projects were funded. This could include social ventures as well as businesses.	2.0
Learners in groups research aspects of funding relevant to their proposed business start-up and work to prepare portfolio evidence.	6.0
Entrepreneur-led question and answer session on sources of advice: what sources were useful in setting up specific projects? What do they do differently having learnt from experience?	2.0
Learner group research on sources of advice.	6.0
Assignment: **What Sources of Funding and Advice are Available? (P1, P2, P3, M1).**	3.0
Tutor-led discussion on cash flow and budgets, their relevance and importance.	2.0
Tutor-led theory components on cash flows, exemplars and learner group work. Learner exercises to practise preparing cash flows.	8.0 6.0
Group exercises using case studies. Learners are provided with case studies with sets of information and they work to devise a cash flow. Learners prepare this electronically with support from tutor and present to class.	6.0
Learners in small groups with entrepreneur mentors work on their own microbusiness or social enterprise start-up and prepare cash flow and budget details.	6.0
Independent study time on developing a personal budget.	4.0
Learners discuss their personal budgets in groups and begin work on budgets for own business start-ups.	4.0
Learners prepare budget and cash flow for their own business start-ups. Assignment: **Cash Flows and Budgets (P4, P5, P6, M2).**	6.0
Tutor-led discussion on types of business accounts. Guest speaker from Inland Revenue to discuss importance of accurate accounting.	4.0
Learners discuss different formats of accounts, and different priorities. This could involve a presentation from a social entrepreneur.	4.0
Learners in groups work with case study information and prepare accounts electronically with support.	10.0
Learners in groups work to prepare final accounts for their own microbusiness or social enterprise start-up.	11.0
Assignment: **Business Accounts (P7, M3, D1).**	8.0
Total learning time hours	**100**

Assessment

A key problem in the effective teaching of finance units is the use of case studies and assignments using given numerical data. A single case study allows one correct answer. A solution to both problems is to rehearse such calculations to the point where learners are sufficiently confident to create their own simple sets of data to demonstrate their understanding of the concept.

For P1, P2 and P3, learners should produce information for their own use in the future in a relevant and useful format.

For P4, learners should construct a 12-month cash-flow forecast for their own business start-up, accurately calculating each month's receipts, payments and opening and closing balances.

For P5, learners will explain clearly the target-setting nature of preparing budgets and the subsequent monitoring process involving comparing budgeted figures with actual figures. Learners will emphasise the importance of calculating and analysing the variances by trying to understand their likely causes and they will need to explain how management action or decision making will follow in order to complete the control. For P6, learners should prepare a budget for a business idea developed in *Business Planning and Pitching*. Learners will calculate any relevant trend and then apply that trend when calculating the budgeted figures for a future accounting period. The budgets will be for sales, production and cash. Learners should prepare budgets in an appropriate tabular format and should show evidence of having accurately calculated the moving average and applied a trend to the forecast figures.

For P7, learners should return to their microbusiness or social enterprise start-up and prepare a set of accounts for a specific time frame which will be dependent on the length of the course. The time frame encompassed by the accounts is not important provided data can be compared with the budget previously set.

To achieve a merit grade, learners should explain the steps their business should take to ensure it has a successful start-up and is financially stable (M1). Their explanations will clearly be pitched at greater depth, as analysis will probe possible ways in which advice and guidance and sources of support could be improved. For M2, learners will identify the likely effects of changes that would occur in a budget if costs and selling price increased or decreased. Learners would base this on a budget prepared for P6 and they would be expected to identify cost increases causing increases in overall costs and reductions in profits. They would also be expected to identify that an increase in costs might require a change in selling price, where that price is based on cost plus. Learners might add that changes in costs would impact on the break-even point, necessitating an increase in budgeted activity levels to maintain profits. For M3, learners will assess the similarities and difference between their forecast and final accounts. If the final accounts mirror the forecasts, learners should explain how this was achieved.

Distinction level work is characterised by the ability to apply problem-solving skills, be innovative and use creative thinking. To achieve D1, learners should develop their ideas for merit grade and make recommendations for a future period for their business to improve financial performance. This will involve evaluating information and justifying decisions and recommendations.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1	What Sources of Funding and Advice are Available?	Brief to include sources of information and advice for funding.	Prepare a portfolio of funding sources and sources of advice relevant to own business start-up.
P4, P5, P6, M2	Cash Flows and Budgets	Cash flow and budget for own business.	Produce a 12-month cash flow and budget for own microbusiness or social enterprise.
P7, M3, D1	Business Accounts	Drawing on own microbusiness start-up.	Prepare a four-month cash flow and a simple set of accounts for own business start-up.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
Planning Finance For Your Business	Financial Literacy And Awareness
Managing Personal Finances	

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit MN1: Decide on the financial needs of your business
- Unit MN2: Set and monitor financial targets for your business
- Unit MN3: Keep financial records for your business
- Unit MN4: Manage cash flow in your business
- Unit MN7: Get finance for your business.

Essential resources

Most of the learning outcomes for this unit require learners to undertake research. To enable research skills to be effectively developed they should be introduced to as many different forms of information as possible, for example libraries and other research facilities including the internet, national newspapers, local banks, start-up business training agencies.

Learners will benefit from the use of case study materials, which often focus on specific aspects of financial planning. Tutors should gather exemplar materials to help develop understanding. They should also prepare suitable exercises to enable learners to practise the skills needed to prepare cash flows, simple business accounts and a budget. This should include some manual exercises as well as more complex spreadsheet exercises. Tutors can save learner time by preparing templates for learners to use to input data.

Employer engagement and vocational contexts

Visits to companies and from guest speakers working in financial services are useful in delivering this unit. Centres should develop links with financial institutions who are willing to come in and talk about managing business finances in an unbiased way if possible. Alternatively, learners should be able to visit different financial institutions to research and collect information on a variety of products and services.

Indicative reading for learners

Textbooks

Brighouse R and Montoir J – *The Financial Services Environment, 4th Edition* (Financial World Publishing, 2004) ISBN 0-852976941

Dyson J R – *Accounting for Non-Accounting Students, 7th Edition* (FT Prentice Hall, 2007) ISBN 0-2073709224

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Journals

Business Review Magazine (Phillip Allan Publishers – see www.philipallan.co.uk)

The Economist

Websites

www.bizhelp24.com	Advice on business finance
www.businesslink.gov.uk	Government website for practical business advice
www.cips.org	Chartered Institute of Purchase and Supply
www.hmrc.gov.uk	HM Revenue & Customs
www.lloydstsbbusiness.com	Small Business Guide Lloyds TSB
www.moneysupermarket.com	Compare UK bank and building society accounts to choose the most suitable
www.moneysavingexpert.com	Advice from Martin Lewis
www.pfeg.org	Personal Finance Education Group (PFEG)
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.smallbusiness.co.uk	News and information on small company investment
www.startups.co.uk	Provides practical information on all aspects of starting up a new business
www.thisismoney.co.uk	Financial website with advice on small businesses

Other

Quality newspapers, especially the business sections

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 creating a 12-month cash-flow forecast to enable a business to manage its cash (IE1) P6 preparing affordable budgets for your business enterprise (IE1)
Reflective learners	P7 producing a simple set of final accounts using information from the accounting systems of a given business. (RL1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	interpreting financial information about a business, analysing and evaluating it while judging its relevance and value (IE4)
Creative thinkers	trying out alternative calculations and figures when using financial techniques, and following ideas through (CT5)
Reflective learners	reviewing their own progress in developing financial skills (RL3)
Self-managers	organising time and resources when constructing budgets (SM3) anticipating and managing risks when constructing budgets by building in contingencies (SM4)
Effective participators	discussing issues of concern such as sources of finance and advice (EP1) proposing practical ways forward when planning budgets, breaking these down into manageable steps. (EP3)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching into financial organisations, statements, plans and forecasts
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	preparing business financial statements and forecasts
Manage information storage to enable efficient retrieval	saving and retrieving text-based and numerical (eg business financial statement) information
Follow and understand the need for safety and security practices	exploring issues relating to electronic storage of business financial information; undertaking safe practice when using internet and other relevant software/hardware
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	gathering information from research into (eg) internet-based financial organisations, statements and forecasts
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	carrying out research into financial organisations, statements and forecasts, eg published accounts, company finance-based reports and forecasts, for the purposes of interpretation
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	constructing business financial statements, plans and forecasts, displaying numerical financial information such as the results of budget changes
Bring together information to suit content and purpose	bringing together cash or expense/revenue inflows and outflows and other business financial information
Present information in ways that are fit for purpose and audience	presenting individual research findings on business financial statements, plans and forecasts
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	dealing with business financial figures; calculating amounts and balances
Select and apply a range of skills to find solutions	constructing business financial statements and forecasts
Use appropriate checking procedures and evaluate their effectiveness at each stage	totalling plan columns and rows and cross-checking; checking the logic of cash and profit calculations
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing and exchanging information about financial organisations; discussing informally results of research with fellow learners concerning issues such as differing personal and cultural views of profit

Skill	When learners are …
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading and understanding literature from financial organisations
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	completing financial documents relating to business; creating financial statements, plans and forecasts.

Unit 4: Launching your Business Vision

Unit code: H/600/0330

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to develop values and ethics, develop a supply chain, and bring a product to market using key project management techniques.

Unit introduction

It is one thing to produce a business plan and present it to prospective sponsors but it is another to implement it and carry out the actions needed to open the door to customers.

Learners will first consider the different aspects of business values ethics in relation to running a small business.

They will then learn key principles about supply chain management and then acquire what they need to start their businesses. Learners will also plan ongoing purchasing requirements for all major items and learn about different methods of managing procurement.

Learners will then learn and practise negotiation skills which include developing an understanding of the relative power positions of buyer and supplier and the use of negotiation techniques.

Learners will use key project management principles to devise a strategy to carry out all the tasks required to move from a business plan to an up-and-running business.

Learning outcomes

On completion of this unit a learner should:

1 Be able to develop values and ethics for a business

2 Be able to set up a supply chain

3 Be able to negotiate purchases

4 Be able to start trading.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria **To achieve each outcome a learner must demonstrate the ability to:**
1 Be able to develop values and ethics for a business	P1 describe the values that underpin your business P2 produce the ethical code to be adopted by your microbusiness
2 Be able to set up a supply chain	P3 plan all purchasing required to set up your microbusiness
3 Be able to negotiate purchases	P4 procure all items, using negotiation techniques, required to set up your microbusiness
4 Be able to start trading.	P5 devise a set of deliverable activities to bring a product to market (SM3, SM4, SM5) P6 undertake financial business start-up activities (SM2, SM3) P7 obtain required licences, registrations and legal permissions (SM2, SM3) P8 undertake marketing and promotions activities from the business plan (SM2, SM3) P9 review achievement of business start-up activities.

Unit content

1 Be able to develop values and ethics for a business

Values: beliefs, missions or philosophy of business eg customer service, investing in people, valuing innovation, commitment to society

Ethics: definition; links with corporate social responsibility; ethics expressed in mission statements; identification and promotion of core values; benefits of reputation for ethical code; risks of taking actions perceived to be unethical; owner/manager as role model; impact of beliefs on business; practices to encourage diversity and inclusion

Ethics in accounting: honest accounting avoiding bribery and kickbacks; avoiding creative accounting; all items legally sourced; all transactions included in accounts

Ethics in marketing: not exploiting vulnerable customers, eg selling mobile phones to children; truthful advertising; truthful personal selling; avoiding selling products dangerous to health

Ethics in purchasing/manufacture: care for the environment, eg avoiding polluting the air, being energy efficient; selecting wood from sustainable forests; avoiding purchasing products manufactured by children or the very poorly paid/badly treated; avoiding purchasing products where animals have been cruelly treated

Ethics in employing others: following employment legislation; honesty in dealings with employees

Communication of ethical code: statement of core values; development of ethical code; communicating core values and code to staff; documents, training; communicating values and code to customers: promotion materials, publicity, packaging, personal selling, website

2 Be able to set up a supply chain

Defining start-up requirements: eg location of premises if applicable, furniture; fittings; tools; equipment; vehicles; utility supplies: electricity, water; opening stock of materials: raw materials, packaging, promotion materials, stationery, consumables; services: banking; insurance; accountancy, business advisor, internet service provider; printing

Factors to be considered when purchasing: necessity; hiring versus buying; borrowing versus buying; sharing versus sole ownership; initial costs; maintenance costs; storage costs; availability and terms of credit; scope for time-saving; scope for gaining extra business

Purchasing: factors to be considered when selecting suppliers: quality; accessibility; prices; service and support for customers; quantities; delivery arrangements; reliability; credit terms; ethical considerations; purchasing process: order; delivery; lead time; payment

Purchasing process: trade accounts; credit references; order forms; checking deliveries against order form; checking invoices against deliveries and prices agreed; credit period; discounts for early payment; online supplier searches; online purchases; record keeping

Stock, eg: stockholding: decisions as to which goods should be stocked; balance between cost of purchase/storage and demand for goods; reasons for keeping stock: to allow for lead-time, uncertain supply, economies of scale, as customer service; disadvantages of stockholding: ties up finance, interest on borrowing, insurance costs, obsolescence, cost of storage, spoilage, stock control: importance, receipt of goods, storage: security, avoidance of spoilage; accessibility; orderly system; record keeping; re-ordering; stock checks

Re-ordering: determining when to re-order, quantity: bulk, cost, prices for different quantities/deliveries, lead times, importance of stock to business; planned re-ordering methods; variable time (VOT); fixed time (FOT); variable order quantity (VOQ); fixed order quantity (FOQ); methods of planning review of requirements, specific time period or specified level of stock remaining

3 Be able to negotiate purchases

Negotiating purchases: preparation: identify concerns and aims of supplier; clarify relative power of buyer and supplier; investigate offers of competitors; set own parameters; set own opening offers; identify offers that can be made in exchange for concessions

4 Be able to start trading

Key project management principles: activity list; allocation of activities or tasks; identification of dependencies; deadlines; milestones; allocation of resources to activities; allocation of responsibilities; Gaant chart; setting dates/times for monitoring of progress

Activities: adjust business plan in the light of feedback or further information; clarify targets for all aspects of business and set review dates; plan opening event if required, other activities for specific business:

- ◊ *finance*: obtain funding; set up a business bank account and cash-handling facilities; set up financial records
- ◊ *legal*: eg obtain licences; register name if required; check health and safety requirements; arrange premises if required
- ◊ *marketing and promotions*: planned marketing and promotional activities

Reviewing achievement of activities: means of communicating progress against project plan: Gantt chart, meetings, activity lists, milestones; identification of problems, eg falling behind on key task, late deliveries, breakages; changes to plan, eg increase resources, change dates, reduce quality

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the values that underpin your business **P2** produce the ethical code to be adopted by your microbusiness	**M1** explain how the core values and ethical code impact on the business plan	**D1** analyse the impact of core values and ethical code on the start-up of a microbusiness
P3 plan all purchasing required to set up your microbusiness	**M2** make justified decisions about purchasing for a microbusiness	
P4 procure all items, using negotiation techniques, required to set up your microbusiness	**M3** use pre-planned negotiation tactics whilst procuring an item	
P5 devise a set of deliverable activities to bring a product to market [SM3, SM4, SM5] **P6** undertake financial business start-up activities [SM2, SM3] **P7** obtain required licences, registrations and legal permissions [SM2, SM3] **P8** undertake marketing and promotions activities from the business plan [SM2, SM3] **P9** review achievement of business start-up activities.	**M4** undertake business start-up activities within a proposed timeframe.	**D2** evaluate the supply chain for a microbusiness and make suggestions for improvement.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

As this unit includes the development of negotiation and presentation skills, peer feedback can be very useful. If tutors plan to use peer feedback, it is recommended that learners are introduced to and commit to the principles of giving constructive feedback.

When introducing learning outcome 1, it would be useful to start with the value base and the ethical interests of learners, perhaps by asking them each to identify how ethical issues affect any purchases they make. Learners could discuss the values they envisage for their businesses and research other businesses with different values. Learners could use the internet to view messages from pressure groups and the ethical codes of business organisations. Learners should then discuss the practical aspects relevant to their own business or social enterprise.

For learning outcome 2, the importance of the supply chain to the survival and success of any business should be emphasised. An initial activity could be for learners to make lists of all the equipment, stock and/or services they need to acquire to run their own planned businesses. To develop an understanding of the different options available, the learners could use an interactive business game where they take the role of owner or buyer in a small business and then make procurement decisions within a budget, dealing with the consequences of the decisions. If this is not available then learners could use a suitable case study and discuss the advantages and disadvantages of supply decisions. Learners should gain an understanding of the costs of stockholding (if relevant) and an interactive business game would again be useful here. Alternatively, learners could use a case study or their own planned businesses to calculate the ongoing costs. They could use business planning software containing spreadsheets of break-even charts and projected cash flows to investigate the impact of different procurement decisions on the profitability and cash management of a business. A visit to a suitable procurement and stockholding environment would help to bring this part of the programme to life.

For learning outcome 3, negotiation techniques should be introduced and this would be well supported by viewing a good negotiator in action and analysing the techniques used. Ample opportunity should be allowed for consolidation of this learning through role play covering both meeting skills and negotiation skills. Learners could evaluate their own performance using video recordings. Learners should develop their own negotiating position (price, delivery date, payment terms etc) based on the purchasing plan for their own microbusiness, and identify the level which would prevent them doing a deal.

For learning outcome 4, the tutor could explain that knowledge of project management techniques is essential in all dealings with businesses. Learners could consolidate their understanding of project management techniques by planning a party, outing or similar event using project management principles, before going on to using the principles in planning to bring their product to market. Learners will need support in initiating their activities, and a workshop atmosphere should be encouraged in which learners can work on their business start-up and engage with other learners, the tutor and entrepreneurs. The learners could work together to develop a complete list of everything needed to start up their own microbusinesses (bank accounts, registration documentation, letter heading, etc).

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning.	0.5
Tutor-led introduction to ethics and values.	3.0
Learners research how ethical codes have impacted on businesses .	2.0
Assignment: **My Business Values and Ethical Code (P1, P2, M1, D1)** including learner-initiated private study.	13.0
Small group activity with case study whereby learners make and cost buy/hire/borrow/share decisions and then draw conclusions in plenary session.	3.0
Activity comparing costs of interest/insurance/storage/spoilage with costs of frequent ordering of small quantities – discussion of issues.	3.0
Visit to small business to see purchasing process and storage systems.	4.0
Introduction to methods of stock control and re-ordering systems.	2.0
Tutorial/mentor support meetings.	2.0
Watch video of negotiations and identify points relating to negotiations and meetings.	2.0
Introduction to negotiating preparation and techniques, small group exercises to practise skills.	4.0
Role play of purchasing negotiations – and evaluation using video camera.	5.0
Assignment: **My Purchases (P3, P4, M2, M3, D2)** – learners draw up purchasing plan and stock control system for own planned business and purchase all items required.	10.0
Group discussion on project management principles, brainstorm followed by discussion.	3.0
Learners in small groups undertake an exercise on producing project plan for, for example, holding a party.	4.0
Learners in small groups on their project plan for business start-up with entrepreneur mentors.	3.0
Individually but with support, learners initiate their project plan.	5.0
Group activity listing requirements for micro start-up business.	1.5
Learner-initiated study and assignment on devising a set of activities to initiate a business and drawing in purchasing plan.	7.0
Learners bring their business or social enterprise to market.	8.0
Assignment: **Lift Off (P5, P6, P7, P8, P9, M4)** – learners bring their products or services to market and review their achievement.	15.0
Total learning time hours	**100**

Assessment

The implementation of learners' start-up business or social enterprise plans will provide the opportunity for assessment in this unit. All core units in the Level 3 Enterprise and Entrepreneurship programme will be assessed from a portfolio of evidence generated through the set up and trading of a microbusiness or social enterprise.

For P1 and P2, learners should draft core values and a code of ethics for a planned new business. This should be in their own words and be clearly developed specifically for the planned new business.

For M1, learners should explain in detail how the core values and the code of ethics are expected to affect the business, taking into account positive effects, such as increasing appeal to particular groups of customers, and negative effects such as increased costs. For D2, learners should retrospectively analyse how core values and ethics affect their business.

For P3, learners are required to produce a plan for all the purchasing that needs to be done in order to start their microbusiness. This includes any capital expenditure in the form of equipment, vehicles and furniture, the setting up of any services that are required such as internet service provider or telephone contracts, and the purchase of stocks of consumables and raw materials. The purchasing plan should include decisions about selecting suppliers and restocking systems.

For M2, learners should give valid reasons for the decisions made about at least four of the most important purchases.

For D2, learners should evaluate the supply chain and make suggestions about how it could be improved. This may be delayed until after learners have run the business for a while and are able to evaluate in the light of experience. When making suggestions for improvements, learners should provide evidence that the improvement would either improve the way the customer's needs are met or increase profitability.

For P4, learners should procure or acquire all the goods and services required to start the planned business. Some items may need to be rented or borrowed rather than purchased and, in these circumstances, the conditions of, for example, a loan should be made clear.

For M3, learners need to show that they have planned to use negotiation techniques and then implemented the plan whilst procuring an item or service. This should be evidenced through a recorded observation record completed by the assessor and this can be supported by learners' preparatory notes and documentary evidence of the purchase or agreement. This should be a real procurement, not a role play.

For P5, learners should use most of the key project management principles as listed in the content section to plan the activities that need to be carried out in order to start trading. The plan should consist of all of the most important activities needed.

For P6, 7 and 8, learners must successfully initiate business start-up activities and start trading. P9 requires learners to review the success of their strategy against their achievement assessing what went well and what areas still need to be developed.

For M4, the activities should be undertaken within the proposed time frame and checks should be built in to ensure that problems will be identified as early as possible.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	My Business Values and Ethical Code	Learners devise an ethical statement for their new microbusiness or social enterprise.	Written statement
P3, P4, M2, M3, D2	My Purchases	Learners negotiate a purchase and obtain all items required for their business.	Plan for purchases and actual performance
P5, P6, P7, P8, P9, M4	Lift Off	Learners develop their own plans, supply chains and start trading in their microbusiness or social enterprise.	Plan to bring product to market and its implementation, portfolio evidence of trading

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all other units in the BTEC Enterprise and Entrepreneurship sector suite.

The unit links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- EE1 Achieve the goals for your business
- EE3 Make deals to take your business forward
- EE5 Build relationships to build your business
- BI1 Create the infrastructure for your business needs
- BL1 Decide on a business location
- BL2 Choose a business premises.

Essential resources

Employer engagement and vocational contexts

Visits to businesses and from guest speakers will be essential for the delivery of this unit. Entrepreneurs who can talk about their experiences of starting a business will help learners to understand the issues.

Indicative reading for learners

Textbooks

Barker A – *Improve your Communication Skills* (Kogan Page, 2000) ISBN 978-0749432621

Barrat C and Whitehead M – *Buying for Business* (Wiley, 2004) ISBN 978-0470092460

Cohen B and Warwick M – *Values Driven Business – How to Change the World, Make Money and have Fun* (Berrett-Koehler, 2006) ISBN 978-1576753583

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Mawson A – *The Social Entrepreneur, Making Communities Work* (Atlantic Books, 2008) ISBN 978-1843456610

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Websites

www.businesslink.co.uk	Business Link
www.ibe.org.uk/faq.htm	Institute of Business Ethics
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Self-managers	P5 devising a set of deliverable activities to bring a product to market (SM3, SM4, SM5) P6 undertaking financial business start-up activities (SM2, SM3) P7 obtaining required licences, registrations and legal permissions (SM2, SM3) P8 undertaking marketing and promotions activities from the business plan. (SM2, SM3)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Team workers	providing peer feedback on negotiation and meeting skills. (TW6)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	planning all purchasing required to set up your microbusiness
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	planning all purchasing required to set up your microbusiness
Manage information storage to enable efficient retrieval	planning all purchasing required to set up your microbusiness
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	planning all purchasing required to set up your microbusiness
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	planning all purchasing required to set up your microbusiness
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	planning all purchasing required to set up your microbusiness
Bring together information to suit content and purpose	planning all purchasing required to set up your microbusiness
Present information in ways that are fit for purpose and audience	planning all purchasing required to set up your microbusiness
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	planning all purchasing required to set up your microbusiness
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	planning all purchasing required to set up your microbusiness
Identify the situation or problem and the mathematical methods needed to tackle it	planning all purchasing required to set up your microbusiness
Select and apply a range of skills to find solutions	planning all purchasing required to set up your microbusiness

Skill	When learners are …
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	procuring all items required to set up your microbusiness.

Unit 5: Monitoring the Performance of your Business

Unit code: K/600/0328

Level 3: BTEC National

Credit value: 15

Guided learning hours: 90

Aim and purpose

This unit aims to equip the learner with the skills necessary to monitor a newly opened microbusiness or social enterprise, and to meet customer requirements.

Unit introduction

After all the planning and pitching, all new microbusinesses and social enterprises open their doors to their first customers and the business gets underway. At this stage there are many balls to keep in the air, from dealing with customers to ensuring that the business remains legally compliant.

In this unit, learners will learn how to manage customer service processes, record transactions and maintain stocks and equipment so that both current and future customers can be served.

Learners will examine how to monitor the performance of the business, including using financial performance measures such as projected cash flows and break-even charts. Other performance measures relating to sales and marketing will also be investigated.

Learners will study the key legal principles with which any business must comply and also learn where information can be found to ensure that the business remains on the right side of the law.

They will go on to consider how to monitor their business's adherence to the ethical code they developed in Launching Your Business Vision.

Finally, learners will investigate the important aspect of responding to unforeseen changes in circumstances. They will learn to maintain constant vigilance and readiness to act in a business-like manner to a change that threatens the future of their business.

Learning outcomes

On completion of this unit a learner should:

1 Be able to satisfy customer needs

2 Be able to maintain systems needed to supply goods and services

3 Be able to monitor business performance

4 Be able to monitor a business' adherence to its legal and ethical commitments.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Be able to satisfy customer needs	P1 define customer service standards for types and needs of customers for the microbusiness P2 supply goods or services to satisfy customers' needs and expectations P3 use customer service skills when building good relationships with customers P4 process payments accurately for goods or services supplied P5 collate feedback on customer opinions of business performance P6 plan customer service improvements using collated feedback
2 Be able to maintain systems needed to supply goods and services	P7 maintain records of business transactions P8 maintain stocks of items needed to supply goods or services
3 Be able to monitor business performance	P9 develop key financial, sales and marketing performance reporting indicators P10 identify variations from planned financial performance (IE4) P11 revise business practice, following monitoring activities, to realign with vision
4 Be able to monitor a business's adherence to its legal and ethical commitments.	P12 conduct an audit of a microbusiness's compliance with legal and ethical commitments. (SM2, 3, EP1)

Unit content

1 Be able to satisfy customer needs

Types and needs of customers: methods of defining customer types/groups (eg business or consumer, passing trade or local); needs of different groups (building trust and rapport, ensuring product, service is available to customers, ensuring support is available to customers, different customer service packages for different groups); specific needs (eg benefits and features of product or service, benefits of product or service compared to competitors, information needs, quantities, availability of after-sales support, packaging, deliveries, invoicing/billing)

Customer service standards: purpose of defining service standards (monitor and maintain consistent standards, enhance reputation, use in promotion materials, control processes and costs, use for publicity to attract more customers)

Supply goods or services: process from enquiry to sale; importance of defining process

Customer service skills: verbal: listening, understanding, seeking clarification, responsiveness, use of appropriate professional language; non verbal: eye contact, facial expressiveness, body language

Payments: eg as relevant to own business: cash handling (security, safe, till, change, banking); cheques (cheque card, checks for correct completion, banking, risks and costs of accepting cheques); credit cards (set-up costs, barriers to set-up, ongoing costs, processing payments); online systems such as PayPal (simple set-up, ongoing costs, managing PayPal account); handling refunds

Customer opinions: response times to emails, letters, telephone calls, customer visits; delivery times; personal presentation (eg uniforms, cleanliness); premises (tidiness, cleanliness); provision of information; presentation of goods; packaging; delivery; follow-up checks re satisfaction; dealing with customers' problems

Plan: proposed updates to own customer service standards

2 Be able to maintain systems needed to supply goods and services

Records of business transactions: eg cash book or accounting sheets for recording receipts and payments; sales invoices; receipts; storage systems for sales and purchase invoices and other original documents; petty cash records; end of period (weekly, monthly or quarterly) ruling off and totalling; storing and reconciliation of bank statements

Maintain stocks: stock control systems and re-ordering implementation

Stock control: importance; receipt of goods; storage (security, avoidance of spoilage, accessibility, orderly system); record keeping; re-ordering; stock checks

Re-ordering: determining when to re-order and quantity (bulk, cost, prices for different quantities/ deliveries, lead times, importance of stock to business); planned re-ordering methods; variable time (VOT); fixed time (FOT); variable order quantity (VOQ); fixed order quantity (FOQ); methods of planning review of requirements – specific time period or specified level of stock remaining

3 Be able to monitor business performance

Reporting: dashboard: finances, sales; recording status

Financial measures: break-even chart; sales (eg daily/weekly takings); sales revenue; bank account status; gross profit; net profit; return on capital employed (ROCE); cost controls; stock turnover; liquidity measures such as acid test; monitoring against budget and projected cash flow; remedial actions

Sales measures: enquiries; orders; conversion rates; expected sales; refining sales forecasts; identifying seasonality and trends

Marketing measures: market size; market share; increases/decreases in market size/share; awareness of existence of business (brand awareness) amongst target group; cost effectiveness of research of marketing performance

Revise practice: eg short term: take action to resolve issues arising; long term: take action to realign business with original vision

4 Be able to monitor a business's adherence to its legal and ethical commitments

Legal requirements: eg principles of contract law; requirements of a valid contract; principles of consumer protection legislation (Sale of Goods Act 1979 (as amended), Trade Descriptions Act 1982), principles of health and safety legislation (Health and Safety at Work Act 1974), sources of information on legal requirements (Business Link, government websites, business mentor, legal advisor, Citizen's Advice Bureau); assessing and managing areas of risk in relation to legal compliance (eg verbal sales contracts, introduce set process)

Ethical commitments: monitoring adherence to ethical code; identification of points to monitor and methods of monitoring; impact on the environment and sustainability; identification of remedial action

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 define customer service standards for types and needs of customers for the microbusiness **P2** supply goods or services to satisfy customers' needs and expectations **P3** use customer service skills when building good relationships with customers **P4** process payments accurately for goods or services supplied **P5** collate feedback on customer opinions of business performance **P6** plan customer service improvements using collated feedback	**M1** assess customer service of own microbusiness	**D1** justify improvements that could be made to customer service
P7 maintain records of business transactions **P8** maintain stocks of items needed to supply goods or services	**M2** maintain records of transactions accurately	
P9 develop key financial, sales and marketing performance reporting indicators **P10** identify variations from planned financial performance [IE4] **P11** revise business practice, following monitoring activities, to realign with vision	**M3** analyse business performance.	**D2** evaluate business performance.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P12 conduct an audit of a microbusiness's compliance with legal and ethical commitments. [SM2, SM3, EP1]		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

For learning outcome 1, the tutor should be able to draw on the learners' experiences as consumers and in many cases employees. Learners could be encouraged to see customer service from a different perspective as they consider how to set up and implement customer service processes with few resources. The benefits of repeat business and of building a reputation for reliability and good service should be emphasised. Learners could map the customer service processes they have seen and evaluate how well they work and make suggestions for improvements. Learners could then go on to investigate what customers are concerned about and use this knowledge to draft customer service standards for the processes. Learners should be introduced to principles of analysing the different needs and levels of profitability of different customers or groups of customers. The idea that some customers are unprofitable may be a new concept to learners and strategies for managing this can be discussed though the use of a case study, should this be relevant to learners. Learners should collate feedback on customer service. This need not be structured as research, but should provide sufficient information for learners to plan improvements to their services. Learners also need to use customer service skills with customers, this could be practised in role play if learners are unsure of their skills. Learners will probably need a systematic introduction to the different payment methods before going on to exercises where they select payment methods for different types of businesses. Learners should have access to documents and equipment for handling payments, perhaps through work placements.

For learning outcome 2, it would be useful for learners to visit suitable organisations to see how record keeping and stock-keeping have been set up in a microbusiness. This should be consolidated through group discussions or exercises based on case studies which lead to learners making recommendations for the selection of methods and systems. Learners should be introduced to the use of book-keeping or accounting software for the recording of day to day transactions. This would also link to the monitoring of financial performance in learning outcome 3.

For learning outcome 3, learners can draw on and build on their knowledge of business planning. The need to monitor the key areas of profitability and cash flow should be emphasised and learners should practise making decisions about remedial actions through use of exercises or case studies which include data for them to analyse. Similarly, learners can be introduced to the monitoring of the different aspects of sales performance and identifying trends and seasonality through use of exercises and case studies. Learners can also be introduced to the use of measures of marketing performance through the use of suitable case studies with data to analyse. Should reporting highlight a deviation from plans, learners need to take action and should be supported to do so in operating their business.

For learning outcome 4, it is necessary to introduce learners to the legal principles in a systematic way. The application of the various aspects of business law should be discussed using instances involving a range of microbusinesses. Learners should also research the aspects of law that apply to their own particular businesses, for example distance selling, food handling and using reliable sources of information. When covering the monitoring of ethical commitments it would be useful if learners had access to an ethical code and the methods of monitoring used by a small organisation before going on to consider how to monitor the adherence of their own businesses to their ethical codes.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning, and importance of customers.	1.0
Learner pairwork on customer service process mapping based on learners' experiences as consumers or on work experience.	3.0
Video of customer service or viewing of customer service set-up.	2.0
Introduction to customer service standards + exercise (writing standards based on process mapping).	3.0
Introduction to grouping customers, assessing profitability, different processes and standards for different groups of customers.	3.0
Entrepreneur-led question and answer session on the value of customers (this could focus on the different priorities in social enterprises).	2.0
Introduction to setting up payments – advantages and disadvantages of different methods of payments, security issues. Exercise matching methods to businesses.	5.0
Customer service. Learners practise customer service skills use.	3.0
Collating feedback from customers through questions and answers. Learners discuss their level of service with customers and consider improvements.	4.0
Assignment: **Serving My Customers (P1, P2, P3, P4, P5, P6, M1, D1)** on setting up customer service processes and implementing them, including individual learner-initiated study.	13.0
Visit to microbusiness to see how record-keeping system and stock control systems have been established.	3.0
Electronic record keeping – learners use a system and evaluate costs and benefits for a micro start-up business.	5.0
Group exercise using case study – stock and re-ordering systems decisions.	2.0
Visit to microbusiness, or school or college facilities manager to see how fixed assets are maintained.	3.0
Assignment: **Keeping Things Going (P7, P8, M2)** on setting up, implementing and evaluating systems for record-keeping, stock keeping and maintenance of fixed assets including individual learner-initiated study.	20.0
Learners monitor financial performance – exercises, case studies and own businesses.	10.
Learners monitor sales performance – exercises, case studies and own businesses.	10.0
Learners monitor marketing measures – exercises, case studies and own businesses.	10.0
Assignment: **Take Action! (P9, P10, P11, M3, D2)** on monitoring financial performance including learner-initiated private study.	15.0
Guest speaker on legal requirements – outline of generic responsibilities for contracts, consumer protection and health and safety.	4.0
Learner web research for specific businesses – identification of sources of information for legal issues.	5.0
Systems for monitoring adherence to ethical codes – discussion with microbusiness owner.	3.0
Discussion with entrepreneur on experiences of responding to changes.	2.0
Group exercises using case studies to identify previous responses made and leading on to suggesting responses to likely future events.	3.0

Topic and suggested assignments/activities	Hours
Assignment: **Complying with Legal and Ethical Commitments (P12)** on actions taken/to be taken in response to changes including learner-initiated private study.	14.0
Tutorial or business mentor support meetings.	2.0
Total learning time hours	**150**

Assessment

Learners will use their own microbusinesses as a basis for all the assessments for this unit.

For P1, learners should define customer service standards for their own microbusinesses. The standards should be devised to suit the needs and processes of the microbusinesses.

For P2, learners should produce evidence that they have supplied goods or services to customers. It is not possible to specify a number of customers because some businesses have many customers and others may have only one main customer but there should be evidence of at least ten interactions with a customer or customers. The evidence should include observation records prepared by the assessor and these should be supplemented by other available evidence such as copies of relevant documents.

For P3, learners will show use of customer service skills in communicating with customers. Evidence is likely to be witness testimony.

For P4, learners should receive and process payments for the goods and services supplied. Evidence of this may again include observation records but there will also be documentary evidence of processing the payments such as receipts, till rolls and banking documentation.

For M1, learners should assess customer service in their own microbusiness start-up with a view to identifying areas for improvement. Learners should be encouraged to be self-critical but solution-focused.

For D1, learners should develop the analysis to include justification of any improvements that could be made to customer service for a customer or group of customers. Improvements should be based on profitability of and/or benefits to the customer/group of customers and should go beyond merely suggesting changes that are a 'wish list' for a group of customers without considering whether extra costs or time are worthwhile from the business's points of view.

For P4, learners should maintain mostly accurate records of business transactions. This should include all the items listed in the content for this section.

For M2, all records should be accurate.

For P5, learners should collate feedback from customers on performance. This could be in the form of short questionnaires, or question and answer sessions for which witness testimony is provided. Learners should plan updates to their customer service on the basis of feedback (P6); this could relate to the standard developed for P1.

For P7, learners should maintain records of transactions in whichever format is most appropriate for them and their business. For P8, learners will need to have developed and implemented a satisfactory system for acquiring whatever stocks are necessary to continue to provide goods or services.

For P9, learners should select which measures of performance should be used to monitor the financial performance of the business and then create indicators for satisfactory performance. Learners should accurately identify the levels at which action should be taken to make changes.

P10 follows on from P9 and requires the monitoring of actual performance against the pre-set indicators.

P11 requires learners to take action when indicators show variance in business performance from planned outcomes. Learners should use their skills in operating the business to realign the outputs to their original vision. Revisions could be short-term measures or long-term measures and can relate to any of the performance indicators.

For M3, learners should fully analyse the business performance using at least four different methods and accurately explaining what each measure means for the business.

To achieve D2, this will have been developed into a full analysis where the links between the different measures are clearly shown and the learner has drawn valid conclusions as to the ongoing viability and profitability of the business.

For P12, learners need to conduct an audit of their own business's compliance with legal and ethical commitments. To do this they will need to have identified processes where there is a risk of non-compliance with legal or ethical commitments and then developed a method of auditing the activities of the business against the commitments or requirements. The audit should include contracting, consumer protection, health and safety and ethical considerations.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1,P2, P3, P4, P5, P6, M1, D1	Serving My Customers	Learners' own micro start-up business. Learners set up customer service processes, trade, and analyse customer service.	Customer service standards, witness testimony of skills use, evidence of revision of standards following feedback, payment records
P7, P8, M2	Keeping Things Going	Learners' own micro start-up business. Learners set up, implement and evaluate systems for record-keeping, stock-keeping and maintenance of fixed assets.	Records of transactions and stock
P9, P10, P11, M3, D2	Take Action!	Learners' own micro start-up business. Learners monitor financial performance and take action to rectify deviance from plans.	Dashboard, witness testimony, written evidence of action
P12	Complying with Legal and Ethical Commitments	Learners' own micro start-up business. Learners conduct an audit of compliance with legal and ethical commitments and propose changes.	Written document

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all other units in the BTEC Enterprise and Entrepreneurship sector suite.

It also includes knowledge and skills from the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- EE1 Achieve the goals for your business
- EE2 Win and keep customers
- LG2 Keep up to date with current legislation affecting your business
- MN3 Keep financial records for your business
- WB3 Plan how you will sell your products or services
- WB5 Sell your products or services.

Essential resources

Case studies focusing on specific aspects of customer service, payments and facilities management and access to systems for payments, stock holding and maintenance of buildings and equipment would be useful to learners.

Employer engagement and vocational contexts

To develop understanding of some of the issues that arise, learners would benefit from visits from, and visits to recently established microbusinesses and social enterprises that have recently been established.

Indicative reading for learners

Textbooks

Barratt C and Whitehead M – *Buying for Business* (Wiley, 2004) ISBN 0-470-09246-7

Emmett S – *Supply Chain in 90 Minutes* (Management Books, 2000, 2005) ISBN 1-85252-476-6

Green J – *Starting Your Own Business* (How to Books, 2005) ISBN 1845280709

Hughes V and Weller D – *Setting up a Small Business* (Hodder and Stoughton, 2004) ISBN 978-0340697917

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Mawson A – *The Social Entrepreneur, Making Communities Work* (Atlantic Books, 2008) ISBN 978-1843456610

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page, 2009) ISBN 978-0749454159

Websites

www.businesslink.co.uk	Business Link
www.cips.org	Chartered Institute of Purchase and Supply
www.directedcreativity.com	A range of information from a business consultant.
www.enchantedmind.com	This site has links to many other sites with brain puzzles
www.hypohoist.co.uk	Website for Tanya Budd's invention
www.ibe.org.uk/faq.htm	Institute of Business Ethics
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P10 identifying variations from planned financial performance (IE4)
Self-managers	P12 conducting an audit of a microbusiness' compliance with legal and ethical commitments (SM2, SM3)
Effective participators	P12 conducting an audit of a microbusiness' compliance with legal and ethical commitments. (SM2, SM3, EP1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Reflective learners	identifying variations from planned financial performance, reflecting on reasons for variance.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	maintaining records of business transactions
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	maintaining records of business transactions
Manage information storage to enable efficient retrieval	maintaining records of business transactions
Troubleshoot	identifying variations from planned financial performance
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	identifying variations from planned financial performance
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	identifying variations from planned financial performance
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	identifying variations from planned financial performance
Bring together information to suit content and purpose	identifying variations from planned financial performance
Present information in ways that are fit for purpose and audience	identifying variations from planned financial performance
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	identifying variations from planned financial performance
Mathematics	
Select and apply a range of skills to find solutions	developing key financial performance indicators identifying variations from planned financial performance.

Unit 6: Operating your Business

Unit code: Y/600/0325
Level 3: BTEC National
Credit value: 10
Guided learning hours: 60

Aim and purpose

This unit aims to enable learners to manage a microbusiness or social enterprise on an ongoing basis, including reacting to change in the environment, time management and networking.

Unit introduction

Skills in ongoing management are vital in business. Entrepreneurs must be able to ensure that they can successfully respond to issues that arise in the day-to-day management of their businesses. This unit focuses on three aspects of this day-to-day management: networking, time management and understanding the business environment; these three skills are essential to the smooth operation of business.

In this unit, learners will analyse the business environment that has an impact on all businesses. This analysis will include consideration of social, legal, economic, political, technological and environmental factors and consideration of the risks and opportunities that stem from changes in these factors.

Learners will learn how to manage that very precious resource: their own time. This will include techniques such as to-do lists, use of diaries and the setting of objectives and prioritising.

Learners will consider the benefits that networking can offer to a small organisation before going on to practise some of the skills as they start to develop networks for their own microbusinesses.

Learning outcomes

On completion of this unit a learner should:

1 Be able to manage own time

2 Be able to network

3 Be able to respond to market opportunities

4 Understand how the business environment impacts upon a microbusiness

5 Know how to take action to respond to changes in the business environment.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Be able to manage own time	P1 estimate own current and future workload P2 produce a plan to achieve current and future workload
2 Be able to network	P3 develop networks that support the business (TW1) P4 demonstrate skills that build rapport with network colleagues P5 describe how information learned from networks can develop own business
3 Be able to respond to market opportunities	P6 devise a survey to collect data on marketing opportunities (IE1/IE2/IE3) P7 conduct research with customers on marketing opportunities using a survey P8 justify choice of type of promotion using survey data (IE4/RL3/RL5) P9 develop one piece of promotional material for an opportunity which is appropriate for a customer group (RL6)
4 Understand how the business environment impacts upon a microbusiness	P10 outline key factors in the external business environment that could be risks to the business P11 plan responses to risks to the business
5 Know how to take action to respond to changes in the business environment.	P12 assess own contribution to the business, taking advice from others P13 revise own development to support the operation of the business P14 maintain and update a log of personal development describing how development has occurred over the period of business growth.

Unit content

1 Be able to manage own time

Importance of managing time: reduce stress; increase effectiveness

Planning time: basic principles, related skills, longer-term planning and decision making

- *Basic principles*: estimating the time taken to achieve tasks using past experiences, Covey – to-do lists (day-to-day activities), diaries (plan and control future), clear objectives and priorities (control of life)
- *Related skills*: assertiveness, delegation, handling interruptions, telephone- and email-handling skills, over-coming procrastination and fear, avoiding perfectionism
- *Longer-term planning and decision making*: developing business plans, deciding strategy for achieving long-term aims, eg growth of market share

2 Be able to network

Network: definition, benefits of networking (access to expertise, intelligence, new customers, new suppliers, press for certain changes, coordinate events eg Christmas opening hours in shopping centres)

Useful networks: eg trade or industry associations; general business membership organisations such as Federation of Small Businesses and Chambers of Commerce; customers; suppliers; local charity networks; professional advisers; family and friends

Skills: preparation, creating rapport, impression, maintaining contact

- *Preparation*: carrying business cards, identifying good contacts in advance, arriving in time for pre-event networking
- *Creating rapport*: suitable personal presentation, handshakes, eye contact, friendly demeanour, suitable body language
- *Creating good impression*: starting conversations, active listening (body language, encouraging phrases, paraphrasing), terminating conversation and moving on, asking for card and arranging how to make further contact
- *Maintaining contacts*: offering information or assistance, importance of following through, importance of integrity, importance of respecting confidentiality and boundaries, making records so as to facilitate future contacts

Learning from networks: eg business partnership opportunities, advice and guidance from others, new suppliers, other connections between businesses

3 Be able to respond to market opportunities

Survey: types of survey, eg questionnaires, telephone surveys, interviews, collection of data on website activity, focus groups; planning: appropriateness of method for sample; clarification of research questions, eg how large is the opportunity, what price are potential customers prepared to pay, where do customers shop, what media do they use; selection of type of survey, sources of data; importance of cost-effectiveness; age, location, social features of sample

Assess evidence: eg age, location and social features of sample; tallying responses to get results; drawing conclusions from results; limitations on validity of small samples; value and limitation of qualitative responses; value and limitation of quantitative responses

Promotional material: eg newspaper, radio, professional magazines, television, poster, leaflet, webpage; information that needs to be included; product placement; where the product or service needs to be placed in the medium, USPs, use of text, font, colour and image

4 Understand how the business environment impacts upon a microbusiness

Common threats to survival of new business: eg increased expenditure (remedies: increased sales; increased prices or find cheaper suppliers); insufficient sales (remedies: cut costs or increase promotion); new competition (remedies: neutralise opening impact, copy good ideas; tie in customers if possible); recession (remedies: cut costs or expand if business benefits from recession); incompetent staff (remedy: dismiss staff); dishonesty or theft (remedy: investigate security measures in business sector, own attitude to change

Responses to risks: as relevant to business

5 Know how to take action to respond to changes in the business environment

Contribution: day-to-day operation, eg paperwork, sales, marketing, finance, production, purchasing, business law, obtaining supplies, maintaining equipment, monitoring quality, getting publicity, writing promotional materials, strategic thinking, communication, dealing with stakeholders, negotiation, decision making, problem solving, delegation; skills gaps; views of others of own performance eg family, funders, stakeholders, customers

Development plan: setting goals; development eg training; qualifications, mentoring, self-initiated study

Advice from: eg business associates, business advice centres, advisers, mentors, counsellors, consultants, non-executive directors, accountants and other professionals

Maintaining a log: eg paper based, electronic; recording achievements alongside goals

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 estimate own current and future workload **P2** produce a plan to achieve current and future workload	**M1** prioritise tasks using clear criteria	
P3 develop networks that support the business [TW1] **P4** demonstrate skills that build rapport with network colleagues **P5** describe how information learned from networks can develop own business	**M2** assess the impact of networks on the operation of the business	
P6 devise a survey to collect data on marketing opportunities [IE1/IE2/IE3] **P7** conduct research with customers on marketing opportunities using a survey **P8** justify choice of type of promotion using survey data [IE4/RL3/RL5] **P9** develop one piece of promotional material for an opportunity which is appropriate for a customer group [RL6]	**M3** develop one piece of promotional material that is well suited to the medium chosen and appropriate for a customer group	
P10 outline key factors in the external business environment that could be risks to the business **P11** plan responses to risks to the business	**M4** analyse how the key factors in the external business environment impact on business decisions for a microbusiness	**D1** evaluate the threats and opportunities posed by changes in the external business environment for a microbusiness

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P12 assess own contribution to the business, taking advice from others **P13** revise own development to support the operation of the business **P14** maintain and update a log of personal development describing how development has occurred over the period of business growth.	**M5** analyse effectiveness of own contribution to the business.	**D2** evaluate the operation of the business, including assessment of time management, contribution of own skills and impact of networks.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

For learning outcome 1, learners could be asked to log how they spend their time for a week so that this can be analysed at a meeting of the group. Tutors will need to decide whether to include all the time or only designated 'working hours'. It can be useful to show a video of a poorly organised manager before going on to explore the principles of time management. Learners should be encouraged to be honest in their analysis of their logs and to write down objectives for improving their time management techniques.

For learning outcome 2, learners could explore the benefits of networking in a business context and then go on to learn how to select networks, prepare themselves, create rapport and make good impressions on fellow networkers. Learners could use role play to practise some of the techniques before developing their own networks.

Learning outcome 3 enables learners to survey customers and develop appropriate promotional material. Learners may, in the course of managing their business, have come across new opportunities for marketing. If this is not the case then learners should explore the possibilities. This learning outcome is intended to enable learning on how to respond quickly to a new opportunity. The research content should be covered in enough detail to enable learners to devise a survey and to draw results and conclusions. Learners do not need to have a detailed knowledge of issues of validity but should be able to assess their survey results and why certain promotional material is appropriate. Learners may not be confident in critiquing their results, but should be encouraged to develop a reflective attitude that enables them to give reasons for and against their method of promotion.

For learning outcome 4, it would be interesting for the learners to hear from an entrepreneur who has reacted in various ways to risk. Learners could examine the local newspapers and select items of news that may have an impact on selected businesses. If there is a suitable business game available where learners react to changes, then that would be a useful exercise at this point. The emotional aspect of making decisions and being aware of own reluctance to change or alter the business plan in the light of circumstances should be explored with learners, perhaps through the personal stories of entrepreneurs or through studying cases where changes were not made early enough.

Learning outcome 5 enables learners to reconsider their personal development from the perspective of business operation. Learners should make use of their personal development plan developed for The Innovative Entrepreneur, and update and revise this accordingly.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning.	1.0
Setting up of exercise to keep diary to record use of time over one week – learner-initiated private study, completing diaries.	7.0
Time-management techniques – videos and group discussion.	3.0
Analysis of diaries and evaluations of own time-management skills – action plans to improve.	2.0
Assignment: **Managing My Own Time (P1, P2, M1)** on time management including learner-initiated private study.	5.0
Introduction to networking led by an entrepreneur and a discussion on the impact of networks on developing business.	3.0
Learners research and plan networking activities that are relevant to their businesses.	3.0
Learners in groups undertake networking role plays – learners feed back to main group on their experiences and use a range of example role plays.	3.0
Learners undertake networking activities relevant to their businesses, including setting up and running meetings.	5.0
Assignment: **My Networks (P3, P4, P5, M2)** on networking including individual learning time.	7.0
Learners in groups discuss potential marketing opportunities in their businesses, these could have arisen through trading or they may be new ideas.	3.0
Entrepreneur guest speaker on how new marketing opportunities can arise and the need to develop appropriate promotional material.	3.0
Learners in groups, with tutor support, discuss types of survey and which type might be most appropriate for their opportunity.	3.0
Tutor-led session on types of research and the values of questionnaires and more qualitative methods such as interviews and what conclusions can be drawn.	3.0
Assignment: **Marketing Opportunity (P6, P7, P8, P9, M3)** Learners devise their surveys and run them.	10.0
In groups, learners assess their results. Tutor assists learners in interpreting findings.	5.0
Assignment: **Marketing Opportunity (P6, P7, P8, P9, M3)** Learners devise a piece of promotional material that meets the needs of the opportunity.	8.0
Learner input from an entrepreneur on risks to a business and the solutions they found. Tutor consolidation and discussion.	5.0
Assignment: **External Factors (P10, P11, M4, D1)** Risk analysis on learners' planned microbusinesses including independent learner-initiated study.	7.0
Learners refer back to own personal development plans and consider aspects of learning that could be developed.	4.0
Assignment: **Personal Development (P12, P13, P14, M5, D2)** Learners update personal development plans and assess the contributing factors to the operation of the business.	10.0
Total learning time hours	**100**

Assessment

For P1 and P2, learners should show that they are using to-do lists to manage day-to-day activities, manual or electronic diaries to manage appointments, plan future work, set objectives and prioritise. They should also produce evidence that they are using or developing at least one of the related skills, such as delegation. Evidence can be in the form of the to-do lists and diaries etc. There could also be observation records prepared by the assessor or witness testimonies from other people, such as a work placement supervisor, who may be able to provide evidence.

For M1, learners should show that activities have been prioritised in a way that is consistent with learners' aims and objectives. Evidence could be in the form of a written reflection or tutors could conduct and record a professional discussion.

For P3, learners should show that they have developed a network that provides support for their businesses. P4 requires evidence of use of rapport-building skills. Evidence could include contact lists, a work diary, emails, records of attending events, notes on contacts, observation records and witness testimonies. P5 should be an organisation of evidence that results from networking that shows the usefulness of networking activity, whilst M2 will be a short analysis of usefulness.

P6 and P7 require learners to develop a survey and to use this in customer research. Learners may have ideas which they can utilise for a marketing opportunity/ies, or they may need to brainstorm these. The survey method should be appropriate for the sample of customers.

P8 requires learners to assess their evidence. Learners should be encouraged to critique their results and they may find that there is a split in results. Learners should justify their choice of promotional material using survey results but they will not lose marks because some customers do not support a particular medium. Justification requires learners to make a balanced decision, weighing up pros and cons of different types of promotional material. Once the choice of type of promotion is made, learners should use the medium effectively to promote their business to a new market. M3 rewards learners for promotional material that is well suited to the medium chosen, a development from P9.

For P10, learners should monitor both their businesses and changes in the business environment and outline the changes they need to make to their business operations in response to changes in the business environment (P11). It may be useful for learners to keep a diary noting down any changes and responses as they go along. In the unlikely event that there are no changes, then the tutor could suggest some that may occur so that the learners could complete this criterion.

For M4, learners should analyse how each selected external factor impacts on the business planning decisions. This includes actions the owner of the business may consider because of the external factor. Learners could draw in evidence from P7 when assessing the impacts of customers on their business and from P4, drawing on any information from networking.

For D1, learners need to consider the future of the business and identify threats and/or opportunities which may stem from the external factors and evaluate each threat or opportunity for the planned microbusiness.

For P12, learners should assess their own contribution to the business and use this to update and maintain their personal development plan from The Innovative Entrepreneur (P13/P14).

M5 requires an analysis of their own contribution to the business, drawing on the assessment in P12, whilst D2 enables learners to draw on evidence from networking, time management and their own skills use to evaluate the operation of the business, assessing strengths and weaknesses.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1	Managing My Own Time	Learners' own planned businesses	Learners maintain a time-management diary
P3, P4, P5, M2	My Networks	As above	Learners set up and maintain own real networks including setting up a meeting
P6, P7, P8, P9, M3	Marketing Opportunity	As above	Learners devise and run a survey, and develop promotional material that meets the needs of customers
P10, P11, M4, D1	External Factors	As above	An analysis of the threats to a business and their impact on a planned microbusiness
P12, P13, P14, M5, D2	Personal Development	Learners' own personal development plans	Personal development plan and analysis of the impacts on operation

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all other units in the BTEC Enterprise and Entrepreneurship sector suite.

It also includes knowledge and skills from the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- EE3 Make deals to take your business forward
- EE5 Build relationships to build your business
- YS5 Manage time in your business.

Employer engagement and vocational contexts

Mentoring and support from entrepreneurs and microbusiness owners will be vital in supporting the learning in this unit.

Indicative reading for learners

Textbooks

Barker A – *Improve Your Communication Skills* (Kogan Page, 2006) ISBN 978-0749448226

Carruthers I – *How to Move Minds and Influence People* (Prentice Hall, 2003) ISBN 978-0273663362

Covey S R – *The 7 Habits of Highly Effective People* (Simon and Schuster, 2004) ISBN 978-0743269513

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Websites

www.businesslink.co.uk	Business Link
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P6 devising a survey to collect data on a marketing opportunity (IE1/IE2/IE3) P7 justifying choice of type of promotion using survey data (IE4/RL3/RL5)
Reflective learners	P8 justifying choice of type of promotion using survey data (IE4/RL3/RL5) P9 developing one piece of promotional material for the opportunity which is appropriate for a customer group (RL6)
Team workers	P3 developing networks that support the business. (TW1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Creative thinkers	using a promotional medium creatively
Team workers	organising and leading meetings working with networking colleagues collaboratively.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	using IT-based time management techniques devising a survey to collect data on a marketing opportunity developing one piece of promotional material for the opportunity
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	using IT-based time management techniques devising a survey to collect data on a marketing opportunity developing one piece of promotional material for the opportunity
Manage information storage to enable efficient retrieval	using IT-based time management techniques devising a survey to collect data on a marketing opportunity developing one piece of promotional material for the opportunity
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	using IT-based time management techniques
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	using IT-based time management techniques
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	using IT-based time management techniques developing one piece of promotional material for the opportunity
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	maintaining networking providing support for a microbusiness or social enterprise.

Unit 7: Planning the Future Strategy of your Business

Unit code: L/600/0323

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to assess the potential of their microbusiness or social enterprise for growth and to develop the knowledge and skills needed to expand the enterprise.

Unit introduction

Growth is important both for microbusinesses that want to increase their trading and service provision, and for social enterprises that want to reach more people. The leap from microbusiness to a business that has the potential to grow is a difficult one and one that many entrepreneurs do not attempt.

In this unit, learners will start by investigating cases of businesses that have developed and implemented expansion programmes. This will enable learners to identify the keys to success.

The employment of others and the development of the management capacity of the entrepreneur is critical in the expansion of any business. Learners will develop knowledge of how to employ people, and the management role.

Learners will then go on to develop a range of options for growing their businesses and will evaluate the feasibility of these options using a range of criteria.

Learning outcomes

On completion of this unit a learner should:

1 Understand how microbusinesses expand

2 Be able to assess the potential of the existing business to achieve a vision

3 Know how to employ other people

4 Understand how to manage staff

5 Understand how to develop options for achieving expansion.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand how microbusinesses expand	P1 explain methods of expansion used by selected businesses P2 assess success of own business against performance indicators
2 Be able to assess the potential of the existing business to achieve a vision	P3 conduct a SWOT analysis for own business expansion (IE1) P4 identify barriers to growth, including skills shortages, inherent within own business
3 Know how to employ other people	P5 outline legislation relevant to employing others P6 outline legislation relevant to staff welfare P7 describe the recruitment process for a business
4 Understand how to manage staff	P8 explain how to manage staff in a business
5 Understand how to develop options for achieving expansion.	P9 explain options for growing a microbusiness. (CT6)

Unit content

1 Understand how microbusinesses expand

Methods of expansion: increase market share for existing products; new markets, eg international, different market segment; diversification (new products); exploiting intellectual property, eg licences, patents; increase profitability, eg efficiency measures; improved manufacturing or business processes; buy existing business; turn business into franchise operation; develop e-commerce; increase customer base for social enterprise

Risks associated with expansion: eg cash flow; insufficient sales; information technology breakdowns; aggressive competitor reaction; insufficient capacity to meet increased demand

Risk assessments: purpose: quantify risks, take actions to manage risks

Performance indicators: financial; measures, sales measures, marketing measures

2 Be able to assess the potential of the existing business to achieve a vision

Vision: importance of clarifying vision, purpose and values of organisation, exit strategy

Review of potential of existing business to achieve vision: market size; market share; potential to reach larger part of the market; competitive advantage; capacity; core competencies; successfully closing a business (if appropriate)

SWOT analysis: strengths and weaknesses (internal factors); opportunities and threats (external factors)

Barriers to growth: financial: cash flow; money for capital investment; marketing: viability of product or service for larger market; procurement: availability of essential supplies; workforce: availability of labour; skills of workforce

Overcoming barriers to growth: eg financial: by developing new business plan and seeking investment partner; marketing: by increasing range, reviewing products

3 Know how to employ other people

Employment status: employed status versus contracting out work; volunteers

Employment legislation: eg registration with HM Revenue and Customs, liability for income tax under Pay As You Earn (PAYE) and National Insurance contributions; National Minimum Wage Regulations 1999 (Amendment) Regulations 2008 [SI 2008 1894], working time regulations, equal opportunities: illegal to discriminate on grounds of sex, race, age, marital status, gender reassignment, religion/belief, trade union membership, sexual orientation, part-time or fixed-term employment

Legislation relevant to staff welfare: eg Health and Safety at Work Act 1974: legal responsibility of an employer to ensure as far as reasonably practicable the health, safety and welfare of the employees and others who may be affected by the work they do is protected, to ensure staff have suitable training and understand health and safety requirements; Control of Substances Hazardous to Health Regulations (COSHH): legal requirements for safe handling of chemicals that may be harmful to health; Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR): legal requirements for reporting accidents and near misses, risk assessments

Recruitment process: definition of job role; production of job description and person specification; methods of advertising: job centre, internet, local newspaper, advantages and disadvantages of each method; design of advertisements to appeal to target group

Selection methods: CVs; application forms; interviews; job-related tests; personality profiling; references; shortlisting against criteria

Conduct of selection interviews: structure of interview; definition of criteria to be tested at interview; question types: open, closed, leading; notes; decision-making process

Post-interview process: job offer; notification to unsuccessful candidates; issue of employment contract; induction programme eg procedures for volunteers

4 Understand how to manage staff

Role of owner-manager in microbusiness: planning and organising day-to-day work; delegating to staff; motivating staff; monitoring all aspects of the business; developing skills of staff; managing customer relationships; setting good example; longer-term planning and decision making eg managing volunteers

Planning and organising work: planning for meeting customers' needs including accessing supplies; delegation of work: choice of work to delegate, one-to-one meetings to delegate work; processes for manufacturing products or delivering service, delivery, customer service processes

Motivating staff: communicating the vision for the business; giving praise and valuing staff; empowering staff; involving staff in developing plans for the future

Developing skills of staff: benefits of developing staff: future delegation; increasing opportunities for expansion; costs: money, time, risks; methods: staff appraisals, training courses, job enrichment

5 Understand how to develop options for achieving expansion

Methods of expansion: (see unit content from learning outcome 1)

Develop options: type of expansion; product/service changes or developments; intended market segments; initial costing/pricing estimates; outline of resource requirements; estimate of financial requirements: initial costs and working capital

Consider options: assessing likelihood of success; factors to consider – possibility of creating competitive advantage, forecast of demand for products, position in relation to competitors, market growth, costs of expansion, loyalty of existing customers, skills of workforce, scalability of existing business systems and technology, use of business planning software to evaluate options

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 explain methods of expansion used by selected businesses **P2** Assess success of own business against performance indicators	**M1** analyse why one business expansion was successful	
P3 conduct a SWOT analysis for own business expansion [IE1] **P4** Identify barriers to growth, including skills shortages, inherent within own business	**M2** explain internal and external barriers to business growth	**D1** analyse why factors are barriers to business growth
P5 outline legislation relevant to employing others **P6** outline legislation relevant to staff welfare **P7** describe the recruitment process for a business		
P8 explain how to manage staff in a business	**M3** analyse the costs and benefits of selecting and developing staff to meet longer-term needs	
P9 explain options for growing a microbusiness. [CT6]	**M4** develop options to enable initial decisions to be made about feasibility.	**D2** evaluate options using feasibility criteria.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key			
	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

For learning outcome 1, learning can be assisted by exploring cases where business have expanded. Learners could work in small groups analysing different cases, making recommendations for expansion and assessing risks. Some material from television programmes where entrepreneurs bid for funding for expansion programmes could be used here. Learners should also be encouraged to read or research the stories of successful entrepreneurs. Learners should also assess their own business against performance and reporting indicators, something they should be used to from *Monitoring the Performance of Your Business*. Learners should focus on the readiness of the business for expansion.

For learning outcome 2, learners will need to be able to use a SWOT analysis to satisfy the assessment criteria which require them to assess the impact of expansion on their own businesses. The following is a more detailed description of the model:

- *Strengths*: internal factors such as financial strength, skills and enthusiasm of workforce (core competencies), quality processes, special or unique product, specially adapted product or service for niche market, repeat business, cost advantage
- *Weaknesses:* internal factors such as lack of finance, limited skills of workforce, limited access to required skills, limited scope for working without designated premises, lack of transport
- *Opportunities:* consideration of external factors from environmental/PESTLE analysis, identification of opportunities for the business
- *Threats:* consideration of external factors from environmental/PESTLE analysis, identification of threats to the business.

Learners may benefit from undertaking a PESTLE analysis of their business. The content for PESTLE is listed below:

- *Political:* stability of system, government support for business, regional strategic plans, regional development and regeneration initiatives
- *Economic:* stability, levels of income of potential customers, availability of labour, availability of other resources, availability and cost of credit, supply/demand and impact of changes on prices
- *Social:* demographics, culture (values, practices, attitudes), trends
- *Technological:* current and emerging developments, threats to existing businesses (for example satellite navigation and internet mapping threat to road atlas producer), opportunities (for example widespread use of broadband in homes leads to opportunity for internet mapping sites)
- *Legal:* regulatory framework for business: company law, contract law, consumer protection, employment law, environmental law, health and safety and tort law (for example negligence)
- *Environmental:* energy efficiency, pollution, recycling and impact of environmental friendliness of product/service on customer-buying decisions.

To practise using the model, learners could carry out an investigation into a local emerging business environment and apply what they find to local organisations, perhaps using their part-time employers or work-experience placements. Learners may have previously completed a competitor analysis but will need to develop this further by anticipating the competitors' reactions to expansion. Barriers to growth and ways of overcoming them are important topics and learners should spend some time exploring how real small businesses and social enterprises have overcome the barriers to expansion.

For learning outcome 3, learners require a systematic introduction to the key principles of employment legislation. Learners who are not employing others in their business should consider this learning outcome as a response to the expansion. It would be helpful for learners to see how the laws apply through the use of well-chosen case studies or by drawing from their experience of part-time working. A question and answer session with a guest speaker from a human resources department would be helpful. Learners can then go on to examine recruitment and selection processes and how they are designed to satisfy legal requirements. A simulation of recruitment and selection processes will give learners opportunities to practise holding interviews and making employment decisions. For health and safety legislation there could be a traditional lecture with discussions on application to specific situations or learners could work through structured worksheets or booklets. Learners could practise identifying hazards and conducting risk assessments using activities taking place in either in their own microbusinesses or in the school or college. If they have developed a social enterprise, learners should also consider their obligations to volunteers working within their enterprises.

For learning outcome 4, learners need to consider the whole management role. It could be useful for learners to hear how a small-scale entrepreneur carries out the management role. The aspects of people management, such as motivation, developing staff and delegating and organising work, will need to be covered in depth in this unit and learners would benefit from researching case studies and performing exercises on motivating staff or volunteers and delegating work.

By the time learners study learning outcome 5, they should have been exposed to a range of both successful and unsuccessful expansion programmes which should help them to create, develop and assess the likelihood of success. Learners will be asked to develop different types of thinking involving creative idea generation, envisage the development of ideas and critically evaluate the risk associated with these ideas.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Introduction to unit and programme of learning.	0.5
Entrepreneur-led introduction to methods of expanding microbusinesses and risks based on experiences.	3.5
Learners research case studies of successful and unsuccessful expansions.	4.0
Learners in groups undertake a business game based on selecting methods of expansion.	4.0
Learners in groups undertake an analysis of performance indicators in their own businesses.	4.0
Assignment: **Business Expansion Case (P1, P2, M1).**	5.0
PESTLE analysis, small group activities including consideration of impact of changes in the external business environment on the case studies used before.	4.0
Entrepreneur-led discussion and investigation of emerging business environment in local area.	6.0
Competitor analysis – research into own competitors.	5.0
Methods of reviewing potential of existing business to achieve vision – discussion and practice using case study leading to identifying barriers to growth.	5.0
Introduction to SWOT analysis and its use in strategic planning.	2.0
SWOT analysis and exercise using case study or work placements.	4.0
Barriers to growth – learners identify barriers to growth of microbusinesses.	3.0
Overcoming barriers, small group work on methods of overcoming different barriers using examples drawn from own businesses.	6.0
Employment legislation such as a guest speaker, recruitment adviser or HR manager to discuss impact of employment legislation. Whole-group teaching followed by application to a range of case studies.	6.0
Recruitment and selection processes – teaching with DVD examples followed by simulated selection exercises.	10.0
Managing staff in a micro-enterprise – interviews with entrepreneurs and their employees followed by whole-group discussion drawing up principles and linking to theory.	6.0
Developing options for growth using case study or work placements – small group activities.	4.0
Considering feasibility of each option – identifying risks, research plans for assessing viability. Group discussions plus continuing work on case studies.	6.0
Assignment: **Strategy for My Business (P3, P4, P5, P6, P7, P8, P9, M2, M3, M4, D1, D2).**	12.0
Total learning time hours	**100**

Assessment

P1 should be based on selected small businesses. As P1 refers to businesses that have already expanded, it is unlikely that learners could use their own small businesses or social enterprises. To achieve P1, learners should explain how at least four of the different expansion methods have been implemented in selected organisations. Generic descriptions of the different methods without application to specific organisations will not satisfy P1. For P2, learners should revisit performance and reporting indicators from Monitoring Your Business to assess the success or otherwise of their business.

To achieve M1, learners should develop the explanations in P1 into a full analysis of why one business expansion was successful.

To achieve P3, learners need to conduct a SWOT analysis in which they define the strengths, weaknesses, opportunities and threats their own business holds in relation to expansion. The analysis should cover the four main aspects of SWOT.

For P4, learners should show that they have considered financial, market, supplies and human resource limitations before determining what are the real barriers to growth for their own enterprises. Generic work listing barriers to growth will not satisfy this criterion.

For P5 and P6, learners should outline legislation relevant to employing staff, and to maintaining their welfare. This would usefully be done in reference to their own business development. It is accepted that many learner businesses will be sole owners, learners should therefore consider staffing issues from the perspective of expansion, and how they would respond.

For P7, learners should describe a typical recruitment process for a microbusiness, drawing on examples and legislation to elaborate their response. Learners should describe the recruitment process as it applies to their business.

For P8, learners need to explain how to manage staff in a microbusiness. If they have staff in their own microbusinesses, the evidence could be a diary of their real management practice. If they hold supervisory positions in part-time employment they could draw on this for evidence. If they have no staff, learners could refer to their management activities that do not include staff and explain how they would manage staff if they expanded and needed to employ others in their own enterprise.

For M3, learners should address the dilemma faced by microbusinesses in deciding whether to invest time and money in developing staff. Learners should fully analyse the costs and benefits of taking a long-term view of staffing in the context of their microbusiness.

For P9, learners need to create a range of options for growing their own small businesses. At least three options drawing from the different methods of expansion should be proposed.

For M4, the options have been developed by researching and analysing the details included in the content of the unit, so as to produce proposals that include forecasts and costs.

For D2, learners need to build on M4 and evaluate options through comparing the estimates with their own feasibility criteria.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1	Business Expansion Case	Learners investigating expansions with a view to expanding their own businesses.	Learners analyse a business expansion.
P3, P4, P5, P6, P7, P8, P9, M2, M3, M4, D1, D2	Strategy for My Business	Learners' own small businesses or social enterprises.	Learners produce strategic review and updated business plans, including section on recruitment of staff and how they are to be managed.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit has close links with all other units in the BTEC Enterprise and Entrepreneurship sector suite.

This unit also links with the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- BD4 Carry out a review of your business
- BD6 Make changes to improve your business
- OP2 Plan what people your business needs
- OP3 Recruit people for your business
- OP5 Make sure people in your business can do their work
- OP6 Develop people's skills for your business.

Employer engagement and vocational contexts

Links to vocational human resources departments would be valuable in this unit. Learning should also liaise with entrepreneurs who have expanded their businesses.

Indicative reading for learners

Textbooks

Green J – *Starting Your Own Business* (How to Books, 2005) ISBN 978-1845280703

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Reuvid J – *Start-up and Run Your Own Business* (Kogan Page 2009) ISBN 978-0749454159

Websites

www.businessballs.com	Business resources including a business plan template
www.businesslink.co.uk	Business Link
www.peterjones.tv	Peter Jones TV website and resources
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P3 conducting a SWOT analysis for own business expansion (IE1)
Creative thinkers	P9 explaining options for growing a microbusiness. (CT6)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	investigating ways in which other businesses have expanded
Reflective learners	reflecting on own business development with a view to future expansion
Self-managers	developing options for possible expansion of their business, including possible recruitment.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Manage information storage to enable efficient retrieval	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Bring together information to suit content and purpose	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Present information in ways that are fit for purpose and audience	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	outlining legislation relevant to employing others outlining legislation relevant to staff welfare
English	
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	conducting a SWOT analysis for own business expansion.

Unit 8: Leadership and Teamwork

Unit code: A/600/0320

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is for learners to develop the skills and knowledge for team leading and how this impacts on the success of team work, and be able to practise these skills working in team situations both as a team member and team leader.

Unit introduction

People are the most important resource for any business and entrepreneurs will need to work with a range of people for guidance, advice and training when setting up and developing their business. If the business is to grow and develop, entrepreneurs will need to employ staff and take a professional approach to working with others to ensure that the vision and values of the business are understood and shared. This involves leadership and teamworking skills.

Teamwork makes the best use of each individual's strengths so more can be achieved than by an individual. Members of teams work together and support each other which means they can draw on their collective knowledge and skills to solve problems more easily.

In order to become fully collaborative, teams need to go through stages of development. Distinct team roles and tasks need to be assigned to individuals in order to achieve objectives. The team leader needs specific skills, such as being able to create a sense of common purpose and motivate individual members, to build a team. Sometimes when people work in teams, they have their own types of communication behaviour which can affect others and cause conflict or tension. This unit will help learners understand the factors that contribute to teamwork and be able to practise working together in team situations, both as a member and as leader.

Learning outcomes

On completion of this unit a learner should:

1 Understand the importance of teams

2 Understand leadership attributes and skills

3 Be able to contribute effectively as a team member and leader

4 Be able to assess effectiveness of team performance.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand the importance of teams	P1 describe the features of an effective team P2 explain how teams develop
2 Understand leadership attributes and skills	P3 explain the attributes and skills needed by a leader
3 Be able to contribute effectively as a team member and leader	P4 assess own contribution to achieving team goals (RL1) P5 demonstrate skills as a team member to meet objectives P6 demonstrate skills as a team leader to meet objectives
4 Be able to assess effectiveness of team performance.	P7 receive feedback from team members on contribution to team activities (TW1) P8 provide feedback to team members on contribution to team activities.

Unit content

1 Understand the importance of teams

Team: definition; difference between a group and a team; characteristics of an effective team: loyalty, shared goals, objectives and vision, commitment, communication, supporting each other, motivation, contributions of members; linking team performance and organisational effectiveness

Team roles: importance; Belbin's team role theory, differences between the roles, eg strengths and allowable weaknesses; contribution of each role to the team; identifying preferred team role

Team development: stages, eg Tuckman: forming, norming, storming, performing; methods, eg team building activities, training; importance; theories of motivation, eg Maslow, Herzberg, McGregor; how motivation theories are used in the workplace

2 Understand leadership attributes and skills

Leadership: definitions; role of the leader; leadership styles, eg autocratic, democratic, participative, laissez-faire; impact of styles on team performance; adapting leadership style according to situation; identifying own leadership style

Leadership skills: leadership qualities; power and authority; types of authority; eg French and Raven: charismatic, legitimate, expert, reward, coercive; authority and responsibility; Adair: team, task and individual needs; model of different leadership styles eg Tannenbaaum and Schmidt; the continuum of leadership behaviour

3 Be able to contribute effectively as a team member and leader

Skills as a team member: clarifying objectives, agreeing tasks, valuing people, being receptive to feedback, encouraging other team members to recommend improvements, recognising and dealing with conflict situations, interpersonal skills, eg communication: active listening, questioning, body language, assertiveness

Responsibilities as team leader: creating a sense of common purpose, showing integrity, fairness and consistency in decision making

Skills as a team leader: communicating: verbal and non-verbal methods, planning; team building; leading by example; providing and receiving feedback; setting objectives; motivating; consulting; problem solving; valuing and supporting others; stretching people's talents and managing aspirations; monitoring, preventing and resolving conflict; fostering creativity; contextual factors, eg virtual teams, cross-cultural teams

4 Be able to assess effectiveness of team performance

Assessment: getting feedback from other team members, eg 360° appraisal; external observation; keeping a diary/log of activities carried out; identifying whether objectives were met; assessing team dynamics; assessing own contribution to team activities; how any conflict was resolved; reasons for conflict; lessons learned

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	describe the features of an effective team	**M1**	analyse the effectiveness of different teams referring to models of team development and attributes and skills of members	**D1**	evaluate the teams' overall effectiveness in meeting objectives, making recommendations for improvements
P2	explain how teams develop				
P3	explain the attributes and skills needed by a leader				
P 4	assess own contribution to achieving team goals [RL1]	**M2**	explain how use of own skills led to meeting objectives.	**D2**	evaluate own effectiveness in team membership and leadership.
P5	demonstrate skills as a team member to meet objectives				
P6	demonstrate skills as a team leader to meet objectives				
P7	receive feedback from team members on contribution to team activities [TW1]				
P8	provide feedback to team members on contribution to team activities.				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Teamworking and leadership skills should be learnt in contexts where learners practise the skills and develop their understanding of how such skills are used in the workplace. This unit can be introduced with team activities such as desert island survival exercises in which learners have to produce key items for their survival in a restricted time and with materials likely to be available in the classroom. There are plenty of classroom simulation exercises which lend themselves to such a task. After a specific time, output is totalled and survivors listed. The same exercise is then repeated but with learners divided into competing groups and assigning each number of their group a specific task or role. The benefits of team collaboration can then be discussed and contrasted with more individual ways of working.

Learners can then contribute ideas on business scenarios where they have seen effective teams in operation, together with ideas on the key ingredients of an effective team and ways of building these into a group of workers who might otherwise have little in common. The use of a project or event for this would help illustrate many of these ideas. Discussion will also cover the formal and informal setting up of teams and these can be linked to the different requirements of organisations. Learners should explore the characteristics of different team members and identify their own qualities, skills and traits, for example drive, motivation, energy, determination, reliability, integrity, dedication, pride, analytical skills or efficiency. This could be through activities such as those devised by Meredith Belbin. Tutor input is needed on the concept of teams and stages of team development (for example forming, storming, norming and performing) to put this in the context of working relationships. Learners can work in small groups and list different types of teams of which they have been a member (for example, in college, in social activities and hobbies) and the purpose of the team. They can then identify the factors that made them effective, and what stages of development they went through. If learners are working in teams in their business start-up, they should draw on their experiences in this unit.

For learning outcome 1, learners will develop an understanding that teams need to be made up of people with different skills. A team consisting of high performers will not necessarily produce the best results; there needs to be a mix of qualities and the team cannot consist entirely of those with leadership capabilities. Learners may consider stages in the life of teams, recognising the processes encountered from initial recruitment and induction through to the formation of a fully functioning team. Learners need to be aware of the pressures on teams to meet performance targets, and the strategies used for support and to tackle serious under-performance. Examples from industry and sport can be used to support the delivery of the coaching and mentoring elements. In order to build a high-performance team, team leaders need to motivate and inspire commitment in their team members. Tutor input on different means of motivation will enable learners to investigate the factors that motivate them in various aspects of their lives, for example attending college, completing coursework etc. They can then work in groups to research the work of relevant motivational theorists (for example Maslow, Herzberg, McGregor) identifying features of different leadership styles (for example autocratic) that may be used to motivate a team.

Team understanding of the team leader's accountability for performance and how performance can be monitored and reviewed against relevant measures are key issues. Relevant television programmes, such as 'The Apprentice' and reality TV programmes, are useful in illustrating both effective and ineffective features of team activity and can be used to highlight how poor team cohesion impacts on the results of the team. Carefully structured role play may also be used and a school or college drama department may be willing to share teaching ideas. Sporting analogies can be used but care should be taken to ensure that these are not gender biased.

When teaching learners about the different leadership styles and personal qualities of leadership, it may be useful to have discussion about, as a group, different leadership styles and qualities, using examples of well-known political or public service leaders. Learners will also need to understand the skills and qualities required to lead a team and be able to apply them appropriately. Visiting speakers from industry may be able to put into context when such skills may be used and give examples of how relevant skills are used. Role-play exercises, where learners apply and test their skills, would also be useful. Scenarios which require the implementation of a plan would provide some useful group work exercises.

For learning outcome 2, learners will explore what makes an effective team leader. They will consider the barriers to effective leadership and the evaluation of performance. Learners should be encouraged to conduct self-evaluation and an evaluation of their team. Reflecting on own practice is a skilled task and therefore learners must be given a range of opportunities to explore their own skills, for example initially learners could be asked to evaluate their own performance using familiar situations and could draw on their experience of running their own microbusinesses. This will help them to identify the key areas to review, how they could improve their planning skills, and how they could evaluate the performance of the team. Learners should also explore the characteristics and style of different team leaders. This could be done by identifying the skills and traits of well-known leaders. It is important that the tutor stresses that an effective team needs to be a mix of capabilities and not consist of just those with leadership skills. Tutors should introduce learners to the well-known, action-centred leadership approach of John Adair, which can be represented as a three-circle model showing the responsibilities of the leader in ensuring the satisfaction of task, team and individual needs. Learners could carry out activities such as positioning the circles from case studies or from their own experiences.

The interpersonal skills needed by team members and supervisors/leaders are crucial to the team's success and it is important to have an understanding of good communication skills. These could be demonstrated through practical activity, such as role play, where learners can explore respondents' reactions when asked to do things in a positive way compared to negative instruction. Learners may have experience of running their own microbusinesses that is relevant. TV programmes could be used here to demonstrate the different ways of communicating and personal organisation.

Learning outcome 3 is best covered through team activities in which learners have the opportunity to demonstrate leadership and team-member skills. Evidence should be collected through witness testimony and video-recorded evidence.

Conflict within teams can be introduced through a group discussion, with learners drawing on their own experiences. The tutor could highlight that not all conflict is negative and provide examples of instances when it could have a positive effect. It would be useful for learners to have a guest speaker from a local employer to explain how they prevent and diffuse conflict situations within teams. The guest speaker should be briefed to give examples of different sources of conflict (organisation-based and team-member-based) and how they were resolved, and also explain the challenges which multicultural and virtual teams pose to team leaders.

When providing constructive and positive feedback on their peers' team performance for learning outcome 4, learners can practise adapting the way they communicate to meet the needs of others. If they are to give feedback to one another, care should be taken to ensure that they are fully versed in the types of feedback (positive, negative, constructive, destructive) and the art of giving constructive feedback before they are permitted to practise on one another. Learners should be encouraged to identify potential improvements in their own use of the communication techniques and team skills. The use of video clips and DVDs can show examples of good and bad communication when working in teams.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Learner research into the roles and importance of teams. This could be based on case studies, or learners could visit workplaces where work is conducted in teams and make links between team roles and models and how people work in the workplace.	10.0
Tutor-led discussions on team roles and team development theories. Learners work in teams on simple exercises and use teamworking theories on their own activities.	7.0
Learner research on motivation theories and how these could apply in the workplace.	4.0
Assignment: **What Makes an Effective Team? (P1, P2, P3, M1, D1).**	10.0
Tutor-led discussion on self assessment and understanding own skills and attributes. Learners research psychometric testing and other methods of undertaking self-assessment.	6.0
Entrepreneur guest speaker on leadership skills and characteristics. Tutor-led question and answer on theory components. Learner research into leadership characteristics of business people and entrepreneurs.	10.0
Learner group exercises on leadership and team qualities, learners practise own leadership skills.	4.0
Group role play on handling conflict, based on case studies.	3.0
Assignment: **Working in and Leading a Team (P5, P7, P8)**. Learners in teams undertake Apprentice-style challenges in which each has a chance to act as team member and team leader.	38.0
Assignment: **Self-assessment and Review of Team Performance (P4, M2, D2)**. Challenge evaluation. Learners provide feedback to peers and receive feedback on their skills as team member and team leader.	6.0
Total learning time hours	**100**

Assessment

Learners need to meet all the pass grade criteria to pass this unit. Learners should be put into teamworking situations to explore and demonstrate the skills and qualities required by different teams. P1 asks learners to describe the features of an effective team. They need to examine the key stages in the development of an effective team and to identify the types of teams as well as their benefits, when used in different situations in the workplace. P2 requires learners to draw on leadership models, such as Adair, to illustrate the role of the team leader. P3 requires learners to describe the attributes needed by a new team leader. This should include an explanation of leadership, plus different leadership styles and how these impact on team performance, using well-known examples or their own experiences.

Learners should draw on personal development activities from The Innovative Entrepreneur and Operating your Business when assessing their contribution to team activity (P4) and their responses to M2 and D2 and should reflect on their teamwork and their own contribution.

P5 and P6 require learners to work effectively in a team situation, and learners will need to take turns as the team leader. As a team member they will be expected to make a positive contribution to the team, for example to gather information necessary for the completion of the group task. As a team leader they will be expected to show leadership qualities, for example monitoring performance through giving constructive feedback. Conflict may arise naturally as the activity is happening, and tutors should witness how this is dealt with. Learners' performance can be reflected through an observation record signed by both tutor and learner, detailing what has been done and how.

The review (P7 and P8) of the teamwork activity should be a question and answer session in which learners have the opportunity to produce evidence for the assessment criteria. The review should focus on the characteristics and roles within the teams, the leadership/management style of the team leaders, causes (or possible causes) of conflict and how it was/would be resolved. This can be followed by how performance is monitored and an overall judgement of how well the team and team leaders perform. Opportunities for feedback between team members and the team leader may arise naturally as the activity is happening, but could also be given immediately after the team activities have finished (as a full group or in sub-groups or pairs) and witnessed by the tutor. If there is an absence of evidence of feedback given and received during the activity, the tutor must ensure that it takes place after the event. Learners would benefit from interaction with entrepreneurs to support their team working and team leading experience.

For a merit grade, learners must extend their knowledge of the features of an effective team and compare the roles of different team members. For M1, the emphasis should be on analysis of the key elements of effective team operation drawing on models of team development, and the skills and attributes of team members and the leader. This could include constructive collaboration over resource creation, strategies for dealing with particular issues, willingness to solve problems together, sharing of expertise, recognition of distinctive talents and a measure of humour. M2 requires learners to develop this concept of team performance and apply it to their own teamworking activities. Learners should explain the use of their own skills and the contribution they made to team performance. Learners should identify the skills they used in order to meet team objectives. They should discuss their skills with other team members to develop their explanation.

For a distinction grade, learners must extend their evidence by evaluating their performance in the team. They can make justified suggestions on overall team performance such as improvements to communication, performance monitoring, or the limitations of the team leader role when attempting to diffuse conflict in the team. When explaining how individuals and the team leader contribute to the team's effectiveness, learners should give examples based on their chosen teams rather than just general statements about team leaders and individuals. For D2, learners should draw on examples of own skills used and feedback received from other team members when evaluating their own effectiveness in team membership and leadership, as well as identifying areas for own skill development.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1, D1	What Makes an Effective Team?	Brief from local council wanting to host a business breakfast session on leadership and teamwork.	Prepare a presentation on features of teams and leadership qualities.
P5, P7, P8	Working in, and Leading a Team	Apprentice-style team challenges.	Witness testimonial from tutor confirming ability to work in team both as member and leader. Learner review (either one-to-one with tutor or written document) on the team's effectiveness and their contribution to the activities.
P4, M2, D2	Self-assessment and Review of Team Performance	Learners review own and team performance after the challenges.	Review of own and team performance.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
Enterprise in the Workplace	Working as an Intrapreneur

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- OP2 Plan what people your business needs
- YS6 Delegate work to others in your business.

Essential resources

Most of the learning outcomes for this unit require learners to undertake research. To enable research skills to be effectively developed, learners should be introduced to as many different forms of information as possible, for example libraries and other research facilities including the internet, national newspapers, local banks and start-up business training agencies.

Employer engagement and vocational contexts

Visits to businesses and from guest speakers will be essential for in delivering this unit. Entrepreneurs who can talk about the interpersonal skills they needed to work effectively with others will be useful, particularly where they can provide examples of real-life conflict in teams and ways these were resolved.

Indicative reading for learners

Textbooks

Adair J – *Effective Teambuilding: How to Make a Winning Team* (Pan, 2009) ISBN 978-0330504232

Belbin M – *Team Roles at Work* (Butterworth-Heinemann Ltd, 1996) ISBN 978-0750626750

Honey P – *Teams and Teamwork* (Peter Honey, 2001) ISBN 978-1902899152

Leigh A and Maynard M – *Leading Your Team* (Nicholas Brealey, 2002) ISBN 978-1857883046

Journal

Business Review Magazine (Philip Allan Updates)

Websites

www.bized.ac.uk	Business education website, including learning materials and quizzes
www.businessballs.com	Free materials, articles and ideas for team roles and leadership
www.cfa.uk.com	Council for Administration
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.google.com	Search for teamworking sites and textbooks
www.managers.org.uk	Chartered Management Institute
www.sfedi.co.uk	Small Firms Enterprise Development Initiative

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Reflective learners	P4 assessing own contribution to achieving team goals (RL1)
Team workers	P8 receiving feedback from team members on contribution to team activities. (TW1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	identifying and clarifying which problems have to be resolved in order to succeed at the team-working task (IE1)
Creative thinkers	questioning their own and others' assumptions while attempting to solve the teamworking task (CT4) while trying out alternative approaches (CT5) and then adapting these approaches as circumstances change (CT6)
Reflective learners	preparing for the team activity, setting goals and success criteria for the task (RL2) inviting feedback on their team performance (RL4)
Team workers	reaching agreements and managing discussions while taking part in a team activity (TW2) adapting their behaviour to suit different roles and situations as team leader and team member (TW3) taking responsibility when acting as a team leader, showing confidence in themselves (TW5)
Self-managers	taking on the challenge and responsibility of being a team leader (SM1) working towards goals as part of the team activity, showing initiative, commitment and perseverance (SM2) managing their time during the team activity (SM3) dealing with competing pressures (SM5)
Effective participators	discussing issues of concern during the teamworking task (EP1) presenting a case for action during the teamworking task (EP2) proposing practical ways forward as a means of resolving the teamworking task (EP3) influencing others in the team activities as team member and team leader. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching leadership attributes
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	creating a presentation on features of teams and team leaders
Bring together information to suit content and purpose	preparing presentations preparing review on teamworking activities
Present information in ways that are fit for purpose and audience	preparing presentations
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	working as a team member and team leader taking part in team discussions during the team activities/ challenges providing feedback to team members
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	researching characteristics of team leaders
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	writing review of team's effectiveness and own contribution.

Unit 9: Working as an Intrapreneur

Unit code: L/600/0130

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable the learner to develop the skills and knowledge of intrapreneurship through undertaking work experience in a business consultancy role within a host organisation.

Unit introduction

An entrepreneur needs the skills and knowledge to oversee all aspects and operations of a business. Therefore, it is important for learners to have the opportunity to develop first-hand experience of entrepreneurial activities and be able to undertake a specific consultancy task with a host organisation. Running their own microbusinesses will give learners the benefit of first-hand experience of how other entrepreneurs work. This unit aims to develop knowledge and understanding of how businesses succeed and the skills and abilities entrepreneurs draw on when faced with everyday issues or problems across all business functions. In order to achieve this, learners will undertake an enterprise placement in a consultancy role which will build confidence and develop skills.

Work experience will centre on a specific consultancy task that requires problem-solving and decision-making skills. The experience must be run over four weeks over a longer time-frame. Learners are expected to work in a number of aspects of the business. Learners will need to identify and develop ideas for a task and to set, monitor and review objectives.

The task, to be agreed with the business and tutor, will focus on the production of an action plan with aims, objectives and targets that supports the development of the problem-solving process. This task must have a substantial scope and should involve learners in aspects of business or social enterprise development. Learners will monitor their progress against the agreed action plan targets and review the effectiveness of their own performance and achievement of these targets through recording their experiences in a learning log or diary. Being able to reflect on and evaluate their performance and progress, as well as learn from the challenges other successful entrepreneurs face, will help learners understand the importance of planning, monitoring goals and the skills developed whilst on the placement.

Learning outcomes

On completion of this unit a learner should:

1 Understand the structure and function of the placement organisation

2 Be able to agree consultancy work activities with others

3 Be able to record development of own skills and behaviours

4 Understand own contribution in the workplace.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand the structure and function of the placement organisation	P1 explain the structure and function of the host organisation
2 Be able to agree consultancy work activities with others	P2 negotiate appropriate aims, objectives and targets for the consultancy work task (RL2/TW1/SM1)
3 Be able to record development of own skills and behaviours	P3 maintain a reflective practice journal to monitor the development of own skills and behaviours (RL2)
4 Understand own contribution in the workplace.	P4 evaluate own contribution to the workplace. (RL2/SM2)

Unit content

1 Understand the structure and function of the placement organisation

Type of organisation: eg public limited company (plc); private limited company (ltd); partnership; local authority; charity; franchise

Internal structure of organisation: aims; role; policies and procedures of organisation; organisational charts; functional interdependence; staff organisation and roles; learner's role and place in structure

Competitors: names; links; national; EU; global

Sector: business, eg finance, banking, law, management, human resources, marketing, charity

Function: type, scope and purpose of business, eg national, international, global, sales, services, profit, not for profit

2 Be able to agree consultancy work activities with others

Negotiate: preparation: identify concerns and aims; set own parameters; set own opening propositions; identify offers that can be made in exchange for concessions

Aims, objectives and targets: personal/career development; work-related, eg job competencies, daily duties and routines, operational, practical, technical, people-related, learning and development, quality, health and safety, equal opportunities; benefit to the learner/organisation; review/achievement dates, decide measurements for success

Consultancy tasks: negotiate task, eg scope and terms of reference; action planning; strategy development; setting SMART objectives; ensuring task requires problem solving skills, eg creativity, innovation; methods of achieving aims, objectives and targets; time scales; identifying resources; intended outcomes

Relevant people to negotiate with: personnel, eg supervisor, line manager, colleagues, members of the public

3 Be able to record development of own skills and behaviours

Reflective practice log: structure of consultancy programme; work practice role setting; experiences; attitudes, skills and behaviours learned; generic behaviours learned, learning log; experiences; evidence

Structure of consultancy programme: induction; designated base in a functional area; rotating programme around the functional areas to cover all business areas

Work practice role setting: eg administration, post, arranging meetings, producing manuals, research, ordering stationery, stock control, work shadowing, archiving

Experiences: eg reflection on interview, placement, organisation, full-time working; health and safety; teamwork; responsibilities of employment

Attitudes, skills and behaviours learned: decision-making skills, problem-solving skills

Generic behaviours learned: dress code; punctuality; working with others; teamwork; communication and interpersonal skills; business etiquette; respect for diversity; ask questions; improved confidence; reliability

Learning log: diary format, eg daily, half daily, hourly; detail, eg task, supervisors, location; signatures, eg mentor, supervisor, tutor; information, eg meetings, training; achievements; best and worst aspects; reflection; evaluation

Evidence: including witness statements, eg from mentor, supervisor, tutor, customers; learning log; completed work

4 Understand own contribution in the workplace

Review: measure using supportive evidence, aims, objectives, targets, activities undertaken, eg teamwork, decision making, learning, self-development; assertiveness; meeting needs and requirements of the job role; benefits, difficulties, effectiveness; time scale; reach and justify conclusions

Evaluate: reflection; consideration of knowledge, understanding and skills prior to placement; monitoring of progress; consideration of knowledge, understanding and skills after placement; value of workplace experiences to own personal and professional development; evaluation of the whole experience

Recommendations: informing personal development plan; short-term, long-term

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	explain the structure and function of the host organisation	**M1**	assess the relationship between organisation structure and the functioning of the business		
P2	negotiate appropriate aims, objectives and targets for the consultancy work task [RL2/TW1/SM1]	**M2**	assess effectiveness of activities in meeting aims, objectives and targets		
P3	maintain a reflective practice journal to monitor the development of own skills and behaviours [RL2]	**M3**	explain how the development of skills and behaviours improved own personal contribution and effectiveness in the workplace.	**D1**	evaluate how the work experience supported the development of entrepreneurial skills, making justifiable recommendations for improvements
P4	evaluate own contribution to the workplace. [RL2/SM2]			**D2**	analyse own contribution to the work experience organisation.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

The work experience will be of four weeks duration with one host organisation. The four weeks should be divided over a longer period of time to enable learners to appreciate the development of a business task. Learners should have experience of different aspects/departments of a business. The tutor, organisation and learner should agree on the placement with the aim of undertaking a specific project or business problem to solve.

Before the placement, tutors should raise learners' awareness of different types of organisations. Learners could split into groups, with each group researching the key features of their organisation, for example whether it is public, private, voluntary, or a franchise, and also its competitors, the sector within which it operates, and its internal structure and function etc. Each group could prepare a presentation for the rest of the class for further discussion.

The centre must liaise with the employer and ensure that health and safety procedures and insurance are in place and appropriate. They should also ensure that they are satisfied with the organised programme of the placement and that an induction and set programme of role(s) for learners are in place. Employers should appoint a mentor to have regular meetings with the learner.

Learners should undertake a problem-focused task which requires decision-making skills, and should be supported by tutors. Host organisations should be encouraged to draw on learner resources as much as possible. Learners should be encouraged and supported to set realistic goals and to discuss and agree these with the host organisation. Learners may need support in setting up and structuring interactions required in this planning stage.

The task must have a substantial scope and should involve learners in aspects of business development. Suitable examples could be a brief to research an aspect of the feasibility of a new product or service, or a brief to research a new customer base for an existing product or service.

The centre must ensure that a tutor visits learners on at least two occasions during the placement to discuss and review progress with both learners and mentors and to address any concerns or problems which may arise. Learners require supported time to plan, review and evaluate their work placements, and should be encouraged to be reflective throughout the whole process. They will need encouragement to collect a variety of evidence as they progress through their work placement. This could include observations or witness statements from colleagues, supervisors or mentors, or even from customers, or completed work (where confidentiality is not an issue).

For learning outcome 3, learners will need to keep a reflective practice log containing all the sections listed in content.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Learners research types of organisation that they would like to work in or learners are given a choice of available organisations to work in. Tutor provides some information on the aspects of the business that should be researched and why. Learners undertake research into their workplace.	7.0
Assignment: **The Host Organisation (P1, M1)**. Learners feed back on their findings – presentations on their workplaces.	5.0
Tutor- or entrepreneur-led question and answer session on what learners should seek to achieve in their host organisation focusing on the task they will negotiate, reviewing own performance and making a contribution to the host organisation. Learners discuss these aspects and the types of task that they might seek to negotiate with the host organisation.	7.0
Tutor-monitored discussion on reviewing own practice. Learners in groups review aspects of their development on their course of study. They establish criteria for review and discuss what evidence would support this.	6.0
Learners discuss with host organisation the options available for work experience and agree a SMART task.	4.0
Learner preparation of plan agreeing objectives/targets.	3.0
Assignment: **Setting Objectives (P2, M2)**. Learners discuss plans with host organisation and tutors to ensure that aims of work experience are suitable.	3.0
Assignment: **Active Entrepreneurship 1 (P3, M3, D1)**. Learners undertake their work placements keeping a reflective practice journal during consultancy. Tutor visits.	50.0
After work placement, learners discuss in groups their contribution, how they have contributed and how they could have contributed more effectively.	3.0
Assignment: **Active Entrepreneurship 2 (P4, D2).**	10.0
Total learning time hours	**100**

Assessment

Evidence for this unit will be generated solely from the work placement, and learners' reflections on the development of their own knowledge, understanding and skills. Assessment for learners should be supported with detailed work placement reports, witness testimonies and, where appropriate, observations. Tutors should seek opportunities to observe learners at their placements wherever possible and observation reports could contribute to learners' evidence.

To achieve a pass grade, learners will need to describe their host organisation, including its structure and internal organisation, and the sector. This means that ideally the chosen organisation needs to be of sufficient size and complexity to have different functional departments, although this may not be the case with a small entrepreneurial organisation. In these circumstances, learners should describe how the functions are combined within the organisational structure.

For P2, learners need to include evidence which demonstrates agreement of objectives and targets for the work placement activities. This evidence should include an action plan for the activity/problem which clearly sets out aims, objectives and targets and shows when these have been reviewed or completed.
For P3, learners need to prepare and maintain a reflective journal to monitor the progress of their activities and development of their skills and behaviours in the workplace. It is envisaged that this journal will include details of the meetings, teamwork, information gathering etc they have been involved in, together with any copies of relevant documentation. For P4, learners will prepare a reflective account of their experiences, focusing particularly on their performance and progress in completing the task. Learners should assess the value of the task outcomes, in their contribution to the business. This evidence would be suitable either as a written report or as an oral presentation which includes handouts, copies of slides and research notes.
It would be useful to have the mentor from the work placement in the audience for any presentation.

To achieve merit grade, learners will need to develop their work for P1 to include a deeper understanding and analysis of the sector within which the organisation operates, including competitor organisations.
For M2, evidence from P2 will be developed, linked, and understanding shown by the use of appropriate examples.

For M3, evidence from P2 and P3 will be developed, linked and applied using appropriate examples.

Distinction level work is characterised by the ability to apply problem-solving skills, innovation and creative thinking. To achieve D1, learners should develop their ideas for merit grade and make an objective evaluation of how the work experience supported the development of entrepreneurial skills. This must include a fully justified consideration of how entrepreneurial they are in terms of skills and abilities. To achieve D2, learners will show understanding of their own contribution to the work placement including the scale of contribution, the difference made to the host organisation and how this contribution could have been improved.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1	The Host Organisation	A brief from a potential investor on the structure and function of different types of organisation.	Prepare a report or presentation describing the key features of the host organisation(s).
P2, M2	Setting Objectives	Brief to include agreed work activity.	Prepare a plan outlining agreed objectives and targets.
P3, M3, D1	Active Entrepreneurship 1	Keeping records of activities carried out.	Prepare and maintain a reflective practice journal of consultancy activities and own role in them.
P4, D1/2	Active Entrepreneurship 2	Brief to include outcome of activity and own contribution.	Deliver a presentation on own contribution and effectiveness.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
The Entrepreneurial Mindset	Business in an International Context
Enterprise in the Workplace	

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit BI2: Undertake Freelance Work
- Unit YS3: Improve your Business Skills.

Essential resources

The completion of this unit depends on suitable learner placements with appropriate host organisations who are willing to provide projects covering all aspects of the business operation. Learners must have access to library and research facilities, including the internet. Training videos may also be useful for this unit, especially for the interpersonal skills such as body language and communication.

Employer engagement and vocational contexts

The selection of a suitable work placement organisation for completion of this unit is essential. Centres should develop links with organisations who are willing to provide work experience in terms of agreeing appropriate and challenging work activities covering all aspects of the business operation, as well as support and guidance for learners.

Indicative reading for learners

Textbooks

Avery C, Walker M and O'Toole E – *Teamwork is an Individual Skill: Getting your work done when sharing responsibility* (Berett-Koehler, 2001) ISBN 978-1576751558

Evans K, Unwin L, Rainbird H and Hodkinson P – *Improving Workplace Learning* (Routledge, New Edition, 2006) ISBN 978-0415371209

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Muro A, Rainbird H and Hodkinson P – *Workplace Learning in Context* (Routledge, 2004) ISBN 978-0415316316

Journals

Business Review Magazine (Phillip Allan Publishers – see www.philipallan.co.uk)

The Economist

Websites

www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.work-experience.org.uk	National Council for Work Experience

Other

Quality newspapers, especially the business sections

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Reflective learners	P2 negotiating appropriate aims, objectives and targets for the consultancy work (RL2/TW1/SM1) P3 maintaining a reflective practice journal to monitor the development of own skills and behaviours (RL2) P4 evaluating own contribution to the workplace (RL2/SM2)
Team workers	P2 negotiating appropriate aims, objectives and targets for the consultancy work (RL2/TW1/SM1)
Self-managers	P2 negotiating appropriate aims, objectives and targets for the consultancy work (RL2/TW1/SM1) P4 evaluating own contribution to the workplace. (RL2/SM2)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	identifying and clarifying which problems have to be resolved in order to succeed at the project/problem (IE1) carrying out research into the structure and function of organisations (IE2) supporting their self-assessment of own contribution with reasoned arguments and evidence (IE6)
Creative thinkers	generating ideas for work activities (CT1) connecting their own and others' ideas and experiences in inventive ways (CT3) trying out alternative approaches to the business problem (CT5) recognising the need to adapt their behaviour and styles of communication with different colleagues (CT6)
Reflective learners	assessing themselves after the work experience activity (RL1) preparing for the work activity, reflecting on their performance as team member by evaluating these experiences to inform future progress (RL5)
Team workers	reaching agreements and managing discussions while taking part in a work activity (TW2) taking responsibility for the success of the activity, showing confidence in themselves (TW5)
Self-managers	anticipating, taking and managing risks (SM4) managing their emotions, and building and maintaining relationships (SM7)
Effective participators	preparing a plan showing agreed objectives and presenting a persuasive case for action during discussions (EP2) proposing practical ways forward (EP3) identifying improvements that would benefit others as well as themselves (EP4) trying to influence others. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching types of organisation, their structure and function researching work placement organisation
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	creating a presentation to deliver to selected audience on work experience outcomes
Bring together information to suit content and purpose	preparing their reflective learning journal
Present information in ways that are fit for purpose and audience	maintaining their reflective learning journal
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing ideas on types of organisation presenting the outcomes of their work experience to an audience completing work placement activities
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	researching features of host work placement organisation
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	maintaining reflective journal on work experience.

Unit 10: Market Research and Analysis

Unit code: F/600/0125

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to conduct detailed market research into a specific marketplace.

Unit introduction

Entrepreneurs need to attract customers and it is important when setting up a business that sufficient research is undertaken to assess the potential demand for the service or product being offered. Marketing embraces the function of meeting customer requirements and getting the right product in the right place at the right time. It is important for businesses to make decisions which are based on the findings of market research.

In this unit learners will learn the basic principles of market research through examining marketing within different contexts and the environment in which the business operates. They will learn the importance of market research and how the information gathered concerns customers, markets, responses to existing and planned marketing campaigns and the general business environment. They will learn that the process needs to be continuous so that trends, opportunities and threats are identified.

Learners will have the opportunity to carry out their own market research in a specific marketplace. This will enable them to develop skills in, and knowledge of, different methods of data collection and analysis and to interpret their findings.

Learning outcomes

On completion of this unit a learner should:

1 Know marketing principles and practices

2 Be able to plan and conduct market research

3 Be able to interpret results from market research for a specific marketplace.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Know marketing principles and practices	P1 describe the concepts and principles of marketing
2 Be able to plan and conduct market research	P2 justify an appropriate method of data collection P3 plan research for a specific marketplace P4 conduct market research (IE2)
3 Be able to interpret results from market research for a specific marketplace.	P5 use a suitable sampling method to interpret results of research P6 propose suitable business opportunities for identified gaps in the market. (EP2)

Unit content

1 Know marketing principles and practices

Marketing: overall concept; marketing definitions; activities; marketing objectives (SMART); functions; the link between organisational objectives and marketing objectives; use of marketing principles, eg public, private and voluntary organisations, retail consumers, government departments and agencies; planning, control and evaluation processes; development of e-marketing

Principles: macro market analysis; SWOT (strengths, weaknesses, opportunities, threats); PESTLE (political, economic, social, technological, legal, environmental); competitor and competitive; developments in the local, national and global marketplace; product life cycle; product portfolios; diversification; implications of social and technological change

Marketing mix: four Ps (product, price, place, promotion); the significance of the seven Ps (adding on people, physical evidence and process management)

Marketing techniques: segmentation, eg geographic, demographic, psychographic, lifestyle; design of marketing mix to satisfy needs of target group; branding, influencing buyer behaviour, brand building and positioning; relationship marketing concept

2 Be able to plan and conduct market research

Market research: qualitative and quantitative research; primary internal/external research; secondary internal/external research; uses and limitations

Primary research: methods eg questionnaire (design, types of questions, length of questionnaire; bias; relevance; response; pilot stage), observation, experimentation, surveys (face-to-face, postal, email, telephone), e-market research, focus groups, panels, field trials; purposes; accessibility; fitness for purpose; validity; cost; time and reliability; types of sampling; accuracy; planning; defining objectives; identifying information needs; data collection; presenting findings; sources of bias; electronic data collection; analysing data

Secondary research: internal sources, eg data records, loyalty schemes, EPOS (electronic point of sale), website monitoring, e-transactions, accounting records, production information, sales figures, sales personnel, Delphi technique; external sources, eg internet, Government statistics, libraries, universities, company reports, specialist agencies, eg Mintel, Datastream, Dun & Bradstreet; trade journals; criteria for selection, eg checking of validity; use of ICT applications, eg storing, organising, retrieving and reporting data eg news reports, trade journals, market analyses from specialist agencies (Mintel, Dun & Bradstreet, Datastream); online sources; government statistics, eg Social Trends and Family Expenditure Survey

Plan stages: brief; defining the issue; setting objectives; planning data to be collected (methods of collection, who is to collect it, timings involved); types of data (internal, external, secondary, primary); target population

Sample: choosing the sample size; probability sampling (random, systematic random, stratified random, multi-stage, cluster); nonprobability (quota, convenience, judgement); implications of different samples; cost and accuracy of information

Research stages: proposal/brief; defining objectives; planning; forecasting; collection of data; analysis and evaluation of data; presentation of findings; making recommendations; re-evaluation of marketing activities

3 Be able to interpret results from market research for a specific marketplace

Interpreting results using statistical procedures: arithmetic mean; median; mode; range; inter-quartile range; scatter diagrams; times series; trends; use of spreadsheets for analysis

Presentation of findings: oral reports; written reports, eg formal, informal; visual aids, eg computer graphics, graphs, charts; presentation of conclusions and recommendations; audience; effectiveness; quality of information; facilities

Diagrammatic analysis and presentation: pictograms; pie charts; bar charts; frequency curves; histograms; line graphs; scattergrams; appropriate use of techniques; interpretation of results

Gaps in the market: gap analysis, eg gaps as a result of segmentation, positioning, or competitive performance; use of research findings, propositions that meet market needs, explanations for why proposals are valid

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the concepts and principles of marketing	**M1** explain the concepts and principles of marketing in relation to a specific business	
P2 justify an appropriate method of data collection **P3** plan research for a specific marketplace **P4** Conduct market research [IE2]	**M2** explain the reasons for selecting the method of data collection for the specific marketplace	**D1** evaluate the application of a selected research method and plan
P5 use a suitable sampling method to interpret results of research	**M3** analyse own research findings and make recommendations on how marketing strategies could be adapted.	**D2** evaluate the findings from the research undertaken.
P6 propose suitable business opportunities for identified gaps in the market. [EP2]		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers CT – creative thinkers	RL – reflective learners TW – team workers	SM – self-managers EP – effective participators

Essential guidance for tutors

Delivery

The objective of learning outcome 1 is that learners understand the principles of marketing and the contribution marketing makes to an organisation's overall objectives.

When planning research, the choice of the product or service is important. The use of brand names is not recommended as this could open up the scope of market research too much, but the choice should be based on a product or service that is readily identifiable. The research area selected may *arise* from the product or service learners are working on for their own enterprise in other units in the BTEC Level 3 qualifications in Enterprise and Entrepreneurship. However, this unit is designed to enable learners to research something not connected, so that they develop a broader understanding of market research. Therefore the subject of the research should be identifiably different from the focus of their business and could be different in terms of different sales methods, different markets, or be a different product or service.

Tutors should highlight the fact that marketing is often seen as advertising. In fact, it is a more complex concept and this unit gives a deeper understanding of the whole marketing process. Services marketing and marketing for non-profit-making organisations are important areas to consider. Learners can work in small groups to research different types of organisations, for example clothes chain New Look, a bank, a local business, and a charity such as Comic Relief, and compare how their marketing strategies relate to their organisational objectives.

When learning about the marketing mix, learners can use their own life experiences, and relate them to products that have been introduced into the marketplace in the last 5-10 years (such as MP3 players and games consoles) and the integration of technologies in products (such as mobile phones, PDAs and multi-media PCs). By using the extended mix, learners could look at its relative importance in, for example, hairdressing by comparing a local salon with well-known names such as Vidal Sassoon or Toni and Guy. A significant change has been the growth of online buying and consuming and the use of modern technologies within the marketing mix. Examples include internet shopping, online gaming and music and video downloading.

The use of the internet and e-business in marketing is becoming increasingly important. Learners should be able to research internet sites which supplement conventional distribution along with that of firms that rely entirely on the internet, such as Amazon. An awareness of the constraints on marketing not only underpins understanding of the principles of marketing, but may also contribute to other areas of the qualification, such as ethics.

A good introduction to segmentation would be for learners to look at the profiles of their peers and determine their lifestyle profiles. Useful comparisons could be made by looking at market segmentation issues relevant to either the tutor or older relatives. There are educational videos on marketing that demonstrate the profiling of society.

Learning outcome 2 develops the first learning outcome by planning research. Learners need to understand the difference between primary and secondary research. Simple questionnaires can be devised, tested and evaluated among the learners' group. As a useful introduction to secondary research, the tutor can provide examples of internal and external data sources.

It is important for learners to be aware of the difference between qualitative and quantitative data and it will be useful for learners to be provided with examples from a real business or via a case study. An exercise could look at the differences between primary and secondary research, the main methods used for both, the advantages and disadvantages, how appropriate they are, and whether they produce mainly quantitative or qualitative data. Once learners have an understanding of research methods and data collection, they will be able to discover the difficulties a business has in collecting relevant information for decision making. The investigation of database information such as national statistics and social trends will help put the information into context. It is important that learners have access to both paper-based and internet-based sources of secondary information such as company reports, economic trends, consumer trends, and census data. The Bized and the Office for National Statistics websites are very useful here.

The importance of information and communication technology for collecting and analysing information should be emphasised. A mind-mapping exercise relating to market research objectives would encourage interaction, particularly with regard to local, national or global companies and products well known to learners. Learners' personal experiences of using the internet can demonstrate how important the data is that can be obtained from competitors' websites (for example, their products or promotions), their own customers' buying patterns, and customer comments on products. It is also important to recognise the danger of collecting too much data.

Learning outcome 3 should be linked into the potential expansion opportunity for the research selected. Learners should relate their method design to the requirements of the opportunity. By designing questionnaires in pairs and then using the 'snowball method', learners can gain constructive criticism from their peers and come up with a group questionnaire to pilot. This can then be used for learning outcome 4. Learners could practise interview techniques before they use them. Learners should understand why different data collection methods are useful and how the results from different types of research can build together to form a stronger rationale for a product or service development.

Learners may need support on the statistical procedures required in learning outcome 4. The positive side is that the learning outcome links well with key skill requirements, and learners should be encouraged to use statistical techniques in the context of market research so that they do not perceive it merely as 'number crunching'. Learners should have an understanding of manual collation and spreadsheets by using software such as Microsoft Excel. The analysis of questionnaires from learning outcome 3 will personalise the exercise.

The analysis of learners' own questionnaires may be useful as the limitations and pitfalls of learners' own research can be used in discussion to identify an organisation's possible pitfalls. Producing individual reports can allow learners to benefit from constructive criticism from their peers and see scope for possible improvement in their assessed assignment.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Learners work in groups on case-study projects to identify potential research focus. They select a potential focus and feed back to class on reasons for choice.	3.0
Tutor or guest speaker-led sessions on theory components of concepts and principles of marketing. Learner group work and exercises applying theory to plans to develop specific market research for a specified idea.	10.0
Learners in groups research marketing in different contexts, and investigate some of the principles in context. This could involve a visit to, or from, a marketing agency.	8.0
Assignment: **Moving Forward on Market Research (P1, P2, M1, M2).**	6.0
Learners in groups brainstorm types of research, tutor augments and consolidates. Learners undertake exercises, developing and using types of primary research on each other.	8.0
Learners compare primary and secondary research data from case study research and consider the most appropriate types of research for their focus.	4.0
Assignment: **Market Research and Analysis (P3, P4, P5, P6, M3, D1, D2).**	6.0
Learners work individually in planning the logistics of their research and discuss progress in small groups. This could include a mentor from a marketing agency. Tutor input to consolidate learning of theory components for planning research, learner group work and exercises.	8.0
Learners choose sample/design questionnaires.	4.0
Learners carry out research.	17.0
Learners collate their data and in groups discuss potential findings with guidance from tutor on how to interpret.	10.0
Learners work individually to interpreting results of research.	6.0
Assignment: **Market Research and Analysis (P3, P4, P5, P6, M3, D1, D2).**	8.0
Total learning time hours	**100**

Assessment

Learners need to meet all the pass grade criteria to pass this unit. For P1, learners could relate concepts to examples of different products or services in a specific organisation. Learners should undertake investigations into the marketing of this product or service suggesting how the principles of marketing have been applied. For P2 and P3, learners need to choose an appropriate method of data collection and plan research for a selected product or service. They will need to select and justify an appropriate research method, making use of an identifiable sampling method. For P4, learners need to put their plans into action and conduct their market research. P5 requires learners to interpret findings from their own research and to present them verbally, diagrammatically or in writing. Diagrams could be those of established models such as the Boston or Ansoff matrix. Using the analysis from the results of P5, learners can identify gaps in the market and propose suitable business opportunities for P6.

For M2, the justification in P2 is related explicitly to a specific marketplace. For M3, learners should analyse their own research findings, drawing conclusions and making recommendations for ways in which marketing strategies should be adapted to accommodate research findings.

Work for D1 and D2 should draw together work from M1, M2 and M3 as learners evaluate the application of selected research methods and make recommendations for improvements in research methodology based on their findings. Learners should refine their strategies for market research, as well as the marketing strategies themselves. Responses to merit and distinction criteria could be drawn together within the same presentation and portfolio of evidence.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, M2	Moving Forward on Market Research	Rationale for selection of appropriate principles and practices for specific market research.	Deliver a presentation on your choice of market research practice, the underlying principles, and why other practices and principles were rejected.
P3, P4, P5, P6, M3, D1, D2	Market Research and Analysis	Brief from marketing company to provide research data for promotional material for a product or service.	Produce a portfolio of evidence including: • collated research data • presentation of results (written or oral).

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
The Marketing Plan	E-marketing and Website Design
	Brand Development and Promotion

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- BD1 Check the likely success of a business idea
- EE2 Win and keep customers
- WB2 Plan how to let your customers know about products or services.

This unit also links to units of the Level 3 National Occupational Standards for Marketing:

- Unit 1: Provide marketing intelligence and customer insight
- Unit 2: Provide strategic marketing direction for the organisation.

Essential resources

As most of the learning outcomes for this unit require learners to undertake research, learners should have access to many different forms of information as possible. For example libraries and other research facilities including the internet, national newspapers, local banks, and start-up business training agencies.

Employer engagement and vocational contexts

Visits to businesses and from guest speakers will be useful in delivering this unit. Entrepreneurs who can talk about approaches to market research and how it informs marketing decisions will be invaluable.

Indicative reading for learners

Textbooks

Dibb S, Simkin L, Pride W M and Farrell O C – *Marketing Concepts and Strategies* (Houghton Mifflin (Academic), 2005) ISBN 978-0618532032

Hall D, Jones R and Raffo C – *Business Studies, 3rd Edition* (Causeway Press Ltd, 2008) ISBN 978-1405892315

Hill E and O'Sullivan T – *Foundation Marketing* (FT Prentice Hall, 2003) ISBN 978-0273655329

Kotler P, Armstrong G, Wong V and Saunders J – *Principles of Marketing, 5th Edition* (FT Prentice Hall, 2008) ISBN 978-0273720645

Proctor T – *Essentials of Marketing Research* (FT Prentice Hall, 2005) ISBN 978-0273694946

Journals

Campaign

Marketing Week

Websites

www.bized.ac.uk	Provides interactive and online models and simulations for teachers and learners, and provides a valuable direct access to company reports in the UK and around the world
www.businesslink.gov.uk	Provides support, advice and information for local businesses
www.cim.co.uk	The Chartered Institute of Marketing
www.marketingonline.co.uk	Books and resources
www.marketingteacher.com	Free marketing resources for learners, teachers and professionals
www.mintel.com	Mintel is a global supplier of consumer, media and market research
www.mrs.org.uk	The Market Research Society
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.skillsmartretail.com	The Sector Skills Council for Retail

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 conducting market research (IE2)
Effective participators	P6 identifying gaps in the market and proposing suitable business opportunities. (EP2)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	analysing and evaluating research findings, judging its relevance and value (IE4)
Creative thinkers	using their market research to question people's assumptions (CT4)
Reflective learners	setting goals with success criteria for the market research they are carrying out in terms of what answers they want to find out (RL2) reviewing progress during the market research, making changes if necessary (RL3)
Team workers	working together to carry out market research, collaborating to work towards common goals (TW1) reaching agreements on which methods of market research to use (TW2)
Self-managers	showing initiative, commitment and perseverance when conducting research (SM2)
Effective participators	proposing suitable business opportunities and practical ways forward (EP3) trying to influence others, negotiating and balancing diverse views to reach workable solutions. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	carrying out and analysing their market research
Bring together information to suit content and purpose	analysing the market research results
Present information in ways that are fit for purpose and audience	presenting research findings using appropriate ICT tools
Mathematics	
Select and apply a range of skills to find solutions	analysing market research data
Use appropriate checking procedures and evaluate their effectiveness at each stage	entering and storing their market research data
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	analysing the findings of market research activity
Draw conclusions and provide mathematical justifications	analysing market research data
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing market strategies for different organisations conducting market research
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	analysing market research data
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	presenting the findings of the research activity.

Unit 11: Financial Literacy and Awareness

Unit code: F/600/0108

Level 3: BTEC National

Credit value: 5

Guided learning hours: 30

Aim and purpose

The aim of this unit is to enable learners to gain an understanding of the impact of the economy and financial markets on business enterprise.

Unit introduction

All businesses operate according to the prevailing economic environment and this can heavily influence their performance in meeting their objectives. In this unit learners will investigate the operation of markets and examine how they respond to changes in consumer demand, level of competition and government regulations.

Tax systems raise revenue to pay for public services and learners will be able to investigate the types of taxes in the UK and how they are used. It is essential for an entrepreneur to understand the importance of planning for any tax liabilities and the consequences of inconsistent accounting. In this unit, learners will identify suitable sources of advice on tax issues, for example accountants who are required to uphold the law and apply accounting regulations. Legislation is another part of the reporting environment and accountants in the UK need to understand the implications of the Partnership Act and the Companies Acts.

Learning outcomes

On completion of this unit a learner should:

1 Understand financial market operations

2 Be able to calculate tax payable

3 Know the nature of the reporting environment.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand financial market operations	P1 explain the benefits and limitations of a free market economy for an entrepreneur P2 explain the impact of government intervention in markets P3 explain the types and purpose of tax systems which affect an entrepreneur
2 Be able to calculate tax payable	P4 calculate taxable amounts and tax payable for a self-employed person from given information (IE1)
3 Know the nature of the reporting environment.	P5 describe the needs of the users of financial statements P6 identify legal and regulatory requirements that affect the different users of financial statements.

Unit content

1 Understand financial market operations

Free market: definition; size of the market, eg local, town/city, regional, domestic, European and international market; types of market, eg capital markets (stock markets, bond markets), commodity markets, money markets, derivatives markets, insurance markets, foreign exchange markets; purpose of markets; benefits and limitations; impact of developments of online business; how markets work eg price mechanisms as a means of allocating resources, supply and demand (causes of moves and shifts), concept of elasticity of supply and demand; the spectrum of competition, eg perfect competition, monopoly, oligopoly; stocks and shares; reasons for market failure; changes in the global economy

Government intervention: reasons for intervention, restrictive practices, protection of consumers and smaller firms, ensuring fair and honest trading; intervention mechanisms, eg Office of Fair Trading, Food Standard Agency, Competition Commission; statutes, eg Trade Descriptions Act, Sale of Goods Act

Tax systems: purpose (revenue, redistribution, repricing, representation); direct and indirect taxes; levels; types of tax, eg capital gains, corporation, income, inheritance, local council tax, property, sales, stamp duty, VAT, excises; importance of meeting tax liabilities, consequences of tax avoidance; getting tax advice and guidance, eg accountants, lawyers

2 Be able to calculate tax payable

Tax liabilities: importance; personal tax liabilities: sources of income from employment including benefits in kind, self-employment, investments/savings; tax of the self-employed; bases of assessment, adjustment of profits and losses, eg disallowed expenditure, tax losses, capital expenditure and allowances; documentation; calculating taxable amounts and tax payable

3 Know the nature of the reporting environment

Financial reporting: definition (the process of communicating financial accounting to users of such information); key accounts: balance sheet, trading, profit and loss; purpose of keeping accurate records

User groups: owners, management, employees, suppliers, customers, lenders, government, potential investors, different needs from financial statements eg private limited company, public listed company, sole trader, charity

User needs: profitability, liquidity, gearing, cash flow, job security, Accounting Standards Board's statement of principles, International Accounting Standards Board's framework for the presentation of financial statement

Legislation: Companies Acts 1985, 1989 and 2006, Partnership Act 1890, European directives

Other regulations: eg Statements of Standard Accounting Practice (SSAPs) and Financial Reporting Standards (FRSs), The Accounting Standards Board (ASB), International Accounting Standards (IASs); Charities Acts 1992/3 and 2006 if appropriate

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 explain the benefits and limitations of a free market economy for an entrepreneur **P2** explain the impact of government intervention in markets **P3** explain the types and purpose of tax systems which affect an entrepreneur	**M1** explain how market competition affects entrepreneurs	**D1** evaluate the impact of government intervention in markets on business enterprise operations and consumer demand.
P4 calculate taxable amounts and tax payable for a self-employed person from given information [IE1]		
P5 describe the needs of the users of financial statements **P6** identify legal and regulatory requirements that affect the different users of financial statements.	**M2** describe how the legal and regulatory influences on financial statements impact on users in a selected business.	

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Learners need to be able to understand how financial markets work. The UK economy is fundamentally guided by the principles of satisfying people's needs and meeting people's wants through the existence of state-owned institutions and a well-established system of privately-owned businesses pursuing maximisation of profits. Learners should consider how the two combine and the role that government plays in securing the effective operation of both sectors while ensuring consumer protection. Tutors need to explain the effects of global economic phenomena such as the 'credit crunch' on financial markets. Group discussions can explore the concepts of recession, inflation and deflation. Learners can work in groups to research the purpose, benefits and limitations of different types of markets and prepare a table of their findings using ICT. If learners have an interest in social enterprises then they should investigate the features of the unit using social enterprise examples and be mindful of the additional obligations of this type of business.

Tutors need to explain the functions of the price mechanism, showing how prices respond to changes in consumer preferences and provide incentives to producers. Learners can work in groups to discuss the advantages and disadvantages of the free market economy and why there are mixed economies.

Learners need to understand the distinction between a shift of and movement along demand and supply curves. The interaction of supply and demand and the determination of price can be examined through the various factors that produce shifts in demand and/or supply and how it ultimately results in market equilibrium. This supply and demand analysis can be used to demonstrate the impact and incidence of taxes and subsidies on consumers, producers and the government.

Discussion is needed on types of market failure, giving reasons why the price mechanism may not allocate resources efficiently, for example when there is only one supplier or when externalities are present. This could then lead on to exploring remedies for market failure and methods of regulating monopolies, for example by regulations relating to market share and mergers and by government measures to promote the growth of new firms. A guest speaker from an enterprise that has experienced growth would be of benefit in this section of delivery. Learners are not required to have a detailed knowledge of legislation concerning UK and EU competition policy.

Government intervention in financial markets is sometimes made to encourage and regulate competition, and to this effect government-appointed bodies exercise control over business decisions and practices. For example, the Office of Fair Trading checks on excessive bank charges are directed to prevent restrictive practices by businesses. In addition, a government can pass laws aimed at ensuring fair and honest trade and safeguarding people's safety and health. By doing so it might affect the operation of businesses and consequently their margin of profits. For instance, public houses and restaurants complain that the ban on smoking has affected demand and this may bring bankruptcy to some of them. But, on the other hand, it is the right of government to act in areas that it believes are for the benefit of consumers and workers.

The topic on tax systems can be introduced with an overview of fiscal policy in the UK. Learners can work in groups and research the types and purpose of taxes of which a microbusiness owner would need to be aware. Guest speakers from financial institutions could provide more detailed information on tax liabilities and allowances etc and, more importantly, provide case studies on the consequences of non-payment or tax evasion. Tutors could provide exercises for learners to calculate taxes owed from different scenarios. Learners can complete online tax returns without submitting the document.

The financial statements of limited companies are governed by the Companies Act 1985, and amended by the Companies Acts 1989 and 2006. Learners need to understand the background and structure of limited companies and the accounting implications of the Acts. Accounting standards have been developed since the 1970s, in the form of Statements of Standard Accounting Practice (SSAP) and then Financial Reporting Standards (FRS). These accounting standards have completed the regulatory framework that companies are obliged to follow when preparing financial statements. More recently, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have been developed by the International Accounting Standards Board in an attempt to harmonise international financial reporting. Only EU-listed companies were required to follow these standards from January 2005 but they will probably be adopted by all UK companies, so they cannot be ignored by organisations.

Learners can research accounting standards in small groups, making use of the internet and other resources to discover the impact that standards have on the accounting policies and procedures adopted by limited companies. Published reports will be examined to view companies' accounting policies. Learners should use case studies to identify and carry out the required adjustments to organisations' financial statements, based on the Companies Acts, the concepts, the framework and current standards. Adjustments carried out must be justified with reference to the appropriate regulations, and learners should consider the effects of each adjustment on profit and the organisation's assets. As international standards are adopted in the UK, the Companies Acts will be updated, and learners will research developments in this area. The regulatory framework is designed to help meet the needs of users of financial statements so that they can understand and interpret them. Learners can discuss how the application of the accounting conventions and regulations to the financial statements will meet those needs.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Tutor-led discussion on components of financial market operations. Learners research different aspects in groups and report back. A visiting speaker from a bank involved in financial markets would assist learning.	8.0
Learners work in small groups, taking a case study and assessing the benefits and limitations of the market for an entrepreneur. A question and answer session with an entrepreneur would add to this.	4.0
Assignment: **Financial Market Operations (P1, P2, P5, P6, M1, M2, D1).**	6.0
Tutor-led theory components of tax systems. Learners in groups investigate an example business and how it deals with tax.	8.0
Learner exercises to calculate tax starting with easy, isolated examples and working through to more complex models.	4.0
Learners research how a sample business reports its tax – drawing on research above. Learners review case studies on the implications of not reporting.	8.0
Learner research a specific piece of legislation and discuss the implications for their own start-up businesses or case-study businesses. They report back to the group and then discuss implications of the range of legislation.	4.0
Assignment: **Tax Systems (P3, P4).**	6.0
Total learning time hours	**50**

Assessment

To achieve a pass grade, learners must meet all the P1-P6 assessment requirements. This will require careful and regular monitoring of the progress of learners when completing each task. Assignments should be designed so that learners are appropriately challenged and not overburdened with higher-grade requirements before all pass grade criteria have been met.

For learning outcome 1, learners should identify and describe the type of financial markets in which a selected business operates and how it responds to consumer demand. Learners can then explain the benefits and limitations of a free market economy for an entrepreneur (P1). This can be illustrated with examples of changes in supply and demand such as the competition in the mobile phone market, which is one with which learners are probably familiar. Alternatively, learners could be given a scenario requiring them to illustrate and describe the changes in supply and demand for a selected product. For P2, learners should explain the rationale for government intervention and the effects of this on consumers, producers and the government. Learners should describe the types and purpose of taxation, identifying those which particularly affect an entrepreneur (P3).

For learning outcome 2, learners should complete calculations for tax liability from given information on a case study (P4). Case studies should cover the basic calculations and not deal with complex taxation issues. Evidence can be presented either in manual or electronic format.

For learning outcome 3, learners will carry out further research to that undertaken for learning outcome 1 on a specific case study relating to a limited company. They will produce a report to show the required content of the company's policies, based on the Companies Acts and the relevant standards applied in the UK (P5). They should identify legal and regulatory requirements that affect different users of financial statements (P6).

The transition to merit level may be seen as learners' progress from observations to description, explanation and analysis. For example, for M1 they should give examples of how market competition affects entrepreneurs, whilst for M2 they should describe the extent of the impact of legal and regulatory influences on users of financial statements.

Distinction level work is characterised by the ability to apply innovative and creative problem-solving skills. The D1 criterion will require learners to produce an evaluation of the impact on business operations and consumer demand from government intervention in markets. They will come up with ideas that others have not considered, and will be able to articulate their thoughts well.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P5, P6, M1, M2, D1	Financial Market Operations	Impact of financial regulations on a specified local business, or own micro start-up business.	Produce a presentation on the impact of financial regulation and the free market, and the importance of accurate record keeping.
P3, P4	Tax Systems	Prepare a tax return for a self-employed person from given information.	Tax return.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
Financial Modelling and Forecasting	Business Planning and Pitching
Managing Personal Finances	

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit MN3: Keep financial records for your business
- Unit MN11: VAT registrations and returns.

Essential resources

The learning outcomes for this unit require learners to undertake research. To enable research skills to be effectively developed learners should be introduced to as many different forms of information as possible, for example libraries and other research facilities including the internet, national newspapers, local banks, and start-up business training agencies.

Learners will also benefit from case study materials, which may focus on specific aspects of financial planning. Tutors should gather exemplar materials to help develop learners' understanding. They should also prepare suitable exercises to enable learners to practise the skills needed to prepare a personal budget. This should include some manual exercises as well as more complex spreadsheet exercises. Tutors can save time by preparing data input templates for learners.

Employer engagement and vocational contexts

Visits to companies and from guest speakers working in financial services are useful in delivering this unit. Centres should develop links with financial institutions who are willing to come in and talk about managing finances in an unbiased way (if possible). Alternatively, learners should be able to visit different financial institutions to research and collect information on a variety of products and services.

Indicative reading for learners

Textbooks

Beckett M I H – *How the Stock Market Works, 2nd Edition* (Kogan Page, 2004) ISBN 978-0749441906

Dyson J R – *Accounting for Non-Accounting Students, 7th Edition* (FT Prentice Hall, 2007) ISBN 978-0273709220

Faerber E E – *The Personal Finance Calculator* (McGraw-Hill, 2003) ISBN 978-0071393904

Fisher S Y and Shelly S – *The Complete Idiot's Guide to Personal Finance in Your 20s and 30s, 3rd Edition* (Alpha Books, 2005) ISBN 978-1592573325

Gorham J – *Mastering Personal Finance* (Palgrave Study Guides, 2007) ISBN 978-0230553019

Keown A – *Turning Money into Wealth and Student Workbook* (Pearson, 2006) ISBN 978-0131742819

Marcouse I and Lines D – *Business Case Studies – AS and A level, 3rd Edition* (Longman, 2002) ISBN 978-0582406360

Journals

Business Review Magazine (Phillip Allan Publishers)

The Economist

Websites

www.aat.org.uk	The Association of Accounting Technicians
www.accountingtechnician.co.uk	Association of Accounting Technicians Online
www.bankofengland.co.uk	The Bank of England
www.bized.ac.uk	Business education website including learning materials and quizzes
www.direct.gov.uk	UK government website
www.economist.co.uk	*The Economist*
www.frc.org.uk/asb	The Accounting Standards Board, part of the Financial Reporting Council, with information about accounting standards
www.ft.com	*Financial Times*
www.iasb.org	The International Accounting Standards Board, with information about the new international accounting standards
www.moneymadeclear.fsa.gov.uk	Financial Services Authority
www.moneysavingexpert.com	Martin Lewis
www.theredbox.gov.uk	HM Treasury – The Red Box (Tax and Public Spending)

Other

Quality newspapers, especially the business sections

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 calculating taxable amounts and tax payable for a self-employed person from given information. (IE1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	exploring financial market operations from different points of view, eg the consumer, producer and the government (IE3) analysing and evaluating sources of tax advice available, judging their relevance and value in different circumstances (IE4)
Creative thinkers	asking questions about government intervention in financial markets to extend their thinking (CT2)
Reflective learners	evaluating their financial experience on tax systems to inform future progress (RL5)
Self-managers	organising time and resources when calculating tax payable (SM3) anticipating and managing risks when calculating tax payable by building in contingencies (SM4)
Effective participators	discussing issues of concern such as the credit crunch and its effect on global financial markets (EP1]) proposing practical ways forward when calculating tax owed, breaking these down into manageable steps (EP3]) identifying improvements that would benefit others when investigating legal and regulatory requirements. (EP4)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching UK tax systems and online reporting
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	preparing online tax returns
Manage information storage to enable efficient retrieval	saving and retrieving text-based and numerical (eg online tax returns) information
Follow and understand the need for safety and security practices	exploring issues relating to electronic financial transactions; undertake safe practice when using internet and other relevant software/hardware
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching financial markets and government intervention mechanisms
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	researching into financial markets
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	preparing online tax returns preparing presentation to deliver to audience
Bring together information to suit content and purpose	comparing types of financial market
Present information in ways that are fit for purpose and audience	presenting tax return
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	obtaining web-based information about types of tax
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	calculating tax payable
Identify the situation or problem and the mathematical methods needed to tackle it	obtaining financial information from information used to calculate tax owed
Select and apply a range of skills to find solutions	calculating tax owed

Skill	When learners are …
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing and exchanging information about financial markets and government intervention discussing legal and regulatory requirements
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading and understanding literature on legal and regulatory requirements
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	creating tax return completing presentation to deliver to an audience.

Unit 12: Business in an International Context

Unit code: A/600/0107

Level 3: BTEC National

Credit value: 5

Guided learning hours: 30

Aim and purpose

The aim of this unit is to enable learners to develop an understanding of business enterprise in the international market.

Unit introduction

The growth of the internet and practice of e-marketing has made going global an easier option for entrepreneurs. However, doing business internationally is often more complex than doing business in the home market. This unit will help learners explore the issues facing a domestic (UK) business when it expands its operations into the international sphere. Also, learners can gain some insight by considering the issues faced as a result of overseas businesses expanding their operations by moving into the UK market.

A range of support is available to businesses that want to work internationally. This ranges from trade associations (voluntary industry-specific groups) to government assistance, to help from institutions, for example advice on how to finance international business activities. Learners need to understand the business environment and culture of international markets in areas such as customs, language, ideology, politics, technology and legal frameworks and how these may have an impact on the operation of going global.

Learners will have the opportunity to investigate aspects of international business in depth, such as regulatory or market aspects and using contacts developed in other countries. They will then explore how a specific business could expand overseas.

Learning outcomes

On completion of this unit a learner should:

1 Understand the international business environment for an expanding microbusiness

2 Know factors that impact on UK businesses overseas

3 Understand the effects of international expansion on a business.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand the international business environment for an expanding microbusiness	P1 explain the international business environment in which a selected business operates
2 Know factors that impact on UK businesses overseas	P2 describe the factors that impact on UK businesses overseas
3 Understand the effects of international expansion on a business.	P3 explain the process of international expansion for a selected aspect of a business P4 propose ways for a UK business to expand internationally. (EP2)

Unit content

1 Understand the international business environment for an expanding microbusiness

International business: types of business involved in international trading, eg casual or accidental trading (where a business receives unsolicited foreign orders but has no real commitment to exporting); active trading (where the business attempts to create sales without making significant changes in products and overall operations); full-scale trading (where the business markets across national boundaries); competition; exports; imports; economies of scale; foreign investment; developing countries; risks, eg economic, political

Trading environment: ideology; political; economic; technology; social; legal; ethics; how these factors influence decisions to buy goods and services

Culture: language; religion; values; attitudes; customs; manners; education; material culture; institutions; infrastructure; work attitudes; cross-cultural training

2 Know factors that impact on UK businesses overseas

Factors: ethical responsibility, global marketing

Ethical responsibility: ethics behind what and where to manufacture; balance between capital and labour; where to sell; pay and work conditions; environmental factors, eg emissions, waste disposal; conflict with profit-based and other objectives; stakeholder conflict

Global marketing: international branding; distribution channels; importers; raised cost of distribution through intermediaries; internet; pricing strategies for different countries; niches; growing markets, eg in the Far East, Eastern Europe and South America; declining markets, eg in the EU, US; cultural considerations

Impacts: global recession, global growth, environmental issues, migration; events, eg 9/11, national and international conflict, 'credit crunch'

3 Understand the effects of international expansion on a business

Country: eg from EU, rest of world

Regulatory aspects: relevant to country chosen eg economic activities that encourage/restrict international trade; impact on businesses and balance of payments; inflows and outflows of capital; the concept of free trade; barriers to trade; embargoes; tariffs and import quotas: constraints, protection quotas; economic alliances; international trade regulations, eg bilateral and multilateral treaties, World Trade Organization regulations, the effects of EU enlargement on businesses, trading blocs and World Trade Organization; the development of China and India as major sources of manufactured products; other emerging markets; the effects of globalisation on developing and developed countries; outsourcing; downsizing

Market aspects: foreign competition in home markets; limited growth in home market; government subsidies; planned or free market economy; commodity prices; level of economic development (GDP/human development index)

Business functions aspects: marketing; sales; finance; production; customer service; human resources

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	explain the international business environment in which a selected business operates	**M1**	compare how cultural differences and foreign business environments affect international businesses		
P2	describe the factors that impact on UK businesses overseas				
P3	explain the process of international expansion for a selected aspect of a business	**M2**	assess how going global will affect marketing, business functions and regulatory aspects of business.	**D1**	evaluate the potential problems faced by businesses that trade internationally when entering new markets.
P4	propose ways for a UK business to expand internationally. [EP2]				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Tutors can introduce this unit by getting learners to think about where goods and services come from. They can look at the clothes and shoes they are wearing and also their mobile phones and the contents of their bag. They can work in groups and discuss how dependent they are on international trade. An understanding of key terms can be developed through relevant case studies and web-based resources. The dynamics of international business could be illustrated using examples which are in the news at the time. Learners can then play a trading game to get them thinking about the importance of managing resources and trading, such as the World Trade game from Christian Aid at www.christianaid.org.uk, where there is a range of teacher resources and games, or a similar game at www.economicsnetwork.ac.uk/showcase/sloman_game.htm.

Much of the material on the international business environment and the global economy can be delivered actively through the use of case studies. Case studies should be of small or medium enterprise expansion rather than large multinationals. Examples of small business case studies can be found at the UK Trade and Investment website but there may be local examples. Case studies can be used as a means of encouraging individual and group learning and providing a vehicle for assessment. To understand the context of international business, learners should build on their knowledge base by looking at environmental factors which affect all business organisations. This unit is in an international context and the learner needs to explore how cultures and cultural differences can affect a business operating internationally and their performance in foreign markets. Small group, tutor-led workshops can be used to develop the learners' understanding of individual cultures to given scenarios and their conclusions may be used to develop their knowledge base when exploring how these factors affect international trade. Learners may study a business operation in any country in which a business operates. They should develop their learning from case studies to study of a specific business operation in one country.

Global economic phenomena may be approached as external shocks to a national economy which policy makers try very carefully to balance, both internally and externally, the credit crunch or 9/11 being good examples. The impact of growing power in China and India in particular need consideration, together with discussion of other areas of economic growth such as Russia and Brazil. Issues of UK involvement in the Eurozone reflect the pressures on the UK economy to take down further barriers to trade.

Learners should agree the business focused on with their tutor to ensure the chosen aspect of going global is feasible. Learners could investigate the potential for their own business to expand internationally. The analysis should draw together learning about the international business environment, and in order to accomplish this, tutors will need to facilitate contacts with organisations in other countries for possible exchanges or visits by learners. In the classroom, learners could think about two aspects that interest them and write a short summary outlining the reasons for their interest. They could use the internet or newspapers to research information and then discuss their preferred research topic with other members of the group. This approach will help share ideas. It is essential that the tutor monitors the development of individual research diaries closely to ensure learners are conducting their research appropriately and working towards agreed objectives.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Tutor-led aspects of international trading for a microbusiness. This could be supported by a visiting entrepreneur who has expanded overseas, discussing the issues they encountered.	3.0
Learners in groups complete a 'World Trade' game.	4.0
Learners research different case studies of international expansion and report to the group to ensure all learners are aware of the required content.	6.0
Tutor-led theory components on cultural issues, learners in groups research a small business for examples of how they modified their product or service for a specific overseas market.	6.0
Assignment: **The International Business Environment (P1, P2, M1).**	5.0
Tutor-led theory components of the importance of the global economy to business, learners develop their initial research to include aspects of ethics, sustainability and marketing.	6.0
Assignment: **Going Global (P3, P4, M2, D1).**	6.0
Learners work on their researched business (or own business) to include the impact of international expansion. Learners in groups discuss the possible impact on business.	6.0
Individual learning time and assignment completion.	6.0
Total learning time hours	**50**

Assessment

To achieve a pass grade, learners must achieve P1-P4. Learning outcomes 1 and 2 could be evidenced through a written report or a presentation by learners or in small groups. Presentations should be recorded for internal and external verification purposes, and any notes, handouts and copies of slides should be included in the evidence. Evidence for learning outcome 3 can be in the form of a report and a presentation.

To achieve P1, learners can select a local business that trades internationally and conduct a PESTLE analysis on it to illustrate the international business environment. For P2, learners need to describe the different factors that businesses must consider when expanding internationally such as ethical, social and cultural responsibility together with tariffs, quotas, and competition in home markets.

For P3, learners could choose, with support, a business to use as a case study for international expansion. However, if they have been running their own business for the BTEC Level 3 in Enterprise and Entrepreneurship, then they could investigate international options for their own business. If a case study is used, it will need to have the potential for this kind of expansion and the different aspects in the content will need to be appropriate. For P4, learners should propose practical ways for the business to expand internationally.

To achieve M1, learners will need to develop their work for P1 to include a comparison outlining how cultural differences and foreign business environments affect multinational corporations. For M2, evidence from P4 will be developed to assess the impact of going global, including the use of appropriate examples.

Distinction level work is characterised by the ability to apply innovative and creative problem-solving skills. To achieve D1, learners should develop their ideas for merit grade and, using their research, make an objective evaluation of the types of problems a business could face when entering new markets internationally.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1	The International Business Environment	Research a local company that trades overseas.	Produce a report outlining the international business environment and factors that businesses must consider when expanding internationally, using a local company that trades overseas in a specified country.
P3, P4, M2, D1	Going Global	Brief for a UK-based business to include presentation of the effects of going global.	Deliver a presentation on the effects of going global on a UK-based business.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
The Entrepreneurial Mindset	Working as an Intrapreneur
Enterprise in the Workplace	E-marketing and Website Design

This unit links to the following SFEDI National Occupational Standard at Level 3 in Business Enterprise:

- Unit WB6: Explore overseas markets for your business.

Essential resources

The successful completion of this unit depends on a suitable choice of an aspect of international business. As there will be in-depth research, learners must have access to library and research facilities, including the internet.

Employer engagement and vocational contexts

The selection of a suitable project for completion of this unit is essential. Centres may find it useful to develop links with multinational organisations or international training centres which would be willing to provide information for learners. This could lead to opportunities for visits or learner exchanges, although these are not essential to the achievement of this unit.

Indicative reading for learners

Textbook

Morrison J – *International Business Environment: Global and Local Marketplaces in a Changing World* (Palgrave Macmillan, 2006) ISBN 1403936919

Journals

Business Review Magazine – available by subscription from Phillip Allan Publishers (see www.philipallan.co.uk)

The Economist

Journal of International Business Studies (Palgrave Macmillan)

Websites

www.direct.gov.uk	UK Government website
www.europegov.uk	The Government's website on the European Union
www.fsb.org.uk	Federation of Small Businesses
www.imf.org	The International Monetary Fund (IMF)
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.taforum.org	The Trade Association Forum
www.uktradeinvest.gov.uk	UK Trade and Investment
www.wto.org	The World Trade Organization

Other

Quality newspapers, especially the business sections

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Effective participators	P4 proposing ways for a UK business to expand internationally. (EP2)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	identifying and clarifying which problems have to be resolved in order to succeed at the project/problem (IE1) carrying out research into international business environments (IE2) supporting their findings of research of going global with reasoned arguments and evidence (IE6)
Team workers	collaborating with others when playing world trading games (TW1) reaching agreements and managing discussions (TW2) showing consideration and fairness to others (TW4)
Self-managers	anticipating, taking and managing risks in world trading game (SM4) managing their emotions, and building and maintaining relationships (SM7)
Effective participators	proposing practical ways forward for a business going global (EP3) identifying improvements that would benefit others as well as themselves (EP4) trying to influence others. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching types of multinational business organisations researching aspects of international business
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	creating a presentation to deliver to a selected audience on enterprise in an international context
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing ideas on aspects of international business presenting the outcomes of their research on enterprise in an international context completing work-placement activities
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	researching aspects of international business
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	maintaining research diary preparing presentation of research.

Unit 13: E-marketing and Website Design

Unit code: T/600/0106

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to develop learners' understanding of the role e-marketing plays in developing business, and to plan a website.

Unit introduction

E-marketing uses the same principles as traditional marketing methods but with the additional aid of digital technologies to help sell goods and services. E-marketing is available 24/7, has a global reach, is cost effective and has the flexibility to complement traditional marketing methods, which makes it particularly suitable for microbusinesses.

In this unit learners will examine the role of e-marketing in a modern marketing context and the benefits of this approach for both consumers and businesses. Learners will also look at the importance of usability of websites and how important this is in retaining customers. This will include an examination of navigation, language, efficiency, speed, privacy and visual appeal, as well as the requirements for accessibility. Learners will then be able to plan and design their own websites, taking into account all the user requirements. There are issues that have to be considered when developing or updating a website and this unit will help raise awareness of financial and technical implications.

Learning outcomes

On completion of this unit a learner should:

1 Know what role e-marketing has within a modern marketing context

2 Understand the benefits of e-marketing for business

3 Understand the main elements in web design usability and visual appeal

4 Be able to design a website to meet user needs.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Know what role e-marketing has within a modern marketing context	P1 describe the role e-marketing has in a modern marketing context using one business example
2 Understand the benefits of e-marketing for business	P2 explain the benefits to the business of using e-marketing within the marketing mix of a selected business
3 Understand the main elements in web design usability and visual appeal	P3 explain the web design usability and visual features used by different e-marketing businesses (CT1)
4 Be able to design a website to meet user needs.	P4 design a website for a business enterprise meeting user requirements (IE2) P5 describe how the design meets user needs.

Unit content

1 Know what role e-marketing has within a modern marketing context

E-marketing: greater individualisation of market attention, eg one-to-one relationships, mass customisation, increased information and cost-effective information-gathering methods, personalised marketing; global reach; 24-hour marketing; product impact – enhancing traditional products and services, online games and music, mix between on and offline activities; opportunities enhancing marketing effectiveness, eg through one-to-one communications; understand customers and target more effectively

Modern marketing: increased integration of marketing mix (4 Ps) and extended mix (7 Ps); relationship marketing; importance of identification of new product development and market development opportunities; modern information and communications technologies (ICTs); strategies to achieve business objectives; technology-enabled targeting and segmentation, eg demographic, psychographic, economic, usage-based; business-to-business (b2b), business-to-consumer (b2c) and consumer-to-consumer (c2c) such as eBay; 'disintermediation' and direct market communication by producers

2 Understand the benefits of e-marketing for business

Benefits to customers: opportunities to compare and select providers; increased bargaining power; availability of more comprehensive and up-to-date product information; opportunities for lower costs via 'dynamic pricing', eg internet auctions; greater supply convenience through availability of responsive transaction facilities, eg airline ticketing; immediate online sales and customer service without travel or unsatisfying sales experiences (availability of digital complaints services); opportunities to pool customer experiences collectively via chat rooms, ie consumer to consumer (c2c)

3 Understand the main elements in web design usability and visual appeal

Business types: business-to-business (b2b), business-to-consumer (b2c) and consumer-to-consumer (c2c)

Usability: importance to success of website; retention of users through to completion; trust in site and customer loyalty; methods of building trust at first visit and subsequent visits; main factors affecting usability – navigation, language, efficiency, accuracy, speed of response, respect for privacy

Navigation: based on consumers' needs; ability to complete transaction

Language: tone and style suitable for target group; legible text

Efficiency: value for consumer; limited number of clicks; valued information or transaction in return for time

Accuracy: all information given and processed

Speed of response: importance to consumer; limits for feeling of instantaneous reaction; continuity of flow of thought and for maintaining focus of user attention; reasons for slow reaction times, eg server throughput, server connection to the internet, internet bottlenecks, user's connection to the internet, user's browser and computer, web design features that decrease speed of response (eg multimedia effects, complex graphics)

Respect for privacy: no irrelevant or intrusive requests for information; privacy statement displayed

Design of web pages: user paths through site; ranking of information; amount of information on page; operation of search engines, eg page titles, tags, legibility, typography, design for usability and visual appeal; conflicts between different aspects of usability, eg personalisation versus speed, visual appeal versus speed, visual appeal versus legibility

Accessibility: requirement under disability discrimination legislation for 'reasonable adjustments' to be made to provide to the disabled a service that is generally available; requirements; means of checking conformance with accessibility guidelines

Visual appeal: use of colours, fonts and graphics; advantages and disadvantages of using multi-media; page transitions; unified style; consistency; use of white space; appeal to target group; consistency with brand image

4 Be able to design a website to meet user needs

Strategy: business objectives; marketing objectives; consumer/customer profile and expectations; consumers' technical environment and user experience; analysis of competitors' websites

Functions of site: required functions, eg search facilities, links to further information; registration of users; help facility; transaction arrangements; payment options, eg use of credit cards, PayPal; background functions, eg databases

Personalisation of web experience: benefits to users; greater efficiency of user experience; benefits to organisation; tools, eg cookies; databases

Resources required: domain name; hosting own website; ISP hosting of website; options for connecting to the internet; software options: use of online 'shop' package or development of own software; use of web authoring tools; advantages and disadvantages; security measures; typical costs of developing website for microbusiness

Evaluation: user acceptance testing; use in a range of technical environments, eg browsers, different levels of connectivity; accessibility testing

Issues to be considered: maintenance and updates; customer feedback; promotion of website; security of ICT systems; business continuity plans; typical costs of ongoing maintenance of a small website

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the role e-marketing has in a modern marketing context using one business example		
P2 explain the benefits to the business of using e-marketing within the marketing mix of a selected business	**M1** analyse the benefits of e-marketing to customers	**D1** evaluate the effectiveness of e-marketing in meeting customer needs for a selected business
P3 explain the web design usability and visual features used by different e-marketing businesses [CT1]		
P4 design a website for a business enterprise, meeting user requirements [IE2] **P5** describe how the design meets user needs.	**M2** assess how the website design meets user requirements.	**D2** evaluate the extent to which the website design meets user requirements, making recommendations for improvements.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Learners need to understand the basics of online business and the marketing process before they can be expected to grasp the distinctive features of internet marketing. Learners should be aware of the role that marketing plays in major organisations, including key elements such as segmentation, research/analysis and mass/niche marketing from *Business Planning and Pitching*. This unit considers the ways in which internet operations develop that process. It is about how the internet and related digital technologies are used to improve marketing performance.

Learners should be able to provide cases in which consumer power has been significantly strengthened as a direct result of internet access, for example chat rooms that enable comment on quality of product service and which challenge market power. Learners should be able to make appropriate judgements supported by the evidence they have produced.

Participation in appropriate user chat rooms may also illustrate the potential for consumer power, but this clearly raises questions of internet-use supervision, especially in large learner groups. The selection of industries featuring firms which have a significant internet presence, compared to those which do not, offers opportunities to contrast the relative degrees of flexibility available to suppliers and consumers alike. Learners can contrast the web presence of different businesses and reach judgements concerning which business is most responsive to shifting consumer preferences. However, particular focus should be given to microbusinesses and the feasibility of responsive e-marketing.

Learners should be aware of the range of new types of business in which consumers can participate. Learners should review some examples of larger businesses but should focus on microbusinesses, for example those based entirely online.

Learners should be able to evaluate the circumstances under which e-marketing may prove worthwhile. Examples include those businesses for whom mass customisation may prove more realistic, for example low-volume individualised products or individualised service industries. Learners should be able to consider the value of these strategies in conventional business (cost-benefit or investment-return) terms.

When designing a website for e-marketing purposes, research has shown that usability is of key importance in retaining users and in encouraging repeat visits to a website. Learners need to explore a range of websites in detail for the different elements of usability such as navigation, language, efficiency, speed, privacy and visual appeal. Learners will also consider the importance of building trust in the minds of users and the methods for doing this. Group work can include sharing experiences of online shopping and researching the requirements for accessibility under disability discrimination legislation and presenting their findings to the rest of the group for further discussion.

Learners should consider a range of functions commonly found on websites, including the functions required to personalise users' online experiences. Tutors need to take learners through the range of decisions that need to be made regarding software, web hosting, design of pages, pre-launch evaluation and testing. Learners can work in groups to discuss the ongoing issues which need be considered, such as maintenance and updates, managing user or customer feedback, promotion of website, security of ICT systems and planning for business continuity.

While designing web pages it would be beneficial for learners to have experience of using web authoring tools such as Dreamweaver, FrontPage or the functions in MS Office, for example converting a Word document into a web document, and to experiment with multi-media tools such as Flash. It is important not to take up too much time in the delivery of this part of the unit in relation to others. Learners can work on developing their web pages in their own time. Adobe software is more versatile than Microsoft FrontPage, although FrontPage is very easy to use and may be a good starting point for learners and tutors alike. Learners should have reasonably-developed ICT skills to be able to complete the website to a high technical standard. Emphasis should, however, be placed on the importance of the website meeting the user needs and objectives and not simply web pages full of 'tricks' like flashing objects and logos. A rationale for the design of the website is a core element of this work.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Tutor introduction to benefits of e-marketing. Entrepreneur guest speaker could present on the benefits of a website for a micro start-up business. Learners in groups explore examples of different business uses of websites and describe aspects of marketing therein.	6.0
Guest presentation from a website designer describing different projects with different aims. Learner question and answer session drawing on learning from marketing principles.	3.0
Learners research the different methods of marketing used by different websites, which methods are effective and why. Group discussion. Learners think about which aspects of e-marketing might be appropriate for their own website design.	6.0
Learners research the web presence of microbusinesses and the factors that impact on e-marketing for a microbusiness.	6.0
Assignment: **The Importance of E-marketing (P1, P2, M1, D1).**	5.0
Tutor-led workshops on main design features of websites. Learners in groups, or individually, investigate these design features in a number of case-study websites and evaluate the solutions provided. Learners could start considering their plans.	17.0
Session led by a website designer on the main design issues that impact on website design.	3.0
Learners in groups research web designs and accessibility issues.	5.0
Learners research the plan for a website, drawing on the requirements of their own microbusiness start-up or on a case-study business. This could involve some customer input.	10.0
Learners in groups discuss design briefs for the website. Learners could be mentored by a website designer.	5.0
Tutor-led workshops on website design. Learners individually, but with support, start building their websites.	22.0
Assignment: **Planning and Designing a Website (P3, P4, P5, M2, D2).**	10.0
Total learning time hours	**100**

Assessment

Learners need to meet all the pass grade criteria (P1-P4) to pass this unit. For P1 they should describe how the marketing activities of different businesses have incorporated internet marketing. For P2, learners should describe the principal benefits of internet marketing to customers, for example using contrasting businesses. P3 is based on an examination of the websites of different organisations, while for P4, learners are required to design a website for a specific business enterprise, for a specified purpose and defined target group (this could be for the learner's own business, or could be for another identified business). The design of the website should span several pages and include structured navigation, coherent style and information and functions suited to the needs of the customer and the organisation. Appropriate methods such as user profiling, site mapping and sketches and drawings should be used to produce a clear model of the intended design. P5 requires a brief rationale for the appropriateness of the features for the business concerned.

To achieve merit grade, learners can link their ideas for P1 and P2 together. For M1, learners are asked to discuss ways in which the internet marketing activities build upon conventional offline marketing principles and offer customers greater freedom of choice. This will involve a greater depth of understanding of internet marketing as offline activities form the basis for greater individualisation of market attention and offer opportunities for elements of the marketing mix to be exploited differently, as with dynamic pricing. M2 requires learners to have a clear picture of the attributes of the target group, such as physical abilities, interests, colour and typography preferences, technical abilities and environment and an understanding of the organisational objectives. Consideration should be given to the availability of data on consumer groupings.

For a distinction grade, learners must evaluate how the performance of selected businesses may be enhanced through integration of internet marketing into overall marketing strategies, despite the challenges encountered (D1). This evaluation will explore the principles, benefits, opportunities and challenges of internet marketing as learners apply some relative weight to opposing sets of considerations before reaching a final supported viewpoint. For D2, the evaluation will extend to their own design.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, D1	The Importance of E-marketing	Brief from business wanting to have an online presence.	Prepare a report (written or presentation) to deliver to audience on the role and benefits of e-marketing.
P3, P4, P5, M2, D2	Planning and Designing a Website	Brief expanded to include designing a website to meet specified requirements.	Produce a portfolio of evidence including • plan and design of the website • presentation on the main elements of web design which must be considered • sample web pages.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship suite. This unit has particular links with:

Level 2	Level 3
The Marketing Plan	Market Research and Analysis

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit WB7: Sell your products or services on the internet
- Unit WB8: Develop a website for your business.

This unit also has links to the following units of the Level 3 National Occupational Standards for Marketing:

- Unit 1: Provide marketing intelligence and customer insight
- Unit 2: Provide strategic marketing direction for the organisation.

Essential resources

Learners should have access to many different forms of information as possible, for example libraries and other research facilities including national newspapers, local banks, and start-up business training agencies. They must also have access to a computer and the internet for planning and designing their websites.

Employer engagement and vocational contexts

Although learners can research businesses for this unit online, visits to businesses and from guest speakers will be useful for delivering this unit. Entrepreneurs who can talk about how e-marketing has benefited their business will be invaluable.

Indicative reading for learners

Textbooks

Cave S – *Consumer Behaviour in a Week* (Hodder Arnold, 2002) ISBN 0340849711

Chaffey D – *E-Business and E-Commerce Management* (FT Prentice Hall, 2003) ISBN 0273683780

Chaffey D, Mayer R, Johnston K and Ellis-Chadwick F – *Internet Marketing: Strategy, Implementation and Practice* (Prentice Hall, 2002) ISBN 0273658832

Dibb S, Simkin L, Pride W M and Ferrell O C – *Marketing: Concepts and Strategies* (Houghton Mifflin, 2005) ISBN 061853203X

Kotler P, Armstrong G, Wong V and Saunders J – *Principles of Marketing, 5th Edition* (FT Prentice Hall, 2008) ISBN 0273720643

MacDonald M – *Creating Websites: The Missing Manual* (O'Reilly, 2005) ISBN 0596008422

McFedries P – *Complete Idiot's Guide to Creating a Website* (Alpha Books, 2008) ISBN 1592577881

Needham D and Dransfield R – *Marketing: Everybody's Business – Covering European and International Marketing* (Heinemann, 1994) ISBN 0435450255

Journals

Campaign

Marketing Week

Websites

www.amazon.com	Amazon – online shopping
www.bbc.co.uk	The British Broadcasting Corporation
www.bized.ac.uk	Business education website, including learning materials and quizzes
www.cim.com	The Chartered Institute of Marketing
www.e-bay.com	eBay – online auctions
www.marketingteacher.com	Free marketing resources for learners, teachers and professionals
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.the-dma.org	The Direct Marketing Association

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 designing a website for a business enterprise meeting user requirements (IE2)
Creative thinkers	P3 explaining the web design usability and visual features used by different e-marketing businesses. (CT1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	analysing and evaluating research findings, judging its relevance and value (IE4)
Creative thinkers	planning their website by trying out alternatives and following ideas through (CT5)
Reflective learners	inviting feedback from others on website design, dealing positively with praise, setbacks and criticism (RL4])
Team workers	working together to research accessibility issues and collaborating to work towards common goals (TW1) reaching agreements on which designs to use (TW2)
Self-managers	showing initiative, commitment and perseverance when designing website (SM2)
Effective participators	proposing suitable website designs and practical ways forward (EP3) trying to influence others, negotiating and balancing diverse views to reach workable solutions. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	using web authoring and multimedia tools
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	using web authoring and multimedia tools
Manage information storage to enable efficient retrieval	planning and designing the website
Follow and understand the need for safety and security practices	designing the website using web authoring and multimedia tools
Troubleshoot	
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching organisations with an online presence
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	using web authoring and multimedia tools
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	planning and designing their website creating a presentation to deliver to an audience on the role of e-marketing
Bring together information to suit content and purpose	analysing the effectiveness of the main elements in web design
Present information in ways that are fit for purpose and audience	presenting website design using appropriate ICT tools
Evaluate the selection and use of ICT tools and facilities used to present information	using web authoring and multimedia tools

Skill	When learners are …
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing online presence for different organisations planning website to meet user requirements
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	analysing websites for different organisations researching accessibility issues
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	designing website to meet user requirements presenting website design.

Unit 14: Brand Development and Promotion

Unit code: K/600/0104

Level 3: BTEC National

Credit value: 5

Guided learning hours: 30

Aim and purpose

The aim of this unit is to enable the learner to explore the concepts and application of brand and image through preparing a promotional campaign.

Unit introduction

A successful enterprise makes itself known to customers through its brand and image. Developing a brand profile is very important in influencing buyer behaviour. In this unit, learners will examine the elements of the promotional mix and the costs and benefits of using different types of advertising media such as newspapers, TV and websites. They will learn that advertising is used to carry messages to groups of people who can be reached more effectively through an advertisement than by personal contact, and how an advertising campaign can be used to convey the marketing message.

Sales promotion is an important part of the marketing process and these promotions are short-term incentives offered to consumers and businesses in an attempt to increase sales in both the short and long term. In this unit learners will develop an understanding of the tools and techniques used in sales promotions and how they are used to launch products or services, increase sales and develop brand loyalty.

Finally, learners will prepare their own promotional plan and develop promotional material.

Learning outcomes

On completion of this unit a learner should:

1 Understand the constituents of the promotional mix

2 Understand the importance of branding

3 Understand how to promote a new business and reach customers

4 Be able to prepare a promotional campaign.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Understand the constituents of the promotional mix	P1 explain why a promotional mix is appropriate for a product or service
2 Understand the importance of branding	P2 explain ways in which a business can develop its brand image
3 Understand how to promote a new business and reach customers	P3 explain ways in which a new business might be promoted to its customers
4 Be able to prepare a promotional campaign.	P4 design a promotional campaign for a business. (IE1)

Unit content

1 Understand the constituents of the promotional mix

Promotional mix: products and/or services; advertising; publicity; public relations; sponsorships; sales promotions; personal selling; purpose and objectives; exhibitions; direct marketing; corporate image

Decisions about appropriate mix: cost versus benefits (short-term and long-term); target market and exposure to media; type of market, eg business to business or business to consumer; rapidly changing or relatively stable; budget requirements; timing requirements; communications model: sender/receiver; encoding/decoding; noise; feedback; message; media choice; consumer response hierarchy: AIDA (attention, interest, desire, action); how different promotional methods work at different stages

2 Understand the importance of branding

Branding: definition, purpose, objectives and dimensions of branding; benefits; concepts

Branding strategies: eg blanket, family, individual, multi-branding, brand extension, own brands, situations when branding is inappropriate, brand image, personality and equity, brand evaluation techniques

3 Understand how to promote a new business and reach customers

Promote the business: why promotion is important; customer targets; promotion techniques (consumer incentives eg money off, coupons, bonus pack, branded packaging, free gifts, character merchandising, mail-ins, contests and competitions, business (trade) incentives, eg sales volume bonuses, contests, individually agreed promotions); advertising; planning techniques; analysing the target market; developing and presenting a plan; time required; building customer relationships; sources of advice and help

Reaching customers: customer care and service methods; techniques for analysing markets and customer needs; identifying and communicating with customers; analysing the competition; building customer relationships; sources of professional help

4 Be able to prepare a promotional campaign

Campaign brief: objectives, eg target audience, budget

Creative brief: objectives, eg to reach a given audience

Selection of content: communication of promotional message, eg features, performance, benefits, quality, reliability

Campaign tactics: reach given target group; selection of appropriate media; selection or design of suitable promotional materials/images; text and script according to media type; target audience; objectives; budget; selection of images, eg colour, impact, visibility, style, pace; other sensory dimensions; presentation; focus groups; stages (use of storyboards, eg mock-up, final proof, review, planning of next stage)

Developing a promotion plan: choosing promotion mix; timing; frequency; cost; using promotion plan; media mix; use of internet

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 explain why a promotional mix is appropriate for a product or service		
P2 explain ways in which a business can develop its brand image	**M1** explain ways a business can benefit by using the promotional mix for brand development	
P3 explain ways in which a new business might be promoted to its customers		
P4 design a promotional campaign for a business. [IE1]	**M2** provide a rationale for the promotional campaign.	**D1** evaluate the promotional campaign for a business, making justified recommendations for improvements.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

This unit offers learners the opportunity to put together their own product promotion campaign, which allows them to tap into their creativity and provides a wide variety of learning experiences. Learners should be encouraged to look at as many, and as wide a range of promotions, advertising and marketing campaigns as possible, ideally focusing on those from small and medium-sized businesses. Having looked at and taken notes on these businesses, learners should be provided with a forum to review and compare the campaigns that they have seen. This should be tackled from the perspective of a member of the audience on the receiving end of promotions and advertising, and by considering the aims and objectives of the organisation running the campaign. It is important that learners try to identify the method of motivation being employed within the promotion itself. This activity will hopefully increase the application of knowledge for this unit. In addition, this activity will help learners understand how promotion and advertising is thought to work.

When investigating campaigns, learners should consider different types of promotional activity such as sponsorship, direct marketing, and corporate image enhancement. Promotional activity can then lead to a consideration of the marketing mix as learners become aware of other key factors such as target markets and price points. It is important that learners understand the basic communications model and how this is used to design promotional campaigns. The use of the AIDA model will also help them understand the relevance of the promotional mix.

Learners need to understand the different methods a business can use to promote itself to its customers. Tutors could introduce this topic by using case study materials supported by market research formats, for example questionnaires, sources of published information etc, to illustrate how market research is carried out and the contributions it can make to starting and running a business. Group discussion could enable learners to explore why successful marketing campaigns have worked. This could be followed by learner groups visiting local businesses or researching them on the internet to compare their discussion group's findings with other similar businesses. They could research campaigns familiar to them, for example, that of a breakfast cereal, or a local business, and identify ways in which they aimed to win and retain customers. Learners could work in pairs and research and list the advantages and disadvantages of using different advertising media, and then prepare a written statement assessing which promotion method would be most appropriate to use for their business.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	1.0
Guest speaker from a marketing consultancy on components of constituents of the promotional mix. Tutor-led discussions and question and answer session.	3.0
Learners research local business marketing campaigns including visits to premises.	4.0
Group brainstorm on components of branding, tutor consolidates.	2.0
Learners research different brand images, focusing on small and medium businesses.	4.0
Learners discuss branding, sharing findings from research.	2.0
Individual learning time and preparation for assignment.	5.0
Question and answer session with guest speaker entrepreneur who has developed or changed a brand on how they promoted a business and reached new customers.	3.0
Learners in groups discuss components of promotion and ways to reach customers. Learners consider their own businesses and aspects of promotion.	3.0
Learners carry out research on promotion methods used by local businesses.	4.0
Visits to advertising agencies/media production companies to discuss specific examples.	4.0
Assignment: **Promoting the Brand (P1, P2, P3, M1).**	6.0
Learners work on preparing a promotional campaign for their own or a selected new business in a workshop environment with entrepreneur support.	3.0
Assignment: **Producing a Plan (P4, M2, D1).**	6.0
Total learning time hours	**50**

Assessment

Learners need to meet all the pass grade criteria (P1-P4) to achieve a pass grade for this unit. For P1, this may relate to raising sales or establishing a local profile. For P2, the activity may be connected to the ways in which a business brands itself or a selected product as part of its marketing techniques. This may be taken further to achieve merit grade work (M1) where the learner explains the connection between promotional activity and the development of brand image.

For P3, learners need to identify methods and techniques a business can use to promote itself to its customers and check it is reaching its market. Learners can draw on their visits to advertising agencies and media production companies for the benefits of using professional advertising agencies. This will then lead learners to consider which method would be suitable for their own promotion.

For P4, the promotional campaign designed by learners should follow from its associated campaign creative brief. Learners may produce this in the light of their selected campaign but should ensure this crucial detail is not overlooked. For M2, learners should provide a rationale for their promotional campaign, explaining why it is expected to achieve its goals and making recommendations for ways in which it might be improved, for example via extension strategies.

For D1, learners may develop all these ideas to distinction grade by seeking to evaluate the effectiveness of their selected promotional campaign in achieving the requirements of the creative brief. Learners should have some idea of expected gains in product sales or service uptake resulting from their campaign. They should balance this against approximate costs so that the campaign may be evaluated as a success or failure, making justified recommendations for improvements.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1	Promoting the Brand	Brief from advertising company to prepare information assessing different promotion methods.	Written format (report or presentation).
P4, M2, D1	Producing a Plan	Brief from advertising to design a promotional campaign for own micro start-up business or selected other business.	Promotional plan portfolio including: • all ideas, notes, sketches and drafts.

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Enterprise and Entrepreneurship sector suite. This unit has particular links with:

Level 2	Level 3
The Marketing Plan	Market Research and Analysis
	E-Marketing and Website Design

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit WB2: Plan how to let your customers know about products or services
- Unit WB3: Plan how you will sell your products or services.

This unit also has links with the following units of the Level 3 National Occupational Standards for Marketing:

- Unit 1: Provide marketing intelligence and customer insight
- Unit 2: Provide strategic marketing direction for the organisation.

Essential resources

Learners should have access to many different forms of information as possible, for example libraries and other research facilities including the internet, national newspapers, local banks, and start-up business training agencies.

Employer engagement and vocational contexts

Contact with advertising and promotion agencies will be very useful to provide examples of real campaigns. Building links with media production companies will enable learners to see how media is produced and used for real campaigns.

Indicative reading for learners

Textbooks

Dibb S, Simkin L, Pride W M and Farrell O C – *Marketing Concepts and Strategies* (Houghton Mifflin (Academic), 2005) ISBN 978-0618532032

Fill C – *Marketing Communications: engagement, strategies and practice* (FT Prentice Hall, 2005) ISBN 978-0273687726

Jones P – *Tycoon* (Hodder and Stoughton, 2007) ISBN 978-0340952351

Kotler P, Armstrong G, Wong V and Saunders J – *Principles of Marketing, 5th Edition* (FT Prentice Hall, 2008) ISBN 978-0273720645

Nicolino P – *The Complete Idiot's Guide to Brand Management* (Prentice Hall 2001) ISBN 978-0028639925

Wright R – *Advertising* (FT Prentice Hall, 1999) ISBN 978-0273632894

Journals

Campaign

Marketing Week

Websites

www.asa.org.uk	The Advertising Standards Authority
www.cim.co.uk	The Chartered Institute of Marketing
www.marketingteacher.co.uk	Free marketing resources for learners, teachers and professionals
www.sfedi.co.uk	Small Firms Enterprise Development Initiative

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P4 designing a promotional campaign for a business. (IE1)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	analysing and evaluating different promotional campaigns, judging relevance and value (IE4)
Creative thinkers	using their campaign brief to question people's assumptions (CT4)
Reflective learners	setting goals with success criteria for the promotional plan designing in terms of meeting objectives of brief (RL2) reviewing progress during the design of the plan, making changes if necessary (RL3)
Team workers	working together to carry out market research, collaborating to work towards common goals (TW1) reaching agreements on which promotion methods to use (TW2)
Self-managers	showing initiative, commitment and perseverance when designing promotional plan (SM2)
Effective participators	proposing suitable promotional methods and practical ways forward (EP3) trying to influence others, negotiating and balancing diverse views to reach workable solutions. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	creating a presentation to deliver to an audience preparing a promotional plan
Present information in ways that are fit for purpose and audience	presenting promotional plan using appropriate ICT tools
Mathematics	
Select and apply a range of skills to find solutions	putting together a plan for their own product promotion
Use appropriate checking procedures and evaluate their effectiveness at each stage	investigating the budget and scheduling of the product promotion
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing promotional campaigns with advertising agencies discussing promotional campaign with other group members
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	evaluating a range of promotional campaigns
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	creating a promotional plan.

Unit 15: Social Enterprise

Unit code: H/600/0103

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to develop knowledge and skills in social enterprise planning and development.

Unit introduction

Social enterprise is often regarded as the business model for the 21st century and the charities, voluntary organisations and social enterprises of what is referred to as the 'third sector' are becoming increasingly significant in the business world. Social enterprises can be defined as businesses set up to tackle a social and/or environmental need.

In this unit learners will learn about the wide range of areas in which social enterprises operate, from fair trade to social housing and childcare. They will learn where to access sources of funding and support for a social enterprise and the different eligibility criteria. The role of stakeholders in a social enterprise is very important and learners will examine the different types of stakeholders and ways to build relationships with them.

Learners will have the opportunity to produce their own plan for a social enterprise. This will enable them to develop skills and knowledge of creating a vision, as well as understanding the values and principles involved and how they relate to the different legal structures and formats for trading, from cooperatives to trusts and charities.

Learning outcomes

On completion of this unit a learner should:

1 Know different types of social enterprise

2 Know how to access sources of support and funding for a social enterprise

3 Understand the values and principles underpinning a social enterprise

4 Be able to create a vision for a social enterprise.

Learning outcome/assessment criteria grid

Learning outcomes	Assessment criteria To achieve each outcome a learner must demonstrate the ability to:
1 Know different types of social enterprise	P1 describe the different types of social enterprise
2 Know how to access sources of support and funding for a social enterprise	P2 describe sources for support for developing a social enterprise P3 describe sources of funding for a social enterprise
3 Understand the values and principles underpinning a social enterprise	P4 describe the values and principles of a chosen social enterprise P5 outline the legal structures and formats used by a chosen social enterprise P6 describe how social objectives link to commercial objectives in a social enterprise
4 Be able to create a vision for a social enterprise.	P7 describe a new social enterprise opportunity P8 explain the needs of stakeholders for the social enterprise P9 produce a plan for a social enterprise. (IE2)

Unit content

1 Know different types of social enterprise

Social enterprise: government and agency definitions

Types: of business, eg community development trusts, Community Interest Companies (CICs), housing associations, worker-owned cooperatives; types of structure: companies limited by guarantee, companies limited by shares, industrial and provident societies, charities

2 Know how to access sources of support and funding for a social enterprise

Support: workshops, events, seminars, social exchange forums, eg Business Link, Social Enterprise and Training website, Social Enterprise Mark, Social Enterprise Coalition

Funding: different sources, eg Office of the Third Sector, Adventure Capital Fund, The New Entrepreneurship Scholarship Programme, The Local Investment Fund, Inner City Entrepreneurs' Fund, Financial Capability Innovation Fund, Skoll Foundation, Bank of Scotland Social Entrepreneur Awards, RDAs, European funding, charitable trusts; eligibility criteria; improving financial performance

3 Understand the values and principles underpinning a social enterprise

Values and principles: origins of the social economy movement; characteristics of social enterprise organisations and how they differ from private or public sector enterprises; how social objectives link to commercial objectives

Legal structures and formats: features of different legal structures, eg unincorporated association, trust, limited company, Community Interest Company (CIC), Industrial and Provident Society (IPS), Charitable Incorporated Organisation (CIO), Community Benefit Societies (BenComms); benefits and limitations of different structures and formats

4 Be able to create a vision for a social enterprise

Opportunity: developing business ideas to meet a social and/or environmental need

Stakeholders: different types of stakeholders, eg board members, sponsors, funders, customers, members, staff members and/or volunteers; ensuring that their involvement will benefit the social enterprise; agreeing their involvement; improving relationships with stakeholders, eg encouraging them to be involved, settling any conflicts of interest

Plan: developing the social enterprise's purpose, vision and values; identifying SMART social objectives, level of funding required, details of stakeholders, benefits of the social enterprise to its potential funders; using a social enterprise plan template

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the different types of social enterprise		
P2 describe sources for support for developing a social enterprise **P3** describe sources of funding for a social enterprise		
P4 describe the values and principles of a chosen social enterprise	**M1** explain how the product or service of a social enterprise meets its values and principles	
P5 outline the legal structures and formats used by a chosen social enterprise	**M2** explain how the legal structure and format support the work of the social enterprise	
P6 describe how social objectives link to commercial objectives in a social enterprise		
P7 describe a new social enterprise opportunity **P8** explain the needs of stakeholders for the social enterprise **P9** produce a plan for a social enterprise [IE2]	**M3** produce a plan for a social enterprise that meets the needs of stakeholders.	**D1** evaluate a plan for a social enterprise in terms of how well it meets stakeholder needs.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Tutors could begin this unit by introducing learners to the concept of a social enterprise, particularly its mainly social or environmental objectives and the fact that surpluses are reinvested for the benefit of these objectives rather than being considered as profit. Lots of commercial businesses consider themselves to have social objectives but the great difference that makes social enterprises so distinctive is that their social or environmental purpose is central to what they stand for.

Learners could research examples of social enterprises such as Café Direct, *The Big Issue*, Jamie Oliver's Fifteen restaurant chain or local relevant examples that might be good case studies for their own proposals. There are different types of social enterprise and each has different features. For example, charities enjoy benefits such as tax reliefs, but are stringently regulated and so are less flexible that other types of social enterprise.

Learners will need to understand the development of social enterprises from initial cooperatives and mutual societies to the more recent Community Interest Companies. Over time there has been a growth in the sources of support and funding for social enterprises. Learners could research the different sources outlined in the content and produce a table comparing the funds available and the qualifying criteria, as these vary considerably. Some support bodies such as the Social Enterprise Coalition run regular campaigns to raise awareness of events and offer support at both local and national level. A guest speaker from a social enterprise could explain to learners what motivated them to set up their enterprise, what support and funding they had, and the challenges they still face to meet their social or environmental vision and values.

Tutor input on the concept of social objectives can help learners appreciate how they relate to the purpose, vision and values, and how they must be regularly reviewed to ensure that a social enterprise does not persevere with objectives that might be unachievable, unrealistic, or no longer relevant to the enterprise.

Once learners have an understanding of the differences between a social enterprise and private and public sector enterprises, they can investigate the different legal formats, for example unincorporated associations, limited companies, trusts, industrial and provident societies, Community Interest Companies, and charitable incorporated organisations. Learners need to understand these complexities and so could work in small groups with each group researching the features of a different legal format and then reporting back to the other groups, to build a complete picture.

In order to produce a plan for a social enterprise, learners can use their skills and knowledge from Business Planning and Pitching to help them. Tutors can provide a template plan, which are freely available on the internet. Learners need to understand the importance of the role of the stakeholder in their plan, and should examine ways to improve relationships with stakeholders in a social enterprise. They could carry out case-study exercises identifying different types of stakeholder and how they might be involved in the social enterprise. Learners could then discuss how stakeholders could be encouraged to be actively involved in the social enterprise, ways to make sure stakeholders understand what they are supposed to be doing, and how to deal with any possible conflicts of interest with and between stakeholders. A guest speaker or a visit to a social enterprise organisation would help learners appreciate the importance of the role of the stakeholder.

Outline learning plan

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

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

Topic and suggested assignments/activities	Hours
Tutor-led introduction to the unit and the programme of learning.	2.0
Tutor input on types of social enterprise. Learners work in groups to research types of social enterprises and their social or environmental purpose.	6.0
Learners feed back results of research and deliver presentations to rest of group.	4.0
Tutor input on the history of social enterprises both in the UK and the USA.	4.0
Tutor or social enterprise entrepreneur input on sources of funding and support available. Learners to research and compare different sources and their suitability.	8.0
Learners to prepare results of research in a table and present to rest of group.	4.0
Assignment: **How to Become a Social Enterprise (P1, P2, P3).**	4.0
Visits to different social enterprise organisations.	12.0
Tutor input on legal formats and learners to work in groups to research the key features of different legal structures.	10.0
Learners to feed back results of research and deliver a presentation or prepare a wallchart. Assignment: **The Values and Principles of Social Enterprise (P4, P5, P6, M1, M2).**	6.0
Tutor or social enterprise entrepreneur input on the role of stakeholders. Learners to carry out exercises identifying stakeholders and their involvement in the social enterprise.	10.0
Learners to prepare a plan for a social enterprise. Tutor to provide guidance on layout etc.	18.0
Assignment: **Planning a Social Enterprise (P7, P8, P9, M3, D1).**	12.0
Total learning time hours	**100**

Assessment

Learners need to meet all the pass grade criteria to pass this unit. For P1, learners should provide definitions of social enterprises and describe different types of enterprises using at least four examples they have researched to illustrate this. For P2 and P3, learners need to research different sources of support and funding available to social enterprises. They should provide this information showing the timescales, level of funding available and other eligibility criteria, and make a judgement on its suitability for different types of social enterprise.

Learning outcome 3 covers the values and principles of social enterprises. For P4, learners could select one social enterprise they have investigated as part of their studies for this unit and describe its values and principles, including how these differ from private and public sector characteristics. This can be developed for P5 to explain the legal structure for this selected social enterprise, addressing the benefits and limitations of this structure and format. Finally, for P6 learners need to describe the social objectives and commercial objectives of the selected social enterprise, and outline how these link together.

Learning outcome 4 requires learners to create a vision for a new social enterprise and P7 requires a description of this opportunity. This should include details of their business idea and how it meets the social/environmental need. Learners then need to identify the role of the stakeholders, and how to ensure they are involved in the enterprise for P8. Writing SMART social objectives and highlighting the benefits to potential funders will be used for the development of the production of a plan for P9.

For M1, learners should build on P4 and explain how the product or service provided by the selected social enterprise meets the values and principles. M2 builds on P5 and learners should explain how the legal structure and format support the work of the social enterprise. Learners should analyse their own research findings, drawing conclusions and making recommendations for ways in which marketing strategies should be adapted to accommodate research findings. For M3, the skills demonstrated in P7, P8 and P9 may be merged as learners produce a plan showing how it meets the needs of stakeholders.

Distinction level work is characterised by the ability to apply innovative and creative problem-solving skills. Work for D1 should develop the work from M3, as learners evaluate how well stakeholder needs are met in their plan for a social enterprise.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3	How to Become a Social Enterprise	Brief from new business wanting information on how to trade as a social enterprise.	Deliver a presentation defining types of social enterprises and the sources of support and funding available (include collated research information).
P4, P5, P6, M1, M2	The Values and Principles of Social Enterprise	Brief to include the benefits of social entrepreneurship and comparisons between the different types of legal structures.	Produce a portfolio of evidence from research on the selected social enterprise to include: • its values and principles • its legal structure and the reasons this was chosen • how its social objectives link to its commercial objectives.
P7, P8, P9, M3, D1	Planning a Social Enterprise	Brief developed to include a plan for a social enterprise.	Produce a portfolio of evidence: • description of the enterprise and stakeholders • presentation of the plan (written or oral).

Links to other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the *BTEC Enterprise and Entrepreneurship* sector suite. This unit has particular links with:

Level 2	Level 3
Creating a Vision for your Business Plan	Launching your Business
Toolkits for Idea Generation	Business Planning and Pitching

This unit also links to the following SFEDI National Occupational Standards at Level 3 in Business Enterprise:

- Unit BD11: Monitor the Social Performance of a Social Enterprise
- Unit OP10: Improve Relationships with Stakeholders in a Social Enterprise
- Unit OP11: Work with a Board in a Social Enterprise.

Essential resources

The completion of this unit depends on a suitable choice of the new social enterprise. As there will be in-depth research, learners must have access to library and research facilities, including the internet.

Employer engagement and vocational contexts

The selection of a suitable idea to prepare a plan for a new social enterprise is essential. Centres may find it useful to develop links with social enterprise organisations who would be willing to provide opportunities for visits, guest speakers and information.

Indicative reading for learners

Textbooks

Bornstein D – *How to Change the World: Social Entrepreneurs and the Power of New Ideas* (Penguin Books, 2004) ISBN 0143032526

Brooks A C – *Social Entrepreneurship* (A Modern Approach to Social Value Creation) (Prentice Hall, 2008) ISBN 0132330768

Mawson A – *The Social Entrepreneur: Making Communities Work* (Atlantic Books, 2008) ISBN 1843546612

Pearce J – *Social Enterprise in Anytown* (Calouste Gulbenkian Foundation, 2003) ISBN 0903319977

Journal

Third Sector

Websites

www.businesslink.gov.uk	Provides practical advice on setting up a social enterprise
www.cabinetofficegov.uk/third_sector.aspx	Office of the Third Sector
www.sel.org.uk	SEL is a customer focused agency for social enterprises in the London area, providing fact sheets and other information
www.sfedi.co.uk	Small Firms Enterprise Development Initiative
www.socialenterprise.org.uk	Social Enterprise Coalition

Delivery of personal, learning and thinking skills

The following table identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	P9 producing a plan for a social enterprise. (IE2)

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	identifying and clarifying which problems have to be resolved when preparing a plan for a social enterprise (IE1) carrying out research into social enterprises (IE2) supporting their findings of research of legal formats and structures with reasoned arguments and evidence (IE6)
Creative thinkers	generating ideas and explore possibilities for a social enterprise (CT1) asking questions of specialists on sources of funding and support to extend their thinking (CT2)
Reflective learners	setting SMART social objectives for a social enterprise they are planning goals (RL2) reviewing progress during the planning, making changes if necessary (RL3)
Team workers	working together to research legal structures and formats, collaborating to work towards common goals (TW1) preparing presentations on research carried out, reaching agreements and managing discussions to achieve results (TW2)
Self-managers	showing initiative, commitment and perseverance when preparing plan for a social enterprise (SM2)
Effective participators	proposing suitable social enterprise opportunities and practical ways forward (EP3) trying to influence others, negotiating and balancing diverse views to reach workable solutions. (EP5)

Functional Skills – Level 2

Skill	When learners are …
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	carrying out and analysing their research into social enterprises and legal structures producing a plan for a social enterprise
Bring together information to suit content and purpose	producing a plan for a social enterprise
Present information in ways that are fit for purpose and audience	presenting research findings using appropriate ICT tools
Mathematics	
Select and apply a range of skills to find solutions	analysing eligibility criteria for different sources of funding
Draw conclusions and provide mathematical justifications	analysing eligibility criteria for different sources of funding
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing sources of support and funding presenting results of research
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	researching legal structures and formats
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	presenting the results of the research producing a plan for a social enterprise.

Unit 16: Managing a Business Event

Unit code: F/502/5449

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to develop learners' skills in and knowledge of organising and coordinating a business event. Learners will do this through planning, providing support, and follow-up activities involved in running a business event.

Unit introduction

Managing a business event is an activity that many people working in a support role will be involved in. It is a challenging activity which can include organising and co-ordinating resources and arrangements for a variety of events, from arranging meetings, product launches, exhibitions and promotions to organising a full-scale conference.

This practical unit focuses on large and complex business events rather than informal small ones, and will enable learners to develop knowledge and skills to manage different types of business events. The tasks of an event organiser include forward planning to organisie a suitable venue, arranging attendance and accommodation for delegates, organising equipment and refreshments, producing delegate packs and papers, liaising with others, keeping records and managing a budget. Excellent communication and interpersonal skills are therefore essential to undertake this range of activities effectively and efficiently.

Managing a business event also involves agreements with suppliers of equipment and facilities. An understanding of the law of contract and the major consumer protection laws is essential to ensure that both legal and organisational requirements are met. Health and safety issues need to be considered, whether the event is held on the organisation's premises or elsewhere. However well planned an event is, problems can occur and need to be resolved, such as late or non-delivery of resources or responding to delegates' needs throughout the event. At the end of the event, a debriefing session provides an opportunity to reflect on the event's success and lessons learned for improving the management of future business events.

It is expected that, as this unit has a practical focus, learners will need to hold an event to enable all the learning outcomes to be completed satisfactorily.

Learning outcomes

On completion of this unit a learner should:

1 Understand the role of an event organiser

2 Be able to plan a business event

3 Be able to run a business event

4 Be able to follow up after a business event.

Unit content

1 Understand the role of an event organiser

Role of event organiser: organising – venue, location, catering; planning and reserving facilities; setting up programme; preparing and distributing supporting documents; organisational procedures; current legal requirements; contracts, agreements, consumer protection; limits of role

Skills: communication and interpersonal skills; time management; problem solving; negotiating; planning; resource management; monitoring; evaluating

2 Be able to plan a business event

Types of event: routine/non-routine, formal/informal eg meetings, staff training sessions, exhibitions, receptions, conferences, trade fair stands

Prior arrangements: clarifying purpose; brief – type of event, size, target audience, numbers, responsibilities, procedures; budget and cost analysis; distribution supporting documents/files eg agenda; relevant meeting papers; consultation and planning; clear and accurate communication eg joining instructions, dissemination of alterations and changes in arrangements; organising appropriate venues

Venue: location, size, layout; time required for advance notice or bookings; assess facilities, eg parking, catering access; number and type of delegates, special requirements; venue checklist

Resources: room eg size, layout (boardroom, theatre); equipment eg overhead projector, flip chart, paper; display stand, literature for stand; refreshments; delivery of materials

Scheduling: software eg Microsoft Outlook; liaison role eg via updating diaries, resolving availability changes; care/experience in allocating times eg travel, rest, preparation; organisational policies eg booking travel; confirming plans in good time eg travel documentation; booking flights and accommodation; checking return journeys; related problems eg language difficulties

3 Be able to run a business event

Types of activity: eg presentations, group activities or workshops, manning stands, displays, screenings, minute/note taking

Health, safety and security: venue emergency procedures; housekeeping arrangements; security of materials and equipment; confidentiality of information and communication

Event support: eg note taking, ensuring delegates have right papers, ensuring delegates are aware of location of conference rooms and facilities, recording attendance and cancellations

Trouble-shooting: liaison with delegates; potential revision/rearrangement of event outcomes; arising issues eg non-attendance of delegates, last-minute photocopying, inadequate room or facilities, non-delivery of resources

4 Be able to follow up after a business event

After the event: vacating the event eg leaving venue clean and tidy; returning or securing equipment; reconciliation of accounts to budget

Evaluation: eg debrief, delegate questionnaire, event problems, solutions, lessons learned

Circulation of materials after event: eg meeting minutes, evaluation forms/questionnaires, post-event papers, circulation lists

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 describe the skills required of an event organiser [IE]	**M1** assess the importance of meeting organisational and legal requirements when planning a business event	**D1** evaluate the management of a business event making recommendations for future improvements
P2 explain the role of an event organiser [IE]		
P3 prepare a plan for a business event [TW]		
P4 arrange and organise a venue for a business event, ensuring health and safety requirements are met [SM, EP]	**M2** analyse the arrangements made by an event organiser to plan a business event	
P5 provide support for the running of an event		
P6 produce guidelines for dealing with problems [IE]		
P7 carry out follow-up activities after a business event	**M3** evaluate how a business event can inform future planning.	
P8 review the success of the business event. [RL]		**D2** evaluate feedback from delegates participating in the event.

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

As an introduction to the unit, learners will need to understand the range of different types of business event. Discussion groups could draw on learners' own experiences of events they have attended in the past year and they could rate how successful these were in terms of organisation, highlighting what could have been done better. It should be noted that this unit focuses on important and complex business events, in order for learners to acquire the appropriate range of skills and knowledge.

Delivery of this unit will focus on learners acquiring the practical skills involved in the organisation and coordination of an event. Discussion groups can be used for learners to explore and share experiences of the different types and purposes of events such as meetings, conferences, exhibitions, receptions and trade fair stands. Learners need to know the importance of forward planning and keeping accurate records when organising an event. The range of tasks involved in planning an event are varied (for example selecting appropriate venues, identifying resources needed to support the event, budgetary responsibilities, arranging travel and accommodation for participants, producing an agenda) and all of these require communication with relevant parties about progress. Role-play scenarios and in-tray exercises would be useful to help reinforce learning, and tutors can provide example checklists. The use of guest speakers, such as an event organiser, and visits to different types of event (if feasible) are to be encouraged so learners gain first-hand experience. It would be worth tutors providing a scenario for small groups to practise planning activities before managing their own event.

Knowledge and awareness of health, safety and security requirements are essential for organising events, and learners should examine the requirements for events organised both on and off an organisation's premises. This must include security of material, equipment and information, as well as ensuring that participants with special requirements are catered for.

The administration roles will vary, depending on the type of event,. They can include taking notes for the minutes of a meeting, staffing a stand at an exhibition, checking arrangements, testing equipment, and ensuring any documentation is prepared. Tutors should introduce learners to the wide range of activities and administrative tasks they would carry out highlighting the types of problems that could occur. Again, guest speakers would raise awareness of this and provide examples of dealing with problems. Likewise, attending an externally-organised event before planning and staging an event for this unit will provide a focus for discussion, analysis and evaluation.

There are specific points to observe when clearing and vacating an event, such as ensuring the venue is clean and tidy, equipment has been returned and any relevant documentation is circulated. The success of the event must be evaluated in order that any lessons can be learned and actioned for the future. Learners can gather data using different methods, such as questionnaires or phone calls, collate this data and identify any problems. They can then make recommendations for future actions.

Learners will need opportunities to develop their skills and knowledge of organising and coordinating an event. If it is not possible for them to carry this out in the workplace, tutors should identify suitable learning opportunities. For example, they could help organise a parents' evening for prospective new learners, a board of governors meeting, or a visit to an exhibition. It is important that they keep records of all their activities and evaluate the success of the event.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and structure of the programme/assignments
Speaker/visit to events
Theory components of the role and skills of an event organiser
Research and group work on types of events
Assignment 1: The Event Organiser
Theory components of planning an event
Research and group work tasks involved in planning an event
Assignment 2: Planning the Event
Theory components of coordinating activities during an event
Research and group work administrative tasks and types of problems that arise
Assignment 3: Running the Event
Theory components of clearing and vacating an event
Analyse the success of an event
Tutorial support
Assignment 4: Reviewing the Success of the Event
Supervised assignment work
Non-supervised study time and completion of assignments

Assessment

Learners can provide evidence to show how they have organised and co-ordinated a business event. These can be in the form of witness testimonies and observations by the tutor and supplemented by a logbook kept by the learner.

For P1 and P2, learners must describe the role of an event organiser and the skills needed for the successful planning and running of a business event. Learners must include an overview of the importance of following organisational and legal procedures when organising the event. This can be achieved using examples relating to a business event that learners have organised or attended. Evidence can be in the form of a report or presentation.

For P3 and P4, learners must provide evidence of planning the business event which includes tasks such as booking a venue, identifying resources, arranging travel and accommodation, organising materials, health, safety and security of the venue and equipment, etc. The plan should identify estimated timescales and budget allocations.

For P5, learners must demonstrate how they have provided support such as greeting delegates, checking equipment is working, taking notes and recording attendance and cancellations. Evidence can be in the form of observation records or witness testimonials, together with a written account.

For P6, learners should illustrate their answer with examples of different problems, for example faulty equipment, non-delivery of resources, typographical mistakes on invitations. Learners can identify problems they have experienced and explain how they resolved them, or they can be given examples of typical problems and explain how they would deal with them.

For P7, learners must describe the processes to be followed when clearing and vacating the event. They must include how the event evaluation should be coordinated, the preparation and circulation of materials, and any budgetary reconciliation. Evidence can be in the form of a report or presentation.

For P8, learners need to review the success of the event. This can be where learners judge not only how well it went in terms of its objectives, but also how well they were able to organise and support it overall.

For M1, learners must extend their knowledge of organisational and legal procedures for organising supplies and explain how these can affect the planning of a business event. They can draw on their evidence for P1 and select examples of supplier contracts and agreements, such as booking a hotel venue or hiring equipment, and explaining how consumer protection legislation covers faulty equipment.

For M2, learners can build on P2 and identify the event, for example an in-house training seminar or an off-site exhibition, explaining the similarities and differences of the key planning activities they will need to undertake.

For M3, learners can build on P5 and identify different methods of evaluation, for example a questionnaire for delegates or a debriefing session, explaining how they contribute to identifying problems and providing solutions for future events.

For D1, learners can develop the evidence produced for M3. They must make justified recommendations for improving future events.

For D2, learners need to evaluate feedback from people attending the event, perhaps gathering the information from evaluation sheets.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, M1, M2	The Event Organiser.	Brief from local business to organise a promotional event for a new product or service.	Prepare a presentation on the role and skills of an event organiser.
P3, P4	Planning an Event.	Brief to include details of the type of event – must have a business purpose and a realistic budget for the planning activities.	Produce a portfolio of evidence: • a written plan for the event with tasks and timescales • records of activities carried out to organise the venue.
P5, P6, P7	Running an Event.	Brief to identify which administrative activities to be carried out during and after the event.	The portfolio to include: • records of tasks carried out to support the event • witness testimonial from tutor confirming support provided.
P8, M3, D1, D2	Reviewing the Success of an Event.	Brief to include evaluation of the success of the event.	Learner review (either one-to-one with tutor or written document) on success of the business event.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in Business suite:

Level 2	Level 3
Providing Business Support	Supporting Business Activities
	Business Project Management

This unit links to the Level 3 National Occupational Standards for Business and Administration, particularly Units 311 and 313.

This unit also links to the Level 3 National Occupational Standards for Management and Leadership, particularly Units B1, D1, E1, E2 and F01.

Essential resources

Centres need to have access to a range of office equipment and systems for learners to practise and develop their administrative skills when managing events. This may be in the form of a model office comprising a computer, printer, photocopier and telephone.

Employer engagement and vocational contexts

Visits to businesses and from guest speakers will be useful for the delivery of this unit. Event organisers who can talk about the types of problems encountered, approaches to planning and running an event, and how this informs the success of the event will be invaluable. In addition, visits to different types of business events to observe the administrative support needed, will be useful.

Indicative reading for learners

Textbooks

Carysforth C and Rawlinson M – *NVQ Level 3 and Technical Certificate Business and Administration* (Heinemann, 2006) ISBN 0435463349

Craven R and Johnson L – *Complete Idiot's Guide to Meetings and Event Planning, 2nd Edition* (Alpha Books, 2006) ISBN 1592574629

Friedmann S – *Meeting and Event Planning for Dummies* (Hungry Minds Inc, US, 2003) ISBN 0764538594

Journals

Event (Haymarket Business Publications Ltd) – exhibitions and live events information

RSVP (Haymarket Business Publications Ltd) – magazine that provides advice, leads and tips on how to stage the perfect event

Websites

www.cfa.uk.com	The Council for Administration
www.evolutionevent.com	Event management company website with case studies of events organised for major companies such as Microsoft and BT
www.thetimes100.co.uk/home.asp	Free materials and case studies

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	exploring the role of the event organiser producing guidelines for dealing with problems using reasoned arguments
Reflective learners	evaluating the success of the business event
Team workers	planning and agreeing a business event with others
Self-managers	planning a business event, working towards goals organising time and resources
Effective participators	taking part in group activities, working with colleagues, supervisors and managers.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	identifying and clarifying which activities need to be completed in order for the business event to take place successfully
Creative thinkers	generating ideas for the business event adapting their plans for the event as circumstances change
Reflective learners	assessing the success of the business event after it has taken place setting goals and success criteria for the business event reviewing progress while planning the business event, acting on the outcomes as necessary inviting feedback from others on how well the business event went
Team workers	adapting their behaviour depending on whether they are planning or supporting a business event
Self-managers	showing flexibility when plans for the business event need to be changed responding positively to changes when trying to plan the business event
Effective participators	planning their business event, such as proposing practical ways forward and breaking these down into steps.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	using electronic planners to plan a business event
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	researching the role and skills of an event organiser
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	preparing a plan for the business event evaluating success of the business event
Bring together information to suit content and purpose	researching the role and skills of an event organiser preparing a plan for the business event
Present information in ways that are fit for purpose and audience	preparing a plan for the business event
Identify the situation or problem and the mathematical methods needed to tackle it	producing budgets and calculating financial requirements
Select and apply a range of skills to find solutions	producing budgets and calculating financial requirements
Use appropriate checking procedures and evaluate their effectiveness at each stage	
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	
Draw conclusions and provide mathematical justifications	drawing up final budgets
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	planning a business event
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	preparing documentation in support of the business event.

Unit 17: e-Commerce

Unit code: A/601/7313

QCF Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to ensure that learners know the technologies involved in e-commerce, understand the impact of e-commerce on organisations and on society, and that they are able to plan e-commerce strategies.

Unit introduction

One of the most important developments in business in recent times has been the increasing use of e-commerce. It has revolutionised many marketplaces and opened up opportunities never before imagined. Businesses that are not exploring the use of e-commerce are in danger of finding themselves being overtaken by those who are utilising this technology. E-commerce uses the internet to build and enhance relationships with customers, partners and other businesses. This can involve processing orders electronically, handling customer service and cooperating with business partners.

E-commerce can be conducted using the internet, intranets, extranets, or a combination of these.

The unit starts by looking at the technologies needed to operate e-commerce, ie the hardware, software and networking required for an e-commerce system to be implemented. Different categories of e-commerce such as e-tailers (those operating only online) and financial services, and the benefits and drawbacks for organisations of using e-commerce are considered. Attention is given to issues such as legislation and promotion. How do you get your company to the top of search lists? Security is a big issue as it affects customer trust. The unit considers the payment systems available and how they compare.

The social implications are considered. For example, the introduction of online shopping has changed our shopping habits and has benefited the housebound and those living a long way from shopping centres.

Finally, after assessing commercial sites, learners will bring all their learning together to develop an e-commerce strategy for a new business.

Learning outcomes

On completion of this unit a learner should:

1 Know the technologies required for an e-commerce system

2 Understand the impact of e-commerce on organisations

3 Understand the effects of e-commerce on society

4 Be able to plan e-commerce strategies.

Unit content

1 Know the technologies required for an e-commerce system

Technologies: hardware and software eg web servers, browsers, server software, web authoring tools, database system; networking eg TCP/IP addresses, ports and protocols; considerations eg domain names, multiple registration of domains (.com as well as.co.uk), programming requirements, download speeds, browser and platform compatibility

2 Understand the impact of e-commerce on organisations

Benefits: eg global marketplace, 24/7 trading, relatively low start-up and running costs, competitive edge, search facilities, gathering customer information, alternative income sources, pricing opportunities eg differences, fluid pricing

Drawbacks: eg consumer trust, lack of human contact, delivery issues, international legislation, product description problems, security issues

Promotion: effective use of search engines eg use meta tags, 'spiders', paying for prominence in search result listing; newsgroups and forums; banners and pop-ups; spam; site name; direct marketing; ensuring an effective user interface; establishing customer loyalty in a virtual environment

Security: issues eg prevention of hacking, viruses, identity theft, firewall impact on site performance, SSL, HTTPS, RSA certificates, strong passwords, alternative authentication methods

Legislation: associated legislation eg Data Protection Act 1998, Computer Misuse Act 1990, Consumer Credit Act 1974, Trading Standards, Freedom of Information Act 2000, copyright legislation, E-commerce Regulations

3 Understand the effects of e-commerce on society

e-commerce entities: e-tailers eg Amazon.com, ebuyer.co.uk; manufacturers eg dell.com; existing retailers eg tesco.com, argos.co.uk; consumer led eg eBay; service providers eg easyJET.co.uk, lastminute.com; financial eg esure.com, banks

Social implications: changing customer perspective eg providing added value, providing service, ease and security; economic and social impact due to speed of changes; bricks and clicks (integrating high street and online presence); benefits for customers eg remote shopping, access to goods and services for the housebound, anytime access, internet discounts; drawbacks eg payment security, assessing quality/fit without actual product, reliance on delivery services; impact on employment; social divide

Payment systems: services available eg electronic cheque, PayPal, NoChex, credit or debit cards

4 Be able to plan e-commerce strategies

E-commerce strategy: structure of site; hosting; promotion; issues eg cost, security

Structure: customer interface eg ease of use, display of products, personal details entry, credit card entry, other types of payment, delivery details; image; style

Hosting: choice of ISP; in house or sub-contracted

Promotion: marketing eg advertising the site, placing in search engines; message board; chat rooms

Costs: setup; maintenance; security; leasing; advertising; delivery strategy; staff training

Security: fraud protection; hackers; viruses

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	describe the technologies required for e-commerce				
P2	explain the impact of introducing an e-commerce system to an organisation	**M1**	recommend methods to promote an e-commerce system	**D1**	evaluate the use of e-commerce in a 'brick and click' organisation [IE6]
P3	explain the potential risks to an organisation of committing to an e-commerce system	**M2**	discuss how security issues in e-commerce can be overcome		
P4	review the regulations governing e-commerce				
P5	examine the social implications of e-commerce on society [IE3]			**D2**	compare different payment systems used by e-commerce systems.
P6	plan an e-commerce strategy. [CT3]	**M3**	design an interface for an e-commerce business. [CT1]		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

The outline learning plan (OLP) is designed only as a guide and tutors will use knowledge of their learners to adjust the allocation of time accordingly.

The suggested delivery pattern is not the only order which can be used and it is perfectly acceptable for tutors to follow their own preference.

It would be of benefit for some of the elements of delivery to use a visiting speaker from a relevant organisation, or visit an appropriate organisation, but where this is not possible real-world case studies can be used. There are a number of video clips available through internet links of business e-commerce experiences.

To put theory into context it is suggested that as much theory as possible is embedded within practical activities. Learners first need to understand what e-commerce is and why businesses may choose to be 'click' or 'brick' or a combination of the two. Learners will be familiar with many e-commerce 'entities' and an exercise to research, categorise and discuss the differences may be a useful start point. Issues such as start-up costs, security etc may be researched (there is a wealth of material on the web) and visiting speakers would benefit learners with actual experiences. As part of this strand, learners can research the legislation and regulations governing e-commerce.

Promotion of websites is something with which learners are familiar, even though they have probably not thought of it in those terms. Practical exercises can be used to demonstrate the various elements and case studies used to relate them to business.

Much of the technology required for e-commerce may already have been covered in other units and may require revision only. Otherwise much can be delivered with directed study, using the internet or other information sources. If learners produce lists of descriptions of the hardware and software utilised, the tutor can fill in any gaps in knowledge in ensuing discussions.

Security issues can be delivered using a mixture of directed study, whole-class teaching and group discussions. Case studies can be used to illustrate the detail. It may be that some of this has already been covered in other units.

Everyone has some ideas about the social implications of e-commerce and it is a good idea to start with those preconceptions. One idea is to give each small group of learners a heading taken from the prescriptive elements of LO3 and allow the groups to discuss the heading, making notes of what the group thinks overall. Each group presents their ideas to the whole class for comments and criticism, and the tutor can arbitrate and, where necessary, steer ideas. A composite profile of social implications can be drawn up.

Payment systems could prove to be a difficult subject for learners to grasp and is perhaps best delivered through tutor-led discussions using case study examples.

An exercise to compare and contrast different e-commerce interfaces and decide what makes them good or not so good will assist learners in tackling P6. Although this is slightly subjective, learners could discuss their findings and come up with a checklist of what to include or avoid in developing customer interfaces.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to the unit
E-commerce technologies: • whole-class exercise – tutor presentation on technologies, followed by individual exercise • a mixture of practical exploration of the technologies, learner exercises, discussion and detailed investigation.
The impact of e-commerce: • whole-class exercise – tutor presentation on benefits of e-commerce, followed by tutor-led research • whole-class exercise – visiting speaker if available or real-world case study • whole-class exercise – tutor presentation on drawbacks of e-commerce, followed by group discussion of drawbacks and potential risks posed • whole-class exercise – visiting speaker if available or real-world case study • individual or small group exercise – prepare questionnaire to interview public (consumer trust) • individual exercise – use of the questionnaire, analysis of results • whole-class exercise – tutor presentation on promotional activities, followed by exercises in using search engines, newsgroups and forums. Tutor supplies checklist of promotional categories, learners search for sites which fall into each category • individual or small-group exercise – case studies of examples of promotional aspects • whole-class exercise – tutor presentation on legislation, followed by directed study and case studies • group exercise – discussion groups consider the effect of the legislation • whole-class exercise – tutor presentation on hardware and software • individual exercise – directed study, learners produce a checklist of relevant hardware and software • whole-class exercise – tutor presentation on networking, followed by directed study and practical exercises where applicable • whole-class exercise – tutor presentation on security, followed by directed study with case studies and group discussion of security issues.
Assignment 1 – Why e-Commerce?
Effects on society: • group exercise – groups discuss what they feel are the social implications • whole-class exercise – feedback from groups to whole class for tutor-led discussion • individual exercise – learners create a composite checklist of social implications, tutors provide a case study against which the checklist can be applied. Payment systems: • whole-class exercise – tutor-led discussions of payment systems • individual exercise – learners criticise various case study examples.

Topic and suggested assignments/activities and/assessment
Assignment 2 – Consumer Guide
Customer interface: • individual exercise – directed research of e-commerce sites • group exercise – groups discuss research findings and report back to whole class • whole-class exercise – tutor presentation on designing an interface • individual exercise – learners practise interface design • whole-class exercise – tutor presentation on hosting, costs and security.
Assignment 3 – An e-Commerce Strategy

Assessment

The suggested assessment of this unit is through three assignments as summarised in the *Programme of suggested assignments* (PSA) table.

The numbering of the assignments does not mean that they have to be undertaken in that order, rather they are based on the order of delivering the unit.

Suggested Assignment 1 – Why e-Commerce?

A suggested scenario is a presentation to a new business considering whether or not to trade using e-commerce. Although there is a large amount to cover in this assignment a presentation could be the vehicle of assessment. Learners need not actually deliver the presentation unless this is required for other skills. Evidence will come from their presentation slides and accompanying notes. Alternatively, a 'Guide to e-commerce' leaflet could be developed.

The criteria P1-P3 are straightforward and the unit content indicates the required coverage. M1 could be presented as a supplementary leaflet highlighting the pros and cons of the various methods of promoting an e-commerce business. M2 requires a discussion of the security aspects, which should include benefits and drawbacks of potential solutions. For D1, learners may have to research extra material from that in the basic unit content. They will need to look at what the 'click' part of the operation will give the organisation over and above their high street presence, and what disadvantages it might bring.

Suggested Assignment 2 – Consumer Guide

The second assignment looks at e-commerce from the customer's point of view. A suggestion is that P4 and P5 are presented as a consumer guide, eg a leaflet to be available in public places, but other formats may be used. The legislation could be an appendix.

For D2, learners compare different payment systems used in e-commerce. Some useful examples are given in the unit content. 'Different' means different type, thus debit card and credit card are regarded as a single type, ie payment by card. Comparisons must include good and less good points. A detailed table could be used giving blocks of comparative material.

Suggested Assignment 3 – An e-Commerce Strategy

Before developing their own strategies learners should review current commercial interfaces. Learners will then be producing their own e-commerce strategy. Learners may be given a free hand to decide on the nature of their 'business' or the tutor may wish to provide a list of alternatives. This should include ideas for promoting the site, what costs will be involved (actual figures are not required), the security measures to be put in place and how the site will be hosted. P6 can be evidenced by a report in a suitable format. For M3, learners will also include a customer interface design. This may be produced using any appropriate medium.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1-P3, M1, M2, D1	Why e-Commerce?	You work for a firm of e-commerce consultants. You have been asked to give a presentation to a start-up business considering e-commerce.	Presentation Notes Supporting handouts
P4, P5, D2	Consumer Guide	You have been asked to produce a guide covering the regulations related to e-commerce and the implications of e-commerce on society.	Leaflet/brochure
P6, M3	An e-Commerce Strategy	You have been asked to produce an e-commerce strategy for a specific business.	Report

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC in IT sector suite. This unit has particular links with the following unit titles in the IT suite:

Level 2	Level 3	Level 4
Unit 22: Doing Business Online	Unit 4 : Impact of the Use of IT on Business Systems	Unit 16: e-Commerce Technology
	Unit 33: Exploring Business Activity	Unit 29: e-Commerce Strategy

This unit maps to some of the underpinning knowledge from the following areas of competence in the Level 3 National Occupational Standards for IT (ProCom):

- 4.6 Human Computer Interaction/Interface (HCI) Design
- 6.2 IT Security Management.

Essential resources

Access to an internet connection is essential for this unit. It will enable learners to view existing e-businesses in order to analyse them. Learners are not required to purchase anything through an e-business site for this unit, but it may be useful to simulate a purchase, perhaps in a demonstration by the tutor.

All learners should have access to a computer with word-processing software and a web browser.

Indicative reading for learners

Textbooks

Chaffey D – *E-business and E-Commerce Management, Second Edition* (FT Prentice Hall, 2003) ISBN-10 0273683780, ISBN-13 978-0273683780

Malmsten E, Leander K, Portanger E and Drazin C – *Boo Hoo: A Dot.com Story* (Random House Business Books, 2002) ISBN-10 0099418371, ISBN-13 978-0099418375

Vise D – *The Google Story* (Pan, 2008) ISBN-10 0330508121, ISBN-13 978-0330508124

Websites

www.ico.gov.uk International Commissioner's Office

www.w3.org World Wide Web Consortium

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	exploring issues, events or problems e-commerce causes for society from different perspectives
Creative thinkers	connecting their own and others' ideas and experiences in inventive ways to produce an e-commerce strategy.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	supporting conclusions, using reasoned arguments and evidence on the use of e-commerce in a 'brick and click' organisation
Creative thinkers	generating ideas and exploring possibilities while designing an interface for an e-commerce business.

Functional Skills – Level 2

Skill	When learners are …
ICT – Finding and selecting information	
Use appropriate search techniques to locate and select relevant information	researching e-commerce sites
Select information from a variety of sources to meet requirements of a complex task	designing an interface for an e-commerce business
ICT – Developing, presenting and communicating information	
Combine and present information in ways that are fit for purpose and audience	producing a consumer guide to e-commerce.

Unit 18: Understanding Retailing

Unit code: J/502/5503

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to introduce learners to the important role that retailing plays in the UK economy; and how it is the final part of the supply chain, before products and services reach the end customer. Learners will examine the structure of the retail industry, the process of distribution, the importance of sales and service functions and how the sector responds to change.

Unit introduction

Currently, over 2.5 million people are employed in retailing in the UK. Retailing is not just about putting products on shelves and hoping that customers will buy them; it is a dynamic industry which is very important to the UK economy. It is the primary point at which most people make contact with the world of business and, consequently, it is such a common part of people's daily lives that its organisations are taken for granted.

The retail industry has undergone significant change and many retailers are now world leaders in business innovation and service excellence. Retailers are business organisations that sell goods and services to customers for their personal or household use. A fundamental aspect of retailing therefore, is an ability to engage and interact with customers. Customer service and sales activities are critical elements of effective retailing and their functionality needs to be identified across different retail sectors. Retailers give the customer the opportunity to make transactions conveniently and, in a more general sense, they also function as a source of information to both manufacturers and consumers. Sophisticated methods of distribution now exist which facilitate effective management of the supply chain. Retailing, therefore, continues to be a dynamic industry and this unit enables learners to place effective retailing in the context of change.

Learning outcomes

On completion of this unit a learner should:

1 Know the structure of the retail industry

2 Understand the role of retailing in the distribution of goods and services

3 Understand the sales and service functions in retailing

4 Know how the retail sector responds to internal and external change.

Unit content

1 Know the structure of the retail industry

Organisation: definition of retailing; classification of types of store; emerging store types; hybrid stores eg combined coffee and bookshops; online and physical stores eg 'clicks' and 'bricks'; service versus product retailing; classification of retailers eg size, number of employees, sales area, number of enterprises, turnover, type of activity; product strategy; location eg in town, local, out of town, retail parks, regional centres; ownership eg independent, multiple, voluntary chains, franchised retailers

Structure: size; trends in sales; profitability; store size; location; independent retailers; multiple retailers; not-for-profit and public places eg museums; 'third' places; employment characteristics

2 Understand the role of retailing in the distribution of goods and services

Distribution channels: availability of products (time, place, quantity); movement of goods from manufacturer to retailer to consumer; distribution channels for different types of goods eg food, clothing; wholesalers as intermediaries; retail control of the supply chain (own-brands, e-retailing); provision of product enhancing functions eg transport, storage, after-sales service

Distribution process: supply chain; moving goods in the UK and Europe; sourcing (UK and internationally); suppliers; distributors; logistics process (types of transport, carriers; storage locations eg warehouses, distribution centres, stock rooms); use of ICT in the supply chain; distribution of e-retail products and services (fulfilment, stock locations, home delivery); non-conventional channels eg parallel trading, grey markets

3 Understand the sales and service functions in retailing

Customer focus: customer satisfaction (new, repeat); collection and uses of customer information; uses of ICT in communication with customers; Customer Relationship Management (CRM)

Customer service: customer service as an objective; advantages; problems; target marketing; identifying needs; customer service (pre-transaction, transaction, post-transaction); product offer, after-sales service; service quality; sales process, selling skills; sales support; sales techniques

4 Know how the retail sector responds to internal and external change

The retail environment: macro-environment; government policy eg trading hours, planning guidance, implementation of legislation; social changes eg demographics, household structures, mobility; new technologies; information management; economic growth; recession

The competitive environment: competitors; market position; barriers to entry; pricing; product development; new products and services; new retailing concepts eg football club shops; development of shopping for a mobile population eg airport retailing

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	describe the structure and organisation of the retail sector [IE]	**M1**	compare the function of formats and locations in retailing	**D1**	evaluate the distribution systems in delivering goods and services for a selected organisation
P2	explain the process of distributing goods through different channels from the manufacturer to the customer [IE]	**M2**	compare the methods used to distribute products and services		
P3	explain how focusing on the customer, by providing good customer service, is essential to retailing [IE]	**M3**	explain the ways in which sales techniques and customer service have developed in retail organisations.	**D2**	assess the impact of different sales techniques and customer service in a selected organisation.
P4	identify the competitive factors in the retail environment a selected organisation faces. [IE, RL]				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills which are embedded in the assessment of this unit. By achieving the criteria, learners will have demonstrated effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

The intention is for learners to see the retail industry holistically. This does not require a detailed or in-depth understanding of, for example, supply chains and service parameters, but rather seeing how these fit together to create effective retailers. The unit can to be taught using practical examples that draw on learners' own experiences of shops and shopping, the goods and services they provide, and the changes that are evident through the year and over a longer period.

Learners need to know about the different types of store and their function. The structure of the industry has become increasingly more complex in recent years and this has created many opportunities to attract customers and expand consumption. How places to shop have become diverse can be mapped on a timeline over the past 100 years, which shows the large increase in different types of location and outlets.

Learners need to be able to understand the different ways in which retailing takes place. They should know that the industry structure is now concentrated in the hands of fewer retailers at the expense of many independent and small multiple retailers. At the same time, the average store size and employment have increased. The places where we can shop have become more diverse. Central, local and out-of-town shopping have distinct patterns of development which explain why different size stores, with different specialisations, are found where they are.

Individual sectors of the industry should be explored through visits to different types of store so that learners understand the structure of each sector. For example, in food retailing learners could visit their local shops to explain the decline of specialist butchers, bakers and greengrocers, the growth of discounters and the diversification of large store multiples into other products and services in superstores. E-retailing sites can be explored through computer-based learning, and comparisons made between online and physical stores, such as Marks & Spencer, and purely online operators such as Amazon.

Learners will understand that retailing has an essential economic function with a primary role in the breakdown of bulk supplies into small lots for individual customers. Effective retailing requires organisations to create and manage effective distribution channels with their suppliers. Goods and services must be delivered on time, in the required quantities and in the most efficient and effective ways. The role of manufacturer, wholesaler and distributor must be placed in context. The decline of the wholesaler has been matched by increasing retailer control over the supply chain. Sourcing of own brand goods and the retailer's need to manage own brand supplies has led to sophisticated logistics operations. Transport, distribution centres and stockrooms link the flow of goods towards the retailer and information back down the chain to the supplier.

A guest speaker from a logistics company would add a more detailed, practical understanding of distribution and its significance to the retail industry. A site visit to the stockroom of a superstore, department store or other large store will provide learners the opportunity to assess types of storage for different products, amount of stockholding, information flows and delivery schedules to meet customer demand. Different retail sectors have different requirements and learners can compare distribution processes between sectors, such as food retailing, clothing, and electrical goods, by referencing individual products or product groups. E-retail distribution can draw on learners' individual experiences and could be considered appropriate for a 'live' project tracking an actual purchase. Access to unofficial, parallel markets, sometimes referred to as 'grey markets', should be discussed in terms of supplier-retailer control of markets and distribution. Learners will often be aware of these markets through fake products and non-standard distributors.

Retail transactions clearly require customers, and customer relationships are fundamental to effective retailing. Learners should understand customer service and sales activities at different levels in the organisation. Learners need to focus on the operational and experiential aspects of service at store level. The retailer's position in the market and its corporate objectives determine the type of service it offers. Luxury goods retailers offer different levels of service to discount warehouses, but both can be acceptable. Learners should be clear about matching service with customer expectations by referring to different market sectors and retail formats, so a good understanding of the retail industry structure is helpful.

The distinction between customer service and selling is important. Investigating and discussing the measurement of service levels will make the subject less abstract. Service level parameters can be drawn from academic texts, inferred from company literature and learners can observe them from personal experience in different types of store and for different types of transaction. These can include sales of self-service items, more complex items requiring product information and expert sales assistance, dealing with returns and telephone or internet enquiries. Soft skills have been identified as being particularly important in face-to-face retail sales situations. These too can be explored through experience and role play.

The unit also addresses the dynamics of the retail industry. The aim is to enable learners to think about what causes change in the industry and how it responds positively to, or even initiates, future developments. Effective retailing is responsive to new opportunities, as well as to threats from the competitive and wider environment. There should be focus on the role of government in determining the future of the industry. Among the main issues will be planning guidance determining where stores can be built or modified, and legislation concerning opening hours, employment and competition. This information can be accessed online from government websites and industry bodies such as the British Retail Consortium.

Technological change should examine the role of ICT in capturing customer information for marketing purposes and for managing the flow and sales of goods. Social changes should relate to the retail industry, specifically concerning changes in demographics, household size and structure and issues of independence, individuality and mobility.

Economic forces should be considered from the perspective of the impact of economic growth and decline, and the management of the economy to control consumption. Competition in retailing is generally very strong and learners should understand how it drives change in the industry. This could be linked to learners' visits to their local shops and comparisons with superstores and out-of-town shopping. The industry's need to innovate should be evident through learners studying new products, services and retail concepts. Mobile phone retailers provide consistent examples of innovation and their stores and online sites offer good opportunities for learners to identify innovative practices.

Current issues and retail trends are frequently reported in the national media and retail trade press. New developments reported on TV, newspapers or magazines could form the basis of a project with online or physical site visits, product comparisons, and interviews with store staff, customers and consumers.

By the end of the unit, learners should understand the retail industry, its place in the distribution of goods and how these goods are sold to customers. Learners should also understand that the industry is continually changing and the causes of this change.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and structure of the programme
The structure of the retail industry Learners will receive or participate in • formal theory input • a group exercise on structure/size of retail sector • pair work on service and product retailing • a case study exercise on classification of retailers in groups • a guest speaker on retailing • a visit to local out-of-town retailing development • an individual exercise searching the internet for different types of retailers • a class discussion on 'successful retailing' • a group exercise on multiple retailing. There may still be formal input during group work.
Research and group work
Assignment 1 – The Structure, Organisation, Formats and Locations in Retailing
Role of retailing in the distribution of goods and services Learners will receive or participate in • formal theory input • a group exercise on distribution channels • a DVD/video on supply chain management • a group exercise on supply chain management • a class discussion on managing the supply chain • an individual exercise on methods of storage and transportation • a class discussion on the distribution of goods and services. There may still be formal input during group work.
Research and group work

Topic and suggested assignments/activities and/assessment
Assignment 2 – Distribution in Retailing
Sales and service functions in retailing Learners will receive or participate in ● formal theory input ● a class discussion on the importance of sales and service ● a guest speaker on the importance of customer service/class discussion ● a DVD/video on customer service in retailing ● a guest speaker on Customer Relationship Management/class discussion ● group exercise searching the internet to identify excellence in retail customer service. There may still be formal input during group work.
Research and group work
Assignment 3 – Customer Service and sales
Internal and external changes Learners will receive or participate in ● formal theory input ● a class discussion on the retail macro environment and government policy ● individual research into government policy on retailing ● a 5-minute individual presentation on the findings from the research ● an exercise on demographics in groups ● a case study on retail competition as a group exercise ● a review of the unit
Assignment 4 – Competitive Factors Facing Retailing Businesses
Supervised assignment time
Non-supervised study time and completion of assignments

Assessment

For P1, learners will need to define retailing from a number of perspectives and should develop an ability to synthesise information, as definitions are not necessarily exclusive. It is important that they describe the many ways and places in which retail is conducted and the changes that are taking place in the industry structure. This links to learning outcome 4 because to explain the dynamics of the industry learners firstly need to be able to clearly understand the scope of retailing. They should be able to categorise the industry using the various specified frameworks. Learners can refer to their local shopping environment, such as the high street and shopping centres, but also critically assess other environments including local shopping parades, out of town retail parks and regional centres. This criterion could be assessed by an individual or group presentation using visual materials to identify different types of store.

P2 requires learners to look at distribution channels for different types of retailers and consider their different characteristics. Learners should distinguish between channels used by large multiple retailers, that source direct from their suppliers, and smaller, independent retailers who still use wholesalers. The use of distribution channels by retailers in different sectors, such as clothing and food, should also be understood. The means of moving goods through distribution channels and the logistics function should be explored in relation to retailers' demand for goods, with specific reference to storage locations and methods of transportation. Learners should demonstrate an ability to use information from retailers, logistics organisations and from critical observation of independent and multiple retailers. Evidence is likely to be in the form of a report on the diversity of distribution channels in the industry.

For P3, learners will demonstrate how retailers relate to their customers. Customer service is highly formalised and demanding in some organisations, while others have a lower standard of service. Learners should identify organisational customer service policies and how these are applied at an operational (store) level. They should show how different organisations require different levels of service, and to meet this criterion they will need to understand the industry structure. After-sales service is significant in some retail sectors and the elements of this aspect of customer service should be identified. Similarly, a range of service and quality standards should be identified through store visits. Selling skills and the sales process can be observed and experienced in a range of stores. A suitable assessment would involve a customer service survey in a sample of retailers.

For P4, learners will need to understand competitive factors in the retailing environment that drive change in the industry. Learners should identify aspects of government policy concerning planning guidance for new store locations, specifically the influence of Planning Policy Statements. They should know how the Competition Commission engages with the industry and, more broadly, how retailers' costs and ways of working may be determined by government policy. Other competitive forces should also be studied including competitors, market position, barriers to entry and new retailing concepts.

The use of ICT to drive change should be understood through studying contrasting stores and the application of ICT in marketing and stock management. Social and demographic trends can be evidenced through store-based customer surveys and/or observations. Broader economic trends can be tied into a study of the current performance of the industry as reported in the press. Competition should be explained though a study of a shopping location, such as a high street or shopping centre, in the context of the retail industry structure. Innovative products and services should be identified in one retailer and learners should explain the role of these products and services in creating a dynamic industry. Assessment could be a report based on an innovative retailer and the ways in which it adapted to its environment and how it uses change factors to drive its business.

For M1, learners must move on from accurately describing different types of retailer, to explaining their purpose and the rationale for their location. Different types of format have developed rapidly: retail parks, superstores and centres, regional shopping centres, factory outlet centres characterise out-of-town retailing. These are destination, rather than convenience stores, that provide extensive product choice and services. They can also offer a wide range of leisure opportunities. With more restrictive planning guidance in the 1990s, many of these formats and characteristics have been sought in new developments and re-developments in urban and brownfield locations. Urban locations continue to create opportunities for smaller or specialised retailers. In comparing the different formats, learners should identify why retailers prefer different locations and explain the retail functions they perform.

For M2, learners must distinguish between distribution systems in different sectors. The food and clothing sectors provide good examples of different product requirements. Food retailers source largely from the UK, have short lead times and can be very responsive to customer demand. The design of the distribution chain requires a capacity for frozen, chilled and fresh foods as well as packaged products. Smaller independent and voluntary group retailers continue to use wholesalers. With clothing retailers, most products are sourced overseas, require longer lead times for delivery, are less immediately responsive to customer demand and require flat-pack or hanging facilities. Learners should demonstrate how the configuration of these distribution activities creates more effective retailers in terms of responsiveness, currency (being up to date/having fresh foods), choice and cost efficiencies.

For M3, learners must demonstrate knowledge of the key elements of effective service and selling skills. For example, customer expectations of luxury goods retailing are consistently high. The service dimensions can be compared with other clothing stores. Department stores provide a good opportunity to study differences in service, for example Harrods, John Lewis and Debenhams. These can be compared with multiple variety stores, typically Marks & Spencer and Bhs, and fashion specialists such as Topshop/Man. Customer service in the clothing sector can be compared with other sectors where product knowledge is valued, electrical goods, and where convenience and efficiency is important, for example food.

Learners must be able to define the types of changes taking place in the industry, ie whether they are short term or have longer-term implications. They will explain what causes these types of change by differentiating the key factors in the macro environment and the competitive environment. Key factors and their significance are depend partly on the industry sector: planning restrictions impact more on food, DIY and electrical retailers than clothing and toiletries and cosmetics retailers. Economic trends will impact on consumer spending and have an industry-wide effect; learners should explain that some retailers may be better able to withstand recessions and take advantage of growth opportunities. Competitive trends should be explained with reference to market concentration, power of multiple retailers, low barriers to entry, and innovative practices, including new types of store, refits and introduction of new products and services, including online provision.

For D1, learners must demonstrate their comprehensive knowledge of the structure of the retail industry and make judgements about the role of distribution systems in effective retailing.

For D2, learners will demonstrate an ability to make judgements about the most significant elements of service and selling skills in the industry, and the ways in which they are sustained. They should think creatively about new service solutions that can realistically evolve from current practices.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1	The Structure, Organisation, Formats and Locations in Retailing	You are a journalist who has been asked to produce an article on the structure, distribution, sales and service functions and responses to external changes in the retail industry.	Article/report
P2, M2, D1	Distribution in Retailing	Magazine article as above.	Article/report
P3, M3, D2	Customer Service and Sales	Magazine article as above.	Article/report
P4	Competitive Factors Facing Retailing Businesses	Magazine article as above.	Article/report

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business suite. This unit has particular links with the following unit titles in the Applied Science suite:

Level 3
The Business Environment
Business Resources
Fashion Retailing
Visual Merchandising in Retail

Essential resources

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

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

Employer engagement and vocational contexts

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

Indicative reading for learners

Textbooks

Berman B and Evans J R – *Retail Management: A Strategic Approach* (Prentice Hall, 2006) ISBN 0131870165

Brittain P and Cox R – *Retailing: An Introduction* (FT Prentice Hall, 2004) ISBN 0273678191

Kent T and Omar O – *Retailing* (Palgrave Macmillan, 2002) ISBN 0333997697

Varley R and Rafiq M – *Principles of Retail Management* (Palgrave Macmillan, 2003) ISBN 0333792971

Skillsmart produce learning materials on different aspects of retailing to support Modern Apprenticeships at Level 3. The supporting materials for the Technical Certificate at this level are available on a CD, and can be adapted for classroom and training centre use.

Websites

www.arcadia.co.uk	Arcadia Group Ltd – for Evans, Wallis, Dorothy Perkins, Burton, Topshop, TopMan, Miss Selfridges and Outfit
www.bhs.co.uk	Bhs (British Home Stores) online shopping website
www.brc.org.uk	The British Retail Consortium for information on environmental, transport and planning issues
www.communities.gov.uk/pub/821/PlanningPolicyStatement6PlanningforTownCentres_id1143821.pdf	Planning Policy Statement 6: Planning for Town Centres (PPS6, 2005)
www.debenhams.com	Debenhams Online shopping website
www.harrods.com	Harrods Online shopping website
www.johnlewis.com	John Lewis Online shopping website
www.marksandspencer.com	Marks and Spencer online shopping website
www.retail-week.com	*Retail Week*, an informative trade weekly that provides information on current retail developments

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	investigating the structure and organisation of retail businesses investigating the distribution of goods and competitive factors investigating sales and customer service
Reflective learners	reflecting on the competitive factors faced in the retail environment.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	planning and carrying out research into the different types of retail businesses, distribution, sales techniques and competitive forces
Creative thinkers	looking at how different retail businesses are classified examining reasons for business change in response to government policies adapting their skills as circumstances change
Reflective learners	setting goals, with success criteria, for researching retail businesses inviting feedback on their own work and dealing positively with praise, setbacks and criticism in one-to-one tutorials evaluating their experiences and learning to inform future progress when undertaking research
Team workers	working in a group to discuss ideas about retail business classifications taking responsibility for their own role when working in groups managing activities to reach agreements and achieve results when working in groups
Self-managers	seeking out challenges or new responsibilities and showing flexibility when priorities change working in groups responding positively to change, seeking advice and support when needed when undertaking research into retail businesses
Effective participators	acting as an advocate for own views and opinions when working in groups.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching different types of retail business organisations
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	tabulating information about retail business classifications
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	finding illustrative materials for presentations and tabulations about retail business structures
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	exploring, extracting and assessing the relevance of information from websites about government policy on retailing
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	bringing together a variety of materials gathered through research preparing information to present to others about retail business types
Bring together information to suit content and purpose	
Present information in ways that are fit for purpose and audience	
Evaluate the selection and use of ICT tools and facilities used to present information	
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	communicating with other members of a group when undertaking group research

Skill	When learners are …
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	using numerical data in relation to retail business size and structures
Identify the situation or problem and the mathematical methods needed to tackle it	
Select and apply a range of skills to find solutions	
Use appropriate checking procedures and evaluate their effectiveness at each stage	
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	
Draw conclusions and provide mathematical justifications	
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	carrying out group work investigating retail business types and change management attending team meetings when undertaking group work making presentations about retail business types
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading about retail business classifications, structures and sizes reading about retail business change to obtain data to compare and to examine retail trends
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	writing notes to provide information about retail businesses producing labelled charts and diagrams showing retail business types, structure etc.

Unit 19: Relationship Marketing

Unit code: K/502/5431

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

This unit aims to give learners an understanding of what relationship marketing is and why it is used by organisations. The unit also links relationship marketing with customer service and quality management.

Unit introduction

The concept of relationship marketing concept grew from a customer service ethos which has proved successful for those organisations with reputations for delivering good service.

As competition increases, and organisations realise that what customers value, is not always just lower prices, but also aspects such as delivery, image and brand associations, the link with customers becomes increasingly important. Information gathered through communication with customers can enable organisations to develop a marketing mix that is more likely to create customer satisfaction. The ultimate aim of a relationship marketing approach is for the customer to become a 'partner' of the organisation, by contributing to marketing decisions through a one-to-one relationship.

The unit aims to develop learners' appreciation of customer relationship management, not simply as a 'front-of-house' presence, but as an integral part of the quality and marketing management systems within an organisation.

Relationship marketing has existed for some time in business-to-business (B2B) marketing but technological developments have now meant that companies can build closer relationships, more easily and cost-effectively, with individual consumers. The unit reflects the increasing awareness of factors which generate brand loyalty among consumers and customers.

Learning outcomes

On completion of this unit a learner should:

1 Understand the development and application of relationship marketing

2 Know the different methods of attracting and keeping customers

3 Be able to investigate quality issues

4 Understand the role of customer relationship management (CRM) systems.

Unit content

1 Understand the development and application of relationship marketing

Relationship marketing: definition as the building of long-term relationships of mutual advantage with customers; importance of the functions of customer service and quality in relationship marketing; difference between transactional marketing and relationship marketing

Reasons for development of relationship marketing: difficulty of attracting new customers; cost of lost customers; lifetime value of customers; link with organisational mission and objectives; connection with strategic aims and objectives; stakeholders' needs and expectations; growth of services sector; growing sophistication of direct marketing and e-business in business-to-business (b2b) and business-to-consumer (b2c) markets; role of information and communications technologies

Relationship marketing concepts: expanding the marketing mix to the 7 Ps (product, price, place, promotion, people, processes and customer service); the ladder of customer loyalty, (prospect, customer, client, supporter, advocate); the augmented product and total product concept; importance of relationship marketing and brand building

2 Know the different methods of attracting and keeping customers

Customer service functions: customer service mission linking with organisation mission; setting standards for service policies and communicating them eg customer charters; the components of customer service eg pre-transactional, transactional and post-transactional elements; implications for training eg customer service skills

Attracting and keeping customers: customer relationship features, different levels of relationship; value-building approaches; loyalty schemes eg financial, social, structural, as tools to use in b2b and b2c markets; database marketing and the 3 R's (response, relationship, revolution); customer segmentation: building a customer base with reference to retail, direct mail and e-business

Methods: loyalty schemes; 'club' membership; discounts; promotional offers; past sale links with associated products; 'valued customer' bookings; advantageous trade-in or renewal arrangements; promotion of unique selling points in relation to competition; competitions, free gifts and offers; use of the internet in relationship management eg personalised recommendations; emails.

3 Be able to investigate quality issues

Quality: quality as conformance to standards; difference between conformance to quality standards and high-quality specification; need to go beyond 'conformance to standards' in competitive markets; quality dimensions (reliability; responsiveness; assurance; empathy; tangibles); importance of customer perceptions of quality (customer perceived value); link between quality and brand building

Quality systems and techniques: customer perceived quality and gap analysis; quality circles; benchmarking; value chain; alignment of customer value chain and organisation value chain; improvement methods eg using fishbone (Ishikawa) analysis.

Tracking and evaluating customer satisfaction: customer retention management through database marketing in conventional retailing; lost customer analysis; the importance of a transparent complaints-handling system and related opportunities; suggestion schemes, user panels, field visits, mystery shoppers

4 Understand the role of customer relationship management (CRM) systems

Customer relationship management systems: software systems to assist with management of relationships with customers; need for holistic approach to support use of software; functions (managing direct contacts with customers; managing indirect contacts such as billing; analysis of customer data; triggering sales promotion activities)

Use in review and planning of marketing activities: analysis of customer behaviour in response to marketing activities or external changes; analysis of customers into different target groups; sharing intelligence between different departments within the organisation

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	describe the development of relationship marketing	**M1**	analyse the ways in which relationship marketing activities can be used to support achievement of the strategic aims and objectives of a given organisation	**D1**	evaluate the contribution of relationship marketing activities to the effectiveness of the marketing function in a selected organisation
P2	explain how relationship marketing can be applied to a selected business				
P3	describe different methods used to attract and retain customers for a selected service/product	**M2**	analyse the effectiveness of methods used to retain customers in a selected organisation		
P4	use different techniques to identify perceived quality gaps for a selected service/ product [IE, CT, EP]	**M3**	explain the options open to a selected organisation for closing a perceived quality gap. [IE3, CT5]	**D2**	make justified recommendations for improving a selected organisation's relationship with a group of customers. [EP]
P5	explain how a customer relationship management system is used in a selected organisation.				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Learning outcome 1 extends the awareness of relationship marketing gained in *Unit 3: Introduction to Marketing*. The extent to which relationship marketing is used could be emphasised through learners exploring their own experiences as consumers and customers before going on to consider the organisations' motives. Learners enjoy estimating the 'lifetime value' of different customers and this can help them in understanding the value of retaining certain categories of customer. Learner involvement in looking at organisational needs for relationship marketing can lead on to the various Ps of marketing and the ladder of customer loyalty. The growing importance of direct marketing, specifically via e-business, can be emphasised here, along with ways of attracting repeat business as practised by companies such as Amazon.

The unit offers opportunities to look at the costs involved in attracting new customers against keeping existing customers. It reinforces the idea of the profitability of customers. Companies such as Saga have developed products to satisfy their loyal customers in a niche market ie customers over the age of 50.

Learning outcome2 could be approached through role play and case studies. Centres may be used to illustrate examples of internal and external customers. Comparing customer service mission statements is useful, along with personal knowledge of customer service. The components of customer service can be discussed and examples explored through visits and guest speakers

The growing use of relationship marketing, enabled by technological advances, can be explored by examining, for example, the use of familiar tools such as loyalty cards. There is a link here with learning outcome 4. Tesco is a good example of the mix of traditional and new methods – it was the first of the major supermarket chains to make full use of the information gathered through their loyalty card.

It is important to stress that these are marketing tools and not relationship marketing. The concept of relationship marketing as an integrated process within a long-term strategy should be emphasised.

An additional question is, 'Who do these schemes benefit the most: the customer or seller?' The importance of database marketing needs to be stressed and can be equated to all types of distribution, whether it is b2b or b2c marketing. Learners could collect examples of direct mail and emails from companies and compare the approaches taken. Customer segmentation is an important concept as different customer segments require different approaches and have varying levels of attractiveness for the marketer.

Learning outcome 3 considers the importance of processes and systems in providing consistent quality. For example, the 'value delivery system' is highly relevant in e-businesses where the ease of ordering may be offset by the difficulty of obtaining the goods and after-sales services. Relationship marketing, therefore, considers all aspects of the organisation's relationship with the customer rather than simply focusing on transactions.

Tracking and evaluating of customer satisfaction in all areas is investigated, along with the appropriateness of the different monitoring methods used. Learners can also consider how businesses deal with 'lost' customers, as a complaining customer who id treated well could turn into an advocate. Public sector services could also be investigated, for example via customer satisfaction surveys of hospital catering. There is a multitude of customer charters, along with 'best practice' benchmarking between local authorities. This part of the unit provides good opportunities for learners to carry out practical activities, applying tools and techniques such as quality circles, benchmarking and fishbone (Ishikawa) analysis.

The focus of learning outcome 4 is the use and importance of automated customer relationship management systems, based on databases. Learners should investigate the twin purposes of customer relationship management systems: to improve service to customers and provide and analyse data for use in reviewing and planning marketing activities. Learners may find it interesting to analyse data from a customer relationship management system either from a simulation or a real organisation.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and programme of learning – whole group
Introduction to concept of relationship marketing followed by pair work discussing own involvement in different organisations' relationship marketing activities – report back to rest of group
Small group case study exercises to calculate the lifetime value of a customer.
Introduction to 7 Ps followed by analysis of own centre's café service 7 Ps in pairs.
Exercise on ladder of loyalty using information collected in previous exercise
Whole group analysis of augmented product for business-to-business service (case study)
Viewing of a video showing customer service advise and how standards are set out and monitored – learners identify methods used
Learners interview members of different customer loyalty programmes and exchange findings in small groups
Whole group discussion linking findings to organisational objectives through research on the internet.
Assignment 1: Why are They So Good to Me? Learners research relationship marketing and customer service in a selected organisation and produce a report
Introduction to concept of quality and link with relationship marketing
Learners interview visitor with experience of quality processes
Introduction to techniques: benchmarking, value chain analysis, Ishikawa (fishbone) quality circles
Small group role play of quality circles on a perceived quality gap for own centre (or case study) using techniques
Introduction to CRM system (institution's own system could be used if possible)
Analysis of case study of an organisation with deficiencies and identification of actions that could be taken
Assignment 2: Learner Consultants Case study on own centre – use of quality techniques and recommendations for improvements to quality and CRM to be presented orally
Supervised assignment work
Non-supervised study time and completion of assignments

Assessment

Learners need to meet all the pass grade requirements in order to pass the unit.

For P1 learners should describe the development of relationship marketing and include much of the content listed under *Reasons for development of relationship marketing*. Learners should relate their description to examples. To achieve P2 learners need to apply relationship marketing to a specific business. This includes applying the definitions of relationship marketing and concepts such as the 7 Ps, ladder of customer loyalty and the augmented and total product concept. P1 and P2 can lead onto M1 which requires an analysis of the link between relationship marketing and the strategic aims and objectives of a given organisation.

For D1, the learners need to develop this analysis into an evaluation of the contribution of relationship marketing activities to the effectiveness of the marketing function in a selected business. Learners should demonstrate higher-level skills such as clarifying how effectiveness could be measured, researching for data to support a judgement, distinguishing between reliable and unreliable sources of data and drawing conclusions based on the evidence available.

To achieve P3 learners need to describe the different methods used to attract and retain customers for a selected service or product. This should include aspects of customer service as well as methods, such as loyalty schemes, use of databases, personalised recommendations, where they apply to the selected product. For M2 learners should develop this into an analysis of the effectiveness of the methods used to retain customers. Care should be taken over the choice of the organisation and product/service to ensure that there is scope for achieving both of these criteria.

For P4 learners must use techniques to identify perceived quality gaps for a selected product or service. Techniques include gap analysis, quality circles, benchmarking, value chain, alignment of value chains and fishbone (Ishikawa) analysis. It is sufficient for learners to use four of these techniques. For M3, learners need to use their analysis to develop and explain the options for closing the perceived quality gap. Three options would be sufficient evidence. For D2 this is developed further into justified recommendations for improving the selected organisation's relationship with a group of customers. To achieve at this level learners should demonstrate the ability to look at the situation from different points of view.

For P5, learners need to describe how a customer relationship management system is used in a selected organisation.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, P5, M1, M2, M4, D1, D3	Why are They So Good to Me?	You are to investigate a customer relationship scheme in which you are involved as a consumer or customer.	Select an organisation for which you are a customer and there is some evidence that they use relationship marketing. Produce a report on how and why they use relationship marketing techniques, the methods they use to attract and retain customers and how they use a customer relationship management system.
P4, M3, D2	Learner Consultants.	You are to take part in evaluating one of the services offered by your school or college and make recommendations for improvements.	Investigate the selected service using a range of analytical tools. Develop options and recommendations for improving relationships with customers and present this to the provider of the service.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in the Business suite:

Level 3
Introduction to Marketing
Creative Product Promotion
Market Research in Business
Internet Marketing in Business

This unit links to the National Occupational Standards for the Level 3 NVQ in Customer Service, particularly Units 7, 18, 26 and 43.

This unit also links to the following National Occupational Standards: Marketing and Sales for Non-specialists, particularly Units 2, 3, 4 and 7.

Essential resources

Access to a range of information resources to complete investigative assignments and case studies will be essential, including relevant CD ROMs and the internet, as will be access to computers for research This will enhance the delivery of this unit. Learners will also need access to relevant paper-based research material and books.

Employer engagement and vocational contexts

Analysis of the use of relationship marketing and quality systems is an essential part of this unit and provides many opportunities to use of visits, guest speakers and work-based projects.

Indicative reading for learners

Textbooks

Cave S – *Consumer Behaviour in a Week* (Hodder Arnold, 2002) ISBN 034084971I

Dibb S, Simkin L, Pride W M and Ferrell O C – *Marketing: Concepts and Strategies* (Houghton Mifflin, 2005) ISBN 061853203X

Gummerson E – *Total Relationship Marketing: Rethinking Marketing Management, 2nd Edition* (Butterworth-Heinemann Ltd, 2002) ISBN 0750654074

Martin C, Payne A and Ballantyne D – *Relationship Marketing: Creating Stakeholder Value* (Butterworth-Heinemann Ltd, 2002) ISBN 0750648392

Needham D and Dransfield R – *Marketing: Everybody's Business – Covering European and International Marketing* (Heinemann, 1994) ISBN 0435450255

Journals

Campaign (Haymarket Business Subscriptions)

Marketing (Haymarket Business Subscriptions)

Marketing Week (Centaur Communications Ltd)

Websites

www.amazon.com	Amazon – online shopping
www.bized.ac.uk	Business education website including learning materials and quizzes
www.cim.co.uk	The Chartered Institute of Marketing
www.the-dma.org	The Direct Marketing Association
www.easyjet.com	easyJet main website
www.marketingteacher.com	Free marketing resources for learners, teachers and professionals
www.saga.co.uk	The Saga Group
www.statistics.gov.uk	Official UK statistics
www.swatch.com	Swatch main website
www.tesco.com	Tesco
www.thetimes100.co.uk	Free materials and case studies
www.ukonlinegov.uk	Website of the UK Government

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	using different techniques to analyse perceived quality gaps for a selected service/ product explaining the options open to a selected company for closing a perceived quality gap
Creative thinkers	explaining the options open to a selected company for closing a perceived quality gap
Effective participators	making justified recommendations for improving a selected organisation's relationships with a group of customers.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	planning and carrying out research into marketing and information within organisations
Creative thinkers	looking at the promotion of different businesses
Reflective learners	setting goals, with success criteria, for researching business inviting feedback on their own work and dealing positively with praise, setbacks and criticism evaluating their experiences and learning to inform future progress
Team workers	working in groups to discuss issues managing activities to reach agreements and achieve results
Self-managers	seeking out challenges or new responsibilities and showing flexibility when priorities change dealing with competing pressures, including personal and work-related demands responding positively to change, seeking advice and support when needed
Effective participators	making justified recommendations for improving a selected organisation's relationship with a group of customers. [EP3]

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching business organisations
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	tabulating information about relationship marketing
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	finding illustrative materials for presentations and tabulations creating diagrams, presentations and tabulations for information presentation
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	exploring, extracting and assessing the relevance of information from websites about relationship marketing
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	bringing together a variety of materials gathered through research preparing to present business information on relationship marketing
Bring together information to suit content and purpose	
Present information in ways that are fit for purpose and audience	
Evaluate the selection and use of ICT tools and facilities used to present information	
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	communicating with other members of a group
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	carrying out group work investigating relationship marketing making presentations about relationship marketing
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading about business information
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	writing reports about relationship marketing producing labelled charts and diagrams.

Unit 20: Business Project Management

Unit code: K/502/5459

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is for learners to understand the stages involved in preparing, planning, managing and evaluating the outcomes of a project. Learners will carry this out by developing a project plan for a selected organisation.

Unit introduction

This first part of this unit introduces the learner to the techniques involved in planning and preparing a project. The administration function invariably involves work tasks to be completed within a defined scope, timescales and budgets. These are in essence projects and can include running a conference, setting up new administrative systems or organising the relocation of a work team. The language of project management has become everyday business language. All projects have a defined life cycle, although the boundaries between the stages are not always clear as project activities often have interdependencies. The basic principles of project planning involve defining and agreeing project deliverables and outcomes, setting milestones for performance and quality, scheduling, and consideration of stakeholder requirements.

The second part of the unit introduces the learner to a range of processes which are used to ensure effective project management. There are various accepted techniques to support the management of projects, including Gantt charts, critical path analysis, risk assessments and contingency planning. Learners will have the opportunity to apply these in a realistic setting. Supporting projects requires excellent communication and time management skills for activities such as setting and monitoring a project budget, solving problems during the project implementation stage and reporting project outcomes.

Learning outcomes

On completion of this unit a learner should:

1 Understand the purpose, aims and objectives of a project

2 Be able to prepare a project plan

3 Be able to run a project

4 Be able to report project outcomes.

Unit content

1 Understand the purpose, aims and objectives of a project

Project: definition of project; types of project eg scale, formality; project life cycle (definition, planning, implementation, completion and evaluation)

Purpose, aims and objectives: defining project (importance to organisation eg improve administrative procedures, improve customer service, develop new products); background research; evaluation criteria

Stakeholder needs and expectations: customer; client; beneficiary; workforce; contractors; suppliers; managers; outside agencies and authorities; team members; local community; the role of the project manager and other project roles; project team membership; networks and communication systems

Legal issues: types of contract; developing and maintaining contracts

2 Be able to prepare a project plan

Plan: set objectives; define scope; budgeting; work breakdown; define deliverables; final deadline; key milestones/targets; plan activities; allocate tasks; agree timescales; define resources eg human, physical; clarification of roles and responsibilities; identify dependencies

Methodologies: use of schedules; Gantt charts; network flow diagrams; computer software; 'float' time; scope for continuous activity; project balance model (cost, time, specification)

3 Be able to run a project

Implementation and monitoring: reporting systems; controlling costs; budgets and variance analysis; flow charts; basic statistical analysis; benchmarking; evaluation methods; periodic and milestone evaluation; adjusting targets; team performance evaluation; project handover procedures; use of ICT within project

Managing time and resources: planning and scheduling; objectives – time, cost, scope, SMART objectives, feasibility study, cost benefit analysis, risk assessment; schedules; sequencing activities and work breakdown; critical path analysis; basic budgeting; estimating skills; direct and indirect costs; cash flow modelling; contingency planning

Identifying problems: risk assessment eg time/not meeting deadlines; resources communication, costings, changes to scope, commitment of project team; sources of advice on problems eg line manager, facilities manager, team members, suppliers

4 Be able to report project outcomes

Review and evaluation: completion of milestones and outputs; success criteria; comments from third parties; lessons learned; justification of method

Methods of reporting: presentations; reports; visual communication eg charts, diagrams;

conclusions; implications; recommendations eg guidelines, timescale, costing

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	outline the stages of the project life cycle for a selected project	**M1**	assess the importance of project management throughout a project's life cycle	**D1**	evaluate the planning of a selected project in terms of meeting purpose, aims and objectives
P2	explain the needs and expectations of all stakeholders involved in a selected project				
P3	prepare a project plan to include objectives, milestones and individual contributions [IE]				
P4	prepare at least two different methods for monitoring project progress	**M2**	compare and contrast project planning methodologies in supporting two contrasting types of project	**D2**	justify methods used to implement a selected project, making recommendations for improvement. [IL]
P5	explain how to deal with two problems which might impact on progress for a selected project [CT, RL]	**M3**	analyse the importance of achieving project outcomes within agreed timescales, resources and budgets.		
P6	design a suitable reporting method to review outcomes for a given project.				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills which are embedded in the assessment of this unit. By achieving the criteria, learners will have demonstrated effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

This unit is intended to be delivered in the workplace or under simulated conditions. Tutors must ensure that sufficient time is provided to support the knowledge and understanding for this unit. If simulations are being used, care must be taken to ensure that learners appreciate the type of organisation in question.

This unit has a great deal of content, and in most programmes it would be beneficial for learners to complete the unit towards the end of the programme so as to build on and consolidate learning from other units. The potential of using the approved project to support other units within the qualification should be explored. Some centres may wish to deliver this unit in conjunction with *Unit 18: Managing a Business Event* as learners could work in a group and use project management methodology in the running of real events.

The project itself should be related to the administration role but, for the purpose of developing knowledge and understanding of project management terminology and methodology, case studies on other diverse projects (such as the building of the Channel Tunnel or the new Wembley Stadium) could be used to demonstrate the appropriateness of the methodologies used. It would be beneficial to learners to have some exposure to realistic business projects so as to fully appreciate the value and importance of project management methodology. In this way they can also begin to appreciate the challenges involved in satisfying a range of stakeholders and that projects of this size are often carried out alongside a range of competing priorities. The role of the project manager should be examined in terms of managing the project from conception through to completion. The negative effects of poor project management, such as small changes in scope, may creep in unnoticed but have implications on cost and timescales.

The use of specialist information technology packages should be encouraged, where possible, to enable learners to develop their use of ICT while completing the project.

Most classroom-based delivery programmes are likely to introduce the concepts and techniques through use of micro projects, such as baking a cake, to help learners apply the concepts to simple situations before moving on to address more complex projects such as planning and holding an event.

The choice of project is a vital part of this unit and tutors should ensure that the learner chooses a realistic, viable and achievable project. Learners should select a defined, discrete and small-scale project, but with an appropriate level of complexity for a Level 3 programme.

There should be several different types of resources, some dependencies, some activities which can be carried out consecutively or concurrently, and several stakeholders. Possible examples could be organising a conference, setting up a new payroll system, setting up the administrative support aspects of a recruitment exercise, or a product launch. This is intended to be a work-based project where project management techniques are used to manage work activities. This not an academic research project.

In delivering and assessing the critical path analysis, learners should be able to understand the principles of identifying critical activities, as appropriate for the type of projects described above. Similarly, the aspects of budgeting are those relating to this type of project. Basic statistical analysis could include gathering data into tables, producing charts and calculating percentages. Distribution curves or regression analysis do not need to be included.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to the unit. Whole class
Introduction to projects. Tutor input with examples. Whole class Types, scale, formality life cycle of projects Purpose, aims and objective of projects Stakeholders needs and expectations Legal issues
Case study on a project in small groups
Preliminary project choices with whole class discussion
Assignment 1: Stages of the Project Life Cycle
Preparing a project plan. Tutor input with examples, eg Wembley Stadium -whole class Planning the project Methodologies Exercises on methodologies in pairs In pairs research Wembley Stadium websites Pairs feed back to whole class on research findings Visiting speaker on planning a project Case study on project planning in small groups
Preparing oral presentations Giving oral presentations with question and answer sessions
Finalise and confirm project choices. Whole class
Assignment 2: Prepare a Project Plan: Whole class Visiting speaker on preparing a project
Running a project. Tutor input with examples, eg London Olympics. Whole class Tutor input (supported by group work exercises and case studies) Implementing and monitoring projects Managing time and resources Identifying problems
Pair work – websites research exercise, eg London Olympics Research findings on the London Olympics project. Pair feedback and whole-class discussion

Topic and suggested assignments/activities and/assessment
Introduction to reporting project outcomes. Whole class Review and evaluation Methods of reporting Pair work on project reports from the internet Research Pair feedback to whole class Visiting speaker – reporting project outcomes
Supervised assignment time
Non-supervised study time and completion of assignments

Assessment

Ideally, learners would base their work for this unit on a real work-based project which they have some responsibility for as part of their work role. If this is not possible, learners could produce a project plan based on their assignment work for all their units for this qualification. Assessment evidence could include:

- a project plan
- records of meetings and reports
- records of methodology used for implementing and monitoring a project
- a project diary or evaluation of project outcomes.

Learners can provide records to show how they have evaluated and implemented improvements through supporting projects. These can be witness testimonies, tutor observations, or a logbook kept by the learner. This unit gives learners with the opportunity to develop functional skills evidence through their learning activities. This could be through their research, formal presentations, discussions and written submissions of their findings.

For P1, learners must outline what constitutes a project, identify a project and explain what happens at each stage of the project life cycle, including estimated timescales for each stage. It is anticipated that the selected project for this criterion will be a case study, as the purpose is to develop knowledge of the project life cycle to help learners in planning their own project for P3. The evidence can be in the form of a report or presentation.

For P2, learners must provide evidence of researching a range of different needs and expectations of stakeholders involved in a project, including the role of the project manager.

For P3, learners must prepare a project plan and define its relevance to meeting organisational objectives. This will include setting the overall purpose of the project, aims and objectives, timescales and resources, the likely outputs, and the evaluation criteria. The evidence is likely to be in the form of a presentation or formal report.

For P4, learners must prepare at least two different methods of monitoring project progress. Examples could be a Gantt chart and critical path diagram, prepared either manually or electronically, and showing how the activities on the critical path are going to be monitored. Learners must also describe how the project balance model helps with decision making.

For P5, learners must demonstrate an understanding of dealing with unexpected events. They must identify types of problem, including time, resources, and costs, describing their impact on the outcomes, and commenting on how these can be overcome. They must know the procedures to follow if they have concerns regarding these requirements. Evidence can be in the form of records, diary logs and a written account.

For P6, learners must provide evidence of measuring the project outcomes and showing whether these have been met. This can be achieved through a structured project report supported by diagrams or charts.

For M1, learners can draw on their evidence for P1 and P2 and, giving examples, examine the impact on each of the stages of the project if it is poorly managed.

For M2, learners must extend their knowledge of tools for project planning and explain how these contribute to managing different types of project. Learners can draw on their evidence for P4 and use examples of different types of project, such as large complex projects and small informal projects.

For M3, learners can draw on their evidence for P5 and P6. As evidence, they must provide a contingency strategy for dealing with major deviations from the project plan. This will enable them to identify the relevance of the project balance model.

For D1, learners must extend their evidence for M1 and M2 by demonstrating their depth of knowledge and understanding. They must evaluate their project planning in terms of their experience of the project so that they are able to apply lessons learned to future projects.

For D2, learners can develop the evidence produced for M2 and M3. They must make justified recommendations for the effectiveness of the methodology used for the project life cycle.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1,M1	Stages of the Project Life Cycle	Case study: You are acting as an adviser to a medium-sized business on a project proposal that they have unveiled. You have been asked to explain the stages of the project life cycle and to provide them with an assessment of the importance of project management throughout the project's life cycle.	Oral presentation with supporting documentation.
P2, P3, P4,P5, P6 M2,M3 D1,D2	Prepare a Project Plan	In consultation with a selected organisation you are required to identify a project and prepare a detailed project plan for them covering the life cycle of the project.	Report to include: • research evidence • appropriate charts • records of meetings • records of methodology used for implementation and monitoring • a project diary or evaluation on project outcomes

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in the Business suite:

Level 3	
The Business Environment	Managing a Business Event
Business Resources	Supporting Business Activities
Introduction to Marketing	Understanding Health and Safety in the Business Workplace
Business Communication	

This unit also links to the following Level 3 National Occupational Standards.

Business and Administration:

- Unit 309: Run Projects.

Management and Leadership:

- Unit F01: Manage a project.

Essential resources

Learners will need access to various organisations in order to prepare a project plan. They will also need access to ITC to conduct web-based research.

Employer engagement and vocational contexts

Learners will be encouraged to use their own organisation as a resource for preparing a project plan. Learners will also require access to research facilities and the internet. Guest speakers with experience of project management can provide a valuable input to support the underpinning knowledge and understanding of the unit.

Indicative reading for learners

Textbooks

Baker S and Baker K – *The Complete Idiot's Guide to Project Management* (Alpha Books, 2000) ISBN 0028639200

Carysforth C and Rawlinson M – *NVQ Level 3 and Technical Certificate Business and Administration* (Heinemann, 2006) ISBN 0435463349

Horine G – *Absolute Beginner's Guide to Project Management* (Que Publishing, 2005) ISBN 0789731975

Website

www.apm.org.uk Association for Project Management

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	identifying questions to answer and problems to resolve when preparing a project plan in an organisation analysing and evaluating information for the project plan and judging its relevance and value evaluating the planning of their project plan, justifying the methods they have chosen and making recommendations for improvement
Creative thinkers	asking questions in the organisation to extend their thinking about their approach to the project plan
Reflective learners	reviewing progress on their project plan and acting on the outcomes.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	exploring issues, events or problems, from different perspectives arising from case studies and website research on different projects
Creative thinkers	trying out alternative methodologies and approaches to their project plan and following the ideas through
Reflective learners	assessing themselves and others in group work discussions on planning to identify opportunities and achievements
Team workers	collaborating with others when working on project-based case studies in groups provide constructive support and feedback to others on oral presentations on project plans
Self-managers	organising time and resources, prioritising actions when working on the project plan for an organisation
Effective participators	Working and communicating effectively with others.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Manage information storage to enable efficient retrieval	writing and saving their assignment work
ICT – Find and select information	
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	using websites to research information
Mathematics	
Select and apply a range of skills to find solutions	using charts, diagrams, cash flow techniques and budgets in their project plan
Use appropriate checking procedures and evaluate their effectiveness at each stage	checking Gantt charts, network flow diagrams and budgets for the project plan
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	participating in pairs or small groups to discuss issues related to project planning
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading textbooks, journals, newspapers and web pages related to project planning
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	writing a project plan.

Unit 21: Recruitment and Selection in Business

Unit code: A/502/5434

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to introduce learners to recruitment and the importance of ensuring that the best people are selected to work in organisations. Learners will study selection and recruitment techniques and will set up, and take part in, a selection interview.

Unit introduction

Recruiting the right people is the key to the success of many organisations. These organisations ensure that the processes and procedures involved in recruitment and selection meet their needs and are legal. In this unit, learners will develop an understanding of the impact of the regulatory framework on the recruitment process.

Potential applicants may decide to apply for a post based on the quality of information that they receive. Details of the post will usually be the first communication they have with the organisation. It is important that the organisation makes a good first impression on potential applicants to ensure that they attract sufficient applicants of the right calibre. Learners will develop their knowledge of the types of documentation used in an interview process.

A structured and planned selection procedure is crucial to the success of the selection process. The impression a business makes may determine an applicant's decision to accept an offer of appointment. Staff conducting the interview will also be forming their impressions of the applicant.

It is important that interviewers are well organised and prepared. They will need to be familiar with the details supplied by the short listed applicants, and use effective communication and listening skills during the interview. In this unit, learners will gain experience of the interview process through taking part in an interview.

Organisations with effective recruitment and selection processes and practices in place are more likely to make successful staffing appointments. In competitive labour markets this is a major advantage that well organised-businesses will have over their competitors.

Learning outcomes

On completion of this unit a learner should:

1 Know the processes involved in recruitment planning

2 Understand the implications of the regulatory framework for the process of recruitment and selection

3 Be able to prepare documentation involved in the selection and recruitment process

4 Be able to participate in a selection interview.

Unit content

1 Know the processes involved in recruitment planning

Recruitment planning: reason for vacancy eg employee leaving, increased volume of business, different work, maternity cover, sickness; decision to recruit; internal recruitment; external sources of recruitment (use of job centres, consultants, recruitment agencies); cost and time considerations of external sourcing

Recruitment advertising: internal advertising; external advertising (choice of media, use of external agencies, format and type of advertisement, cost implications, legal considerations of recruitment advertising); methods of application, (eg letter, online, telephone)

2 Understand the implications of the regulatory framework for the process of recruitment and selection

Current UK and EU legislation: Sex Discrimination Act 1995/97; Race Relations Act 1992; Equal Pay Act 1970; Disability Discrimination Acts 1995 and 2005; European Working Time Directive; Employment Act 2002; national minimum wage; Data Protection Act 1998 (together with any future amendments)

Ethical issues: asking candidates the same questions; interviewers not related to candidates; gender and ethnic balance on panels

3 Be able to prepare the documentation involved in the recruitment process

Job description: purpose and standard formats; job title; department and location of post; broad terms of job; responsible to whom; responsibilities; scope of post; education and qualifications; name of compiler and approver; date of issue

Person specification: purpose and standard formats eg job title and reference number; location in management line; essential and desirable attributes; physical characteristics required; attainments and qualifications; previous experience; general intelligence; special aptitudes; temperament and personality; hobbies and interests; personal circumstances

Application documentation: letter; application form; curriculum vitae

4 Be able to participate in a selection interview

Pre-interview: selection criteria for short listing; application packs and information for candidates; references; types of interview (group, individual, team, panel, telephone, multi-stage); tasks and tests used to complement the interview process eg occupational preference tests, attainment tests, aptitude tests, psychometric tests; use of specialists in the interview; Assessment and interview questions; procedure for informing candidates of interview decisions

Interview: interview protocol; confidentiality; fairness; interview environment; agreed questions; checking of personal information; interview checklist; control of interview; decision criteria and documentation; communicating the decision to candidates; communication and listening skills; body language; questioning techniques; barriers to communication; analysing and summarising

Post interview: informing candidates; making a job offer; verbal/non-verbal offers; contents of job offer, eg start date, wage or salary rate, hours of work, holiday entitlements; other conditions eg references, medical test, passing specific qualifications; expense claims; candidate's feedback; taking up and checking references; police and/or medical checks; rejection of unsuccessful candidates

Assessment and grading criteria

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

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**	**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**
P1 identify how two organisations plan recruitment using internal and external sources [CT]		
P2 explain the impact of the legal and regulatory framework on recruitment and selection activities [IE]		
P3 prepare the documents used in selection and recruitment activities [CT]	**M1** compare the purposes of the different documents used in the selection and recruitment process of a given organisation	**D1** evaluate the usefulness of the documents in the interview pack for a given organisation, in facilitating the interview process
P4 plan to take part in a selection interview [SM, RL]	**M2** analyse your contribution to the selection process in a given situation.	**D2** evaluate your experience of planning and participating in the recruitment and selection process.
P5 take part in a selection interview. [TW, EP]		

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

This unit is designed to be delivered and assessed using a practical programme where learners need to set up interviews, from the job analysis stage right through to selecting a suitable candidate. Learners will prepare documents to be used at interviews which will give them the opportunity to practise appraising CVs, personal statements and letters of application, and completing application forms.

In this unit there is an emphasis on the importance of all types of communication including non-written communication, body language, appearance, verbal communication, face-to-face communication and electronic communication. Tutors will need to spend time discussing in order to develop good practice.

The importance of equal opportunities to an organisation, allowing it to select recruits from the broadest possible range of potential talent should be stressed. The implications for individuals and society of confronting prejudice, lessening social exclusion, widening participation and recognising ability and potential will be key and sensitive subjects for many learners. Providing information on, and allowing discussion about, legal and social issues concerning race, gender, disability, religion, age and other situations where discrimination, either positive or negative, may occur will help learners to develop awareness of and sensitivity to employee and employer standpoints.

Learners need to have a broad understanding of the regulatory framework involved in recruitment and selection. However learners will not need detailed knowledge of the legislation as this is covered in other units. They should be aware of the key implications of the relevant legislation and the ethical issues involved in recruiting and selecting staff.

Learners' own experiences should be called on, although younger learners may be working in situations with informal employment practices. Learning should take account of learner experiences while indicating professionally appropriate practice. Textbook case studies will be useful but there will be current cases in the media revolving around employment issues and legislation, which should enable practical application of the theory. The websites of large employers such as Asda, Boots, Sainsbury's and Tesco are good sources of sample material and provide examples of current practice where comparative practices are relatively simple to access.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and structure of the programme
Introduction to recruitment and selection and its importance to organisations
Pair work on the role of recruitment and selection for a range of organisations. This will be supported by some tutor input on technical topics. Learners: • investigate recruitment planning from case study materials or from supportive organisations • identify the reasons for planning the required workforce in organisations • gather information on recruitment advertising and the legal aspects of advertising for employees There may still be formal input during group work

Topic and suggested assignments/activities and/assessment
Assignment 1: Recruitment
Pair work on the role of recruitment and selection for a range of organisations. This will be supported by some tutor input on technical topics. Learners: • investigate and collect job descriptions • analyse job descriptions and their content • investigate and collect person specifications • analyse person specifications and their content • investigate and collect application documentation • analyse application documentation and its content • prepare own CV • complete application documentation There may still be formal input during group work
Presentations on the selection interview processes
Pair work on the role of recruitment and selection for a range of organisations. This will be supported by some tutor input on technical topics. Learners: • identify pre-interview material • assess the purpose of pre-interview material in specific instances • prepare pre-interview material for the selection process • identify pre-interview material • assess the purpose of interview materials and activities in specific instances • prepare interview material for the selection process • plan interviews for job vacancies • take part in selection interviews • identify post-interview material • assess the purpose of post-interview material in specific instances • prepare post-interview material from the selection process
Pair work on the role of recruitment and selection for a range of organisations. This will be supported by some tutor input on technical topics. Learners: • identify the range of legislation that applies to selection interviews and their conduct • assess the impact of legislation that applies to selection interviews and their conduct Identify the range of ethical issues that apply to selection interviews and their conduct
Assignment 2: Selection
Supervised assignment work
Non-supervised study time and completion of assignments

Assessment

For P1, learners will need to understand the reasons why vacancies occur, and the factors which influence organisations to recruit. Vacancies may be filled internally or externally. External sources, if used will have time and cost implications. The vacancy may be advertised internally or externally, and for external advertising, the choice of media is important. The organisations selected, could link to P3, and the evidence for P1 could be in the form of an introductory planning sheet.

For P2, learners will explain the key legal and ethical requirements of selection interviews. This could be done by providing a concise, but detailed guide for interviewers.

For P3, learners will prepare the documentation for an identified vacancy. This will encompass a job advert, job description and person specification. The completion of these three documents to an appropriate standard will provide the evidence for this criterion.

For P4, learners will plan all aspects of their interview(s) for P5.

For P5, learners should adopt the role of either an interviewee or an interviewer in a mock selection interview. Learners should demonstrate through role play that they have prepared for the interview. They should have the necessary documentation available and be able to conduct the proceedings. Roles can then be reversed to give all learners the opportunity to see the recruitment process from the perspectives of both the applicant and the interviewer. Evidence is likely to come from a copy of the documentation and a witness statement from the assessor.

For M1, learners must be able to identify the documents used in the three stages of the selection process. They should know the purpose of the key documents. They should be able to explain the purpose of the information that the completed documents will provide for the interviewers. They should be able to draw comparisons between the purposes of appropriate documents.

For M2, learners must show that they can prepare for and perform in a role-play situation. Learners should ensure that an application pack is prepared and that all the necessary documentation is provided for the interviewee and the interviewers. The interview should be organised and conducted in a professional manner. Observers will be looking for evidence that the participants have prepared for the interview. This can be judged by observing how the learners organise and manage the sequence of the interview, the ability of the participants to ask appropriate questions, the quality of their participation and whether they have used communications and listening skills to good effect. Evidence will come from supporting documentation such as interview questions that the interviewers and interviewees have prepared. The evidence will be supported by a witness statement on the role play of each participant. In addition the learner must prepare an analysis of their contribution.

For D1, learners must make judgements on the usefulness of documents that they have collated in the interview pack. This will be informed by a mix of theory and practice. They must be able to demonstrate that they are able to assess the usefulness of documents that belong to a real organisation or that they have used in the role play exercise. In what ways did the documentation contribute to the organisation, management and conduct of the interview and the process of making a selection decision?

For D2, learners must be able to demonstrate that they can critically reflect on their experience and draw lessons from it. Evidence will require an evaluation of the role play and this should be linked to the feedback in the witness statement. Learners must also be able to critically evaluate their experiences of planning stages of the interview.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P5, M1, D1	Recruitment.	Advertising and preparing documents for a job role.	Newspaper or Magazine advert for job role. Job specification.
P3, P4, M2, D2	Selection.	Applying and being interviewed for a job.	Role play.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in the Business suite:

Level 3
The Business Environment
Business Communication
Aspects of Employment Law
Development Planning for a Career in Business
Human Resource Management in Business.

This unit links to the Level 3 National Occupational Standards for Management and Leadership, particularly Unit D3.

This unit also links to the National Occupational Standards in Human Resources, particularly Units HR15 and HR16.

It also links with the following units of the Level 3 National Occupational Standards in Personnel:

- Unit P31: Operate recruitment procedures
- Unit P32: Operate selection procedures.

Essential resources

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

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

Employer engagement and vocational contexts

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

www.businessbritainuk.co.uk/ provides information about business in Britain and has extensive links to other business and business news sites.

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

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

Indicative reading for learners

Textbooks

Bartol K M and Martin D C – *Management* (Irwin, 2001) ISBN 0072515015

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

Fowler A – *Writing Job Descriptions* (Management Shapers) (CIPD, 2000) ISBN 0852928661

Gillespie A – *Business in Action* (Hodder Arnold, 2002) ISBN 0340848200

Grout J and Perrin S – *Recruiting Excellence: An Insider's Guide to Sourcing Top Talent* (McGraw Hill, 2002) ISBN 0077099680

Kay F, Guinness H and Stevens N – *Making Management Simple* (How to Books, 2003) ISBN 1857038118

Ridderstrale J and Nordstrom K – *Funky Business* (FT Prentice Hall, 2001) ISBN 0273659073

Journal

Personnel Today (Reed Business Information) is a useful journal which often has up-to-date and relevant articles on selection and recruitment practice.

Newspapers

Quality newspapers – especially the business sections.

Websites

www.bbc.co.uk/business	BBC Business website
www.bbc.co.uk/learning/subjects/business_studies.shtml	A changing bank of learning resources and up-to-date case studies. This site also has links to other useful sites
www.bbc.co.uk/news	BBC News website
www.bized.co.uk	Includes a number of pertinent case studies
www.careers-in-business.com	Information on a variety of business careers
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.direct.gov.uk	Gateway to public services
www.lsda.org.uk	Learning and Skills Development Agency
www.learnthings.co.uk	Providers of interactive digital resources
www.thetimes100.co.uk	Free materials and case studies

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	investigating jobs advertised by business organisations
Creative thinkers	generating ideas about advertisements, documentation and questions
Reflective learners	reflecting on the questions to ask and answer at interview
Team workers	working with others in a group environment
Self-managers	organising time and resources and prioritising actions whether working on their own or in a group
Effective participators	taking part in group activities, working with colleagues, supervisors and managers.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	planning and carrying out research into the different types of job role
Creative thinkers	looking at how different qualifications and skills fit together in job roles to ensure business purposes are met adapting their skills as circumstances change
Reflective learners	setting goals with success criteria inviting feedback on their own work and dealing positively with praise, setbacks and criticism evaluating their experiences and learning to inform progress
Team workers	working in a group to discuss ideas and prepare materials for presentations taking responsibility for their own role managing activities to reach agreements and achieve results
Self-managers	seeking out challenges or new responsibilities and showing flexibility when priorities change dealing with competing pressures, including personal and work-related demands responding positively to change, seeking advice and support when needed
Effective participators	taking part in group activities, working with colleagues, supervisors and managers.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching organisations and their jobs
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	tabulating information about organisations/jobs
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	finding illustrative materials for presentations and tabulations about organisations creating diagrams, presentations and tabulations about the functional areas in businesses
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	exploring, extracting and assessing the relevance of information from websites about business organisations and job roles
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	bringing together a variety of materials gathered through research preparing information to present to others about job roles
Bring together information to suit content and purpose	
Present information in ways that are fit for purpose and audience	
Evaluate the selection and use of ICT tools and facilities used to present information	
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	communicating with other members of a group

Skill	When learners are …
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	using numerical data in relation to business an job roles
Identify the situation or problem and the mathematical methods needed to tackle it	
Select and apply a range of skills to find solutions	
Use appropriate checking procedures and evaluate their effectiveness at each stage	
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	
Draw conclusions and provide mathematical justifications	
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	carrying out work investigating organisations and their job roles working with others in investigating businesses and job roles (employees, colleagues, teachers, class mates) attending team meetings making presentations about job roles
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading about jobs reading about organisations to obtain data to compare jobs
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	writing materials to provide information about jobs producing labelled charts and diagrams showing the structure of organisations and the links between sections within organisations.

Unit 22: Development Planning for a Career in Business

Unit code: H/502/5444

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is to enable learners to plan their career in business. Learners will do this by exploring career options and building a career plan supported by research, self-assessment and realistic targets.

Unit introduction

Business organisations operate in a rapidly changing global economy and their labour requirements are constantly changing. Implications for learners include the impact on the job and career opportunities that are available to them. In an increasingly competitive labour market, it is essential that learners recognise the importance of planning their career. This unit covers developing a career plan based on research and realistic targets.

The unit is a practical unit as learners develop and refine the content of their career plan. For the first part of the unit learners need to focus on researching into their own career choices. This will require a thorough analysis of job and career opportunities in their chosen field. Once this is established learners will be introduced to a number of techniques that will assist them in their planning. They will develop a range of practical skills which will underpin the self-assessment requirements of their career plan. This will include completion of a skills audit and monitoring the ongoing development of their transferable skills. Learners will need to reflect on the results of their skills audit and identify any skills gaps. They will need to be realistic and know how to focus on priorities. This will allow them to develop strategies based on realistic and measurable targets to meet their developmental needs. Learners will need to look ahead to create medium term (five years) projections for their career plan.

The unit introduces learners to the concept of continuing professional development. This will give them an understanding of the process of lifelong learning and enable them to look beyond the boundaries of a short-term plan. On completion of the unit, learners will have developed a realistic picture of their career possibilities.

Learning outcomes

On completion of this unit a learner should:

1. Know how to access career-related information
2. Be able to develop a personal career development plan
3. Be able to develop a range of transferable business skills at the appropriate level
4. Understand methods of professional development and training.

Unit content

1 Know how to access career-related information

Sources of information: Connexions; Learning and Skills Councils (England only) (Skills Funding Agency from 2010 – England only); job centres; careers service (university, college, school); interviews; career fairs; recruitment fairs; websites; human resource departments; visiting speakers; work experience; newspapers; trade and specialist journals

Types of information: career-advice; computer accessed information, eg CASCAiD's Kudos software, websites; published information eg newspaper articles, job advertisements, journal articles, company career packs, university and college prospectuses; qualification information eg HNDs, degrees, foundation degrees, National Vocational Qualifications (NVQ); vocational qualifications (VQ); occupational qualifications; general qualifications; methods of learning; on-the-job training; off-the-job training; eLearning

2 Be able to develop a personal career development plan

Personal career objectives: short term (two years); medium term (five years)

Personal development needs: skills audit; skills gap; personal SWOT (strengths, weaknesses, opportunities and threats) analysis; qualifications map; qualifications gap; timescales; training requirements

Target setting: personal development plan (set up, maintain, review, update); curriculum vitae; SMART (specific, measurable, achievable, realistic, time-bound) targets; mapping progress against targets; recording achievement; evaluating progress; adjusting targets; re-assessing objectives; responding to feedback; lifelong learning

3 Be able to develop a range of transferable business skills at the appropriate level

Transferable skills: skills for life (communication skills, ICT skills, numeracy skills); wider transferable skills (functional skills); vocational skills; technical skills; work-related skills, research; time management skills

Level: levels of the Qualifications (Levels 1 – 8) and Credit Framework (QCF)

4 Understand methods of professional development and training

Methods: induction training; performance appraisal; on-the-job training; off-the-job training; graduate training programmes; management education; management training; coaching; projects; secondments; mentoring; shadowing; e-learning; vocational and professional courses; job rotation; retraining; continuing professional development; lifelong learning

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	identify sources of information related to the career path [IE]				
P2	complete a career plan identifying their development needs [RL]	**M1**	assess methods of achieving development needs within the timeframe of the career plan	**D1**	evaluate the distance travelled in achieving the planned objectives of the career plan
P3	carry out a skills audit to identify skills gaps [RL]				
P4	create SMART targets for the career plan [SM]	**M2**	monitor and audit progress towards targets using appropriate success criteria		
P5	demonstrate transferable business skills	**M3**	assess ways of achieving the level and types of transferable business skills needed for the career plan.	**D2**	evaluate own development of transferable business skills.
P6	discuss methods of continuing professional development and training relevant to the career plan. [CT]				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

In a modern economy employers want a flexible and adaptable labour force. People are now likely to have longer working lives as the retirement age increases and the pension's crisis deepens. It is more important today that young people approach their working life with a clear sense of purpose and direction. In short, they need to have a game plan.

A useful starting point is to ask learners to carry out a self-assessment (SWOT) of themselves. This could include their knowledge, interests, leisure activities, qualifications, skills and competences. This would generate an initial development/action plan linked to personal and career objectives. Self and personal development might include maintaining a learning diary/log, progress review documentation and records of meetings with others such as careers officers, employers, tutors or staff from voluntary organisations. Initial career choices may change as information is gathered or personal circumstances change. Work experience can often be an influential factor in determining career path decisions.

This unit focuses on the processes and practices involved in developing a personal career development plan. It is a practical unit where learners will require guidance and support in shaping their career aspirations. Career objectives are limited to the short and medium term, two and five years respectively. For learners who are just starting to think about their career paths, longer-term goals may not be entirely appropriate and may be difficult to predict in a rapidly-changing, global economic environment. Learners will need to identify and establish performance objectives using SMART targets. Forward planning is essential and contingency plans should be considered.

Research skills will be important and learners will need to gather information from a variety of sources. Visits to organisations or visiting speakers can often be a source of inspiration for learners investigating potential career routes. Learners should be encouraged to attend careers fairs and talk with representatives from organisations about job opportunities. Company websites are a good source of information. Most large organisations will have a recruitment section and these are often good starting points for gathering information and ideas on career opportunities.

It is important that learners maintain an up-to-date CV which is produced to professional standards. The CV can also be used as evidence in *Unit 13: Recruitment and Selection in Business*. Many young people develop valuable skills and experience through their outside interests or part-time jobs, but they may not always recognise their value or record them on their CV. Teamworking skills, customer service skills and technical skills are examples which are often omitted from CVs. Learners at this level are likely to be taking a Skills for Life qualification as part of their learning programme. They will often be taking communications, numeracy and information and communication technology at the appropriate level. Employers constantly say that they are looking for applicants with good communication and numeracy skills and who are good team players.

Looking beyond the short or medium term can be difficult and it is not expected that career plans will include long-term projections. However, we live in an environment of lifelong learning and people can now expect to change careers several times during their working life. It is expected that learners will be familiar with the concept and implications of lifelong learning. Similarly, learners should be able to understand the concept of continuous professional development. It is expected that in making career choices they will research beyond the recruitment stage and investigate the opportunities offered by their potential employer for continuous professional development. This will link closely to researching into promotion prospects within the organisation.

Effective career planning is rewarding but can be demanding. It requires good research skills in order to gather sufficient information from a variety of possible sources.

It also requires analytical skills in order to extract the relevant information that will inform career choices. Competition for some jobs will be intense and good written communication skills will be important at the application stage.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and structure of the programme. Whole class
Overview of contents and structure of a career plan
Identifying sources of career information. Whole class
How to identify career objectives and relate these to development needs. Whole class
Pair work exercise on development needs
How to carry out a skills audit. Exercise in small groups
Introduction to target setting and SMART targets. Whole class
Introduction to continuing professional development
Individual tutor/learner tutorials on career plan development
Assignment 1: Researching Career Information Individual work on identification of websites appropriate to a specific career: • research websites for information on chosen career path • research non-internet sources of career information • analyse the information • select key information • organise and write up relevant information in career plan folder
Assignment 2: Creating a Career Plan Identify career objectives Identify development needs Carry out a skills audit to identify transferable business skills Identify SMART targets for development needs Assess progress towards targets Show evidence of development of transferable business skills Organise and write up relevant information in career plan folder
Assignment 3: Continuing Professional Development (CPD) Research current methods of CPD appropriate to career plan Assess appropriate methods Build choices into career plan Organise and write up information in career plan folder
Supervised assignment work
Non-supervised study time and completion of assignments

Assessment

Evidence for assessment will be generated from the learning programme. For much of the evidence learners will need to research information and make decisions based on it. The career plan, skills audit and appropriate continuous professional development material will develop from the choices made from the research.

For P1, learners will need to demonstrate that they have accessed a sufficient range of information to allow them to make an informed decision on their career choices. It is likely be that learners will gather information from a range of sources. These could include websites, journals, career packs, newspapers or company packs. The information learners provide should be sufficiently detailed and more than just a list.

For P2, learners will need to create an initial career plan identifying their development needs. The career plan will be a working document, and may be subject to change as learners carry out research into their original choices. It is important that learners understand that the short term is two years and the medium term is five years.

For P3, learners will need to examine their current skills profile and carry out a skills audit. They need to understand the importance of identifying skills gaps. This will involve looking at a wide range of skills that they may have developed through a variety of ways. This will include their current level of Skills for Life which is likely to be built into their learning programme. It will also require learners to look at other sources and a wider range of relevant vocational and employment-related skills. These may be practical, interpersonal or technical skills developed in part-time employment or through voluntary activities. They may be skills they are demonstrating on the learning programme, such as research skills or time management skills. Learners will need to include provision for continuous professional development in the career plan

For P4, career plans should be realistic and be supported by SMART targets. Progress towards targets should be recorded with a folder containing all the appropriate research documentation, a CV and any other appropriate information or documentation.

For P5 learners will build on the outcomes of their skills audit. They should map out how they intend to develop transferable business skills at the appropriate level. The development of some skills may be measurable through qualification levels, for example functional skills. Other skills may only be measurable through observation and may require a range of evidence. For example, tutor observation sheets or work experience feedback on the development of time management skills.

For P6, learners will be expected to understand the nature and purpose of continuing professional development. They should understand that, in all occupations, professional updating and training are the norm and promotional prospects can be linked to training and development. This should be linked to the information that they have researched and selected to support their career plan. It will highlight the professional development and training that they will need to undertake to reach their short and medium-term career goals.

For M1, learners will need to show that they have linked their research to the skills gaps identified in the skills audit. They will need to demonstrate that they have researched and assessed the viability of achieving their development needs. Their projections must be realistic and they will need to show that these options are achievable within the medium-term framework of the career plan.

For M2, learners will need to be aware of the importance of setting realistic SMART targets, which are measurable, by setting appropriate success criteria. They will need to demonstrate that they are managing progress towards meeting their targets effectively. This will involve time management skills. Targets may be self-generated or set in conjunction with a tutor or supervisor. Learners should maintain an ongoing record which reflects their progress accurately. This may be a diary or a log and should record any adjustments made to the targets.

For M3, learners will need to demonstrate that they are aware of how they can progress in developing their transferable business skills. For example, if they needed to upgrade their IT skills, they should be able to assess the available options to determine which best fit their personal circumstances. These could be through ICT functional skills, IT modules or online courses. Learners will need to assess the suitability of options in line with their career plan and then pursue the chosen options. Evidence of progress should be recorded in the portfolio.

For D1, learners should be able to reflect on their research and the progress that they have made with their career plan. They should be able to identify any changes in the plan, any progress they have made in achieving their targets and any difficulties that they have encountered and how these have been overcome. Learners should evaluate the impact that these developments are having on their short-term plan and identify any impact on the medium-term career plan. They need to reflect on their own skills audit and their research into continuing professional development they are likely to undertake in the early years of their career.

For D2, learners will need to reflect on their plans for developing their transferable business skills. They should provide evidence of achievement or work in progress and this should be developed to the appropriate level, as identified in the career plan. Learners should provide an evaluation of their progress against the targets in the career plan, linking achievements to success criteria. Where appropriate, this will include an evaluation of the impact that lack of progress will have on short- and medium-term plans.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, M1, D1	Researching Career Information.	Brief outlining sources of information and types of information that will be relevant to the research.	Portfolio of evidence consisting of relevant information from: • internet • non-internet sources.
P2, M2, D2 P3, M3, D3 P4, M4, D4 P5, M5, D5	Creating a Career Plan.	Brief outlining the what is required in the career plan: • skills audit • development needs • SMART targets • transferable business skills.	Portfolio of evidence consisting of relevant information relating to: • skills audit • development needs • SMART targets • transferable business skills.
P6, M6, D6	Continuing Professional Development.	Brief requiring: • review of the types of CPD opportunities that are available in general • assessment of which CPD opportunities are relevant to the learner's career plan.	Portfolio of evidence consisting of a: • review of the types of CPD opportunities • assessment of CPD opportunities relevant to the learner's career plan.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in the Business suite:

Level 2	Level 3
Verbal and Non-Verbal Communication in Business Contexts	Training in the Business Workplace
Business Communication through Documentation	

This unit links to the Level 3 National Occupational Standards for Business and Administration, particularly Unit 301.

This unit also links to the Level 3 National Occupational Standards for Management and Leadership, particularly Units A1 and A2.

Employer engagement and vocational contexts

This unit can be delivered without specialist resources. However, there are some useful resources, for example: Cascaid's Kudos software (*www.cascaid.co.uk*).

Indicative reading for learners

Textbook

Anderson A, Barker D and Critten P – *Effective Self Development – A Skills and Activity based Approach* (Blackwell, 1996) ISBN 0631200150

Journal

Personnel Today

Websites

www.careers-gateway	Careersoft
www.careersa-z.co.uk	Careers A-Z
www.connexions-direct.com	Connexions
www.channel4.com/brilliantcareers	Brilliant Careers
www.support4learning.org.uk	Support4Learning

There are a number of industry-specific websites which have useful career information for example:

www.acca.co.uk	Association of Chartered Certified Accountants
www.cim.co.uk	Chartered Institute of Marketing
www.cipd.co.uk	Chartered Institute of Personnel and Development
www.lawsociety.org.uk	Law Society of England and Wales
www.sflqi.org	Quality Improvement Agency

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	accessing and researching sources of career information
Creative thinkers	discussing their methods of continuing professional development and training based on their career plan
Reflective learners	developing their career plan and mapping future development needs with set targets
Self-managers	creating their SMART targets.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	planning and carrying out research into careers and information within organisations
Creative thinkers	looking at different careers
Reflective learners	setting goals with, success criteria, for researching careers inviting feedback on their own work and dealing positively with praise, setbacks and criticism evaluating their experiences and learning to inform future progress
Team workers	working in groups to discuss issues managing activities to reach agreements and achieve results
Self-managers	seeking out challenges or new responsibilities and showing flexibility when priorities change dealing with competing pressures, including personal and work-related demands responding positively to change, seeking advice and support when needed
Effective participators	taking part in group activities, working with colleagues, supervisors and managers.

Functional Skills – Level 2

Skill	When learners are …
ICT – Find and select information	
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	accessing, and assessing the relevance of, career information for a career plan
ICT – Develop, present and communicate information	
Bring together information to suit content and purpose	bringing together the information to include in the career plan
English	
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading career information and selecting appropriate material to develop their career options
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	producing a career plan.

Unit 23: Business Markets and the Economy

Unit code: K/502/5509

Level 3: BTEC National

Credit value: 10

Guided learning hours: 60

Aim and purpose

The aim of this unit is for learners to consider the structure of the UK economy and to explain how business markets operate and shape the behaviour of business activity. Learners will look at how the potential problems that may arise when markets are unregulated are managed.

Unit introduction

Through a study of government activities, and the operation of different types of business market, learners will analyse markets to explain how they work and how producers and consumers behave as supply and demand for goods and services interact to determine product price.

Less than perfect markets are usually tilted in favour of the supplier away from the buyer. It may be the other way round if buyers have a lot of power and sellers may be faced with a 'take it or leave it' stance from their customers. If sellers have too much power they can use it to the detriment of customers the government may then step in to regulate the market.

Learning outcomes

On completion of this unit a learner should:

1. Understand the purposes of organisations and their goals
2. Know the characteristics of the UK economy
3. Understand the operation of market factors
4. Understand how markets are regulated in the UK economy.

Unit content

1 Understand the purposes of organisations and their goals

Types of business organisation: sole traders; partnerships; companies (public, private); co-operatives; charities; state enterprises; international businesses;

Objectives: profit maximisation, profitability; sales (value, volume); growth; internationalisation; market share; market power; welfare; stakeholders; coordinating activity to achieve goals

2 Know the characteristics of the UK economy

Structure: economic system; size; population; income; growth; employment; inflation; deflation; international trade; the structure of industry; sectors (primary, secondary, tertiary); role of the state; government policies

Trends: business cycle; trends in size, population, income, growth, employment, inflation, international trade; foreign investment; market concentration; mergers and acquisitions

3 Understand the operation of market factors

Market types: perfect competition; imperfect competition (monopoly; oligopoly, imperfect)

Market factors: demand; supply; costs; revenues; price determination; profit; output determination; elasticity; inelasticity; equilibrium

4 Understand how markets are regulated in the UK economy

Role of government: market failure; justification for intervention; market regulation; deregulation; unfair competition; competition policy; Competition Commission; privatisation; private finance initiative; government policies; subsidies; taxation

International factors: European Union; the single market (free trade, harmonisation, capital, labour, technical standards, simplified trading); monetary union; social chapter

Assessment and grading criteria

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

Assessment and grading criteria					
To achieve a pass grade the evidence must show that the learner is able to:		**To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:**		**To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:**	
P1	identify the objectives of a range of organisations [IE]	**M1**	compare the methods used to achieve objectives in two contrasting organisations	**D1**	analyse the performance of a selected business against its stated objectives
P2	explain how organisations meet their objectives [IE, RL]				
P3	outline the characteristics of the economy in the UK [IE]				
P4	describe the role of the government in influencing the economy and business activity [RL, TW, EP]	**M2**	explain how equilibrium is established in different types of market		
P5	explain different types of market structure [IE]				
P6	describe how business markets are regulated in the UK [IE, RL, CT]	**M3**	explain why the government needs to regulate business markets.	**D2**	evaluate the effectiveness of the regulatory regime in a selected market.
P7	explain how EU requirements influence business markets in the UK. [IE, RL]				

PLTS: This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills which are embedded in the assessment of this unit. By achieving the criteria, learners will have demonstrated effective application of the referenced elements of the skills.

Key	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

Essential guidance for tutors

Delivery

Walk through any street market late on Saturday afternoon and you will see the owners of stalls with produce left over offering fruit and vegetables for bargain prices. They are using the price mechanism to clear the market. It is better to get 50 pence for a kilo of tomatoes than to have them spoil and become unsaleable on Monday morning.

The stallholder is trying to maximise income and profit. Just like any other organisation the fruit and vegetable seller has objectives. In many respects, the vendors who work in the market are just like much larger business organisations in that they share similar goals. They both want to make a profit, to keep making money and to avoid losing sales income by having to throw things away. Other business organisations will have different objectives. In the healthcare market, hospitals have, as a priority, the need to ensure citizens are healthy so they will have preventative health care programmes. Imagine a tobacco company spending money on preventive care.

Street markets are good examples of perfect markets as it is easy to get a pitch and costs are not too high. It is easy to see what competitors are doing just by walking past their stalls and perhaps seeing that their apples are cheaper but their potatoes are more expensive. The competitive response is to align prices or perhaps to differentiate products, for example selling organically produced food. Other markets are less perfect. Mains water comes from monopoly suppliers. A householder who does not like their water provider cannot find a competitor who will supply cheaper water.

Less than perfect markets are usually tilted in favour of the supplier and away from the buyer. It may be the other way round if buyers have a lot of power and sellers may be faced with a 'take it or leave it' stance from their customers. If sellers have too much power they can use it to the detriment of customers. The government may then step in to regulate the market. The Water Services Regulation Authority (OFWAT) is the economic regulator of the water and sewerage companies in England and Wales. If the market was not regulated water companies could not think about charging the same amounts for a litre of pure drinking water as is charged by companies such as Nestlé and PepsiCo.

Learners will develop an understanding of important technical terms by using textbooks, case studies and web-based resources. Contemporary examples reported in the news (TV, internet or newspaper) should be used to ensure the currency of information and the relevance of theory to practice. Tutors can also develop banks of materials by drawing on local examples to illustrate topics and give learners the chance to calculate the impact of elasticity on output and profit. Case studies can be used as a means to promote group learning as well as providing vehicles for assessment.

Some initial background about businesses, their goals, economic systems and the UK economy needs to be provided to ensure that the analysis of business markets can be put in to a meaningful context. An understanding of business types and their goals is relevant to an understanding of markets and their regulation. A profit-maximising business in a perfectly competitive market will be constrained by market forces. However, a profit maximising business that has a monopoly might be able to behave in an unrestrained way against which consumers might have little power. For example, all train fares are regulated and the amount by which a train operating company can increase any individual regulated ticket is usually capped at Retail Price Inflation (RPI) plus a maximum of 6 per cent, within a group of fares that cannot rise overall by more than RPI plus 1 per cent per annum. A consumer can complain about rail fares to the office of the rail regulator.

Consideration of how the economy performs and has performed will identify the economic setting for business markets. The economy is mixed with the state accounting for in excess of 40 per cent of gross domestic product, whereas the proportion was 35 per cent 20 years ago. The rest of the economic activity can be characterised as free market capitalism. During the 1980s, Conservative governments opted to privatise state controlled industries and to promote more competition in markets that had been state monopolies. The 'credit crunch' of 2008 has seen the government take significant stakes in banks, effectively part nationalising an industry that extolled the virtues of unfettered capitalism. Business is cyclical and the government endeavours to promote stability by managing inflation, the balance of payments, employment levels and growth. Adjusting the controlling levers of the economy will impact on business markets. A cut in value added tax reduces prices and affects demand, so a new equilibrium will be established in a market depending on the price elasticity of demand for the affected product. Many general economic issues are covered in the broadsheet press and on TV so tutors can use current affairs as a basis for developing activities for learners to consider how market operation is influenced by government activities. It is useful for learners to look at other patterns of economic activity and the associated trends. The population is aging so there is a shift in demand for care but at the same time psychologists identify age compression and the emergence of 'kidults'. Products associated with children such as Harry Potter books and skateboards are bought and enjoyed by adults. The converse is evident as well. Children consume products associated with adults for example iPhones, netbook computers, cosmetics and designer clothes. These changes in taste and preference have a significant impact on many markets, these developments are widely chronicled so tutors can incorporate them in their teaching.

Market operation needs to look at the interaction of supply and demand in establishing price and output. Demand curves and the determinants of demand as well as supply curves and the determinants of supply need to be considered and can be related to specific examples. Learners will look at the responsiveness of demand and supply to price changes and the impact on businesses. In addition to perfect markets, the specific features of monopolistic, oligopolistic and imperfect markets can be reviewed as these market structures exist in the UK. This section of the unit is covered in many textbooks. Bized has a range of materials for tutors to use including PowerPoint presentations, simulations, exercises/worksheets, current case studies and supporting narratives that cover all relevant topics relating to markets.

The imperfections of markets may work to the detriment of consumers who find that power in the market is unevenly distributed between the customer and the supplier. Perfect markets have a built-in, self-regulating mechanism that imperfect markets do not. Governments may intervene to adjust market operations. Taxes on tobacco can be used to reduce the demand for tobacco products for health reasons. For nicotine, addicted consumers tobacco is inelastic with respect to price so the revenue-raising value of tobacco is recognised by governments. The government may intervene to promote efficiency in the operation of the market. The Competition Commission helps ensure healthy competition between companies in the UK for the benefit of companies, customers and the economy concentrating on mergers, particularly when competition is reduced, may be being prevented, distorted or restricted and in regulated sectors. Regulated sectors, especially evident in the wake of privatisation, have agencies such as The Water Services Regulation Authority (OFWAT) for the water industry and OFTEL for the telecommunications industry. As a consequence of being an EU member, UK markets will be affected by EU requirements in respect of competition as the EU considers transnational competition issues that fall beyond national jurisdictions.

Outline learning plan

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

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

Topic and suggested assignments/activities and/assessment
Introduction to unit and structure of the programme
Introduction to the UK economic system and business markets.
Individual, pair or group work on the types of business in the UK economy and their goals. This will be supported by tutor input on technical topics. Learners: • investigate types of business organisations • investigate the legal forms of business ownership • identify the range of stakeholders and their interest in organisations • review the businesses controlled by the state • discuss reasons for state ownership of businesses • collect data on the goals of organisations • investigate how organisations operate in order to achieve their goals.
Assignment 1 – Business Objectives
Individual, pair or group work on the structure of the UK economy. This will be supported by tutor input on technical topics. Learners: • investigate the economic system • collect information of the features of the economy • identify the government's macro-economic targets • identify how the government manages its macroeconomic variables • the sectoral structure of the UK business • identify government policies that affect business markets • research trends in the economy and business by collecting relevant data • investigate market concentration in different sectors.
Individual, pair work or group work on the types of business market in the UK economy. This will be supported by tutor input on technical topics. Learners: • identify the characteristics of a perfect market • identify the characteristics of a monopolistic market • identify the characteristics of an oligopolistic market • identify the characteristics of an imperfect market • investigate the factors that affect demand • investigate the factors that affect supply • consider how equilibrium is established in a market • assess elasticities of demand and supply • examine the impact on markets of changes and shifts in demand • examine the impact on markets of changes and shifts in supply.

Topic and suggested assignments/activities and/assessment
Assignment 2 – Role of Governments
Individual, pair work or group work on the regulation of markets in the UK economy. This will be supported by tutor input on technical topics. Learners: • identify the reasons for market interventions • investigate the role and activities of the Competition Commission • investigate the role and activities of the statutory regulators • research the responsibilities of the EU in respect of competition policy.
Assignment 3 – Regulation
Supervised assignment time
Non-supervised study time and completion of assignments

Assessment

For P1, learners will identify different organisations and their objectives. Different types of organisation with contrasting aims should be selected. It would be reasonable to expect selection of a profit maximising partnership and a welfare maximising hospital. If published accounts and annual reports are used to investigate organisations it is worth bearing in mind that these documents often only obliquely refer to objectives mentioned in textbooks and prefer softer objectives that are subsidiary to the main objectives. 'Providing good customer service' and being a 'good corporate citizen' are examples.

For P2, learners will need to consider the same organisations as for P1 and look at how they meet their objectives. For example, if profit maximising is identified then there should be some discussion of pricing policies and cost management. Current market examples can be found. Apple products, for example, attract a premium price compared with equivalent non-Apple products and there is almost no price competition suggesting there is price skimming

For P3, learners should identify the characteristics and structure of the economy in the UK. There is an extensive range of characteristics and an equally extensive range of information sources on the UK economy. The factors that most influence the nature of business markets should be identified, together with trend and cyclical patterns that are important for business markets.

For P4, learners need to describe the range of government policies that exist and influence business markets. Emphasis should be placed on local business markets and those policies which most impact on local business markets.

For P5, learners should explain the different types of market structure from perfect competition through to monopoly. This will involve looking at market characteristics, supply and demand conditions and how price and output are determined in different markets. The theory should be related to current business examples.

For P6, learners need to consider how governments intervene in markets to regulate them and can be linked to P4. Intervention can be through taxes and subsidies which are designed to distort the market to achieve specific objectives. The EU takes more than a passing interest in activities which favour industry in one EU nation over another. The work of the Competition Commission, and the offices of the regulators for the privatised but previously state-owned monopolies, should be examined to see the purpose and effect of government intervention.

For P7, learners can report on how EU policies and activities impact on UK business markets. One useful area to consider is in relation to aviation policy and how the EU has tried to put national flag carriers into a competitive framework which confronts national governments' protectionist practices and gives consumers a better deal.

For M1, learners should, for two selected organisations, compare their objectives and the methods used to achieve these objectives Sufficiently contrasting organisations should be selected and the activity can build on the work for P1 and P2. For example, a welfare-maximising healthcare provider will provide screening and preventative services which help prevent more complex problems that would be costly to treat and eradicate.

For M2, learners should examine how equilibrium is established in markets of various types and look at how changes, and supply and demand, affect markets and result in a different equilibrium being established.

For M3, learners should build on the work for P6 and explain why governments intervene in markets and what the consequences of market interventions are. There are plenty of examples, reported on regularly where the regulators consider the consequences of industry activity on producers and consumers. For example, rail fares are increased annually and the proposals generate debate about balancing the interests of the train operating companies and passengers.

For D1, learners should look at the behaviour of a selected business and explain its behaviour in terms of the market in which it operates. A sole trading convenience store on a local high street near to a railway station might provide food for thought. It operates in an industry with few barriers to entry but it exploits its location by charging consumers high prices for bread and milk because for the weary homeward bound traveller they constitute distress purchases.

For D2, learners should evaluate the effectiveness of the regulatory regime in a selected market. If the banking industry is considered then the role of the Financial Services Authority in the period before the re-capitalisation of the banks will provide some contrasting views as to its effectiveness.

Programme of suggested assignments

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

Criteria covered	Assignment title	Scenario	Assessment method
P1, P2, P3, M1, D1	Business Objectives	Scenario given.	Case study.
P4, P5, M2	Role of Governments	Scenario given.	Case study.
P6, P7, M3, D2	Regulation	Scenario given.	Case study.

Learners will be expected to produce evidence that shows their skills, knowledge and understanding in respect of business markets and the economy. It may include:

- identifying the objectives of a range of organisations
- explaining how organisations meet their objectives
- outlining the characteristics of the economy in the UK
- describing the role of the government in influencing the economy and business activity
- explaining different types of market structure
- describing how business markets are regulated in the UK
- explaining how EU requirements influence business markets in the UK.

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC Business sector suite. This unit has particular links with the following unit titles in the Business suite:

Level 3
The Business Environment
Business Resources
Business and the Economic Environment
International Business

Essential resources

For this unit learners should have access to a suitable business teaching environment and access to current resources about government policies and the economy. Current and specific information is easy to come by. Government websites and departments of state provide up-to-date detailed information. Various references books similarly provide details about UK business and the economy. The EU website provides comprehensive information on all EU activities. Local organisations and businesses can provide information about the impact of government from a personal perspective.

Employer engagement and vocational contexts

Centres should develop links with local employers who will be affected by government policy and the associated economic environment. Many businesses look to employ business learners when they finish their programme of study. They may want some of the expertise learners gain as a result of having followed a vocational business programme of study.

Indicative reading for learners

Textbooks

Gillespie A – *Business in Action* (Hodder Arnold, 2002) ISBN 0340848200

Mankiw N and Taylor M – *Economics* (Thomson Learning, 2006) ISBN 1844801330

Marcouse I et al – *Business Studies* (Hodder Arnold, 2003) ISBN 0340811102

Sawyer M – *The UK Economy, 16th Revised Edition* (OUP Oxford, 2004) ISBN 0199266514

Sloman J and Sutcliffe M – *Economics for Business* (Financial Times/Prentice Hall, 2004) ISBN 0273683357

Journal

The Economist

Newspapers

Business sections of broadsheet newspapers

The Financial Times

Websites

news.bbc.co.uk/1/hi/business/default.stm	The BBC website's business section.
www.bized.co.uk	Bized provides a selection of teaching resources.
www.direct.gov.uk/en/index.htm	This is the UK government's own site and there are links to a range of relevant data sources.
www.esrc.ac.uk/ESRCInfoCentre/facts/index27.aspx?ComponentId=7102&SourcePageId=7079	The ESRC has current UK data.
europa.eu	Website of the European Union
www.ofgem.gov.uk/Pages/OfgemHome.aspx	Office of the Gas and Electricity Markets – the regulatory authority. Each regulator has a similar site.
www.statistics.gov.uk	The UK Statistics Authority.
www.ukpublicspending.co.uk	The site has data on public spending both current and historic.

Delivery of personal, learning and thinking skills

The table below identifies the opportunities for personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are …
Independent enquirers	identifying the objectives of a range of organisations explaining how organisations meet their objectives outlining the characteristics of the economy in the UK describing the role of the government in influencing the economy and business activity explaining different types of market structure describing how business markets are regulated in the UK explaining how EU requirements influence business markets in the UK
Creative thinkers	identifying the need to regulate business markets in the UK
Reflective learners	applying ideas to explain how organisations meet their objectives considering how government policies influence the economy and business activity identifying how the regulatory rules apply to business markets in the UK identifying how EU requirements influence business markets in the UK
Team workers	gathering information about the role of the government in influencing the economy and business activity
Effective participators	discussing the role of the government in influencing the economy and business activity.

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are …
Independent enquirers	planning and carrying out research into the UK economy researching businesses and their objectives
Creative thinkers	identifying relevant sources of information about businesses and business markets following links to find information about business markets
Reflective learners	applying the rules of market behaviour to new and different situations setting goals with, success criteria, for completing work tasks inviting feedback on their own performance in group settings evaluating their experiences and learning to inform future progress

Skill	When learners are …
Team workers	working in a group to gather information about the economy and business markets discuss ideas, prepare materials and to set up selection interviews agreeing roles with others in researching and collecting information taking responsibility for own role managing activities to reach agreements and achieve results
Self-managers	seeking out challenges or new responsibilities and showing flexibility when priorities change dealing with competing pressures, including personal and work-related demands responding positively to change, seeking advice and support when needed
Effective participators	discussing and expressing views on the role of the government in influencing the economy and business activity in group discussions.

Functional Skills – Level 2

Skill	When learners are …
ICT – Use ICT systems	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	researching information about the UK economy researching information about businesses
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	producing a schedule of work to be carried out when researching the economy and business markets
ICT – Find and select information	
Select and use a variety of sources of information independently for a complex task	finding current and historic data about the UK economy analysing the impact of changed variables on market equilibrium
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	exploring, extracting and assessing the relevance of information from websites with economic and business market-related information validating information by comparing data from alternative sources
ICT – Develop, present and communicate information	
Enter, develop and format information independently to suit its meaning and purpose including: • text and tables • images • numbers • records	bringing together a variety of materials gathered through research in respect of the economy, businesses and markets selecting suitable graphical tools to present information preparing information about the economy, businesses and markets producing diagrammatic information on business trends, the structure of business and market operation in various markets
Bring together information to suit content and purpose	
Present information in ways that are fit for purpose and audience	
Evaluate the selection and use of ICT tools and facilities used to present information	
Select and use ICT to communicate and exchange information safely, responsibly and effectively including storage of messages and contact lists	communicating with others when gathering information about business markets

Skill	When learners are …
Mathematics	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	using numerical data to calculate: • trends • market shares • elasticities • selecting formulae to calculate different elasticities • interpret the significance of changes in market equilibrium in response to demand and supply changes
Identify the situation or problem and the mathematical methods needed to tackle it	
Select and apply a range of skills to find solutions	
Use appropriate checking procedures and evaluate their effectiveness at each stage	
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	
Draw conclusions and provide mathematical justifications	
English	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	carrying out work when investigating the economy, businesses and markets asking questions when investigating the economy, businesses and markets attending meetings
Reading – compare, select, read and understand texts and use them to gather information, ideas, arguments and opinions	reading about economics, businesses and business markets analysing the factors that determine market equilibrium in different markets understanding the impact of the legal and regulatory framework on the operation of business markets
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions, effectively and persuasively	preparing analyses of the UK economy examining the structure of UK business explaining market equilibrium and how changes in business variables affect market equilibrium.

Annexe A

Personal, learning and thinking skills

A FRAMEWORK OF PERSONAL, LEARNING AND THINKING SKILLS 11–19 IN ENGLAND

Source – QCDA

The framework comprises six groups of skills that, together with the Functional Skills of English, Mathematics and ICT, 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.

Team workers

Self-managers

Independent enquirers

Reflective learners

Creative thinkers

Effective participators

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 are indicative of the skills, behaviours and personal qualities associated with each group.

Each group is distinctive and coherent. The groups are also inter-connected. 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 11-19.

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 role
- 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.

PLTS performance indicator (suggested recording sheet)

Name:	Date:				
	Level of success 1 = low, 5 = high				
Independent enquirers					
Identify questions to answer and problems to resolve	1	2	3	4	5
Plan and carry out research, appreciating the consequences of decisions	1	2	3	4	5
Explore issues, events or problems from different perspectives	1	2	3	4	5
Analyse and evaluate information, judging its relevance and value	1	2	3	4	5
Consider the influence of circumstances, beliefs and feelings on decisions and events	1	2	3	4	5
Support conclusions, using reasoned arguments and evidence	1	2	3	4	5
Creative thinkers					
Generate ideas and explore possibilities	1	2	3	4	5
Ask questions to extend their thinking	1	2	3	4	5
Connect their own and others' ideas and experiences in inventive ways	1	2	3	4	5
Question their own and others' assumptions	1	2	3	4	5
Try out alternatives or new solutions and follow ideas through	1	2	3	4	5
Adapt ideas as circumstances change	1	2	3	4	5
Reflective learners					
Assess themselves and others, identifying opportunities and achievements	1	2	3	4	5
Set goals with success criteria for their development and work	1	2	3	4	5
Review progress, acting on the outcomes	1	2	3	4	5
Invite feedback and deal positively with praise, setbacks and criticism	1	2	3	4	5
Evaluate experiences and learning to inform future progress	1	2	3	4	5
Communicate their learning in relevant ways for different audiences	1	2	3	4	5

Team workers					
Collaborate with others to work towards common goals	1	2	3	4	5
Reach agreements, managing discussions to achieve results	1	2	3	4	5
Adapt behaviour to suit different roles and situations, including leadership roles	1	2	3	4	5
Show fairness and consideration to others	1	2	3	4	5
Take responsibility, showing confidence in themselves and their contribution	1	2	3	4	5
Provide constructive support and feedback to others	1	2	3	4	5
Self-managers					
Seek out challenges or new responsibilities and show flexibility when priorities change	1	2	3	4	5
Work towards goals, showing initiative, commitment and perseverance	1	2	3	4	5
Organise time and resources, prioritising actions	1	2	3	4	5
Anticipate, take and manage risks	1	2	3	4	5
Deal with competing pressures, including personal and work-related demands	1	2	3	4	5
Respond positively to change, seeking advice and support when needed	1	2	3	4	5
Effective participators					
Discuss issues of concern, seeking resolution where needed	1	2	3	4	5
Present a persuasive case for action	1	2	3	4	5
Propose practical ways forward, breaking these down into manageable steps	1	2	3	4	5
Identify improvements that would benefit others as well as themselves	1	2	3	4	5
Try to influence others, negotiating and balancing diverse views to reach workable solutions	1	2	3	4	5
Act as an advocate for views and beliefs that may differ from their own	1	2	3	4	5

Note to learner: The circled number represents an indication of your PLTS performance so far.

Note to tutor: Indicate the level of success by circling the appropriate number during your feedback with the learner.

Annexe B

National Occupational Standards/mapping with NVQs

The following grid maps the knowledge covered in the Pearson BTEC Level 3 Subsidiary Diploma in Understanding Enterprise and Entrepreneurship mandatory units against the components of the Level 2 NOS in Understanding Enterprise.

KEY

Letter BTEC unit maps to 'what learners need to know' component in the NOS unit

Number BTEC unit maps to 'what learners need to understand' component in the NOS unit.

Units	NOS core component							
Unit 1 The Innovative Entrepreneur		**UE1**	**UE2**	**UE3**	**UE4**	**UE5**	**UE6**	**UE7**
1 Understand how entrepreneurs are creative	P1 Explain using examples different types of innovation used by entrepreneurs	3	3, 4					
2 Be able to encourage creativity	P2 Use three methods to encourage creativity [CT1, 2, 3, 4, 5, 6]		d					
3 Be able to assess proposals developed from new ideas	P3 Describe two proposals for enterprise including the skills and attributes required to operate them P4 Explain why one proposal should be taken forward rather than others	a	a				a, b	
4 Be able to develop own entrepreneurial skills and attributes	P5 Conduct an assessment of self, taking advice from others, against identified needs for the business idea	b, d, 5						
	P6 Plan own personal development, outlining development needs and how these will be addressed P7 Review own personal development, assessing how needs have been met	c, 4					e	

Units	NOS core component							
Unit 2 Business Planning and Pitching		**UE1**	**UE2**	**UE3**	**UE4**	**UE5**	**UE6**	**UE7**
1 Be able to develop a business idea	P1 Create a business vision and proposal for a micro start-up business (CT1)	a	a, b				a, b	
	P2 Devise a business model that includes routes to market							
	P3 Consult sources of advice and information, and networks, about a new business proposal	2, e			a	a, l 2, 3		
2 Be able to develop a marketing plan	P4 Conduct market research, including into competitors and customer needs, designed to inform a business plan for a micro start-up business (IE1/IE2)			a, b, l, 2				
	P5 Develop a marketing and sales plan which includes customer needs and addresses the competitive environment for a micro start-up business (SM3)			c, e, f, g, h				
3 Be able to use financial techniques for planning a business	P6 Produce business planning forecasts using financial techniques P7 Describe how to respond if the business is not on target						c	a, c, l, 2, 3
4 Know legal provisions which affect microbusinesses	P8 Describe the main legal provisions which may affect a proposed microbusiness						3	
5 Be able to develop a business plan	P9 Produce a viable structured business plan, which includes risks and skills needed, for a micro start-up business (SM3)		f, 6				d, 2	
6 Be able to present a pitch for business funding	P10 Pitch for funding for a small business			d	b, l			
	P11 Negotiate support with a business sponsor for a new business				b, c, d, e, f, l			

The following grid maps the knowledge covered in the BTEC Diploma in Enterprise and Entrepreneurship mandatory units against the components of the Pearson BTEC Level 3 NOS in Business Enterprise.

KEY

Letter — BTEC unit maps to 'what learners need to know' component in the NOS unit

Number — BTEC unit maps to 'what learners need to understand' component in the NOS unit.

Units	NOS core component							
Unit 1 The Innovative Entrepreneur		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Understand how entrepreneurs are creative	P1 Explain using examples different types of innovation used by entrepreneurs							
2 Be able to encourage creativity	P2 Use three methods to encourage creativity (CT1, 2, 3, 4, 5, 6)	h, 11, 12						
3 Be able to assess proposals developed from new ideas	P3 Describe two proposals for enterprise including the skills and attributes required to operate them P4 Explain why one proposal should be taken forward rather than others	a, g, h			a, 1, 2		1	
4 Be able to develop own entrepreneurial skills and attributes	P5 Conduct an assessment of self, taking advice from others, against identified needs for the business idea				g, 9		a, j, 1, 4, 5, 6, 8, 10	
	P6 Plan own personal development, outlining development needs and how these will be addressed				10		g, 3, 7	
	P7 Review own personal development, assessing how needs have been met							

Units	NOS core component							
Unit 2 Business Planning and Pitching		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Be able to develop a business idea	P1 Create a business vision and proposal for a micro start-up business (CT1)	a, g, h, 12			a			
	P2 Devise a business model that includes routes to market							3
	P3 Consult sources of advice and information, and networks, about a new business proposal	e, f, 5, 6						4
2 Be able to develop a marketing plan	P4 Conduct market research, including into competitors and customer needs, designed to inform a business plan for a micro start-up business (IE1/IE2)	15	a, b, c, e, 1, 2, 3,9		b, c, d, e, 3, 4, 5			a, c, 1, 2, 3
	P5 Develop a marketing and sales plan which includes customer needs and addresses the competitive environment for a micro start-up business (SM3)	10, 15	e, f, 4, 11					b, d, f, g, i, 7, 8, 9
3 Be able to use financial techniques for planning a business	P6 Produce business planning forecasts using financial techniques P7 Describe how to respond if the business is not on target	k, 10			i, j, 12, 13	g, 7, 9		
4 Know legal provisions which affect microbusinesses	P8 Describe the main legal provisions which may affect a proposed microbusiness				f, 8			
5 Be able to develop a business plan	P9 Produce a viable structured business plan, which includes risks and skills needed, for a micro start-up business (SM3)	J, k, m, n, 6			k		8	
6 Be able to present a pitch for business funding	P10 Pitch for funding for a small business	6						
	P11 Negotiate support with a business sponsor for a new business							

Units	NOS core component							
Unit 3 Financial Planning and Implementation		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Know sources of funding for establishing new business operations	P1 Describe the sources of initial finance, together with cash flow and investment factors needed when setting up a new business							
	P2 Describe the sources of finance, together with cash flow and investment factors needed when running a new business					a, b		
2 Know sources of business enterprise financial advice and guidance	P3 Describe the sources of financial advice and guidance available for business enterprises					j, 13, 14		
3 Be able to prepare a cash-flow forecast	P4 Create a 12-month cash flow forecast to enable a business to manage its cash (IE1)				13	2, 7, 12		
4 Be able to use budgetary techniques	P5 Describe the purpose of budgets for a new business							
	P6 Prepare affordable budgets for your business (IE1)				11	b, c, d, e, f, g, h, 3, 5, 6, 8		h
5 Be able to prepare business accounts	P7 Produce a simple set of final accounts using information from the accounting systems of own business (RL1)					10, 11, 12		

Units	NOS core component							
Unit 4 Launching your Business Vision		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Be able to develop values and ethics for a business	P1 Describe the values that underpin your business	2						
	P2 Produce the ethical code to be adopted by your microbusiness							
2 Be able to set up a supply chain	P3 Plan all purchasing required to set up your microbusiness				h, 11			
3 Be able to negotiate purchases	P4 Procure all items, using negotiation techniques, required to set up your microbusiness							
4 Be able to start trading	P5 Devise a set of deliverable activities to bring a product to market (SM3, 4, 5)							
	P6 Undertake financial business start-up activities (SM2, SM3)					b		
	P7 Obtain required licences, registrations and legal permissions (SM2, SM3)							
	P8 Undertake marketing and promotions activities from business plan (SM2, SM3)		g, 8					
	P9 Review achievement of business start-up activities							

Units	NOS core component							
Unit 5 Monitoring the Performance of your Business		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Be able to satisfy customer needs	P1 Define customer service standards for types and needs of customers for the micro-business		j, o, 2					
	P2 Supply goods or services to satisfy customers' needs and expectations							e
	P3 Use customer service skills when building good relationships with customers		k, 6					
	P4 Process payments accurately for goods or services supplied							
	P5 Collate feedback on customer opinions of business performance		k, 1, 5, 6, 9, 10					
	P6 Plan customer service improvements using collated feedback		d, h, i, k, m, n, 7, 11					e
2 Be able to maintain systems needed to supply goods and services	P7 Maintain records of business transactions							
	P8 Maintain stocks of items needed to supply goods or services							
3 Be able to monitor business performance	P9 Develop key financial, sales and marketing performance reporting indicators	7						e, j, k, L, 5, 6, 10, 12
	P10 Identify variations from planned financial performance (IE4)	8						l, 10, 12
	P11 Revise business practice, following monitoring activities, to realign with vision	o, q, 4, 7						m, 11, 13
4 Be able to monitor a business' adherence to its legal and ethical commitments	P12 Conduct an audit of a micro-business' compliance with legal and ethical commitments (SM2, 3, EP1)							

Units	NOS core component							
Unit 6 Operating your Business		**EE1**	**EE2**	**EE5**	**BD1**	**MN1**	**YS2**	**WB3**
1 Be able to manage own time	P1 Estimate own current and future workload P2 Produce a plan to achieve current and future workload	p						
2 Be able to network	P3 Develop networks that support the business (TW1)			a, b, 10, 11				
	P4 Demonstrate skills that build rapport with network colleagues			c, d, e, g, h, m, n, 3, 4, 5, 6, 7, 13, 15, 16				
	P5 Describe how information learned from networks can develop own business			f, 12				
3 Be able to respond to market opportunities	P6 Devise a survey to collect data on marketing opportunities (IE1/IE2/IE3)	i						
	P7 Conduct research with customers on marketing opportunities using a survey							
	P8 Justify choice of type of promotion using survey data (IE4/RL3/RL5)							
	P9 Develop one piece of promotional material for an opportunity, which is appropriate for a customer group (RL6)							
4 Understand how the business environment impacts upon a microbusiness	P10 Outline key factors in the external business environment that could be risks to the business (EP2)	9			6, 7			
	P11 Plan responses to risks to the business	l, m, 14					2	
5 Know how to take action to respond to changes in one business environment	P12 Assess own contribution to the business taking advice from others	o					a, b, c, i, 1, 4, 5, 6, 10, f	
	P13 Revise own development to support the operation of the business	p					d, f, 1, 3	
	P14 Maintain and update a log of personal development describing how development has occurred over the period of business growth						7, d, e, h	

Annexe C

Examples of calculation of qualification grade above pass grade

Pearson will automatically calculate the qualification grade for learners when unit grades are submitted.

The generic examples below demonstrate how the qualification grade above pass is calculated.

Points available for credits achieved at different levels and unit grades

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

Unit level	Points per credit		
	Pass	Merit	Distinction
Level 2	5	6	7
Level 3	**7**	**8**	**9**
Level 4	9	10	11

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

Qualification grade

Pearson BTEC Level 3 Certificate

Points range above pass grade	Grade	
230-249	Merit	M
250-259	Distinction	D
260 and above	Distinction*	D*

Pearson BTEC Level 3 Subsidiary Diploma

Points range above pass grade	Grade	
460-499	Merit	M
500-519	Distinction	D
520 and above	Distinction*	D*

Pearson BTEC Level 3 90-credit Diploma

Points range above pass grade	Grade
660-689	MP
690-719	MM
720-749	DM
750-769	DD
770-789	D*D
790 and above	D*D*

Pearson BTEC Level 3 Diploma

Points range above pass grade	Grade
880-919	MP
920-959	MM
960-999	DM
1000-1029	DD
1030-1059	D*D
1060 and above	D*D*

Pearson BTEC Level 3 Extended Diploma

Points range above pass grade	Grade
1300-1339	MPP
1340-1379	MMP
1380-1419	MMM
1420-1459	DMM
1460-1499	DDM
1500-1529	DDD
1530-1559	D*DD
1560-1589	D*D*D
1590 and above	D*D*D*

Example 1

Achievement of pass qualification grade

A learner completing a 30-credit Pearson BTEC Level 3 Certificate **does not** achieve the points required to gain a merit qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Pass	7	10 × 7 = 70
Unit 2	3	10	Pass	7	10 × 7 = 70
Unit 3	3	10	Merit	8	10 × 8 = 80
Qualification grade totals		**30**	**Pass**		**220**

Example 2

Achievement of merit qualification grade

A learner completing a 30-credit Pearson BTEC Level 3 Certificate achieves the points required to gain a merit qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Pass	7	10 × 7 = 70
Unit 2	3	10	Merit	8	10 × 8 = 80
Unit 3	3	10	Merit	8	10 × 8 = 80
Qualification grade totals			**Merit**		**230**

Example 3

Achievement of distinction qualification grade

A learner completing a 60-credit Pearson BTEC Level 3 Subsidiary Diploma achieves the points required to gain a distinction qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Merit	8	10 × 8 = 80
Unit 2	3	10	Distinction	9	10 × 9 = 90
Unit 3	3	10	Distinction	9	10 × 9 = 90
Unit 5	3	10	Merit	8	10 × 8 = 80
Unit 6	2	10	Distinction	7	10 × 7 = 70
Unit 11	3	10	Distinction	9	10 × 9 = 90
Qualification grade totals		**60**	**Distinction**		**500**

Example 4

Achievement of distinction distinction grade

A learner completing a Pearson BTEC Level 3 90-credit Diploma achieves the points required to gain a distinction distinction qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Merit	8	10 × 8 = 80
Unit 2	3	10	Distinction	9	10 × 9 = 90
Unit 3	3	10	Distinction	9	10 × 9 = 90
Unit 4	3	10	Merit	8	10 × 8 = 80
Unit 5	3	10	Merit	8	10 × 8 = 80
Unit 6	2	10	Distinction	7	10 × 7 = 70
Unit 11	3	10	Distinction	9	10 × 9 = 90
Unit 15	4	10	Merit	10	10 × 10 = 100
Unit 17	3	10	Pass	7	10 × 7 = 70
Qualification grade totals		**90**	**Distinction Distinction**		**750**

Example 5

Achievement of distinction merit qualification grade

A learner completing a 120-credit Pearson BTEC Level 3 Diploma achieves the points required to gain a distinction merit qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Merit	8	10 × 8 = 80
Unit 2	3	10	Distinction	9	10 × 9 = 90
Unit 3	3	10	Distinction	9	10 × 9 = 90
Unit 4	3	10	Merit	8	10 × 8 = 80
Unit 5	3	10	Merit	8	10 × 8 = 80
Unit 6	2	10	Distinction	7	10 × 7 = 70
Unit 11	3	10	Distinction	9	10 × 9 = 90
Unit 15	4	10	Merit	10	10 × 10 = 100
Unit 17	3	10	Pass	7	10 × 7 = 70
Unit 18	3	10	Pass	7	10 × 7 = 70
Unit 25	3	20	Merit	8	20 × 8 = 160
Qualification grade totals		**120**	**Distinction Merit**		**980**

Example 6

Achievement of merit merit merit qualification grade

A learner completing a 180-credit Pearson BTEC Level 3 Extended Diploma achieves the points required to gain a merit merit merit qualification grade.

	Level	Credit	Grade	Grade points	Points per unit = credit x grade
Unit 1	3	10	Merit	8	10 × 8 = 80
Unit 2	3	10	Pass	7	10 × 7 = 70
Unit 3	3	10	Distinction	9	10 × 9 = 90
Unit 4	3	10	Merit	8	10 × 8 = 80
Unit 5	3	10	Pass	7	10 × 7 = 70
Unit 6	2	10	Distinction	7	10 × 7 = 70
Unit 11	3	10	Distinction	9	10 × 9 = 90
Unit 12	3	10	Merit	8	10 × 8 = 80
Unit 15	4	10	Pass	9	10 × 9 = 90
Unit 17	3	10	Pass	7	10 × 7 = 70
Unit 18	3	10	Pass	7	10 × 7 = 70
Unit 20	3	10	Pass	7	10 × 7 = 70
Unit 22	3	10	Merit	8	10 × 8 = 80
Unit 25	3	20	Pass	7	20 × 7 = 140
Unit 35	3	10	Distinction	9	10 × 9 = 90
Unit 36	3	10	Merit	8	10 × 8 = 80
Unit 38	3	10	Distinction	9	10 × 9 = 90
Qualification grade totals		**180**	**Merit Merit Merit**		**1410**

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